



**M.K. PROTEINS**

**5th**

**ANNUAL REPORT  
2016-17**

***M. K. PROTEINS LIMITED***

***REG. OFFICE:***

***VILLAGE GARNALA, NARAINGARH ROAD, AMBALA CITY  
DISTT. AMBALA- 134003 (HARYANA)***

***WORKS AT:***

***VILLAGE GARNALA, NARAINGARH ROAD, AMBALA CITY  
DISTT. AMBALA- 134003 (HARYANA)***

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# ***M. K. PROTEINS LIMITED***

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## **BOARD OF DIRECTORS**

**SH. VINOD KUMAR, (MANAGING DIRECTOR)**

**SH. RAJ KUMAR (WHOLETIME DIRECTOR)**

**SH. PARVIND KUMAR (NON-EXECUTIVE DIRECTOR)**

**SH. PARMOD KUMAR (NON-EXECUTIVE DIRECTOR)**

**SH.CHATTER SINGH (ADDITIONAL NON-EXECUTIVE INDEPENDENT DIRECTOR)**

**SH. RAMAN KUMAR SAH (ADDITIONAL NON-EXECUTIVE INDEPENDENT DIRECTOR)**

**SH. ABHAY KUMAR (ADDITIONAL NON-EXECUTIVE INDEPENDENT DIRECTOR)**

**SH. DINESH SINGH MALIK (ADDITIONAL NON-EXECUTIVE INDEPENDENT DIRECTOR)**

**MS. LAXMI MANDAL (ADDITIONAL NON-EXECUTIVE INDEPENDENT DIRECTOR)**

## **AUDITORS**

**JAYANT BANSAL & CO.**

**CHARTERED ACCOUNTANTS,**

**320- MAHESH NAGAR,**

**AMBALA CANTT. -133001**

**PHONE:- 0171-2642401, 2661320**

## **COMPANY SECRETARY**

**MS. SHIPRA ANAND**

**Flat No. 109, Tricity Homes**

**NAC Zirakpur, Mohali – 140603 (Punjab)**

## **REGISTRAR & TRANSFER AGENT**

**Bigshare Services Private Limited**

**E2 Ansa Industrial Estate, Sakivihar Road,**

**Sakinaka Andheri East, Mumbai – 400072**

**Tel. No.: +91 022 40430200**

## **REGISTERED OFFICE**

**VILLAGE GARNALA, NARAINGARH ROAD**

**AMBALA CITY, DISTT. AMBALA - 134003**

**(HARYANA)**

## **WORKS**

**VILLAGE GARNALA, NARAINGARH ROAD**

**AMBALA CITY, DISTT. AMBALA - 134003**

**(HARYANA)**

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# M. K. Proteins Limited

Regd. Office: Naraingarh Road, Village Garnala, Ambala City (Haryana), India - 134003

T: 0171-2679358 | W: www.mkproteins.in | E: info@mkproteins.in

TIN: 06291043467 CIN: U15500HR2012PLC046239

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## Notice: Convening 5<sup>th</sup> Annual General Meeting

Notice is hereby given that 5<sup>th</sup> Annual General Meeting of the members of the Company **M. K. Proteins Limited** will be held on **Thursday 28<sup>th</sup> day of September 2017 at 11:00 A.M.** at the registered office of the Company, address, given above to transact the following business with or without modification.

### **Ordinary Business: Ordinary Resolutions:**

1. To receive, consider and adopt the Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2017 together with reports of the Board of Directors and the Auditors thereon.
2. To re-appoint Sh. Parvind Kumar, Director who retires by rotation at this meeting and, being eligible, offered himself for re-appointment.
3. To ratify and approve appointment of Auditors for the year ended 31<sup>st</sup> March 2018 and fix their remuneration. M/s Jayant Bansal & Co., Chartered Accountants, Ambala Cantt, who were appointed as Statutory Auditors for a period of 4 years from 31<sup>st</sup> March, 2017 to 31<sup>st</sup> March 2019 being eligible for ratification and approval of their appointment at this Annual General Meeting have agreed to act Statutory Auditors to the Company for the financial year ending 31<sup>st</sup> March, 2018.

### **Special Business: Ordinary Resolutions**

4. **To appoint Ms. Laxmi Mandal as Directors of the company:**

To consider and if thought fit, to pass, with and without modification(s) the following resolution as an ordinary resolution:

“**RESOLVED** that Ms. Laxmi Mandal (DIN 05287716) who was appointed by the Board of Directors as Additional Directors of the company with effect from 20<sup>th</sup> March, 2017 and who holds office up to the date of this Annual General Meeting of the company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the company.”

5. **To appoint Sh. Abhay Kumar as Directors of the company:**

To consider and if thought fit, to pass, with and without modification(s) the following resolution as an ordinary resolution:

“**RESOLVED** that Sh. Abhay Kumar (DIN 07506524) who was appointed by the Board of Directors as Additional Directors of the company with effect from 02<sup>nd</sup> March, 2017 and who holds office up to the date of this Annual General Meeting of the company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Directors of the company.”

6. **To appoint Sh. Chatter Singh as Directors of the company:**

To consider and if thought fit, to pass, with and without modification(s) the following resolution as an ordinary resolution:

“**RESOLVED** that Sh. Chatter Singh (DIN 07749000) who was appointed by the Board of Directors as Additional Directors of the company with effect from 02<sup>nd</sup> March, 2017 and who holds office up to the date of this Annual General Meeting of the company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Directors of the company.”

7. **To appoint Sh. Dinesh Singh Malik as Directors of the company:**

To consider and if thought fit, to pass, with and without modification(s) the following resolution as an ordinary resolution:

“**RESOLVED** that Sh. Dinesh Singh Malik (DIN 07749708) who was appointed by the Board of Directors as Additional Directors of the company with effect from 02<sup>nd</sup> March, 2017 and who holds office up to the date of this Annual General Meeting of the company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Directors of the company.”

8. **To appoint Sh. Raman Kumar Sah as Directors of the company:**

To consider and if thought fit, to pass, with and without modification(s) the following resolution as an ordinary resolution:

“**RESOLVED** that Sh. Raman Kumar Sah (DIN 07750890) who was appointed by the Board of Directors as Additional Directors of the company with effect from 02<sup>nd</sup> March, 2017 and who holds office up to the date of this Annual General Meeting of the company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Directors of the company.”

**Special Business: Special Resolutions**

9. **Approval for Material Transactions with Related Parties:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), the Companies (Meetings of Board and its Powers) Rules, 2014, the Equity Listing Agreement entered into with the Stock Exchanges, Clause 49(VII) of the Equity Listing Agreement governing the Related Party Transactions and such other rules as may be applicable and amended from time to time, consent of the shareholders be and is hereby accorded for the following arrangements/transactions (including transfer of resource, service or obligation) hitherto entered or to be entered into by the Company for the financial year commencing on April 1, 2017-18 and for every financial year thereafter:

**Value of Related Party Transactions/ Arrangements per financial year**

							<b>Rs. In Lacs</b>
<b>Sr. No.</b>	<b>Related Party Transactions u/s 188 (1) of the Companies Act, 2013/ As per Listing Agreement</b>	<b>SHIVALIK STEELS &amp; ALLOYS PVT. LTD.</b>	<b>SHREE GANESH FATS PVT. LTD.</b>	<b>KAMLA OLEO PVT. LTD.</b>	<b>KAMLA OIL &amp; FATS PVT. LTD.</b>	<b>SHIB CHARAN DASS INDUSTRIES PVT. LTD.</b>	
	Nature of Relationship	Associate Concern	Associate Concern	Associate Concern	Associate Concern	Associate Concern	
	Name of interested Director(s)/KMP(s)	Sh. Parvind Kumar Sh. Parmod Kumar Sh. Raj Kumar Sh. Vinod Kumar	Sh. Parvind Kumar Sh. Parmod Kumar Sh. Raj Kumar Sh. Vinod Kumar	Sh. Parvind Kumar Sh. Parmod Kumar Sh. Raj Kumar Sh. Vinod Kumar	Sh. Parvind Kumar Sh. Parmod Kumar Sh. Raj Kumar Sh. Vinod Kumar	Sh. Parvind Kumar Sh. Parmod Kumar Sh. Raj Kumar Sh. Vinod Kumar	
<b>1.</b>	Sales Purchase of goods or material “*”						
	Sale of Goods by M K Proteins Limited	2500.00	2500.00	2500.00	00.00	00.00	
	Purchase of Goods by M K Proteins Ltd.	0.00	3000.00	0.00	4500.00	00.00	
<b>2.</b>	Lease Rent Paid	0.00	0.00	0.00	0.00	9.00	
<b>3.</b>	Commission and Brokerage Paid	20.00	0.00	0.00	0.00	0.00	
	<b>Total</b>	<b>2520.00</b>	<b>5500.00</b>	<b>2500.00</b>	<b>4500.00</b>	<b>9.00</b>	

**Terms and conditions “\*\*”**

- At market value for each such transaction on an arm’s length basis and in compliance with applicable laws including Domestic Transfer Pricing Guidelines;
- All the above Said transactions are in the ordinary course of business

AND to do all such acts, deeds, matters and things, etc. as may be necessary or desirable including any negotiation/ re-negotiation/ modification/ amendments to or termination thereof, of the subsisting arrangements/ transactions or any future arrangements/ transactions and to make or receive/ pay monies in terms of such arrangements/ transactions.

**RESOLVED FURTHER THAT** the consent of the Company be and is hereby accorded to the Board of Directors of the Company and/or a Committee thereof, to severally do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction with the related parties and severally execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving full effect to this resolution, in the best interest of the Company.”

**NOTES:**

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act) in respect of the business under item Nos. 4 to 8 of the Notice, is annexed hereto. The relevant details as required under SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015, of persons seeking appointment/re-appointment as Directors under items No. 2, 4, 5, 6, 7 and 8 of the Notice, are also annexed.
2. A member entitled to attend and vote at this meeting is also entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The Proxy, in order to be effective, must be received at the Company’s Registered Office not less than 48 (Forty-Eight) hours before the meeting. Proxies submitted on behalf of Companies/Societies etc., must be supported by appropriate resolutions/authority, as applicable. The proxy form and attendance slip are enclosed herewith.
3. The Register of Members and Transfer books of the Company shall remain closed from Thursday, September 21, 2017 to Thursday 28, 2017, both days inclusive.
4. Members are requested to register their e-mail id with the Company or its Registrar or their depository participant to enable the company to send the notices and other reports through email.
5. The Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
6. Members are enabled to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, the Company is enclosing a Ballot Form with the Notice. Instructions for Ballot Form are given at the back of the said form. Resolution(s) passed by Members through Ballot Forms is deemed to have been passed as if they have been passed at the AGM.
7. The facility for voting, either through ballot or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by ballot form shall be able to exercise their right at the meeting.
8. The Members who have cast their vote by ballot form prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
9. All documents referred to in this meeting, notice and the accompanying statements are open for inspection at the Registered Office of the company on all working days (except Saturdays and holidays) between 10.30 A.M. to 12.30 P.M. up to the date of Annual General Meeting.
10. Members are requested to notify to the company immediately the changes in their registered address, if any.
11. Members having any queries relating to the Annual Report are requested to write to the company at least 10 days before the date of Annual General Meeting so as to enable the Management to keep the information ready.
12. Members are requested to bring their copies of Annual report to the meeting.
13. The members/proxies should bring attendance slip sent herewith duly filled and stamped for attending the meeting.
14. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

**By Order of the Board of Directors**

**Place: AMBALA  
Dated: 24-08-2017**

**(VINOD KUMAR)  
Managing Director  
DIN: 00150507**



# M. K. Proteins Limited

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TIN: 06291043467 CIN: U15500HR2012PLC046239

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## **Explanatory Statement** **(Pursuant to Section 102 of the Companies Act, 2013)**

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under item no. 4 to 9 of the accompanying Notice dated August 24, 2017:

### **Item no.4, 5, 6, 7 & 8:**

The Board of Directors has appointed **Ms. Laxmi Mandal** as an Additional Director with effect from March 20, 2017 and **Sh. Abhay Kumar, Chatter Singh, Dinesh Singh Malik and Raman Kumar Sah** as **Additional Directors of the company** with effect from March 02, 2017. As per the provisions of Section 161(1) of the Companies Act 2013 and provisions of Articles of Association of the Company, **Ms. Laxmi Mandal and Sh. Abhay Kumar, Chatter Singh, Dinesh Singh Malik and Raman Kumar Sah** as **Additional Directors of the company** hold office only up to the date of this Annual General Meeting of the Company, and are eligible for appointment as Director. The Company has received notice under Section 160 of the Act, in respect of the candidate, proposing their appointment as Non-executive Independent Directors of the Company along with requisite deposit which will be refunded after approval of the same to the proposer.

A brief profile of **Ms. Laxmi Mandal and Sh. Abhay Kumar, Chatter Singh, Dinesh Singh Malik and Raman Kumar Sah** is given below:

Ms. Laxmi Mandal is Bachelor of Commerce & FCS and She has more than 4 years experience in secretarial position. Currently, she is the Company Secretary of Exactus Corporation Private Limited. Keeping in view his experience and expertise, the Board considers it desirable that the Company should continue to receive the benefit of his valuable experience and advice and accordingly commends the Resolutions as set out at item no.4 of the Notice for approval of the Members.

Ms. Laxmi Mandal is interested in the resolution as set out at item no. 4 of the accompanying notice relating to his appointment. Except the above, none of the other Directors of the Company is, in any way, concerned or interested in the resolution.

Sh. Abhay Kumar is Post Graduate Diploma in Financial Management, International Business Operation & Management and has 4 years experience in the domain of Legal, Secretarial & corporate matters. Keeping in view his experience and expertise, the Board considers it desirable that the Company should continue to receive the benefit of his valuable experience and advice and accordingly commends the Resolutions as set out at item no. 5 of the Notice for approval of the Members.

Sh. Abhay Kumar is interested in the resolution as set out at item no. 5 of the accompanying notice relating to his appointment. Except the above, none of the other Directors of the Company is, in any way, concerned or interested in the resolution.

Sh. Chatter Singh is BA and had completed Certified Associate of Indian Institute of Bankers conducted by Indian Institute of Banking and Finance (IIBF) and retired as Assistant General Manager from the State Bank Group under Senior Management Scale Grade V. After retirement, he worked an Assistant Vice President in a leading Private Sector Bank focusing on Audit and Compliance of branches. Keeping in view his experience and expertise, the Board considers it desirable that the Company should continue to receive the benefit of his valuable experience and advice and accordingly commends the Resolutions as set out at item no. 6 of the Notice for approval of the Members.

Sh. Chatter Singh is interested in the resolution as set out at item no. 6 of the accompanying notice relating to his appointment. Except the above, none of the other Directors of the Company is, in any way, concerned or interested in the resolution.

Sh. Dinesh Singh Malik is Graduate in commerce and he has 3 years of post qualification professional experience in the field of Statutory Audit and Internal Audit of Companies, banks and firms. Keeping in view his experience and expertise, the Board considers it desirable that the Company should continue to receive the benefit of his valuable experience and advice and accordingly commends the Resolutions as set out at item no. 7 of the Notice for approval of the Members.

Sh. Dinesh Singh Malik is interested in the resolution as set out at item no. 7 of the accompanying notice relating to his appointment. Except the above, none of the other Directors of the Company is, in any way, concerned or interested in the resolution.

Sh. Raman Kumar Sah is Chartered Accountant by profession and Fellow member of Institute of Company Secretaries of India and a law graduate and has 9 years experience in secretarial position and more than 7 years experience in legal field in India with more than two years experience of Accounts & Secretarial Executive in Southall (U.K.). Keeping in view his experience and expertise, the Board considers it desirable that the Company should continue to receive the benefit of his valuable experience and advice and accordingly commends the Resolutions as set out at item no. 8 of the Notice for approval of the Members.

Sh. Dinesh Singh Malik is interested in the resolution as set out at item no. 8 of the accompanying notice relating to his appointment. Except the above, none of the other Directors of the Company is, in any way, concerned or interested in the resolution.

### **Items No. 9**

Pursuant to provisions of Section 188(1) of the Companies Act, 2013, the Companies (Meeting of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said Section require a Company to obtain prior approval of the Board of Directors and subsequently the Shareholders of the Company by way of Special Resolution in case the value of the Related Party



Transactions exceeds the stipulated thresholds limit prescribed in Rule 15(3) of the said Rules. Further as required under Listing Agreement, all material related party transactions shall require approval of the shareholders through special resolution. Accordingly, the approval of the shareholders by way of Special Resolution is sought under Section 188 of the Companies Act, 2013, the Companies (Meeting of Board and its Powers) Rules, 2014 and as per Listing Agreement, to enable the Company to enter into related Party Transactions in one or more trenches. The particulars of the Related Party Transactions, which are required to be stated in the Explanatory Statement, as per Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

**Value of Related Party Transactions/ Arrangements per financial year**

						<b>Rs. In Lacs</b>
<b>Sr. No.</b>	<b>Related Party Transactions u/s 188 (1) of the Companies Act, 2013/ As per Listing Agreement</b>	<b>SHIVALIK STEELS &amp; ALLOYS PVT. LTD.</b>	<b>SHREE GANESH FATS PVT. LTD.</b>	<b>KAMLA OLEO PVT. LTD.</b>	<b>KAMLA OIL &amp; FATS PVT. LTD.</b>	<b>SHIB CHARAN DASS INDUSTRIES PVT. LTD.</b>
	Nature of Relationship	Associate Concern	Associate Concern	Associate Concern	Associate Concern	Associate Concern
	Name of interested Director(s)/KMP(s)	Sh. Parvind Kumar Sh. Parmod Kumar Sh. Raj Kumar Sh. Vinod Kumar	Sh. Parvind Kumar Sh. Parmod Kumar Sh. Raj Kumar Sh. Vinod Kumar	Sh. Parvind Kumar Sh. Parmod Kumar Sh. Raj Kumar Sh. Vinod Kumar	Sh. Parvind Kumar Sh. Parmod Kumar Sh. Raj Kumar Sh. Vinod Kumar	Sh. Parvind Kumar Sh. Parmod Kumar Sh. Raj Kumar Sh. Vinod Kumar
<b>1.</b>	Sales Purchase of goods or material “*”					
	Sale of Goods by M K Proteins Limited	2500.00	2500.00	2500.00	00.00	00.00
	Purchase of Goods by M K Proteins Ltd.	0.00	3000.00	0.00	4500.00	00.00
<b>2.</b>	Lease Rent Paid	0.00	0.00	0.00	0.00	9.00
<b>3.</b>	Commission and Brokerage Paid	20.00	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>2520.00</b>	<b>5500.00</b>	<b>2500.00</b>	<b>4500.00</b>	<b>9.00</b>

**Terms and conditions “\*”:**

- At market value for each such transaction on an arm’s length basis and in compliance with applicable laws including Domestic Transfer Pricing Guidelines;
- All the above Said transactions are in the ordinary course of business

All entities falling under definition of related party shall abstain from voting irrespective of whether the entity is party to the particular transaction or not.

The Board of Directors recommends the resolution set forth in item No. 9 for approval of the Shareholders as a Special Resolution. Except for the Director(s) and Key Managerial Personnel whose names are mentioned hereinabove and their relatives (to the extent of their shareholding interest in the Company), none of the other Directors and/or any Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in this resolution. Your approval is sought by voting through Postal Ballot or through e-voting as the case may be, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 for passing the resolutions under Item No. 9 as set in this Notice.

**By Order of the Board of Directors**

**Place: AMBALA**  
**Dated: 24-08-2017**

**(VINOD KUMAR)**  
**Managing Director**  
**DIN: 00150507**

# M. K. Proteins Limited

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## Directors' Report

### To The Members,

Your directors have pleasure in presenting the 5<sup>th</sup> Annual Report together with the Audited Statements of Accounts of the Company for the financial year ended 31<sup>st</sup> March, 2017:

#### 1. **Financial Highlights:**

	(In Rupees)	
	2016-17	2015-16
Revenue from Operations	16453.49	14475.34
Operating Expenditure	15966.03	14056.29
Other Income (Net)	5.46	0.45
Earning before interest tax, depreciation and amortization (EBITDA)	492.92	419.50
Finance Costs	220.42	224.41
Depreciation and amortization expenses	121.18	90.02
Profit before exceptional item and tax	151.32	105.07
Exceptional item	0.00	0.00
Profit Before Tax (PBT)	151.32	105.07
Tax Expenses	52.71	32.85
Profit After Tax (PAT)	98.61	72.22
Add: Balance Brought forward from previous year	259.31	187.10
Less: Amount Utilized/Capitalized for issuance of fully paid-up Bonus Equity Shares	203.16	0.00
Less: Income Tax for earlier years adjusted	0	0.01
Amount of Surplus available for appropriation	154.76	259.31

#### 2. **Operations, State of Company's affairs and Future Outlook:**

Our Company is a manufacturing and trading organization having its production/refining plant of Edible Oils. Our manufacturing process involves refining of Crude Oils to obtain Refined Rice Bran Oil, Canola Oil, Soya Bean Oil, Sunflower Oil and Rice Bran Bleached Oil. During the refining process certain by-products are also manufactured such as Rice Bran Fatty Acid Oil, Rice Bran Wax, Gums and Spent Earth which are also saleable. Further, also imports crude oils, process them and sell the finished product and trade in both edible and non-edible oils. In the current year 2016-17, the Company has earned the total revenue from operation Rs.16453.49 Lacs against the previous year Rs.14475.34, which reflects the growth of 13.7%. The overall growth of the Company is encouraging and same will further improve in the ensuing years, the product of the Company has demand since, its nature of human consumption in the ensuing financial year and years to come. The net profit after tax of the company is Rs.83.53 Lacs, Rs.72.22 Lacs and Rs.98.61 Lacs in the year 2014-15, 2015-16 and 2016-17 respectively. We further inform that there is no change in the business activities of the company in the current financial year.

