

ANNUAL REPORT

2013 - 2014



Sunil Agro Foods Limited

An ISO22000 : 2005 Certified

SUNIL AGRO FOODS LIMITED
TWENTY SIXTH ANNUAL GENERAL MEETING 2013-14

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BOARD OF DIRECTORS:

Mr. B. Shantilal	Managing Director
Mr. Pramod Kumar S	Executive Director
Mr. AVS Murthy	Director
Mr. Shailesh Siroya	Director
Mrs. Pinky Jain	Director

REGISTERED OFFICE & FACTORY

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

CORPORATE OFFICE

No: 1/104, Ahuja Chambers,
Kumara Krupa Road,
Bangalore - 560 001
CIN: L01111KA1988PL008861

AUDITORS

Messrs MSSV & Co.
Chartered Accountants
Bangalore

COMPANY SECRETARY ADVISOR

Mr. Vijayakrishna K T
Practising Company Secretary

BANKERS

HDFC Bank Ltd.
Seshadripuram Branch, Bangalore

SHARE TRANSFER AGENTS

Integrated Enterprises (India) Limited
Bangalore

SUNIL AGRO FOODS LIMITED

REGD. OFFICE : PLOT NO. 39/A2, HOSAKOTE INDUSTRIAL AREA
CHOKKAHALLY, BANGALORE - 562 114

NOTICE

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the Shareholders of the Company will be held at Bharatiya Vidya Bhavan, Race Course Road, Bangalore - 560 001, at 10.30 am on Wednesday, the 10th Day of September, 2014, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the year ended on that date, together with the reports of Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint Mrs. Pinky Jain, Director, who retires by rotation and being eligible, offers herself for reappointment.
4. To re-appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. A V S Murthy (holding DIN 00085805), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to March 31, 2019.”

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

“RESOLVED THAT pursuant to the provisions of Section 188 and any other applicable provisions of the Companies Act, 2013, if any, consent of the members be and is hereby accorded for

transaction of milling activity being/be undertaken with Brindavan Softland Private Limited (BSPL), a Company in which Directors are interested, the transaction being in the ordinary course of business and at arm's length prices for such period as may be agreed to, by the Board of Directors.”

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

“RESOLVED THAT pursuant to the provisions of Section 188 and any other applicable provisions of the Companies Act, 2013 if any, consent of the members be and is hereby accorded for acquisition of the business as a Slump Sale and ongoing business including Machinery and Equipments, other assets and liabilities if any, of Brindavan Softland Private Limited, the value being not more than Rs. 3,00,000/- Lakhs.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to enter into agreement and do all such acts or things as may be necessary to give effect to the above resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 188 and any other applicable provisions of the Companies Act, 2013, consent of the members be and is hereby accorded to grant the unused office premises belonging to the Company at Bangalore to Markasia Foods Private Limited on lease basis to house its office at arm's length terms.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorized to sign and execute all such documents and to take all necessary actions that may be necessary to enter into the said lease agreement.”

By the Order of the Board
For SUNIL AGRO FOODS LIMITED

Place: Bangalore
Date: 30.07.2014

Pramod Kumar S
Executive Director

NOTES:

1. A Member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself/herself and such proxy need not be a member of the Company. Proxies in order to be effective, must be received at the Registered Office of the Company at least 48 hours before the meeting.
2. Explanatory Statement as per Section 102 of the Companies Act, 2013 is attached hereto, in respect of Special Business.
3. Listing fee has been paid to the BSE Ltd, Mumbai up to date.
4. The Register of Members and the Share Transfer books of the Company will remain closed from 2nd September, 2014 to 10th September, 2014 (both days inclusive).
5. Dividend of Re. 0.50 (50%) per Equity Share as recommended by the Board, if approved at the Meeting, will be paid to those members whose names appear on the Register of Members of the Company/beneficial owners as per the records of depositories as on 1st September, 2014.
6. Members are requested to quote the Folio Numbers or Demat Account Numbers and Depository Participant ID (DPID) in all correspondence to the Registrar and Share Transfer Agents of the Company.
7. Members holding shares in physical form are requested to consider converting their holding to dematerialized to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Integrated Enterprises (India) Limited for assistance in this regard.
8. Pursuant to SEBI Notification No. MED/DOP/Circular/05/2009, dated May 20, 2009, it has become mandatory for the transferee(s) to furnish copy of PAN Card to the Company/RTA to enable/effect transfer of Shares in physical form.
9. The Equity Shares of the Company are available for trading in dematerialized form (electronic form) through Depository Participants. The Company has entered in to agreements with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). ISIN No. INE224D01012. All the Shareholders holding Shares in the physical form are requested to make use of this facility. Members are requested to open Demat Account with any of the Depository Participants to enable transacting in the Stock Exchanges.

10. Members are requested to bring copy of the Annual Report along with them to the Annual General Meeting.
11. The Shares of the Company are compulsorily traded in electronic form. Members are requested to inform the Company's Registrars and Share Transfer Agents viz., Integrated Enterprises (India) Limited, Unit: Sunil Agro Foods Limited, 30, Ramana Residency, Ground Floor, 4th Cross, Sampige Road, Malleshwaram, Bangalore-560 003, about the changes, if any, in their registered addresses, along with the PIN Code number quoting their folio number. All correspondence relating to transfer of shares may be sent directly to the aforesaid Transfer Agents of the Company.
12. As regards to re-appointment of Mrs. Pinky Jain, referred to in item No. 3 of the notice, the following necessary disclosures are made for the information of the Shareholders:

Particulars	Details
Name	Mrs. Pinky Jain
Date of Birth	12.10.1971
Date of Appointment	30.07.2011
Qualifications	Graduate in Arts
Expertise in specific functional area	General Management
Directorships held in other Public Companies (excluding foreign companies)	Micro Labs Limited
Membership/Chairmanships of Committees of other public companies (included only Audit and Shareholders/ Investors Grievance Committee)	NIL

13. Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 26th Annual General Meeting to be held on Wednesday, the 10th Day of September, 2014 at 10.30 am. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility.

