

# Twenty Sixth Annual Report

2013-2014



**Vitan Agro Industries Limited**

(Formerly Known as Vitan Departmental Stores & Industries Limited)

B2, Sindur Pantheon Plaza, 346, Pantheon Road, Egmore, Chennai- 600 008

**CIN : L52321TN1987PLC014433**

- Board of Directors** : **Mr. VISHNU PRASAD CHOKANI**  
(Promoter – Non Executive Director)  
DIN: 00754145  
**Mr. DINANATH SHYAMSUNDAR**  
(Whole Time Director)  
DIN: 06428256  
**MR. AMIT HAJARILAL CHAURASIYA**  
(Independent Director)  
DIN: 06629868  
**MR. S KRISHNA RAO**  
(Independent Director)  
DIN: 00479451
- Company Secretary  
&  
Compliance Officer** : **Mr. G. Raghavan**  
**Company Secretary**
- Registered Office** : B2, Sindur Pantheon Plaza,  
346, Pantheon Road,  
Egmore, Chennai- 600 008  
(T) (91)- 044-42134343  
(F) (91) -044-42134333  
Web: [www.vitanagroindustriesltd.com](http://www.vitanagroindustriesltd.com)  
Email: [vitanagroindus@gmail.com](mailto:vitanagroindus@gmail.com)
- Auditor** : **M/s. N. Kanodia & Co.,**  
Chartered Accountants  
24&25, Dobson Road,  
Sreenivas Apartments,  
7th Floor, Flat No. 7B,  
Howrah – 711101
- Registrar and Transfer Agent** : **M/s. Universal Capital Securities Pvt Ltd.**  
**(Formerly known as Mondkar Computers Pvt Ltd.)**  
21, Shakil Niwas, Opp. Satya Saibaba Temple,  
Mahakali Caves Road, Andheri (East),  
Mumbai – 400 093.
- Bankers** : **HDFC Bank**  
Kaithotta House, New No. 5,  
Sait Colony First Street,  
Chennai – 600 008
- VIJAYA BANK**  
No. 123, Durga Towers,  
R L Road, Egmore,  
Chennai – 600 008

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## NOTICE

**NOTICE IS HEREBY GIVEN THAT 27<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF VITAN AGRO INDUSTRIES LIMITED, WILL BE HELD ON MONDAY, 1<sup>ST</sup> DAY OF SEPTEMBER, 2014 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY TO TRANSACT THE FOLLOWING BUSINESSES:**

**Ordinary Business:**

**Item 1: ADOPTION OF ACCOUNTS:**

To receive, consider and adopt the Financial Statement of the Company for the financial year ended 31st March, 2014, including audited Balance Sheet as at 31st March 2014 and the Statement of Profit and Loss for the year ended on that date and the Reports of Board of Directors and Auditors thereon.

**Item 2: APPOINTMENT OF DIRECTOR IN PLACE OF RETIRING DIRECTOR V. P. CHOKANI:**

To appoint a Director in place of V. P. Chokani (DIN: 00754145), who retires by rotation and being eligible offers himself for re-appointment.

**Item 3: APPOINTMENT OF AUDITORS:**

To appoint Auditors of the Company and fix their remuneration and in this regard to consider and if thought fit to, pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 139, 140, 141 and 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014 as may be applicable, M/s. N. Kanodia & Co., Chartered Accountants (Firm Registration No. 327668E) the retiring auditor of the Company be and is hereby re-appointed as Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Thirty First Annual General Meeting of the Company to be held in the year 2018 (subject to ratification of its appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditor.”

**SPECIAL BUSINESS:**

**Item No. 4: APPOINTMENT OF MR. AMIT HAJARILAL CHAURASIYA AS INDEPENDENT DIRECTOR:**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 along with Clause 49 of the Listing Agreement, Mr. Amit Hajarilal Chaurasiya (DIN 06629868), who was appointed as the Additional Director of the Company pursuant to the provisions of Companies Act, 1956 and who holds office up to this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the company to hold office for five consecutive years, for a term upto 31st March 2019;

**RESOLVED FURTHER THAT** Board be and is hereby authorises to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**Item No. 5: APPOINTMENT OF MR. DINANATH SHYAMSUNDAR AS WHOLE TIME DIRECTOR FOR A PERIOD FROM 14<sup>TH</sup> FEBRUARY, 2014 TO 13<sup>TH</sup> FEBRUARY, 2017**

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

**“RESOLVED THAT** pursuant Section 196, 197 and 203 read with Schedule V and all other applicable provisions of Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded for re-designation and appointment of Mr. Dinanath Shyamsundar (DIN: 06428256) as **Whole Time Director** of the company for a period of Three years with effect from 14<sup>th</sup> February, 2014 upto 13<sup>th</sup> February, 2014 on the following terms, conditions and remuneration:

**I. Salary:** Rs. 10,000/- (Rupees Ten Thousand only) per month.

**“RESOLVED FURTHER THAT** the Consent of the Company be and is hereby accorded for the payment of the same salary, allowances and perquisites as mentioned above to Mr. Dinanath Shyamsundar, Whole Time Director, as minimum remuneration in case of absence or inadequacy of profits in any financial year of the Company during the said period;

**“RESOLVED FURTHER THAT** Mr. Dinanath Shyamsundar, Whole Time Director, shall not be paid any sitting fee for attending the Meetings of the Board of Directors and Committees thereof;

**“RESOLVED FURTHER THAT** the Board of Directors (herein after referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) be and his hereby given the liberty to alter and vary the terms and conditions of the said appointment and/or re-appointment as it may deem fit and as may be acceptable to Mr. Dinanath Shyamsundar, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

**RESOLVED FURTHER THAT** Board be and is hereby authorises to do all acts and take all such steps as may be necessary , proper or expedient to give effect to this resolution.”

**Item No. 6: APPOINTMENT OF MR. S KRISHNA RAO AS INDEPENDENT DIRECTOR:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 along with Clause 49 of the Listing Agreement, Mr. S Krishna Rao (DIN 00479451), who was appointed as the Additional Director of the Company pursuant to the Section 161 of Companies Act, and who holds office up to this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the company to hold office for five consecutive years, for a term upto 20<sup>th</sup> July 2019;

**RESOLVED FURTHER THAT** Board be and is hereby authorises to do all acts and take all such steps as may be necessary , proper or expedient to give effect to this resolution.”

**Item No. 7: GRANTING OF BORROWING POWERS UNDER SECTION 180(1)(c) OF THE COMPANIES ACT, 2013:**

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

**“RESOLVED THAT** in supersession of all previous resolutions passed by the Company and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, consent of the members, be and is hereby accorded to the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers

including the powers conferred by this Resolution) for borrowing, on behalf of the Company, any sum or sums of money, from time to time, as they may consider fit, any sum of money, in any manner, and without prejudice to the generality thereof, by way of loans, advances, credits, acceptance of deposits or otherwise in Indian rupees or any other foreign currency, from any bank or banks, or any financial Institutions, other person or persons, and whether the same may be secured or unsecured, and if secured, whether domestic or international, whether by way of mortgage, charge, hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the Company's assets and effects or properties including uncalled capital, stock in trade (including raw materials, stores, spares and components in stock or stock in transit), notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining undischarged at any given time, will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose so however that the total amount upto which money may be borrowed by the Board under this resolution, at any one time shall not exceed, in the aggregate, the sum of Rs.25,00,00,000 (Rupees Twenty Five Crores only) and /or in equivalent foreign currency;

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company.;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board of Directors of the Company and/ or Committee of Directors constituted for this purpose and/or one or more Directors of the Company authorised by the Board of Directors to exercise the power under this resolution, be and is hereby authorized to decide all terms and conditions in relation to such borrowing or loan, at their absolute discretion and to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required.”

**By order of the Board of Directors  
For VITAN AGRO INDUSTRIES LIMITED**

**Sd/-  
DINANATH SHYAMSUNDAR  
Whole-Time Director**

**Date : 21<sup>st</sup> July, 2014  
Place : Chennai**

#### **IMPORTANT NOTES:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

Members / proxies should bring the duly filled Attendance slip enclosed herewith to attend the meeting.

3. The Register of Members and the Share Transfer books of the Company will remain closed from Tuesday, 26<sup>th</sup> **August**, 2014 to Monday 1<sup>st</sup> September 2014 (both days inclusive), for the purpose of Annual General Meeting.
4. Members holding shares in electronic form are hereby informed that bank particulars against their respective depository account will be used by the company for payment of dividend (declared if any). The company or its Registrars cannot act on any request received directly from the members holding share in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the company.
5. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
7. Details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
8. Electronic copy of the 27<sup>th</sup> Annual Report is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the 27<sup>th</sup> Annual Report for 2014 is being sent in the permitted mode.
9. Electronic copy of the Notice of the 27<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 27<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
10. Members may also note that the 27<sup>th</sup> Annual Report will also be available on the Company's website [www.vitanagroindustriesltd.com](http://www.vitanagroindustriesltd.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Chennai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [vitanagroindus@gmail.com](mailto:vitanagroindus@gmail.com).
11. All documents referred to in the accompanying Notice and the explanatory Statement shall be open for inspection at the Registered Office of the company during normal business hours (10.00 am to 6.00 pm) on all working days except Saturdays, up to and including the date of the general meeting of the company.
12. No dividend has been proposed by the Board of Directors for the year ended 31st March, 2014.

### 13. Voting through electronic means:

In compliance with provision of section 108 of the companies Act, 2013 and Rules 20 of the companies (Management and Administration) Rules, 2014, the company will provide its members facility to exercise their right to vote in the 27<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services provided by Central Depository Services (India) Limited (CDSL).

#### THE INSTRUCTIONS FOR MEMBERS FOR VOTING ELECTRONICALLY ARE AS UNDER:-

##### a. In case of members receiving e-mail:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and 8 digits of the Sequence number which is mentioned in address Label affixed on Annual Report, in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.



- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**b. In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 26<sup>th</sup> August, 2014 (9.00 AM. IST) and ends on 28<sup>th</sup> August, 2014 (6.00 PM. IST). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 25<sup>th</sup> July, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**14. Voting through Postal Ballot Forms:**

In compliance with provision of listing agreement and for obtaining enhanced participations from the Share Holders of the Company, the company will provide its members facility to exercise their right to vote in the 27<sup>th</sup> Annual General Meeting (AGM) by Postal Ballot Means.

Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Vishal Kumar Garg, a Proprietor of M/s. Vishal Garg & Associates, Company Secretaries, at the Registered Office of the Company not later than 28<sup>th</sup> August, 2014 (6.00 p.m. IST).

Members have the option to request for physical copy of the Ballot Form by sending an e-mail to [vitanagroindus@gmail.com](mailto:vitanagroindus@gmail.com) by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than 28<sup>th</sup> August, 2014 (6.00 p.m. IST). Ballot Form received after this date will be treated as invalid.

**15. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid**

**16. Scrutiny of the Voting Process:**

**16.1** The Board of directors has appointed **Mr. Vishal Kumar Garg, Proprietor of M/s. Vishal Garg & Associates, Company Secretaries**, as a scrutinizer to scrutinize the voting process (both electronic and physical) in a fair and transparent manner.

**16.2** The Scrutinizer shall within a period not exceeding three working days from the conclusion of e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and will make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the chairman of the meeting.

**16.3** The results on resolutions shall be declared at or after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolutions.

**16.4** The Results declared along with the Scrutinizer's report(s) will be available on the website of the Company within 2 days of passing of the resolutions.

#### **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

##### **Item No. 4:**

Mr. Amit Hajarilal Chaurasiya is a Non-Executive (Independent Director) of the Company; He joined the Board of Directors on 14<sup>th</sup> February, 2014. He is the Chairman of the "Audit Committee" and a member of the "Stakeholders Relationship Committee". Mr. Amit Hajarilal Chaurasiya holds office of Directorship up to the date of the ensuing AGM under the provisions of Section 161 of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, he being eligible and seeks re-appointment/appointment as an Independent Director for a term of five years.

Mr. Amit Hajarilal Chaurasiya, aged 26 years, is a commerce graduate He has more than 5 years of experience in the field of Accounting and Finance of FMCG Industry. As an Independent Director of our Company with corporate acumen he brings value addition to our Company.

He does not hold Directorships any company other than that of our Company;

He does not hold membership/chairmanships in Committees of Board of any company other than that of our Company;

He does not hold any Equity Shares in M/s. Vitan Agro Industries Limited.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Amit Hajarilal Chaurasiya for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received from Mr. Amit Hajarilal Chaurasiya;

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014,
- (ii) Intimation of Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-Section (2) of Section 164 of the Companies Act, 2013 and
- (iii) A declaration to the effect that he meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Companies Act, 2013.

The Resolution seeks the approval of members for the appointment of Mr. Amit Hajarilal Chaurasiya as an Independent Director of the Company up to 31<sup>st</sup> March, 2019 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Amit Hajarilal Chaurasiya, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management. A copy of the draft letter for appointment of Mr. Amit Hajarilal Chaurasiya as an Independent

Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of AGM.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Amit Hajarilal Chaurasiya as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Amit Hajarilal Chaurasiya as an Independent Director, for the approval by the shareholders of the company.

This Explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

No director, key managerial personnel or their relatives, except Mr. Amit Hajarilal Chaurasiya, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 4 for the approval of the Members as ordinary resolution.