#### 3. **Dividend:**

No dividend has been recommended by the Directors this year and consequently no amounts have been transferred to general reserves.

#### 4. **Transfer to Reserves:**

The board of the Company has decided not to transfer any fund to general reserve out of the amount available for appropriation and an amount of Profit of Rs.98.61 Lacs ploughed back for its operations.

5. **Change in Share Capital, if any**

In the Share Capital of the Company following changes took place during the financial year 2016-17:

The Initial Authorized Capital of Rs.10000000.00 (Rupees One Crore only) consisting of 100000 Equity Shares of face value of Rs.100/- each was sub-divided into Rs.10000000.00 (Rupees One Crore only) consisting of 1000000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of shareholders dated December 17, 2016. Consequently Each Equity Shares of face value of Rs.100/- each has been split into 10 Equity Shares having face value of Rs.10/-.

The Authorized Share Capital of the Company was increased from Rs. 100.00 Lacs to Rs. 500.00 Lacs by creation of 4000000 (Forty Lacs) Equity Shares of Rs.10/- each pursuant to a Shareholder's resolution passed in the Extra Ordinary General Meeting held on January 20, 2017

The Company has declared 2031600 fully-paid-up equity Shares of Rs. 10/- each as Bonus shares in the ratio 3: 1 by capitalization of Reserves pursuant to a Shareholder's resolution passed in the Extra Ordinary General Meeting held on January 20, 2017 and allotted to the eligible shareholders on February 15, 2017

Paid up Capital of Rs. 2,70,88,000 (divided into 27,08,800 Equity Shares of Rs. 10/- each fully paid up) out of which a capital of Rs. 2,03,16,000 (20,31,600 Equity Shares of Rs. 10/- each in the ratio of 3:1) were issued as fully paid up bonus shares by capitalization of Reserves on February 15, 2017.

During the year, the management of the Company was proposed for public issue of 1462000 Equity shares of face value of Rs.10/- each fully paid up for cash at a price of Rs.70/- each (Including share premium of Rs.60/- per equity share) aggregating Rs.1023.40 Lacs pursuant to resolution passed in the Board of Directors meeting held on February 15, 2017 and approved by Shareholders of the Company by a passing special resolution, pursuant to Section 62(1)(c) of the Companies Act, 2013, at the Extra Ordinary General Meeting held on February 16, 2017 and the same was opened on dated March 31, 2017 and closed on April 07, 2017. Out of which 74000 Equity Shares reserved for subscription by Market Maker to the Issue and balance 1388000 Equity Shares offered to the Public. The Company has also proposed to be listed for commencement of trading at National Stock Exchange of India Limited (Emerging SME Platform), Mumbai within six working days from the issue closing date. After public issue paid up share capital will stand at 4170800 Equity Shares of Rs.10/- each fully paid-up.

6. **Deposits:**

The company has not accepted any deposits from the public during the year and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

7. **Directors:**

As per the provisions of Section 152 of the Companies Act, 2013, Sh. Parvind Kumar, Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible, offered himself for re-appointment. The Board recommends his re-appointment.

Sh. Vinod Kumar has been appointed as Executive Director of the Company w.e.f. December 10, 2016 and has further appointed as Managing Director of the Company for a period of five years w.e.f. January 02, 2017.

Sh. Parvind Kumar has resigned from the position of Managing Director due to personal reasons w.e.f. December 15, 2016 and after that he is Non-Executive Director of the Company.

Sh. Parmod Kumar has been appointed as Non-Executive Director of the Company w.e.f. February 15, 2017.

Smt. Sunila Garg has been appointed as Non-Executive Director of the Company on December 10, 2016 and has resigned from that post on February 15, 2017.

Ms. Laxmi Mandal was appointed as an Additional Director with effect from 20/03/2017 and Sh. Abhay Kumar, Sh. Chatter Singh, Sh. Dinesh Singh Malik and Sh. Raman Kumar Sah were appointed as Additional Non-executive independent Directors on 02<sup>nd</sup> March, 2017. As per the provisions of Section 161(1) of the Companies Act 2013 and provisions of Articles of Association of the Company, Ms. Laxmi Mandal, Sh. Abhay Kumar, Sh. Chatter Singh, Sh. Dinesh Singh Malik and Sh. Raman Kumar Sah hold office only up to the date of this Annual General Meeting of the Company, and are eligible for appointment as Independent Directors. The Company has received notice under Section 160 of the Act, in respect of the candidates, proposing their appointment as Non-executive Independent Director of the Company. Resolutions seeking approval of the members for the appointment of Ms. Laxmi Mandal, Sh. Abhay Kumar, Sh. Chatter Singh, Sh. Dinesh Singh Malik and Sh.

Raman Kumar Sah as Non-executive Independent Director of the Company have been incorporated in the Notice of the forthcoming AGM along with brief details about them.

The notice convening the Annual General Meeting includes the proposal for appointment of Directors.

Further, your Company has also received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed under the Act and as per Listing Agreement with the Stock Exchanges.

8. **Board Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the valuation of the working of its various committees as per the criteria of evaluation provided in the Nomination, Remuneration and Evaluation Policy adopted by the Company. The performance evaluation of Independent Directors was carried out by the entire Board and the performance evaluation of the Chairman and the Board as a whole was carried out by the Independent Directors.

9. **Meetings of the Board:**

The Board of Directors of your company met 9 (Times) 23/05/2016, 26/07/2016, 25/08/2016, 16/09/2016, 10/12/2016, 26/12/2016, 15/02/2017, 02/03/2017 and 24/03/2017.

10. **Particulars of Loan given, Investment made, Guarantee given and Securities provided:**

There were no loans given, investment made, guarantee given and securities provided by the Company under Section 186 of the Companies Act, 2013 during the year under review except short term loan given to M/s Saatvik Green Energy Private Limited in which one of the Director Sh. Parmod Kumar was interested as director and same has duly been repaid with interest within 90 days. The maximum amount involved during the year was Rs.9500000.00 and the year end balance of loans granted to such parties was Nil (Previous year Nil).

11. **Extract of Annual Return:**

As provided under Section 92(3) of the Act, the extract of annual return is given in **Annexure I** in the prescribed Form **MGT-9**, which forms part of this report.

12. **Subsidiary, Joint Ventures and Associate Concerns:**

The Company does not have any Subsidiary, Joint Ventures or Associate Concerns as on 31<sup>st</sup> March, 2017.

13. **Corporate Governance:**

Pursuant to SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015, as applicable, with regard to Corporate Governance, the company has implemented the code of Corporate Governance during the year. The reports on Corporate Governance together with Compliance Certificate on the same are attached to this report.

14. **Management's Discussion and Analysis Report**

Management's Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015, as applicable, is presented in a separate section forming part of the Annual Report.

15. **Directors' Responsibility Statement:**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the directors hereby confirm that:

- i) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2017, the applicable accounting standard have been followed and there are no material departures;
- ii) they have 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 as at 31<sup>st</sup> March 2017 and of the profit of the Company for the period from 1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2017;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the annual accounts on a going concern basis;

- v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. **Contract and arrangements with Related Parties:**

The Company's policy on dealing with related party transactions has been formulated and amended from time to time. All contracts/arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on the arm's length basis. There are no materially significant related party transactions made by the company with promoters, directors, key managerial personnel or other designated persons, which may have a potential conflict with the interest of the company at large. Your Directors draw attention of the members to Note 29(1) to the financial statements which set out related party disclosures pursuant to listing agreement. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure II** in Form **AOC-2** and the same forms part of this report.

17. **Auditor and Auditors' Report:**

M/s Jayant Bansal & Co., Chartered Accountants, Ambala Cantt, Statutory Auditor of the company, hold office till the conclusion of the ensuing Annual General Meeting and is eligible for ratification and approval of their appointment for the financial year ending 31<sup>st</sup> March, 2018.

M/s Jayant Bansal & Co., Chartered Accountants, Ambala Cantt, who were appointed as Statutory Auditors for a period of 4 years from 31<sup>st</sup> March, 2017 to 31<sup>st</sup> March 2019 being eligible for ratification and approval of their appointment at this Annual General Meeting have agreed to act Statutory Auditors to the Company for the financial year ending 31<sup>st</sup> March, 2018.

As required under the provisions of section – 139(1) of the Companies Act, 2013, the company has received a written consent from M/s Jayant Bansal & Co., Chartered Accountant to their appointment and a certificate, to the effect that their re-appointment, if made, would be in accordance with the Act and the Rules framed there under and that they satisfy the criteria provided in section- 141 of Companies Act, 2013. The Board recommends their appointment for the financial year 2017-18.

There are no qualifications or adverse remarks in the Auditor's Report which require any clarification/explanation. The notes on financial statements are self-explanatory, and needs no further comments.

Further auditor's report for the financial year ended 31<sup>st</sup> March, 2017 is given as an annexure which forms part of this report.

18. **Secretarial Auditors:**

The Board has appointed M/s J. P. Jagdev & Co., Company Secretary to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2017 is annexed herewith as **Annexure III** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

19. **Corporate Social Responsibility (CSR):**

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

20. **Risk Management:**

The board of the Company has formed a risk management committee, to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

21. **Internal Control System and their adequacy:**

The Company's internal controls are commensurate with the size of the company and the nature of its business. These have been designed to provide reasonable assurance with regard to recording and providing reliable

financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of corporate policies. The company has an audit committee, the details of which are provided in the Corporate Governance Report. The audit committee reviews the internal control system and follows up on the implementation of corrective actions, if required. The committee also meets the company's statutory auditors to ascertain, inter alia their views on the adequacy of internal control system in the Company and keeps the Board of Directors informed of its major observations from time to time. The management also regularly reviews the utilization of fiscal resource, compliance with law, efficiencies, so as to ensure optimum utilization of resources and achieve better efficiencies. Based on its evaluation (as defined in section 177 of Companies Act 2013), our audit committee has concluded that, as of March 31, 2017, our internal financial controls were adequate and operating effectively.

22. **Vigil Mechanism Policy:**

The Company has a vigil mechanism policy which also incorporates a whistle blower policy in line with the provisions of the Section 177(9) of the Act and as per Listing Agreements with stock exchange, which deals with the genuine concerns about unethical behaviour, actual or suspected fraud and violation of the Company's Code of Conduct and ethics.

23. **Committees of Board:**

The Board of Directors of your Company had already constituted various committees in compliance with the provisions of the Companies Act, 2013 and Listing Agreement viz. Audit Committee, Nomination and Remuneration Committee, Shareholder's/Investor's Relationship Committee, Risk Management Committee. All decisions pertaining to the constitution of committees, appointment of members and fixing the terms of reference / role of the Committees are taken by the Board of Directors. Detail of the role and composition of Committees, including the number of meetings held during the financial year and attendance at meetings, are provided in the Corporate Governance Report section of the Annual Report, which forms part of this report.

24. **Conservation of Energy, Technology absorption and foreign exchange earning and outgo:**

Information required under Section 134(3) (m) of Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is given as under:

**(A) Conservation of energy:**

- (i) The steps taken or impact on conservation of energy: **The Company is using Government supply of electricity and own generation by its generators.**
- (ii) The steps taken by the company for utilizing alternate sources of energy: **There are no alternate sources of energy with the Company.**
- (iii) The capital investment on energy conservation equipments: Investment on energy conservation equipments is made wherever it is possible mostly it is **NIL**.

**(B) Technology absorption:**

- (i) The efforts made towards technology absorption: **Plant and machinery are indigenous and no machinery and technology has been imported by the Company**
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution: **Indigenous machinery is state of Art and the company derives benefits on cost reduction of production.**
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): **No technology has been imported by the Company.**
- (iv) The expenditure incurred on Research and Development: No specific expenditure is incurred on Research and Development.

**(C) Foreign exchange earnings and Outgo:**

The Company's main line of business is processing of vegetable edible oils. The Company has achieved Export Turnover of **Rs. Nil** during the year under report **2016-17**, as compared to **Rs. Nil** in the previous year **2015-16**. However, the Company has incurred expenditure in foreign currency for import of material. The details of the same are given below: -

(Rs. in Lacs)

Particulars	2016-17	2015-16
Total Foreign Exchange Received (F.O.B. Value of Export)	NIL	NIL
Total Foreign Exchange used:		
i) Raw Materials & Consumable Stores	379947640.89	234576824.05
ii) Capital Goods	NIL	NIL
iii) Foreign Travels	NIL	NIL
iv) Others (Traded Goods)	51559100.00	NIL

25. **Nomination, Remuneration and Evaluation Policy:**

The Nomination, Remuneration and Evaluation Policy recommended by the Nomination and Remuneration Committee is duly approved by the Board of Directors of the Company and the same are provided in the Corporate Governance Report section of the Annual Report, which forms part of this report.

26. **Human Resources:**

Your Company treats its “human resources” as one of its most important assets and has taken continuous efforts to set up and maintain an efficient work force. The company is continuously taken steps towards maintaining a low attrition rate which it believes shall be achieved by investing in learning and development programmes for employees, competitive compensation, creating a compelling work environment, empowering employees at all levels as well as a well-structured reward and recognition mechanism.

27. **Particulars of Employees:**

D) The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

	Executive Director	Ratio to median Remuneration
1.	Sh. Vinod Kumar (Managing Director)	1.28:1
2.	Sh. Raj Kumar (Whole Time Executive Director)	6.78:1

Note: The Company has not given any remuneration/benefits to non-executive/independent directors of the company during the year 2016-17.

b. **The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:**

	Directors, Company Secretary and Financial Officer	% increase in remuneration in the financial year
1.	Sh. Vinod Kumar (Managing Director)	NIL
2.	Sh. Raj Kumar (Whole Time Executive Director)	130%
3.	Ms. Shipra Anand (Company Secretary)	NIL
4.	Sh. Nipun Garg (Financial Officer)	NIL

c. **The percentage increase in the median remuneration of employees in the financial year:** 42%

d. **The number of permanent employees on the rolls of Company:** 31 Employees as on 31<sup>st</sup> March, 2017.

e. **The explanation on the relationship between average increase in remuneration and Company performance:** The performance of the Company for the current financial year is better than the previous year. The Company has minor increase in remuneration to Executive Director/key managerial personnel. However, at Middle & Junior level management, the proper increment was given in accordance with the inflation rate and at workmen and staff level.

f. **Comparison of the remuneration of the key managerial personnel against the performance of the Company:** Remuneration to Managing and Whole Time directors were paid as per the scale approved by the members of the company. The head (Corporate Finance) was promoted to the position of Financial Officer, hence he was given an increase as a part of promotion and salary adjustment.

- g. **Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:**

Particulars	March 31, 2017	March 31, 2016	% Change
Market Capitalization (Rs. In Lacs)	Status of the Company as on 31 <sup>st</sup> March, 2017 was <b>unlisted</b>		

- h. **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:**

Particulars	March 31, 2017	At the time of Last Public offer	% Change
Market Price (NSE)	Status of the Company as on 31 <sup>st</sup> March, 2017 was <b>unlisted</b>		

- i. **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:** Proper increments at both managerial and staff/worker level has been given in financial year 2016-17.
- j. **Comparison of each remuneration of the key managerial personnel against the performance of the Company:** The head (Corporate Finance) was promoted to the position of Financial Officer, hence he was given an increase as a part of promotion and salary adjustment.
- k. **The key parameters for any variable component of remuneration availed by the directors:** No such variable component is included in the remuneration paid to directors.
- l. **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:** Sh. Raj Kumar (Whole Time Director): 1.03:1
- m. **Affirmation that the remuneration is as per the remuneration policy of the Company:** The Company affirms remuneration is as per the remuneration policy of the Company.
- II. There was no employee on the roll of the company who drew remuneration in excess of the limits prescribed by the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, hence this relevant information is not applicable to the Company.
28. **Disclosure under sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013:**

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee. Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

29. **Other Disclosures:**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- i) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
  - ii) No Material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this Report.
2. The provisions of Section 125(2) of the Companies Act, 2013 related with transfer of unclaimed dividend to Investor Education and Protection Fund do not apply to the Company as there was no dividend declared and paid in previous years and there is no unclaimed dividend.



3. Equity Shares:

- No issue of equity shares with differential rights as to dividend, voting or otherwise during the year under review.
- The Company has not bought back any of its securities during the year under review.
- No issue of shares (including sweat equity shares) to employees of the Company under Stock option Scheme during the year under review.
- No Shares outstanding under the head Shares Suspense Account/Unclaimed Suspense Account at the beginning and end of the year under review.

30. Listing with Stock Exchanges:

The stocks of the Company are proposed to be listed on National Stock Exchange of India (Emerging SME Platform).

31. Acknowledgements:

Your directors wish to place on record their gratitude for the valued support and assistance extended to the Company by the Shareholders, Banks and Government Authorities and look forward to their continued support. Your directors also express their appreciation for the dedicated and sincere services rendered by the Executives, Officers and Employees of the Company.

**By Order of the Board of Directors**

**Place: Ambala**  
**Dated: 24-08-2017**

**(VINOD KUMAR)**  
**Managing Director**  
**DIN: 00150507**



State Govt(s)	0	0	0	0	0	0	0	0	0
Bodies Corp	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total(A)(1):-</b>	<b>0</b>	<b>67720</b>	<b>67720</b>	<b>100%</b>	<b>2708800</b>	<b>0</b>	<b>2708800</b>	<b>100%</b>	<b>300%</b>
<b>Foreign</b>									
NRIs-Individuals	0	0	0	0	0	0	0	0	0
Other-Individuals	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total(A)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Public Shareholding</b>									
Institutions	0	0	0	0	0	0	0	0	0
Mutual Funds	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Central Govt	0	0	0	0	0	0	0	0	0
State Govt(s)	0	0	0	0	0	0	0	0	0
Venture Capital Funds	0	0	0	0	0	0	0	0	0
Insurance Companies	0	0	0	0	0	0	0	0	0
FIs	0	0	0	0	0	0	0	0	0
Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total(B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non Institutions</b>									
Bodies Corp. (i) Indian (ii) Overseas	0	0	0	0	0	0	0	0	0
Individuals  (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
Others(Specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total(B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>67720</b>	<b>67720</b>	<b>100%</b>	<b>2708800</b>	<b>0</b>	<b>2708800</b>	<b>100%</b>	<b>300%</b>

**Note:**

-The Company has declared 2031600 fully-paid-up equity Shares of Rs. 10/- each as Bonus shares in the ratio 3: 1 by capitalization of Reserves pursuant to a Shareholder's resolution passed in the Extra Ordinary General Meeting held on January 20, 2017 and allotted to the eligible shareholders on February 15, 2017

-The Initial Authorized Capital of Rs.10000000.00 (Rupees One Crore only) consisting of 100000 Equity Shares of face value of Rs.100/- each was sub-divided into Rs.10000000.00 (Rupees One Crore only) consisting of 1000000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of shareholders dated December 17, 2016. Consequently Each Equity Shares of face value of Rs.100/- each has been split into 10 Equity Shares having face value of Rs.10/-.

