



**Annual Report  
2015-2016**

**IFB Agro Industries Limited**

**■ BOARD OF DIRECTORS***Chairman*

Mr. Bijon Nag

*Joint Executive Chairman*

Mr. Bikram Nag

*Vice Chairman and Managing Director*

Mr. Arup Kumar Banerjee

*Joint Managing Director*

Mr. Indranil Goho

*Independent Directors*

Mr. Nandan Bhattacharya

Mr. Sudip Kumar Mukherji

Mr. Hari Ram Agarwal

Mr. Manoj Kumar Vijay

Dr. Lakshmishri Roy

*Non Executive Director*

Mr. Amitabha Kumar Nag

**■ CHIEF FINANCIAL OFFICER**

Mr. Dipak Sen

**■ COMPANY SECRETARY**

Mr. Ritesh Agarwal

**■ AUDITORS**

Walker Chandio & Co LLP

Chartered Accountants

**■ REGISTERED OFFICE**

Plot No. IND-5, Sector-1

East Kolkata Township, Kolkata - 700 107

Tel : (033) 3984 9675

Fax No.: (033) 2442 1003

E-mail : [complianceifbagro@ifbglobal.com](mailto:complianceifbagro@ifbglobal.com)

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

CIN : L01409WB1982PLC034590

**■ REGISTRAR & SHARE TRANSFER AGENT**

*(For both Physical & Dematerialised Shares)*

CB Management Services (P) Ltd.

P-22, Bondel Road, Kolkata - 700 019

Tel : (033) 4011 6700/2280 6692/2282 3643/2287 0263

Fax : (033) 4011 6739

E-mail: [rta@cbmsl.com](mailto:rta@cbmsl.com)

Website : [www.cbmsl.com](http://www.cbmsl.com)

**■ WORKS**

Noorpur, P.S. Diamond Harbour

Dist. : South 24 Parganas

West Bengal - 743 368

Panagarh

Bud Bud

Dist. : Burdwan

West Bengal - 713 148

Dankuni

Dist. : Hooghly

West Bengal - 712 306

Marine Product Processing Plant

Plot No. IND-5, Sector-1

East Kolkata Township

Kolkata - 700 107

**■ BANKERS**

HDFC Bank Limited

ICICI Bank Limited

IDBI Bank Limited

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## Notice to the Members

### NOTICE

Notice is hereby given that the Thirty Fourth Annual General Meeting of the members of IFB Agro Industries Limited will be held on 22<sup>nd</sup> day of July, 2016, Friday, at 12.30 p.m. at Club Ecovista, Ecospace Business Park, Premises No. 2F/11, Action Area II, Rajarhat, New Town, Kolkata - 700156 to transact the following business:

#### AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2016, including the Audited Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit and Loss for the financial year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Amitabha Kumar Nag (DIN 00117546), who retires by rotation and being eligible, seeks re-appointment.
3. To ratify the appointment of Auditors of the Company and to fix their remuneration and 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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with rules made thereunder as amended from time to time, the Company hereby ratifies the appointment of Walker Chandiook & Co LLP (Firm registration No. 001076N/N500013), Chartered Accountants, as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 35<sup>th</sup> Annual General Meeting of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

#### AS SPECIAL BUSINESS:

4. **Appointment of Dr. Lakshmishri Roy (DIN 07145095) as an Independent Director.**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr Lakshmishri Roy (DIN 07145095) be and is hereby re-appointed as an Independent Director for the second term, for a period of three years with effect from 1<sup>st</sup> April, 2016.”

5. **Appointment of Mr. Indranil Goho (DIN 03497817) as Director of the Company.**

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

“**RESOLVED THAT** Mr. Indranil Goho (DIN 03497817) who was appointed by the Board of Directors as an Additional Director of the Company with effect from September 23, 2015 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“the Act”) and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

6. **Appointment of Mr. Indranil Goho (DIN: 03497817) as Joint Managing Director of the Company.**

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

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re- enactment thereof, for the time being in force, the Company hereby approves the appointment and terms of remuneration of Mr. Indranil Goho (DIN 03497817) as Joint Managing Director of the Company for a period of three years with effect from September 23, 2015, liable to retire by rotation on such terms and conditions as set out in the explanatory statements annexed to the notice convening this Annual General Meeting, (including the remuneration to be paid in

the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with authority to the Board of Directors to alter or vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Indranil Goho.”

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

By Order of the Board

Ritesh Agarwal

Company Secretary

Registered Office:

Plot No. IND-5, Sector - 1

East Kolkata Township

Kolkata - 700 107

CIN: L01409WB1982PLC034590

E-mail: [complianceifbagro@ifbglobal.com](mailto:complianceifbagro@ifbglobal.com)

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

Kolkata, 14<sup>th</sup> May, 2016

**NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
3. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names as per the Register of Members will be entitled to vote. The voting rights of the member shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date. In case of joint holders, only one of the joint holders may cast his/her vote.
4. 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 advance notice in writing is given to the Company.
5. Members holding shares in identical order of names in more than one Folio is requested to write to the Company's Registrar & Share Transfer Agent, CB Management Services (P) Limited enclosing their share certificates for consolidation of all such shareholdings into one folio for better investor service. CB Management Services (P) Limited is the Share Transfer Agent for shares in physical as well as dematerialized forms.
6. Members are requested to:
  - a) bring their copy of Annual Report in the meeting.
  - b) bring duly filled attendance slips sent herewith for attending the meeting.
  - c) Provide their e-mail address to CB Management Services (P) Limited.
  - d) intimate immediately any change in their address or bank mandates to:
    - i) their Depository participants with whom they are maintaining their demat accounts, where the shares are held in electronic form
    - ii) the Company/ CB Management Services (P) Ltd, where the shares are held in physical form.

7. A Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of business under item nos.4 to 6 of the Notice is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of persons seeking appointment / reappointment of Directors under 2, 4, 5 & 6 of the Notice are also annexed.
8. Members seeking any information or clarification on the Accounts are requested to send in written queries to the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting only.
9. The Register of Members and Share Transfer Registers of the Company will remain closed from July 16, 2016 to July 22, 2016 (both days inclusive).
10. 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 their PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN either to the Company/CB Management Services (P) Ltd.
11. Attendance Slip and Proxy Form are being annexed to this Notice of the 34<sup>th</sup> Annual General Meeting for the convenience of the members.
12. The Notice of Annual General Meeting along with Annual Report for 2015-2016 is being sent by electronic mode to all those members whose email ID's are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same. Physical Copies of the Annual Report for 2015-2016 are being sent as per permitted mode to the members who have not registered their email addresses. The notice of 34<sup>th</sup> Annual General Meeting of the Company and the Annual Report for 2015-16 will also be available on the Company's website: [www.ifbagro.in](http://www.ifbagro.in)
13. Non-residents Indian members are requested to inform CB Management Services (P) Ltd., immediately of:
  - a) Change in their residential status on return to India for permanent status.
  - b) Notify immediately any change in their address
14. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
15. The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
16. Relevant documents referred to in the accompanying notice and the explanatory statement shall remain open for inspection by the members at the registered office of the Company on all working days except Saturdays, during business hours upto the date of Annual General Meeting of the Company.
17. Voting through electronic means
  - i. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than the venue for the Annual General Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
  - ii. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
  - iii. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
  - iv. The remote e-voting period commences on July 19, 2016 (9:00 a.m.) and ends on July 21, 2016 (5:00 p.m.). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 15, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.



- v. The process and manner for remote e-voting are as under:
- A. In case a member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:
- (i) Open PDF file viz; "IFB Agro.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
  - (iii) Click on Shareholder - Login
  - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - (vii) Select "EVEN" of "IFB Agro Industries Limited".
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [scrutinizerifb@gmail.com](mailto:scrutinizerifb@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B. In case a member receives physical copy of the Notice of Annual General Meeting [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]:
- (i) Initial password is provided at the bottom of the Attendance Slip for the Annual General Meeting.
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- vi. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members available at the downloads section of [www.evoting.nsd.com](http://www.evoting.nsd.com) or call on toll free no: 1800-222-990.
- vii. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- viii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- ix. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of July 15, 2016.
- x. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e July 15, 2016, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [rta@cbmsl.com](mailto:rta@cbmsl.com).
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsd.com](http://www.evoting.nsd.com) or contact NSDL at the following toll free no.: 1800-222-990.
- xi. Your login ID and password can be used by you exclusively for e-voting on the resolutions placed by the Companies in which you are a shareholder.

- xii. Login to e-voting website will be disabled upon 5 unsuccessful attempts to key in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the website to reset the same.
  - xiii. In case of joint holders, only one of the joint holders may cast his/her vote.
  - xiv. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut off date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper.
  - xv. Mr. Jitendra Patnaik, Practicing Company Secretary (Membership No. FCS 5045) proprietor of M/s. J. Patnaik & Associates, Company Secretaries has been appointed by the Board of Director of the Company as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
  - xvi. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "ballot paper" for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
  - xvii. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting, count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the results of the voting forthwith.
  - xviii. The results declared along with the Report of the Scrutinizer shall be placed on the website of the Company [www.ifbagro.in](http://www.ifbagro.in) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately communicated to Bombay Stock Exchange Limited and National Stock Exchange of India Limited.
17. A route map of the Annual General Meeting venue is given in the last page of this Annual Report.

Registered Office:  
Plot No. IND-5, Sector - 1  
East Kolkata Township  
Kolkata - 700 107  
CIN: L01409WB1982PLC034590  
E-mail: [complianceifbagro@ifbglobal.com](mailto:complianceifbagro@ifbglobal.com)  
Website : [www.ifbagro.in](http://www.ifbagro.in)  
Kolkata, 14<sup>th</sup> May, 2016

By Order of the Board  
Ritesh Agarwal  
Company Secretary

### **Statement Pursuant to Section 102(1) of the Companies Act, 2013**

As required under Section 102(1) of the Companies Act, 2013('The Act'), the following explanatory statement sets out all material facts relating to the business mentioned under items nos. 3 to 6 of the accompanying Notice dated 14<sup>th</sup> May, 2016.

#### **Item No. 3**

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

Walker Chandiook & Co LLP, (Firm Registration No. 001076N/N500013), Chartered Accountants, were appointed as the statutory auditors of the Company for a period of three years at the 32<sup>nd</sup> Annual General Meeting of the Company held on 30<sup>th</sup> July, 2014.

As per the provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by the members at every Annual General Meeting.

Accordingly, ratification by the members is being sought for the proposal contained in the resolution set out at item no 3 of the Notice.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in item no. 3 of the Notice.

The Board recommends the Ordinary Resolution set forth in item no. 3 of the Notice for the approval by the members.

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

Dr. Lakshmishri Roy is a Graduate in Pharmacy from KMIPS, Rourkela, Sambhalpur University in the year 1994. She was awarded Gold Medal by Governor of Orissa for her outstanding performance in B.Pharm. She completed her M.Tech, (Life Sciences and Biotechnology) from Jadavpur University in the year 1998. She obtained her Ph.D degree from IIT Kharagpur in the field of Agricultural and Food Engineering in the year 2013.

Dr. Lakshmishri Roy was appointed as Independent Director of the Company for a period of one year w.e.f. 31<sup>st</sup> March, 2015. Accordingly, the first term of her appointment completed on 31<sup>st</sup> March, 2016. However, the Board of Directors on the basis of report of performance evaluation re-appointed Dr. Lakshmishri Roy as an Independent Director of the Company for a second term with effect from 1<sup>st</sup> April, 2016, pursuant to Sections 149 and 152 of the Companies Act, 2013, read with Schedule IV, Articles of Association of the Company and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member along with requisite deposit proposing the candidature of Dr. Lakshmishri Roy for the office of Independent Director.

The resolution seeks the approval by the members for the appointment of Dr. Lakshmishri Roy as an Independent Director of the Company for a period of three years, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder. She is not liable to retire by rotation.

In the opinion of the Board of Directors, Dr. Lakshmishri Roy, fulfils the conditions specified in the Companies Act, 2013 and the rules made thereunder and she is independent of the Management.

A copy of the draft letter for the appointment of Dr. Lakshmishri Roy as an Independent Director setting out the terms and conditions is available for inspection without any fees by the members at the Company's registered office during normal business hours on working days upto the date of the Annual General Meeting.

None of the Directors, Key Managerial Personnel or their relatives, except Dr. Lakshmishri Roy, are in any way, concerned or interested, financially or otherwise, in the resolution set out in item no. 4 of the Notice.

The Board recommends the Special Resolution set forth in item no. 4 of the Notice for the approval by the members.

#### **Item Nos. 5 & 6**

The Board appointed Mr. Indranil Goho, as Additional Director with effect from September 23, 2015. The Board has also appointed him as Joint Managing Director effective the same date, for a period of three years, on the terms and conditions as specified below, subject to the approval by the Members.



As per the provisions of Section 161(1) of the Act, he holds office of Additional Director only up to the date of the forthcoming Annual General Meeting of the Company, and is eligible for appointment as Director. The Company has received a Notice under Section 160 of the Act, proposing his candidature for the office of Director of the Company, along with requisite deposit. He is also liable to retire by rotation.

Mr. Indranil Goho is a qualified Chartered Accountant and Cost Accountant. He has 21 years of experience in finance, accounts, taxation, sales and marketing.

Mr Goho worked as consultant with Singhi Management and Financial Consultants, Mumbai and Ernst & Young, Kolkata during his initial years. Since the year 2003, Mr Goho worked with IFB Industries Limited at senior positions.

Mr Goho joined IFB Agro Industries Limited in April, 2012 as President and Chief Operating Officer.

The terms and conditions of the appointment including remuneration payable to Mr Indranil Goho are:

Remuneration:

- a) Basic Salary : Rs. 2,40,000/- (Rupees Two Lakh Forty Thousand only) per month with liberty to the Board/ Committee to review and set the level from time to time.
- b) House Rent Allowance : Rs. 1,20,000/- (Rupees One Lakh Twenty Thousand only) per month.
- c) Special Allowance : Rs 93,000/- (Rupees Ninety Three Thousand only) per month.
- d) Ex Gratia : As per Company Rules.
- e) Perquisites : Classified into three categories A, B and C.

**Part A**

- i) Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of one month's basic salary in a year or three month's salary over a period of three years.
- ii) Leave Travel Allowance: For self and family once in a year incurred in accordance with the Rules of the Company.
- iii) Insurance: As per the Rules of the Company.

**Part B**

- i) Gratuity as per the scheme of the Company.
- ii) Contribution to the Provident Fund, Superannuation or Annuity Fund as per the scheme of the Company.
- iii) Leave encashment as per the Rules of the Company.

**Part C**

- i) Car : Provision of car for the purpose of Company's business will not be considered as perquisite. However, use of car for private purpose will be billed by the Company
- ii) Telephone: Company will reimburse expenses in connection with telephone at residence & mobile connections used for official purposes as per the Rules of the Company.

Explanation: For the purpose of this part, 'family' means the spouse, the dependent children and dependent parents.

Apart from the aforesaid remuneration, he will be entitled to reimbursement of all expenses incurred in connection with the business of the Company.

The terms and conditions of the said appointment and/or the agreement are subject to the provisions of Sections 196, 197, 198 and 203 of the Companies Act, 2013, read with Schedule V and the rules made thereunder, and may be altered, and varied from time to time by the Board of Directors as it may in its discretion deem fit within the maximum amount of remuneration payable in accordance with the applicable rules and regulations.

The appointee shall not be entitled to any sitting fees for attending Board / Committee meetings.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modifications or re-enactment thereof; and in the absence of any such rules, perquisite and allowances shall be evaluated at actual cost. The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave shall not be included for the purpose of computation of the overall ceiling of remuneration.

Brief resume of Mr. Goho, nature of his expertise in specific functional areas, names of companies in which he hold directorships and memberships, chairmanships of Board Committees, shareholding and relationships amongst Directors inter se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed to the Notice.

The said appointment is subject to the approval by the members in the Annual General Meeting.

None of the Directors, Key Managerial Personnel or their relatives, except Mr Indranil Goho, are in any way, concerned or interested, financially or otherwise, in the resolution set out in item nos. 5 & 6 of the Notice.

The Board recommends the Ordinary Resolutions set out in item nos. 5 & 6 of the Notice for approval by the members.

By Order of the Board

Ritesh Agarwal  
Company Secretary

Registered Office:  
Plot No. IND-5, Sector - 1  
East Kolkata Township  
Kolkata - 700 107  
CIN: L01409WB1982PLC034590  
E-mail: [complianceifbagro@ifbglobal.com](mailto:complianceifbagro@ifbglobal.com)  
Websire : [www.ifbagro.in](http://www.ifbagro.in)  
Kolkata, 14<sup>th</sup> May, 2016

**Details of Directors seeking Appointment/Re-appointment at the 34<sup>th</sup> Annual General Meeting:**

Particulars	Mr. Amitabha Kumar Nag	Dr Lakshmeshri Roy	Mr. Indranil Goho
Date of Birth	23.06.1956	13.03.1971	13.05.1970
Date of Appointment	26.07.2003	01.04.2016	23.09.2015
Qualifications	B.Com (H), M.Com, FCA	B.Pharm, M.Tech, (Life Sciences and Biotechnology) and Ph.D from IIT Kharagpur in the field of Agricultural and Food Engineering	B.Com (H), CA, ICWA
Expertise in specific functional areas	35 years of experience in various areas of Finance, Accounts and Taxation.	Wide experience in the field of Agriculture and Food Engineering.	21 years of experience in various areas of Finance, Accounts, Taxation, Sales and Marketing.
Directorships held in other Public Companies (excluding foreign companies and section 8 companies)	NIL	NIL	IFB Appliances Limited
Memberships / Chairmanships of committees of other Public Companies (includes only Audit Committee and Stakeholders' Relationship Committee.	NIL	NIL	NIL
Number of shares held in the Company	NIL	NIL	5 (Five)

## Report of the Directors' & Management Discussion and Analysis Report

### To the Shareholders,

The Directors have pleasure in presenting the Annual Report together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2016.

### Economic Environment

The year under review (2015-16) was characterized by slow growth across the Globe. The global economy grew at 3.1% in the year 2015, the weakest pace since 2009. Except USA, almost all the developed, developing and emerging economies witnessed degrowth during 2015-16 as compared to 2014-15. The increase in the interest rate by USA resulted in currency depreciation across the globe except in Japan. In the backdrop of the troubled world economies impacted by global slowdown and collapsing commodity prices, India remained a somewhat positive story. India too had its share of woes resulted from poor monsoons but benefitted from softening commodity including crude oil prices and inflation was controlled.

### Financial Results & Performance Review

The financial results for the year and for the previous year are summarized below:

FINANCIAL RESULTS	(Rs in Lakhs)	
	Year Ended <u>31.03.2016</u>	Year Ended <u>31.03.2015</u>
Revenue from Operations	<u>61,312</u>	<u>58,425</u>
Other Income	1,492	1,509
Total Revenue	<b>62,804</b>	59,934
Profits prior to finance charges and depreciation	<b>5,928</b>	4,470
Less: Finance Charges	<b>136</b>	17
Depreciation & Amortisation	<u>2,170</u>	<u>1,862</u>
Profit Before Tax	<b>3,612</b>	2,591
Less: Provision for Taxation		
Current Tax	<b>939</b>	117
Deferred Tax	<b>(143)</b>	820
Income Tax adjustment for earlier years	<b>(117)</b>	96
Profit After Tax	<u><b>2,933</b></u>	<u>1,557</u>

During the year under review your Company has recorded net operational revenue of Rs 61,312 lakhs (as against Rs 58,425 lakhs in 2014-15) recording a growth of 4.94%.