The instructions for e-voting are as under:

In case of members receiving e-mail:

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

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details#	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Sunil Agro Foods Ltd on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to

log on to www.evotingindia.com and register themselves as Corporates.

- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on Wednesday, 03rd September, 2014 (9.00 a.m.) and ends on Friday, 5th September, 2014 (6.00 pm). During this period the Shareholds of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 15th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

Mr. Parameshwar G Bhat, Practicing Company Secretary, Bangalore has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period of not exceeding three working days/from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make his report of the votes cast in favour or against and shall submit to Chairman of the Meeting.

By the Order of the Board
For SUNIL AGRO FOODS LIMITED

Place: Bangalore
Date: 30.07.2014

Pramod Kumar S
Executive Director

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

Item No. 5

Mr. A V S Murthy (DIN 00085805): As regards appointment of Mr. A V S Murthy as an Independent Director referred to, in Item No.5 of the notice, the following necessary disclosures are made for the information of the Shareholders:

Particulars	Mr. AVS Murthy
Date of Birth	23.06.1952
Date of Appointment	30.07.2002
Qualifications	BE (Mechanical) Bangalore University, MS(Grain Science & Industry), Kansas State University, USA, MIE Institution of Engineers, India
Expertise in specific functional area	General Management
Directorships held in other Companies (excluding foreign companies)	1. Krishna Industries Private Limited 2. Mysore Snack Foods Limited 3. Mysore Vegetable Oil Products Limited 4. Alampalli Investments Private Limited
Membership / Chairmanships of Committees of other public companies (included only Audit and Shareholders/ Investors Grievance Committee)	NIL

None of the Directors/Key Managerial Personnel except Mr. AVS Murthy himself is concerned or interested in this Resolution.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item No. 6

The Company has been transacting the milling activities with Brindavan Softland Private Limited. The business is in the ordinary course and at arm's length prices.

Sunil Agro Foods Limited

However, considering the new Companies Act, 2013 your Board recommends the Resolution for your approval.

Your Directors recommend the passing of the Resolution as a Special Resolution.

None of the Directors/Key Managerial personnel, except Mr. Pramod Kumar S, Mr. B Shantilal and Mrs. Pinky Jain is interested or concerned in the resolution.

Item No. 7

Your Company proposes to acquire ongoing business including Machinery and Equipments, other assets and liabilities if any, of Brindavan Softland Private Limited on Slump Sale basis. The proposed transaction will be at arm's length price and duly valued by an Independent Valuer.

Mr. Pramod Kumar S, Executive Director of the Company is also Director in Brindavan Softland Private Limited; therefore the proposed contract attracts the provisions of Section 188 of the Companies Act, 2013.

Your Directors recommend the passing of the Resolution as a Special Resolution.

None of the Directors/Key Managerial personnel, except Mr. Pramod Kumar S, Mr. B Shantilal and Mrs. Pinky Jain is interested or concerned in the resolution.

Item No. 8

Your Board of Directors has proposed to let the unused space available at Bangalore to Markasia Foods Private Limited, a company incorporated under the Companies Act, 2013, to situate its office, on such terms as are market related and at arm's length basis.

Mr. Pramod Kumar S, Executive Director of the Company is also Director in Markasia Foods Private Limited; therefore the proposed deal attracts the provisions of Section 188 of the Companies Act, 2013.

Your Directors recommend the passing of the Resolution as a Special Resolution.

None of the Directors/Key Managerial personnel, except Mr. Pramod Kumar S, is interested or concerned in the resolution.

By the Order of the Board
For SUNIL AGRO FOODS LIMITED

Place: Bangalore
Date: 30.07.2014

Pramod Kumar S
Executive Director

DIRECTORS' REPORT

Your Directors are pleased to present the Twenty Sixth Annual Report and the audited statements of accounts of the Company for the year ended 31st March, 2014. As notified by MCA Circular No. 1/19/2013-CL-V dated 04.04.2014, the Company has followed the Companies Act, 1956, in respect of the report.

FINANCIAL RESULTS : (Rs. in Lacs)

Particulars	Year ended 31-03-2014	Year ended 31-03-2013
Total Revenue	13659.21	10742.97
Profit before depreciation & tax	229.40	237.58
Less: Depreciation	79.22	70.13
Profit/(Loss) before tax	150.18	167.45
Less: Provision for tax	42.89	59.16
Profit/(Loss) after Tax	107.29	108.298

DIVIDEND :

With the surplus profit available with the Company, your Directors recommend Dividend of Re. 0.50 per Equity Shares of Rs. 10/- each (5%) on the fully paid up Equity Share Capital of the Company. The Dividend, if approved by the Shareholders at the ensuing Annual General Meeting shall absorb a sum of Rs. 15,01,450/- exclusive of Dividend Tax.

PERFORMANCE :

Your Company performed better during the year under report. A milestone of crossing Rs.100 Crores revenue was achieved during the year under report. This was made possible because of the following reasons:

- Usage of refurbished machineries
- Better rates of the wheat in Karnataka compared to other states and previous year.
- Trading of wheat added to the turnover.
- Increase in volume, higher revenue and better margin
- Sustained Business with General Mills
- Addition of new Customers.
- Proposal to add new line (Additional infrastructure) to increase capacity and quality.
- Continued investments on refurbishing of accessories

DIRECTORS:

Mr. AVS Murthy, Director, retires by rotation and being eligible, offer himself for re-appointment. In terms of the requirement of the new Companies Act, 2013, his appointment as Independent Director is proposed under Special Business.

Mrs. Pinky Jain, Non Independent Non Executive Director, retires by rotation as per the new Companies Act, 2013 and being eligible, offers herself for re-appointment.