**(ii) Share holding of Promoters**

Sr .	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total	
1	PARVIND KUMAR	5320	7.85	0	212800	7.85	0	300%
2	RAJ KUMAR	7250	10.70	0	290000	10.70	0	300%
3	VINOD KUMAR (HUF)	6500	9.60	0	260000	9.60	0	300%
4	PARMOID KUMAR (HUF)	6600	9.75	0	264000	9.75	0	300%
5	PARGUN GARG	6600	9.75	0	264000	9.75	0	300%
6	NEELESH GARG	3000	4.43	0	120000	4.43	0	300%
7	SHIVANI GARG	6370	9.41	0	254800	9.41	0	300%
8	SUNILA GARG	5950	8.79	0	238000	8.79	0	300%
9	VINOD KUMAR	4500	6.64	0	180000	6.64	0	300%
10	PARVIND KUMAR (HUF)	2000	2.95	0	80000	2.95	0	300%
11	TEENA GARG	3000	4.43	0	120000	4.43	0	300%
12	MANIK GARG	1400	2.07	0	56000	2.07	0	300%
13	RAJ KUMAR (HUF)	4850	7.16	0	194000	7.16	0	300%
14	SHEEL GARG	4380	6.47	0	175200	6.47	0	300%
	<b>TOTAL</b>	<b>67720</b>	<b>100.00</b>		<b>2708800</b>	<b>100.00</b>		

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

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	67720	100%	67720	100%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	LIST ATTACHED Bonus shares in the ratio of 3:1 were issued on 15/02/2017			
	At the End of the year	2708800	100%	2708800	100%

Sr .	Shareholder's Name	Shareholding at the beginning of the year		Shareholding 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	PARVIND KUMAR	5320	7.85	212800	7.85
2	RAJ KUMAR	7250	10.70	290000	10.70
3	VINOD KUMAR (HUF)	6500	9.60	260000	9.60
4	PARMOID KUMAR (HUF)	6600	9.75	264000	9.75

5	PARGUN GARG	6600	9.75	264000	9.75
6	NEELESH GARG	3000	4.43	120000	4.43
7	SHIVANI GARG	6370	9.41	254800	9.41
8	SUNILA GARG	5950	8.79	238000	8.79
9	VINOD KUMAR	4500	6.64	180000	6.64
10	PARVIND KUMAR (HUF)	2000	2.95	80000	2.95
11	TEENA GARG	3000	4.43	120000	4.43
12	MANIK GARG	1400	2.07	56000	2.07
13	RAJ KUMAR (HUF)	4850	7.16	194000	7.16
14	SHEEL GARG	4380	6.47	175200	6.47
	<b>TOTAL:</b>	<b>67720</b>	<b>100.00</b>	<b>2708800</b>	<b>100.00</b>

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

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	58320	86.12	58320	86.12
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	LIST ATTACHED Bonus shares in the ratio of 3:1 were issued on 15/02/2017			
	At the end of the year (or on the date of separation, if separated during the year)	2332800	86.12	2332800	86.12

**Details of Bonus Shares issued on dated February 15, 2017**

1	Raj Kumar	7250	10.70	290000	10.70
2	Parmod Kumar (HUF)	6600	9.75	264000	9.75
3	Pragun Garg	6600	9.75	264000	9.75
4	Vinod Kumar (HUF)	6500	9.6	260000	9.6
5	Shivani Garg	6370	9.41	254800	9.41
6	Sunila Garg	5950	8.79	238000	8.79
7	Parvind Kumar	5320	7.85	212800	7.85
8	Raj Kumar (HUF)	4850	7.16	194000	7.16
9	Vinod Kumar	4500	6.64	180000	6.64
10	Sheel Garg	4380	6.47	175200	6.47
	<b>Total</b>	<b>58320</b>	<b>86.12</b>	<b>2332800</b>	<b>86.12</b>

**(v) Shareholding of Directors and Key Managerial Personnel) \*\*\***

Sl. No	For Each of the Directors & Key Managerial Personnel	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	17070	25.19%	17070	25.19%

	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	LIST ATTACHED Bonus shares in the ratio of 3:1 were issued on 15/02/2017			
	At the end of the year (or on the date of separation, if separated during the year)	682800	25.19%	682800	25.19%

\*\*\*

1.	VINOD KUMAR				
	At the beginning of the year	4500	6.64%	4500	6.64%
	Allotment of Bonus Shares on 15/02/2017	0	0	135000	10.70%
	At the end of the year	180000	6.64%	180000	6.64%
2	RAJ KUMAR				
	At the beginning of the year	7250	10.70%	7250	10.70%
	Allotment of Bonus Shares on 15/02/2017	0	0	217500	10.70%
	At the end of the year	290000	10.70%	290000	10.70%
3	PARVIND KUMAR				
	At the beginning of the year	5320	7.85%	5320	7.85%
	Allotment of Bonus Shares on 15/02/2017	0	0	159600	7.85%
	At the end of the year	212800	7.85%	212800	7.85%

#### **Details of Bonus Shares issued on dated February 15, 2017**

1	Raj Kumar	7250	10.70	290000	10.70
2	Parvind Kumar	5320	7.85	212800	7.85
3	Vinod Kumar	4500	6.64	180000	6.64
	<b>Total</b>	<b>17070</b>	<b>25.19</b>	<b>682800</b>	<b>25.19</b>

#### **V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	191400901.28	70506342.00	0	261907243.28
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not	0	0	0	0
Total(i+ii+iii)	191400901.28	70506342.00	0	261907243.28
Change in Indebtedness during the financial year				
- Addition	7588000.00	79100000.00	0	86688000.00
- Reduction	(2089674.21)	(38827541.00)	0	(40917215.21)
Net Change	5498325.79	40272459.00	0	45770784.79
Indebtedness at the end of the financial year			0	
i) Principal Amount	196899227.07	110778801.00	0	307678028.07
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>196899227.07</b>	<b>110778801.00</b>	<b>0</b>	<b>307678028.07</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager\*\*\*

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Raj Kumar (WTD)	Vinod Kumar (MD)	
	Gross salary			
	(a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3100000.00	150000.00	3250000.00
	(b)Value of perquisites u/s 17(2)Income-tax Act, 1961	0.00	0.00	0.00
	(c)Profits in lieu of salary under section 17(3)Income- taxAct,1961	0.00	0.00	0.00
	Stock Option	0.00	0.00	0.00
	Sweat Equity	0.00	0.00	0.00
	Commission			
	- as % of profit	0.00	0.00	0.00
	- Others, specify...	0.00	0.00	0.00
	Others, please specify	0.00	0.00	0.00
	Total(A)	3100000.00	150000.00	3250000.00
	Ceiling as per the Act	3000000.00	3000000.00	6000000.00

### B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Independent Directors			
	·Fee for attending board committee meetings	0.00	0.00	0.00
	·Commission	0.00	0.00	0.00
	·Others, please specify	0.00	0.00	0.00
	Total(1)	0.00	0.00	0.00
	Other Non-Executive Directors			
	·Fee for attending board committee meetings	0.00	0.00	0.00
	·Commission	0.00	0.00	0.00
	·Others ,please specify	0.00	0.00	0.00
	Total(2)	0.00	0.00	0.00
	Total(B)=(1+2)	0.00	0.00	0.00
	Total Managerial Remuneration	0.00	0.00	3250000.00
	Overall Ceiling as per the Act			6000000.00

### C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
	Gross salary				
	(a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.00	0.00	0.00	0.00
	(b)Value of perquisites u/s 17(2)Income-tax Act, 1961	0.00	0.00	0.00	0.00
	(c)Profits in lieu of salary under section 17(3)Income-tax Act, 1961	0.00	0.00	0.00	0.00
	Stock Option	0.00	0.00	0.00	0.00
	Sweat Equity	0.00	0.00	0.00	0.00
	Commission				
	- as% of profit	0.00	0.00	0.00	0.00
	-others, specify...	0.00	0.00	0.00	0.00
	Others, please specify	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDINGOFFENCES:**

There were no penalties, punishment or compounding of fences during the year ended 31<sup>st</sup> March, 2017.

**Place: Ambala**  
**Dated: 24-08-2017**

**By Order of the Board of Directors**

**(VINOD KUMAR)**  
**Managing Director**  
**DIN: 00150507**



**FORM NO. AOC -2**

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm's length basis.**

M. K. Proteins Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during the financial year 2016-17

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	NIL
c)	Duration of the contracts/arrangements/transaction	NIL
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
e)	Justification for entering into such contracts or arrangements or transactions'	NIL
f)	Date of approval by the Board	NIL
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Shree Ganesh Fats (P) Limited, Barotiwala
b)	Nature of contracts/arrangements/transaction	Purchase of Goods by M K Proteins Limited Sale of Goods to Shree Ganesh Fats (P) Limited
c)	Duration of the contracts / arrangements /transaction	Regular Contract on ongoing basis
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	On general commercial terms
e)	Date of approval by the Board	On going contract was entered into in the ordinary course of business and on arm's length basis.
f)	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Kamla Oil and Fats (P) Limited, Village Saha, Distt. Ambala
b)	Nature of contracts/arrangements/transaction	Purchase of Goods by M K Proteins Limited
c)	Duration of the contracts/arrangements/transaction	Regular Contract on ongoing basis
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	On general commercial terms
e)	Date of approval by the Board	On going contract was entered into in the ordinary course of business and on arm's length basis.
f)	Amount paid as advances, if any	NIL

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	Shivalik Steels and Alloys (P) Limited, Barotiwala
b)	Nature of contracts/arrangements/transaction	Sale of Goods by M k Proteins Limited
c)	Duration of the contracts / arrangements / transaction	Regular Contract on ongoing basis
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	On general commercial terms
e)	Date of approval by the Board	On going contract was entered into in the ordinary course of business and on arm's length basis.
f)	Amount paid as advances, if any	NIL

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	Kamla Oleo (P) Limited, Barotiwala
b)	Nature of contracts/arrangements/transaction	Sale of Goods by M k Proteins Limited
c)	Duration of the contracts/arrangements/transaction	Regular Contract on ongoing basis
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	On general commercial terms
e)	Date of approval by the Board	On going contract was entered into in the ordinary course of business and on arm's length basis.
f)	Amount paid as advances, if any	NIL

**Place: Ambala**  
**Dated: 24-08-2017**

**By Order of the Board of Directors**

**(VINOD KUMAR)**  
**Managing Director**  
**DIN: 00150507**

## SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2017

[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,  
M K Proteins Limited  
(Formerly Known as M K Proteins Private Limited)  
Naraingarh Road, Vill. Garnala,  
Ambala – 134003  
(Haryana)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M K Proteins Limited (Formerly Known as M K Proteins Private Limited)** having CIN: **U15500HR2012PLC046239** (hereinafter called “the company”). Secretarial Audit was conducted in a manner that provided to us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **M K Proteins Limited**'s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to us and the representations made by the Management, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 generally 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M K Proteins Limited (Formerly Known as M K Proteins Private Limited)** (“the Company”) for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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 , 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India( Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 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 and amendments from time to time;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines , 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (were not become applicable to Company during the audit period)
  - (e) The Securities and Exchange Board of India ( Issue and Listing of Debt Securities) Regulations, 2008; (have not become applicable to Company during the audit period)
  - (f)The Securities and Exchange Board of India ( Registration to an Issue and Share Transfers Agents ) Regulations, 1993 regarding the Companies Act and dealing with client (have not become applicable to the Company during the audit period);
  - (g) The Securities and Exchange Board of India ( Delisting of Equity Shares) Regulations, 2009 (have not become applicable to the Company during the audit period); and
  - (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998 (have not become applicable to the Company during the audit period).
- (i) **The Company was an unlisted entity as on close of financial year at 31<sup>st</sup> March 2017 and it was listed on National Stock Exchange Limited (NSE) as SME on 18<sup>th</sup> April, 2017.**
- (vi) Other laws applicable to the Company as per the representations made by the Management and physical verification by us:
  - i. The Payment of Wages Act, 1936
  - ii. The Minimum Wages Act, 1948
  - iii. Employee State Insurance Act, 1948

- iv. The Employee Provident Fund and Miscellaneous Provisions Act, 1952
- v. The Payment of Bonus Act, 1965
- vi. The Payment of Gratuity Act, 1972
- vii. The Contract Labour (Regulation and Abolition) Act, 1970
- viii. The Maternity Benefits Act, 1961
- ix. Competition Act, 2002
- x. The Income Tax Act, 1961
- xi. Shops and Establishments Act, 1948
- xii. The Finance Act,
- xiii. Environment (Protection) Act, 1986,
- xiv. The Indian Boiler Act, 1923,
- xv. FSSAI Act, 2006,
- xvi. Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011,
- xvii. Food Safety and Standards (Packaging and Labelling) Regulations, 2011
- xviii. Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011
- xix. Food Safety and Standards (Prohibition and Restrictions on Sales) Regulations, 2011
- xx. Food Safety and Standards (Contaminants, Toxins and Residues) Regulations, 2011
- xxi. Food Safety and Standards (Laboratory and Sample Analysis) Regulations, 2011

We have also examined compliance with the applicable clause of the following;

- I. The Secretarial Standards issue by The Institute of Company Secretaries of India, with respect to board and general meetings
- II. The Listing Agreements entered into by the Company with National Stock Exchange Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above.

**We further report that:**

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

Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent 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 and as informed, there were no dissenting members' views are captured and recorded as part of the minutes.

We further report that as per the explanations given to us and the representations made by the Management and relied upon by us 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.

We further report that as per the explanations given to us and the representations made by the Management and relied upon by us during the audit period the company has not approved any specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines etc., having a major bearing on the Company's affairs.

**For J. P. Jagdev & Co.,  
Company Secretaries**

**(J. P. Jagdev)  
Prop.  
C. P. No. 2056**

**Place: Ambala City  
Date: 24<sup>th</sup> August, 2017**

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

**‘ANNEXURE A’**

**To,  
The Members,  
M K Proteins Limited  
(Formerly Known as M K Proteins Private Limited)  
Naraingarh Road, Vill. Garnala,  
Ambala – 134003  
(Haryana)**

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our 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.

**For J. P. Jagdev & Co.,  
Company Secretaries**

**(J. P. Jagdev)  
Prop.  
C. P. No. 2056**

**Place: Ambala City  
Date: 24<sup>th</sup> August, 2017**

# M. K. Proteins Limited

Regd. Office: Naraingarh Road, Village Garnala, Ambala City (Haryana), India - 134003  
T: 0171-2679358 | W: www.mkproteins.in | E: info@mkproteins.in  
TIN: 06291043467 CIN: U15500HR2012PLC046239

## REPORT ON CORPORATE GOVERNANCE (2016-17)

### 1 Company's Philosophy on code of Corporate Governance:

The foundations of Corporate Governance are transparency, accountability and fairness across operations. M. K. Proteins Limited believes that the code of corporate governance is a necessary discipline and a means of achieving and attaining the goals and objectives of the company and only proper governance, implemented in the true spirit would lead to effectiveness and transparency in the functioning of a corporate and achieve maximization of wealth of its stakeholders on sustainable basis. The Board of Directors supports the broad principles of corporate governance. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity. The Company is in compliance with the requirements of the applicable regulations, including the SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015, as applicable, with regard to Corporate Governance.

### 2 Board of Directors:

We have a Board constituted in compliance with the Companies Act, 2013 and as per the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically.

As on March 31, 2017, the Company has nine Directors. Of the nine Directors, Seven (7) (i.e. 77.78%) are Non-Executive Directors out of which (5) (i.e. 71.43%) are independent Directors. The Composition of the Board is in conformity with the requirements of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. None of the Non-Executive Directors are responsible for the day to day affairs of the Company. Composition and category of directors is as follows:

#### Category

#### Name of the Director

1. Executive directors

- Promoters

Sh. Vinod Kumar (Managing Director)

Sh. Raj Kumar (Whole time Director)

2. Non-Executive director

Sh. Parvind Kumar (Non-Executive Director)

Sh. Parmod Kumar (Non-Executive Director)

3. Non-Executive Independent directors

Sh. Chatter Singh (Additional Non-Executive Independent Director)

Sh. Raman Kumar Sah ( Additional Non-Executive Independent Director)

Sh. Abhay Kumar (Additional Non-Executive Independent Director)

Sh. Dinesh Singh Malik ( Additional Non-Executive Independent Director)

Ms. Laxmi Mandal (Additional Non-Executive Independent Director)

#### Note:

Details of changes in Board of Directors composition of the Company during the financial year 2016-17 are given below:

<b>Name of Director</b>	<b>Designation</b>	<b>Reasons</b>
Sh. Vinod Kumar	Managing Director	Appointed as Executive Directors w.e.f. December 10, 2016 and further appointed as Managing Director of the Company for the period of five year w.e.f. January 2, 2017
Sh. Raj Kumar	Whole time Director	Appointed as whole time Director of the Company w.e.f. April 01. 2014
Sh. Parvind Kumar	Non-Executive Director	Resigned from the position of Managing Director due to personal reasons w.e.f. December 15, 2016
Sh. Parmod Kumar	Non-Executive Director	Appointed as Non-Executive Director of the Company w.e.f. February 15, 2017
Sh. Chatter Singh	Additional Non-Executive Independent Director	Appointed as Additional Non-Executive Independent Director of the Company w.e.f. March 2, 2017
Sh. Raman Kumar Sah	Additional Non-Executive Independent Director	Appointed as Additional Non-Executive Independent Director of the Company w.e.f. March 2, 2017
Sh. Abhay Kumar	Additional Non-Executive Independent Director	Appointed as Additional Non-Executive Independent Director of the Company w.e.f. March 2, 2017

Sh. Dinesh Singh Malik	Additional Non-Executive Independent Director	Appointed as Additional Non-Executive Independent Director of the Company w.e.f. March 2, 2017
Ms. Laxmi Mandal	Additional Non-Executive Independent Director	Appointed as Additional Non-Executive Independent Director of the Company w.e.f. March 20, 2017
# Smt. Sunila Garg was appointed as Non-Executive Director of the Company on Dated December 10, 2016 and resigned from that post on dated February 15, 2017 due to personal reason.		

The following table gives the requisite details of Directors, their Directorships in other public companies, Chairmanships/ Memberships in Board Committees of other public companies and their attendance at the Board of Directors Meetings and the last Annual General Meeting are as under:

Name of the Director and Designation	Number of Board Meetings during the year 2016-17		Whether attended Last AGM	Directorships and Chairmanships / Memberships of Board and Board Committees in Other Companies “#”		
	Held	Attended		Director	Member	Chairman
Sh. Vinod Kumar (Managing Director) DIN 00150507 (Appointed as Executive Directors w.e.f. December 10, 2016 and further appointed as Managing Director of the Company for the period of five year w.e.f. January 2, 2017)	10	4	NO	NIL	NIL	NIL
Sh. Raj Kumar (Whole time Director) DIN 00126983 (Appointed as whole time Director of the Company w.e.f. April 01, 2014)	10	10	YES	NIL	NIL	NIL
Sh. Parvind Kumar (Non-Executive Director) DIN 00126933 * (Resigned from the position of Managing Director of the Company w.e.f. 15/12/2016)	10	10	YES	NIL	NIL	NIL
Smt. Sunila Garg (Non-Executive women Director) DIN 07185039 * (Appointed as Non-Executive Director w.e.f. 10/12/2016 and resigned from that position on dated 15/02/2017)	10	1	NO	NIL	NIL	NIL
Sh. Chatter Singh (Non-Executive Independent Director) DIN 07749000 (Appointed as Additional Non-Executive Independent Director of the Company w.e.f. March 2, 2017)	10	1	NO	NIL	NIL	NIL
Sh. Raman Kumar Sah (Non-Executive Independent Director) DIN 07750890 (Appointed as Additional Non-Executive Independent Director of the Company w.e.f. March 2, 2017)	10	1	NO	1	NIL	NIL
Sh. Abhay Kumar (Non-Executive Independent Director) DIN 07506524 (Appointed as Additional Non-Executive Independent Director of the Company w.e.f. March 2, 2017)	10	1	NO	1	NIL	NIL
Sh. Dinesh Singh Malik (Non-Executive Independent Director) DIN 07749708 (Appointed as Additional Non-Executive Independent Director of the Company w.e.f. March 2, 2017)	10	1	NO	NIL	NIL	NIL
Ms. Laxmi Mandal (Non-Executive Independent Director) DIN 05287716 (Appointed as Additional Non-Executive Independent Director of the Company w.e.f. March 20, 2017)	10	1	NO	NIL	NIL	NIL

**Note:**

“#” Excluding directorship in private limited companies, foreign companies and Companies incorporated under Section 25 of the Companies Act, 1956.

\* In the Board of Directors meeting held on March 2, 2017, Sh. Chatter Singh, Sh. Raman Kumar Sah, Sh. Abhay Kumar, Sh. Dinesh Singh Malik and Ms. Laxmi Mandal on March 20, 2017 were inducted as Additional Non-Executive Independent Director on the board of the company to hold office up to the date of next Annual General Meeting. In terms

of Section 149, 152 and 161 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, it is proposed to appoint them as Non-Executive Independent Directors of the Company. Such proposal will be considered by the shareholders at the ensuing 5<sup>th</sup> Annual General Meeting of the Company.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

**Number of Board Meetings held and the dates on which held:**

During the year the company has held nine (9) Board of Director meetings. The dates on which the meetings were held are given below:

23-05-2016, 26-07-2016, 25-08-2016, 16-09-2016, 10-12-2016, 26-12-2016, 15-02-2017, 02-03-2017 and 24-03-2017.

The necessary quorum was present for all the meetings.

3 **Code of Conduct**

The Board of Directors has an important role in ensuring good Corporate Governance and has laid down the Code of Conduct for Directors and Senior Management of the Company. The Code has also been posted on the website of the Company. All Directors and Senior Management personnel have affirmed the compliance thereof for the year ended March 31, 2017.

**Declaration**

As provided under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 with regard to Corporate Governance, we affirm that the Company has adopted a Code of Conduct for its employees including Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors also. These Codes are available on the Company's website. I further confirm that the Company has in respect of year ended March 31, 2017, received from Board Members and Senior Management personnel of the Company a declaration of compliance with the Code of Conduct as applicable to them.

**Ambala**  
24<sup>th</sup> August, 2017

**VINOD KUMAR**  
(Managing Director)

4 **Audit Committee:**

Our Company has constituted an **Audit Committee**, as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, vide resolution passed in the meeting of the Board of Directors held on March 02, 2017. The terms of reference of Audit Committee complies with the requirements of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The committee presently comprises the following 3 (Three) directors and details of the same are given below:

**Composition of Audit Committee:**

Name of the Director	Status	Nature of Directorship
Sh. Raman Kumar Sah	Chairman	Additional Non-Executive & Independent Director
Sh. Abhay Kumar	Member	Additional Non-Executive & Independent Director
Sh. Vinod Kumar	Member	Managing Director

**Note:** Mr. Raman Kumar Sah is the Chairman of the Audit Committee. The Company Secretary of the Company acts as the Secretary to the Audit committee.

The objective of the Audit Committee is to keep a vigil and oversight on the Management's financial reporting process with a view to ensure timely and transparent disclosures in the financial statements.

The audit committee meets the requirements of both Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations. The committee has all the powers, duties and obligations conferred upon and vested in it in terms of Section 177 of the Companies Act, 2013 as amended from time to time and also such additional powers, functions/features, duties, obligations, discretions and /or any other powers, duties and obligations that may be assigned from time to time by the Board of Directors and the said committee shall submit its reports, recommendations etc., to the Board of Directors on all matters.