#### Item No. 5:

Mr. Dinanath Shyamsundar is Whole Time Director of the Company; He joined the Board of Directors on 14<sup>th</sup> November, 2014. He is a member of the "Audit Committee". The Board of Directors of the Company at its Meeting held on 14<sup>th</sup> February, 2014 appointed Mr. Dinanath Shyamsundar as the Whole Time Director of the Company for a period of three years commencing from 14<sup>th</sup> February, 2014 to 13<sup>th</sup> February, 2017 with remuneration of Rs. 10,000/- per month. It was further decide in the same meeting that he shall not be paid any sitting fee for attending the Meetings of the Board of Directors and Committees thereof.

Mr. Dinanath Shyamsundar, aged 49 years is the Whole Time Director of our Company. He is higher secondary qualified. He has more than 15 years of experience in retail operations. He possesses knowledge of various aspects of administration and is conversant with management and accounts of companies. The "Board of Directors" of the Company are of the strong opinion that with experience and expertise as mentioned above, he will be able to guide and take the Company's business to next level of heights.

He holds Directorships in the following companies other than that of our Company;

Sr. No.	Name of the Company	Date of Appointment	Designation
1	Subh Labh Share Brokers Private Limited	07/03/2013	Director
2	Nochi Industries Private Limited	24/05/2013	Director

He does not hold any membership/chairmanships in Committees of Board other than that of our Company.

He does not hold any Equity Shares in M/s. Vitan Agro Industries Limited.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Dinanath Shyamsundar for the office of Whole Time Director.

The Company has received from Mr. Dinanath Shyamsundar;

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014,
- (ii) Intimation of Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-Section (2) of Section 164 of the Companies Act, 2013 and

The Resolution seeks the approval of members for the appointment of Mr. Dinanath Shyamsundar as the Whole Time Director of the Company for a period of three years commencing from 14<sup>th</sup> February, 2014 to 13<sup>th</sup> February, 2017 under the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions of Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(including any statutory modification(s) or re-enactment thereof for the time being in force), with remuneration of Rs. 10,000/- per month .

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Dinanath Shyamsundar as the Whole Time Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Dinanath Shyamsundar as the Whole Time Director, for the approval by the shareholders of the company.

This Explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

No director, key managerial personnel or their relatives, except Mr. Dinanath Shyamsundar, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 5 for the approval of the Members as ordinary resolution.

#### Item No. 6:

Mr. S Krishna Rao is a Non-Executive (Independent Director) of the Company; He joined the Board of Directors on 21<sup>st</sup> July, 2014. He is the Chairman of the “Stakeholders Relationship Committee” and a member of the “Audit Committee”. Mr. S Krishna Rao holds office of Directorship up to the date of the ensuing AGM under the provisions of Section 161 of the Companies Act, 1956. AGM under the provisions of the Companies Act, 2013. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, he being eligible and seeks re-appointment/appointment as an Independent Director for a term of five years.

Mr. S Krishna Rao, aged 64 years, is a commerce graduate. He has more than 40 decade of experience in varied fields including Secretarial, Share Registry, Transfers & allotments and has been associated with several public issues in the past. As an Independent Director of our Company with corporate acumen he brings value addition to our Company.

He holds Directorships in the following companies other than that of our Company;

Sr. No.	Name of the Company	Date of Appointment	Designation
1	Cavincally Retails Limited	14/02/2007	Director
2	Radhasoami Resources Limited	20/09/2010	Director
3	Ckm Homecare Solutions Private Limited	19/10/2013	Director
4	Sagaronsys Institute Of Gaming Multimedia And Animation Private Limited	01/03/2014	Director

He does not hold any membership/chairmanships in Committees of Board other than that of our Company.

He does not hold any Equity Shares in M/s. Vitan Agro Industries Limited.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. S Krishna Rao for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received from Mr. S Krishna Rao;

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014,

- (ii) Intimation of Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-Section (2) of Section 164 of the Companies Act, 2013 and
- (iii) A declaration to the effect that he meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Companies Act, 2013.

The Resolution seeks the approval of members for the appointment of Mr. S Krishna Rao as an Independent Director of the Company up to 20<sup>th</sup> July, 2019 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. S Krishna Rao, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management. A copy of the draft letter for appointment of Mr. S Krishna Rao as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of AGM.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. S Krishna Rao as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. S Krishna Rao as an Independent Director, for the approval by the shareholders of the company.

This Explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

No director, key managerial personnel or their relatives, except Mr. S Krishna Rao, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 6 for the approval of the Members as ordinary resolution.

**Item No. 7:**

Section 180(1)(c) of the Companies Act, 2013 requires that the Board of Directors shall not borrow money in Excess of the Company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a special resolution.

It is, therefore, necessary that the members pass a special Resolution under section 180(1)(c) and other applicable provision of the Companies Act, 2013, as set out at Item No.6 of the Notice, to enable to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the company. Approval of members is being sought to borrow money upto 25 Crores (Rupee Twenty Five Crores) in excess of the aggregate of the paid up share capital and free reserve of the Company.

The resolutions contained in Item No. 7 of the accompanying Notice, accordingly, seek members' approval for increasing the borrowing limits and for authorizing the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) of the Company to complete all the formalities in connection with the increase in the borrowing limits.

No director, key managerial personnel or their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

The Board recommends the resolution set forth in Item No. 7 for the approval of the Members as special resolution.

**INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT FOR APPOINTMENT OF DIRECTOR:**

**Item No.2:**

Mr. Vishnu Prasad Chokani is Non-Executive Promoter Director of the Company. He is associated with the Company since the inception of the Company and has been a part of the Board thereon. He is a member of the “Stakeholders Relationship Committee”. In terms of the Provision of Section 152(6) of the Companies Act, 2013 is liable to retire by rotation at the ensuing General Meeting. In terms of said section and any other applicable provisions of the Companies Act, 2013, he being eligible, seeks re-appointment/appointment as an Director of the Company.

Mr. Vishnu Prasad Chokani, aged 76, is a matriculate, hailing from reputed business family has been in the business right from the start of his career. He stated his career with the distribution of cement of Dalmia Cements (Bharat) Ltd. in the State of Tamilnadu during mid 60’s through his sole Proprietary concern, Goyal Traders. Goyal Traders is engaged in trading and had dandled bulk imports of Iron Ore for Minerals and Metal Trading Corporation. During 1986 he started a sole proprietary concern, Vitan Holding. Vitan Holding is carrying on the business of Transport Contract. Presently he heads the group which has grown in size and stature into diversified group activities ranging from Cement distribution, Management of chain stores, Supermarkets etc.

Mr. Vishnu Prasad Chokani has travelled widely throughout the world and with his broad vision and under his dynamic leadership the group adds more and more activities from time to time. Mr. Vishnu Prasad Chokani has a good reputation amongst the Industrial Business Houses of India.

He holds Directorships in the following companies other than that of our Company;

Sr. No.	Name of the Company	Date of Appointment	Designation
1	Sammaan Exports Limited	17/09/1987	Director
2	Abhimanyu Exports Limited	23/02/1988	Director
3	Chokhani Investments Limited	23/07/1990	Director
4	Sion Marketing Private Limited	08/06/1999	Director
5	Debas Mercantile Private Limited	08/06/1999	Director
6	Trans Sales Private Limited	20/05/2004	Director

He does not hold any membership/chairmanships in Committees of Board other than that of our Company.

He holds any 45,000 Equity Shares in M/s. Vitan Agro Industries Limited.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Vishnu Prasad Chokani as the Director. Accordingly, the Board recommends the resolution in relation to re-appointment of Mr. Vishnu Prasad Chokani as the Director, who retires by rotation at the ensuing meeting, for the approval by the shareholders of the company.

No director, key managerial personnel or their relatives, except Mr. Vishnu Prasad Chokani, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 5 for the approval of the Members as ordinary resolution.

**By order of the Board of Directors  
For VITAN AGRO INDUSTRIES LIMITED**

**Sd/-  
DINANATH SHYAMSUNDAR  
Whole-Time Director**

**Date : 21<sup>st</sup> July, 2014  
Place : Chennai**

## DIRECTOR'S REPORT

Dear Members,

Your Directors are pleased to present the 27<sup>th</sup> Annual report and the Company's audited accounts for the financial year ended 31<sup>st</sup> March, 2014

### FINANCIAL RESULTS:

The Company's financial performance for the year ended 31<sup>st</sup> March, 2014 is summarised below;

Particulars	Audited Financial Statement for the year ended March 31 <sup>st</sup> 2014	Audited Financial Statement for the year ended March 31 <sup>st</sup> 2013
<b>Revenue from Operations</b>	84.08	22.45
<b>Profit Before Tax &amp; Extraordinary Items</b>	23.47	1.03
<b>Provision for Taxation</b>	7.21	-
<b>Profit after Tax</b>	16.26	1.03
<b>Profit brought forward from Previous Year</b>	-604.76	-605.78
<b>Balance carried forward to next year</b>	-588.50	-604.76

### REVIEW OF OPERATIONS:

During the year under review, the Company has earned a profit before Interest, Depreciation & Tax of Rs. 23,60,660/- comparing to previous year Rs. 1,02,746/- . The net profit for the year under review has been Rs. 23,47,101/- comparing to the previous year net profit Rs. 1,02,746/- Your Directors are continuously looking for avenues for future growth of the Company in FMCG Industry, more specifically the Agro-Product Industry.

### DIVIDEND:

Your Directors do not recommend any dividend for the year under review retaining the surplus with the company for furthering the growth of the Company.

### FIXED DEPOSITS:

During the year under review, your company has not accepted any deposits from the public within the meaning of section 58A of the Companies Act 1956 and the rules there under. There are no Public deposits, which are pending repayment.

### COMPANY SECRETARY AND COMPLIANCE DEPARTMENT:

Mr. Gopalaswami Raghavan, is the company secretary cum compliance officer of the Company w.e.f 23<sup>rd</sup> December, 2013.

The compliance department of the company is responsible for independently ensuring that the operating and business units comply with regulatory and internal guidelines. New instructions/guidelines issued by the regulatory authorities were disseminated across the company to ensure that the business and business units operate within the boundaries set by the regulators and that compliance risks are suitably monitored and mitigated in course of their activities & processes.

### DIRECTORS:

During the year under review, following changes took place in the Composition of Board of Directors of the Company;

- Mr. Anandan Ranganathan (DIN: 03203800), Non-Executive Independent Director of the Company resigned from the Directorship of the Company with effect from 21<sup>st</sup> July, 2014
- Mr. S Krishna Rao (DIN: 00479451) was appointed as the Additional Director at the meeting of Board of Directors of the Company held on 21<sup>st</sup> July, 2014.

In compliance with the Companies Act, 2013 the following directors are proposed to be appointed as Director/Independent Directors/Executive Director of the Company by the approval of the Share Holders of the Company;

- Mr. Vishnu Prasad Chokani (DIN: 00754145), who retires by rotation at the ensuing AGM under the provisions of the Companies Act, 2013, being eligible seeks re-appointment.
- Mr. Amit Hajarilal Chaurasiya (DIN 06629868) be appointed as the Independent Director of the Company for a tenure of five years ended 31<sup>st</sup> March, 2019 under the provision of Section 149 of the Companies Act, 2013 and rules thereof.
- Mr. Dinanath Shyamsundar (DIN: 06428256) who was appointment as the Whole Time Director of the Company at the Board meeting held on 14<sup>th</sup> February, 2014, is hereby recommended to the shareholders for approval.
- Mr. S Krishna Rao (DIN: 00479451) who was appointed as the Additional Director at the meeting of Board of Directors of the Company held on 21<sup>st</sup> July, 2014, offers himself to be appointed as independent Director of the Company for a tenure of five years ended 20<sup>th</sup> July, 2019 under the provisions of Section 149 of the Companies Act, 2013 and rules thereof.

#### **AUDITORS:**

Auditors M/s. N. Kanodia & Co., Chartered Accountants (Firm Registration No. 327668E) holds the office until the conclusion of the ensuing Annual General Meeting. Your company has received certificate from the Auditors U/s. 141 of the Companies Act, 2013 to the effect that their reappointment if made, will be within the limit prescribed and that they do not disqualify for re-appointment. In terms of Section 139 of the Companies Act, 2013, M/s. N. Kanodia & Co., Chartered Accountants is proposed to be appointed for a tenure of 4 Annual General Meeting from the conclusion the ensuing 27<sup>th</sup> Annual General Meeting to the conclusion of the 31<sup>st</sup> Annual General Meeting(subject to ratification of this appointment at every AGM)

**The notes on Financial Statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments.**

#### **PARTICULARS OF EMPLOYEE:**

There are no employees who are paid remuneration in excess under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended from time to time.

#### **PARTICULARS OF ENERGY CONSUMPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO AND TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION, RESEARCH AND DEVELOPMENT:**

##### **A) ENERGY CONSERVATION:**

Conservation of energy continues to receive increased emphasis and steps are being taken to reduce the consumption of energy at all levels. The Company has taken steps to conserve energy in its office use, consequent to which energy consumption had been minimized. No additional Proposals/ Investments were made to conserve energy. Since the Company has not carried on industrial activities, disclosure regarding impact of measures on cost of production of goods, total energy consumption, etc, are not applicable.