AUDIT COMMITTEE:

During the year under report, the Audit Committee duly constituted by the Board of Directors with requisite composition to fall in line with the prevailing laws and continued to discharge its functions.

AUDITORS:

Messrs MSSV & Co., Chartered Accountants, retire as Auditors at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

DEPOSITS:

The Company did not accept any deposits from public during the year and there was no outstanding deposit due for payment.

SECRETARIAL COMPLIANCE CERTIFICATE:

Pursuant to the provisions of Section 383A of the Companies Act, 1956 read with Companies (Compliance Certificate) Rules, 2001, the Board is pleased to enclose the Secretarial Compliance Certificate for the year ended 31st March, 2014 as part of this Report.

PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956:

There were no employees drawing remuneration in excess of the limits prescribed under the above mentioned Section of the Act during the year.

INFORMATION PURSUANT TO SECTION 217(1)(e) OF THE COMPANIES ACT, 1956:

The information as required under the above Section is given in Annexure and forms part of the Report.

CORPORATE GOVERNANCE REPORT:

Your Company has implemented various measures of Corporate Governance aiming to assist the Management of the Company and to meet the obligations to Shareholders and towards enhanced transparency.

A report on Corporate Governance is given in Annexure and forms part of this Report.

INDUSTRIAL RELATIONS:

The relations with employees continued to be cordial throughout the year. Your Directors wish to place on record their sincere appreciation for the excellent team spirit displayed by the employees at all levels.

There was no complaint lodged by any woman employee under Sexual Harassment of Women at Workplace

(Prevention, Prohibition and Redressal) Act, 2013, with the Company during the period under report.

DIRECTORS' RESPONSIBILITY STATEMENT :

The Directors have fulfilled their responsibility for the preparation of the accompanying financial statements by taking all reasonable steps to ensure that:

These statements have been prepared in conformity with the generally accepted accounting principles and appropriate accounting standards. Judgments and estimates that are reasonable and prudent have been made wherever necessary.

The accounting policies selected and applied consistently give a true and fair view of the financial statements.

The Company has implemented internal controls to provide reasonable assurance of the reliability of its financial records, proper safeguarding and use of its assets and detection of frauds and irregularities. Such controls are based on established policies and procedures and are implemented by trained, skilled and qualified personnel with an appropriate segregation of duties. The Company's internal auditors conduct regular internal audits, which complement the internal controls.

The Company's Statutory Auditors Messrs. MSSV & Co., Chartered Accountants, Bangalore, have audited the financial statements in accordance with the generally accepted auditing standards and practices as indicated in their report.

Going Concern :

The Directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENTS :

Your Directors wish to place on record their gratitude to the customers, distributors, dealers, vendors, bankers and investors and employees for their continued and valued support.

By order of the board
For SUNIL AGRO FOODS LIMITED

Place : Bangalore **B. SHANTILAL** **PRAMOD KUMAR S**
Date : 30-07-2014 Managing Director Executive Director

ANNEXURE TO THE DIRECTORS' REPORT

Conservation of Energy Technology Absorption and Foreign Earnings/Outgo:

1. Energy Conservation measures taken:

The Company has a system to monitor consumption of energy and all efforts for conservation of energy wherever possible are made and have installed Solar Energy lights

- in the plant. Energy efficient electric Tubes have been installed to save energy. The Company has also installed energy efficient meters controlling waste of power.
2. Additional investments and proposal being implemented for reduction and consumption of energy and the impact of the same in the cost of production of goods:
 3. **Energy Audit done:** The Company's investment in machinery designed for low energy consumption made in the previous year is operational for this year.

FORM – A

Discoloure of particulars with respect to conservation of energy

	2013-14	2012-13
Power and Fuel Consumption		
i) Electricity:		
a) Purchase Unit	3825360	3380838
b) Total Amount (Rs)	23013859	19324817
c) Rate Per Unit (Rs)	6.02	5.72
ii) In own Generation:		
a) Through Diesel Generator	NIL	6833
b) Units/Liter of diesel Oil	NIL	3.64
c) Cost per Unit (Rs)	NIL	15.28
iii) Consumption per ton of production	69.16	66.87
iv) Grinding	55311.92	50659.138

3) Technology Absorption Adoption and Innovation:

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

4) Foreign Earning and Outgo: (Amount in Rs.)

Sl. No	Particulars	2013-14 Current Year	2012-13 Previous Year
1	Foreign Exchange Earnings	NIL	NIL
2	Foreign Exchange Outgo towards		
	a) Royalty, Professional Consultancy Fees, Know-How etc	NIL	NIL
	b) Travel Expenses, Ticket& Visa charges	4,66,189/-	2,45,357/-
	c) Other Expenses	24,935/-	NIL
	Purchase of raw materials and Capital Goods		
1.	Import of Wheat	NIL	NIL
2.	Import of Spares and Components	1,99,240/-	NIL
3.	Capital Goods	NIL	31,47,225/-

By order of the board
For SUNIL AGRO FOODS LIMITED

Place : Bangalore **B. SHANTILAL** **PRAMOD KUMAR S**
Date : 30-07-2014 Managing Director Executive Director

CORPORATE GOVERNANCE REPORT

A. Company Philosophy :

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

B. Board of Directors :

The Board of Directors comprises of 5 Directors out of whom 2 are Executive Directors and 3 are Non - Executive Directors.