The Company has constituted Audit Committee in the board of directors meeting held on March 02, 2017 and met one (1) time during the year on 24-03-2017. The Attendance of the members at the meetings was as follows: -

Name	Status	No. of Meeting held during the year	No. of Meeting Attended
Sh. Raman Kumar Sah (Additional Non-Executive Independent Director)	Chairman	1	1
Sh. Abhay Kumar (Additional Non-Executive Independent Director)	Member	1	1
Sh. Vinod Kumar	Member	1	1

5

**Nomination and Remuneration Committee:**

i)

The brief terms of reference of the Nomination and Remuneration Committee are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria lay down and recommended to the Board for their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

ii)

**Constitution and composition**

Our Company has constituted a *Nomination and Remuneration Committee*. The constitution of the Nomination and Remuneration Committee as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 was approved by a Meeting of the Board of Directors held on March 02, 2017. It comprises of three (3) Non-Executive Directors and all the three are independent Directors. The member of the committee are as given below:

**Composition of Nomination and Remuneration Committee**

Name of the Director	Status	Nature of Directorship
Sh. Chatter Singh	Chairman	Additional Non-Executive & Independent Director
Sh. Dinesh Singh Malik	Member	Additional Non-Executive & Independent Director
Sh. Abhay Kumar	Member	Additional Non-Executive & Independent Director

iii)

**Meeting and attendance**

The Company has constituted Nomination and Remuneration Committee in the board of directors meeting held on March 02, 2017 and met on dated 24-03-2017 during the year. The Attendance of the members at the meetings was as follows: -

Name	Status	No. of Meeting held during the year	No. of Meeting Attended
Sh. Chatter Singh (Additional Non-Executive Director)	Chairman	1	1
Sh. Dinesh Singh Malik (Additional Non-Executive Director)	Member	1	1

Sh. Abhay Kumar (Additional Non-Executive Director)	Member	1	1
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iv) The Company does not have any employee stock option scheme.

v) **Performance Evaluation Criteria for Independent Directors:**

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that were evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

v) **Remuneration Policy:**

According to the volume of work of the company, the Company has increased its work force gradually. Being a small size of company, the Remuneration Policy is designed to create a high performance culture. It enables the company to attract retains and motivates employees to achieve better results. Our business model promotes customers centricity and requires employee's mobility as per project needs. The remuneration policy supports such mobility through pay models that are compliant to local regulations. Presently, the Company has decided to pay remuneration to Executive Directors by way of salary and perquisites. However, the management of the company has decided not to give any remuneration to the non-executive directors of the company in the current year. In compliance with provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the remuneration policy is decided and recommended by the NRC and approved by the Board of directors and Shareholders accordingly. The Details of Remuneration paid/payable to Executive Directors for the year ended 31<sup>st</sup> March 2017 are given below: -

**-Executive Directors:**

Name	Salary	Amount Paid / Payable during the year 2016-17
Sh. Raj Kumar (Whole Time Director)	Rs.300000.00 per month up to 31/01/2017 and Rs.50000.00 after that	310000.00
Sh. Vinod Kumar (Managing Director)	Rs.50000.00 per month form January 02, 2017	150000.00

**-Key Managerial Personnel (KMP):** The Company has not given any remuneration/benefits to any other KMP other than Executive Directors of the Company.

vi) **Non-Executive Directors:** The Company has not given any remuneration/benefits to non-executive directors of the company during the year 2016-17.

vii) Details of Equity Shares of the Company held by the directors as on 31<sup>st</sup> March, 2017 are given below: -

Name	Number of Equity Shares Held
-Sh. Vinod Kumar (Managing Director)	180000
-Sh. Raj Kumar (Whole Time Director)	290000
-Sh. Parvind Kumar (Non-Executive Director)	212800

Note: The Company has not issued any convertible debentures.

#### 6 **Policy on Disclosures and Internal Procedure for Prevention of Insider Trading**

We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 after listing of our Company's shares on the Stock Exchange.

Ms. Shipra Anand, Company Secretary and Compliance Officer, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board

#### 6 **Stakeholders/Investors Relationship Committee:**

Our Company has constituted a *Stakeholders/Investors Relationship Committee* to redress the complaints of the shareholders. The Stakeholders Relationship Committee was constituted as per the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 vide resolution passed at the meeting of the Board of Directors held March 02, 2017. The Committee presently comprises the following 3 (Three) directors and details of the same are given below:

**Composition of Stakeholders Relationship Committee**

Name of the Director	Status	Nature of Directorship
Sh. Dinesh Singh Malik	Chairman	Additional Non-Executive & Independent Director
Sh. Raj Kumar	Member	Whole-Time Director
Sh. Parvind Kumar	Member	Non-Executive Director

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholders Relationship Committee include the following:

1. Redressal of shareholders'/investors' complaints.
2. Reviewing on a periodic basis the approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
3. Issue of duplicate certificates and new certificates on split/consolidation/renewal.
4. Non-receipt of declared dividends, balance sheets of the Company.
5. Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Name & Designation of Compliance Officer: Ms. Shipra Anand.

Tel: +91 1712679157, 2679358

Email: shipra@mkproteins.in

Details of investor complaints received and redressed during the year 2016-17 are as follows: Not Applicable (Because the company is not yet listed upto March 31, 2017)

Opening Balance	Received during the year	Resolved during the year	Closing Balance
NIL	NIL	NIL	NIL

7	<b><u>General Body Meetings:</u></b>				
	Location and time, where last three Annual General Meetings were held:				
	<b>Year</b>	<b>Type of Meeting</b>	<b>Venue</b>	<b>Date</b>	<b>Time</b>
	2013-14	AGM	Village Garnala, Naraingarh Road, Ambala City – 134003 (Haryana)	30-09-2014	9.30 A.M.
		EOGM	Village Garnala, Naraingarh Road, Ambala City – 134003 (Haryana)	30-06-2014	11.30 A.M.
		EOGM	Village Garnala, Naraingarh Road, Ambala City – 134003 (Haryana)	01-04-2015	11.30 A.M.
	2014-15	AGM	Village Garnala, Naraingarh Road, Ambala City – 134003 (Haryana)	30-09-2015	9.30 A.M.
		EOGM	Village Garnala, Naraingarh Road, Ambala City – 134003 (Haryana)	02-04-2016	11.30 A.M.
	2015-16	AGM	Village Garnala, Naraingarh Road, Ambala City – 134003 (Haryana)	30-09-2016	9.30 A.M.
	<ul style="list-style-type: none"> <li>• <b><u>Annual General Meeting:</u></b> No postal ballots were used/invited for voting at the last annual general meeting/extra ordinary general meeting in respect of special resolution passed (if any). There are no special resolutions, which are proposed to be passed through postal ballot for the year under review. The particulars of ordinary/special resolutions passed there at are as under:-  <b><u>2<sup>nd</sup> AGM held on 30<sup>th</sup> September 2014 at 9.30 A.M.</u></b>                      -No Special resolution passed at this meeting.</li> </ul>				

	<p><b><u>3<sup>rd</sup> AGM held on 30<sup>th</sup> September 2015 at 9.30 A.M.</u></b>          -No Special resolution passed at this meeting.</p> <p><b><u>4<sup>th</sup> AGM held on 30<sup>th</sup> September 2016 at 9.30 A.M.</u></b>          -No Special resolution passed at this meeting.</p> <p><b><u>Extra-ordinary General Meeting held on 30<sup>th</sup> June 2014 at 11.30 A.M.</u></b>  <b>Special Resolution:</b>          -Approval of related Parties Transaction u/s 188          -To approve borrowing powers of the Board          -To give power to Board for creation of charges on the Company's Assets</p> <p><b><u>Extra-ordinary General Meeting held on 1<sup>st</sup> April 2015 at 11.30 A.M.</u></b>  <b>Special Resolution:</b>          -Approval of related Parties Transaction u/s 188          -To appoint General Manager Smt. Sheel Garg, Sh. Vinod Kumar and Sh. Neelesh Garg and fix their remuneration.</p> <p><b><u>Extra-ordinary General Meeting held on 2<sup>nd</sup> April 2016 at 11.30 A.M.</u></b>  <b>Special Resolution:</b>          -To appoint General Manager Ms. Kritika Garg, Smt. Saumya Garg and Smt. Sunila Garg and fix their remuneration.          -To appoint and fix remuneration of Sh. Raj Kumar (Whole Time Director)</p> <p>• <b>Extraordinary General Meeting:</b>          No Extraordinary general meeting of the members was held during the year 2016-17</p>
8	<p><b><u>Disclosures:</u></b></p>
	<p>a) <b>Disclosures on materially significant, related party transactions, that may have potential conflict with the interests of the company at large:</b>          During the year ended 31-03-2017, there were no materially significant related party transactions that may have potential conflict with the interest of the company at large. Other related party transactions have been reported at SI. No. 29 (l) of Notes to Accounts of financial statement forming part of the Annual Report.</p> <p><b>Transactions with Non-executive Directors:</b>          During the year, there are no transactions with non-executive directors.</p> <p>b) <b>Details of non-compliance by the company:</b>          There were neither instances of non-compliance by the company nor penalties, strictures imposed on the company by any statutory authority.</p> <p>c) <b>Whistle Blower Policy:</b>          The Company promotes ethical behaviour and has in place mechanism for reporting and redressal of illegal and unethical behaviour. The Company has a vigil mechanism and Whistle Blower Policy for due protection of whistle blowers. It is hereby confirmed that no personnel has been denied access to the Audit Committee.</p> <p>d) <b>Risk Management Policy:</b>          The board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.</p> <p>e) <b>Corporate Social Responsibility (CSR):</b>          Provision of Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility is not applicable to the company hence no Corporate Social Responsibility Committee has been formed during the year and other information related to CSR are not applicable to company.</p>

	<p><b>f) Related Party Policy:</b> All material transactions entered into with related parties as defined under the Act and listing agreement during the financial year were in the ordinary course of business and on Arm's Length price. The Company's policy on dealing with related party transactions has been formulated and amended from time to time.</p>
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9	<b>Means of Communication:</b>	
	a) Half-yearly results will be regularly prepared and submitted to the respective authorities well in time.	
	b) Management Discussion and Analysis Report forms part of the Company's Annual Report.	
10	<b>General Shareholder Information:</b>	
	<b>Annual General Meeting</b>	5 <sup>th</sup> Annual General Meeting
	Day and Date	Thursday, 28 <sup>th</sup> September 2017
	Time	11.00 A.M.
	Venue	Village Garnala, Naraingarh Road, Ambala City – 134 003 (Haryana)
	<b>Financial Calendar</b>	
	Financial Year	April 1, 2017 to March 31, 2018
	Un-audited Financial Results -Half yearly (30-09-2017)	Second week of November, 2017
	<b>Audited Financial Results</b> -Fourth Quarter (31-03-2018)	Last week of May, 2018
	<b>Day of book Closure</b> -Physical mode	21-09-2017 to 28-09-2017 (Both day inclusive)
	Dividend	No dividend has been recommended by the Directors.
	Listing on Stock Exchange for fourth coming SME IPO	The management of the Company was proposed for public issue of 1462000 Equity shares of face value of Rs.10/- each fully paid up for cash at a price of Rs.70/- each (Including share premium of Rs.60/- per equity share) aggregating Rs.1023.40 Lacs pursuant to resolution passed in the Board of Directors meeting held on February 15, 2017 and approved by Shareholders of the Company by a passing special resolution, pursuant to Section 62(1)(c) of the Companies Act, 2013, at the Extra Ordinary General Meeting held on February 16, 2017 and the same was opened on dated March 31, 2017 and closed on April 07, 2017. The Company has also proposed to be listed for commencement of trading at National Stock Exchange Limited of India (Emerging SME Platform), Mumbai within six working days from the issue closing date.
	Market Maker for fourth coming SME IPO	Choice Equity Broking Private Limited Choice House, Shree Shakambhari Corporate Park, 156-158, J.B. Nagar, Andheri (E), Mumbai – 400099, Maharashtra Tel: +91 22 67079853 Fax: +91 22 67079898 E-mail: sme@choiceindia.com Contact Person: Mr. Premkumar Harikrishnan
	Registrar and Share Transfer Agents and Share Transfer System	Bigshare Services Private Limited E2 Ansa Industrial Estate, Sakivihar Road, Sakinaka Andheri East, Mumbai – 400072 Tel. No.: +91 022 40430200 has been appointed by the company as agency for Dematerialization of shares and as Share Transfer Agent for its forthcoming SME IPO.
	Share Transfer System	Shares lodged in physical form with the Company/its Registrars & Share Transfer Agent are processed and generally returned, duly transferred within 15 days, except in cases where litigation is involved. In respect of shares held in dematerialized mode, the transfer takes place instantaneously between the transferor and transferee at the

		depository participant(s) through which electronic debit / Credit of the accounts is involved.
	Market Price date-High/Low during each month of the year 2016-17	Not Applicable (Because the stock of the Company was not listed till the end of March 31, 2017)

**Dematerialization of Shares and Liquidity**

The Company's shares are available for trading in the depository systems of NSDL/ CDSL. As on March 31, 2017, 2708800 equity shares of the Company were dematerialized.

Stock Codes/Symbol (NSE)  
ISIN No. for NSDL & CDSL

Stock was not listed till the end of March 31, 2017  
INE964W01013

**Distribution of Shareholding as on 31-03-2017**

No. of Shares		No. of Shareholders		Shareholdings	
Form	To	Nos.	% to Total	Nos.	% to Total
1	500	0	0.00	0	0.00
501	1000	0	0.00	0	0.00
1001	2000	0	0.00	0	0.00
2001	3000	0	0.00	0	0.00
3001	4000	0	0.00	0	0.00
4001	5000	0	0.00	0	0.00
5001	10000	0	0.00	0	0.00
10001	Above	14	100.00	2708800	100.00
		<b>14</b>	<b>100.00</b>	<b>2708800</b>	<b>100.00</b>

**Shareholding Pattern as on 31<sup>st</sup> March 2017**

Category	Number of Equity Shares held	Percentage of Holding
a) Promoters		
Indian	2708800	100.00
Foreign	0	0.00
<b>Sub Total (a)</b>	<b>2708800</b>	<b>100.00</b>
b) Public		
Financial Institution/Bank	0	0
Non Institution – Body Corporate	0	0
Individual (Indian Public)	0	0
Foreign Ins	0	0
<b>Sub Total (b)</b>	<b>0</b>	<b>0</b>
<b>Grand Total (a + b)</b>	<b>2708800</b>	<b>100.00</b>

Factory Location

Village Garnala, Naraingarh Road, Ambala City -134003  
(Haryana)

Registered Office

Village Garnala, Naraingarh Road, Ambala City -134003  
(Haryana)

**11. Certificates by Managing Director (CEO) & CFO- Corporate Accounts**

The Managing Director and CFO of the Company have given the "annual certification on the financial reporting and internal controls to the Board of Directors in accordance with the Listing Regulations. The Annual Certificate given by the Managing Director and CFO of the Company is published in this report.

**12. Report on Corporate Governance**

This chapter, read together with the information given in the chapter entitled as Management discussion and Analysis Report' constitutes a detailed compliance report on Corporate Governance during 2016-17 in terms of Listing Regulations.

13. **Certificate on Corporate Governance**

The Company has obtained the certificate from the Company Secretary regarding compliance with the provisions relating to Corporate Governance laid down under Listing Regulations, 2015. This certificate will be sent to Stock Exchanges, along with the annual report to be filed by the Company.

**By Order of the Board of Directors**

**Place: Ambala**

**Dated: 24-08-2017**

**(Vinod Kumar)  
Managing Director  
DIN: 00150507**

# M. K. Proteins Limited

Regd. Office: Naraingarh Road, Village Garnala, Ambala City (Haryana), India - 134003  
T: 0171-2679358 | W: www.mkproteins.in | E: info@mkproteins.in  
TIN: 06291043467 CIN: U15500HR2012PLC046239

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## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. INDUSTRY STRUCTURE AND DEVELOPMENTS

Our Company is a manufacturing and trading organization having its production/refining plant of Edible Oils. Our manufacturing process involves refining of Crude Oils to obtain Refined Rice Bran Oil, Canola Oil, Soya Bean Oil, Sunflower Oil and Rice Bran Bleached Oil. During the refining process certain by-products are also manufactured such as Rice Bran Fatty Acid Oil, Rice Bran Wax, Gums and Spent Earth which are also saleable. Further, we also import crude oils, process them and sell the finished product. We also trade in both edible and non-edible oils.

Overview of Edible oil Industry: Oilseeds and edible oils are two of the most sensitive essential commodities. India is one of the largest producers of oilseeds in the world and this sector occupies an important position in the agricultural economy, accounting for production of 27.51 million tons of nine cultivated oil seeds during the year 2014-15 (November-October) as per Final Estimates released by the Ministry of Agriculture on 09.05.2016. India contributes about 6-7% of the world oilseeds production. Export of Edible oils was 38317.56 tons in the financial year 2014-15 valued at Rs. 46040.37 Lacs.

Types of Oils commonly in use in India: India is fortunate in having a wide range of oilseeds crops grown in its different agro climatic zones. Groundnut, mustard/rapeseed, sesame, safflower, linseed, niger seed/castor are the major traditionally cultivated oilseeds. Soyabean and sunflower have also assumed importance in recent years. Coconut is most important amongst the plantation crops. Efforts are being made to grow oil palm in Andhra Pradesh, Karnataka, Tamil Nadu and North- Eastern parts of the country in addition to Kerala and Andaman & Nicobar Islands. Among the non-conventional oils, rice bran oil and cottonseed oil are the most important. In addition, oilseeds of tree and forest origin, which grow mostly in tribal inhabited areas, are also a significant source of oils.

Consumption Pattern of Edible Oils in India: India is a vast country and inhabitants of several of its regions have developed specific preference for certain oils largely depending upon the oils available in the region. For example, people in the South and West prefer groundnut oil while those in the East and North use mustard/rapeseed oil. Likewise several pockets in the South have a preference for coconut and sesame oil. Inhabitants of northern plain are basically consumers of fats and therefore prefer Vanaspati, a term used to denote a partially hydrogenated edible oil mixture of oils like soyabean, sunflower, rice bran and cottonseed and oils. Many new oils from oilseeds of tree and forest origin have found their way to the edible pool largely through vanaspati route. Of late, things have changed. Through modern technological means such as physical refining, bleaching and deodorization, all oils have been rendered practically colorless, odorless and tasteless and, therefore, have become easily interchangeable in the kitchen. Oils such as soyabean cottonseed, sunflower, rice bran, palm oil and its liquid fraction- palmolein which were earlier not known have now entered the kitchen. The share of raw oil, refined oil and vanaspati in the total edible oil market is estimated roughly at 35%, 55% and 10% respectively. About 50% of domestic demand of edible oils is met through imports out of which palm oil/palmolein constitutes about 80%. The consumption of refined palmolein (RBD palmolein) as well as its blending with other oils has increased substantially over the years and is used extensively in hotels, restaurants and in preparation of wide varieties of food products.

Major Features of Edible Oil Economy: There are two major features, which have significantly contributed to the development of this sector. One was the setting up of the Technology Mission on Oilseeds in 1986 which has been converted into a National Mission on Oilseeds and Oil Palm (NMOOP) in 2014. This gave a thrust to Government's efforts for augmenting the production of oilseeds. This is evident by the very impressive increase in the production of oilseeds from about 11.3 million tonnes in 1986-87 to 26.68 million tons in 2014-15. Most of the oilseeds are cultivated on marginal land and are dependent on rainfall and other climatic conditions. The other dominant feature which has had significant impact on the present status of edible oilseeds/oil industry has been the program of liberalization under which the Government's economic policy allowing greater freedom to the open market and encourages healthy competition and self regulation rather than protection and control. Controls and regulations have been relaxed resulting in a highly competitive market dominated by both domestic and multinational players.

### Overview of Company

Our Company was incorporated as M K Proteins Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated June 15, 2012 in Ambala, Haryana. Subsequently, the name of our Company was changed to M K Proteins Limited pursuant to shareholder's resolution dated January 20, 2017 and vide fresh certificate of incorporation dated February 08, 2017. Our Company is a manufacturing and trading organization having its production/refining plant of Edible Oils. Our manufacturing process involves refining of Crude Oils to obtain Refined



Rice Bran Oil, Canola Oil, Soya Bean Oil, Sunflower Oil and Rice Bran Bleached Oil. During the refining process certain by-products are also manufactured such as Rice Bran Fatty Acid Oil, Rice Bran Wax, Gums and Spent Earth which are also saleable. Further, we also import crude oils, process them and sell the finished product. We also trade in both edible and non-edible oils. The initial installed capacity of the Plant for manufacturing/refining of Vegetable Refined Oil was 120 TPD, which had further expanded to 250 TPD in the year 2014-15. Our company is focused at production of highest quality of edible oil. Our refinery is completely mechanized and today we produce rice bran oil, sunflower oil etc with protein content, with controlled fiber free from oil residue, ash and sand & silica. This is possible only through sustained levels of cleaning, storage and monitoring arrangements. Our Company based on its extensive experience of its promoters and its standards, conforms to major specifications and customer requirements. We firmly believe in benchmark product quality, customer centric approach, people focus, ethical business practices and good corporate citizenship.

## **2. BUSINESS STRATEGY**

Our Company intends to focus on adhering to the quality standards of our products. Our driving force has always been the quality of our products, as it would enable us to have long term standing relationship with our customers. Since, our products are used for human consumption, we have to ensure that the same meets the standards prescribed by law. Further, our Company has got license to act as manufacturer of Edible Oils and Blended Edible Oils under Food Safety and Standards Act, 2006.

We believe in transparency and commitment in our work with our clients. We have an experienced team for taking care of our manufacturing process and our day to day operations. We also consult with external agencies on a case to case basis on technical and financial aspects of our business. We will consistently put efforts among its group of experienced employees to transform them into an outstanding team of empowered professionals which helps in further accelerating the wheels of development of the Organization.