Your Company has achieved a higher profit before tax of Rs 3,612 lakhs (as against Rs 2,591 lakhs in 2014-15) and net profit of Rs 2,933 lakhs (as against Rs 1,557 lakhs in 2014-15). Higher depreciation was mainly due to newly commissioned modernization project at Distillery division.

Your Company operates in two segments: (1) Spirit, Liquor and Spirituous Beverages and (2) Marine Products.

***Spirit, Liquor and Spirituous Beverages:***

There are two divisions under Spirit, Liquor and Spirituous Beverages Segment: (1) Distillery and (2) India Made Indian Liquor.

Your Company operates a grain-based distillery in West Bengal at Noorpur. The state of the art plant, based on 'multi-pressure-distillation' process is capable of distilling alcohol from multiple feed stocks.

The Distillery division of the Company completed the modernization project "Conversion of 50 KL per day Molasses Distillery into Grain Distillery" within the stipulated time and cost. The commercial production of the modernized unit started from 14th January, 2016. The operation is yet to stabilize fully. The grain distillery along with CO<sub>2</sub> plant operated at optimum capacity during the current year. In September 2015, West Bengal State Excise removed the spirit removal fees which were imposed in 2013. Competition in the Distillery space in West Bengal is set to increase due to the planned commissioning of a new distillery plant during the current financial year. The excess spirit production capacity in India continues to put pressure on the distillery division due to import of cheaper molasses/grain based ENA from other states of India.

India Made Indian Liquor segment (IMIL) continue to face tremendous competition due to excess capacity created by the new bottling plants. During 2015-16, overall growth of IMIL in West Bengal was only 2.5% due to poor monsoon and very low level of Industrial activity resulting in lower disposable income in the hand of consumers. Excess capacity created in the market place resulted in high retailer schemes and increased logistics costs, as a result of door delivery facilities and thus putting pressures on the margins. Increased credit to the vendors is impacting the cash flow. Your Company is trying to maximize the capacity utilization and setting up the plants under contract manufacturing where our market share is low. During the year under review, your Company has commenced a third party bottling facility at Purulia (West Bengal).

***Marine:***

Marine exports have registered 14 % degrowth in revenue during the year under review. Degrowth is due to the steep fall in shrimp prices. The tie-up arrangement in Andhra Pradesh started in the second quarter of the year under review but due to delay in getting the regulatory approvals from the exporting countries, export volumes were significantly lower as compared to the budget. The operation at Andhra Pradesh reported cash loss in the year under review. During the current year (2016-17), your Company has planned to increase the export volume and focus on improving margin. Exports from Indonesia and Ecuador are posing serious competition to shrimp exporting Indian Companies. Indian Currency has depreciated by 7% during the year under review but this did not give your Company any competitive edge due to the much larger currency depreciation in most of our competing countries. Economic turbulence in many of our exporting countries is also impacting the sales as prawn consumption is considered to be a luxury item.

Marine feed turnover has increased by 11% during the year under review but operating margins reduced due to the inability in passing the higher input cost to the farmers. Risk in the form of unsecured credit continued.

Sales of Marine domestic food business have grown by 12% during the year under review. This business as yet is not cash positive.

During the year under review, your Company has availed 7.5 million US\$ ECB loan from HDFC Bank, Bahrain for financing the modernization project at Distillery division.

During the year under review, India Ratings and Research (IND-Ra) has upgraded your Company's Long Term issuer rating to 'IND A+' from 'IND A'.

**OUTLOOK, OPPORTUNITIES, THREATS AND CONCERNS**

The current financial year will again be a year of challenges both for exports and domestic businesses. Excess distillery capacity in India will continue to pose serious competition to the Company on account of duty free spirit imports to West Bengal. IMIL segment will continue to have pressure on sales and margin due to stiff competition. Marine exports will continue to have margin pressure due to competition from South East Asian and Latin American countries. The high level of raw material prices and exchange fluctuations will continue to weigh on Marine exports.

The capacity expansion in our distillery division will result in cost optimization and your Company will endeavor to perform better as compared to the previous year. Consolidation in the IMIL space has started and it may create an opportunity for your Company. We expect additional sales volume from our Andhra Pradesh Marine plant during the current year.

In the past your Company has made significant capital expenditures and any shortfall in the planned returns will exert pressures on the Balance Sheet and Cash Flow.

Your company is continuing its efforts to attain further efficiencies by process improvement and reduction of wastages in all the divisions and ensuring optimal use of human resources on all fronts.

#### **RISK MANAGEMENT**

The Board has adopted a risk management policy whereby a proper framework is set up to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

Your Company has constituted a Risk Management Committee for reviewing the risk management plans and ensuring its effectiveness.

#### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material changes and commitments have occurred after the close of the financial year till the date of this report, which affect the financial position of the Company.

#### **DIVIDEND**

In order to conserve resources for the proposed capital investments, your Directors have decided not to recommend any dividend for the financial year under review.

#### **TRANSFER TO RESERVE**

The company does not propose to transfer any amount to Reserve.

#### **NUMBER OF BOARD MEETINGS**

During the year ended 31<sup>st</sup> March, 2016, six meetings of the Board were held.

#### **EXTRACTS OF ANNUAL RETURN**

The extracts of the Annual Return for the financial year 2015-16 as stipulated in MGT -9 pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is given in Annexure I which forms part of this Report.

#### **DIRECTORS**

Mr. Amitabha Kumar Nag retires by rotation and being eligible, offers himself for re-appointment. The details about his qualification, other directorships etc. as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the explanatory statement under Section 102 of the Companies Act, 2013 separately and annexed to the Notice.

Dr. Lakshmishri Roy was inducted as an Independent Director to the Board of Directors of IFB Agro Industries Limited on 31<sup>st</sup> March, 2015 for a term of one year expiring on 31<sup>st</sup> March, 2016.

On 29<sup>th</sup> March, 2016 the Board of Directors, based on report of performance evaluation approved the continuation of office of the Director by re-appointment of Dr. Lakshmishri Roy as an Independent Director pursuant to Sections 149 and 152, read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the second term of three years subject to the approval by the members of the Company at the ensuing Annual General Meeting.

Dr. Lakshmishri Roy is a Graduate in Pharmacy from KMIPS, Rourkela, Sambhalpur University in the year 1994. She was awarded Gold Medal by Governor of Orissa for her outstanding performance in B.Pharm. She completed her M.Tech, (Life Sciences and Biotechnology) from Jadavpur University in the year 1998. She obtained her Ph.D from IIT Kharagpur in the field of Agricultural and Food Engineering in the year 2013.

The Company has received a notice in writing from a member of the Company proposing her candidature for the office of Independent Director with requisite deposit.



Mr. Indranil Goho was appointed as an Additional Director of the Company with effect from 23rd September, 2015. The Board has also appointed him as Joint Managing Director with effect from the same date for a period of three years, subject to the approval by the members at the ensuing Annual General Meeting.

Mr. Indranil Goho is a qualified Chartered Accountant and a Cost Accountant. He has 21 years of experience in finance, accounts, taxation, sales and marketing.

Mr Goho worked as consultant with Singhi Management and Financial Consultants, Mumbai and Ernst & Young, Kolkata during his initial years. Since the year 2003, Mr Goho worked with IFB Industries Limited at senior positions.

Mr Goho joined IFB Agro Industries Limited in April, 2012 as President and Chief Operating Officer.

The Company has received a notice in writing from a member of the Company proposing his candidature for the office of Director with requisite deposit.

Appropriate resolutions seeking the appointment / reappointment of Directors are appearing in the Notice convening the ensuing Annual General Meeting of the Company.

#### **KEY MANAGERIAL PERSONNEL**

The Board appointed. Mr Indranil Goho, as “Joint Managing Director” of the Company with effect from September 23, 2015 on recommendation of Nomination and Remuneration Committee subject to approval by the members in this Annual General Meeting.

#### **DECLARATION BY INDEPENDENT DIRECTORS**

All the Independent Directors have given declaration to the Company stating their independence pursuant to Section 149(6) of the Companies Act, 2013 and the same have been placed and noted by the Board in its meeting held on 14<sup>th</sup> May, 2016.

#### **ANNUAL EVALUATION OF BOARD'S PERFORMANCE**

According to Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of the Companies Act, 2013, a meeting of the Independent Directors was held to review the performance of the Non-Independent Directors and the Board as a whole. Accordingly, a meeting of Independent Directors was held on 29<sup>th</sup> March, 2016 wherein the performance of the Non-Independent Directors, Chairman and the Board as a whole was evaluated.

Further the same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134(5) of the Companies Act 2013, your Directors state that:

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

## **REMUNERATION POLICY**

A Nomination and Remuneration Policy has been formulated pursuant to the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and rules thereto and Clause 49 of the Listing Agreement stating therein the Company's policy on Directors'/Key Managerial Personnel/other employees appointment and remuneration by the Nomination and Remuneration Committee and approved by the Board of Directors.

The said policy may be referred to, at the Company's official website at <http://www.ifbagro.in/pdf/nomination-and-remuneration/policy.pdf>.

## **DEPOSITS**

Your Company has not accepted any deposit from the public / members under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 during the year.

## **REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES**

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is given in Annexure II which forms part of this Report.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has not given any loans, guarantees or made any investments exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, as prescribed in Section 186 of the Companies Act, 2013.

## **RELATED PARTY TRANSACTIONS**

All contracts or arrangements with related parties, entered into or modified during the financial year, were on an arm's length basis and in the ordinary course of business. All such contracts or arrangements have been reviewed and approved by the Audit Committee. No material contracts or arrangements with related parties were entered into during the year under review. Accordingly, no transactions are being reported in Form No. AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014.

Your Company's Policy on Related Party Transactions, as adopted by your Board, can be accessed on the corporate website at <http://www.ifbagro.in/pdf/Policy-on-Related-Party-Transactions.pdf>

## **ENERGY, TECHNOLOGY & FOREIGN EXCHANGE**

As required under Section 134(3) (m) of the Companies Act, 2013, read with rules made there under, the information relating to Conservation of Energy, Technology Absorption and Foreign Exchange earnings & outgo is given in Annexure III which forms a part of this Report.

## **SUBSIDIARY/ASSOCIATES/JOINT VENTURE COMPANIES**

The Company does not have any subsidiary/associate/joint venture company for the year ended 31<sup>st</sup> March, 2016.

## **HUMAN RESOURCES**

For the development of the human resources, number of training programmes were organized during the year. Internal personnel as well outside faculty members undertook these programmes. Your Company plans to organize more such training programmes for the overall development of its people. Total number of employees in the Company stood at 376 as on 31<sup>st</sup> March, 2016 as against 328 as on 31<sup>st</sup> March, 2015.

## **WEBSITE OF THE COMPANY**

The Company maintains a website [www.ifbagro.in](http://www.ifbagro.in) where detailed information of the Company and its products are provided.

## **AUDIT COMMITTEE**

The composition and terms of reference of the Audit Committee has been furnished in the Corporate Governance Report forming part of this Annual Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee.

**VIGIL MECHANISM**

In pursuant to the provisions of Sections 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and employees to report genuine concerns has been established. The said policy may be referred to, at the Company's official website at the weblink <http://www.ifbagro.in/pdf/Whistle-Blower-Policy.pdf>.

**INTERNAL CONTROL SYSTEMS**

Your Company has in place adequate internal control procedures which is commensurate with the size and nature of business. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. Further such controls have been tested during the year and no reportable material weakness in the design or operation was observed. Nonetheless your Company recognizes that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

**LISTING WITH STOCK EXCHANGES**

Your Company is listed with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited and the Company has paid the listing fees to each of the said Exchanges.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

In terms of Section 135 and Schedule VII of Companies Act, 2013, the Board of Directors of your Company have constituted a CSR Committee. The Committee comprises of Independent Directors and Executive Director. The brief outline of the corporate social responsibility (CSR) policy of the Company and the initiative undertaken by the Company on CSR activities during the year are set out in Annexure IV of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The said policy may be referred to, at the Company's official website at <http://www.ifbagro.in>.

Your Company has identified the activities and accordingly projects mainly relating to a) eradicating hunger, malnutrition and sanitation and b) promoting education were undertaken in line with the CSR policy. The necessary budget outlay were assigned to the aforesaid projects. However, due to multi year project and certain procedural delay at the implementation level, the Company could not spend the allocated budget outlay. The Company made an expenditure of Rs. 21.40 lacs against the stipulated amount of Rs. 71.54 lacs.

**CORPORATE GOVERNANCE**

Your Company attaches considerable significance to good Corporate Governance as an important step towards building investor confidence, improving investors' protection and maximizing long-term stakeholders value. The certificate of the Auditors, M/s Walker Chandiook & Co LLP ( Firm registration No. 001076N/N500013), Chartered Accountants confirming compliance of conditions of Corporate Governance as stipulated under Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.

**STATUTORY AUDITORS**

The Auditors of the Company M/s. Walker, Chandiook & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) have been appointed at the Annual General Meeting on 30<sup>th</sup> July, 2014 for a term of 3 years. The Company has received consent of the Auditors for continuation of office for the current year. Their appointment to the office is subject to the ratification by the members at the each Annual General Meeting.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

**SECRETARIAL AUDITOR**

The provisions of Section 204 read with Section 134(3) of the Companies Act, 2013 mandates Secretarial Audit of the Company to be done from the financial year commencing on or after 1<sup>st</sup> April 2014 by a Company Secretary in Practice. The Board in its meeting held on 29<sup>th</sup> March, 2016, appointed Mr. Jitendra Patnaik, Practising Company Secretary (Certificate of Practice No. 3102) as the Secretarial Auditor for the financial year ending 31<sup>st</sup> March, 2016.

The Secretarial Auditors' Report for the financial year ending 31<sup>st</sup> March 2016 is given in Annexure V, which forms part of this report.

#### **ACKNOWLEDGEMENT**

Your Directors express their sincere thanks and place on record their deep appreciation for the patronage extended by the shareholders, valued customers, employees, bankers, government authorities and the investors for their support and confidence in the Company.

*Cautionary Statement: Statement in the Directors' Report and Management Discussion & Analysis Report describing the Company's expectations may be forward-looking within the meaning of applicable securities laws & regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operation include global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their costs, changes in government policies and tax laws.*

On behalf of the Board

Kolkata, 14<sup>th</sup> May, 2016

Bikram Nag  
*Joint Executive Chairman*

Arup Kumar Banerjee  
*Vice Chairman and  
Managing Director*

**Annexure I to Directors' Report**

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31st March,2016**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN : L01409WB1982PLC034590
- ii) Registration Date : 19.02.1982
- iii) Name of the Company : IFB AGRO INDUSTRIES LIMITED
- iv) Category / Sub-Category of the Company : Company Limited by Shares
- v) Address of the Registered Office and contact details : Plot No.IND-5, Sector-1, East Kolkata Township, Kolkata - 700 107.  
Tel No:(033)39849675.  
Fax No: (033) 24421003  
E-Mail: complianceifbagro@ifbglobal.com  
Website : www.ifbagro.in
- vi) Whether listed company : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : CB Management Services (P) Ltd.  
P-22, Bondel Road, Kolkata-700019.  
Tel No: (033) 4011 6700/2280 6692/2282 3643/2287 0263  
Fax No: (033) 40116739.  
E-mail: rta@cbmsl.com  
Website : www.cbmsl.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Alcohol (Spirits and Spirituous Beverages)	1101	49.87%
2	Marine Products	1020	50.13%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :**

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	None				

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category-wise Share Holding**

	Category of Shareholder	No. of Shares held at the beginning of the year 01.04.2015				No. of Shares held at the end of the year 31.03.2016				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A)</b>	<b>Promoter</b>									
<b>1</b>	<b>Indian</b>									
(a)	Individuals/ HUF	238824	-	238824	2.55	238824	-	238824	2.55	0.00
(b)	Central Government(s)	-	-	-	-	-	-	-	-	-
(c)	State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corporate	5848856	-	5848856	62.44	5848856	-	5848856	62.44	0.00
(e)	Bank/Financial Institutions	-	-	-	-	-	-	-	-	-
(f)	Others	-	-	-	-	-	-	-	-	-
	<b>Sub Total(A)(1)</b>	<b>6087680</b>	<b>-</b>	<b>6087680</b>	<b>64.99</b>	<b>6087680</b>	<b>-</b>	<b>6087680</b>	<b>64.99</b>	<b>0.00</b>
<b>2</b>	<b>Foreign</b>									
(a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
(b)	Other-Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Bank/Financial Institutions	-	-	-	-	-	-	-	-	-
(e)	Any Others	-	-	-	-	-	-	-	-	-
	<b>Sub Total(A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>6087680</b>	<b>-</b>	<b>6087680</b>	<b>64.99</b>	<b>6087680</b>	<b>-</b>	<b>6087680</b>	<b>64.99</b>	<b>0.00</b>
<b>(B)</b>	<b>Public Shareholding</b>									
<b>1</b>	<b>Institutions</b>									
(a)	Mutual Funds	-	9000	9000	0.10	-	9000	9000	0.10	0.00
(b)	Bank/Financial Institutions	6789	95850	102639	1.09	5729	95850	101579	1.08	-0.01
(c)	Central Government(s)	-	-	-	-	-	-	-	-	-
(d)	State Government(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	Foreign Institutional Investors (FII)	-	-	-	-	-	-	-	-	-
(h)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(i)	Foreign Portfolio Investors	-	-	-	-	25000	-	25000	0.27	0.27
(j)	Other (specify)	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(1)</b>	<b>6789</b>	<b>104850</b>	<b>111639</b>	<b>1.19</b>	<b>30729</b>	<b>104850</b>	<b>135579</b>	<b>1.45</b>	<b>0.26</b>



	Category of Shareholder	No. of Shares held at the beginning of the year 01.04.2015				No. of Shares held at the end of the year 31.03.2016				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B 2</b>	<b>Non-institutions</b>									
(a)	Bodies Corporate									
i)	Indian	874069	6196	880265	9.40	862193	5896	868089	9.27	-0.13
ii)	Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals									
i)	Individual shareholders holding nominal share capital up to Rs 1 lakh	803073	378970	1182043	12.62	795706	364905	1160611	12.39	-0.23
ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	994902	-	994902	10.62	1046928	-	1046928	11.18	0.56
(c)	Other (specify)									
i)	NRI	51034	30342	81376	0.87	31709	29520	61229	0.65	-0.22
ii)	Clearing Member	28706	-	28706	0.31	6495	-	6495	0.07	-0.24
iii)	OCB	-	-	-	-	-	-	-	-	-
iv)	Trust	-	-	-	-	-	-	-	-	-
v)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
vi)	Office of the Custodian Special Court	-	500	500	0.00	-	500	500	0.00	0.00
	<b>Sub-Total (B)(2)</b>	<b>2751784</b>	<b>416008</b>	<b>3167792</b>	<b>33.82</b>	<b>2743031</b>	<b>400821</b>	<b>3143852</b>	<b>33.56</b>	<b>-0.26</b>
<b>(B)</b>	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>2758573</b>	<b>520858</b>	<b>3279431</b>	<b>35.01</b>	<b>2773760</b>	<b>505671</b>	<b>3279431</b>	<b>35.01</b>	<b>-</b>
	<b>TOTAL (A)+(B)</b>	<b>8846253</b>	<b>520858</b>	<b>9367111</b>	<b>100.00</b>	<b>8861440</b>	<b>505671</b>	<b>9367111</b>	<b>100.00</b>	<b>-</b>
<b>(C)</b>	<b>Shares held by Custodians for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>8846253</b>	<b>520858</b>	<b>9367111</b>	<b>100.00</b>	<b>8861440</b>	<b>505671</b>	<b>9367111</b>	<b>100.00</b>	<b>-</b>