1. Board Meetings: During the financial year ended 31st March, 2014, four Board Meetings were held on 29th May, 2013, 30th July, 2013, 05th November, 2013 and 24th January, 2014.
2. Compositions of Board and Attendance of Directors in the Meeting: The composition of Directors and their attendance at the Board Meeting during the year and at the last Annual General Meeting as also number of other Directorship/Membership of the Committees are as follows:

Name of Directors	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM	No. of other Directorships	Committee Memberships
Mr. B Shantilal	Executive	4	Yes	5	0
Mr. Pramod Kumar S	Executive	4	Yes	6	2
Mr. AVS Murthy	Non-Executive Independent	4	Yes	5	0
Mr. Shailesh Siroya	Non-Executive Independent	4	Yes	10	2
Mrs. Pinky Jain	Non-Executive Non Independent	3	Yes	1	0

C. Audit Committee :

The Audit Committee of the Company was constituted earlier. By the requirement of Companies Act, 1956, all companies with a paid up capital of Rs. 5 Crores and above should have an Audit Committee. Though the paid up capital of the Company is less than Rs. 5 Crores, the Audit Committee was formed to comply with the requirements of Clause 49 of the Listing Agreement.

1) Terms of Reference

- a. Overview of the Company's financial process and the disclosure of its financial information.
- b. Recommend the appointment/removal of external auditor, nature and scope of audit, fixation of audit fee and payment for any other services to external auditors.
- c. Review with the Management, of the half yearly and annual financial statements before submission to the Board.
- d. Review with the Management, external and internal auditors, the internal audit report and the report of external auditors.
- e. Review of the adequacy and effectiveness of Internal Audit function, the internal control system of the Company, compliance with the Company's Policies and the applicable laws and regulations.

The Audit Committee may also review such matters as considered appropriate by it or referred to it by the Board.

2) Composition and Attendance of Members in the Meeting:

The Committee comprises 2 Non-Executive Directors and one Executive Director. During the financial year, four Meetings were held on 29th May, 2013, 30th July, 2013, 05th November, 2013 and 24th January, 2014 and all the members of the Committee attended the same.

D. Remuneration Committee :

1) Terms of Reference

To review, assess and recommend the appointment and remuneration of executive directors and senior employees of the Company from time to time, periodically review the remuneration package of the Executive Directors/senior employees and recommend suitable revision to the Board.

2) Composition

The Committee comprises 3 Non-Executive Directors. During the year, there was an appointment or revision of remuneration for Executive Directors and/or senior employees. Hence one Meeting of Remuneration Committee was held on 30th July, 2013 during the year and all members of the Committee attended the same.

3) Remuneration Policy

Remuneration of employees largely consists of base remuneration, perquisites and performance incentives. The components of the total remuneration vary from different cadres and are governed by industry pattern, qualifications and experience of the employee, responsibilities handled by him, individual performance etc. The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

4) Details of remuneration for the year 2013-2014:

Amount in Rs.

Name of Director	Remuneration	Sitting Fees
Mr. B Shantilal	10,57,725/-	NIL
Mr. S Pramod Kumar	15,00,000/- and HRA of 9,00,000/- PA	NIL
Mr. AVS Murthy	NIL	8000
Mr. Shailesh Siroya	NIL	8000
Mrs. Pinky Jain	NIL	8000

E. Investors Grievance / Share Transfer Committee :

1 Terms of reference

To look into the Shareholders complaints, if any, and to redress the same expeditiously. The Committee approves the request for issue of duplicate Share Certificates and issue of Certificates after split/ consolidation/ renewal as also requests from transmission of Shares, referred by the Share Transfer Committee.

2. Composition

The Shareholders' Grievances Committee comprises of 1 Non-Executive and 1 Executive Director of the Company.

During the year there were no complaints received from the Shareholders. Hence, the Members of the Committee had not met during the financial year.

F. General Body Meetings :

The last three Annual General Meeting were held as under :

Financial Year	Date	Time	Location
2010-2011	05-09-2011	11.00 am	Bharatiya Vidya Bhavan, Race Course Road, Bangalore- 560001
2011-2012	03-09-2012	10.30 am	Bharatiya Vidya Bhavan, Race Course Road, Bangalore- 560001
2012-2013	11-09-2013	10.30 am	Bharatiya Vidya Bhavan, Race Course Road, Bangalore- 560001

Annual Report 2013 - 2014

G. Means of Communication :

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

H. General Shareholders' Information :

- 1) Annual General Meeting will be held at 10.30 am on Wednesday, the 10th September, 2014 at Bharatiya Vidya Bhavan, Race Course Road, Bangalore 560 001

- 2) Financial calendar:

Sl. No.	Particulars	Dates
1.	Annual Results of the previous year	29.05.2013
2.	First Quarter Results	30.07.2013
3.	Annual General Meeting	11.09.2013
4.	Second Quarter Results	05.11.2013
5.	Third Quarter Results	24.01.2014

- 3) Date of Book Closure for the year 2013-2014: 2nd September, 2014 to 10th September, 2014 (both days inclusive)

- 4) Listing of Equity Shares on Stock Exchanges at: Mumbai (BSE)

- 5) Registrar and Share Transfer Agent:
Integrated Enterprises (India) Limited
No.30, Ramana Residency, Ground Floor, 4th Cross, Sampige Road, Malleswaram,
Bangalore - 560 003 Phone Nos: 23460815 to 18, Fax: 23460819, Email id: alfint@vsnl.net.in

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

- 7) **Distribution of Shareholding as on 31.3.2014 :**

Shares or Debenture holding of nominal value of	Share/Debenture Holders		Share/Debenture Amount	
	Number	% of Total	In Rs.	% of Total
Upto 5,000	1044	85.50	1440470	4.80
5,001 - 10,000	64	5.24	511360	1.70
10,001 - 20,000	53	4.34	835090	2.78
20,001 - 30,000	15	1.23	397270	1.32
30,001 - 40,000	7	0.57	252840	0.84
40,001 - 50,000	7	0.57	345940	1.15
50,001 - 1,00,000	10	0.82	730230	2.43
1,00,001 and above	21	1.72	25515800	84.97
Total	1221	100.00	30029000	100.00

8) Categories of Shareholders as on 31.3.2014 :

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

9) Dematerialized of Shares :