We intend to cater to the increasing demand of our existing clients and also to increase our existing clientele by enhancing the distribution reach of our products in different parts of the country. Our Company operates from Haryana. We propose to increase our marketing and sales team which can focus on different regions and also maintain cordial relationship with our clients. Enhancing our presence in additional region will enable us to reach out to a larger population. Further our Company believes in maintain long term relationship with our clients in terms of increased sales. We aim to achieve this by adding value to our clients through quality assurance and timely delivery of our products.

## **3. OPPORTUNITIES, THREATS, RISKS AND CONCERN:**

### ***Strengths***

We believe that the following strengths have contributed to success and will be competitive advantages for us, supporting our strategy and contribution to improvements in financial performance:

-Our promoters have vast experience in the Edible Oil industry and have always believed in maintaining the best quality in our products. Our Company is dedicated towards quality of our products which has helped us to maintain long term relations with our customers and has also facilitated us to entrench with new customers.

-Along with experienced promoters, our company has a team of employees and workers who assist the top management, having knowledge and expertise of core aspects of Edible Oil industry and marketing. We believe that our experience, knowledge and human resources will enable us to drive the business in a successful and profitable manner.

-Our product portfolio consists of wide range of products which differentiate us from other companies. We have product portfolio ranging from Rice Bran Oil, Sunflower Oil, Canola Oil, Soyabean Oil etc,

### ***Threats and Weakness***

**Price Volatility:** Your Company is exposed to commodity price fluctuations in its business. All major raw materials as well as finished goods being agro-based are subject to market price variations. Prices of these commodities continue to be linked to both domestic and international prices, which in turn are dependent on various Macro/ Micro factors. Prices of the Raw materials and finished products manufactured by your Company fluctuate widely due to a host of local and international factors. Your Company continues to place a strong emphasis on the risk management and has successfully introduced and adopted various measures for controlling the price fluctuations in order to minimize its impact on profitability.

**Government Policies:** The policies announced by the Government have been progressive and are expected to remain likewise in future, and have generally taken an equitable view towards various stake holders, including domestic farmers, industry, consumers etc.

Growing competition in the Edible oil Industry and Threat of cheap import

Un-established Brand Name, Low advertising and visibility and huge requirement of working capital

**Opportunities:**

Since its establishment of the company, the customer base has been increased gradually due to its quality product. Now, the final product of the company has duly been accepted in the market and the management are hopeful to achieve better results in the ensuing year.

4. **MARKETING STRATEGY**

We have developed a marketing network across northern states in the country. Our marketing team is led by our Directors who are responsible for the overall marketing strategies. Our success lies in the strength of our relationship with our customers who have been associated with us for a long period. Our Sales & Marketing team is headed by our management which keeps itself updated on the customer preference and changes in their requirements from time to time. Our marketing team is also assisted by a technical team. Our promoters Mr. Vinod Kumar and Mr. Raj Kumar, through their vast experience and good rapport with customers play an instrumental role in quality maintenance and timely delivery of products.

We compete with other manufacturers on the basis of product quality and product price including factors, based on reputation, regional needs and customer convenience. While these factors are key parameters in client's decision matrix in purchasing goods; product quality and product price is often the deciding factor in most deals. Due to industry's fragmented nature, there is no authentic data available to our Company on total industry size and market share of our Company vis-a-vis the competitors. We believe that the principal factors affecting competition in our business include client relationships, reputation, the abilities of employees, market focus and the relative quality and price of the products.

5. **OUTLOOK**

As per the industry sources, the food consumption in India was \$ 135 billion in year 2000. This is expected to be \$ 895 billion by 2020. Coupled with this is the fact that over 60% of population is under the age of 30, who are developing, leading and changing consumption behavior. In the coming year, India's economic indicators such as GDP growth rate, infrastructure focus, good monsoon, Banking reforms, Inflation control, Goods and Service Tax, growing consumerism and disposable income reflects very positive outlook for foods business. International low commodity prices have resulted in increasing demand and imports to bridge the demand-supply gap. This is expected to expand the capacity utilization of all refining facilities.

Considering the global economic scenario and encouraging business conditions in domestic markets, the industry hopes that the Government of India would set (and review from time to time, as may be required) tariff policy so as to stimulate the domestic industry on a consistent basis and harmonize the interest of domestic farmers, processors and consumers through appropriate differential import duties between import of crude and refined edible oils. The industry further hopes that the Government would proactively respond to global factors and genuine requests of the industry on a regular basis so as to foster domestic manufacturing growth and to prop up investments in the domestic manufacturing sector, given the vast potential of edible oil consumption in India.

To bridge the gap between demand and supply, it is, essential to increase the availability of vegetable oils from domestic resources by encouraging diversification of land from good grains to oil seeds, increasing productivity of oil seeds, encourage oil palm cultivation, place oil palm cultivation under plantation crops and fullest exploitation of non traditional domestic sources. This will improve capacity utilization, increase production and productivity thereby bring the industry to be competitive in the international market. The biggest beneficiaries would be the marginal farmers whose entire livelihood depends on the meager earnings that they get from small piece of land.

The Indian economy is showing signs of strength, backed by improvement in overall business sentiments. Given the growth in the overall edible oil consumption, keeping in view the discerning and value conscious need of the growing consumer base, the growth in packed segment has been growing almost twice of the overall edible oil growth in the recent past. The trend is expected to continue due to low base and vast potential.

6. **SEGMENT WISE OR PRODUCT-WISE PERFORMANCE**

The Company is engaged in single activity (i.e. Manufacturing of Vegetable Refined Oil) and there is no separate reportable segment as per AS-17

7. **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has aligned its current systems of internal financial control with the requirement of Companies Act 2013. The Internal Control is intended to increase transparency and accountability in an organization's process if designing and implementing a system of internal control. The framework requires a company to identify and analyse risks and manage appropriate responses. The Company has successfully laid down the framework and ensured its effectiveness.

The Company's internal controls are commensurate with the size of the company and the nature of its business. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and

operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of corporate policies. The company has an audit committee, the details of which are provided in the Corporate Governance Report. The audit committee reviews the internal control system and follows up on the implementation of corrective actions, if required. The committee also meets the company's statutory auditors to ascertain, inter alia their views on the adequacy of internal control system in the Company and keeps the Board of Directors informed of its major observations from time to time. The management also regularly reviews the utilization of fiscal resource, compliance with law, efficiencies, so as to ensure optimum utilization of resources and achieve better efficiencies.

Based on its evaluation (as defined in section 177 of Companies Act 2013), our audit committee has concluded that, as of March 31, 2017, our internal financial controls were adequate and operating effectively.

8. **MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

According to the volume of work of the company, the Company has increased its work force gradually. Being a small size of company, the Remuneration Policy is designed to create a high performance culture. It enables the company to attract retains and motivates employees to achieve better results. The company has taken efforts to set up and maintain an efficient work force. The company is taking steps towards maintaining a low attrition rate which it believes shall be achieved by investing in learning and development programmes for employees, competitive compensation, creating a compelling work environment, empowering employees at all levels as well as a well-structured reward and recognition mechanism.

9. **ANALYSIS OF FINANCIALS**

The financial performance of the Company for the last three years are given below:

	<b>(Rs. In Lacs)</b>	
	<b>2016-17</b>	<b>2015-16</b>
Total Revenue	16453.49	14475.34
Total Expenditure	15966.03	14056.29
Other Income	5.46	0.45
EBIDTA	492.92	419.50
Depreciation, amortization and impairment expenses (net)	121.18	90.02
Finance Cost	220.42	224.41
Exceptional item	0.00	0.00
Profit/(Loss) before tax	151.32	105.07
Tax Expense	52.71	32.85
Profit/(Loss) after tax	98.61	72.22

**Revenue and Profits:** The Company has earned the total revenue of Rs.12323.33 Lacs, Rs.14475.34 Lacs and Rs.16453.49 Lacs in the year 2014-15, 2015-16 and 2016-17 respectively. It reflects the increasing trend in the revenue since its inception. The Company has recorded a Profit/(Loss) after tax of Rs.83.53 Lacs, Rs.72.22 Lacs and Rs.98.61 Lacs in the year 2014-15, 2015-16 and 2016-17 respectively.

10. **CAUTIONARY STATEMENT**

Statements in the management discussion and analysis may be "forward looking" statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets, changes in the Government regulations, tax laws, other statutes and other incidental factors.

**By Order of the Board of Directors**

**Place: Ambala**

**Dated: 24-08-2017**

**(Vinod Kumar)  
Managing Director  
DIN: 00150507**

## **CERTIFICATE ON CORPORATE GOVERNANCE**

**To**

**The Member of  
M. K. Proteins Limited**

We have examined the compliance of conditions of Corporate Governance by **M. K. Proteins Limited**, for the year ended on 31<sup>st</sup> March, 2017, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

We state that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2017 no investor grievances are pending against the Company for a period exceeding one month as per the records maintained by the company which are presented to the Shareholders/Investors Grievance Committee.

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

**Place: Ambala City**

**Date: 24-08-2017**

**for J. P. Jagdev & Co.,  
Company Secretaries,**

**(J. P. Jagdev)  
Prop.  
C. P. No. 2056**

**CHIEF EXECUTIVE OFFICER (CEO)/CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

To,

**The Board of Directors of M. K. Proteins Limited  
Ambala**

**Sub: CEO/CFO Certificate**

**Dear Sir,**

We, Vinod Kumar (Chief Executive Officer & Managing Director) and Nipun Garg (Chief Financial Officer) of the company **M. K. Proteins Limited**, to the best of our knowledge and belief, certify that:

1. We have reviewed Balance Sheet, Statement of Profit and Loss and the cash flow statement and all the notes on accounts and Director's Report for the year and that to the best of my knowledge and belief: -
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these 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. There are, to the best of their knowledge and belief, no transactions entered into by the company during the year that are fraudulent, illegal or violation of the company's code of conduct and ethics.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee: -
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting polices during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.
5. We further declare that all Board members and senior managerial personnel have affirmed compliance with the Code of Conduct and ethics for the current year.

**Yours sincerely,**

**(VINOD KUMAR)  
CEO & MD**

**(NIPUN GARG)  
CFO**

**Place: Ambala  
Date: 24-08-2017**

## **INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS**

To,

**The Members of,  
M. K. PROTEINS LIMITED,**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **M. K. PROTEINS LIMITED, AMBALA** ('the Company'), which comprise the Balance Sheet as at March 31, 2017 and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of these financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2017;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date;
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **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", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the Directors as on March 31, 2017, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2017 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".

- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial statement as of March 31, 2017;
  - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses on long term contracts;
  - iii) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
  - iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note [29(k)].

**Place: Ambala Cantt**

**Date: 24<sup>th</sup> August 2017**

**For Jayant Bansal & Co.,  
Chartered Accountants  
Firm Registration No. 004694N**

**JAYANT BANSAL  
(PARTNER)  
Membership No.: 086478**



**ANNEXURE “A” REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF INDEPENDENT AUDITORS’ REPORT OF EVEN DATE OF M. K. PROTEINS LIMITED FOR THE YEAR ENDED MARCH 31, 2017**

- (i) In respect of the fixed assets of the Company:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As explained to us, the fixed assets have been physically verified by the management during the year in accordance with a regular programme of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and the records examined by us, the Company is not having any freehold immovable properties (i.e. land and building) in the name of the Company as at the balance sheet date except land and building, which has been taken on lease agreement renewable every year.
- (ii) As explained to us that, the inventory, except goods-in-transit, has been physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification. In respect of stocks lying with third parties (if any) at the year-end, written confirmations have been obtained by the Management.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 except short term loan given to M/s Saatvik Green Energy Private Limited in which Director Sh. Parmod Kumar was interested as director and same has duly been repaid with interest within 90 days.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable, except short term loan given to M/s Saatvik Green Energy Private Limited in which one of the Director Sh. Parmod Kumar was interested as director and same has duly been repaid with interest within 90 days. The maximum amount involved during the year was Rs.9500000.00 and the year end balance of loans granted to such parties was Nil (Previous year Nil).
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from public during the year. Therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Rules made by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of its products, and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)
  - (a) According to the records of the company and as per information and explanations given to us, the company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employee’s State Insurance Fund, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, Cess and other material statutory dues applicable to it with appropriate authorities.
  - (b) According to information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employee’s State Insurance Fund, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, Cess and other material statutory dues, applicable to it, were in arrears as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they become payable.
  - (c) According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Value added Tax, Service Tax, Duty of Custom and, Duty of Excise, applicable to it, which have not been deposited on account of any dispute as on 31-03-2017.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks/Non-Banking Financial Institution. The Company does not have any loans or borrowings from government and has not issued any debentures.

- (ix) As per the information and explanations given to us, the management of the Company was proposed for public issue of 1462000 Equity shares of face value of Rs.10/- each fully paid up for cash at a price of Rs.70/- each (Including share premium of Rs.60/- per equity share) aggregating Rs.1023.40 Lacs pursuant to resolution passed in the Board of Directors meeting held on February 15, 2017 and approved by Shareholders of the Company by a passing special resolution, pursuant to Section 62(1)(c) of the Companies Act, 2013, at the Extra Ordinary General Meeting held on February 16, 2017 and the same was opened on dated March 31, 2017 and closed on April 07, 2017. However, no public money has been received till the end of March 31, 2017 by the Company under this issue. In respect of fresh term loan Rs.375.88 Lacs taken by the Company from Bank/Non-Banking Financial Institution and applied during the year were for the purpose for which same were raised.
- (x) According to the information and explanations given to us, no material fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanation 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 statement as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into non-cash transaction with directors or persons connected with him and hence reporting under clause 3 (xv) of the Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**Place: Ambala Cantt**

**For Jayant Bansal & Co.,  
Chartered Accountants  
Firm Registration No. 004694N**

**Date: 24<sup>th</sup> August 2017**

**JAYANT BANSAL  
(PARTNER)  
Membership No.: 086478**

**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF M. K. PROTEINS LIMITED**

**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. K. Proteins Limited**, (“the Company”) as of March 31, 2017 in conjunction with our audit of the 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. 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 the 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

## **Opinion**

In our opinion considering nature of business, size of operation and organizational structure of the entity, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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.

**Place: Ambala Cantt**

**Date: 24<sup>th</sup> August 2017**

**For Jayant Bansal & Co.,  
Chartered Accountants  
Firm Registration No. 004694N**

**JAYANT BANSAL  
(PARTNER)  
Membership No.: 086478**

**M/S M. K. PROTEINS LIMITED, VILLAGE GARNALA, AMBALA**  
**BALANCE SHEET AS AT 31ST MARCH 2017**

PARTICULARS	NOTE NO.	AS AT	
		31-03-2017 (RS.)	31-03-2016 (RS.)
<b>I EQUITY AND LIABILITIES</b>			
<b><u>SHARE HOLDERS' FUND</u></b>			
-Share Capital	2	27088000.00	6772000
-Reserves and Surplus	3	<u>15475754.42</u>	<u>25931027</u>
		42563754.42	32703027
<b>SHARE APPLICATION MONEY PENDING ALLOTMENT</b>		0.00	0
<b><u>NON-CURRENT LIABILITIES</u></b>			
-Long Term Borrowings	4	121202056.63	80397886
-Deferred Tax Liabilities (Net)	5	2021957.00	2354399
-Other Long Term Liabilities		0.00	0
-Long Term Provisions	6	<u>207116.00</u>	<u>179135</u>
		123431129.63	82931420
<b><u>CURRENT LIABILITIES</u></b>			
-Short Term Borrowings	7	181046071.85	178451338
-Trade Payables	8	93491334.01	77130947
-Other Current Liabilities	9	19567574.84	16537522
-Short Term Provisions	10	<u>5603236.00</u>	<u>3077919</u>
		299708216.70	275197727
<b>Total Rs.</b>		<b><u><u>465703100.75</u></u></b>	<b><u><u>390832174</u></u></b>
<b>II ASSETS</b>			
<b><u>NON-CURRENT ASSETS</u></b>			
<b>-Fixed Assets</b>			
Tangible Assets	11	69788790.00	71671662
Intangible Assets		0.00	0
Capital Work-in-Progress		0.00	0
Intangible Assets Under Development		<u>0.0</u>	<u>0</u>
		69788790.00	71671662
-Deferred Tax Assets (Net)	5	0.00	0
-Long Term Loans and Advances	12	4234804.00	2458802
-Other Non-Current Assets	13	<u>2400648.00</u>	<u>87100</u>
		76424242.00	74217564
<b><u>CURRENT ASSETS</u></b>			
-Inventories	14	333155178.53	201419514
-Trade Receivables	15	45880873.00	106630332
-Cash and Bank Balances	16	350352.50	3986865
-Short Term Loan and Advances	17	9797659.72	4560479
-Other Current Assets	18	<u>94795.00</u>	<u>17420</u>
		389278858.75	316614610
<b>Total Rs.</b>		<b><u><u>465703100.75</u></u></b>	<b><u><u>390832174</u></u></b>
		0.00	0
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		
<b>OTHER NOTES FORMING PART OF THE ACCOUNTS</b>	29		

As per our report on even dated attached  
For Jayant Bansal & Co.,  
Chartered Accountants

(JAYANT BANSAL)  
PARTNER  
M.No. 086478  
Place: Ambala Cantt  
Dated: 24-08-2017

For and on behalf of the Board  
(VINOD KUMAR) [DIN 00150507]  
MANAGING DIRECTOR

(RAJ KUMAR) [00126983]  
(WHOLE TIME DIRECTOR)

NIPUN GARG  
(CHIEF FINANCIAL OFFICER)

**M/S M. K. PROTEINS LIMITED, VILLAGE GARNALA, AMBALA**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017**

PARTICULARS	NOTE NO.	FOR THE PERIOD ENDED 31-03-2017 (RS.)	FOR THE YEAR ENDED 31-03-2016 (RS.)
<b>REVENUE</b>			
-Revenue form Operations (Gross)	19	1650066866.00	1450065580
Less: Excise Duty		<u>4717818.00</u>	<u>2531698</u>
Revenue from Operations (Net)		1645349048.00	1447533882
-Other Income	20	545786.00	44888
<b>Total Revenue Rs.</b>		<b><u>1645894834.00</u></b>	<b><u>1447578770</u></b>
<b>EXPENSES</b>			
-Cost of Material Consumed	21	1390802560.45	1211565572
-Purchase of Stock-in-Trade	22	254649976.00	65157865
-Changes in inventories of Finished/Semi-Finished and Stock-in-trade	23	(182383314.68)	20890487
-Employees Benefit Expenses	24	17728031.00	12986063
-Manufacturing, Operation and Other Expenses	25	115805618.07	95029656
-Finance Costs	26	22042232.04	22440555
-Depreciation and Amortization Expenses	11	12118210.00	9001916
<b>Total Expenses Rs.</b>		<b><u>1630763312.88</u></b>	<b><u>1437072114</u></b>
<b>PROFIT BEFORE EXCEPTIONALAND EXTRAORDINARY ITEMS AND TAX</b>		<b>15131521.12</b>	<b>10506656</b>
<b>EXCEPTIONAL ITEMS</b>		<b>0.00</b>	<b>0</b>
<b>NET PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX</b>		<b>15131521.12</b>	<b>10506656</b>
<b>EXTRAORDINARY ITEMS</b>		<b>0.00</b>	<b>0</b>
<b>NET PROFIT BEFORE TAX</b>		<b>15131521.12</b>	<b>10506656</b>
<b>TAX EXPENSES</b>	27		
-Provision for Current Taxation		5603236.00	3077919
-Deferred Tax Liability/(Adjustment)		(332442.00)	206845
<b>NET PROFIT FOR THE YEAR AFTER TAX</b>		<b>9860727.12</b>	<b>7221892</b>
<b><u>EARNING PER SHARES:</u></b>	28		
-Basic Earning Per Share		3.64	3
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		
<b>OTHER NOTES FORMING PART OF THE ACCOUNTS</b>	29		
<b>As per our report on even dated attached For Jayant Bansal &amp; Co., Chartered Accountants</b>		<b>For and on behalf of the Board</b>	
<b>(JAYANT BANSAL) PARTNER M.No. 086478 Place: Ambala Cantt Dated: 24-08-2017</b>		<b>(VINOD KUMAR) [DIN 00150507] MANAGING DIRECTOR</b>	
		<b>(RAJ KUMAR) [00126983] (WHOLE TIME DIRECTOR)</b>	
		<b>NIPUN GARG (CHIEF FINANCIAL OFFICER)</b>	