**ii) Shareholding of Promoters**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year 01-04-2015			Shareholding at the end of the year 31-03-2016			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	
1	Bijon Nag	237509	2.54	0	237509	2.54	0	0
2	Priyambada Nag	1315	0.01	0	1315	0.01	0	0
3	Nurpur Gases Pvt.Ltd	785543	8.39	0	785543	8.39	0	0
4	Asansol Bottling & Packaging Co. Pvt. Ltd	307197	3.28	0	307197	3.28	0	0
5	Zim Properties Pvt.Ltd	385000	4.11	0	385000	4.11	0	0
6	Lupin Agencies Pvt.Ltd	385300	4.11	0	385300	4.11	0	0
7	Windsor Marketiers Pvt.Ltd	382916	4.09	0	382916	4.09	0	0
8	IFB Automotive Pvt.Ltd	3602900	38.46	0	3602900	38.46	0	0
	<b>Total</b>	<b>6087680</b>	<b>64.99</b>		<b>6087680</b>	<b>64.99</b>		

**(iii) Change in Promoters' Shareholding :**

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	There is no change in the Promoters' Shareholding between 01.04.2015 to 31.03.2016			
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc)				
	At the end of the year				

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

Sl. N.	For each of the Top ten Shareholders	Shareholding at the beginning of the year (01-04-2015)		Cumulative Shareholding at the end of the year (31-03-2016)	
		No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
<b>1</b>	<b>SICGIL INDIA LIMITED</b>				
	a) At the beginning of the year on 01.04.2015	676530	7.2224		
	b) Increase/Decrease in shareholding during the year				
	10-04-2015 - Buy	270	0.0029	676800	7.2253
	12-06-2015 - Buy	145	0.0015	676945	7.2268
	26-06-2015 - Buy	1	0	676946	7.2268
	03-07-2015 - Buy	154	0.0016	677100	7.2285
	24-07-2015 - Buy	150	0.0016	677250	7.2301
	07-08-2015 - Buy	147	0.0016	677397	7.2317
	11-09-2015 - Buy	3	0	677400	7.2317
	11-12-2015 - Buy	142	0.0015	677542	7.2332
	25-12-2015 - Buy	8	0.0001	677550	7.2333
	31-12-2015 - Buy	143	0.0015	677693	7.2348
	08-01-2016 - Buy	157	0.0017	677850	7.2365
	12-02-2016 - Buy	150	0.0016	678000	7.2381
	26-02-2016 - Buy	150	0.0016	678150	7.2397
	c) At the end of the year on 31.03.2016			678150	7.2397
<b>2</b>	<b>F L DADABHOY</b>				
	a) At the beginning of the year on 01.04.2015	217500	2.322		
	b) Increase/Decrease in shareholding during the year	0	0		
	c) At the end of the year on 31.03.2016			217500	2.322
<b>3</b>	<b>P F DADABHOY</b>				
	a) At the beginning of the year on 01.04.2015	172800	1.8448		
	b) Increase/Decrease in shareholding during the year	0	0		
	c) At the end of the year on 31.03.2016			172800	1.8448
<b>4</b>	<b>N F DADABHOY</b>				
	a) At the beginning of the year on 01.04.2015	150900	1.611		
	b) Increase/Decrease in shareholding during the year	0	0		
	c) At the end of the year on 31.03.2016			150900	1.611
<b>5</b>	<b>R F DADABHOY</b>				
	a) At the beginning of the year on 01.04.2015	128700	1.374		
	b) Increase/Decrease in shareholding during the year	0	0		
	c) At the end of the year on 31.03.2016			128700	1.374
<b>6</b>	<b>DOLLY KHANNA</b>				
	a) At the beginning of the year on 01.04.2015	121162	1.2935		
	b) Increase/Decrease in shareholding during the year				
	17-07-2015 - Sale	(1,000)	0.0107	120162	1.2828
	18-12-2015 - Buy	3000	0.032	123162	1.3148
	25-12-2015 - Buy	913	0.0097	124075	1.3246
	31-12-2015 - Buy	1300	0.0139	125375	1.3385
	15-01-2016 - Buy	1000	0.0107	126375	1.3491
	05-02-2016 - Buy	1654	0.0177	128029	1.3668
	12-02-2016 - Buy	750	0.008	128779	1.3748
	26-02-2016 - Buy	5558	0.0593	134337	1.4341
	c) At the end of the year on 31.03.2016			134337	1.4341

Sl. N.	For each of the Top ten Shareholders	Shareholding at the beginning of the year (01-04-2015)		Cumulative Shareholding at the end of the year (31-03-2016)	
		No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
<b>7</b>	<b>SHIRIN WATWANI</b>				
	a) At the beginning of the year on 01.04.2015	100800	1.0761		
	b) Increase/Decrease in shareholding during the year	0	0		
	c) At the end of the year on 31.03.2016			100800	1.0761
<b>8</b>	<b>ABN-AMRO BANK N V CALCUTTA BRANCH A/C TRANSCOM INTERNATIONAL INC.</b>				
	a) At the beginning of the year on 01.04.2015	72500	0.774		
	b) Increase/Decrease in shareholding during the year	0	0		
	c) At the end of the year on 31.03.2016			72500	0.774
<b>9</b>	<b>ASHA MUKUL AGRAWAL*</b>				
	a) At the beginning of the year on 01.04.2015	25000	0.2669		
	b) Increase/Decrease in shareholding during the year				
	17-04-2015 - Sale	(12,340)	0.1317	12660	0.1352
	24-04-2015 - Sale	(732)	0.0078	11928	0.1273
	08-05-2015 - Sale	(2,928)	0.0313	9000	0.0961
	15-05-2015 - Sale	(9,000)	0.0961	0	0
	c) At the end of the year on 31.03.2016			0	0
<b>10</b>	<b>ABN AMRO BANK A/C TRANSCOM INT. INC *</b>				
	a) At the beginning of the year on 01.04.2015	22500	0.2402		
	b) Increase/Decrease in shareholding during the year	0	0		
	c) At the end of the year on 31.03.2016			22500	0.2402
<b>11</b>	<b>AMIT ASHOK THAWANI</b>				
	a) At the beginning of the year on 01.04.2015	0	0		
	b) Increase/Decrease in shareholding during the year				
	10-07-2015 - Buy	22422	0.2394	22422	0.2394
	17-07-2015 - Buy	2623	0.028	25045	0.2674
	16-10-2015 - Buy	314	0.0034	25359	0.2707
	08-01-2016 - Buy	1109	0.0118	26468	0.2826
	15-01-2016 - Buy	6356	0.0679	32824	0.3504
	29-01-2016 - Buy	2447	0.0261	35271	0.3765
	05-02-2016 - Buy	2100	0.0224	37371	0.399
	31-03-2016 - Buy	1930	0.0206	39301	0.4196
	c) At the end of the year on 31.03.2016			39301	0.4196
<b>12</b>	<b>YOGESH SHASHIKUMAR SAVADEKAR</b>				
	a) At the beginning of the year on 01.04.2015	0	0		
	b) Increase/Decrease in shareholding during the year				
	09-10-2015 - Buy	3100	0.0331	3100	0.0331
	16-10-2015 - Buy	11900	0.127	15000	0.1601
	30-10-2015 - Buy	8987	0.0959	23987	0.2561
	06-11-2015 - Buy	1013	0.0108	25000	0.2669
	15-01-2016 - Buy	6000	0.0641	31000	0.3309
	c) At the end of the year on 31.03.2016			31000	0.3309

\* Ceased to be in the list of Top ten Shareholders as on 31-03-2016.

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

Name Of Director/KMP	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company
<b>Bijon Nag</b> Chairman					
At the beginning of the year	01/04/2015	237509	2.5356	237509	2.5356
At the end of the year	31/03/2016			237509	2.5356
<b>Arup Kumar Banerjee</b> Vice Chairman and Managing Director					
At the beginning of the year	01/04/2015	1450	0.0154	1450	0.0154
At the end of the year	31/03/2016			1450	0.0154
<b>Indranil Goho</b> Joint Managing Director					
At the beginning of the year	01/04/2015	5	0.0001	5	0.0001
At the end of the year	31/03/2016			5	0.0001

**V. INDEBTNESS**
**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

(Figure in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
* Addition	49,87,35,813	-	-	49,87,35,813
* Reduction	-	-	-	-
<b>Net Change</b>	49,87,35,813	-	-	49,87,35,813
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	49,63,14,450	-	-	49,63,14,450
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	24,21,363	-	-	24,21,363
<b>Total (i+ii+iii)</b>	49,87,35,813	-	-	49,87,35,813

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Directors and Whole time Director :**

(Figure in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD			Total Amount
		Arup Kumar Banerjee, Vice Chairman and Managing Director	Bikram Nag, Joint Executive Chairman	Indranil Goho Joint Managing Director (w.e.f 23 <sup>rd</sup> September, 2015)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,29,79,000	62,67,423	36,12,805	2,28,59,228
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	13,57,095	4,41,800	1,99,447	19,98,342
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission payable				
	- as % of profit	45,00,000	45,00,000	-	90,00,000
	- Others, specify...				
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	<b>1,88,36,095</b>	<b>1,12,09,223</b>	<b>38,12,252*</b>	<b>3,38,57,570</b>
	<b>Ceiling as per the Act</b>	<b>2,35,32,651</b>	<b>2,35,32,651</b>	<b>2,35,32,651</b>	<b>4,70,65,302**</b>

\* For the part of the year.

\*\* Being 10% of the Net Profit of the Company as calculated under Section 198 of the Companies Act, 2013.

**B. Remuneration to other Directors:**

(Figure in Rs.)

Particulars of Remuneration	Name of Directors							Total Amount
	Mr. Bijon Nag	Mr. Amitabha Kumar Nag	Mr. Nandan Bhattacharya	Mr. Sudip Kumar Mukherji	Mr. Hari Ram Agarwal	Mr. Manoj Kumar Vijay	Dr. Lakshmeshri Roy	
<b>Independent Directors</b>								
Fee for attending Board & Committee meetings	-	-	1,47,000	1,37,000	1,45,000	1,09,000	95,000	<b>6,33,000</b>
Commission	-	-	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-	-	-
<b>Total (1)</b>	-	-	<b>1,47,000</b>	<b>1,37,000</b>	<b>1,45,000</b>	<b>1,09,000</b>	<b>95,000</b>	<b>6,33,000</b>
<b>Other Non-Executive Directors</b>								
Fee for attending Board / Committee meetings	75,000	1,40,000	-	-	-	-	-	<b>2,15,000</b>
Commission	-	-	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-	-	-
<b>Total (2)</b>	<b>75,000</b>	<b>1,40,000</b>	-	-	-	-	-	<b>2,15,000</b>
<b>Total (B)=(1+2)</b>	<b>75,000</b>	<b>1,40,000</b>	<b>1,47,000</b>	<b>1,37,000</b>	<b>1,45,000</b>	<b>1,09,000</b>	<b>95,000</b>	<b>8,48,000</b>
<b>Total Managerial Remuneration (A) + (B)</b>								<b>3,47,05,570</b>
<b>Overall Ceiling as per the Act*</b>								<b>5,17,71,832</b>

\* Being 11% of the Net Profit of the Company as calculated under Section 198 of the Companies Act, 2013.



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

(Figure in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr Dipak Sen Chief Financial Officer	Mr Ritesh Agarwal Company Secretary	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	57,19,467	25,44,533	82,64,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	6,22,235	44,000	6,66,235
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL
	others, specify...	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	<b>Total</b>	<b>63,41,702</b>	<b>25,88,533</b>	<b>89,30,235</b>

**VII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:** There is no penalty, punishment or compounding of offences during the year ended 31<sup>st</sup> March, 2016.

## Annexure II to Directors' Report

- (i) **The ratio of the remuneration of each Director to the median remuneration to the employee of the Company for the financial year 2015-16**

Director's Name	Ratio to median remuneration
Mr. Arup Kumar Banerjee, Vice Chairman and Managing Director	47.86
Mr. Bikram Nag, Joint Executive Chairman	28.48
Mr. Indranil Goho, Joint Managing Director (w.e.f. 23 <sup>rd</sup> September, 2015)#	-

\*Directors other than Executive Directors have received sitting fees for attending meeting of the Board or its Committees as disclosed in the Corporate Governance Report. The figures are non comparable.

# Since this information is for part of the year, the same is not comparable.

- (ii) **The Percentage increase in remuneration of each Director, Chief Financial Officer (CFO), Company Secretary (CS) in the financial year 2015-16.**

Director's/CFO/CS name	% increase / (decrease) in remuneration in the Financial Year
Mr. Arup Kumar Banerjee, Vice Chairman and Managing Director	62%*
Mr. Bikram Nag, Joint Executive Chairman	99%*
Mr. Indranil Goho, Joint Managing Director (w.e.f. 23 <sup>rd</sup> September, 2015)#	-
Mr. Dipak Sen, Chief Financial Officer	16%
Mr. Ritesh Agarwal, Company Secretary	15%

\* The Remuneration for the year increased because variable component increased due to increase in profits of the Company.

# Since this information is for part of the year, the same is not comparable.

- (iii) **Percentage increase in the median remuneration of employees in the financial year 2015-16 : 20.18%**

- (iv) **Number of permanent employees on the rolls of the company as on 31.03.2016 : 376**

- (v) **Explanation on the relationship between average increase in remuneration and the company performance**

On an average, employees received an annual increase of 20.18%. In order to ensure that remuneration reflects Company's performance, the performance pay of some employees is also linked to organizational performance apart from an individual performance.

- (vi) **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company**

(Amount Rs. in Lakhs)

Aggregate Remuneration of Key Managerial Personnel as defined u/s 203 of the Companies Act, 2013 in the year 2015-16	316
Revenue	62804
Remuneration of KMP (as % of Revenue)	0.50%
Profit Before Tax (PBT)	3612
Remuneration of KMP (as % of PBT)	8.74%

**(vii) Variations in the market capitalisation of the Company, Price Earning Ratio as at closing date of the current financial year and previous financial year**

Details	31.03.2016	31.03.2015
Market Capitalisation (Rs. in Lakhs)	36789	23417
% Change	57.10%	-
Price Earning Ratio	12.51	16.63
% Change	(24.73%)	-

**(viii) Percentage Increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer:**

Particulars	31st March, 2016	Right Issue	% Change
Market price (BSE) (in Rs.)	393.10	35	1022%
Market Price (NSE) (in Rs.)	392.75	35	1022%

**(ix) Average percentile increase in salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average annual increase was around 20.18%.

The average increase in staff salary for the year 2015-16 was 14.36%.

The average increase in Managerial Remuneration for the year 2015-16 was 23.38%

**(x) Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company**

	Mr. Arup Kumar Banerjee, Vice Chairman and Managing Director	Mr. Indrani Goho, Joint Managing Director (w.e.f. 23 September, 2015)*	Mr. Dipak Sen, Chief Financial Officer	Mr. Ritesh Agarwal, Company Secretary
Remuneration in FY 16 (Rs in Lakhs)	188.36	38.12	63.41	25.88
Total Revenue (Rs in Lakhs)	62804			
Remuneration as % of Total Revenue	0.30	0.06	0.10	0.04
Profit Before Tax (PBT) Rs in Lakhs	3612			
Remuneration (as % of PBT)	5.21%	1.09%	1.76%	0.72%

\* Since this information is for part of the year, the same is not comparable.

**(xi) Key parameter for any variable component of remuneration availed by the Directors:**

The remuneration of Mr. Arup Kumar Banerjee, Vice Chairman and Managing Director and Mr. Bikram Nag, Joint Executive Chairman includes a variable component of 1% commission on Net Profits of the Company (calculated pursuant to Section 198 of the Companies Act, 2013).

No variable remuneration was given to the Non Executive and Independent Directors.

**(xii) The Ratio of the remuneration of the highest paid director to that of the employees who are not Directors but receive remuneration in excess the highest paid director during the year: None**
**(xiii) Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Board of Directors of the Company affirms that the remuneration is as per the remuneration policy of the Company.

**(xiv) The Statement containing the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2015 is provided in a separate annexure forming part of this report. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.**

### **Annexure III to Directors' Report**

Statement pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

#### **[A] CONSERVATION OF ENERGY**

- a) Energy conservation measures taken:
1. Converted old molasses based distillery to a grain multi-feed one with 'Eco Smart' multi pressure distillation technology with integrated evaporation plant. This energy efficient technology has helped to reduce unit steam unit consumption.
  2. Very High gravity fermentation process (VHG) standardized and operated which helped further save steam and water.
  3. With commissioning of molasses converted distillery, two 22 TPH high pressure boilers with matching high efficiency turbines were operated and in house power generation to the tune of 92.54% was achieved.
  4. Jet cooking process was modified to use low pressure exhaust steam in liquefaction process, which helped to reduce heat energy consumption and generate additional power.
  5. Total steam condensate recycling (100% recycling) from DDGS and new distillation unit has substantially reduced fuel and energy consumption.
- b) Steps taken for utilizing alternate sources of energy
1. Use of steam condensate for de-superheating of process steam, leading to saving of steam and water.
  2. Use of Biogas in boiler produced from waste water.
  3. We are in the process of finalizing installation of solar based Hi-mast lighting poles inside distillery, to save conventional energy.
  4. Use of rice husk along with saw dust and Groundnut shell dust in boiler as alternative source of energy.
- The capital investment on energy conservation equipments is not significant.