Particulars	Shares	Percentage	No. of Shareholders
Physical mode	171760	5.72	556
Electronic Mode	2831140	94.28	665
TOTAL	3002900	100.00	1221

10. Stock Market Data:

The monthly high, low and closing prices of equity shares of the Company traded on BSE Ltd. from April 1, 2013 to March 31, 2014 are given below:

Month	Volume	High Price	Low Price	Close Price	Sensex
Apr-13	1115	15.77	14.44	14.44	18864.75
May-13	-	-	-	-	19760.30
Jun-13	-	-	-	-	19395.81
Jul-13	-	-	-	-	19577.39
Aug-13	-	-	-	-	19317.19
Sep-13	136	14.44	12.39	12.50	19379.77
Oct-13	695	11.41	10.46	10.46	21164.52
Nov-13	600	10.98	9.33	9.93	20791.93
Dec-13	-	-	-	-	21170.68
Jan-14	1424	14.73	10.00	14.73	20513.85
Feb-14	2534	16.75	12.61	16.75	21120.12
Mar-14	11625	20.00	15.45	16.20	22386.27

11) Plant Locations :

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

12) Address for correspondence :

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

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

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a) Business Overview:

The Company has achieved a turnover of Rs. 13,659.21 Lakhs (previous year Rs.10,742.97 Lakhs) for the financial year ended 31.03.2014 with a net profit of Rs. 107.29 Lakhs (previous year Rs. 108.29 Lakhs).

b) Opportunities: 1 Added new customer 2) Hoping the revival of economy.

The Company is looking at Product mix addition in new products.

c) There is no risk expected during this year. Open sale wheat policy of the government.

d) Outlook: Better Values.

e) Internal Control System: Internal audit, food safety audits like ISO 22000, FSSC 22000.

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

f) Human Resource Development: QC Audit, HR Audits.

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

By order of the Board
For Sunil Agro Foods Limited

Place: Bangalore
Date: 30th July, 2014

B Shantilal
Managing Director

Pramod Kumar S.
Executive Director

CEO & CFO Certification

We confirm that:

1. We have reviewed the financial statements including the cash flow statement for the year and certify to the best of our knowledge and belief that:
 - i. the statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. the statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into, by the Company during the year ended 31st March, 2014 were fraudulent, illegal or against to the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and to the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we were aware and the steps we had taken or propose to take to rectify those deficiencies.
4.
 - i. There has not been any significant change in internal control during the year;
 - ii. There has not been any significant change in Accounting Policies during the year requiring disclosure in the notes to the financial statements; and
 - iii. We are not aware of any instances during the year of significant fraud with involvement therein, of the Management or any employee having a significant role in the Company's internal control system over financial reporting.

Place : Bangalore
Date : 30th July, 2014

B. Shantilal
Managing Director

Pramod Kumar S.
Executive Director

SECRETARIAL COMPLIANCE CERTIFICATE

Registration No. of the Company/ {CIN}:
L01111KA1988PLC008861
Nominal Capital: Rs. 3,50,00,000/-
Paid up Capital: Rs. 3,00,29,000/-

To
The Members
Sunil Agro Foods Limited
Bangalore.

I have examined the registers, records, books and papers of Sunil Agro Foods Limited, (the Company) as required to be maintained under the Companies Act, 1956/2013, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on the 31st March, 2014. In my opinion and to the best of my information and according to examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under (beyond the time prescribed with additional fee).
3. The Company being a Public Limited Company, has the minimum prescribed paid-up capital as per the provisions of Companies Act, 1956 and the provisions of the Act do not prescribe maximum number of members for such a Public Limited Company.
4. The Board of Directors duly met 4 {Four} times from 01.04.2013 to 31.03.2014 on the following dates 29.05.2013, 30.07.2013, 05.11.2013 and 24.01.2014 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 5th September, 2013 to 11th September, 2013 and necessary compliance of Section 154 of the Act had been made.
6. The Annual General Meeting for the financial year ended on 31.03.2013 was held on 11th September, 2013 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its Directors or persons or firms or companies referred to under Section 295 of the Companies Act, 1956 for the period prior to 12th September, 2013.
9. During the financial year, the Company has made the required entries in the register maintained under Section 301 of the Act.
10. As there was no instance falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
11. The Company has not issued any duplicate Share Certificates during the financial year.
12. The Company:
 - (i) has delivered all the certificates on lodgment thereof for transfers/transmission or any other purpose in accordance with the provisions of the Act;
 - (ii) has declared dividend during the financial year and deposited amount in a separate Bank Account;
 - (iii) has paid dividend for the financial year ended 31.03.2013 within the stipulated time limit as per the Act;
 - (iv) was not required to transfer any funds to the Investor Education and Protection Fund;
 - (v) has duly complied with the requirement of Section 217 of the Act.
13. There was no change in the composition of the Board during the year. However, Managing Director was reappointed during the year.
14. The Board of Directors of the Company is duly constituted.
15. The Company has not appointed any Sole Selling Agents during the financial year.
16. The Company has entered into transactions falling within the purview of Section 297 of the Act, during the year and within the approval as obtained from the office of the Regional Director in this regard.
17. The Directors have disclosed their interests in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
18. The Company has not issued any Shares, Debentures or other Securities during the financial year.
19. The Company has not bought back any Shares during the financial year.

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20. There was no redemption of Preference Shares or Debentures during the financial year.
21. There was no transaction necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
22. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
23. The Company's borrowings during the financial year ended 31.03.2014 were in compliance with the Act.
24. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
25. The Company has not altered the provisions of the Memorandum of Association with respect to the situation of the Company's Registered Office from one State to another during the year under scrutiny.
26. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the Share Capital of the Company during the year under scrutiny.
29. The Company has not altered its Articles of Association during the financial year.
30. There were no prosecutions initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
31. The Company has not received any money as security from its employees during the financial year.
32. Section 418 of the Act relating to provisions applicable to Provident Funds of employees is not applicable to the Company.