**M/S M. K. PROTEINS LIMITED, VILLAGE GARNALA, AMBALA**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017**

PARTICULARS	2016-17 (Rs.)	2015-16 (Rs.)
<b><u>A. CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</u></b>		
Net Profit/(Loss) before tax	15131521.12	10506656
<b>Adjustment for: -</b>		
-Depreciation	12118210.00	9001916
-Interest paid	22042232.04	22440555
-Provision for Retirement Gratuity Benefit to Employees	27981.00	66058
-Preliminary Expenses Written off	17420.00	17420
-(Profit)/Loss on Sale of Assets	0.00	0
	<u>34205843.04</u>	<u>31525949</u>
Operating profit before working capital changes	49337364.16	42032605
<b>Adjustment for changes in working capital: -</b>		
-Increase/(decrease) in Trade and other Payables	16176559.00	(34059378)
-(Increase)/decrease in Trade Receivables	60749458.93	(52335571)
-(Increase)/decrease in Inventories	(131735664.23)	16441619
-(Increase)/decrease in Loans and Advances	(4478834.00)	11915785
	<u>(59288480.30)</u>	<u>(58037545)</u>
<b>Cash generated from operations</b>	(9951116.14)	(16004940)
(i) Income Tax paid	(3836266.00)	(3850049)
(ii) Interest paid	(22042232.04)	(22440555)
(iii) Dividend paid	0.00	0
	<u>(25878498.04)</u>	<u>(26290604)</u>
<b>Net Cash inflow/(outflow) from operating activities (A)</b>	<b><u>(35829614.18)</u></b>	<b><u>(42295544)</u></b>
<b><u>B. CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</u></b>		
-Sale Proceeds of fixed assets	0.00	0
-Increase in Tangible and Intangible Assets (Including Capital work-in-progress)	(10235338.00)	(17614305)
-Sundry Creditors for Capital goods	842000.00	(236037)
-(Increase)/decrease in Long Term Advances & Other Non Current Assets	(4184345.00)	(955852)
	<u>(13577683.00)</u>	<u>(18806194)</u>
<b>Net Cash Inflow/(Outflow) from investing activities (B)</b>	<b><u>(13577683.00)</u></b>	<b><u>(18806194)</u></b>
<b><u>C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</u></b>		
-Increase/(decrease) in short term bank borrowings (i.e. cash credit and overdraft facilities)	2594733.64	55044290
-Increase/(Proceeds from long term bank and other Long term funds	86688000.00	11575406
-Repayment of Long Term Fund (Tem Loans and other Unsecured Loans)	(43511948.85)	(1760127)
-Proceeds from issue of share capital	0.00	0
	<u>45770784.79</u>	<u>64859569</u>
<b>Net Cash inflow/(outflow) from financing activities (C)</b>	<b><u>45770784.79</u></b>	<b><u>64859569</u></b>
<b>Net Cash flow during the year (A+B+C)</b>	<b>(3636512.39)</b>	<b>3757831</b>

Cash and Cash Equivalent (Opening Balance) [Note no. 16]	3986864.89	229034
Cash and Cash Equivalent (Closing Balance) [Note no. 16]	350352.50	3986865
Earmarked Short-term Bank Deposits	0.00	0
Cash and Bank Balances at the end of the year [Note no. 16]	350352.50	3986865
SIGNIFICANT ACCOUNTING POLICIES	1	
OTHER NOTES FORMING PART OF THE ACCOUNTS	29	

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As per our report on even dated attached  
For Jayant Bansal & Co.,  
Chartered Accountants

(JAYANT BANSAL)  
PARTNER  
M.No. 086478  
Place: Ambala Cantt  
Dated: 24-08-2017

For and on behalf of the Board

(VINOD KUMAR) [DIN 00150507]  
MANAGING DIRECTOR

(RAJ KUMAR) [00126983]  
(WHOLE TIME DIRECTOR)

NIPUN GARG  
(CHIEF FINANCIAL OFFICER)



**M. K. PROTEINS LIMITED, VILLAGE GARNALA, AMBALA**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2017**

**[1A] General Information**

M. K. Proteins Private Limited ('the Company') is a public limited company. The Company was converted into Public Limited Company vide fresh Certificate of Incorporation issued by Registrar of Companies, NCT of Delhi & Haryana dated February 08, 2017. The registered office of the Company is situated at Village Garnala, Naraingarh Road, Tehsil and Distt. Ambala (Haryana) – 134003. The Company is engaged in manufacturing of Vegetable Refined Oil and by-products (i.e. Rice Bran Fatty, Wax, Gums and Spent Earth) etc. The manufacturing plant is situated at Village Garnala, Naraingarh Road, Tehsil and Distt. Ambala (Haryana). The Company is also engaged in trading in various products (i.e. Rice Bran Oil and other items etc.).

**[1B] Summary of Significant Accounting Policies**

**i) Basis of Preparation of Financial Statement**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Company as per the guidance as set out in the Schedule III to the Companies Act, 2013.

**ii) Presentation of Financial Statements**

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 "Cash Flow Statement". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards and the Listing Agreement.

**iii) Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

**iv) Tangible Fixed Assets:**

i) Fixed Assets have been stated at historical cost less accumulated depreciation and cumulative impairment. Expenses directly related to the construction or acquisition of the fixed assets have been capitalized and added to the particular assets. Pre-operative expenses incurred till the date of capitalization have been apportioned on pro-rata basis. Items of fixed assets not capitalized and other pre-operative expenses to the extent not apportioned are shown under the head "Capital work in progress".

**ii) Depreciation/Amortization:**

In respect of fixed assets (other than freehold land and capital work-in-progress) acquired during the year, depreciation/amortization is charged on Straight Line method so as to write off the cost of the assets over the useful life and for the assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life of assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation in respect of addition/deduction to fixed assets during the year has been charged on pro-rata basis.

**v) Impairment of Assets**

At each Balance Sheet date, the management reviews the carrying amounts of its assets to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal and discounted to their present value using a pre-tax discounted rate that reflects the current market assessments of time value of money and risks specific to the asset.

Reversal of impairment loss is recognized immediately as income in the Statement of Profit and loss.

- vi) **Revenue Recognition**
- i) Revenue from the sale of goods is recognized upon delivery, which is when title passes to the customer. Sales are stated net of trade discounts and sales taxes.
  - ii) Other items of income are accounted as and when the right to receive arises.
  - iii) The expenses and income considered payable and receivable respectively are accounted for on accrual basis.

- vii) **Retirement Benefits**
- (i) The Company's contribution to the recognized Provident/Family Pension Fund and Employees State Insurance Fund (Defined Contribution Scheme) schemes whether in pursuance of any law or otherwise is accounted on accrual basis and charged to the Statement of Profit and Loss of the year.
  - (ii) Gratuity Fund: The retirement gratuity benefit to employees is accounted for on accruing basis for the employees', based on their last drawn salary, completed years of services, instead of ascertaining actuarial impact.
  - (iii) Leave encashment benefit is considered and provided, based on actual as at the end of the financial year.

viii) **Valuation of Inventories**

Inventories are valued as under: -

-Raw Material, packing material, chemicals and fuel	At cost or net realizable value whichever is less
-Finished/Semi-finished goods (including by-products)	At cost or net realizable value whichever is less
-Stores and spares	At cost or net realizable value whichever is less
-Stock-in-Trade	At cost or net realizable value whichever is less

**Note:**

Cost for the purpose of valuation of finished/semi-finished goods (including by-products) is determined by considering material, labour and other related overheads.

Cost of trading items includes cost of purchase & other costs of acquisition attributable thereto.

Excise duty on finished goods manufactured is accounted for on clearance of goods from factory premises.

- ix) **Borrowing Cost**
- Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

x) **Taxes on income**

- (i) Provision for current tax is made on the basis of taxable income and tax credits computed in accordance with the provisions of Income Tax Act, 1961.
- (ii) Deferred tax expenses or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

xi) **Miscellaneous Expenditure**

Preliminary expenses are being written off over a period of 10 years.

xii) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

xiii) **Foreign currency transactions and foreign operations**

- i) The reporting currency of the Company is Indian rupee.
- ii) Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items, carried at historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

- iii) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss, except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.
- xiv) **Cash and Cash Equivalents**  
The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents.
- xv) **Cash Flow Statement**  
Cash flows are reported using the indirect method, whereby profit before tax is adjusted from the effect of transactions of non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities is segregated.
- xvi) **Extraordinary and exceptional items**  
Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosures of such events/transactions are made in the financial statements. Similarly, any external event beyond the control of the Company significantly impacting income or expense is also treated as extraordinary item and disclosed as such.  
On certain occasions, the size, type or incidence of an item of income or expenses, pertaining to the ordinary activities of the Company is such that its disclosure improves an understanding of the performance of the Company. Such income or expenses is classified as an exceptional item and accordingly disclosed in the notes to accounts.
- xvii) **Lease Accounting:**  
**As a Lessor:** The Company has given assets on an operating lease basis. Lease rentals are accounted on accrual basis in accordance with the respective lease agreements.  
**As a Lessee:** Operating lease payments are recognized as expenditure in the Statement of Profit and Loss as per the terms of the respective lease agreements.
- xviii) **Earning Per Share**  
Basic earning per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by weighted average number of equity shares outstanding during the year.  
For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighed average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**SHARE CAPITAL**

The authorized, issued, subscribed and paid-up share capital comprises of equity shares having at par value of Rs.10/- (Previous year Rs.100/-) each as follows:

PARTICULARS	AS AT 31-03-2017 (Rs.)	AS AT 31-03-2016 (Rs.)
<b>Authorised Share Capital</b>		
5000000 Equity Shares of Rs.10/- each [Previous year 100000 Equity Share of Rs.100/- each]	<b>5000000.00</b>	<b>1000000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>		
2708800 Equity Shares of Rs.10/- each fully paid-up [Previous year 67720 Equity Share of Rs.100/- each fully paid-up]	2708800.00	6772000
<b>TOTAL RS.</b>	<b>2708800.00</b>	<b>6772000</b>

**Notes:**a) **RECONCILIATION STATEMENT OF THE NUMBER OF EQUITY SHARES OUTSTANDING:**

PARTICULARS	AS AT 31-03-2017		AS AT 31-03-2016	
	NUMBER OF SHARES	AMOUNT (Rs.)	NUMBER OF SHARES	AMOUNT (Rs.)
<b>EQUITY SHARES</b>				
Equity Shares at the beginning of the year "**"	677200	6772000.00	67720	6772000
Add: No. of fully paid-up Bonus Equity Shares issued	2031600	20316000.00	0	0
Less: No. of Share forfeited/buy-back during the year	0	0.00	0	0
<b>Equity Shares at the End of the year</b>	<b>2708800</b>	<b>27088000.00</b>	<b>67720</b>	<b>6772000</b>

b) **DETAILS OF EQUITY SHARES HELD BY SHAREHOLDERS HOLDING MORE THAN 5% OF THE AGGREGATE SHARES IN THE COMPANY**

NAME OF THE SHAREHOLDER	AS AT 31-03-2017		AS AT 31-03-2016	
	NO. OF SHARES	% HELD	NO. OF SHARES	% HELD
Sh. Parvind Kumar S/o Sh. Madan Lal	212800	7.86%	53200	7.86%
Sh. Raj Kumar S/o Sh. Madan Lal	290000	10.71%	72500	10.71%
Sh. Vinod Kumar (HUF)	260000	9.60%	65000	9.60%
Sh. Parmod Kumar (HUF)	264000	9.75%	66000	9.75%
Sh. Pragun Garg S/o Sh. Parvind Kumar	264000	9.75%	66000	9.75%
Smt. Shivani Garg W/o Sh. Raj Kumar Garg	254800	9.41%	63700	9.41%
Smt. Sunila Garg W/o Sh. Parmod Kumar	238000	8.79%	59500	8.79%
Sh. Raj Kumar(HUF)	194000	7.16%	48500	7.16%
Sh. Vinod Kumar S/o Sh. Madan Lal	180000	6.65%	45000	6.65%
-Smt. Sheel Garg W/o Sh. Vinod Kumar	175200	6.47%	0	0.00%
<b>TOTAL EQUITY SHARES</b>	<b>2332800</b>	<b>86.12%</b>	<b>539400</b>	<b>79.65%</b>

c) **Terms/rights attached to equity shares:**

The Company has only one class of share capital, i.e. equity shares having face value of Rs.10/- (Previous year Rs.100/-) per share. Each holder of fully paid equity Share is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.

d) The aggregate number of equity shares allotted as fully paid up by way of bonus shares in immediately preceding five years ended March 31, 2017 are 2031600 (Previous period of five years ended March 31, 2016: NIL Shares)

e) "\*\*" The Initial Authorized Capital of Rs.10000000.00 (Rupees One Crore only) consisting of 100000 Equity Shares of face value of Rs.100/- each was sub-divided into Rs.10000000.00 (Rupees One Crore only) consisting of 1000000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of shareholders dated December 17, 2016. Consequently each Equity Shares of face value of Rs.100/- each has been split into 10 Equity Shares having face value of Rs.10/-.

f) The Authorized Share Capital of the Company was increased from Rs. 100.00 Lacs to Rs. 500.00 Lacs by creation of 4000000 Equity Shares of Rs.10/- each pursuant to a Shareholder's resolution passed in the Extra Ordinary General Meeting held on January 20, 2017.

g) The Company has declared 2031600 fully-paid-up equity Shares of Rs. 10/- each as Bonus shares in the ratio 3 : 1 by capitalization of Reserves pursuant to a Shareholder's resolution passed in the Extra Ordinary General Meeting held on January 20, 2017 and allotted to the eligible shareholders on February 15, 2017.

**[3] RESERVE AND SURPLUS**

Reserves and Surplus consists of the following reserves:

PARTICULARS	AS AT	
	31-03-2017 (Rs.)	31-03-2016 (Rs.)
<b>Surplus of Statement of Profit and Loss</b>		
Balance as per last Balance Sheet	25931027.30	18710136
Add: Net Profit after tax transferred from statement of of Profit and Loss	<u>9860727.12</u>	<u>7221892</u>
Amount available for appropriation	35791754.42	25932027
Less: Appropriation		
-Amount utilized/Capitalized for issuance of fully paid up Bonus Equity Shares	20316000.00	0
-Income Tax earlier years	<u>0.00</u>	<u>1000</u>
Balance as at the end of the year	15475754.42	25931027
<b>TOTAL RS.</b>	<b><u>15475754.42</u></b>	<b><u>25931027</u></b>

**[4] LONG TERM BORROWINGS**

Long-term borrowings consist of following:

PARTICULARS	AS AT 31-03-2017		AS AT 31-03-2016	
	NON CURRENT ASSETS	CURRENT ASSETS	NON CURRENT ASSETS	CURRENT ASSETS
<b>A. Term Loan from Bank (Secured)</b>				
-HDFC Bank Limited, Ambala Cantt (Car Loan) [Refer Note No. 4(A)(i) below]	0.00	1015357.42	1015357	1112205
-HDFC Bank Limited, Ambala Cantt (Term Loan) [Refer Note No. 4(A)(ii) below]	6914734.38	2171671.59	8876187	1945814
-HDFC Bank Limited, Ambala Cantt (Car Loan) [Refer Note No. 4(A)(iii) below]	1184115.50	295903.50	0	0
-HDFC Bank Limited, Ambala Cantt (Car Loan) [Refer Note No. 4(A)(iv) below]	2324405.75	1946967.08	0	0
<b>Sub Total Rs.</b>	<b>10423255.63</b>	<b>5429899.59</b>	<b>9891544</b>	<b>3058019</b>
<b>B. UNSECURED</b>				
<b>TERM LOAN FROM OTHERS</b>				
-M/s Sarvottam Securities Private Limited, New Delhi [Unsecured Loan] [Refer Note No. 4(b)(v) below]	30000000.00	0.00	0	0
<b>Loan and Advances from Related Parties (Unsecured)</b>				
<b>-Unsecured Loans accepted prior to 1st April 2014</b>				
-From Directors	0.00	0.00	0	0
-From Directors' Relative, Shareholders and Associate Concern [Refer Note No. 4(B)(vi) below]	31678801.00	0.00	70506342	0
<b>-Unsecured Loans accepted after 1st April 2014</b>				
-From Directors' Relative, Shareholders and Associate Concern [Refer Note No. 4(B)(vii) below]	49100000.00	0.00	0	0
<b>Sub Total Rs.</b>	<b>110778801.00</b>	<b>0.00</b>	<b>70506342</b>	<b>0</b>
<b>TOTAL RS.</b>	<b><u>121202056.63</u></b>	<b><u>5429899.59</u></b>	<b><u>80397886</u></b>	<b><u>3058019</u></b>

**Notes :**

4(A)(i) Term Loan (Car) from HDFC Bank Limited, Ambala Cantt amounting to Rs.1015357.42 [Previous year Rs.2127562.32]

-Nature of Security: Secured against hypothecation of car and personal guarantee given by the directos Sh. Raj Kumar

-Repayment Profile: Repayable in 60 monthly installment commencing from Feb' 2013 to Jan' 2018 of sanctioned amount of Rs.50.00 Lacs.

4(A)(ii) Term Loan (Machinery) from HDFC Bank Limited, Ambala Cantt amounting to Rs.9086405.97 [Previous year Rs.10822000.75]

-Nature of Security: Secured against hypothecation of machinery (present and future) and personal guarantee given by the directos

-Repayment Profile: Repayable in 60 monthly installment commencing from Nov' 2015 to Oct' 2020 of sanctioned amount of Rs.115.75 Lacs.

-The loan carries floating interest and presently the rate of interest is 10.35% p.a. (at the time of sanction) payable monthly.

- 4(A)(iii) Term Loan (Car) from HDFC Bank Limited, Ambala Cantt amounting to Rs.1480019.00 [Previous year Rs.NIL]  
 -Nature of Security: Secured against hypothecation of car and personal guarantee given by the director Sh. Raj Kumar  
 -Repayment Profile: Repayable in 60 monthly installment commencing from July' 2016 to June' 2021 of sanctioned amount of Rs.16.84 Lacs.
- 4(A)(iv) Term Loan (Car) from HDFC Bank Limited, Ambala Cantt amounting to Rs.4271372.83 [Previous year Rs.NIL]  
 -Nature of Security: Secured against hypothecation of car and personal guarantee given by the director Sh. Raj Kumar  
 -Repayment Profile: Repayable in 36 monthly installment commencing from May' 2016 to April' 2019 of sanctioned amount of Rs.59.04 Lacs.
- 4(B)(v) Unsecured Term Loan from M/s Sarvottam Securities Private Limited, New Delhi amounting to Rs.30000000.00 (Previous year Rs.NIL )  
 -Nature of Security: Unsecured Loan Rs.300.00 Lacs given to company without any stipulated condition for repayment. However, the interest @9% p.a. paid annually to the lender.
- 4(B)(vi) -Unsecured Long term loan and advances in the nature of loan has been accepted by the company from associate companies prior to 1st April, 2014 in pursuance of stipulation imposed by the Bank for providing credit facility to the company. The said loans are raised without any stipulated terms for repayment of principal and interest accrued thereupon and falls under the definition of exempt deposits as per Companies (Acceptance Deposits) Rules, 2014.
- 4(B)(vii) Unsecured Long term loan and advances in the nature of loan has been accepted by the company from associate companies after 1st April, 2014 without any stipulated terms for repayment of principal and interest thereupon, which is exempt deposit as per Companies (Acceptance Deposits) Rules, 2014.

**[5] DEFERRED TAX LIABILITIES (NET)**

Major components of deferred tax liabilities and deferred tax assets: Pursuant to Accounting Standard (AS 22) "Accounting for Taxes on Income"

PARTICULARS	AS AT	AS AT
	31-03-2017	31-03-2016
	(Rs.)	(Rs.)
a) <u>DEFERRED TAX LIABILITIES (NET)</u>		
-Related to Depreciation and amortisation	2085956.00	2409752
b) <u>DEFERRED TAX ASSETS (NET)</u>		
-Provision for Retirement Gratuity Benefits to Employees debited to Statement of Profit and Loss	63999.00	55353
<b>TOTAL RS.</b>	<b>2021957.00</b>	<b>2354399</b>

The break-up of the deferred tax liability up to the year ended March 31, 2017 is as under: -

**Liability/(Assets) on account of**

PARTICULARS	DEFERRED TAX	CHARGE/	DEFERRED TAX
	LIABILITIES/	CREDIT TO	LIABILITIES/
	(ASSETS)	STATEMENT	(ASSETS)
	AS AT	OF PROFIT	AS AT
	31-03-2016	AND LOSS	31-03-2017
	(Rs.)	(Rs.)	(Rs.)
a) <u>DEFERRED TAX LIABILITIES (NET)</u>			
-Related to Depreciation and amortisation	2409752.00	(323796.00)	2085956.00
<b>TOTAL RS.</b>	<b>2409752.00</b>	<b>(323796.00)</b>	<b>2085956.00</b>
b) <u>DEFERRED TAX ASSETS (NET)</u>			
-Provision for Retirement Gratuity Benefits to Employees debited to Statement of Profit and Loss	55353.00	8646.00	63999.00
<b>TOTAL RS.</b>	<b>55353.00</b>	<b>8646.00</b>	<b>63999.00</b>
<b>NET DEFERRED TAX LIABILITIES/(ASSETS) {a - b}</b>	<b>2354399.00</b>	<b>(332442.00)</b>	<b>2021957.00</b>

**Note:** In accordance with the Accounting Standard 22 "Accounting for Taxes on Income" the deferred tax liabilities (net) Rs.332442.00 has been adjusted by crediting to Statement of Profit and Loss during the current year and the total accumulated deferred tax liability (net) as on 31st March 2017 amounts to Rs.2021957.00 [Previous year Rs.2354399.00]

**[6] LONG TERM PROVISIONS**

Long-term provision consist of the following:

PARTICULARS	AS AT 31-03-2017 (Rs.)	AS AT 31-03-2016 (Rs.)
-Provision for Retirement Gratuity Benefit to Employees [Refer to Note No. 29 (e)]	207116.00	179135
<b>TOTAL RS.</b>	<b>207116.00</b>	<b>179135</b>

**[7] SHORT TERM BORROWINGS**

Short-term borrowings consist of the following:

PARTICULARS	AS AT 31-03-2017 (Rs.)	AS AT 31-03-2016 (Rs.)
<b>SECURED</b>		
<b>LOANS REPAYABLE ON DEMAND</b>		
<b>Working Capital Loan from Bank</b>		
-HDFC Bank Limited, Ambala Cantt (Cash Credit Facility) [Refer Note No. 7(i) below]	181046071.85	178451338
<b>TOTAL RS.</b>	<b>181046071.85</b>	<b>178451338</b>

**Notes :**

- 7(i) Working Capital Loans from HDFC Bank Limited, Ambala Cantt amounting to Rs.181046071.85 [Previous Year Rs.178451338.21]  
 -Nature of Security: Secured by way of hypothecation on entire stocks of Raw Materials, Stock-in-Process, Finished Goods, Consumable Stores and Spares, Book Debts and all other Current assets of the Company wherever they are located and other current assets of the Company.  
 -Term of Repayment: Sanctioned facility Rs.1800.00 Lacs repayable on demand during the facility tenure of 12 months.  
 -Interest rates are linked to respective banks base rates and present rate of interest is 10.35% p.a. (At the time of sanction) payable monthly.