#### **[B] TECHNOLOGY ABSORPTION**

- a) Efforts made towards technology absorption
1. Adoption and use of high temperature tolerant yeast strain to support high gravity fermentation.
  2. Installation of sand separator in milling section to avoid sand related erosion in process machinery.
  3. Installation of fluidized bed dryer for DDGS processing, thereby ensuring optimum product quality.
  4. Introduction of water cooled screw type brine chiller with refrigerant R134A, which is environment friendly, and does not lead to GHG (greenhouse gas) emission.
  5. Incorporation of ESP (Electro static precipitator) technology for air pollution control measures in boiler operation.
  6. Installation of CPCB approved online monitoring instruments (system) for water and stack monitoring.
  7. Use of Husk Bailing Machine to compact husk for ease of transportation.
- b) Benefits derived :
1. Improvement in fermentation efficiencies and overall yield.
  2. Better environmental protection in and around the distillery.
  3. Improved quality, productivity and yield in grain distillery operation.
  4. Better utilization and development of value added by-products.
  5. Lowering of steam and water consumption through 'Eco Smart' distillation technology, very high gravity fermentation technique, multi effect evaporation plant operation, and utilization of reverse osmosis plant to clean treated condensate and effluent water.
  6. Ground Water conservation.
  7. Better fuel burning efficiencies in Boiler.

c) Technology Imported :

Low temperature fluidized bed dryer was imported in the financial year 2013-14 and the technology has been fully absorbed.

d) Research & Development:

1. In house R&D has successfully tested special low temperature process enzymes and put to current process of fermentation process in combination to existing ones, thereby enhancing viscosity reduction, higher conversion efficiencies for starch and higher yield.
2. A liquid organic manure product containing 'Humic Acid' has been successfully developed in laboratory, out of distillery waste. Pilot field trial at BCKV (Kalyani) on various vegetable crops has shown encouraging results.
3. CO<sub>2</sub> 'Dry ice pellet' blasting based surface cleaning technology has been successfully tested in many applications, and one such commercial industrial application started.
4. Expenditure on R&D:
  - 4.1 Capital : NIL
  - 4.2 Recurring : Rs 12.14lakhs
  - 4.3 Total : Rs 12.14 lakhs

**[C] FOREIGN EXCHANGE EARNINGS AND OUTGO:**

**1. Total Foreign Exchange earned and used:**

	<b>31.03.2016</b>	(Rs. in Lakhs) 31.03.2015
a) Foreign Exchange Earnings (FOB value)		
– Exports (FOB value)	<b>10575.52</b>	12201.92
b) Foreign Exchange Outgo:		
– Raw Materials	<b>121.54</b>	39.69
– Capital Goods & Spare Parts	<b>151.01</b>	89.57
– Travelling	<b>68.12</b>	51.51
– Commission	<b>51.38</b>	11.88
– Testing Fees	–	8.15
– Interest	<b>65.37</b>	–
– Professional & Consultancy Fees	<b>10.98</b>	–
– Insurance	<b>60.75</b>	–
	<b>529.15</b>	200.80

On behalf of the Board

Kolkata, 14<sup>th</sup> May, 2016

Bikram Nag  
*Joint Executive Chairman*

Arup Kumar Banerjee  
*Vice Chairman and  
Managing Director*

## Annexure IV to Directors' Report

### CORPORATE SOCIAL RESPONSIBILITY

The Company constituted a Corporate Social Responsibility Committee (CSR) pursuant to provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are provided herein below :

1.	A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes. Weblink	The CSR Committee evolved a policy to spend the amount towards the activities mentioned in Clause i & ii of Schedule VII of the Companies Act, 2013. <a href="http://www.ifbagro.in/pdf/policy-on-corporate-social-responsibility.pdf">http://www.ifbagro.in/pdf/policy-on-corporate-social-responsibility.pdf</a>
2.	The Composition of the CSR Committee.	Mr. A.K. Banerjee - Chairman Mr. H.R. Agarwal Member Mr. M.K. Vijay- Member
3.	Average net profit of the Company for last three financial years.	Average net profit of Rs. 3577.18 Lakhs
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).	Rs. 71.54 Lakhs
5.	Details of CSR spent during the financial year 2015-16	
	(a) Total amount to be spent for the financial year 2015-16	Rs. 71.54 Lakhs
	(b) Amount unspent , if any	Rs. 50.14 Lakhs

#### (c.) Manner in which the amount spent during the financial year is detailed below:

(Rs. in Lakhs)

SL No	CSR project or activity identified	Sector in which the project is covered	Projects or programmes 1) Local area or other 2) Specify the State and district where projects or programmes was undertaken.	Amount outlay (budget) project or programmes wise.	Amount spent on the projects or programmes sub heads: 1) Direct Expenditure on projects or programs 2) Overheads	Cumulative Expenditure upto to the reporting Period.	Amount spent Direct or through implementing Agency.
1	Eradicating hunger, malnutrition and sanitation etc	Eradicating hunger, malnutrition and sanitation etc	Noorpur, South 24 Parganas, West Bengal	24.00	1) 12.72 2) 0.54	13.32	Direct
2	Safe drinking water	Safe drinking water	Noorpur, South 24 Parganas, West Bengal	3.00	1.21	1.21	Direct
3	Cerebral Palsy	Promoting Health Care	Noorpur, South 24 Parganas, West Bengal	5.00	4.15	4.15	Through Indian Institute of Cerebral Palsy
4	Promoting education	Promoting education	Burdwan, South 24 Parganas, West Bengal	39.54	2.72	2.72	Direct
	<b>TOTAL</b>			<b>71.54</b>	<b>21.40</b>	<b>21.40</b>	

The Committee has stated that the implementation and monitoring of CSR policies are in compliance with CSR objectives and policy of the Company.

Kolkata, 14<sup>th</sup> May, 2016

Arup Kumar Banerjee  
Chairman of CSR Committee



**Annexure V to Directors' Report****SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016*[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
IFB Agro Industries Limited  
Plot No IND 5, Sector -1,  
East Kolkata Township  
Kolkata - 700107

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IFB Agro Industries Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by **IFB Agro Industries Limited** and also based on the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **IFB Agro Industries Limited** ("the Company") for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;(Not Applicable to the Company during the period under review)
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;(Not Applicable to the Company during the period under review)
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;(Not Applicable to the Company during the period under review)
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the period under review);
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;(Not Applicable to the Company during the period under review), and

- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) Other applicable laws generally applicable to the Industry/Company:
  - a) Factories Act, 1948;
  - b) The Payment of Wages Act, 1936;
  - c) The Minimum Wages Act, 1948;
  - d) The Payment of Gratuity Act, 1972;
  - e) The Child Labour (Prohibition & Regulations) Act, 1986;
  - f) The Environment (Protection) Act, 1986, read with the Environment (Protection) Rules, 1986;
  - g) The Water (Prevention & Control of Pollution) Act, 1974, read with Water (Prevention & Control of Pollution) Rules, 1975;
  - h) The Air (Prevention & Control of Pollution) Act, 1981 read with Air (Prevention & Control of Pollution) Rules, 1982;
- (vii) Other applicable laws specifically applicable to the Industry/Company:
  - a) The Food Safety and Standards Act, 2006;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standard-I and II issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited & Bombay Stock Exchange Limited;

#### **I further report that**

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has obtained members approval pursuant to Section 180(1)(a) of the Companies Act, 2013, at its 33rd Annual General Meeting held on 31st July, 2015 with regard to creation of charge on the assets of the Company. Other than the above there are no events or actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For J. Patnaik & Associates  
Company Secretaries

J. Patnaik, Proprietor  
FCS No. : 5045  
C. P. No.: 3102

Place : Kolkata  
Date : 14<sup>th</sup> May, 2016

## Report on Corporate Governance

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

### 1) Company's philosophy on code of Governance

The Company's philosophy on Corporate Governance envisages attainment of the highest levels of transparency, empowerment, accountability, motivation in all operations and all interactions with its shareholders, investors, lenders, employees and customers.

The Company believes that all its operations and actions must serve the underlying goal of enhancing overall stakeholders value, over a sustained period of time.

### 2) Board of Directors

#### A) Composition of the Board of Directors as at 31<sup>st</sup> March, 2016 is as follows:

The Board of Directors of the Company have an optimum combination of Executive, Non-Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. The Board of the Company comprises of ten Directors that includes one Woman Director.

Category	Strength	% of Total Directors
Executive Directors	3	30.00
Non-Executive & Independent Directors	5	50.00
Non-Executive & Non-Independent Directors	2	20.00
Total	10	100.00

#### B) Particulars of Directorships & Committee Chairmanship/Membership of other Companies & Attendance at the Board Meetings & Last Annual General Meeting :

Name	Category	No. of Board Meetings attended during 2015-16	Whether attended in AGM held on 31 <sup>st</sup> July, 2015	No. of Directorships in other Indian Public Limited Companies as on 31 <sup>st</sup> March, 2016		No. of Committee position held in other Indian Public Limited Companies as on 31 <sup>st</sup> March, 2016*	
				Chairman	Member	Chairman	Member
Mr Bijon Nag (Chairman)	Non-Executive & Non-Independent Director	5	Yes	1	NIL	NIL	NIL
Mr Bikram Nag (Joint Executive Chairman)	Executive Director	6	Yes	1	1	NIL	NIL
Mr Arup Kumar Banerjee (Vice Chairman and Managing Director)	Executive Director	6	Yes	NIL	NIL	NIL	NIL
Mr Nandan Bhattacharya	Non-Executive & Independent Director	6	Yes	NIL	5	NIL	NIL
Mr Amitabha Kumar Nag	Non-Executive & Non-Independent Director	6	Yes	NIL	NIL	NIL	NIL
Mr Sudip Kumar Mukherji	Non-Executive & Independent Director	6	Yes	NIL	NIL	NIL	NIL
Mr Hari Ram Agarwal	Non-Executive & Independent Director	6	Yes	NIL	NIL	NIL	NIL
Mr Manoj Kumar Vijay	Non-Executive & Independent Director	6	Yes	NIL	NIL	NIL	NIL
Dr. Lakshmeshri Roy#	Non-Executive, Independent & Woman Director	6	Yes	NIL	NIL	NIL	NIL
Mr Indranil Goho (Joint Managing Director)##	Executive Director	3	N.A.	NIL	1	NIL	NIL

\* Only Membership/ Chairmanship of Audit Committee, Investor Grievance and Stakeholder's Relationship Committee have been considered.

# Re-appointed for 2<sup>nd</sup> term as Independent Director w.e.f 1<sup>st</sup> April, 2016.

## Appointed as Additional Director w.e.f. 23<sup>rd</sup> September, 2015.

No Director is a member of more than ten Committees or Chairman of more than five Committees across all companies in which they are Directors.

No Director is related to any other Director on the Board except Mr. Bijon Nag and Mr. Bikram Nag in terms of the definition of "Relative" given under the Companies Act, 2013.

### C) Board Meetings held in the financial year 2015-2016

The Board meets at least once in a quarter in order to consider amongst other business, the quarterly performance of the Company and its financial results. The gap between any two meetings does not exceed 4 months.

During the year under review six meetings were held on following dates:

30<sup>th</sup> May 2015, 29<sup>th</sup> July 2015, 23<sup>rd</sup> September 2015, 31<sup>st</sup> October 2015, 30<sup>th</sup> January 2016 and 29<sup>th</sup> March 2016.

### 3) Audit Committee

#### Terms of Reference:

The Audit Committee reviews the Audit Reports submitted by the Internal Auditors, Statutory Auditors, financial results, effectiveness of internal audit process and the Company's risk management strategy and to establish the vigil mechanism. It reviews the Company's established systems and the Committee is governed by provisions of the Companies Act, 2013 and Listing Agreement with Stock Exchanges and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### Composition, Name of members, Number of meetings, Chairperson and attendance of the Audit Committee during the financial year 2015-16:

Name of Members	Members/Chairman	No. of Meetings held	No. of Meetings attended
Mr. Nandan Bhattacharya	Chairman	4	4
Mr. Sudip Kumar Mukherji	Member	4	4
Mr. Amitabha Kumar Nag	Member	4	4
Mr. Hari Ram Agarwal	Member	4	4

During the year under review four meetings were held of the members of the Committee which are as follows:

30<sup>th</sup> May 2015, 29<sup>th</sup> July 2015, 31<sup>st</sup> October 2015 and 30<sup>th</sup> January 2016.

The Company Secretary acted as the 'Secretary' to the Audit Committee.

### 4) Nomination and Remuneration Committee

#### Terms of reference:

This Committee identifies the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also carries out evaluation of each director's performance. The Committee also formulate the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

#### Composition, Name of members, Number of meetings, Chairperson and attendance of the Nomination and Remuneration Committee during the financial year 2015-16:

Name of Members	Member/Chairman	No. of Meetings held	No. of Meetings attended
Mr. Nandan Bhattacharya	Chairman	3	3
Mr. Amitabha Kumar Nag	Member	3	3
Mr. Manoj Kumar Vijay	Member	3	3
Mr. Hari Ram Agarwal	Member	3	3

During the year under review three meetings were held on the following dates:

30<sup>th</sup> May 2015, 23<sup>rd</sup> September 2015 and 29<sup>th</sup> March 2016.

**Nomination and Remuneration Policy:**

The Nomination and Remuneration policy may be referred to at the Company's official website at the weblink : <http://www.ifbagro.in/pdf/Nomination-and-remuneration-policy.pdf>

**Remuneration/ Commission paid to Directors during the financial year 2015-16:**

(Figures in Rupees)

Name of Director	Sitting Fees	Salary, Perquisites & Commission	Total
Mr. Bijon Nag	75,000	-	75,000
Mr. Bikram Nag	-	1,12,09,223	1,12,09,223
Mr. Arup Kumar Banerjee	-	1,88,36,095	1,88,36,095
Mr. Nandan Bhattacharya	1,47,000	-	1,47,000
Mr. Amitabha Kumar Nag	1,40,000	-	1,40,000
Mr Hari Ram Agarwal	1,45,000	-	1,45,000
Mr Manoj Kumar Vijay	1,09,000	-	1,09,000
Mr Sudip Kumar Mukherji	1,37,000	-	1,37,000
Dr. Lakshmishri Roy	95,000	-	95,000
Mr. Indranil Goho (w.e.f. 23 <sup>rd</sup> September, 2015)	-	38,12,252	38,12,252

- Mr. Bikram Nag was appointed as the Joint Executive Chairman for a period of 3 years w.e.f 27<sup>th</sup> January, 2016 till 26<sup>th</sup> January, 2019.
- Mr. Arup Kumar Banerjee was appointed as Managing Director for a period of three years w.e.f 30<sup>th</sup> July 2014 till 29<sup>th</sup> July, 2017. Further during the year the Board of Directors at their meeting held on 23<sup>rd</sup> September, 2015 elevated Mr. Arup Kumar Banerjee as Vice Chairman and Managing Director.
- Mr. Indranil Goho was appointed as the Joint Managing Director by the Board of Directors at its meeting held on 23<sup>rd</sup> September, 2015 subject to the approval of the members at the ensuing Annual General Meeting.
- No severance fee is payable and no stock option has been given.
- Other than sitting fees, there is no other pecuniary relationship or transactions with any of the Non Executive Directors.

**5) Stakeholder's Relationship Committee:**
**Terms of reference:**

The Committee focuses primarily on monitoring expeditious redressal of investors /stakeholders grievances and also function in an efficient manner that all issues /concerns stakeholders are addressed / resolved promptly.

**Composition, Name of members, Number of meetings, Chairperson and attendance of the Stakeholder's Relationship Committee during the financial year 2015-16:**

Name of Members	Member/Chairman	No of Meetings held	No. of Meetings attended
Mr. Nandan Bhattacharya	Chairman	2	2
Mr. Amitabha Kumar Nag	Member	2	2
Mr. Manoj Kumar Vijay	Member	2	2

In view of compulsory trading of shares in dematerialized form and consequent lowering of volume of physical transfers there were very few complaints which were sufficiently addressed to at the level of the Compliance Officer and CB Management Services (P) Ltd., the Registrar & Transfer Agent of the Company for shares both in physical and demat modes.

During the year under review two meetings were held on the following dates:

31<sup>st</sup> October, 2015 and 29<sup>th</sup> March, 2016.

No. of shareholders complaints received so far	-	2	}
No. of complaints not solved to the satisfaction of shareholders	-	Nil	
No. of pending complaints	-	Nil	

*Name, Designation & Address of the Compliance Officer:*

Mr. Ritesh Agarwal, Company Secretary

**IFB Agro Industries Limited**

Plot No- IND 5, Sector-1,

East Kolkata Township, Kolkata-700 107

Tel: (033) 39849524 • Fax: (033) 24421003

E-Mail: complianceifbagro@ifbglobal.com

**6) General Body Meetings:**

a. Location & time where last three AGMs were held:

AGM	For the year ended	Date	Venue of the AGM	Time
33 <sup>rd</sup>	2014-2015	31.07.2015	Club Ecovista Eco Space (Business Park), Premises No. 2F/11, Action Area II Rajarhat, New Town Kolkata - 700 156.	12.30 P.M
32 <sup>nd</sup>	2013-2014	30.07.2014	Club Ecovista Eco Space (Business Park), Premises No. 2F/11, Action Area II Rajarhat, New Town Kolkata - 700 156.	12.30 P.M
31 <sup>st</sup>	2012-2013	26.07.2013	Ecohub Eco Space (Business Park), Ambuja Reality, Plot No 2F/11, New Town, Rajarhat, North 24-Parganas Kolkata - 700 156.	12.00 Noon

b. Whether any special resolution passed in the previous three AGMs : Yes

c. Whether any special resolution passed last year through postal ballot : No

Details of voting pattern : N.A.

Person who conducted the postal ballot exercise : N.A.

d. Whether any special resolution is proposed to be conducted through postal ballot : No

e. Procedure for postal ballot:

Your Company will comply with the requirements of postal ballot as and when such matter arises requiring approval of the shareholders by such process under the Companies Act, 2013 and rules made there under, if any.

**7) Disclosure:**

a. Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at large.

None of the transactions with any of the related parties were in conflict with interests of the Company. Transactions with the related parties are disclosed in Note No. 35 "Notes to Financial Statements" annexed to the Financial Statements for the year.

The Board has adopted a policy for related party transactions which has been uploaded on the Company's website of the following link <http://www.ifbagro.in/pdf/Policy-on-Related-Party-Transactions.pdf>.

b. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities on any matter related to capital markets during the last 3 years: *None*.

c. The financial statements for the year 2015-16 have been prepared in accordance with the applicable accounting standards prescribed by the Institute of Chartered Accountants of India and there are no deviations.

- d. The Board has noted and reviewed the Compliance Reports of all laws applicable to the Company, which were placed before each of its meeting held during the year 2015-2016.
- e. The Company has adopted Whistle Blower/Vigil Mechanism Policy for Directors and employees which has been placed in the website of the Company at [www.ifbagro.in](http://www.ifbagro.in). No personnel has been denied access to the Audit Committee.
- f. The Company has periodically reviewed and reporting to the Board of Directors of risk assessment by senior executives with a view to minimise risk.
- g. **Reconciliation of Share Capital Audit**  
A Qualified Practicing Company Secretary carried out a Share Capital Audit during the financial year 2015-16 on quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Reconciliation of Share Capital Audit Report confirms that the total Paid up Share Capital is in agreement with the total No. of Shares in physical form and the total number of Dematerialized shares held with NSDL and CDSL.
- h. **Separate Meeting of the Independent Directors**  
As per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors are required to hold at least one meeting in a year. Accordingly, a meeting had been held on 29th March, 2016.
- i. **Code of Conduct for Board members and Senior Management**  
The Board of Directors has laid down the 'Code of Conduct' for all the Board members and members of the Senior Management of the Company. All the Board members and Senior Management Personnel have affirmed compliance with the code of conduct. The Code is available on the Company's Official website under the weblink: <http://www.ifbagro.in/code-conduct.php>
- j. **Familiarisation Programme for Independent Director**  
To provide insights into the Company to enable the Independent Directors to understand the Company's business in depth the Company through its Managing Director / Executive Director / Key Managerial Personnel conducts programmes / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company. The programmes/presentations also familiarises the Independent Directors with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business operates, business model of the Company etc. through various programmes.  
The familiarisation programme is available on the Company's official website of the following link <http://www.ifbagro.in/pdf/Familiarisation-programme2015-16.pdf>
- k. The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.  
This Corporate Governance Report of the Company for the financial year 2015-2016 as on 31st March, 2016 are in compliance with the requirements of Corporate Governance under Clause 49 of the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

**8) Means of communication:**

The quarterly and half yearly results of the Company are forthwith communicated to the Stock Exchanges with whom the Company has listing agreements as soon as the results are approved and taken on record by the Board of Directors of the Company. Further, the results are generally published in leading newspapers such as Business Standard (English) and Aajkal (Bengali). No presentation was made to the institutional investors/analysts during the year 2015-2016.