Place: Bangalore
Date: 30-07-2014

Vijayakrishna K T
FCS - 1788
CP - 980

ANNEXURE-A

Following were the register maintained by the Company:

Register of Directors
Register of Members
Register of Disclosures of Interests
Register of Transfers
Register of Directors Shareholding
Register of Contracts
Minutes of the Meetings of the Board and Shareholders

ANNEXURE- B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended 31st March, 2014:

Sl. No.	Form No./ Return	Field under section	For	Date of Filing	Whether filed within the Prescribed time Yes/No	if delay in filing whether requisite additional fee paid Yes/No
1.	Form 23AC and Form 23ACA (XBRL)	220	Annual Accounts	09.10.2013	Yes	No
2.	Form 20B	159	Annual Return	09.11.2013	Yes	No
3.	Form 66	383A	Compliance Certificate	08.10.2013	Yes	No
4.	Form 23	192	Registration of Agreement (s)	08.11.2013	Yes	No
5.	Form 25C	269(2)	Re-appointment of Managing Director	11.11.2013	Yes	No
6.	Form 8	127	Modification of Charge	02.01.2014	Yes	No
7.	Form 8	127	Modification of Charge	24.09.2013	No	Yes

**AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF
CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENTS**

To

The Members of
SUNIL AGRO FOODS LIMITED
Bangalore

I have examined the compliance of conditions of Corporate Governance by Sunil Agro Foods Limited for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreements of the said Company with BSE Limited in India.

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

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

I state that in respect of investor grievances received during the year ended 31st March, 2014, no investor grievances are pending against the Company as on 31st March, 2014, as per the records maintained by the Company and presented to the Transfer/Shareholders' Grievances Committee.

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

Place: Bangalore
Date: 30th July, 2014

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

MSSV & CO.

Chartered Accountants

No. 63/2, Second Floor, Above Canara Bank,
Railway Parallel Road, Kumara Park West,
Bangalore - 560020
Ph: 23565065, 23565068, 23565073,
Telefax: 23565076 Email: mssv@vsnl.net

INDEPENDENT AUDITORS' REPORT

The Members of Sunil Agro Foods Limited,

1. Report on the Financial Statements

We have audited the accompanying Financial Statements of M/s Sunil Agro Foods Limited ('the company') which comprise the Balance sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Management is responsible for the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting standards referred to in Sub section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material mis-statement, whether due to fraud or error.

3. Auditor's Responsibility

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

3.2 An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation

of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of financial statements.

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

4. Qualifications

4.1 As per Accounting Policy number 2.8, the Company has valued the investments at cost. As on March 31, 2014 there is a fall in the value of investments to the extent of Rs.33.08 lakhs. The Company has created provision for fall in the value of investments only to the extent of Rs.0.91 lakhs in the earlier years. The impact of non- provision for the fall in the value of investments is,

- Profit is overstated to the extent of Rs.32.17 lakhs and investments are overstated to the same extent.

5. Opinion

Subject to the observation referred in Para 4.1 above, in our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
- (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

6. Report on other Legal and Regulatory requirements

6.1 As required by the Companies (Auditor's Report) Order, 2003 ("the order"), issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the

Annexure a statement of the matters specified in paragraphs 4 and 5 of the Order.

6.2 As required by section 227(3) of the Act, we report that:

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
- (d) Subject to para 4.1 above, in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section

211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and

- (e) On the basis of written representations received from the directors, as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;

For MSSV & CO.
Chartered Accountants
Firm Reg. No. 001987S

Place : Bangalore
Date : 26th May, 2014

D. R. Venkatesh
Partner
Membership No. 25087

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 6.1 of our report of even date

Based upon the information and explanations furnished to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

1. In respect of Fixed Assets:
 - a) The company has maintained proper records showing particulars of fixed assets and has been updated.
 - b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. As informed to us, no material discrepancies were noticed on such physical verification.
 - c) The company has not disposed off substantial part of fixed assets during the year and therefore do not affect the going concern assumption.
2. In respect of its inventories:
 - a. As explained to us, inventories have been physically verified by the management during the year. In our opinion, frequency of verification is reasonable.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company is maintaining proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. In respect of loans secured or unsecured, granted or taken by the Company to/from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
 - a. As informed to us, during the year, the company has given the advance of Rs.7.45 lakhs to one party covered under register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year end balance of the said advance was Rs.68.33 lakhs (including interest accrued but not due).
 - b. In our opinion, the rate of interest, wherever applicable and other terms and conditions of loan are not, prima facie, prejudicial to the interest of the Company.
 - c. As per the terms understanding, no amount was due for repayment as on 31st March 2014.
 - d. Since there is no amount was outstanding as on March 31 2014, commenting on the steps taken for recovery does not arise.
 - e. During the year, company has taken loan from four parties amounting to Rs.264.23 lakhs and repaid to the extent of Rs.258.50 lakhs (including opening balance). The maximum balance outstanding at any time during the year was Rs.84.71lakhs. The year-end outstanding balance of loans is Rs.21.34 lakhs.
 - f. In our opinion and according to the information and explanations given to us in respect of loans taken by the Company, the rate of interest, wherever applicable and other terms and conditions are not prima facie prejudicial to the interest of the Company.
 - g. In respect of loans taken by the Company the payment of principal and interest is as per the understanding with the parties.
4. In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956;
 - a. According to the information and explanations provided by the management, we are of the opinion that the particulars of transactions made in pursuance of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.
 - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding the value of Rupees five lakhs has been entered into during the financial year at a price which is reasonable having regard to prevailing market prices at the relevant time.
6. During the year, Company has not accepted any deposits from the public. Hence commenting