##### **B) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The company has not earned or spent any foreign exchange during the year under review.

##### **C) Technology Absorption, Adaptation and Innovation, Research and Development:**

The Company has not adopted any technology for its business and hence no reporting is required to be furnished under this heading. The Company will adopt necessary technology as and when required in the furtherance of the business.



**CORPORATE GOVERNANCE:**

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company has also implemented several best corporate governance practices as prevalent globally.

The Report on corporate governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Clause 49, is attached to the Report on corporate governance.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

**Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:**

- (i) in the preparation of the annual accounts for the year ended March 31, 2014, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and of the profit of the Company for the year ended on that date;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

**EQUITY SHARE CAPITAL:**

Your Directors with great burden inform you that the Board of Directors of the Company at the Board Meeting held on 14<sup>th</sup> December, 2013 forfeited 1,71,500 Partly Paid-up Equity Shares of the Company for non-payment of call money to the tune of Rs. 6,51,000. Your Directors had taken all reasonable steps possible to recover the un-paid call money. At the same time your directors is also pleased to inform you that during the notice period given before a final decision on forfeiture was taken, your Company was able to recover Rs. 1,42,01,595/- from the total portion of un-paid call money of Rs.1,48,52,595.

Further your directors are please inform that during the year under review, your Company raised Rs. 6,01,50,000/- by issue of 40,10,000 Equity shares of Rs. 10/- per share of the Company on a premium of Rs. 5/- per share issued on Preferential Basis at the Board meeting held on 14<sup>th</sup> February, 2014.

**LISTING:**

Your Directors take immense please in informing you that the Company has received the letter dated 13th May, 2014, from Delhi Stock Exchange Limited, granting revocation of suspension in the trading of Securities of the Company at Delhi Stock Exchange.

The Company has intimated the Delhi Stock Exchange about the Forfeiture of 171,500 Partly Paid-up Equity Shares as decided by the Board of Directors of the Company at the Meeting held on 14th December, 2013. The Committee at the Delhi Stock Exchange is reviewing the application/submission. Approval from DSE is awaited.

The Company has applied for delayed In-principal approval for listing of 40,10,000 Equity Shares issued on Preferential Basis in the Board Meeting held on 14th February, 2014. Approval from DSE is awaited.

Your Directors are pleased to inform that effective from July 16, 2014, the equity shares of Vitan Agro Industries Ltd (Scrip Code: 538548) are listed and admitted to dealings on the Bombay Stock Exchange.

Your Company paid the Listing Fees for all the three Exchange for the FY 2014-15 in terms of listing agreement entered with the said Stock Exchanges.

**RELATED PARTY TRANSACTION:**

During the year under review, the Company has not entered in to any related party transactions except payment of salary/remuneration to Key Managerial Personnel's.

**ACKNOWLEDGEMENT:**

Your Directors wish to place on record their appreciation for the contribution made by the employees at all levels but for whose hard work, and support, your company's achievements would not have been possible. Your Directors also wish to thank its customers, dealers, agents, suppliers, investors and bankers for their continued support and faith reposed in the company.

**By Order of the Board of Directors  
For VITAN AGRO INDUSTRIES LIMITED**

<b>Date: 21<sup>st</sup> July, 2014</b>	<b>Sd/-</b>	<b>Sd/-</b>
<b>Place: Chennai</b>	<b>DINANATH SHYAMSUNDAR</b>	<b>AMIT HAJARILAL CHAURASIYA</b>
	<b>Whole-Time Director</b>	<b>Director</b>

## REPORT ON CORPORATE GOVERNANCE

In accordance with terms of Clause 49 of the Listing Agreement with all the Stock Exchanges and the best practices followed internationally on Corporate Governance, the report containing details of corporate governance systems and processes at VITAN AGRO INDUSTRIES LIMITED is as under:

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense and systems and practices are commitment to values, ethical business conduct, accountability, transparency and compliance of laws and acceptance by management of the inalienable rights of shareholders as the true owners of the Company.

The objective is to meet;

- Stakeholders' aspirations and societal expectations.
- Good governance practices stem from the dynamic culture and positive mindset of the organization.
- Infusion of best expertise in the Board;
- Consistent monitoring and improvement of the human and physical resources;
- Board/ Committee meetings at regular intervals to keep the Board informed of the recent happenings.

Your Company believes that good corporate governance contemplates that corporate actions balance the interests of all stakeholders and satisfy the tests of accountability and transparency. The Company adopts a model to adhere to all the rules and regulations of the statutory authorities. Duties and statutory obligations are discharged in a fair and transparent manner with the object of maximizing the value of the shareholders and stakeholders.

### 1. BOARD OF DIRECTORS:

#### a. COMPOSITION AND CATEGORY OF BOARD OF DIRECTORS:

The Company as on the date of this report has in all 4 Directors with considerable professional experience in divergent areas connected with corporate functioning.

The Board of Directors of the Company comprises of Non-Executive and Independent Directors. In all there are Four Directors, One Executive Director, One Promoter –Non Executive Director and Two Independent Director.

The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in media industry, general corporate management, finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as members of the Board. The day to day management of the Company is conducted by Executive Director/Whole Time Director subject to supervisions and control of the Board.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which he is a Director.

#### Composition of the Board of Directors as on the date of this Report is mentioned below;

Name of the Director	Designation	Designation
Mr. Vishnu Prasad Chokani	Chairman	Non-Executive Director
Mr. Dinanath Shyamsundar	Director	Whole Time Director
Mr. Amit Hajarilal Chaurasiya*	Director	Independent Director
Mr. S Krishna Rao**	Director	Independent Director

\*Appointed as Additional Director of the Company with effect from 14<sup>th</sup> February, 2014

\*\*Appointed as Additional Director of the Company with effect from 21<sup>st</sup> July, 2014

**b. PROCEDURE OF THE BOARD:**

Generally the Directors of the Company are informed about the Agenda of the Board Meetings and Committee Meetings, containing relevant information / supporting data, as required well in advance, to enable the Board to take informed decision. Statutory Auditors are also requested to attend the Board or Committee meeting as and when required. When deemed expedient, the Board also approves by circular resolution important items of business which are permitted under the Companies Act, 1956, and which cannot be deferred till the next Board Meeting.

Matters discussed at Board Meeting generally relate to Company's performance, quarterly / half yearly results of the Company, approval of related-party transactions, general notice of interest of Directors, review of the reports of the internal auditors, Audit Committee and compliance with their recommendation, suggestion, compliance of any regulatory, statutory or listing requirements, etc.

**c. MEETING OF BOARD OF DIRECTORS AND ATTENDANCE:**

During the financial year under review, 10 Board Meetings were held i.e. on 30<sup>th</sup> May 2013, 14<sup>th</sup> August 2013, 29<sup>th</sup> September 2013, 07<sup>th</sup> November 2013, 14<sup>th</sup> November 2013, 28<sup>th</sup> November, 2013, 14<sup>th</sup> December, 2013, 23<sup>rd</sup> December 2013, 13<sup>th</sup> February 2014 and 14<sup>th</sup> February, 2014. The gap between two meetings did not exceed four months.

Details of the attendance at the Board Meetings during the financial year and at the last Annual General Meeting and also the number of Directorships held by Directors is mentioned below;

Name of Director	Attendance Particulars		No. of Directorships in other Public Company*	No. of Chairmanship/ Membership of Board Committees in other Companies**	
	Board Meetings	Last AGM		Chairman	Member
Mr. Vishnu Prasad Chokani	10	Yes	3	-	-
Mr. Dinanath Shyamsundar	5	Yes	-	-	-
Mr. Ramesh Govindarajan <sup>1</sup>	7	Yes	1	-	-
Mr. Anandan Ranganathan <sup>2</sup>	10	Yes	1	-	-
Mr. Amit Hajarilal Chaurasiya <sup>3</sup>	-	-	-	-	-
Mr. S Krishna Rao <sup>4</sup>	-	-	2	-	-

<sup>1</sup> Ceases to hold the office of Directorship with effect from the 26<sup>th</sup> Annual General Meeting held on 23<sup>rd</sup> December, 2014.

<sup>2</sup> Resigned from the office of Directorship with effect from 21<sup>st</sup> July, 2014

<sup>3</sup> Appointed as Additional Director of the Company with effect from 14<sup>th</sup> February, 2014

<sup>4</sup> Appointed as Additional Director of the Company with effect from 21<sup>st</sup> July, 2014

\* The Directorships held by the Directors as mentioned above do not include Alternate Directorships and Directorships held in Foreign Companies, Companies registered under Section 25 of the Companies Act, 1956 and Private Limited Companies.

\*\* In accordance with Clause 49 of the Listing Agreement, Memberships / Chairmanships of only the Audit Committees and Shareholders' / Investor Grievance Committees (or) Shareholders/Investors Grievance Committee in all Public Limited Companies have been considered.

**d. DIRECTORS' REMUNERATION:**

During the year under review the Company has paid Rs. 20,000/- to Mr. Dinanath Shyamsundar for his services as Whole Time Director of the Company.

The Company as on the date of this Report, do not pay any fee/remuneration to the Non-Executive Directors.

## 2. AUDIT COMMITTEE:

The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement with the Stock Exchange read with Section 292A of the Companies Act, 1956(corresponding Section 177 of the Companies Act, 2013).

The primary purpose of the Audit Committee is to assist the Board of Directors (the “Board”) of M/s. Vitan Agro Industries Limited , (the “Company”) in fulfilling its oversight responsibilities with respect to –

- (i) the accounting and financial reporting processes of the Company, including the integrity of the audited financial results and other financial information provided by the Company to its stockholders, the public, stock exchanges and others,
- (ii) the company’s compliances with legal and regulatory requirements,
- (iii) the Company’s independent auditors’ qualification and independence,
- (iv) the audit of the Company’s Financial Statements, and performance of the Company’s internal audit function and its Independent Auditors.

### a. TERMS OF REFERENCE:

The Board of Directors of the Company at its Meeting held on 21 July,c2014 amended the terms of reference as follow;

1. Overseeing the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to the statutory auditors for any other services rendered by the statutory auditors.
4. Review and monitor the auditor’s independence and performance, and effectiveness of audit process;
5. Examination of the financial statement and the auditors’ report thereon;
6. Approval or any subsequent modification of transactions of the company with related parties;
7. Scrutiny of inter-corporate loans and investments;
8. Valuation of undertakings or assets of the company, wherever it is necessary;
9. Evaluation of internal financial controls and risk management systems;
10. Appointment, removal and terms of remuneration of internal auditor.
11. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference, but not restricted to:
  - a. Matters required to be included in the Director’s Responsibility Statement’ to be included in our Board’s report in terms of Clause (2AA) of Section 217 of the Companies Act;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to the financial statements;
  - f. Disclosure of any related party transactions;
  - g. Qualifications in the draft audit report.
12. Reviewing, with the management, the quarterly financial statements before submission to the board of directors for their approval, including such review as may be required for compliance with provisions of the listing agreement entered into with the Stock Exchange;
13. Monitoring the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
14. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
16. Reviewing management letters / letters of internal control weaknesses issued by the statutory auditors;
17. Discussing with internal auditors on any significant findings and follow up thereon.

18. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
19. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
21. To review the functioning of the 'whistle blower/Vigil Mechanism' mechanism, when the same is adopted by our Company and is existing.
22. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and to carry out any other function statutorily required to be carried out by the Audit Committee as per applicable laws;
24. The Audit Committee shall mandatorily review the following information:
  - a. Management discussion and analysis of financial information and results of operations;
  - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
  - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses; and
  - e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
25. Terms of reference, power, quorum and other matters in relation to the Audit Committee will be as per of Listing Agreement of the Specific Stock Exchange."

**b. COMPOSITION:**

**The Audit Committee as on the date of this report comprises of three members as follows;**

Name of the Director	Status in the Committee	Category
Mr. Amit Hajarilal Chaurasiya <sup>2</sup>	Chairman	Independent Director
Mr. S Krishna Rao <sup>3</sup>	Member	Independent Director
Mr. Dinanath Shyamsundar <sup>1</sup>	Member	Whole Time Director

<sup>1</sup> Inducted as a member of the Audit Committee at the Board Meeting held on 14<sup>th</sup> November, 2013.

<sup>2</sup> Inducted as the Chairman of the Audit Committee at the Board Meeting held on 14<sup>th</sup> February, 2014.

<sup>3</sup> Inducted as the Member of the Audit Committee at the Board Meeting held on 21<sup>st</sup> July, 2014.

**All the members have accounting or related financial management expertise.**

**c. MEETING OF COMMITTEE AND ATTENDANCE:**

During the financial year review, the Committee met Four times i.e. on 30<sup>th</sup> May 2013, 14<sup>th</sup> August 2013, 14<sup>th</sup> November, 2013 and 14<sup>th</sup> February 2014 and the attendance of the members at the Audit Committee meetings was as follows:

Name of the Director	Attendance Particular	
	Meeting Held during his tenure	Meeting Attended during his tenure
Mr. Anandan Ranganathan <sup>3</sup>	4	4
Mr. Ramesh Govindarajan <sup>1</sup>	3	3
Mr. Vishnu Prasad Chokani <sup>2</sup>	4	4
Mr. Dinanath Shyamsundar <sup>1</sup>	1	1
Mr. Amit Hajarilal Chaurasiya <sup>2</sup>	-	-
Mr. S Krishna Rao <sup>3</sup>	-	-

<sup>1</sup> Audit Committee was re-constituted by removing Mr. Ramesh Govindarajan from the Committee and inducting Mr. Dinanath Shyamsundar as member of the said committee; at the Board Meeting held on 14<sup>th</sup> November, 2013.