The quarterly, half-yearly and annual financial results and Official News releases are posted in respective Stock Exchange websites and also on the website of the Company.

**9) General Shareholder information:**

- i) 34<sup>th</sup> AGM date, time and venue : 22<sup>nd</sup> day of July, 2016, At 12.30 PM  
Club Ecovista, Ecospace Business Park,  
Premises No. 2F/11, Action Area II,  
Rajarhat, New Town, Kolkata 700156.



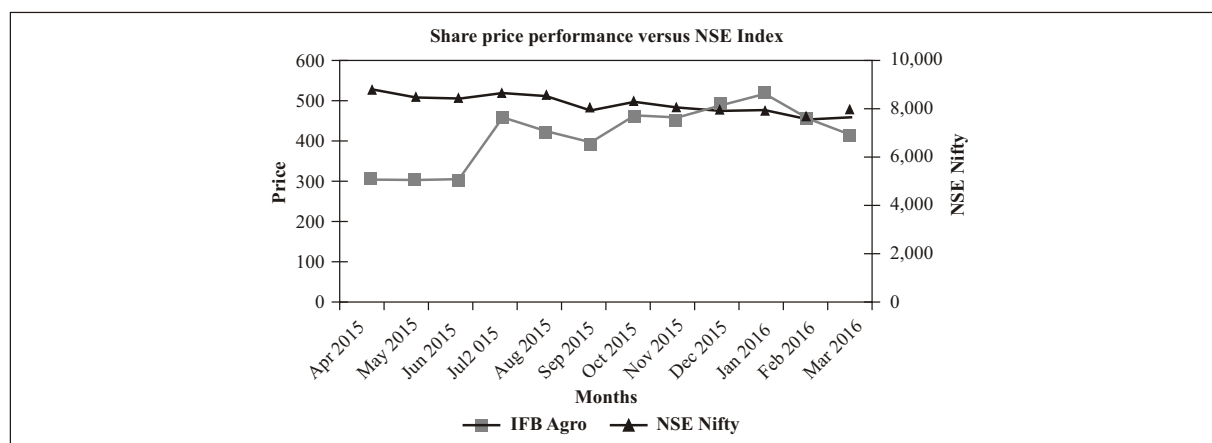
- ii) Financial year : 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016.
- iii) Book closure date : 16<sup>th</sup> July, 2016 to 22<sup>nd</sup> July, 2016 (both days inclusive)
- iv) Dividend Payment date : Not Applicable.
- v) Listing on Stock Exchanges : a) Bombay Stock Exchange Limited  
b) National Stock Exchange of India Limited
- vi) Stock Code: BSE : 507438  
NSE : IFB Agro EQ  
NSDL & CDSL : ISIN No. INE 076C01018

vii) Market Price Data

Monthly high and low quotation of shares traded at National Stock Exchange of India Ltd & Bombay Stock Exchange Limited during the financial year 2015-16.

Month	Bombay Stock Exchange		National Stock Exchange	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr-15	300.10	242.30	298.70	243.00
May-15	297.00	245.50	299.00	245.00
Jun-15	300.30	236.70	299.70	232.35
Jul-15	452.10	261.20	454.75	263.20
Aug-15	422.00	256.00	422.00	260.00
Sep-15	394.00	258.10	394.70	250.30
Oct-15	461.90	377.60	460.10	374.00
Nov-15	452.00	355.00	455.00	356.65
Dec-15	475.00	404.30	483.70	401.30
Jan-16	518.90	381.90	518.00	380.00
Feb-16	467.00	330.30	468.00	331.35
Mar-16	410.00	365.00	412.00	367.40

viii) Share price performance in comparison to broad based indices- NSE Nifty





- ix) Registrar & Share Transfer Agent : CB Management Services (P) Ltd.  
P-22, Bondel Road, Kolkata - 700 019  
Tel : (033) 4011 6700/2280 6692/2282 3643/2287 0263  
Fax : (033) 4011 6739  
E-mail : rta@cbmsl.com  
Website :www.cbmsl.com

x) Share Transfer System

M/s CB Management Services (P) Ltd. of P-22, Bondel Road, Kolkata - 700 019, a SEBI registered Registrar is the Registrar of the Company both in physical and dematerialised segment.

Since the Company's shares can be traded only in demat mode, shareholders would be required to send their physical shares certificates, Demat Request Forms (DRF) etc. directly to the Share Transfer Agent, CB Management Services (P) Ltd. Shareholders would also have to ensure that their respective Depository Participant do not delay in sending the DRF and physical share certificates to the aforesaid Share Transfer Agents so that no Demand requests from any shareholder remains pending with the Share Transfer Agent beyond a period of 30 days.

xi) Distribution of Shareholding & Shareholding Pattern:

(a) *Distribution of Shareholding as on 31st March, 2016:*

Range		No. of Shareholders	% of total	No. of Shares	% of total
From	To				
1	500	6252	93.27	688331	7.35
501	1000	243	3.63	185625	1.98
1001	2000	96	1.43	139279	1.49
2001	3000	31	0.46	73822	0.79
3001	4000	13	0.20	46649	0.50
4001	5000	17	0.25	78715	0.84
5001	10000	20	0.30	138019	1.47
10001	9999999	31	0.46	8016671	85.58
<b>TOTAL</b>		<b>6703</b>	<b>100.00</b>	<b>9367111</b>	<b>100</b>

b) *Shareholding Pattern as on 31st March 2016:*

	No. of Shares	% of total	% Dematerialised
Indian Promoters	6087680	64.99	64.99
Mutual Funds/UTI	9000	0.10	0.00
Banks, Financial Institutions & Insurance companies	101579	1.08	0.06
Private Corporate Bodies	868089	9.27	9.20
Indian Public	2207539	23.57	19.67
Non Resident Indians/Foreign Portfolio Investor	86229	0.92	0.61
Clearing Members	6495	0.07	0.07
Office of the Custodian Special Court	500	0.00	0.00
<b>TOTAL</b>	<b>9367111</b>	<b>100.00</b>	<b>94.60</b>

xii) Dematerialization of shares:

As on 31st March 2016, 94.6% of the Company's total shares representing 8861440 shares were held in dematerialised form and the balance 5.4% representing 505671 shares were held in physical form.

- xiii) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity : The Company has not issued any Convertible instruments, conversion any GDRs/ ADRs/Warrants or date and likely impact on equity any convertible instruments.

xiv) Commodity price risk/ foreign exchange risk and hedging activities. : The Company is exposed to the foreign exchange risk for ECB Loan, import of Capital Goods and export of finished goods and engages in foreign currency hedging with banks by way of currency forward contracts in order to protect its foreign currency exposure from exchange fluctuations in terms of the foreign exchange risk management policy of the Company.

xv) Plant Locations :

A. Owned Plant Locations

- Distillery plant – Noorpur, P.S. Diamond Harbour, South 24-Parganas, West Bengal - 743 386
- IMIL Bottling plant 1) Panagarh, Dist. Burdwan, West Bengal - 713 148  
2) Dankuni, Dist. Hooghly, West Bengal - 712 306
- Marine Product Processing plant – IFB Agro Industries Limited, Plot No.IND-5, Sector-1 East Kolkata Township, Kolkata - 700 107

B. Tie-up Plant Locations

- IMIL Bottling Plant 1) Prasanta Kumar Dutta, Kandi, Murshidabad, West Bengal - 742137  
2) Singh Fisher N, Purulia, West Bengal - 723102
- Marine Product Processing plant – Neeli Aqua Pvt Ltd., Ongole, Andhra Pradesh -523212

xvi) Address for correspondence :

- Registered Office – IFB Agro Industries Limited  
CIN : L01409WB1982PLC034590  
Plot No.IND-5, Sector-1  
East Kolkata Township  
Kolkata - 700 107  
Tel. : (033) 3984 9675  
Fax : (033) 2442 1003  
E-mail: [complianceifbagro@ifbglobal.com](mailto:complianceifbagro@ifbglobal.com)  
Website : [www.ifbagro.in](http://www.ifbagro.in)

10. **Requirement under PART E of Schedule II**

**i) Audit Opinion**

The Company has moved toward a regime of Financial Statement with unmodified Audit Opinion.

**ii) Separate Posts of Chairman and Managing Director**

Mr. Bijon Nag is the Chairman of the Company and Mr. Arup Kumar Banerjee is the Vice Chairman and Managing Director of the Company. The Company has complied with the requirement of having separate persons to the Post of Chairman and Managing Director.

**iii) Reporting of Internal Auditor**

The Company's Internal Auditor reports directly to the Audit Committee.

On behalf of the Board

Kolkata, 14<sup>th</sup> May, 2016

Bikram Nag  
*Joint Executive Chairman*

Arup Kumar Banerjee  
*Vice Chairman and  
Managing Director*

**Certificate of Compliance with Code of Conduct Policy**

I declare that in terms of Schedule V under Regulation 34(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Company has received affirmation of Compliance with Code of Conduct from all Board members and Senior Management Personnel of the Company for the financial year ended 31<sup>st</sup> March, 2016.

For IFB Agro Industries Limited

Place : Kolkata  
Date : 14<sup>th</sup> May 2016

Arup Kumar Banerjee  
Vice Chairman and  
Managing Director

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**Auditors' Certificate on Corporate Governance**

To the Members of  
**IFB Agro Industries Limited**

We have examined the compliance of the conditions of Corporate Governance by IFB Agro Industries Limited, Plot No IND - 5, Sector - 1, East Kolkata Township, Kolkata - 700 107, for the year ended 31 March, 2016 as stipulated in Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governances is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said regulation. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and 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 Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 management has conducted the affairs of the Company.

For Walker Chandiook & Co LLP  
*Chartered Accountants*  
Firm Registration No. 001076N/N500013

Place : Kolkata  
Date : 14<sup>th</sup> May, 2016

per Anamitra Das  
*Partner*  
Membership No. 062191

**Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification**

To  
The Board of Directors  
IFB Agro Industries Limited  
Kolkata

Dear Sirs,

**Sub: CEO & CFO Certificate**

We, Arup Kumar Banerjee, Vice Chairman and Managing Director and Dipak Sen, Chief Financial Officer responsible for the finance function certify to the Board that:

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2016 and that to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2016 which are fraudulent, illegal or violates to Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal control for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have taken to rectify these deficiencies.
- d)
  - i) There has not been any significant change in internal control over financial reporting during the year under reference.
  - ii) There has not been any significant change in accounting policies during the year.
  - iii) We are not aware of any instance of fraud during the year, with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place : Kolkata  
Date : 14<sup>th</sup> May, 2016

Arup Kumar Banerjee  
Vice Chairman and  
Managing Director

Dipak Sen  
Chief Financial Officer

## **Independent Auditors' Report to the Members of IFB Agro Industries Limited.**

### **Report on the financial statements**

1. We have audited the accompanying financial statements of IFB Agro Industries Limited, ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the 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**

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

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards of Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by Section 143(3) of the Act, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books;
- c. the financial statements dealt with by this report are in agreement with the books of account;
- d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
- e. on the basis of written representations received from the directors as on 31 March 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164(2) of the Act;
- f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 14 May 2016 as per Annexure B expressing our unmodified opinion on adequacy and operative effectiveness of internal controls over financial reporting.
- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. as detailed in Note 40 to the financial statements, the Company has disclosed the impact of pending litigations on its financial position;
  - ii. the Company did not have any long-term contracts including derivatives contract for which there were any material foreseeable losses; and
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Walker Chandiook & Co LLP  
*Chartered Accountants*  
Firm Registration No. 001076N/N500013

per Anamitra Das  
*Partner*

Membership No. 062191

Place : Kolkata

Date : 14<sup>th</sup> May, 2016

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT of even date to the members of IFB Agro Industries Limited, on the financial statements for the year ended 31 March 2016**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner during the year, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all immovable properties are held in the name of the Company, except in case of freehold land at Noorpur valued at ₹ 46.23 lacs which is pending registration in the name of the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company had complied with the provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in lacs)	Amount Paid Under Protest (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
West Bengal Sales Tax Act, 1994	Sales tax	25.44	Nil	2004-05	Sr. Jt. Commissioner (Commercial Taxes), West Bengal
West Bengal Sales Tax Act, 1994	Sales tax	344.66	Nil	2005-06	Addl. Commissioner of Commercial Taxes, West Bengal
West Bengal Sales Tax Act, 1994	Sales tax	41.38	Nil	2006-07	Appellate and Revisional Board, West Bengal
West Bengal Sales Tax Act, 1994	Sales tax	405.49	Nil	2007-08	Appellate and Revisional Board, West Bengal
West Bengal Sales Tax Act, 1994	Sales tax	175.11	Nil	2008-09	Appellate and Revisional Board, West Bengal
West Bengal Sales Tax Act, 1994	Sales tax	61.70	Nil	2012-13	Appellate and Revisional Board, West Bengal
Central Sales Tax Act, 1956	Sales tax	9.08	Nil	2005-06	Appellate and Revisional Board, West Bengal
Central Sales Tax Act, 1956	Sales tax	1.76	Nil	2007-08	Appellate and Revisional Board, West Bengal

Name of the statute	Nature of dues	Amount (₹ in lacs)	Amount Paid Under Protest (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
West Bengal VAT Act, 2003	Value added tax	131.00	Nil	2005-06	Appellate and Revisional Board, West Bengal
West Bengal VAT Act, 2003	Value added tax	5.75	Nil	2006-07	Appellate and Revisional Board, West Bengal
West Bengal VAT Act, 2003	Value added tax	924.60	Nil	2007-08	Appellate and Revisional Board, West Bengal
West Bengal VAT Act, 2003	Value added tax	569.98	Nil	2008-09	Appellate and Revisional Board, West Bengal
The Bengal Excise Act, 1909	State excise duty	139.61	Nil	2010-11	West Bengal Taxation Tribunal
The Bengal Excise Act, 1909	State excise duty	189.00	Nil	2011-12	West Bengal Taxation Tribunal
The Bengal Excise Act, 1909	State excise duty	117.18	Nil	2012-13	West Bengal Taxation Tribunal
The Bengal Excise Act, 1909	State excise duty	126.00	Nil	2013-14	West Bengal Taxation Tribunal
The Bengal Excise Act, 1909	State excise duty	101.00	Nil	2014-15	West Bengal Taxation Tribunal
West Bengal Molasses Control Act, 1973	State excise duty	43.34	15.00	2003-2006	High Court of Calcutta
West Bengal Molasses Control Act, 1973	State excise duty	14.65	Nil	2008	High Court of Calcutta
The Customs Act, 1962	Customs duty	38.02	Nil	2013-14	Commissioner of Customs (Appeals)

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purpose for which the loans were obtained, though idle funds which were not required for immediate utilization have been invested in liquid investments, payable on demand.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) In our opinion, managerial remuneration has been provided in accordance with the requisite approvals mandated by the provisions of section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm Registration No. 001076N/N500013  
per Anamitra Das  
Partner  
Membership No. 062191

Place : Kolkata  
Date : 14<sup>th</sup> May, 2016



**Annexure B to the Independent Auditor's Report of even date to the members of IFB Agro Industries Limited, on the financial statements for the year ended 31 March 2016****Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

1. In conjunction with our audit of the financial statements of IFB Agro Industries Limited ("the Company") as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting ("IFCoFR") of the Company as of that date.

**Management's Responsibility for Internal Financial Controls**

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

**Meaning of Internal Financial Controls over Financial Reporting**

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Walker Chandiok & Co LLP  
*Chartered Accountants*  
Firm Registration No. 001076N/N500013

per Anamitra Das  
*Partner*  
Membership No.: 062191

Place : Kolkata

Date : 14<sup>th</sup> May, 2016

## Balance Sheet as at 31st March, 2016

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	As at 31 March 2016	As at 31 March 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	936.71	936.71
Reserves and surplus	3	24,158.32	21,225.78
		<b>25,095.03</b>	<b>22,162.49</b>
<b>Non-current liabilities</b>			
Long-term borrowings	4	4,342.75	-
Deferred tax liabilities, net	5	1,606.97	1,749.62
Other long term liabilities	6	635.40	561.14
Long-term provisions	7	223.46	250.16
		<b>6,808.58</b>	<b>2,560.92</b>
<b>Current liabilities</b>			
Trade payables	8	2,322.10	1,700.06
Other current liabilities	9	2,464.47	1,030.63
Short-term provisions	10	-	116.85
		<b>4,786.57</b>	<b>2,847.54</b>
<b>Total</b>		<b>36,690.18</b>	<b>27,570.95</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	11	14,463.98	11,803.12
Capital work-in-progress		19.99	55.42
Non-current investments	12	291.45	296.17
Long-term loans and advances	13	1,554.90	971.85
Other non-current assets	14	166.58	205.30
		<b>16,496.90</b>	<b>13,331.86</b>
<b>Current assets</b>			
Current investments	15	8,796.68	-
Inventories	16	4,400.41	4,408.53
Trade receivables	17	3,867.69	2,678.90
Cash and bank balances	18	1,373.14	5,789.48
Short-term loans and advances	19	1,573.97	1,169.64
Other current assets	20	181.39	192.54
		<b>20,193.28</b>	<b>14,239.09</b>
<b>Total</b>		<b>36,690.18</b>	<b>27,570.95</b>

Notes 1 to 42 form an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date.

For Walker Chandiook & Co LLP  
Chartered Accountants

per Anamitra Das  
Partner  
Membership No. 062191  
Kolkata, 14<sup>th</sup> May, 2016

For and on behalf of the Board of Directors

Bikram Nag  
Joint Executive Chairman

Arup Kumar Banerjee  
Vice Chairman and  
Managing Director

Dipak Sen  
Chief Financial Officer

Ritesh Agarwal  
Company Secretary

## Statement of Profit and Loss for the year ended 31st March, 2016

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	Year ended 31 March 2016	Year ended 31 March 2015
<b>REVENUE</b>			
Revenue from operations, gross	21	84,463.73	80,199.18
Less : Excise duty		(23,152.04)	(21,773.74)
Revenue from operations, net		61,311.69	58,425.44
Other income	22	1,492.03	1,508.88
<b>Total revenue</b>		<b>62,803.72</b>	<b>59,934.32</b>
<b>EXPENSES</b>			
Cost of materials consumed	23	31,072.67	33,765.57
Purchases of stock in trade	24	14,426.47	13,452.70
Changes in inventories of finished goods, work-in-progress and stock in trade	25	(277.45)	(1,113.76)
Employee benefits expense	26	3,087.96	2,350.91
Finance costs	27	136.23	17.14
Depreciation and amortisation expense	11	2,170.23	1,862.27
Other expenses	28	8,575.63	7,008.68
<b>Total expenses</b>		<b>59,191.74</b>	<b>57,343.51</b>
<b>Profit before tax</b>		<b>3,611.98</b>	<b>2,590.81</b>
<b>Tax expense</b>			
Current tax		939.24	592.38
MAT credit utilisation		-	(475.19)
Deferred tax		(142.65)	820.38
Tax - earlier years		(117.15)	95.79
		<b>679.44</b>	<b>1,033.36</b>
<b>Profit after tax</b>		<b>2,932.54</b>	<b>1,557.45</b>
<b>Earnings per equity share of ₹ 10 paid up per share</b>			
<b>Basic and diluted</b>	29	<b>31.31</b>	<b>16.63</b>

Notes 1 to 42 form an integral part of this financial statements.