- on the compliance of Section 58A and 58AA of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules, 1975 does not arise.
7. In our opinion, the Company has an internal audit function commensurate with the size and nature of its business.
 8. We have broadly reviewed the cost records maintained by the Company pursuant to Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed cost records are maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
 9. In respect of statutory dues:
 - a. According to the records of the Company, undisputed statutory dues including Investor Education and Protection Fund, Employees' State Insurance, Sales Tax, Service Tax, Income Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities though there is a delay in remittance of TDS in some cases.
 - b. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty, excise duty, provident fund, investor education and protection fund, Employees state insurance, service tax and cess and other undisputed statutory dues were outstanding, at the year end, for the period of more than six months from the date they became payable.
 - c. According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, excise duty, cess and service tax which have not been deposited on account of any dispute.
 10. The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
 11. In our opinion and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to the banks.
 12. According to the information and explanations given to us and based on the records produced to us, Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore the provisions of Paragraph 4 (xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
 14. The company is not dealing in or trading in shares, securities, and debentures. But in the earlier years, company has invested the funds to earn the income from investment. According to information and explanation given to us and in our opinion:
 - The company has maintained the records for transactions and contracts entered into for purchase and sale of shares and Securities.
 - Investments are in the company's own name.
 15. According to information given to us and based on the records and documents produced to us, during the financial year, company has not given guarantee for loan taken by others from banks or financial institutions. Hence commenting on the prejudicial to the interest of the company does not arise.
 16. In our opinion, the term loans have been applied for the purpose for which they were raised.
 17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short –term basis have been used for long–term investment.
 18. The Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956. Hence commenting on the prejudicial of issue price to the interest of the company does not arise.
 19. During the year, the Company has not issued Debentures.
 20. The Company has not raised any money by way of public issue during the year. Hence verification of the end use of the same does not arise.
 21. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanation given by the management, we report that no fraud on or by the company has been noticed during the course of our audit

For MSSV & CO.
Chartered Accountants
Firm Reg. No. 001987S

Place : Bangalore
Date : 26th May, 2014

D. R. Venkatesh
Partner
Membership No. 25087

BALANCE SHEET AS AT 31st MARCH 2014

PARTICULARS	Sch. No.	As at 31.03.2014 (Rs.)	As at 31.03.2013 (Rs.)
I. EQUITY AND LIABILITIES			
1. SHAREHOLDERS' FUNDS			
(a) Share Capital	1	3,00,29,000	3,00,29,000
(b) Reserves And Surplus	2	8,04,76,146	7,32,59,863
2. Share Application Money Pending Allotment			
3. Non-Current Liabilities			
(a) Long-Term Borrowings	3	1,23,91,055	43,60,969
(b) Deferred Tax Liabilities (Net)	4	74,71,612	66,00,823
(c) Long-Term Provisions	5	9,90,921	5,70,357
4 Current Liabilities			
(A) Short-Term Borrowings	6	12,00,77,431	11,98,70,452
(B) Trade Payables	7	4,06,82,379	1,51,07,862
(C) Other Current Liabilities	8	73,97,667	24,15,383
(D) Short-Term Provisions	9	58,99,491	50,11,835
TOTAL		30,54,15,702	25,72,26,544
II ASSETS			
1. Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	8,46,40,713	8,39,90,602
(ii) Intangible Assets		-	-
(iii) Capital Work-In-Progress		15,39,582	-
(iv) Intangible Assets Under Development		-	-
(b) Non-Current Investments	11	56,28,552	74,88,993
(c) Long-Term Loans And Advances	12	2,80,31,784	1,88,10,639
2. Current Assets			
(a) Inventories	13	9,55,11,659	6,84,39,901
(b) Trade Receivables	14	7,62,79,309	6,51,30,292
(c) Cash And Cash Equivalents	15	31,24,919	39,64,773
(d) Short-Term Loans And Advances	16	74,17,776	73,47,992
(e) Other Current Assets	17	32,41,408	20,53,352
TOTAL		30,54,15,702	25,72,26,544

Significant Accounting Policies and Notes form an Integral Part of the Financial Statements

This is the balance sheet referred to in our report of even date

For MSSV & CO,
Chartered Accountants
Firm Reg. No. 001987S

For and on Behalf of the Board of Directors

D.R. Venkatesh
Partner
Membership No. 25087

Pramod Kumar S.
Executive Director

B. Shantilal
Managing Director

Place: Bangalore
Date : 26th May, 2014

Sunil Agro Foods Limited

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2014

PARTICULARS	Sch. No.	For the Year ended 31.03.2014 (Rs.)	For the Year ended 31.03.2013 (Rs.)
Revenue from operations	18	1,35,86,24,918	1068398016
Other income	19	72,96,336	58,98,680
Total revenue		1,36,59,21,253	1,07,42,96,696
Expenses			
Consumption of materials	20	1,04,11,97,576	83,67,21,714
Purchases of stock-in-trade		19,76,57,740	11,36,44,179
Changes in inventories of finished goods, WIP and stock-in-trade	21	(59,48,838)	(21,36,852)
Other operating expenses	22	4,98,56,775	4,59,41,264
Employee benefits	23	1,57,34,719	1,21,00,372
Other expenses	24	2,97,53,277	3,04,62,729
Finance charges	25	1,47,30,175	1,38,05,315
Depreciation and amortization	10	79,22,145	70,13,426
Total expenses		1,35,09,03,569	1,05,75,52,147
Profit / (Loss) before exceptional and extraordinary items and tax		1,50,17,684	1,67,44,549
Exceptional items		-	-
Profit / (Loss) before extraordinary items and tax		1,50,17,684	1,67,44,549
Extraordinary items		-	-
Profit / (Loss) before tax		1,50,17,684	1,67,44,549
Tax expense:			
Tax expense relating to current year		41,00,000	50,00,000
Tax expense / (reversal) relating to prior years		(6,82,629)	-23,658
Net tax expense		34,17,371	49,76,342
Deferred tax		8,70,789	(9,40,063)
Profit / (Loss) from continuing operations		1,07,29,525	1,08,28,143
Profit / (Loss) from discontinuing operations (before tax)		-	-
Add / (Less): Tax expense of discontinuing operations		-	-
Profit / (Loss) from discontinuing operations		-	-
Profit / (Loss) for the year		1,07,29,525	1,08,28,143
Earnings per share (of Rs. 10/- each):	26		
Basic		3.57	3.61
Diluted		3.57	3.61
Significant accounting policies and notes form an integral part of the financial statements			

