

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 14th February, 2014

**Appointed as Additional Director of the Company with effect from 21st 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 30th May 2013, 14th August 2013, 29th September 2013, 07th November 2013, 14th November 2013, 28th November, 2013, 14th December, 2013, 23rd December 2013, 13th February 2014 and 14th 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 ¹	7	Yes	1	-	-
Mr. Anandan Ranganathan ²	10	Yes	1	-	-
Mr. Amit Hajarilal Chaurasiya ³	-	-	-	-	-
Mr. S Krishna Rao ⁴	-	-	2	-	-

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

² Resigned from the office of Directorship with effect from 21st July, 2014

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

⁴ Appointed as Additional Director of the Company with effect from 21st 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 ²	Chairman	Independent Director
Mr. S Krishna Rao ³	Member	Independent Director
Mr. Dinanath Shyamsundar ¹	Member	Whole Time Director

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

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

³ Inducted as the Member of the Audit Committee at the Board Meeting held on 21st 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 30th May 2013, 14th August 2013, 14th November, 2013 and 14th 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 ³	4	4
Mr. Ramesh Govindarajan ¹	3	3
Mr. Vishnu Prasad Chokani ²	4	4
Mr. Dinanath Shyamsundar ¹	1	1
Mr. Amit Hajarilal Chaurasiya ²	-	-
Mr. S Krishna Rao ³	-	-

¹ 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 14th November, 2013.

² 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 14th 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.

³ Mr. Anandan Ranganathan resigned office of Directorship at the Board Meeting held on 21st 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 14th February, 2014.

4. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Board of Directors at the meeting held on 21st 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 21st 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 ²	Chairman	Independent Director
Mr. Amit Hajarilal Chaurasiya ¹	Member	Independent Director
Mr. Vishnu Prasad Chokani	Member	Non-Executive Director

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

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

c. MEETING OF COMMITTEE AND ATTENDANCE:

During the financial year review, the Committee met 17 times i.e. on 14th December 2013, 16th December 2013, 17th December, 2013 19th December 2013, 21st December 2013, 27th December 2013, 30th December 2013, 10th January 2014, 30th January 2014, 13th February 2014, 14th February 2014, 20th March 2014, 25th March 2014, 26th March 2014, 27th March 2014, 28th March, 2014 and 31st 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 ¹	-	-
Mr. Anandan Ranganathan ³	17	17
Mr. Dinanath Shyamsundar ^{1 2}	11	11
Mr. Amit Hajarilal Chaurasiya ²	-	-
Mr. S Krishna Rao ³	-	-

¹ 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 14th November, 2013.

² 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 14th February, 2013

³ Mr. Anandan Ranganathan resigned office of Directorship at the Board Meeting held on 21st 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 31st 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 ¹
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

¹ In the 26th 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
¹ 2013-2014	B2, Sindur Pantheon Plaza, 346, Pantheon Road, Egmore, Chennai- 600 008	18.01.2014	11.00 A.M.	1 ¹
20 2012-2013	NA	NA	NA	NA
20 2011-2012	NA	NA	NA	NA

¹ 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 21st 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.

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 21st 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.
- Any Official News releases / Press Release done by the Company are also posted on Company's website: 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, 1st 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 st 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, 26th August, 2014 to Monday 1st 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, 25th 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 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.

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

Email: 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 31st 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 ²			
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 31st 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 30th 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 14th 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 14th 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 14th November, 2014. He is a member of the “Audit Committee”. The Board of Directors of the Company at its Meeting held on 14th February, 2014 appointed Mr. Dinanath Shyamsundar as the Whole Time Director of the Company for a period of three years commencing from 14th February, 2014 to 13th 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 21st 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.comEmail: vitanagroindus@gmail.com

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

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

**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 31st March 2014.

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

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

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: 21st 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 : 21ST 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/-
Date: 21st July, 2014	DINANATH SHYAMSUNDAR	AMIT HAJARILAL CHAURASIYA
Place: Chennai	Whole-Time Director	Director