This is the Statement of Profit and Loss referred to in our report of even date

For Walker Chandiook & Co LLP  
Chartered Accountants

per Anamitra Das  
Partner  
Membership No. 062191

Kolkata, 14<sup>th</sup> May, 2016

For and on behalf of the Board of Directors

Bikram Nag  
Joint Executive Chairman

Arup Kumar Banerjee  
Vice Chairman and  
Managing Director

Dipak Sen  
Chief Financial Officer

Ritesh Agarwal  
Company Secretary

## Cash Flow Statement for the Year ended 31st March, 2016

(All amounts in ₹ lacs, unless otherwise stated)

	Year ended 31 March 2016	Year ended 31 March 2015
<b>A. Cash Flow from Operating Activities :</b>		
<b>Profit Before Tax</b>	<b>3,611.98</b>	2,590.81
<i>Adjustment for :</i>		
Depreciation, amortisation and impairment	2,170.23	1,862.27
Bad debts/advances written off	14.54	114.55
Bad debt/receivables provided	252.79	176.78
Provision for doubtful debts written back	(15.00)	-
(Gain)/loss on sale of fixed assets, net	(31.37)	(33.38)
Profit on sale of investment	(279.31)	(230.57)
Dividend income	-	(0.30)
Liability no longer required, written back	(33.56)	(32.01)
Interest income	(43.07)	(124.19)
Interest and other finance costs	136.23	17.14
	<b>5,783.46</b>	4,341.10
<b>Operating Profit before Working Capital Changes</b>		
<i>Adjustment for :</i>		
Inventories	8.12	(1,960.69)
Trade and other receivables	(2,470.16)	602.92
Trade and other payables	1,343.73	609.45
	<b>4,665.15</b>	3,592.78
<b>Cash generated from Operations</b>	<b>4,665.15</b>	3,592.78
Income Tax paid	(1,021.05)	(679.22)
<b>Net Cash from Operating Activities</b> (A)	<b>3,644.10</b>	2,913.56
<b>B. Cash Flow from Investing Activities</b>		
Addition to fixed assets (including capital work in progress)	(4,502.89)	(2,603.69)
Sale of fixed assets	60.90	176.29
Purchase of investments	(36,477.47)	(9,625.57)
Sale of investments	27,964.82	10,356.12
Interest received	43.07	124.19
Dividend received	-	0.30
<b>Net Cash (used) in Investing Activities</b> (B)	<b>(12,911.57)</b>	(1,572.36)
<b>C. Cash Flow from Financing Activities</b>		
Proceeds/(repayments) from working capital facilities	-	(420.96)
Proceeds from external commercial borrowing	4,908.00	
Interest and other finance cost	(56.87)	(17.14)
<b>Net Cash from/ (used) in Financing Activities</b> (C)	<b>4,851.13</b>	(438.10)
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b> (A+B+C)	<b>(4,416.34)</b>	903.10
Cash and Cash Equivalents as on 01 April 2015	5,789.48	4,886.38
Cash and Cash Equivalents as on 31 March 2016	1,373.14	5,789.48

This is the Cash Flow Statement referred to in our report of even date.

For Walker Chandiook & Co LLP  
Chartered Accountants

per Anamitra Das  
Partner  
Membership No. 062191  
Kolkata, 14<sup>th</sup> May, 2016

For and on behalf of the Board of Directors

Bikram Nag  
Joint Executive Chairman

Arup Kumar Banerjee  
Vice Chairman and  
Managing Director

Dipak Sen  
Chief Financial Officer

Ritesh Agarwal  
Company Secretary

## Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

### 1.1 Background and Nature of Operations

IFB Agro Industries Limited (the “Company”) is engaged in the business of manufacturing alcohol, bottling of branded alcoholic beverages as well as processed and packed marine foods both for domestic and export markets. The Company is listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited

### 1.2 Basis of preparation

The financial statements are prepared under historical cost convention in accordance with the generally accepted accounting principles in India (“Indian GAAP”) and comply in all material respects with the mandatory Accounting Standards (“AS”) prescribed under Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), and with the relevant provisions of the Act and pronouncements of the Institute of Chartered Accountants of India (‘ICAI’). The financial statements have been prepared on accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of work, the Company has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

### 1.3 Significant Accounting Policies

#### a) Use of Estimates

In preparing the Company's financial statements in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

#### b) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

##### i) Sale of products

Revenue from sale of products is recognized in the accounts on passing of title to the goods. Gross sales are inclusive of excise duty but are net of trade discounts, where applicable.

##### ii) Dividend

Dividend income is recognized and accounted for when the right to receive payment is established.

##### iii) Interest income on loans/deposits

Interest income on loans/deposits is recognized in time proportion basis taking into account the amount outstanding and the rate applicable.

##### iv) Benefit under export incentive / duty drawback scheme

Revenue in respect of export incentive scheme including duty drawback scheme is recognized when the entitlement to receive the benefit is established.

##### v) Insurance and other claims

Revenue in respect of claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

**Summary of significant accounting policies and other explanatory information (Contd.)**

(All amounts in ₹ lacs, unless otherwise stated)

**c) Fixed Assets**

Fixed Assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use. Subsequent expenditures, if any, related to an item of fixed assets are added to its book value only if they increase the future benefits from existing asset beyond its previously assessed standard of performance.

**d) Depreciation**

Depreciation on fixed assets is provided on written down value method over the useful lives of assets prescribed under Schedule II of the Act. In respect of additions, depreciation is provided on pro-rata basis from the date of acquisition/installation. Written down value of all assets acquired prior to 1st April 2014 are being depreciated over their remaining useful life as prescribed in Schedule II of the Act. Plant and machinery of bottling units are being depreciated considering a useful life of 20 years based on technical evaluation.

Depreciation on leasehold improvements is provided over their respective lease period or estimated useful life of lease assets whichever is shorter.

**e) Government grants and subsidies**

Grants and subsidies from the government are recognized when there is reasonable certainty that the grant/subsidy will be received and all attaching conditions are complied. When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

**f) Borrowing Costs**

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

**g) Impairment of assets**

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists then the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

**h) 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 non-current investments. Non-current investment is carried at cost less provision (if any) for decline in value which is other than temporary in nature. Current investments are carried at lower of cost and fair value.

**i) Inventories**

Raw materials, work-in-progress, stores and spares and finished goods are valued at lower of cost and net realizable value. Cost of Inventories is computed on a weighted average/FIFO basis.

## Summary of significant accounting policies and other explanatory information (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

### j) Foreign Currency Transactions

Transactions in foreign currency are recognized at the rates of exchange prevailing on the dates of the transactions.

Liabilities/assets in foreign currencies are reckoned in the accounts as per the following principles:

Exchange differences arising on a monetary item for the purchase of depreciable asset is added to / deducted from the value of the asset and is depreciated over the life of the asset as per the notification in "Gazette of India" dated 31.3.2009 vide G.S.R. 225(E) read with G.S.R. 913(E) dated 29.12.2011.

Exchange differences in respect of all other monetary assets and liabilities denominated in foreign currency are restated at the rates ruling at the year end and all exchange gains/ losses arising there from are adjusted to the Statement of Profit and Loss, except those covered by forward contracted rates where the premium or discount arising at the inception of such forward exchange contract is amortized as expense or income over the life of the contract.

Exchange differences on forward contracts are recognized in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward contracts is recognized as income or expense for the year.

For forward exchange contracts and other derivatives that are not covered by AS 11 'The Effects of Changes in Foreign Exchange Rates', the Company follows the guidance in the announcement of the Institute of Chartered Accountants of India (ICAI) dated 29 March, 2008, whereby for each category of derivatives, the Company records any net mark-to-market losses. Net mark-to-market gains are not recorded for such derivatives.

### k) Employee Retirement Benefits:

#### i) Defined Contribution Plans:

The Company provides Defined Contribution Plans for post employment benefits in the form of Provident Fund and Superannuation Fund administered by Regional Provident Fund Commissioner and Life Insurance Corporation respectively. The Company's contributions to Defined Contribution Plans are charged to the Statement of Profit and Loss as and when incurred. Provident Fund and Superannuation Fund are classified as Defined Contribution Plan as the Company has no further obligation beyond making the contributions.

#### ii) Defined Benefit Plans:

Liability for Compensated Absence and Gratuity is provided on the basis of valuation as at the Balance Sheet date carried out by independent actuary. Projected Unit Credit (PUC) actuarial method is used to measure the plan liabilities, including those to death-in-service and incapacity benefits. The plan liability is the actuarial present value of the 'projected accrued benefits' as of the beginning of the year for active members.

Termination benefits are recognised as an expense as and when incurred. Actuarial gains and losses arising during the year are recognised in the Statement of Profit and Loss of the year.

### l) Leases

Leases of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as expense in the Statement of Profit and Loss on a straight line basis over the lease term.



**Summary of significant accounting policies and other explanatory information (Contd.)**

(All amounts in ₹ lacs, unless otherwise stated)

**m) Accounting for Taxes on Income**

The tax expense comprises of Current Taxes and Deferred Taxes. Current tax is the amount of income tax determined to be payable in respect of taxable income for a period as per the provisions of the Income-Tax Act, 1961 ("IT Act"). The Company accounts for tax credit in respect of Minimum Alternate Tax ("MAT") in situations where the MAT payable is higher than tax payable under normal provisions of the IT Act. The credit so availed is adjusted in future years when the tax under normal provisions is higher than MAT payable to the extent of the said difference.

Deferred tax is the effect of timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are reviewed at each Balance Sheet date and recognized/derecognized only to the extent that there is reasonable/ virtual certainty, depending on the nature of the timing differences, that sufficient future taxable income will be available against which such Deferred Tax assets can be realized.

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

- i) A provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.
- ii) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.
- iii) Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

**o) Segment Reporting**

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further,

- a) Inter segment revenue has been accounted for based on the transaction price agreed between segments which is primarily market based.
- b) Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Un-allocated expenses net of un-allocated income".

**p) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**q) Cash and Cash Equivalents**

Cash and cash equivalents comprise of cash and deposits with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible into known amounts of cash to be cash equivalents.

## Summary of significant accounting policies and other explanatory information (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2016		As at 31 March 2015	
	Number	Amounts	Number	Amounts
<b>2 Share Capital</b>				
<b>Authorised Share Capital</b>				
Equity Shares of ₹ 10 each	12,000,000	1,200.00	12,000,000	1,200.00
	<u>12,000,000</u>	<u>1,200.00</u>	<u>12,000,000</u>	<u>1,200.00</u>
<b>Issued, Subscribed and Fully Paid up</b>				
Equity Shares of ₹ 10 each	9,367,111	936.71	9,367,111	936.71
	<u>9,367,111</u>	<u>936.71</u>	<u>9,367,111</u>	<u>936.71</u>

- i) There is no movement in the Equity Share Capital during the current and comparative period.
- ii) No additional shares were allotted as fully paid up by way of bonus shares or pursuant to contract without payment being received in cash during the last five years. Further, none of the shares were bought back by the Company during the last five years.

### iii) Details of shareholders holding more than 5% of the aggregate shares in the Company

	Number	Holding %	Number	Holding %
Equity Shares of ₹ 10 each				
IFB Automotive Private Limited	3,602,900	38.46	3,602,900	38.46
Nurpur Gases Private Limited	785,543	8.39	785,543	8.39
SICGIL India Limited	678,150	7.24	676,530	7.22
	<u>5,066,593</u>	<u>54.09</u>	<u>5,064,973</u>	<u>54.07</u>

### iv) Terms / rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Such holder of Equity Share is entitled to one vote per share. In the event of liquidation, the Equity Shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings. During this financial year the Company has not proposed/declared any dividend. However, if any dividend is proposed by the Board of Directors, it will be subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

	As at 31 March 2016	As at 31 March 2015
<b>3 Reserves and Surplus</b>		
<b>i) Capital Reserves</b>	7.77	7.77
<b>ii) Securities Premium Account</b>	3,193.72	3,193.72
<b>iii) General Reserve</b>	284.94	284.94
<b>iv) Surplus in the Statement of Profit and Loss</b>		
Balance at the beginning of the year	17,739.35	16,181.90
Add : Transferred from Statement of Profit and Loss	2,932.54	1,557.45
Balance at the end of the year	<u>20,671.89</u>	<u>17,739.35</u>
	<u>24,158.32</u>	<u>21,225.78</u>

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	<u>As at 31 March 2016</u>	<u>As at 31 March 2015</u>
<b>4 Long term borrowings</b>		
Secured term loan		
From Bank (external commercial borrowings)	4,963.14	-
Less: Current maturities of long term borrowings (referred to in note 9)	620.39	-
	<u>4,342.75</u>	<u>-</u>
Nature of security & terms of repayment for secured borrowings availed from the bank		
<i>Nature of Security:</i> Term loan from bank for 7.5 million US dollars equivalent to ₹ 4,908.00 lacs (excluding adjustment for foreign exchange difference amounting to ₹ 55.14 lacs) is secured by an exclusive charge on all present and future assets (plant and machinery and civil work) at Noorpur refinanced out of this loan and on other plant and machinery of the Company.		
<i>Terms of Repayment:</i> Repayable in 14 stipulated periodic instalments commencing from 31 December 2016 and ending on 31 January 2020 and carries an interest rate of 3 months libor plus 225 basis points.		
<b>5 Deferred tax liabilities, Net</b>		
<b>Deferred tax liabilities</b>		
Timing difference on fixed assets depreciation and impairment	1,894.40	1,983.94
	<u>1,894.40</u>	<u>1,983.94</u>
<b>Deferred tax assets</b>		
Provision for employee benefits	(80.37)	(112.36)
Provision for doubtful debts and advances and other unascertained liabilities	(193.15)	(74.34)
Voluntary retirement Scheme payments	(13.91)	(47.62)
	<u>(287.43)</u>	<u>(234.32)</u>
<b>Net deferred tax liability</b>	<u>1,606.97</u>	<u>1,749.62</u>
<b>6 Other long term liabilities</b>		
Security Deposits ( <i>Refer note below</i> )	635.40	561.14
	<u>635.40</u>	<u>561.14</u>

**Note:**

Security deposit includes an amount of ₹ 240.02 lacs (Previous Year ₹ 240.02 lacs) obtained as a part of sale and lease back agreement entered into by the Company with Rajasthan State Electricity Board (RSEB) which expired on 28 February, 2004. In terms of the said agreement, the residual value of the assets under lease acquired and leased back to RSEB (under physical possession of RSEB) is required to be adjusted against the corresponding amount of security deposit as mentioned above. Company's appeal towards certain claims against RSEB is pending before the Hon'ble Jaipur High Court.

	<u>As at 31 March 2016</u>	<u>As at 31 March 2015</u>
<b>7 Long term provisions</b>		
Provisions for employee benefits		
Provision for compensated absences	116.32	172.47
Provision for gratuity	107.14	77.69
	<u>223.46</u>	<u>250.16</u>

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	<u>As at 31 March 2016</u>	<u>As at 31 March 2015</u>
<b>8 Trade payables</b>		
Dues to micro and small enterprises	77.60	42.37
Dues to others	2,244.50	1,657.69
	<u>2,322.10</u>	<u>1,700.06</u>

**Note:**

The Company has identified micro, small and medium enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA) on the basis of information made available by the respective suppliers or vendors of the Company. Based on the information available with the Company and copy of registration certificates received, as at the year end ₹ 77.60 lacs is dues to micro, small and medium enterprises (previous year ₹ 42.37 lacs). During the year there has been no delay in payment to MSMEDA creditors beyond the period of 30 days and hence no interest is payable on the same.

	<u>As at 31 March 2016</u>	<u>As at 31 March 2015</u>
<b>9 Other current liabilities</b>		
Current maturities of long term borrowings	620.39	-
Interest accrued but not due on borrowings	24.21	-
Advance from customers	143.16	175.33
Creditors for capital expenditure	272.66	189.72
Statutory dues	243.67	162.24
Liabilities for expenses	1,160.38	503.34
	<u>2,464.47</u>	<u>1,030.63</u>

**10 Short term provisions**
**Provisions for employee benefits**

Provision for compensated absences	-	65.80
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**Other provisions**

Provision for tax (net of advance tax paid)	-	51.05
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	<u>-</u>	<u>116.85</u>
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## Summary of significant accounting policies and other explanatory information (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

### 11 Tangible Assets

Particulars	Gross block			Depreciation/ amortisation			Impairment			Net block			
	As at 01 April 2015	Additions during the year	Sales/ adjustments during the year	As at 31 March 2016	Upto 01 April 2015	For the year	Sales/ adjustments during the year	Upto 31 March 2016	As at 01 April 2015	Additions during the year	Reversals during the year	As at 31 March 2016	As at 31 March 2015
<b>Owned:</b>													
Freehold land	437.60	0.26	-	437.86	-	-	-	-	-	-	-	437.86	437.60
Buildings	3,594.94	309.41	-	3,904.35	1,531.79	230.45	-	1,762.24	42.83	-	-	2,099.28	2,020.32
Plant and machinery	16,211.81	4,455.74	299.72	20,367.73	7,215.93	1,434.25	271.92	8,378.26	82.26	429.69	-	11,477.52	8,913.62
Furniture and fittings	173.75	15.95	1.50	188.20	147.47	10.79	0.98	157.28	-	-	-	30.92	26.28
Office equipments	214.78	55.55	2.61	267.72	161.32	45.14	1.40	205.06	-	-	-	62.66	53.46
Vehicles	170.07	23.79	0.12	193.74	125.08	19.70	0.14	144.64	-	-	-	49.10	44.99
<b>Assets under lease:</b>													
Land	131.74	-	-	131.74	64.91	0.21	-	65.12	-	-	-	66.62	66.83
Plant and machinery	601.55	-	-	601.55	361.53	-	-	361.53	-	-	-	240.02	240.02
Previous period	21,536.24	4,860.70	303.95	26,092.89	9,608.03	1,740.54	274.44	11,074.13	125.09	429.69	-	554.78	14,463.98
	18,080.00	4,116.62	660.38	21,536.24	8,281.33	1,808.95	482.25	9,608.03	104.47	53.32	32.70	125.09	11,803.12