<sup>2</sup> Audit Committee was re-constituted by removing Mr. Vishnu Prasad Chokani from the Committee and inducting Mr. Amit Hajarilal Chaurasiya as the Member of the said Committee; at the Board Meeting held on 14<sup>th</sup> February, 2014. Further at the Same Board Meeting Mr. Anandan Ranganathan was re-designated as a Member of the said committee and Mr. Amit Hajarilal Chaurasiya was re-designated as Chairman of the said committee.

<sup>3</sup> Mr. Anandan Ranganathan resigned office of Directorship at the Board Meeting held on 21<sup>st</sup> July, 2014 and at the same Board meeting the Mr. S Krishna Rao was inducted as the Member of the Committee.

### 3. NOMINATION AND REMUNERATION COMMITTEE:

**The Board of Directors of the Company is in the process of constituting the Nomination and Remuneration Committee of the Board in terms of provision of Section 178 of Companies Act, 2013 and revised clause 42 of the Listing Agreements.**

#### a. REMUNERATION POLICY:

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

#### b. DIRECTORS' REMUNERATION:

Details of the remuneration paid to the Directors of the Company is/are as follow;

Name of the Director	Salary	Perquisites and allowances	Commission payable	Total
Dinanath Shyamsundar*	20,000	-	-	20,000

\*Appointed as the Whole Time Director with effect from 14<sup>th</sup> February, 2014.

### 4. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Board of Directors at the meeting held on 21<sup>st</sup> July, 2014 in compliance with the Companies Act, 2013 and SEBI amendment has re-name the "Shareholders/Investors Grievance Committee" as "Stakeholders Relationship Committee".

The Shareholders Grievances Committee of the Board has been constituted to look into complaints like transfer of shares, non-receipt of dividend, resolving investor grievances etc.

The Stakeholders Relationship Committee of the Company and the Registrar and Share Transfer Agent i.e. M/s. Universal Capital Securities Pvt Ltd. (Formerly known as Mondkar Computers Pvt Ltd.) attend to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges and Registrar of Companies etc.

The Minutes of Stakeholders Relationship Committee are noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their telephone numbers and email addresses to facilitate prompt action.

#### a. TERMS OF REFERENCE:

The Board of Directors of the Company at its Meeting held on 21<sup>st</sup> July, 2014 amended the terms of reference as follow;

- Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
- Redressal of shareholders and investor complaints in relation to transfer of shares, allotment of shares, non-receipts of the refund orders, right entitlement, non-receipt of Annual Reports and other entitlements, non-receipt of declared dividends etc;

3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares
4. Issue of duplicate / split / consolidated share certificates;
5. Allotment and listing of shares;
6. Review of cases for refusal of transfer / transmission of shares and debentures;
7. Reference to statutory and regulatory authorities regarding investor grievances;
8. Ensure proper and timely attendance and redressal of investor queries and grievances.
9. To do all such acts, things or deeds as may be necessary or incidental to the exercise of all the above powers.

**b. COMPOSITION:**

The Stakeholders Relationship Committee as on the date of this report comprises of three members as follows;

Name of the Director	Status in the Committee	Category
Mr. S Krishna Rao <sup>2</sup>	Chairman	Independent Director
Mr. Amit Hajarilal Chaurasiya <sup>1</sup>	Member	Independent Director
Mr. Vishnu Prasad Chokani	Member	Non-Executive Director

<sup>1</sup> Inducted as a member of the Stakeholders Relationship Committee at the Board Meeting held on 14<sup>th</sup> February, 2014.

<sup>1</sup> Inducted as a Chairman of the Stakeholders Relationship Committee at the Board Meeting held on 21<sup>st</sup> July, 2014.

**c. MEETING OF COMMITTEE AND ATTENDANCE:**

During the financial year review, the Committee met 17 times i.e. on 14<sup>th</sup> December 2013, 16<sup>th</sup> December 2013, 17<sup>th</sup> December, 2013 19<sup>th</sup> December 2013, 21<sup>st</sup> December 2013, 27<sup>th</sup> December 2013, 30<sup>th</sup> December 2013, 10<sup>th</sup> January 2014, 30<sup>th</sup> January 2014, 13<sup>th</sup> February 2014, 14<sup>th</sup> February 2014, 20<sup>th</sup> March 2014, 25<sup>th</sup> March 2014, 26<sup>th</sup> March 2014, 27<sup>th</sup> March 2014, 28<sup>th</sup> March, 2014 and 31<sup>st</sup> March, 2014 and the attendance of the members at the Audit Committee meetings was as follows:

Name of the Director	Attendance Particular	
	Meeting Held during his tenure	Meeting Attended during his tenure
Mr. Vishnu Prasad Chokani	17	17
Mr. Ramesh Govindarajan <sup>1</sup>	-	-
Mr. Anandan Ranganathan <sup>3</sup>	17	17
Mr. Dinanath Shyamsundar <sup>1 2</sup>	11	11
Mr. Amit Hajarilal Chaurasiya <sup>2</sup>	-	-
Mr. S Krishna Rao <sup>3</sup>	-	-

<sup>1</sup> Stakeholders Relationship Committee was re-constituted by removing Mr. Ramesh Govindarajan from the Committee and inducting Mr. Dinanath Shyamsundar as the Member of the Committee at the Board Meeting held on 14<sup>th</sup> November, 2013.

<sup>2</sup> Stakeholders Relationship Committee was re-constituted by removing Mr. Dinanath Shyamsundar from the Committee and inducting Mr. Amit Hajarilal Chaurasiya as the Member of the Committee at the Board Meeting held on 14<sup>th</sup> February, 2013

<sup>3</sup> Mr. Anandan Ranganathan resigned office of Directorship at the Board Meeting held on 21<sup>st</sup> July, 2014 and at the same Board meeting the Committee was re-constituted inducting Mr. S Krishna Rao as the Chairman of the Committee.



**d. SHAREHOLDERS QUERIES RECEIVED AND REPLIED IN 2013-2014:**

During the Financial year 2013-2014, no complaints were received from Shareholders. There were no share transfer pending registrations as at 31<sup>st</sup> March, 2014.

There are no complaints pending as on date of this report.

In case of any investor complaint shareholders are requested to address the same to company.

**e. COMPLIANCE OFFICER:**

Mr. Gopalaswami Raghavan, is the company secretary cum compliance officer of the Company w.e.f 23rd December, 2013.

**5. GENERAL BODY MEETINGS:**
**a. ANNUAL GENERAL MEETINGS:**

For Financial Year	Venue	Date	Time	Number of Special Resolutions passed
2012-2013	No. 21, Spur Tank Road, Chetpet, Chennai – 600 031	23.12.2013	11.00 A.M.	2 <sup>1</sup>
2011-2012	No. 21, Spur Tank Road, Chetpet, Chennai – 600 031	29.09.2012	10.00 A.M	NIL
2010-2011	No. 21, Spur Tank Road, Chetpet, Chennai – 600 031	30.09.2011	10.00 A.M	NIL

<sup>1</sup> In the 26<sup>th</sup> Annual General Meeting of the Company held on 23.12.2013 following Special resolutions were passed;

- Alteration of Articles of Association of the Company by inserting new Article 3 in the place of the existing Article 3 and by inserting a new Article 4A after existing Article 4;
- Approving the change of Name of the Company from “Vitan Departmental Stores & Industries Limited” to “Vitan Agro Industries Limited”

**b. EXTRA ORDINARY GENERAL MEETINGS:**

In Financial Year	Venue	Date	Time	Number of Special Resolutions passed
<sup>1</sup> 2013-2014	B2, Sindur Pantheon Plaza, 346, Pantheon Road, Egmore, Chennai- 600 008	18.01.2014	11.00 A.M.	1 <sup>1</sup>
<del>20</del> 2012-2013	NA	NA	NA	NA
<del>20</del> 2011-2012	NA	NA	NA	NA

<sup>1</sup> Extra Ordinary General Meeting of the Company held on 18.01.2014, a Special resolution was passed to approve the issue of 84,60,000 Equity Shares of Rs. 10/- per share at a premium of Rs 5/- per share on Preferential Basis.

**c. POSTAL BALLOT:**

During the year under review, requirement for passing resolutions under postal ballot did not arise.

**6. DISCLOSURES:****a. DETAILS OF RELATED PARTY TRANSACTION:**

During the year under review, the Company has not entered in to any related party transactions except payment of salary/remuneration to Key Managerial Personnel's.

b. There has been no instance of non-compliance by the Company on any matter related to Capital Markets and hence the question of penalties or strictures being imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority does not arise.

**c. WHISTLE BLOWER POLICY:**

The Board of Directors of the Company at its meeting held on 21<sup>st</sup> July 2014 has adopted the Whistle Blower Policy. Employees can report to the Management concerned unethical behavior, act or suspected fraud or violation of the Company's Code of Conduct Policy. No Employee has been denied access to the Audit Committee.

**d. DISCLOSURES ON MANDATORY / NON – MANDATORY REQUIREMENTS:**

The Company has adopted/ complied with all the mandatory requirements of the Clause 49 of the Listing the Stock Exchange.

The following is the list of non-mandatory requirements as adopted/complied by the company as prescribed in Annexure 1D to Clause 49 of Listing Agreement with the Stock Exchange:-

a) None of the Independent Directors on the Board of the Company have served for the tenure of exceeding nine years. The Company has ensured that the person who is being appointed as an Independent Director has the requisite qualifications and experience which would be of use to the Company and which in the opinion of the Company would enable him to contribute effectively to the Company in his capacity as an Independent Director.

b) Nomination and Remuneration Committee :

a. The Company is in the process of setting up the Nomination and Remuneration Committee in accordance with the clause 49 of the Listing Agreement and further the Board of the Directors of the Company is in the process of appointing additional Independent/Non-Executive Director to company with the Section 178 of the Companies Act, 2013 and Non-Mandatory requirement of the Clause 42 of the Listing Agreement.

b. The Remuneration policy of the Board of Director and Key Managerial Personnel's and one level below the KMP as on date is decided by the Board of Directors of the Company.

c) The Quarterly, Half yearly and Yearly Financials as prepared in accordance with the clause 41 of the Listing Agreement are published in widely circulated newspapers in the English daily "Trinity Mirror" and Tamil Daily "Makkal Kural". The said results are also uploaded on the Company's Website: [www.meenakshienterprisesltd.com](http://www.meenakshienterprisesltd.com).

d) The financial statements of the Company are unqualified.

e) Training of Board Members:

Adequate programs are being arranged/attended by the Board Members to open up new horizons of business thinking and risk analysis.

f) Whistle Blower Policy:

The Board of Directors of the Company at its meeting held on 21<sup>st</sup> July 2014 has adopted the Whistle Blower Policy. Employees can report to the Management concerned unethical behavior, act or suspected fraud or violation of the Company's Code of Conduct Policy. No Employee has been denied access to the Audit Committee.

**7. MEANS OF COMMUNICATION:**

- In compliance with the requirement of Listing Agreement, the Company regularly intimates financial results to Madras Stock Exchange, Delhi Stock Exchange and BSE immediately after they are approved by Board of Directors.
- The Notice of Board Meeting called for approving the Quarterly, Half yearly and Yearly Financials and the said approved results in accordance with Clause 41 of the Listing Agreement have been submitted to Madras Stock Exchange, Delhi Stock Exchange and BSE and published in the leading English Newspapers "Trinity Mirror" and in vernacular language Newspaper "Makkal Kural".
- Company posts its Quarterly, Half yearly and Yearly Financials on its website: [www.meenakshienterprisesltd.com](http://www.meenakshienterprisesltd.com).
- Any Official News releases / Press Release done by the Company are also posted on Company's website: [www.meenakshienterprisesltd.com](http://www.meenakshienterprisesltd.com).
- No formal representations were made to Institutional Investors or Analysts during the year under review.
- Management Discussion and Analysis forms part of the Annual Report will be posted to the shareholders of the Company.

**8. GENERAL SHAREHOLDERS INFORMATION:**

**i. DETAILS OF THE ENSUING ANNUAL GENERAL MEETING:**

**Date** : Monday, 1<sup>st</sup> day of September, 2014  
**Time** : at 11.00 A.M.  
**Venue** : B2, Sindur Pantheon Plaza,  
 346 Patheon Road,  
 Egmore Chennai – 600 008  
 Tamil Nadu

**ii. TENTATIVE FINANCIAL CALENDAR:**

Financial Year	1st April, 2014 to 31st March, 2015
Result for the quarter ending 30th June, 2014	21 <sup>st</sup> July, 2014
Result for the quarter ending 30th September, 2014	by 14th November, 2014
Result for the quarter ending 31st December, 2014	by 14th February, 2014
Result for the year ending 31st March, 2015	by 30th May, 2015
Annual General Meeting	by September, 2015

**iii. BOOK CLOSURE DATE:**

The Register of Members and the Share Transfer books of the Company will remain closed from Tuesday, 26<sup>th</sup> August, 2014 to Monday 1<sup>st</sup> September 2014 (both days inclusive), for the purpose of Annual General Meeting.