**[8] TRADE PAYABLES**

Trade payables consist of the following:

PARTICULARS	AS AT 31-03-2017 (Rs.)	AS AT 31-03-2016 (Rs.)
Trade Paybles		
Due to related parties:		
-Associate Companies	61977957.01	64146985
Due to others	31513377.00	12983962
<b>TOTAL RS.</b>	<b>93491334.01</b>	<b>77130947</b>

**Note:**

The amount outstanding to Micro, Small & Medium Enterprises has not been given separately, because, the identification of the Micro, Small & Medium Enterprises in terms of The Micro, Small & Medium Enterprises Development Act, 2006, could not be made as the company has not received any information from the creditors/suppliers regarding there status of being a Micro, Small and Medium Enterprises.

[9] **OTHER CURRENT LIABILITIES**

Other current liabilities consist of the following:

PARTICULARS	AS AT	AS AT
	31-03-2017	31-03-2016
	(Rs.)	(Rs.)
A. Interest accrued and due on other Deposits/Borrowings	5313557.00	7614684
B. <u>Other Payables</u>		
-Current Maturities of Term Loans from Bank ( Refer to Note No. 4 )	5429899.59	3058019
-Others Creditors	1770926.25	1084167
-Advance Received from Customers	931543.00	222396
-Creditors' for Capital Goods/Expenditure	842000.00	0
-Expenses Payables	3977108.00	3213348
-Income Tax Deducted at Source Payable	1302541.00	1344908
	14254017.84	8922838
<b>TOTAL RS.</b>	<b>19567574.84</b>	<b>16537522</b>

[10] **SHORT TERM PROVISIONS**

Short-term provisions consist of the following:

PARTICULARS	AS AT	AS AT
	31-03-2017	31-03-2016
	(Rs.)	(Rs.)
Provision for Current Taxation	5603236.00	3077919
<b>TOTAL RS.</b>	<b>5603236.00</b>	<b>3077919</b>



**M/S M. K. PROTEINS LIMITED, VILLAGE GARNALA, AMBALA**

**NOTE NO 111 TANGIBLE ASSETS**

PARTICULARS	GROSS BLOCK (AT COST)					DEPRECIATION				NET BLOCK	
	AS ON 01/04/2016	ADDITIONS DURING THE YEAR	PRE OPERATIVE EXPENSES CAPITALIZED	DEDUC- TIONS/AD- JUSTMENTS	TOTAL AS ON 31/03/2017	UP TO 31/03/2016	FOR THE YEAR	DEDUC- TIONS/AD- JUSTMENTS	TOTAL UP TO 31/03/2017	W.D.V. AS ON 31/03/2017	W.D.V. AS ON 31/03/2016
Furniture & Fixtures	35600.00	0.00	0.00	0.00	35600.00	11051.00	3612.00	0.00	14663.00	20937.00	24549
Electric equipment and accessories	320000.00	0.00	0.00	0.00	320000.00	93463.00	33572.00	0.00	127035.00	192965.00	226537
Plant, Machinery & Equipments	79404209.75	822275.00	0.00	0.00	80226484.75	17512335.75	9580015.00	0.00	27092350.75	53134134.00	61891874
Boiler	3802925.00	0.00	0.00	0.00	3802925.00	1047624.00	457719.00	0.00	1505343.00	2297582.00	2755301
Generator Set	2563000.00	0.00	0.00	0.00	2563000.00	458007.00	165693.00	0.00	623700.00	1939300.00	2104993
Pollution Control Equipments	42000.00	0.00	0.00	0.00	42000.00	8946.00	2746.00	0.00	11692.00	30308.00	33054
Storage Tanks	500000.00	0.00	0.00	0.00	500000.00	106509.00	32693.00	0.00	139202.00	360798.00	393491
Weigh Bridge	438500.00	0.00	0.00	0.00	438500.00	89183.00	28560.00	0.00	117743.00	320757.00	349317
Laboratory Equipments	42000.00	0.00	0.00	0.00	42000.00	8946.00	2746.00	0.00	11692.00	30308.00	33054
Notes Counting Machine	32000.00	0.00	0.00	0.00	32000.00	19881.00	8589.00	0.00	28470.00	3530.00	12119
Scooter	49500.00	0.00	0.00	0.00	49500.00	17673.00	4701.00	0.00	22374.00	27126.00	31827
Car	5963308.00	9342479.00	0.00	0.00	15305787.00	2172261.00	1781000.00	0.00	3953261.00	11352526.00	3791047
Computer & Printers	74100.00	70584.00	0.00	0.00	144684.00	49601.00	16564.00	0.00	66165.00	78519.00	24499
<b>Total Rs.</b>	<b>93267142.75</b>	<b>10235338.00</b>	<b>0.00</b>	<b>0.00</b>	<b>103502480.75</b>	<b>21595480.75</b>	<b>12118210.00</b>	<b>0.00</b>	<b>33713690.75</b>	<b>69788790.00</b>	<b>71671662</b>
<b>Previous year figures</b>	<b>75652838</b>	<b>17018460</b>	<b>595845</b>	<b>0</b>	<b>93267143</b>	<b>12593565</b>	<b>9001916</b>	<b>0</b>	<b>21595481</b>	<b>71671662</b>	

**Note:**

-The Company has acquired the Land and Building Structure constructed thereupon on lease from M/s Shib Charan Dass Industries (P) Limited, Ambala with cancellable and renewable clause for further period on mutually agreeable terms and also include escalation clauses.

-In respect of provision for impairment [Refer to Note No. 29(d)]

**[12] LONG TERM LOANS AND ADVANCES**

Long term loans and advances consist of the following:

PARTICULARS	AS AT 31-03-2017 (Rs.)	AS AT 31-03-2016 (Rs.)
Unsecured, considered good [unless otherwise stated]:		
-Securities Deposits	4234804.00	2458802
<b>TOTAL RS.</b>	<b>4234804.00</b>	<b>2458802</b>

**[13] OTHER NON-CURRENT ASSETS**

Other non-current assets consist of the following:

PARTICULARS	AS AT 31-03-2017 (Rs.)	AS AT 31-03-2016 (Rs.)
<u>Others</u>		
<u>Unamortised Expenses</u>		
-Miscellaneous Expenditure (i.e. Preliminary Expenses)	69680.00	87100
-Deferred Revenue Expenditure on Issue of Equity Shares	2330968.00	0
<b>TOTAL RS.</b>	<b>2400648.00</b>	<b>87100</b>

**Note:** Unamortised Expenses (i.e. Miscellaneous Expenditure) reflect the amount which will not be amortized in the next 12 months or thereafter.**[14] INVENTORIES**

Inventories consist of the following:

PARTICULARS	AS AT 31-03-2017 (Rs.)	AS AT 31-03-2016 (Rs.)
<b>-Inventories</b>		
(As taken, valued and certified by the Management)		
a) Raw Material, Chemicals, Boiler Fuel and Packing Material		
-Goods in Transit	0.00	41595000
-Others	103186735.10	113230558
	103186735.10	154825558
b) Finished/Semi-finished Goods (Including Realisable By-products) [Refer Note No. 14(b)(i) below]	129522739.08	45253348
c) Consumables, Stores & Spares and Other Miscellaneous items etc.	2331781.00	1340609
d) Traded goods	98113923.35	0
<b>TOTAL RS.</b>	<b>333155178.53</b>	<b>201419514</b>

**Note:** Inventories are carried at the lower of cost and net realisable value**Details of Inventory**14(b)(i) **Finished/Semi-finished Goods (Including Realisable By-products)**

PARTICULARS	AS AT 31-03-2017 (Rs.)	AS AT 31-03-2016 (Rs.)
<b><u>Finished Goods</u></b>		
-Rice Bran Refined Oil	46011114.08	10150706
-Rice Bran Bleached Oil	12922472.00	5451570
-Refined Soyabean Oil	0.00	775835
-Refined Canola Oil	54167325.00	0
<b><u>By-Products</u></b>		
Rice Bran Fatty Acid Oil	12211320.00	25934162
Rice Bran Wax	4187211.00	2734091
Gums	10295.00	0
Spent Earth	13002.00	206984
	16421828.00	28875236
<b>TOTAL RS.</b>	<b>129522739.08</b>	<b>45253348</b>

**[15] TRADE RECEIVABLES**

Trade Receivables consist of the following:

PARTICULARS	AS AT 31-03-2017 (Rs.)	AS AT 31-03-2016 (Rs.)
<b>TRADE RECEIVABLES (Unsecured)</b>		
a) Debts outstanding for a period exceeding six months		
-Considered good	1461664.00	0
b) Other Debts		
-Considered good ""	44419209.00	106630332
<b>TOTAL RS.</b>	<b>45880873.00</b>	<b>106630332</b>

**Note: ""**

-Trade Receivables (Other Debts) includes due from companies/Associate Concerns where directors and their relatives are interested

36813300.00	76572059
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**[16] CASH AND BANK BALANCES**

Cash and bank balances consist of the following:

PARTICULARS	AS AT 31-03-2017 (Rs.)	AS AT 31-03-2016 (Rs.)
a) <b>Cash and Cash Equivalents</b>		
-Cash-in-Hand	308101.90	2565453
-Balance with Bank in Current Accounts	42250.60	1421412
	350352.50	3986865
b) Other Bank Balances	0.00	0
<b>TOTAL RS.</b>	<b>350352.50</b>	<b>3986865</b>

**[17] SHORT TERM LOANS AND ADVANCES**

Short term loans and advances consist of the following:

PARTICULARS	AS AT 31-03-2017 (Rs.)	AS AT 31-03-2016 (Rs.)
a) <b>Loans and Advances to related parties</b>		
(Unsecured , considered good)	0.00	0
b) <b>Other Lonas and Advances</b>		
(Unsecured, considered goods unless other wise stated)		
-Prepaid Expenses	337334.00	410064
-Haryana Vat Tax Recoverable from Sales Tax Department	5531030.72	704959
-Advance Income Tax	3650000.00	2900000
-Income Tax Deducted at Source Recoverable	12836.00	4489
-Excess Deposit Amount of TDS Recoverable from Department	210000.00	0
-Advances recoverable in cash or in kind or for value to be received [Refer Note No. 17(b)(i) below]	56459.00	540967
	9797659.72	4560479
<b>TOTAL RS.</b>	<b>9797659.72</b>	<b>4560479</b>

**Note: ""**

17(b)(i) Advances recoverable in cash or in kind or for value to be received includes due from companies/Associate Concerns where directors and their relatives are interested

0.00	0
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**[18] OTHER CURRENT ASSETS**

Other Current Assets consist of the following:

PARTICULARS	AS AT 31-03-2017 (Rs.)	AS AT 31-03-2016 (Rs.)
A. (Unsecured, considered goods unless other wise stated) -Interest accrued and due on Deposits/Advances	77375.00	0
B. (Unsecured, considered goods unless other wise stated) <u>Unamortised Expenses [Refer Note No. 18(B)(i) below]</u> -Miscellaneous Expenditure (i.e. Preliminary Expenses)	17420.00	17420
-Deferred Revenue Expenditure on Issue of Equity Shares	0.00	0
<b>TOTAL RS.</b>	<b>94795.00</b>	<b>17420</b>

18(B)(i) Note: Unamortised Expenses (i.e Miscellaneous Expenditure) reflect the amount which will be amortized in the next 12 months.

**[19] REVENUE FROM OPERATIONS**

Revenue from operations consist of revenue from:

PARTICULARS	FOR THE YEAR ENDED 31-03-2017 (Rs.)	FOR THE YEAR ENDED 31-03-2016 (Rs.)
a) <u>Sale of Manufactured Goods (Net of Return)</u> [Refer Note No. 19(a)(i) below]	1486869527.00	1376470390
Less: Excise Duty	4717818.00	2531698
	1482151709.00	1373938692
b) Sales of Traded Goods [Refer Note No. 19(b)(ii) below]	157854121.00	68302327
c) <u>Other Operating Revenue</u> -Cash Discount Received	5343218.00	5292863
<b>TOTAL RS.</b>	<b>1645349048.00</b>	<b>1447533882</b>

**Note:**19(a)(i) Details of Sales of Products**Finished Goods**

	FOR THE YEAR ENDED 31-03-2017 (Rs.)	FOR THE YEAR ENDED 31-03-2016 (Rs.)
-Refined Rice Bran Oil	921557034.00	910027756
-Refined Canola Oil	297551787.00	61371033
-Refined Soya Bean Oil	78821355.00	155334164
-Refined Sunflower Oil	0.00	7749000
-Rice Bran Bleached Oil	137896006.00	217359660
	1435826182.00	1351841613

**By-Products**

-Rice Bran Fatty Acid Oil	36599595.00	16705923
Less: Excise Duty	4066634.00	1856215
	32532961.00	14849708
-Rice Bran Wax	5860627.00	6079318
Less: Excise Duty	651184.00	675483
	5209443.00	5403835
-Gums	658125.00	201536
-Rice Bran Sludge Oil	624558.00	0
-Spent Earth	7300440.00	1642000
	46325527.00	22097079

**TOTAL RS.****1482151709.00****1373938692**

19(b)(ii)	<u>Details of Traded Goods</u>		
	-Refined Rice Bran Oil	52636410.00	58561840
	-Rice Bran Oil	33693708.00	9740487
	-Rapeseed Refined Oil (Canola)	9164902.00	0
	-Sunflower Oil	8639970.00	0
	-Rice Bran Non-Edible Oil (Low Grade)	2160885.00	0
	-Imported Canola Oil	51558246.00	0
	<b>TOTAL RS.</b>	<b>157854121.00</b>	<b>68302327</b>

[20] **OTHER INCOME**

Other income (net) consist of the following:

PARTICULARS	FOR THE YEAR ENDED 31-03-2017 (Rs.)	FOR THE YEAR ENDED 31-03-2016 (Rs.)
-Interest Received on Security	42394.00	44888
-Interest Received from Others on Deposits/Advances	85972.00	0
-Net Gain/ (Loss) on foreign currency transaction/translation	417420.00	0
<b>TOTAL RS.</b>	<b>545786.00</b>	<b>44888</b>

[21] **COST OF MATERIAL CONSUMED**

Cost of Material consumed consist of the followings:

PARTICULARS	FOR THE YEAR ENDED 31-03-2017 (Rs.)	FOR THE YEAR ENDED 31-03-2016 (Rs.)
<u>Raw Materials Consumed</u> [Referred Note No. 21(i) below]		
-Opening Stock	153968319.55	150277506
Add : Purchases during the year	1339132241.00	1215238226
	1493100560.55	1365515732
Less : Closing Stock	102298000.10	153968320
	1390802560.45	1211547412
Packing Material Expenses	0.00	18160
<b>TOTAL RS.</b>	<b>1390802560.45</b>	<b>1211565572</b>

Note:

21(i) Details of Raw Material Consumed

Indigenous Material

	FOR THE YEAR ENDED 31-03-2017 (Rs.)	FOR THE YEAR ENDED 31-03-2016 (Rs.)
-Rice Bran Oil/Sunflower Oil	1008916491.45	1028301789
-Chemicals	22259836.50	14059934
	1031176327.95	1042361722

Imported Material

-Canola/Soyabean Oil/Sunflower Oil	359626232.50	169185690
	359626232.50	169185690
Packing Material Expenses	0.00	18160

**TOTAL RS.**

**1390802560.45**      **1211565572**

Value of imported and indigenous raw material consumed & percentage thereof to total consumption

	2016-17		2015-16	
	Value (Rs.)	% age	Value (Rs.)	% age
-Imported	359626232.50	26%	169185690	14%
-Indigenous	1031176327.95	74%	1042379882	86%
	<b>1390802560.45</b>	<b>100%</b>	<b>1211565572</b>	<b>100%</b>

**[22] PURCHASE OF STOCK-IN-TRADE**

Purchase of Stock-in-trade consist of the following:

PARTICULARS	FOR THE YEAR ENDED 31-03-2017 (Rs.)	FOR THE YEAR ENDED 31-03-2016 (Rs.)
<u>Purchase of Stock-in-Trade</u>		
-Refined Rice Bran Oil	51776161.00	55713536
-Rice Bran Oil	33386428.00	9444329
-Rapeseed Refined Oil (Canola)	8941198.00	0
-Sunflower Oil	8580018.00	0
-Rice Bran Non-Edible Oil	85626231.00	0
-Rice Bran Non-Edible Oil (Low Grade)	14780840.00	0
-Imported Canola Oil	51559100.00	0
<b>TOTAL RS.</b>	<b>254649976.00</b>	<b>65157865</b>

**[23] CHANGE IN INVENTORIES OF FINISHED/SEMI-FINISHED GOODS AND TRADED GOODS**

Change in inventories of Finished/Semi-finished goods and Traded goods consist of the followings:

PARTICULARS	FOR THE YEAR ENDED 31-03-2017 (Rs.)	FOR THE YEAR ENDED 31-03-2016 (Rs.)
a) <u>Finished/Semi-finished Goods</u> (Including Realizable By-products)		
-Opening Stock	45253347.75	64529076
-Closing Stock	<u>129522739.08</u>	<u>45253348</u>
	(84269391.33)	19275728
b) <u>Traded Goods</u>		
-Opening Stock	0.00	1614759
-Closing Stock	<u>98113923.35</u>	<u>0</u>
	(98113923.35)	1614759
<b>TOTAL RS.</b>	<b>(182383314.68)</b>	<b>20890487</b>

Note: For breakup of inventories under broad heads refer Note No. 14

**[24] EMPLOYEE BENEFIT EXPENSES**

Employee Benefit expenses consist of the following:

PARTICULARS	FOR THE YEAR ENDED 31-03-2017 (Rs.)	FOR THE YEAR ENDED 31-03-2016 (Rs.)
a) <u>Salary and wages</u>		
-Directors' Remuneration	3250000.00	2700000
-Wages to Workers	1627097.00	1374000
-Salary to Staff	<u>11897000.00</u>	<u>8130000</u>
	16774097.00	12204000
b) <u>Employers Contribution Towards:</u>		
-Provident/Family Pension Fund, Insurance Fund and Administrative Charges	175509.00	185456
-Labour Welfare Fund	<u>0.00</u>	<u>0</u>
	175509.00	185456
c) Bonus to Staff and Workers	96500.00	86300
d) Leave with Wages to Staff and Workers	74612.00	66249
e) Provision for Retirement Gratuity Benefits to Employees	27981.00	66058
f) Gratuity Paid to Employees	23200.00	0
f) Employees Food and Beverage Expenses	260311.00	151762
g) Staff and Labour Welfare Expenses	295821.00	226238
<b>TOTAL RS.</b>	<b>17728031.00</b>	<b>12986063</b>

[25] **MANUFACTURING, OPERATION AND OTHER EXPENSES**

Manufacturing, Operation and other expenses consist of the following:

PARTICULARS	FOR THE YEAR	
	ENDED 31-03-2017 (Rs.)	ENDED 31-03-2016 (Rs.)
a) <u>Manufacturing and Operation Expenses</u>		
-Power and Fuel	31980288.00	36940381
-Purchases Expenses (Including freight & Cartage etc.)	19699768.00	14723459
-Consumable Store and Spares Consumed [Referred Note No. 25(a)(i) below]	958380.00	917028
-Custom Duty on Imported Material	42232510.89	25979506
-Transit Insurance Charges	21886.00	91124
-Factory Insurance Charges	277658.00	243113
-Net Gain/(Loss) on Foreign Currency Transaction and Translation	773000.00	1510600
-Machinery Repair and Maintenance	7893262.00	4215887
	103836752.89	84621098
b) <u>Other Expenses</u>		
-Travelling & Conveyance Expenses (Others)	150400.00	58220
-Printing and Stationery	107589.00	60158
-Postage and Courier Charges	70640.00	43215
-Telephone and Mobile Charges	218468.00	207464
-Legal and Professional Charges	165250.00	163552
-License Fee	2250.00	4250
-Lease Rent Paid [Referred Note No. 25(b)(ii) below]	900000.00	900000
-Auditors' Remuneration	172500.00	114500
-Cost Auditors' Remuneration	35000.00	35000
-Miscellaneous expenses	75715.00	40349
-Building Repair and Maintenance	328353.00	364852
-Computer Repair and Maintenance	54312.00	13133
-Car Running and Maintenance	636081.00	485431
-Scooter Running and Maintenance	52379.00	37295
-Advertisement and Publicity	9000.00	9000
-Sales Expenses (Including Freight & Cartage etc.)	3885863.00	4049088
-Brokerage and Commission Paid	3377072.00	3249423
-Haryana Pollution Board Consent Fee	63196.00	84928
-Food Safety and Standard Authority Licence Fee	7500.00	7500
-Subscription and Membership fee	2000.00	4000
-Testing Charges	2300.00	0
-Electricity Expenses	5893.00	6530
-Security Expenses	96427.00	46432
-Short and Excess Recoveries	(56104.32)	(391535)
-Shortage and Quality Cut	795795.00	0
-Bank Charges (Including Foreign Letter Credit Charges Rs.553660.54 [Previous year Rs.547847.05])	793566.50	798353
-Preliminary Expenses Written off	17420.00	17420
	11968865.18	10408558
<b>TOTAL RS.</b>	<b>115805618.07</b>	<b>95029656</b>

**Note:**

25(a)(i) Details of Consumable Store and Spares Consumed

	2016-17		2015-16	
	Value (Rs.)	% age	Value (Rs.)	% age
-Imported	0.00	0%	0	0%
-Indigenous	958380.00	100%	917028	100%
	<b>958380.00</b>	<b>100%</b>	<b>917028</b>	<b>100%</b>

25(b)(ii) Operating Lease (As a Lessee):

The Company has obtained Land, Building structure constructed thereupon and Tubewell on operating lease basis. This lease arrangement range for a shorter period and include cancellable clause and the same are also renewable for further period on mutually agreeable terms and also include escalation clauses.