- The factory buildings at Noorpur and Dankuni, West Bengal have been constructed on land taken on lease/rent from related parties.
- Company's marine product processing plant at Kolkata has been erected on land obtained under lease for ninety nine years, valid upto 9 August 2093 through license from Kolkata Metropolitan Development Authority, for which formal lease deed is yet to be executed.
- Plant & machinery includes electrical installation and laboratory equipment.
- Out of total value of building, ₹ 3,251.03 lacs (previous year ₹ 2,941.62 lacs) has been constructed on leasehold land.
- Land under lease represents payments made and costs incurred in connection with acquisition of leasehold rights and are being amortised over the period of lease.
- Modernisation project '50 KLPD Grain Distillery at Noorpur' has been completed during this year and commercial production has commenced from 14 January 2016.
- During the year Company recognised an impairment loss of ₹ 429.69 lacs in respect of certain plant and machinery pertaining to Distillery, which has been retired from active use and held for disposal.
- Freehold land include ₹ 46.24 lacs acquired from Nurpur Gases Private Limited for which registration is pending.
- The Company based on technical evaluation has assessed and concluded that none of the components of fixed assets have a useful life which is different from that of the principle asset.
- Additions to plant & machinery includes ₹ 4.55 lacs being general administrative expenses capitalised along with the cost of asset. (previous year ₹ 3.16 lacs)

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	<u>As at 31 March 2016</u>	<u>As at 31 March 2015</u>
<b>12 Non-current investments (other than trade investments) (Valued at cost unless stated otherwise)</b>		
<b>Investment in equity instruments (fully paid) - quoted</b>		
CPL Projects Limited	1.85	1.85
90,000 shares (Previous year 90,000 shares) of ₹ 10 each		
IFB Industries Limited	11.31	11.31
172,733 shares (Previous year 172,733 shares) of ₹ 10 each		
Tamilnadu Newsprint Limited	-	4.72
Nil shares (Previous year 5,000 shares) of ₹ 10 each		
	<u>13.16</u>	<u>17.88</u>
<b>Investment in equity instruments (fully paid) - unquoted</b>		
Zenith Investments Limited	2.60	2.60
260,000 shares (Previous year 260,000 shares) of ₹ 10 each		
Asansol Bottling and Packaging Company Private Limited	23.90	23.90
23,900 shares ( Previous year 23,900 shares) of ₹ 100 each		
Nurpur Gases Private Limited	14.50	14.50
145,000 shares (Previous year 145,000 shares) of ₹ 10 each		
IFB Automotive Private Limited	237.29	237.29
955,998 shares (Previous year 955,998 shares) of ₹ 10 each		
	<u>278.29</u>	<u>278.29</u>
	<u>291.45</u>	<u>296.17</u>
<b>Aggregate market value of Quoted Investments</b>	<b>550.97</b>	1,018.35

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	<u>As at 31 March 2016</u>	<u>As at 31 March 2015</u>
<b>13 Long term loans and advances</b> (Unsecured, considered good)		
Capital advances	59.13	298.51
Security deposits	385.43	99.76
MAT credit entitlement	579.93	475.19
Other loans and advances	530.41	98.39
	<u>1,554.90</u>	<u>971.85</u>
<b>14 Other non-current assets</b>	<u>As at 31 March 2016</u>	<u>As at 31 March 2015</u>
Non-current bank deposits (refer note below)	141.96	179.77
Interest accrued but not due on fixed deposit	24.62	25.53
	<u>166.58</u>	<u>205.30</u>
<b>Note:</b>		
Fixed deposits for ₹ 141.96 lacs (previous year ₹ 134.76 lacs) is under lien with various Government Authorities.		
<b>15 Current investments</b> (valued at lower of cost and fair value)		
<b>Investments in Mutual Funds - Unquoted</b>		
Reliance Liquidity Fund- Growth Plan 23,034.323 units of ₹ 1000 each (Previous year - nil)	509.74	-
Franklin India Low Duration Fund (Growth) 31,49,923.772 units of ₹ 10 each (Previous year - nil)	500.00	-
ICICI Prudential Flexible Income- Growth 3,60,214.717 units of ₹ 10 each (Previous year - nil)	1,000.00	-
ICICI Prudential Savings Fund- Direct Plan (Growth) 7,46,376.453 units of ₹ 100 each (Previous year - nil)	1,700.00	-
Religare Invesco Credit Opportunities Fund- Direct Plan Growth (CO- D1) 51,622.872 units of ₹ 1000 each (Previous year - nil)	900.00	-
Religare Invesco Medium Term Bond Fund - Growth (MT-GP) 2,79,397.652 units of ₹ 1000 each (Previous year - nil)	4,186.94	-
	<u>8,796.68</u>	<u>-</u>
<b>16 Inventories</b> (valued at lower of cost and net realisable value)		
Raw materials and components (including stock in transit of ₹ 129.84 lacs) (previous year ₹ 191.48 lacs)	1,434.48	1,808.75
Work-in-progress	89.23	78.53
Finished goods	2,117.74	1,609.65
Stock in trade	556.31	690.35
Stores and spares	202.65	221.25
	<u>4,400.41</u>	<u>4,408.53</u>

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	<u>As at 31 March 2016</u>	<u>As at 31 March 2015</u>
<b>17 Trade receivables</b>		
Debts outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	-	-
Doubtful	338.40	114.87
Less: Provision for doubtful debts	338.40	114.87
	<u>-</u>	<u>-</u>
<b>Other debts</b>		
Secured, considered good	1,143.47	228.21
Unsecured, considered good	2,724.22	2,450.69
Unsecured, considered doubtful	29.25	-
	<u>3,896.94</u>	<u>2,678.90</u>
Less: Provision for doubtful debts	29.25	-
	<u>3,867.69</u>	<u>2,678.90</u>
<b>18 Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Cash on hand	4.73	4.35
Cheques, drafts on hand	-	39.15
Balances with banks		
– current accounts	368.41	395.59
– deposit accounts (with original maturity less than 3 months)	1,000.00	5,350.39
	<u>1,373.14</u>	<u>5,789.48</u>
<b>19 Short term loans and advances</b>		
(Unsecured, considered good, unless otherwise stated)		
Prepaid expenses	180.90	162.26
Balance with Statutory/Government Authorities	573.60	384.60
Advance tax paid (net of provisions)	43.17	-
Advance to suppliers	409.77	254.11
Other advances	366.53	368.67
	<u>1,573.97</u>	<u>1,169.64</u>
<b>20 Other current assets</b>		
Receivable, considered doubtful	46.92	61.91
Less: Provision for doubtful debts	46.92	61.91
	<u>-</u>	<u>-</u>
Other receivables	177.81	177.79
Interest accrued but not due on fixed deposits	3.58	14.75
	<u>181.39</u>	<u>192.54</u>



**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	<b>Year ended 31 March 2016</b>	Year ended 31 March 2015
<b>21 Revenue from operations</b>		
Sale of products		
Export	<b>10,820.73</b>	12,511.51
Domestic	<b>73,424.24</b>	67,559.29
<b>Revenue from operations (gross)</b>	<b>84,244.97</b>	80,070.80
Less : Excise duty	<b>(23,152.04)</b>	(21,773.74)
<b>Revenue from operations (net)</b>	<b>61,092.93</b>	58,297.06
Other operating revenue	<b>218.76</b>	128.38
	<b>61,311.69</b>	58,425.44
<b>Details of products sold</b>		
<b>Manufactured goods</b>		
- Spirit, liquor and spirituous beverages	<b>50,613.32</b>	47,949.15
- Marine products	<b>14,192.20</b>	15,529.45
- Others	<b>2,921.87</b>	1,747.27
	<b>67,727.39</b>	65,225.87
<b>Traded Goods</b>		
- Marine feed and feed supplements	<b>16,517.58</b>	14,844.93
	<b>84,244.97</b>	80,070.80
<b>22 Other income</b>		
Interest income	<b>43.07</b>	124.19
Dividend income on long term investments	-	0.30
Net gain on foreign currency transactions and translations	-	20.46
Net gain on sale of investments	<b>279.31</b>	230.57
Rental income	<b>156.54</b>	165.00
Provision for doubtful receivable written back	<b>15.00</b>	-
Export incentives	<b>819.72</b>	829.13
Profit on sale of assets, net	<b>31.37</b>	33.38
Liabilities written back to the extent no longer required	<b>33.56</b>	32.01
Other miscellaneous income	<b>113.46</b>	73.84
	<b>1,492.03</b>	1,508.88

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	<u>Year ended</u> <u>31 March 2016</u>	<u>Year ended</u> <u>31 March 2015</u>		
<b>23 Cost of materials consumed</b>				
Opening stock	1,808.75	1,054.55		
Add : Purchases during the year	30,698.40	34,519.77		
Less : Closing stock	1,434.48	1,808.75		
	<u>31,072.67</u>	<u>33,765.57</u>		
<b>a) Details of raw materials and components consumed</b>				
Rice grain	7,392.37	6,623.61		
Spirits *	5,673.82	7,091.86		
Marine products	12,429.02	14,640.94		
Others **	5,577.46	5,409.16		
	<u>31,072.67</u>	<u>33,765.57</u>		
* Spirit costs includes bottling fees imposed by State Excise Department				
** Other materials include chemicals, bottles and other packing materials etc.				
<b>b) Value of imported and indigenous raw materials, stores and spare parts consumed</b>				
	<u>Year ended</u> <u>31 March 2016</u>	<u>Year ended</u> <u>31 March 2015</u>		
<b>Raw materials</b>	<u>Amount</u>	<u>% of</u> <u>consumption</u>	<u>Amount</u>	<u>% of</u> <u>consumption</u>
Imported	116.04	0.37	39.26	0.12
Indigenous	30,956.13	99.63	33,726.31	99.88
	<u>31,072.67</u>	<u>100.00</u>	<u>33,765.57</u>	<u>100.00</u>
<b>Stores and spare parts</b>				
Imported	8.44	2.94	5.13	2.48
Indigenous	278.50	97.06	201.41	97.52
	<u>286.94</u>	<u>100.00</u>	<u>206.54</u>	<u>100.00</u>
	<u>Year ended</u> <u>31 March 2016</u>	<u>Year ended</u> <u>31 March 2015</u>		
<b>24 Purchases of traded goods</b>				
Marine feed and feed suppliments	14,426.47	13,452.70		
	<u>14,426.47</u>	<u>13,452.70</u>		
<b>25 Changes in inventories of finished goods, work-in-progress and stock in trade</b>				
Opening stock				
- Manufactured goods	1,609.65	992.94		
- Work-in-progress	78.53	63.19		
- Stock in trade	690.35	231.47		
	<u>2,378.53</u>	<u>1,287.60</u>		
Closing stock				
- Manufactured goods	2,117.74	1,609.65		
- Work-in-progress	89.23	78.53		
- Stock in trade	556.31	690.35		
	<u>2,763.28</u>	<u>2,378.53</u>		
Excise duty on stock	(107.30)	22.83		
	<u>(277.45)</u>	<u>(1,113.76)</u>		

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	<b>Year ended 31 March 2016</b>	Year ended 31 March 2015
<b>26 Employee benefits expense</b>		
Salaries, wages and bonus	2,398.84	1,855.93
Contribution to provident and other funds	406.69	237.13
Staff welfare expenses	282.43	257.85
	<b>3,087.96</b>	<b>2,350.91</b>
<b>27 Finance costs</b>		
Interest expense	70.70	17.14
Other borrowing costs	10.39	-
Net loss on foreign currency translation	55.14	-
	<b>136.23</b>	<b>17.14</b>
<b>28 Other expenses</b>		
Consumption of stores and spare parts	286.94	206.54
Power and fuel	2,044.74	2,151.85
Rent	150.54	121.76
Repairs to buildings	88.43	38.52
Repairs to plant and machinery	67.42	65.83
Repair others	84.74	59.52
Insurance	201.49	108.00
Rates and taxes	181.85	114.54
Corporate social responsibility expenses	21.40	8.05
Manufacturing tie up payments	28.27	7.24
Office expenses	897.92	630.26
Travelling and conveyance	386.09	278.44
Freight outward	1,182.79	1,112.36
Contract services	1,595.31	1,127.47
Payment to auditor (refer note 28a.)	28.77	14.39
Advertisement and sales promotion	572.10	308.96
Bad debts written off	14.54	9.37
Provision for doubtful debts and advances	252.79	176.78
Loss on foreign currency transactions and translations (net)	16.63	-
Miscellaneous expenses	472.87	468.80
	<b>8,575.63</b>	<b>7,008.68</b>
<b>28a. Payments to auditors (inclusive of service tax)</b>		
<b>As auditor</b>		
Statutory audit fee	8.59	5.62
Limited review fee	8.56	6.74
Tax audit fee	1.15	1.12
Others	9.23	0.26
Reimbursement of expenses	1.24	0.65
	<b>28.77</b>	<b>14.39</b>

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	<b>Year ended 31 March 2016</b>	Year ended 31 March 2015
<b>29 Earnings Per Share (EPS)</b>		
Net profit after tax as per Statement of Profit and Loss (Rs.)	<b>2,932.54</b>	1,557.45
Weighted average number of equity shares	<b>9,367,111</b>	9,367,111
Basic and diluted earnings per equity share (face value of Rs.10 each)	<b>31.31</b>	16.63
<b>30 Value of imports calculated on CIF basis</b>		
-Raw materials	<b>121.54</b>	39.69
-Components and spare parts	<b>8.44</b>	5.13
-Capital goods	<b>142.57</b>	84.44
<b>31 Expenditure in foreign currency:</b>		
- Interest	<b>65.37</b>	-
- Commission on export sales	<b>51.38</b>	11.88
- Professional and consultancy fees	<b>10.98</b>	-
- Testing fees	-	8.15
- Travelling	<b>68.12</b>	51.51
- Insurance	<b>60.75</b>	-
<b>32 Earnings in foreign currency:</b>		
- Sales (FOB value)	<b>10,575.52</b>	12,201.92
<b>33. Disclosures in accordance with revised AS-15 on 'Employee Benefits'</b>		
<b>A. Reconciliation of opening and closing balances of present value of defined benefit obligations</b>		
	<b>31 March 2016</b>	31 March 2015
	<b>Gratuity</b>	Gratuity
	<b>Leave encashment</b>	Leave encashment
Present value of obligation as at the beginning of the year	<b>348.63</b>	295.82
Current service cost	<b>32.55</b>	23.64
Past service cost	-	-
Interest cost	<b>27.19</b>	23.67
Acquisitions	-	12.51
Actuarial losses	<b>125.50</b>	10.74
Benefits paid	<b>(32.35)</b>	(17.75)
Present value of obligation as at the end of the year	<b>501.52</b>	348.63
	<b>238.27</b>	238.27

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*
**33. Disclosures in accordance with revised AS-15 on 'Employee benefits' (Contd.)**
**B. Reconciliation of opening and closing balances of fair value of plan assets**

	31 March 2016		31 March 2015	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Plan assets as at the beginning of the year	270.94	-	221.94	-
Expected return on plan assets	23.71	6.84	20.39	-
Actuarial gain/(loss) on plan assets	1.95	-	-	-
Actual company contributions	130.13	174.30	37.10	12.72
Fund transferred	-	-	9.26	-
Benefits paid	(32.35)	-	(17.75)	(12.72)
Plan assets as at the end of the year	394.38	181.14	270.94	-

- Plan assets for gratuity is funded with Life Insurance Corporation of India.
- During the financial year, leave encashment scheme has been funded through Life Insurance Corporation of India (LICI) and actuarial valuation of plan assets and expected rate of return on such plan assets has been done as at 31st March, 2016.

**C. Net asset/(liability) recognized in the Balance Sheet**

	31 March 2016		31 March 2015	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present value of defined benefit obligation	501.52	297.46	348.63	238.27
Fair value of plan assets	394.38	181.14	270.94	-
Net asset/(liability)	(107.14)	(116.32)	(77.69)	(238.27)

**D. Amount recognized in Statement of Profit and Loss:**
**Components of employer expense**

Current service cost	32.55	38.02	23.64	26.97
Interest cost	27.19	18.59	23.67	8.77
Expected return on plan assets	(23.71)	-	(19.42)	-
Amortization of past service cost	-	-	-	79.01
Actuarial losses/(gains)	123.55	(4.26)	9.77	26.30
Total expense recognized in the Statement of Profit and Loss	159.58	52.35	37.66	141.05

**E. Principal actuarial assumptions used as at the Balance Sheet date:**

Discount rate	7.84%	7.84%	7.80%	7.80%
Rate of increase in salaries	5%	5%	5%	5%
Expected average remaining working lives of employees (years)	19.30	19.30	17.96	17.96
Expected rate of return on plan assets	8%	8%	8.75%	N.A.
Mortality	IALM 06-08 Ultimate		IALM 06-08 Ultimate	
Withdrawal rate per annum	2%	2%	2%	2%

## Summary of significant accounting policies and other explanatory information (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

### 33. Disclosures in accordance with revised AS-15 on 'Employee Benefits' (Contd.)

#### F. Amount for the current year and previous four years (to the extent available):

	2015-16	2014-15	2013-14	2012-13	2011-12
<b>Gratuity (funded)</b>					
Present value of defined benefit obligation	501.52	348.63	295.82	251.71	-
Fair value of plan assets	394.38	270.94	221.94	216.35	-
Deficit/(surplus)	107.14	77.69	73.88	35.36	-
Experience adjustments plan assets	1.95	0.97	0.11	-	-
Experience adjustments plan liabilities	126.36	(24.43)	34.60	-	-
	2015-16	2014-15	2013-14	2012-13	2011-12
<b>Leave encashment (funded from financial year 2015-16)</b>					
Defined benefit obligation	297.46	238.27	97.49	88.71	68.79
Plan assets	181.14	-	-	-	-
Deficit	116.32	238.27	97.49	88.71	68.79
Experience adjustments plan assets	6.85	-	-	-	-
Experience adjustments plan liabilities	16.40	14.06	19.59	11.47	8.54

### 34. Segment Reporting

#### Primary Business Segment

	Year ended 31 March 2016			Year ended 31 March 2015		
	Spirit, Liquor, Spirituous Beverages	Marine	Total	Spirit, Liquor, Spirituous Beverages	Marine	Total
<b>(i) Segment Revenue</b>						
External sales	30,578.83	30,732.86	61,311.69	28,024.96	30,400.48	58,425.44
Inter-segment sales	6.25	-	6.25	3.95	-	3.95
Less: Eliminations	-	-	(6.25)	-	-	(3.95)
<b>Total revenue</b>	30,585.08	30,732.86	61,311.69	28,028.91	30,400.48	58,425.44
<b>(ii) Segment Results</b>						
Profit before interest & tax	4,019.05	868.51	4,887.56	2,437.17	1,181.06	3,618.23
Unallocated expenses (net of unallocable income)	-	-	(1,182.42)	-	-	(1,134.47)
Finance Cost	-	-	(136.23)	-	-	(17.14)
Interest Income	-	-	43.07	-	-	124.19
<b>Profit before tax</b>			3,611.98			2,590.81
Tax expenses			679.44			1,033.36
<b>Profit after tax</b>			2,932.54			1,557.45

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*
**34. Segment Reporting (Contd.)**
**Primary Business Segment**

	Year ended 31 March 2016			Year ended 31 March 2015		
	Spirit, Liquor, Spirituous Beverages	Marine	Total	Spirit, Liquor, Spirituous Beverages	Marine	Total
(iii) Segment Assets	<b>18,860.61</b>	<b>5,433.77</b>	<b>24,294.38</b>	16,136.37	3,917.99	20,054.36
Unallocated	-	-	<b>12,395.80</b>	-	-	7,516.59
			<b>36,690.18</b>			<b>27,570.95</b>
(iv) Segment Liabilities	<b>2,881.36</b>	<b>1,136.74</b>	<b>4,018.10</b>	2,091.48	557.51	2,648.99
Unallocated	-	-	<b>7,577.05</b>	-	-	2,759.47
			<b>11,595.15</b>			<b>5,408.46</b>
(v) Capital Expenditure	<b>4,730.37</b>	<b>83.78</b>	<b>4,814.15</b>	1,887.47	143.31	2,030.78
Unallocated	-	-	<b>10.02</b>	-	-	6.42
			<b>4,824.17</b>			<b>2,037.20</b>
(vi) Depreciation/Amortisation	<b>1,991.78</b>	<b>139.87</b>	<b>2,131.65</b>	1,546.71	166.13	1,712.84
Unallocated	-	-	<b>38.58</b>	-	-	149.43
			<b>2,170.23</b>			<b>1,862.27</b>
(vii) Other Non Cash Expenses	<b>96.22</b>	<b>137.55</b>	<b>233.77</b>	81.53	113.37	194.90
Unallocated	-	-	<b>276.28</b>	-	-	243.13
			<b>510.05</b>			<b>438.03</b>

**Notes:**

- 1 The Company's operations are diversified into two main business segments, namely :
  - a) Spirit, Liquor and Spirituous Beverages comprising manufacturing of Extra Neutral Alcohol, Rectified Spirit and Indian Made Indian Liquor.
  - b) Marine, comprising Marine product processing, for sale in export and domestic markets and Marine Feed trading.
- 2 Inter segment sales involves sale of dry ice by Distillery to Marine division at cost.