For the purpose of determining the List of Members who will be given the facility of E-Voting for casting their votes for the proposed resolutions at the Annual General Meeting, 25<sup>th</sup> July, 2014 would be the Record Date.

**iv. DIVIDEND:**

Your Directors do not recommend any dividend for the year under review retaining the surplus with the company for furthering the growth of the Company.

**v. LISTING STATUS & STOCK CODE:**

Your Directors take immense pleasure in informing you that the Company has received the letter dated 13<sup>th</sup> May, 2014, from Delhi Stock Exchange Limited, granting revocation of suspension in the trading of Securities of the Company at Delhi Stock Exchange.

The Company has intimated the Delhi Stock Exchange about the Forfeiture of 171,500 Partly Paid-up Equity Shares as decided by the Board of Directors of the Company at the Meeting held on 14<sup>th</sup> December, 2013. The Committee at the Delhi Stock Exchange is reviewing the application/submission. Approval from DSE is awaited.

The Company has applied for delayed In-principal approval for listing of 40,10,000 Equity Shares issued on Preferential Basis in the Board Meeting held on 14<sup>th</sup> February, 2014. Approval from DSE is awaited.

Your Directors are pleased to inform that effective from July 16, 2014, the equity shares of Vitan Agro Industries Ltd (Scrip Code: 538548) are listed and admitted to dealings on the Bombay Stock Exchange.

Your Company paid the Listing Fees for all the three Exchange for the FY 2014-15 in terms of listing agreement entered with the said Stock Exchanges.

**vi. MARKET PRICE DATA:**

During the year under review, the Securities of the Company were listing with Madras Stock Exchange and Delhi Stock Exchange. As there is no trading platform provided by both these stock Exchanges, the company is not able to provide any Market Price data for the securities of the Company.

**vii. PERFORMANCE IN COMPARISON TO BROAD- BASED INDICES:**

As the Company is not able to collect any market price data of the Company, the question of comparison of the same with Broad – Based indices does not arise.

**viii. REGISTRAR AND TRANSFER AGENTS:**

**M/s. Universal Capital Securities Pvt Ltd.**

(Formerly known as Mondkar Computers Pvt Ltd.)

21, Shakil Niwas, Opp. Satya Saibaba Temple,

Mahakali Caves Road, Andheri (East),

Mumbai – 400 093.

Website: [www.unisec.in](http://www.unisec.in)

Email: [karlekar@unisec.in](mailto:karlekar@unisec.in)

(T) (91)-022 -2820 7203-05 / 2825 7641

(F) (91)-0 22- 2820 7207

**ix. SHARE TRANSFER SYSTEM:**

Share transfers are processed and share certificates duly endorsed are returned within a period of fifteen days from the date of receipt, subject to documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, etc. of the Company's securities to the "Stakeholder's Relationship Committee". A summary of transfer/transmission of securities of the Company so approved by the "Stakeholder's Relationship Committee" is placed at every Board meeting. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement and files a copy of the said certificate with Stock Exchanges.

**x. DISTRIBUTION OF SHAREHOLDING:**

Share Holding pattern as on 31<sup>st</sup> March, 2014:

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	As a Percentage of (A+B+C)
(A)	Shareholding of Promoter and Promoter Group <sup>2</sup>			
1	Indian	1	45,000	0.54
2	Foreign	0	0	0
	Total Shareholding of Promoter and Promoter Group [(A)(1)+(A)(2)]	1	45,000	0.54
(B)	Public shareholding			
1	Institutions	0	0	0
2	Non-institutions	588	83,08,565	99.46
	Total Public Shareholding [(B)(1)+(B)(2)]	588	83,08,565	99.46
	TOTAL (A)+(B)	589	83,53,565	100.00

Distribution of Holding by size as on 31<sup>st</sup> March, 2014:

No. of Shares	No. of Shareholders	%	Shareholding in Rs.	%
1 to 500	250	42.44	3,01,100	0.36
501 to 1,000	6	1.02	58,000	0.07
1001 – 2000	22	3.74	3,51,040	0.42
2001 – 3000	18	3.056	5,08,000	0.61
3001 – 4000	2	0.34	70,830	0.09
4001 – 5000	59	10.03	29,48,630	3.53
5001 – 10,000	118	20.03	1,02,75,450	12.3
10,000 & above	114	19.36	6,90,22,600	82.63
Total	589	100.00	8,35,35,650	100.00

**xi. DEMATERIALIZATION OF SHARES AND LIQUIDITY:**

The Company's Equity Shares are in Demat trading segment and the Company had established connectivity with both NSDL & CDSL by signing the necessary agreements.

**Procedures for dematerialization/ rematerialization of Equity Shares:-**

Shareholders seeking demat/ remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to Registrar and Share Transfer Agents of the Company. Upon receipt of the request and share certificates, the Registrar will verify the same. Upon verification, the Registrar will request NSDL/CDSL to confirm the demat request. The demat account of the respective share holder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

In case of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests NSDL or CDSL to confirm the same. Approval of the Company is being sought and equivalent numbers of shares are issued in physical form to the shareholder. The share certificates are dispatched 15 days from the date of issue of shares.

76.93% of the Company's Equity Share Capital of the Company is held in dematerialized form as on 30<sup>th</sup> June, 2014.

**xii. OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:**

The Company at present has not issued any GDRS, ADRS/ Warrants or any Convertible Instruments.

**xiii. OTHER INFORMATION'S:****➤ Requirement of PAN Card in case of Transfer of Shares in Physical Form:**

Pursuant to SEBI Circular, the shareholders holding shares in physical form are requested to submit self-certified copy of PAN at the time of sending their request for share transfer/ transmission of name/ transposition of name.

**➤ For the Attention of Shareholders holding shares in electronic form**

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

**➤ Electronic Clearing Service**

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In case where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.

**➤ Green initiatives in Corporate Governance to receive documents through email by registering your email address:**

The Ministry of Corporate Affairs (MCA) has taken a "Green initiative in the Corporate Governance" by providing an opportunity to the shareholders to register their email address with Company and changes therein from time to time.

The Company will send notices/documents such as Annual reports and notices by email to the shareholders registering their email address. To support this laudable move of the Government, the members who have not registered their email address, so far, are requested to do so at the earliest, in respect of demat holding through the respective Depository Participant (DP) and in respect of physical holding through the Registrar and Share Transfer Agent (RTA) Universal Capital Securities Pvt Ltd. (Formerly known as Mondkar Computers Pvt Ltd.). @ karlekar@uniseq.in or at the Company's e-mail id i.e., vitanagroindus@gmail.com.

While every notice/document will be sent through email address registered with the Company, in case you desire to receive any notice/document in physical form, please intimate by email and the same shall be sent to your address registered with the Company/DP.

We solicit your patronage and support in joining hands with the Company to implement the e-governance initiative.

➤ **Nomination**

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s).

Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

➤ **DETAILS OF CHANGES IN EQUITY SHARE CAPITAL:**

Your Directors with great burden inform you that the Board of Directors of the Company at the Board Meeting held on 14<sup>th</sup> December, 2013 forfeited 1,71,500 Partly Paid-up Equity Shares of the Company for non-payment of call money to the tune of Rs. 6,51,000. Your Directors had taken all reasonable steps possible to recover the un-paid call money. At the same time your directors is also pleased to inform you that during the notice period given before a final decision on forfeiture was taken, your Company was able to recover Rs. 1,42,01,595/- from the total portion of un-paid call money of Rs.1,48,52,595.

Further your directors are please inform that during the year under review, you Company raised Rs. 6,01,50,000/- by issued of 40,10,000 Equity shares of Rs. 10/- per share of the Company on a premium of Rs. 5/- per share issued on Preferential Basis at the Board meeting held on 14<sup>th</sup> February, 2014.

xiv. **DIRECTORS PROFILE, WHO SEEK APPOINTMENT/RE-APPOINTMENT:**

➤ **Mr. Vishnu Prasad Chokani (DIN: 00754145):**

Mr. Vishnu Prasad Chokani is Non-Executive Promoter Director of the Company. He is associated with the Company since the inception of the Company and has been a part of the Board thereon. He is a member of the "Stakeholders Relationship Committee". In terms of the Provision of Section 152(6) of the Companies Act, 2013 is liable to retire by rotation at the ensuing General Meeting. In terms of said section and any other applicable provisions of the Companies Act, 2013, he being eligible, seeks re-appointment/appointment as an Director of the Company.

Mr. Vishnu Prasad Chokani, aged 76, is a matriculate, hailing from reputed business family has been in the business right from the start of his career. He stated his career with the distribution of cement of Dalmia Cements (Bharat) Ltd. in the State of Tamilnadu during mid 60's through his sole Proprietary concern, Goyal Traders. Goyal Traders is engaged in trading and had dandled bulk imports of Iron Ore for Minerals and Metal Trading Corporation. During 1986 he started a sole proprietary concern, Vitan Holding. Vitan Holding is carrying

on the business of Transport Contract. Presently he heads the group which has grown in size and stature into diversified group activities ranging from Cement distribution, Management of chain stores, Supermarkets etc.

Mr. Vishnu Prasad Chokani has travelled widely throughout the world and with his broad vision and under his dynamic leadership the group adds more and more activities from time to time. Mr. Vishnu Prasad Chokani has a good reputation amongst the Industrial Business Houses of India.

He holds Directorships in the following companies other than that of our Company;

Sr. No.	Name of the Company	Date of Appointment	Designation
1	Sammaan Exports Limited	17/09/1987	Director
2	Abhimanyu Exports Limited	23/02/1988	Director
3	Chokhani Investments Ltd	23/07/1990	Director
4	Sion Marketing Private Limited	08/06/1999	Director
5	Debas Mercantile Private Limited	08/06/1999	Director
6	Trans Sales Private Limited	20/05/2004	Director

He does not hold any membership/chairmanships in Committees of Board other than that of our Company.

He holds any 45,000 Equity Shares in M/s. Vitan Agro Industries Limited.

➤ **Mr. Amit Hajarilal Chaurasiya (DIN 06629868):**

Mr. Amit Hajarilal Chaurasiya is a Non-Executive (Independent Director) of the Company; He joined the Board of Directors on 14th February, 2014. He is the Chairman of the “Audit Committee” and a member of the “Stakeholders Relationship Committee”. Mr. Amit Hajarilal Chaurasiya holds office of Directorship up to the date of the ensuing AGM under the provisions of Section 161 of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, he being eligible and seeks re-appointment/appointment as an Independent Director for a term of five years.

Mr. Amit Hajarilal Chaurasiya, aged 26 years, is a commerce graduate He has more than 5 years of experience in the field of Accounting and Finance of FMCG Industry. As an Independent Director of our Company with corporate acumen he brings value addition to our Company.

He does not hold Directorships any company other than that of our Company;

He does not hold membership/chairmanships in Committees of Board of any company other than that of our Company;

He does not hold any Equity Shares in M/s. Vitan Agro Industries Limited.

➤ **Mr. Dinanath Shyamsundar (DIN: 06428256):**

Mr. Dinanath Shyamsundar is Whole Time Director of the Company; He joined the Board of Directors on 14<sup>th</sup> November, 2014. He is a member of the “Audit Committee”. The Board of Directors of the Company at its Meeting held on 14<sup>th</sup> February, 2014 appointed Mr. Dinanath Shyamsundar as the Whole Time Director of the Company for a period of three years commencing from 14<sup>th</sup> February, 2014 to 13<sup>th</sup> February, 2017 with remuneration of Rs. 10,000/- per month. It was further decide in the same meeting that he shall not be paid any sitting fee for attending the Meetings of the Board of Directors and Committees thereof.

Mr. Dinanath Shyamsundar, aged 49 years is the Whole Time Director of our Company. He is higher secondary qualified. He has more than 15 years of experience in retail operations. He possesses knowledge of various aspects of administration and is conversant with management and accounts of companies. The “Board of Directors” of the Company are of the strong opinion that with experience and expertise as mentioned above, he will be able to guide and take the Company’s business to next level of heights.



He holds Directorships in the following companies other than that of our Company;

Sr. No.	Name of the Company	Date of Appointment	Designation
1	Subh Labh Share Brokers Private Limited	07/03/2013	Director
2	Nochi Industries Private Limited	24/05/2013	Director

He does not hold any membership/chairmanships in Committees of Board other than that of our Company.

He does not hold any Equity Shares in M/s. Vitan Agro Industries Limited.

➤ **Mr. S Krishna Rao (DIN 00479451):**

Mr. S Krishna Rao is a Non-Executive (Independent Director) of the Company; He joined the Board of Directors on 21<sup>st</sup> July, 2014. He is the Chairman of the “Stakeholders Relationship Committee” and a member of the “Audit Committee”. Mr. S Krishna Rao holds office of Directorship up to the date of the ensuing AGM under the provisions of Section 161 of the Companies Act, 1956. AGM under the provisions of the Companies Act, 2013. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, he being eligible and seeks re-appointment/appointment as an Independent Director for a term of five years.

Mr. S Krishna Rao, aged 64 years, is a commerce graduate. He has more than 40 decade of experience in varied fields including Secretarial, Share Registry, Transfers & allotments and has been associated with several public issues in the past. As an Independent Director of our Company with corporate acumen he brings value addition to our Company.