	2016-17 (Rs.)	2015-16 (Rs.)
With respect of all operating leases: Lease payments recognised in the Statement of Profit & Loss during the year	900000.00	900000

**[26] FINANCE COSTS**

Finance costs consist of the following:

PARTICULARS	FOR THE YEAR ENDED 31-03-2017 (Rs.)	FOR THE YEAR ENDED 31-03-2016 (Rs.)
-Interest Paid to:		
-Bank on Cash Credit	10183268.00	13002830
-Bank on Overdraft Facility	0.00	524778
-Bank on Buyer Credit Facility	265572.89	183908
-Bank on Term Loan	1027910.22	0
-Bank on Car Loan	721971.93	268278
-Others	9843509.00	8460761
	22042232.04	22440555
<b>TOTAL RS.</b>	<b>22042232.04</b>	<b>22440555</b>

**[27] TAX EXPENSES**

Tax Expenses consist of following:

PARTICULARS	FOR THE YEAR ENDED 31-03-2017 (Rs.)	FOR THE YEAR ENDED 31-03-2016 (Rs.)
-Provision for Current Taxation	5603236.00	3077919
-Deferred Tax Liability/(Adjustment)	(332442.00)	206845
<b>TOTAL RS.</b>	<b>5270794.00</b>	<b>3284764</b>

**Notes:**

- a) Provision for taxation on current profit: The Company has made the provision for current income tax liability based on the assessable profit as computed in accordance with the Income Tax Act, 1961.
- b) In accordance with the Accounting Standard 22 "Accounting for Taxes on Income" the deferred tax liabilities (net) Rs.332442.00 has been adjusted by crediting to Statement of Profit and Loss during the current year and the total accumulated deferred tax liability (net) as on 31st March 2017 amounts to Rs.2021957.00 [Previous year Rs.2354399.00]

**[28] EARNING PER SHARE (EPS)**

The following reflect the profit and share data used in basic and diluted EPS computation

PARTICULARS	FOR THE YEAR ENDED 31-03-2017 (Rs.)	FOR THE YEAR ENDED 31-03-2016 (Rs.)
<b>Basic</b>		
-Profit after tax as per accounts	9860727.12	7221892
-Weighted Average Number of Shares outstanding	2708800	2708800
-Basic EPS (Rs.)	3.64	3
<b>Diluted</b>		
-Profit after tax as per accounts	9860727.12	7221892
-Weighted Average Number of Shares outstanding	2708800	2708800
-Diluted EPS (Rs.)	3.64	3
Face Value per share (Rs.)	10.00	10

**Note:**

- a) The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the Company remain same.
- b) Earning Per Share (EPS) is calculated after adjusting for bonus equity shares issued, with restrospective effect as provided in Accounting Standard (AS-20) - Earning per Share, issued by the Instituted of Chartered Accountants of india.
- c) 2031600 Equity Shares of Rs.10/- were allotted as bonus shares on February 15, 2017 in the ratio of 3 : 1. Accordingly , the EPS has been calculated by taking retrospective effect of this bonus issue.
- d) Authorized capital of the Company, has been sub-divided from 100000 (One Lacs) equity shares of Rs.100/- (Rupees Hundred) each into 1000000 (Ten Lacs) equity shares of Rs.10/- each. Consequently each Equity Shares of face value of Rs.100/- each has been split into 10 Equity Shares having face vlue of Rs.10/- as approved in Extra-ordinary General Meeting held on December 17, 2016. The Calculation of outstanding shares and EPS for both reporting period have been done after considering the sub division of shares with restrospective effect.



**[29] OTHER NOTES FORMING PART OF THE ACCOUNTS**

a) The Balance Sheet as on March 31, 2017 and the Statement of Profit and Loss for the year ended March 31, 2017 are drawn and presented as per the new format prescribed under Schedule III to the Companies Act, 2013.

b) Previous year figures have been re-grouped/re-classified where ever necessary to confirm to the current presentation.

c) Contingent Liabilities and Commitments (To the extent not provided for)

	<b>2016-17</b>	<b>2015-16</b>
	<b>(Rs. in Lacs)</b>	<b>(Rs. in Lacs)</b>
-Contingent Liabilities (if any)	NIL	NIL
-Commitments	NIL	NIL

d) Management has periodically reviewed the value in use/net realizable value of all its assets and ascertained that the value in use/net realizable value of all its assets at the end of the year is more than the book value after depreciation (amortization), hence no provision for impairment has been made during the year.

e) In respect of provision for retirement gratuity benefits to employees, the company has decided to give the benefit out of its own funds and creates the provision of Rs.27981.00 by charging to statement of profit and loss as accruing liability during the year. Due to few persons being employed in the company, the accruing liability has been calculated as per method on the assumption that such benefits are payable to all the employees at the end of the accounting year, reviewable every year. The total accumulated provision for retirement gratuity benefits to employees as on March 31, 2017 amounts to Rs.207116.00 (Previous year Rs.179135.00).

f) The Company was converted in Public Limited Company pursuant to a Shareholder's resolution passed in the Extra Ordinary General Meeting held on January 20, 2017 and fresh certificate of incorporation has been issued by the Registrar of Companies NCT of Delhi & Haryana on February 08, 2017.

g) The Initial Authorized Capital of Rs.10000000.00 (Rupees One Crore only) consisting of 100000 Equity Shares of face value of Rs.100/- each was sub-divided into Rs.10000000.00 (Rupees One Crore only) consisting of 1000000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of shareholders dated December 17, 2016. Consequently Each Equity Shares of face value of Rs.100/- each has been split into 10 Equity Shares having face value of Rs.10/-.

h) The Authorized Share Capital of the Company was increased from Rs. 100.00 Lacs to Rs. 500.00 Lacs by creation of 4000000 (Forty Lacs) Equity Shares of Rs.10/- each pursuant to a Shareholder's resolution passed in the Extra Ordinary General Meeting held on January 20, 2017

i) The Company has declared 2031600 fully-paid-up equity Shares of Rs. 10/- each as Bonus shares in the ratio 3 : 1 by capitalization of Reserves pursuant to a Shareholder's resolution passed in the Extra Ordinary General Meeting held on January 20, 2017 and allotted to the eligible shareholders on February 15, 2017

j) During the year, the management of the Company was proposed for public issue of 1462000 Equity shares of face value of Rs.10/- each fully paid up for cash at a price of Rs.70/- each (Including share premium of Rs.60/- per equity share) aggregating Rs.1023.40 Lacs pursuant to resolution passed in the Board of Directors meeting held on February 15, 2017 and approved by Shareholders of the Company by a passing special resolution, pursuant to Section 62(1)(c) of the Companies Act, 2013, at the Extra Ordinary General Meeting held on February 16, 2017 and the same was opened on dated March 31, 2017 and closed on April 07, 2017. Out of which 74000 Equity Shares reserved for subscription by Market Maker to the Issue and balance 1388000 Equity Shares offered to the Public The Company has also proposed to be listed for commencement of trading at National Stock Exchange of India Limited (Emerging SME Platform), Mumbai within six working days from the issue closing date.

- k) During the year, the Company had Specified Bank Notes (SBN) or other denominations notes as defined in the MCA Notification G.S.R 308(E) dated 30th March 2017. The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 pursuant to the requirement of as per notification are given below:

	Specified Bank Note (SBN)	Other Denomination Note	Total
Closing cash in hand as on 08.11. 2016	2735000.00	172888.79	2907888.79
Add: Permitted receipts	0.00	1579273.00	1579273.00
Less: Permitted payments	(0.00)	(1538624.00)	(1538624.00)
Less: Amount deposited in Banks	(2735000.00)	(0.00)	(2735000.00)
Closing cash in hand as on 30.12. 2016	0.00	213537.79	213537.79

l) **RELATED PARTY DISCLOSURES :**

During the year, the company has carried out some transactions with the following persons, firms (in which the directors of the company are interested) related to expenditure and other transactions. The details of the same are as under: -

**A. Related parties and their relationship**

1. Key Management Personnel

- Sh. Vinod Kumar (Managing Director w.e.f. January 02, 2017)
- Sh. Raj Kumar (Whole time Director ) [Change in designation from Director to Whole time director w.e.f. January 02, 2017]
- Sh. Parvind Kumar (Director)
- Sh. Parmod Kumar (Non-Executive Director w.e.f. February 15, 2017)
- Sh. Nipun Garg (Chief Financial Officer)

2. Relatives of Key Personnel

- Sh. Madan Lal, Smt. Kamla Rani, Smt. Teena Garg, Smt. Shivani Garg, Smt. Sunila Garg, Smt. Sheel Garg, Smt. Saumya Garg Sh. Pragun Garg, Sh. Neelash Garg, Miss Eshika Garg and Miss Kritika Garg etc.

3. Enterprises owned or significantly influenced by key management personnel or their relatives

- M/s Shivalik Steels & Alloys (P) Ltd., Barotiwala (H.P.)
- M/s Kamla Oleo (P) Ltd., Barotiwala (H.P.)
- M/s Shree Ganesh Fats Private Limited, Barotiwala (H.P.)
- M/s Kamla Oils and Fats Private Limited, Village Saha, Distt. Ambala (Haryana)
- M/s Shib Charan Dass Industries Private Limited, Ambala
- M/s Saatvik Green Energy Private Limited, Ambala

<b>B. Transactions with related parties for the year ended 31st March 2017</b>					
					(Rs. In Lacs)
	Particulars	Key Management Personnel	Relative of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Total
<b>1</b>	<b><u>Purchases</u></b>				
	-Goods and Material	0.00	0.00	4183.92	4183.92
		(0.00)	(0.00)	(1858.23)	(1858.23)

<b>2</b>	<b><u>Sales</u></b>				
	-Goods and Material	0.00	0.00	528.26	528.26
		(0.00)	(0.00)	(261.71)	(261.71)
	-Consignment Sales	0.00	0.00	2381.22	2381.22
		(0.00)	(0.00)	(3853.60)	(3853.60)
<b>4</b>	<b><u>Expenses</u></b>				
	-Directors' Remuneration	32.50	0.00	0.00	32.50
		(27.00)	(0.00)	(0.00)	(27.00)
	-Salary to Staff	0.00	90.00	0.00	90.00
		(0.00)	(55.50)	(0.00)	(55.50)
	-Interest paid to other	0.00	0.00	80.07	80.07
		(0.00)	(0.00)	(84.61)	(84.61)
	-Lease Rent Paid	0.00	0.00	9.00	9.00
		(0.00)	(0.00)	(9.00)	(9.00)
	-Commission and Brokerage Paid	0.00	0.00	11.91	11.91
		(0.00)	(0.00)	(19.31)	(19.31)
<b>5</b>	<b><u>Income</u></b>				
	-Cash Discount Received	0.00	0.00	21.57	21.57
		(0.00)	(0.00)	(15.69)	(15.69)
	-Interest Received on other advances	0.00	0.00	0.86	0.86
		(0.00)	(0.00)	(0.00)	(0.00)
<b>B.</b>	<b>Balance with related Parties as at 31st March 2017</b>				
1	-Loan and Advance taken	0.00	0.00	807.79	807.79
		(0.00)	(0.00)	(705.06)	(705.06)
2	-Trade Receivables	0.00	0.00	368.13	368.13
		(0.00)	(0.00)	(765.72)	(765.72)
3	-Trade Payables	0.00	0.00	619.78	619.78
		(0.00)	(0.00)	(641.47)	(641.47)
4	-Other Creditors	0.00	0.00	0.62	0.62
		(0.00)	(0.00)	(2.52)	(2.52)
5	-Interest accrued and due on Deposits / Borrowings	0.00	0.00	53.14	53.14
		(0.00)	(0.00)	(76.15)	(76.15)
6	-Interest accrued and due on Deposits/ Advances	0.00	0.00	0.77	0.77
		(0.00)	(0.00)	(0.00)	(0.00)

*Note: Figures given in bracket represent previous year*

**D. Disclosure of material transactions/balances with related parties**

		2016-17	2015-16
1	<u>Purchases</u>		
	-M/s Shree Ganesh Fats (P) Limited, Barotiwala	213463820.00	36778140
	-M/s Kamla Oil and Fats (P) Limited, Saha	204928325.00	149044889.00
2	<u>Sales</u>		
	-M/s Shree Ganesh Fats (P) Limited, Barotiwala	0.00	8120244.00
	-M/s Shivalik Steels & Alloys Private Limited, Barotiwala	7979760.00	7749000.00
	-M/s Kamla Oleo (P) Limited, Barotiwala	44846543.00	10301625.00

3	<u>Consignment Sales</u>		
	-M/s Shivalik Steels & Alloys Private Limited	238122212.00	385360254.00
4	<u>Directors' Remuneration</u>		
	-Sh. Parvind Kumar	0.00	1350000.00
	-Sh. Raj Kumar	3100000.00	1350000.00
	-Sh. Vinod Kumar	150000.00	0.00
5	<u>Salary to Staff</u>		
	-Sh. Madan Lal	0.00	300000.00
	-Smt. Sunila Garg	3000000.00	0.00
	-Smt. Saumya Garg	3000000.00	0.00
	-Ms. Kritika Garg	3000000.00	0.00
	-Sh. Vinod Kumar	0.00	1800000.00
	-Smt. Sheel Garg	0.00	2250000.00
	-Sh. Neelesh Garg	0.00	1200000.00
6	<u>Interest Paid to Others</u>		
	-Key Management (Directors)	0.00	0.00
	-Relative of Key Management	0.00	0.00
	-Associate/sister concern	8006523.00	8460761.00
7	<u>Lease Rent Paid</u>		
	-M/s Shib Charan Dass Industries (P) Limited, Ambala	900000.00	900000.00
8	<u>Commission &amp; Brokerage Paid</u>		
	-M/s Shivalik Steels & Alloys Private Limited	1190608.00	1931197.00
9	<u>Cash Discount Received</u>		
	-M/s Kamla Oil and Fats (P) Limited, Saha	2156872.00	1568701.00
10	<u>Interest Received on other Advances</u>		
	-Associate/sister concern	85972.00	0.00
11	<u>Loan and Advance Taken</u>		
	-Associate/sister concern	80778801.00	70506342.00
12	<u>Trade Receivables</u>		
	-M/s Shivalik Steels and Alloys Private Limited	0.00	76136202.00
	-M/s Kamla Oleo (P) Limited, Barotiwala	36813300.00	435857.00
13	<u>Trade Payables</u>		
	-M/s Kamla Oil & Fats (P) Limited, Saha	29954288.00	7998659.00
	M/s Shib Charan Dass Industries (P) Ltd	20840186.01	19370186.01
	-M/s Shree Ganesh Fats Private limited	11183483.00	36778140.00
14	<u>Other Creditors</u>		
	M/s Shib Charan Dass Industries (P) Ltd	62000.00	252000.00
15	<u>Interest accrued and due on Deposits/Borrowings</u>		
	-Associate/sister concern	5313557.00	7614684.00
16	<u>Interest accrued and due on Deposits/Advances</u>		
	-Associate/sister concern	77375.00	0.00

m) The Company is engaged in single activity (i.e. Manufacturing of Vegetable Refined Oil) and there is no separate reportable segment as per AS-17

n) **Disclosure Under Clause 34(3) of the SEBI (Listing obligations and disclosure Requirements) Regulations, 2015**

	2016-17		2015-16	
	As At March 31, 2017	Maximum Balance during March 31, 2017	As At March 31, 2016	Maximum Balance during March 31, 2016
-Loan and Advances in the nature of Loan to Subsidiaries	NIL	NIL	NIL	NIL
-Loan and Advances in the nature of Loan to Associate Concerns	NIL	NIL	NIL	NIL
-Loans or Advances in the nature of loans to Firms/Companies in which directors are interested.				
M/s Saatvik Green Energy Private Limited	0.00	95.00	0.00	0.00
-Investment by the loanee in the shares of the company, when the company has made a loan or advance in the nature of loan	NIL	NIL	NIL	NIL

o) **Additional Information:**

1) Details of Raw Materials, Purchase of stock-in-trade, Sales and Inventories are broadly given in respective note no. 21, 22, 19 and 14.

2) Auditors' Remuneration and expenses (Including service tax) charged to the accounts:

	2016-17	2015-16
-Statutory Audit fee	143750.00	91600.00
-Tax Audit Fee	28750.00	22900.00
<b>Total</b>	<b>172500.00</b>	<b>114500.00</b>
-Cost Auditors' Remuneration	35000.00	35000.00

3) Value of imports (on C.I.F. basis) by the company during the financial year in respect of

	2016-17	2015-16
-Raw Materials and Chemicals	379947640.89	234576824.05
-Traded Goods	51559100.00	NIL
-Components and spare parts	NIL	NIL
-Capital Goods	NIL	NIL

4) Expenditure in foreign Currency during the financial year on account of

	2016-17	2015-16
-Royalty and technical know how fee	NIL	NIL
- Professional consultation fee	NIL	NIL
-Interest and other matters	NIL	NIL

5) Value of imported and indigenous raw material and consumable stores and spares consumed are broadly given in respective note no. 21 and 25.

6) Dividends remitted in foreign currency:

	2016-17	2015-16
-Dividends remitted in foreign currency	NIL	NIL

7) Earnings in foreign exchange:

	<b>2016-17</b>	<b>2015-16</b>
-Export of goods on F.O.B. basis	NIL	NIL
-Royalty, know how and professional consultation fee.	NIL	NIL
-Interest and dividend etc.	NIL	NIL
-Other receipts	NIL	NIL

**(VINOD KUMAR)**  
**[DIN 00150507]**  
**Managing Director**

**NIPUN GARG**  
**CHIEF FINANCIAL OFFICE**

**(RAJ KUMAR)**  
**[00126983]**  
**Whole time Director**

**Place: Ambala Cantt**

**For Jayant Bansal & Co.,**  
**Chartered Accountants**  
**Firm Registration No. 004694N**

**Date: 24-08-2017**

**JAYANT BANSAL**  
**(PARTNER)**  
**M. No. 086478**

# M. K. Proteins Limited

Regd. Office: Naraingarh Road, Village Garnala, Ambala City (Haryana), India - 134003

T: 0171-2679358 | W: www.mkproteins.in | E: info@mkproteins.in

CIN: U15500HR2012PLC046239

## 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]

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

Registered address : .....

E-mail id : .....

Folio No./Client Id\* : ..... DP ID\*: .....

\*Applicable to shareholders holding shares in electronic form.

I/We ..... (Name) of .....

(Place) being the holder(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

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# M. K. Proteins Limited

Regd. Office: Naraingarh Road, Village Garnala, Ambala City (Haryana), India - 134003

T: 0171-2679358 | W: www.mkproteins.in | E: info@mkproteins.in

CIN: U15500HR2012PLC046239

## ATTENDANCE SLIP

DP. Id *		Folio No.	
Client Id*		No. of Shares	

\*Applicable to shareholders holding shares in electronic form

Name and Address of Shareholder: .....

I hereby record my presence at the 5<sup>th</sup> Annual General Meeting of the Company held at Village Garnala, Naraingarh Road, Ambala City, Distt. Ambala – 134003 (Haryana) on Thursday, the 28<sup>th</sup> September, 2017 at 11.00 am.

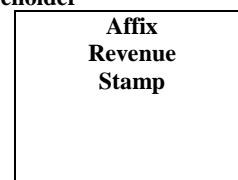
**Signature of Shareholder**

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 5<sup>th</sup> Annual general meeting of the company, to be held on the 28<sup>th</sup> day of **September 2017** at **11:00 A. M.** at **NARIANGRAH ROAD, VILL. GARNALA, AMBALA CITY – 134003 (HR.)** (place) and at any adjournment thereof in respect of such resolutions as are indicated below:

<b>Resolution No</b>	<b>Resolution</b>	<b>For</b>	<b>Against</b>
1	To receive, consider and adopt the Audited Statement of Accounts for the year ended 31 <sup>st</sup> March 2017 together with reports of the Board of Directors and the Auditors thereon.		
2	To re-appoint Sh. Parvind Kumar, Director who retires by rotation at this meeting and, being eligible, offered himself for re-appointment.		
3	To ratify the appointment of Auditors and to fix their remuneration		
4	To appoint Ms. Laxmi Mandal as Directors of the company		
5	To appoint Sh. Abhay Kumar as Directors of the company		
6	To appoint Sh. Chatter Singh as Directors of the company		
7	To appoint Sh. Dinesh Singh Malik as Directors of the company		
8	To appoint Sh. Raman Kumar Sah as Directors of the company		
9	Approval for Material Transactions with Related Parties		

Signed this..... day of..... 20....

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.*



**BOOK POST**

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**M. K. PROTEINS LIMITED**

**REGD. OFFICE:-**

**VILLAGE GARNALA, NARAINGARH ROAD  
AMBALA CITY, DISTT. AMBALA -134003**