**Geographical Segments**

	Year ended 31 March 2016			Year ended 31 March 2015		
	Within India	Outside India	Total	Within India	Outside India	Total
(i) Segment Revenue	<b>50,490.96</b>	<b>10,820.73</b>	<b>61,311.69</b>	45,913.93	12,511.51	58,425.44
(ii) Segment Assets	<b>35,355.36</b>	<b>1,334.83</b>	<b>36,690.18</b>	27,084.07	486.88	27,570.95
(iii) Capital Expenditure	<b>4,824.17</b>	-	<b>4,824.17</b>	2,037.20	-	2,037.20

## Summary of significant accounting policies and other explanatory information (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

### 35. Related Party Disclosures

As per Accounting Standard-18 issued by the Institute of Chartered Accountants of India, disclosures in respect of “Related Parties” are as follows:-

#### List of Related Parties:

##### Key Management Personnel (KMP):

Mr. Bijon Nag, Chairman  
Mr. Bikram Nag, Joint Executive Chairman  
Mr. Arup Kumar Banerjee, Vice Chairman and Managing Director  
Mr. Indranil Goho, Joint Managing Director  
Mr. Dipak Sen, Chief Financial Officer  
Mr. Ritesh Agarwal, Company secretary & Chief compliance officer  
Mr. Kanak Ghosh, AVP-HR  
Mr. Sudip Das, AGM-Internal Audit  
Mr. Dipayan Basu, Senior Manager- Accounts  
Mr. Sayandeep Chowdhury, Manager- Accounts  
Dr. J.A. Gore, President (Distillery)  
Mr. S.K. Bayen, VP-Projects & Diversification  
Mr. Santanu Ghosh, CGM- Plant Operations & Safety  
Mr. Rana Chatterjee, Chief Financial Officer (Distillery)  
Mr. Supriyo Bandopadhyay, Head- CO2 Operations  
Mr. Pratap Mukherjee, Chief Operating Officer (Marine Division)  
Mr. Aditya Narayan Kale, G.M.- New Project & Operations  
Mr. Rajat Purkayastha, G.M.-Finance (Projects-Marine Division)  
Mr. Nilesh Soni, Manager-Finance (Marine Division)  
Mr. Soumen Basu Chowdhury, AGM-Marine Feed  
Mr. Rahul Pathak, National Sales Head (Marine Foods)  
Mr. Soumitra Chakraborty, AGM- Supply Chain  
Mr. Madan Dutta, Senior Manager- Marine Feed  
Mr. D Deb, Head-EXIM Desk  
Mr. Debashish Ghosh, Business Head - IMIL Division  
Mr. Debojyoti Bandopadhyay, DGM- (Dankuni Plant)  
Mr. S.K. Kundu, DGM (Procurement & Spirit Sales)  
Mr. Sanjoy Bhattacharya, AGM (Head Panagarh Plant)  
Mr. Debadideb Chandra, Manager (Plant Head)  
Mr. Saibal Dutta Chowdhury, Asst. Manager (Production & Q.C.-Panagarh Plant)  
Mr. Abhijeet Banerjee, Business Head (Marine Foods) - upto 31 May 2015

##### Company's that have a member of Key Management Personnel in common

Nurpur Gases Private Limited  
Asansol Bottling and Packaging Company Private Limited  
Travel Systems Limited  
IFB Industries Limited

**Note:** Related parties' relationships as identified by the Company and relied upon by the Auditors.



**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*
**35 Related Party Disclosures (Contd.)**

Particulars	Year ended 31 March 2016	Year ended 31 March 2015
<b>Transaction with related parties</b>		
<b>Purchase of goods</b>		
IFB Industries Limited	25.44	1.17
Others	-	0.56
	<u>25.44</u>	<u>1.73</u>
<b>Sale of goods</b>		
Asansol Bottling and Packaging Company Private Limited	5,346.64	841.83
Others	0.20	11.54
	<u>5,346.84</u>	<u>853.37</u>
<b>Purchase of fixed assets</b>		
IFB Industries Limited	6.70	1.34
	<u>6.70</u>	<u>1.34</u>
<b>Sale of fixed assets</b>		
Asansol Bottling and Packaging Company Private Limited	-	35.05
	<u>-</u>	<u>35.05</u>
<b>Receiving of services</b>		
Travel Systems Limited	86.65	69.31
Others - rent and other annual maintenance charges	6.65	8.96
	<u>93.30</u>	<u>78.27</u>
<b>Rent received</b>		
IFB Industries Limited	35.52	99.62
Others	9.92	9.07
	<u>45.44</u>	<u>108.69</u>
<b>Purchase of business</b>		
Nurpur Gases Private Limited	-	805.00
	<u>-</u>	<u>805.00</u>
<b>Remuneration</b>		
Mr. Arup Kumar Banerjee	188.36	125.29
Mr. Bikram Nag	112.09	61.03
Others	693.17	560.64
	<u>993.62</u>	<u>746.96</u>
<b>Guarantee Commission</b>		
Mr. Bijon Nag	-	4.94
<b>Balance outstanding as at the end of the year</b>		
<b>Outstanding payable at year end</b>		
IFB Industries Limited	32.46	24.38
Travel Systems Limited	-	1.50
<b>Security deposit outstanding at year end</b>		
IFB Industries Limited	168.12	168.12

## Summary of significant accounting policies and other explanatory information (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

### 36. Additional Information

Company has entered into arrangements with bottling units ("tie-up unit") at Kandi and Purulia for production and marketing of its own IMIL brands. Production in premises of tie-up units in accordance with such arrangements is carried out under close supervision of the Company. The Company is also required to ensure adequate finance to the tie-up units wherever required. Though under this agreement, the production and sales are accounted for in the books of tie-up units, the Company promotes its brands through this arrangement. Accordingly, it is considered appropriate to disclose the following quantitative and value information for the financial year, as furnished by tie-up units.

Particulars	Amount in Lacs			
	Kandi		Purulia	
	2015-16	2014-15	2015-16	2014-15
Net Sales	882.58	267.87	14.74	-
Cost of Sales	722.73	238.75	30.82	-
Gross Profit	159.85	29.12	(16.08)	-
Expenses	102.80	35.47	5.83	-
Gross Income	57.05	(6.35)	(21.91)	-

(figures in lacs)

Particulars	Kandi				Purulia			
	2015-16		2014-15		2015-16		2014-15	
	Quantity (bottles)	Value	Quantity (bottles)	Value	Quantity (bottles)	Value	Quantity (bottles)	Value
Opening Stock	0.01	0.46	-	-	-	-	-	-
Production	47.39	-	14.47	-	2.00	-	-	-
Sales	47.04	882.58	14.46	267.87	0.95	14.74	-	-
Closing Stock	0.36	13.90	0.01	0.46	1.05	13.44	-	-

\* Tie-up bottling unit at Purulia started commercial production from February, 2016.

### 37. Unhedged foreign currency exposure as at the reporting date

Amount in Lacs

Particulars	Currency	As at 31st	As at 31st
		March, 2016	March, 2015
Trade Receivables	USD	12.82	2.34
Loan	USD	75.00	-
Mark to Market Losses/(Gain) accounted for:			
- Trade Receivables	INR	25.30	(5.04)
- Loan	INR	55.14	-

38. In accordance with Accounting Standard 19 - 'Leases' issued by the Institute of Chartered Accountants of India (ICAI), the Company does not have any non cancellable operating lease.

39. Disclosure in respect of Corporate Social Responsibility under Section 135 of the Companies Act, 2013 and Rules thereon

(a) Gross amount required to be spent during the year:	71.54	77.66
(b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	21.40	8.05

**Summary of significant accounting policies and other explanatory information (Contd.)**

(All amounts in ₹ lacs, unless otherwise stated)

**40. Contingent Liabilities**

Claims against the company not acknowledged as debt	Year ended 31 March 2016	Year ended 31 March 2015
a) Show Cause Notice issued by Customs Department against Marine Division. The Company had filed suitable reply and also faced personal hearing. Adjudication order is still awaited. The Company is of the considered view that this demand is not sustainable.	210.53	210.53
b) Demand issued by State Excise Department for payment of duty being regarded by the Company as unsustainable. Matter is pending with Commissioner Department of Excise, Government of West Bengal, West Bengal Taxation Tribunal and High Court of Calcutta.	672.79	10.95
c) Demand raised by Commercial Tax Department, West Bengal under West Bengal Sales Tax Act, 1994 for Assessment Years 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09, under Central Sales Tax Act, 1956 for the years 2005-06 and 2007-08 and under West Bengal VAT Act, 2003 for the years 2005-06, 2006-07, 2007-08, 2008-09, 2010-11 and 2012-13 for payment of taxes including interest and penalty which is not sustainable as per Company's considered view. Matter pending in appeal with the West Bengal Commercial Taxes Appellate and Revisional Board/ Additional Commissioner of Commercial Taxes, West Bengal.	2,695.95	2,634.83

41. Estimated amount of capital contracts remaining to be executed and not provided for, net of advances ₹ 838.40 lacs (Previous year ₹ 2,632.60 lacs).
42. Previous year's amounts have been regrouped/ rearranged wherever considered necessary to conform with the classification of current year.

For Walker Chandiook & Co LLP  
Chartered Accountants

per Anamitra Das  
Partner  
Membership No.: 062191  
Kolkata, 14<sup>th</sup> May, 2016

For and on behalf of the Board of Directors

Bikram Nag Joint Executive Chairman	Arup Kumar Banerjee Vice Chairman and Managing Director
Dipak Sen Chief Financial Officer	Ritesh Agarwal Company Secretary

## Ten Years' Financial Summary

*Rs in Lakhs*

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Sales	26,671.46	32,146.58	37,512.86	39,517.88	55,640.42	61,180.00	66,536.08	73,183.52	80,199.18	84,463.73
Profit before Interest and Tax (after extraordinary items)	569.58	1,241.62	2,187.18	826.43	2,807.01	3,852.73	3,948.31	6,058.80	2,607.95	3,748.21
Profit after Tax and Extraordinary Items	281.60	786.90	1,290.34	442.45	1,782.41	2,654.70	2,620.02	4,167.54	1,557.45	2,932.54
Net Worth*	4,846.51	5,693.87	7,336.15	7,806.00	9,498.64	11,980.53	16,200.14	21,534.28	22,162.49	25,095.03
Total Debts	1,230.34	2,746.37	905.73	3,141.38	448.62	18.56	-	420.96	-	4,963.14
Net Fixed Assets	4,898.19	5,380.03	7,223.47	6,775.45	7,103.44	7,831.35	7,377.85	11,829.04	11,803.12	14,463.98
Net Working Capital	1,567.63	3,080.18	1,050.36	3,875.76	2,547.65	4,202.95	8,693.95	9,676.90	11,391.55	15,406.71
Dividend (%)	-	-	-	-	-	-	-	-	-	-
Earnings per share (Rs.)	3.65	10.21	16.40	5.53	22.26	33.15	32.30	46.19	16.63	31.31
Book value per share (Rs.)	62.88	73.88	91.62	97.49	118.63	149.62	179.90	229.90	236.60	267.91
<b>Key Ratios:</b>										
Return on Capital Employed	9.37	15.48	28.55	7.55	28.22	32.87	24.74	28.45	10.93	12.08
Return on Sales (after Tax)(%)	1.06	2.45	3.44	1.12	3.20	4.34	3.94	5.69	1.94	3.47
Fixed Assets Turnover	5.45	5.98	5.19	5.83	7.83	7.81	9.02	6.19	6.79	5.84
Working Capital Turnover	17.01	10.44	35.71	10.20	21.84	14.56	7.68	7.56	7.04	5.48
Debt Equity Ratio	0.25	0.48	0.12	0.45	0.05	-	-	0.02	-	0.20
Current Ratio	1.28	2.07	1.21	2.04	1.66	2.06	5.65	3.76	5.00	4.22

\* Previous year's figures have been regrouped/ rearranged wherever considered necessary to conform with the classification of current year.





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**IFB AGRO INDUSTRIES LIMITED**

CIN : L01409WB1982PLC034590

Registered Office: Plot No.-IND-5, Sector-1, East Kolkata Township, Kolkata 700107

Ph: (91) (33) 39849675 Fax: (91) (33) 24421003

E-mail : compliancelfbagro@ifbglobal.com • Website : www.ifbagro.in

Annexure to the Notice dated 14<sup>th</sup> May, 2016 of the Annual General Meeting to be held on 22<sup>nd</sup> July, 2016**ATTENDANCE SLIP**

I/We hereby record my/our presence at the 34<sup>th</sup> Annual General Meeting of the Company held on Friday, July 22, 2016 at Club Ecovista, Ecospace Business Park, Premises No. 2F / 11, Action Area II, Rajarhat, New Town, Kolkata - 700 156 at 12.30 P.M. or any adjournment thereof.

Registered Folio No./ DP ID & Client ID :	
Name and Address of the Shareholder :	
Name of joint holders, if any	
No. of Share(s) held :	

SIGNATURE OF THE SHAREHOLDER(S)

SIGNATURE OF PROXY

Notes : 1. Members/Proxy holders are requested to bring this slip with them when they come to the Meeting and hand it over at the entrance of the meeting hall duly signed.

2. Person attending the Meeting is requested to bring this Attendance Slip and Annual Report with him/her. Duplicate Attendance Slip and Annual Report will not be issued at the Annual General Meeting.

**THE ELECTRONIC VOTING PARTICULARS ARE SET OUT BELOW :**

EVEN (E-Voting Event Number)	USER ID	PASSWORD / PIN

**E-VOTING FACILITY IS AVAILABLE DURING THE FOLLOWING VOTING PERIOD:**

Commencement of E-Voting	End of E-Voting
July 19, 2016 from 9.00 am	July 21, 2016 till 5.00 pm

Please read the Instructions for e-voting procedure mentioned at the reverse of this form.

**IFB AGRO INDUSTRIES LIMITED**

CIN : L01409WB1982PLC034590

Registered Office: Plot No.-IND-5, Sector-1, East Kolkata Township, Kolkata 700107

Ph: (91) (33) 39849675 Fax: (91) (33) 24421003

E-mail : compliancelfbagro@ifbglobal.com • Website : www.ifbagro.in

**PROXY FORM  
FORM No. MGF-11**

Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3)

of the Companies (Management and Administration) Rules, 2014

Annexure to the Notice dated 14<sup>th</sup> May, 2016 of the Annual General Meeting to be held on 22<sup>nd</sup> July, 2016

Name of the Member (s):	
Registered address :	
E-mail Id: Folio No./Client ID: DP ID:	

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

- (1) Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him;
- (2) Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him;
- (3) Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, July 22, 2016 at Club Ecovista, Ecospace Business Park, Premises No. 2F / 11, Action Area II, Rajarhat, New Town, Kolkata - 700 156 at 12.30 P.M. or any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Description	Optional (✓)	
		For	Against
1	To consider and adopt the Audited Financial Statements, Report of Board of Directors and Auditors for the year ended March 31, 2016.		
2	To appoint a director in place of A. K. Nag (DIN 00117546), who retires by rotation and being eligible, offers himself for re-appointment.		
3	To ratify the appointment of M/s Walker Chandio & Co LLP, Chartered Accountants as Auditors of the Company		
	<b>Special Business</b>		
4	To appoint Dr. Lakshmeshri Roy (DIN 07145095) as an Independent Director for 2 <sup>nd</sup> term, for a period of 3 years (Special Resolution).		
5	To appoint Mr. Indranil Goho (DIN 03497817) as Director of the Company.		
6	To appoint Mr. Indranil Goho (DIN 03497817) as Joint Managing Director of the Company.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2016

Signature of Shareholder(s) \_\_\_\_\_

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



- Note: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, statement setting out material facts thereon and notes, please refer to the Notice of the 34<sup>th</sup> Annual General Meeting.
3. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.



#### Voting through electronic means

- i. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than the venue for the Annual General Meeting ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- ii. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- iii. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
- iv. The remote e-voting period commences on July 19, 2016 (9:00 am) and ends on July 21, 2016 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 15, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- v. The process and manner for remote e-voting are as under:
  - A. In case a member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:
    - (i) Open PDF file viz: "IFB Agro.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - (iii) Click on Shareholder - Login
    - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - (vii) Select "EVEN" of "IFB Agro Industries Limited".
    - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
    - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
    - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
    - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [scrutinizerifb@gmail.com](mailto:scrutinizerifb@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
  - B. In case a member receives physical copy of the Notice of Annual General Meeting [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]:
    - (i) Initial password is provided at the bottom of the Attendance Slip for the Annual General Meeting.
    - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- vi. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- vii. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- viii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- ix. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of July 15, 2016.
- x. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e July 15, 2016, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [rt@cbmls.com](mailto:rt@cbmls.com).
- xi. Your login ID and password can be used by you exclusively for e-voting on the resolutions placed by the Companies in which you are a shareholder.
- xii. Login to e-voting website will be disabled upon 5 unsuccessful attempts to key in the correct password. In such an event, you will need to go through "Forgot Password" option available on the website to reset the same.
- xiii. In case of joint holders, only one of the joint holders may cast his/her vote.
- xiv. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper.
- xv. Mr. Jitendra Patnaik, Practicing Company Secretary (Membership No. FCS 5045) proprietor of M/s. J. Patnaik & Associates, Company Secretaries has been appointed by the Board of Directors as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- xvi. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "ballot paper" for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
- xvii. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting, count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the results of the voting forthwith.
- xviii. The results declared along with the Report of the Scrutinizer shall be placed on the website of the Company [www.ifbagro.in](http://www.ifbagro.in) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of the result by the Chairman or a person authorized by him in writing. The results shall also be immediately communicated to Bombay Stock Exchange Limited and National Stock Exchange of India Limited.