He holds Directorships in the following companies other than that of our Company;

Sr. No.	Name of the Company	Date of Appointment	Designation
1	Cavincally Retails Limited	14/02/2007	Director
2	Radhasoami Resources Limited	20/09/2010	Director
3	Ckm Homecare Solutions Private Limited	19/10/2013	Director
4	Sagaronsys Institute Of Gaming Multimedia And Animation Private Limited	01/03/2014	Director

He does not hold any membership/chairmanships in Committees of Board other than that of our Company.

He does not hold any Equity Shares in M/s. Vitan Agro Industries Limited.

xv. **CODE OF CONDUCT:**

The Board of Directors of the Company has laid down Code of Conduct for Directors and for Senior Management & Employees. All Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director is annexed to this report.

xvi. **ADDRESS FOR CORRESPONDENCE:**

a. **Investor Grievances:**

**Mr. G. Raghavan**  
**Company Secretary cum Compliance Officer**  
 (T) (91)- 044-42134343  
 (F) (91) -044-42134333  
 Web: www.vitanagroindustriesltd.com  
 Email: vitanagroindus@gmail.com

**b. Registered officer:****M/s. VITAN AGRO INDUSTRIES LIMITED****(Formerly known as M/s. Vitan Departmental Stores & Industries Limited)**

B2, Sindur Pantheon Plaza,

346, Pantheon Road,

Egmore, Chennai- 600 008

(T) (91)- 044-42134343

(F) (91) -044-42134333

Web: [www.vitanagroindustriesltd.com](http://www.vitanagroindustriesltd.com)Email: [vitanagroindus@gmail.com](mailto:vitanagroindus@gmail.com)

**By Order of the Board of Directors  
For VITAN AGRO INDUSTRIES LIMITED**

	Sd/-	Sd/-
<b>Date: 21<sup>st</sup> July, 2014</b>	<b>DINANATH SHYAMSUNDAR</b>	<b>AMIT HAJARILAL CHAURASIYA</b>
<b>Place: Chennai</b>	<b>Whole-Time Director</b>	<b>Director</b>

**ANNUAL CERTIFICATE UNDER CLAUSE 49(1)(D)  
OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE**

I, Dinanath Shyamsundar, Whole-Time Director of the Company confirm that the Company has obtained from all Board Members and Senior Management, affirmation that they have complied with the Code of Conduct during the year ended 31<sup>st</sup> March 2014.

**By Order of the Board of Directors  
For VITAN AGRO INDUSTRIES LIMITED**

	Sd/-
<b>Date: 21<sup>st</sup> July, 2014</b>	<b>DINANATH SHYAMSUNDAR</b>
<b>Place: Chennai</b>	<b>Whole-Time Director</b>

**EXECUTIVE DIRECTOR'S CERTIFICATION**

To,  
The Board of Directors,  
M/s. VITAN AGRO INDUSTRIES LIMITED  
(Formerly known as M/s. Vitan Departmental Stores & Industries Limited)

- i) We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief :
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements together present a true and fair view of the Issuer's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- ii) There are, to the best of our knowledge and belief, no transactions entered into by the Issuer during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- iii) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting.

We have not come across any reportable deficiencies in the design or operation of such internal controls
- iv) We have indicated to the auditors and the Audit committee
  - a. That there are no significant changes in internal control over financial reporting during the year;
  - b. That there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. That there are no instances of significant fraud of which they have become aware.

**By Order of the Board of Directors  
For VITAN AGRO INDUSTRIES LIMITED**

Date: 21<sup>st</sup> July, 2014  
Place: Chennai

Sd/-  
**DINANATH SHYAMSUNDAR**  
Whole-Time Director

**AUDITOR'S CERTIFICATE ON COMPLIANCE**

To the Members of  
**M/s. VITAN AGRO INDUSTRIES LIMITED**  
**(Formerly known as M/s. Vitan Departmental Stores & Industries Limited)**

We have examined the compliance of conditions of Corporate Governance by M/s. Vitan Agro Industries Limited (the 'Company'), for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with BSE Limited.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the 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 and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are pending against company as per the records maintained by the Stakeholders Relationship 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.

**For N. Kanodia & Co.**  
**Chartered Accountants**  
**Firm Regn. No. 327668E**

Sd/-  
**Nikunj Kanodia**  
**Proprietor**  
**Membership No. 069995**

**Place : Kolkata**  
**Date : 21<sup>ST</sup> July, 2014**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### General Economic Scenario & Industry Structure:

Indian economy grew at around 4.7% in 2013-14, although among the highest in the World, has slowed in the last two years. High inflation and slow growth continues to remain key concerns for Government. However, with widespread reform measures initiated by the Government in recent months like narrowing external and fiscal imbalances, tightening monetary policy and addressing market volatility coupled with the expectations from the formation of new Government, the Indian economy is expected to go back to an 8% growth trajectory if further structural reforms, particularly in the field of energy, agriculture and the labour market are implemented quickly.

The Indian Agro-product Industry is expected to grow at about 13-15% annually over the next 5 years due to increase in consumption of value added products and the value chain becoming more and more organised. The Market Share of value chain products is likely to increase to 31% from the current 21% during this period. The main factors driving growth are increased consumer interest in higher protein diets greater affordability due to growing disposable incomes and rising awareness and availability of agro products through channels such as organised retail and food services segment. India's formal Agro-product market has shown strong growth in recent years, which is likely to accelerate due to products innovation, enabling government policies and industry consolidation.

Your Company is well aware of the industrial scenario and being alert, focuses mainly on long term goals, steady and profitable development. Its strong brand coupled with varied product portfolio enables it to meet adverse conditions confidently and overcome it. Your Company remains confident of its long term business prospects and its ability to sustain a fair return to the shareholders.

### Opportunity:

We are engaged in to the business of trading of Pulses, Grains, Spices, Edible Oil, Agarbattis and Agro Based - Fast Moving Consumer Goods and have plans to open/launch "Speciality Stores" pan India.

Higher disposable income, greater awareness to health and nutrition and willingness to spend among young generation towards healthy living is rapidly enlarging this opportunity. Ever increasing population and rise in income level will see shift in consumption pattern in favour of value added Agro-Products.

Your Company also has plans to venture in to the industry of delivering packed Tiffin's/Lunches to MNC's Educational Institutions, IT Hubs, etc., on contract basis.

There is phenomenal scope for innovation in product development, packaging and presentation. With technological advancement and availability of balancing equipment, the flexibility of product mix is tremendous and the Company can keep on adding to its product line. Your Company is already in the forefront of these initiative which can be reflected in the business operations of the Company.

### RISK FACTORS:

- **Competition from other players:**

The Company operates in highly competitive environment that is subject to shift in preference patter of the consumers, innovations, changes and varying levels of resources available to each player in each segment of business.

- **Infrastructure:**

Lack of proper infrastructure facilities like good roads, continues power supply and adequate transport support is yet another major deterrent faced by the industry.

- **Cost of product mix might affect its bottom line:**

The urge to compete and provide the best product at the least cost, might affect the bottom lines of the Company. The increase in costs might not necessarily perk up its revenues in the same proportion.

**OUR STRENGTHS:**

We derive our strengths from following factors:

- **Well Qualified and Experienced Promoters:**

Our management team is backed by promoters who have requisite qualification and experience in the FMCG industry. We believe that their strong technical experience and industry networks will help us in achieving our key business strategies.

- **Long Standing Track-record and Established relationships:**

The Company has been operating in the said segment from past 3 decade. And has a brand value and long standing track record in terms of relationship with customers and vendors.

- **Internal Control and Risk Management:**

The Company believes that it has internal controls and risk management systems to assesses and monitor risks. The company has its management team which monitors and manages risks by monitoring trends that may have an effect on the Consumer taste and preferences and thus affecting the inventory of the Company.

**INTERNAL CONTROL:**

The Company has a defined management reporting system and periodic reviews of it business to ensure timely check and decision-making. The Management Information System (MIS) forms an integral part of the Company's control mechanism. Any material change in the business process is reported to the Board regularly.

**DISCUSSION ON FINANCIAL PERFORMANCE:**

During the year under review, the Company has earned a profit before Interest, Depreciation & Tax of Rs. 23,60,660/- comparing to previous year Rs. 1,02,746/- . The net profit for the year under review has been Rs. 23,47,101/- comparing to the previous year net profit Rs. 1,02,746/- Your Directors are continuously looking for avenues for future growth of the Company in FMCG Industry, more specifically the Agro-Product Industry.

**HUMAN RESOURCE:**

The Company firmly believes that human resources is an important instrument to provide proper communication of the Company's growth story to its stake holders and plays vital role in the overall prospects of the Company. So the Company takes possible steps for the welfare of its manpower. The employee relationship was cordial throughout the year

**By Order of the Board of Directors  
For VITAN AGRO INDUSTRIES LIMITED**

	Sd/-	Sd/-
<b>Date: 21<sup>st</sup> July, 2014</b>	<b>DINANATH SHYAMSUNDAR</b>	<b>AMIT HAJARILAL CHAURASIYA</b>
<b>Place: Chennai</b>	<b>Whole-Time Director</b>	<b>Director</b>

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**M/s. Vitan Agro Industries Limited**  
**(Formerly M/s. Vitan Departmental Stores and Industries Limited)**

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

We have audited the accompanying financial statements of **M/s. Vitan Agro Industries Limited (Formerly M/s. Vitan Departmental Stores and Industries Limited)** (“the Company”), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 (“the Act”). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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 March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the profit/ loss for the year ended on that date; and
- c) in the case of 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, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) the Balance Sheet and the Statement of Profit and Loss dealt with by this report are in agreement with the books of account.
  - d) in our opinion, the Balance Sheet and the Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **N. Kanodia & Co.**

*Chartered Accountants*

FRN: 327668E

Sd/-

**Nikunj Kanodia**

**Proprietor**

Membership No. : 069995

Place: Chennai

Date: May 26, 2014



**The annexure referred to in paragraph 1 of the our report of even date to the members of M/s. Vitan Agro Industries Limited (Formerly M/s. Vitan Departmental Stores and Industries Limited) on the accounts of the company for the year ended 31<sup>st</sup> March, 2014.**

**On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:**

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
  
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.  
  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
  
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.  
  
(e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. In our opinion, there are no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(v)(b) of the Order is not applicable to the Company and hence not commented upon.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. We are informed that the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act 1956 in respect of products dealt with by the Company.
9. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
10. The Company has accumulated losses exceeding fifty percent of the net worth at the end of financial year and has incurred no cash loss in the current financial year and in the immediate preceding financial year.
  11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
  12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
  13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
  14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.
  15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
  16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
  17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31<sup>st</sup> March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
  18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
  19. The Company has no outstanding debentures during the period under audit.
  20. The Company has not raised any money by public issue during the year.
  21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For **N. Kanodia & Co.**

*Chartered Accountants*

FRN: 327668E

Sd/-

**Nikunj Kanodia**

**Proprietor**

Membership No. : 069995

Place: Chennai

Date: May 26, 2014

**BALANCE SHEET AS AT 31ST MARCH 2014**

PARTICULARS	Note No.	31.03.2014	31.03.2013
		Rs.	Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	2	8,35,35,650	4,44,99,650
Reserves and Surplus	3	(1,08,29,101)	(4,77,70,557)
		<b>7,27,06,549</b>	<b>(32,70,907)</b>
<b>NON-CURRENT LIABILITIES</b>			
Long Term Borrowings	4	-	33,60,630
		-	<b>33,60,630</b>
<b>CURRENT LIABILITIES</b>			
Trade Payables	5	5,000	54,79,331
Other Current Liabilities	6	20,000	50,459
Short-Term Provision	7	7,21,240	-
		<b>7,46,240</b>	<b>55,29,790</b>
<b>TOTAL</b>		<b>7,34,52,789</b>	<b>56,19,513</b>
<b>ASSETS</b>			
<b>NON- CURRENT ASSETS</b>			
Fixed Assets (Tangible Asset)	8	2,38,641	-
Non-Current Investments	9	1,93,01,000	6,01,565
Other Non-Current Assets	10	3,77,683	1,07,683
		<b>1,99,17,324</b>	<b>7,09,248</b>
<b>CURRENT ASSETS</b>			
Trade Receivables	11	28,40,151	31,83,059
Cash & Cash Equivalents	12	10,22,681	16,96,145
Short Term Loans & Advances	13	4,95,25,488	-
Other Current Assets	14	1,47,144	31,061
		<b>5,35,35,465</b>	<b>49,10,265</b>
<b>TOTAL</b>		<b>7,34,52,789</b>	<b>56,19,513</b>
Summary of Significant Accounting Policies	1		
<b>AS PER OUR REPORT OF EVEN DATE</b>			
<b>FOR N. KANODIA &amp; CO.</b>		<b>For and on Behalf of the Board</b>	
<i>Chartered Accountants</i>			
Sd/-	Sd/-	Sd/-	
<b>NIKUNJ KANODIA</b>	<b>DINANATH SHYAMSUNDAR</b>	<b>AMIT HAJARILAL CHAURASIYA</b>	
Proprietor	Whole Time Director	Director	
M. No : 069995			
FRN. 327668E			
		Sd/-	
		<b>GOPALASWAMI RAGHAVAN</b>	
		Company Secretary	
Place : Chennai	Place : Chennai		
Date : 26 <sup>th</sup> May, 2014	Date : 26 <sup>th</sup> May, 2014		

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2014**

PARTICULARS	Note No.	31.03.2014	31.03.2013
		Rs.	Rs.
<b>INCOME</b>			
<b>Revenue From Operations</b>			
Sale of Finished Goods		64,43,597	21,72,314
<b>Other Income</b>	15	19,64,754	72,615
<b>TOTAL INCOME</b>		<b>84,08,351</b>	<b>22,44,929</b>
<b>EXPENSES</b>			
Purchase		54,08,092	19,94,717
Employee benefit expenses	16	1,71,084	84
Administration Expenses	17	4,68,515	1,47,383
Depreciation	8	13,559	-
<b>TOTAL EXPENSES</b>		<b>60,61,250</b>	<b>21,42,183</b>
<b>PROFIT BEFORE TAXATION</b>		<b>23,47,101</b>	<b>1,02,746</b>
<b>Tax Expense</b>			
Current tax		7,21,240	-
Earlier Year Taxes		-	-
<b>NET PROFIT FOR THE YEAR</b>		<b>16,25,861</b>	<b>1,02,746</b>
Earnings per equity share:			
Basic and Diluted (Face Value of ` 10/- each, Previous Year ` 10/- each)		0.33	0.02
Summary of Significant Accounting Policies	1		
<b>AS PER OUR REPORT OF EVEN DATE</b>			
<b>FOR N. KANODIA &amp; CO.</b>		<b>For and on Behalf of the Board</b>	
<i>Chartered Accountants</i>			
Sd/-	Sd/-	Sd/-	
<b>NIKUNJ KANODIA</b>	<b>DINANATH SHYAMSUNDAR</b>	<b>AMIT HAJARILAL CHAURASIYA</b>	
Proprietor	WholeTime Director	Director	
M. No : 069995			
FRN. 327668E			
		Sd/-	
		<b>GOPALASWAMI RAGHAVAN</b>	
		Company Secretary	
Place : Chennai	Place : Chennai		
Date : 26 <sup>th</sup> May, 2014	Date : 26 <sup>th</sup> May, 2014		

**STATEMENT OF CASH FLOW ANNEXED TO THE BALANCE SHEET AS AT 31ST MARCH 2014**

PARTICULARS		31.03.2014	31.03.2013
		Rs.	Rs.
<b>A.</b>	<b>Cash Flow From Operating Activities</b>		
	Net Profit Before Tax & Extra-Ordinary Items	23,47,101	1,02,746
	<i>Adjustments for Non-Cash &amp; Non-Operating Expenses</i>		
	Interest Receipts	(5,61,533)	-
	Bad Debts	30,071	-
	Depreciation	13,559	-
	Liability Written off	(13,43,221)	-
	Profit on Sale of Investments	(60,000)	-
	Share Issue Expenses w/off	90,000	-
	<b>Operating Profit Before Working Capital Changes</b>	<b>5,15,977</b>	<b>1,02,746</b>
	<i>Adjustments for Working Capital Changes</i>		
	Decrease / (Increase) in Trade Receivables	3,12,837	31,31,200
	Decrease / (Increase) in Short Term Loans & Advances	(4,90,43,846)	-
	Decrease / (Increase) in Other Current Assets	(26,083)	-
	(Decrease) / Increase in Trade Payables	(54,74,331)	(17,06,747)
	(Decrease) / Increase in Other Current Liabilities	(30,459)	-
	(Decrease) / Increase in Short Term Provisions	7,21,240	-
	(Decrease) / Increase in Long Term Borrowings	(20,17,409)	-
	<b>Cash Generated from Operations</b>	<b>(5,50,42,074)</b>	<b>15,27,199</b>
	Income Tax Liability for the year	(7,21,240)	-
	Extra-Ordinary Items	-	-
	<b>Net Cash Flow from Operating Activities</b>	<b>(5,57,63,314)</b>	<b>15,27,199</b>
<b>B.</b>	<b>Cash Flow From Investing Activities</b>		
	Purchase of Fixed Assets	(2,52,200)	-
	Purchase of Investments	(3,09,01,000)	-
	Sale of Investments	1,22,61,565	-
	Interest Received	79,891	-
	<b>Net Cash Flow from Operating Activities</b>	<b>(1,88,11,744)</b>	<b>-</b>
<b>C.</b>	<b>Cash Flow From Financing Activities</b>		
	Issue of Equity Shares	6,01,50,000	-
	Share Premium Money Received	1,42,01,595	-
	Share Issue Expenses written-off	(4,50,000)	-
	<b>Net Cash Flow from Operating Activities</b>	<b>7,39,01,595</b>	<b>-</b>
<b>D.</b>	<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(6,73,463)</b>	<b>15,27,199</b>
<b>E.</b>	<b>Opening Cash &amp; Cash Equivalents</b>	<b>16,96,145</b>	<b>1,68,946</b>
<b>F.</b>	<b>Closing Cash &amp; Cash Equivalents (Note 12)</b>	<b>10,22,681</b>	<b>16,96,145</b>

Summary of Significant Accounting Policies

Note 1

**AS PER OUR REPORT OF EVEN DATE**
**FOR N. KANODIA & CO.**
*Chartered Accountants*
**For and on Behalf of the Board**

 Sd/-  
**NIKUNJ KANODIA**  
 Proprietor  
 M. No : 069995  
 FRN. 327668E

 Sd/-  
**DINANATH SHYAMSUNDAR**  
 WholeTime Director

 Sd/-  
**AMIT HAJARILAL CHAURASIYA**  
 Director

 Sd/-  
**GOPALASWAMI RAGHAVAN**  
 Company Secretary

 Place : Chennai  
 Date : 26<sup>th</sup> May, 2014

 Place : Chennai  
 Date : 26<sup>th</sup> May, 2014

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31ST MARCH, 2014**

**NOTE : 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES :**

**a. BASIS OF PREPARATION:**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) in compliance with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. Further in view of the revised schedule VI of the Companies Act, the company has also reclassified the previous year figures in accordance with the requirements applicable for the current year.

**b. GENERAL:**

The company follows the accrual method of accounting. The financial statements have been prepared in accordance with the historical cost convention and in accordance with. Expenses are accounted on their accrual with necessary provision for all known liabilities and losses.

**c. USE OF ESTIMATES:**

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

**d. FIXED ASSETS:**

Fixed assets are stated at cost including taxes, duties, freight, insurance etc. related to acquisition and installation.

**e. DEPRECIATION:**

Depreciation is provided on Written Down Value basis as per Schedule XIV of the Companies Act 1956. For additions/ deletions during the year, depreciation is provided on the pro-rata basis based on the number of days the assets is used during the year.

**f. INVENTORIES:**

Inventories were valued at lower of Cost or NRV.

**g. REVENUE RECOGNITION:**

Revenue is recognized and expenditure is accounted for on their accrual.

**h. PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES:**

Provisions involving substantial degree of estimation in measurement are recognised 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 disclosed when the company has possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation. Contingent Assets are neither recognised nor disclosed in the financial statements.

**i. INVESTMENTS:**

Investments that are readily realizable and intended to be held for not more than one year, are classified as current investments. All other investments are classified as long-term investments.

Current Investments are stated at lower of cost or market rate on individual investment basis. Long Term Investments are considered "at cost", unless there is other than temporary decline in value thereof, in which case, adequate provision is made against such diminution in the value of investments..

**j. EMPLOYEE BENEFITS:****(i) Gratuity:**

The liability for gratuity has not been provided as per the provisions of Payment of Gratuity Act, 1972 since no employee of the company is eligible for such benefits during the year.

**(ii) Provident Fund:**

The provisions of the Employees Provident Fund are not applicable to the company since the number of employees employed during the year were less than the minimum prescribed for the benefits.

**(iii) Leave Salary:**

In respect of Leave Salary, the same is accounted as and when the liability arises in accordance with the provision of law governing the establishment.

**k. TAXATION:**

Taxes on Income are accrued in the same period as the revenue and the expenses to which they relate. Deferred tax assets are recognized to the extent there is a virtual certainty of its realization.

**l. IMPAIRMENT OF ASSETS:**

As at Balance Sheet Date, the carrying amount of assets is tested for impairment so as to determine:

- a. Provision for Impairment Loss, if any, required or
- b. The reversal, if any, required of impairment loss recognized in previous periods.

Impairment Loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

**m. BORROWING COST:**

Borrowing cost attributable to the acquisition or construction of qualifying assets are capitalized as a part of such assets. All other borrowing costs are charged off to revenue.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

**n. DEFERRED REVENUE EXPENDITURE:**

Miscellaneous Expenditure are written off uniformly over a period of 5 years.

**o. INCOME TAX:**

Current Tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the prudence, of timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more periods.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2014**
**2. SHARE CAPITAL**

Particulars	31.03.2014		31.03.2013	
	Number	Rs.	Number	Rs.
<b>Authorised</b>				
Equity Shares of Rs. 10/- each (Previous Year Rs. 10/-)	<b>1,40,00,000</b>	<b>14,00,00,000</b>	<b>50,00,000</b>	<b>5,00,00,000</b>
<b>Issued, Subscribed &amp; Paid Up:</b>				
Equity Shares of Rs. 10/- each (Previous Year Rs. 10/-)	<b>87,05,765</b>	<b>8,70,57,650</b>	<b>46,95,765</b>	<b>4,69,57,650</b>
<b>Subscribed Capital</b>				
Equity Shares of Rs. 10/- each (Previous Year Rs. 10/-)	<b>83,53,565</b>	<b>8,35,35,650</b>	<b>45,15,065</b>	<b>4,51,50,650</b>
<b>Paid Up Capital</b>				
Equity Shares of Rs. 10/- each (Previous Year Rs. 10/-)	83,53,565	8,35,35,650	45,15,065	4,51,50,650
Less: Calls In Arrear				(6,51,000)
<b>Total</b>	<b>83,53,565</b>	<b>8,35,35,650</b>	<b>45,15,065</b>	<b>4,44,99,650</b>

**Reconciliation of number of equity shares outstanding at the beginning and at the end of the period**

Particulars	31.03.2014		31.03.2013	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	45,15,065	451,50,650	45,15,065	4,51,50,650
Add : Shares issued during the year	40,10,000	401,00,000	-	-
Less : Shares forfeited during the year	-1,71,500	-17,15,000	-	-
Shares outstanding at the end of the year	<b>83,53,565</b>	<b>8,35,35,650</b>	<b>45,15,065</b>	<b>4,51,50,650</b>

The company has one class of Equity shares having a par value of Rs. 10/- each. Each shareholder is eligible to one vote per share held.

In the Event of Liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Details of Share held by shareholders holding more than 5% of the aggregate shares in the company**

Name of Shareholder	31.03.2014		31.03.2013	
	Number	%	Number	%
Ramesh Govindarajan	-	0.00	9,74,152	21.58
M/s. Thirumalai Marketing Private Limited	-	0.00	9,83,860	21.79
Lalitha Subramanian	-	0.00	8,62,804	19.11



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2014**
**3. RESERVES AND SURPLUS**

Particulars	31.03.2014	31.03.2013
	Rs.	Rs.
<b>Share Premium</b>		
Opening Balance	1,27,05,155	1,27,05,155
Add: During the year	3,42,51,595	-
<b>Closing Balance</b>	<b>4,69,56,750</b>	<b>1,27,05,155</b>
<b>General Reserves</b>		
Opening balance	-	-
Add: During the year due to Share Forfeiture	10,64,000	-
<b>Closing Balance</b>	<b>10,64,000</b>	<b>-</b>
<b>Surplus in Profit &amp; Loss Statement</b>		
Opening balance	(6,04,75,712)	(6,05,78,458)
Add: Net Profit for the year	16,25,861	1,02,746
<b>Closing Balance</b>	<b>(5,88,49,851)</b>	<b>(6,04,75,712)</b>
<b>Total</b>	<b>(1,08,29,101)</b>	<b>(4,77,70,557)</b>

**4. LONG TERM BORROWINGS**

Particulars	31.03.2014	31.03.2013
	Rs.	Rs.
Loan from Related Parties		
Vishnu Prasad Chokani	-	19,31,240
Other Loans & Advances		
Inter Corporate Loans (Unsecured)		
-Samman Exports Loan	-	14,29,390
<b>Total</b>	<b>-</b>	<b>33,60,630</b>

**5. TRADE PAYABLES**

Particulars	31.03.2014	31.03.2013
	Rs.	Rs.
Trade Payables (including acceptances)	5,000	54,79,331
<b>Total</b>	<b>5,000</b>	<b>54,79,331</b>

**6. OTHER CURRENT LIABILITIES**

Particulars	31.03.2014	31.03.2013
	Rs.	Rs.
Audit Fees Payable	20,000	50,459
<b>Total</b>	<b>20,000</b>	<b>50,459</b>

**7. SHORT-TERM PROVISIONS**

Particulars	31.03.2014	31.03.2013
	Rs.	Rs.
Provision for Income Tax	7,21,240	-
<b>Total</b>	<b>7,21,240</b>	<b>-</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2014**
**8. FIXED ASSETS (TANGIBLE ASSET)**

Particulars	Computers & Laptops	Furniture's & Fixtures	Air-Conditioner & Office Equipment's	Total
<b>Gross Block</b>				
As at 31st March 2013	-	-	-	-
Add : Additions during the year	52,050	1,62,500	37,650	2,52,200
Less : Deletions during the Year	-	-	-	-
<b>As at 31st March 2014</b>	<b>52,050</b>	<b>1,62,500</b>	<b>37,650</b>	<b>2,52,200</b>
<b>Accumulated Depreciation</b>				
As at 31st March 2013	-	-	-	-
Add : Depreciation During the Year	4,256	7,897	1,406	13,559
Less : Depreciation on Deletions	-	-	-	-
<b>As at 31st March 2014</b>	<b>4,256</b>	<b>7,897</b>	<b>1,406</b>	<b>13,559</b>
<b>Net Block as at 31st March 2013</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Block as at 31st March 2014</b>	<b>47,794</b>	<b>1,54,603</b>	<b>36,244</b>	<b>2,38,641</b>

**9. NON-CURRENT INVESTMENTS**

Particulars	31.03.2014		31.03.2013	
	No. of Shares	Rs	No. of Shares	Rs
<b>Non Trade Investment (Quoted Equity Shares)</b>				
Sika Interplant Limited	-	-	2,000	42,500
Samtel India Limited	-	-	92	9,080
Jalpac India Limited	-	-	50	615
Bharatpur Nutri EQ (Dalmia India Limited)	-	-	2,499	10,000
Ruby Traders & Exporters Limited	100	1,000	-	-
		<b>1,000</b>		<b>62,195</b>
Less: Provision for diminution in value of Investment		-		-
		<b>1,000</b>		<b>62,195</b>
<b>Non Trade Investment (Non-Quoted Equity Shares)</b>				
Ashnoor Textiles Limited	-	-	126	5,850
Atash Industries Limited	-	-	6,000	1,80,000
Carewell Industries Limited	2,00,000	30,00,000	-	-
CTC Cargo Carriers Private Limited	15,000	9,00,000	-	-
Hariyana Petrochemicals Limited	-	-	26	520
JMD Sounds Limited	5,000	25,00,000	-	-
LRG Properties Private Limited	1,00,000	10,00,000	-	-
Quality Steel Limited	-	-	3,000	1,08,000
RKKR Holding Private Limited	30,000	30,00,000	-	-
Samman Exports Limited	-	-	24,500	2,45,000
Sheet & Blank Private Limited	5,000	5,00,000	-	-
Siddarth Mercantile Private Limited	2,10,000	84,00,000	-	-
Suraj Mercantile Limited	-	-	24,500	2,45,000
		<b>1,93,00,000</b>		<b>7,84,370</b>
Less: Provision for diminution in value of Investment		-		-2,45,000
		<b>1,93,00,000</b>		<b>5,39,370</b>
<b>Total Investments</b>		<b>1,93,01,000</b>		<b>6,01,565</b>
Aggregate Value of Quoted Investments		<b>1,000</b>		<b>62,195</b>
Market Value of Quoted Investments		<b>1,000</b>		<b>49,776</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2014**
**10. OTHER NON CURRENT ASSETS**

Particulars	31.03.2014	31.03.2013
	Rs.	Rs.
(Unsecured Considered Good)		
Deposits	1,07,683	1,07,683
Share Issue Expenses	2,70,000	-
<b>Total</b>	<b>3,77,683</b>	<b>1,07,683</b>

**11. TRADE RECEIVABLES**

Particulars	31.03.2014	31.03.2013
	Rs.	Rs.
<b>Outstanding for a period of more than six months from the due date</b>		
Unsecured, Considered Good	28,40,151	29,74,209
<b>Outstanding for a period of less than six months from the due date</b>		
Unsecured, Considered Good	-	2,08,850
<b>Total</b>	<b>28,40,151</b>	<b>31,83,059</b>

**12. CASH AND CASH EQUIVALENTS**

Particulars	31.03.2014	31.03.2013
	Rs.	Rs.
Balances with Scheduled Banks		
In Current Account	7,65,830	13,83,148
Cash in hand	2,56,851	3,12,997
<b>Total</b>	<b>10,22,681</b>	<b>16,96,145</b>

**13. SHORT TERM LOANS & ADVANCES**

Particulars	31.03.2014	31.03.2013
	Rs.	Rs.
<b>(a) Loans</b>		
<b>Unsecured, Considered good</b>		
Loans to Bodies Corporate	4,91,00,000	-
Interest Receivable on Loans to Bodies Corporate	4,25,488	-
<b>(b) Advances</b>		
<b>Unsecured, Considered good</b>	-	-
<b>Total</b>	<b>4,95,25,488</b>	<b>-</b>

**14. OTHER CURRENT ASSETS**

Particulars	31.03.2014	31.03.2013
	Rs.	Rs.
Income Tax	-	30,071
Input VAT	990	990
Share Issue Expenses	90,000	-
Tax Deducted at Source	56,154	-
<b>Total</b>	<b>1,47,144</b>	<b>31,061</b>

**15. OTHER INCOME**

Particulars	31.03.2014	31.03.2013
	Rs.	Rs.
Interest Income	5,61,533	-
Liability Written off	13,43,221	-
Profit on sale of Investment	60,000	-
Miscellaneous Receipts	-	72,615
<b>Total</b>	<b>19,64,754</b>	<b>72,615</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2014**
**16. EMPLOYEE BENEFIT EXPENSES**

Particulars	31.03.2014	31.03.2013
	Rs.	Rs.
Salaries & Bonus	1,71,000	-
Staff welfare expense	84	84
<b>Total</b>	<b>1,71,084</b>	<b>84</b>

**17. ADMINISTRATION EXPENSES**

Particulars	31.03.2014	31.03.2013
	Rs.	Rs.
Advertisement Expenses	13,020	5,000
Audit Fees	53,708	33,708
Bad Debts	30,071	-
Bank Charges	3,581	2,308
Compliance Fees	45,000	-
Consultancy Fees	2,809	-
Conveyance Expenses	2,139	-
Dematerialisation Charges	1,200	-
Electricity Expenses	5,013	-
Filing Fees	11,433	-
General Expenses	2,855	4,000
Listing Fees	24,158	11,236
NSDL/CDSL/RTA Expenses	65,171	-
Penalty Charges	3,371	-
Postage & Courier Expenses	19,298	-
Professional Fees	44,798	-
Printing & Stationery	32,631	2,200
Rates & Taxes	-	7,200
Rent Expenses	9,429	12,000
Repairs & Maintenance	2,600	-
ROC Expenses	5,000	-
Share Issue Expenses Written Off	90,000	-
Stock Exchange Fees	-	69,730
Telephone Charges	1,230	-
<b>Total</b>	<b>4,68,515</b>	<b>1,47,383</b>

**18. CONTINGENT LIABILITIES & COMMITMENTS :**

Particulars	31.03.2014	31.03.2013
	Rs.	Rs.
<b>(A) Contingent Liabilities</b>		
(i) Claims against the company not acknowledged as debts	NIL	NIL
(ii) Guarantees	NIL	NIL
(iii) Other money for which the company is contingently liable	NIL	NIL
<b>Total (A)</b>	<b>NIL</b>	<b>NIL</b>
<b>(B) Commitments</b>		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL
(ii) Un-called liability on shares and other investments partly paid	NIL	NIL
(iii) Other commitments	NIL	NIL
<b>Total (B)</b>	<b>NIL</b>	<b>NIL</b>
<b>Total [(A)+(B)]</b>	<b>NIL</b>	<b>NIL</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2014**
**19. ADDITIONAL INFORMATION DISCLOSED AS PER PART II OF THE COMPANIES ACT, 1956:**

Particulars	31.03.2014	31.03.2013
	Rs.	Rs.
(i) Adjustment to the carrying amount of investments	NIL	NIL
(ii) Net gain/loss on foreign currency transaction and translation (other than considered as finance cost)	NIL	NIL
(iii) Value of imports calculated on CIF basis by the company during the financial year in respect of:	NIL	NIL
(iv) Expenditure in foreign currency during the financial year	NIL	NIL
(v) The amount remitted during the year in foreign currencies on account of dividends	NIL	NIL
(vi) Earnings in foreign exchange	NIL	NIL

**20. SEGMENT REPORTING**

The disclosure requirement of Accounting Standard-17 "Segment Reporting" as notified by Companies (Accounting Standards) Rules, 2006 (as amended) is not applicable.

**21. AMOUNT DUE FROM/TO COMPANY /FIRM IN WHICH DIRECTORS ARE INTERESTED: NIL**
**22. EARNINGS PER SHARE:**

Particulars	31.03.2014	31.03.2013
	Rs.	Rs.
i) Net Profit as per Statement of Profit and Loss attributable to equity shareholders (Rs.)	16,25,861	1,02,746
ii) Weighted average number of equity shares used as a denominator for calculating EPS	49,00,966	44,49,965
iii) Earnings per Share (Basic and Diluted) (Rs.)	0.33	0.02
iv) Face Value per share (Rs.)	10.00	10.00

**22 CONFIRMATION OF BALANCES/RECONCILIATION OF ACCOUNTS PERTAINING TO CERTAIN ADVANCES/CREDITORS/DEBTORS IS PENDING AS AT PERIOD END. HENCE, THE BALANCES HAVE BEEN ADOPTED AS PER THE BOOKS OF ACCOUNTS.**

**23. PREVIOUS YEAR'S FIGURES HAVE BEEN REGROUPED WHEREVER NECESSARY TO CONFIRM TO CURRENT PERIOD'S CLASSIFICATION.**

**FOR N. KANODIA & CO.**
*Chartered Accountants*
**For and on Behalf of the Board**

Sd/-  
**NIKUNJ KANODIA**  
 Proprietor  
 M. No : 069995  
 FRN. 327668E

Sd/-  
**DINANATH SHYAMSUNDAR**  
 WholeTime Director

Sd/-  
**AMIT HAJARILAL CHAURASIYA**  
 Director

Sd/-  
**GOPALASWAMI RAGHAVAN**  
 Company Secretary

Place : Chennai  
 Date : 26<sup>th</sup> May, 2014

Place : Chennai  
 Date : 26<sup>th</sup> May, 2014



VITAN AGRO INDUSTRIES LIMITED

CIN : L52321TN1987PLC014433

Reg. Off.: B2, Sindur Pantheon Plaza,346, Pantheon Road,Egmore, Chennai- 600 008

(T) (91)- 044-42134343 (F) (91) -044-42134333 Web: www.vitanagroindustriesltd.com Email: vitanagroindus@gmail.com

**ATTENDANCE SLIP**

(To be presented at the entrance)

**27<sup>TH</sup>ANNUAL GENERAL MEETING ON MONDAY, 1<sup>ST</sup> SEPTEMBER, 2014 AT 11.00 A.M**

at B2, Sindur Pantheon Plaza, 346, Pantheon Road, Egmore, Chennai- 600 008

Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

Name of the Member \_\_\_\_\_ Signature \_\_\_\_\_

Name of the Proxy holder \_\_\_\_\_ Signature \_\_\_\_\_

1. Only Member/ proxy holder can attend the Meeting.

2. Member/ proxy holder should bring his / her copy of the Annual report for reference at the Meeting.



VITAN AGRO INDUSTRIES LIMITED

CIN : L52321TN1987PLC014433

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**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 : \_\_\_\_\_

Registered Address : \_\_\_\_\_

Email Id : \_\_\_\_\_

Folio No. / Client ID No. : \_\_\_\_\_

I/We, being the member(s) of ..... Share of Vitan Agro Industries Limited, hereby appoint

1. Name : \_\_\_\_\_ Email Id : \_\_\_\_\_

Address : \_\_\_\_\_

or failing him

2. Name : \_\_\_\_\_ Email Id : \_\_\_\_\_

Address : \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Seventh Annual General Meeting of the Company to be held on Monday, 1<sup>st</sup> September, 2014 At 11.00 A.M at the registered office of the Company situated at B2, Sindur Pantheon Plaza, 346, Pantheon Road, Egmore, Chennai- 600 008 and at any adjournment thereof in respect of such resolution as are indicated below:

Ordinary Business:

1. Adoption of Accounts,
2. Appointment of Director in place of retiring Director Mr. V. P. Chokhani
3. Appointment of Auditors,

Special Business:

4. Appointment of Mr. Amit Hajarilal Chaurasiya as Independent Director,
5. Appointment of Mr. Dinanath Shyamsundar as Whole Time Director for a period from 14<sup>th</sup> February, 2014 to 13<sup>th</sup> February, 2017,
6. Appointment of Mr. S Krishna Rao as Independent Director,
7. Granting of Borrowing Powers Under Section 180(1)(c) of The Companies Act, 2013,

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Signature of shareholder \_\_\_\_\_ Signature of Proxy holder(s) \_\_\_\_\_

Note:

- a) This Proxy Form 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.
- b) Those Members who have multiple folios with different joint holders may use copies of this Attendance slip/proxy.



BOOK POST

***If Undelivered Return to:***

**VITAN AGRO INDUSTRIES LIMITED**

(Formerly known as Vitan Departmental Stores and Industries Limited)

Reg. Off.: B2, Sindur Pantheon Plaza,

346, Pantheon Road,

Egmore, Chennai- 600 008