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

For MSSV & CO,
Chartered Accountants
Firm Reg. No. 001987S

For and on Behalf of the Board of Directors

D.R. Venkatesh
Partner
Membership No. 25087

Pramod Kumar S.
Executive Director

B. Shantilal
Managing Director

Place: Bangalore
Date : 26th May, 2014

Annual Report 2013 - 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2014

PARTICULARS	Sch No	For the Year ended	
		31.03.14	31.03.13
A. Cash from Operating Activities			
Net profit before tax		1,50,17,684	1,67,44,549
Adjustments for:			
Depreciation	79,22,145		70,13,426
Interest Expenses	1,41,24,524		1,38,05,315
Profit on Sale of Investment	(12,10,559)		(26,246)
(Profit) / Loss on sale of Car	(1,13,750)		2,88,886
Interest Received on FD/ Other deposits	(13,96,972)		(13,83,726)
Rental Income	(1,00,000)		(1,00,000)
Dividend Received	(10,483)	1,92,14,905	(2,085)
		3,42,32,589	3,63,40,119
Operating Profit before Working Capital Changes			
Adjustments for:			
(Increase) / decrease in Sundry Debtors	(1,11,49,017)		(2,14,57,652)
(Increase) / decrease in Inventory	(2,70,71,758)		1,33,40,016
(Increase) / decrease in Loans and advances & Other Current Assets	(1,09,73,850)		2,17,02,379
Increase / (decrease) in Current Liabilities, Trade payables & Provisions	2,57,38,691	(2,34,55,934)	(79,90,128)
Cash Flow from Operating Activities		1,07,76,656	2,83,49,991
Tax Expenses	(37,34,490)	(37,34,490)	(54,28,957)
Net Cash Flow (used in) Operations		70,42,166	2,29,21,034
B. Cash Flows from Investing Activities			
Purchase of Fixed Assets and Change in Capital Work in Progress	(1,01,11,838)		(2,27,62,512)
Sale Proceeds of Fixed Assets	1,13,750		4,64,452
Sale / (Purchase) of Investments - net (Non Trade)	30,71,000		-
Maturity / (Investment) in Fixed Deposits	2,61,482		4,15,367
Interest on Fixed / Other Deposits Received	12,97,121		13,83,577
Rental Income	1,00,000		1,00,000
Dividend Received	10,483		2,085
Net Cash Flow from Investing Activity		(52,58,002)	(2,03,97,032)
C. Cash Flows from Financing Activities			
Interest (Paid)	(1,41,24,524)		(1,38,05,315)
Dividend payout including tax	(16,63,048)		
Proceeds /(Repayment) from borrowing	1,34,25,035		1,19,43,148
Net Cash Flow from Financing Activities		(23,62,536)	(18,62,166)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)		(5,78,372)	(6,61,835)
Cash & Cash equivalents at the beginning of the year		33,36,812	26,74,977
Cash & Cash equivalents at the end of the year		27,58,440	33,36,812

Significant Accounting Policies and Notes form part of the Financial Statements

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

For MSSV & CO,
Chartered Accountants
Firm Reg. No. 001987S

For and on Behalf of the Board of Directors

D.R. Venkatesh
Partner
Membership No. 25087

Pramod Kumar S.
Executive Director

B. Shantilal
Managing Director

Place: Bangalore
Date : 26th May, 2014

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31.03.2014		As at 31.03.2013	
	in numbers	Rs	in numbers	Rs
NOTE - 1				
Note: 1A SHARE CAPITAL				
Particulars	No. of shares	In rupees	No. of shares	In rupees
Authorized				
Equity shares of Rs. 10 each	35,00,000	3,50,00,000	35,00,000	3,50,00,000
Issued, Subscribed and Fully paid up				
Equity shares of Rs. 10 each	30,02,900	3,00,29,000	30,02,900	3,00,29,000
Total	30,02,900	3,00,29,000	30,02,900	3,00,29,000
Note: 1B Reconciliation				
Particulars	No. of shares	In rupees	No. of shares	In rupees
Shares outstanding at the beginning of the year	30,02,900	3,00,29,000	30,02,900	3,00,29,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	30,02,900	3,00,29,000	30,02,900	3,00,29,000
Note: 1C Percentage of Holding				
Particulars	No. of shares	Percentage	No. of shares	Percentage
(a)Kamala Bai	288300	9.60%	288300	9.60%
(b)Pramod Kumar S	1463442	48.73%	1453442	48.40%
(c)Sunil S Jain	259334	8.64%	259334	8.64%

The Percentage of share holding is to be confirmed with stock holding register

There have been no buy back of shares or issue of shares pursuant to contract without payment being received in cash for the period of five years immediately preceding the balance sheet date.

Particulars	As at March 31, 2014 Rs	As at March 31, 2013 Rs
NOTE - 2		
RESERVES AND SURPLUS		
a. Securities premium reserve		
Opening balance	2,18,33,200	2,18,33,200
Add : Addition during the year	-	-
Less : Utilized during the year	-	-
Closing balance	<u>2,18,33,200</u>	<u>2,18,33,200</u>
b. Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	5,14,26,663	4,05,98,520
Add: Profit for the year	1,07,29,525	1,08,28,143
Less: Dividend paid for the F Y 2012 - 2013	15,01,450	-
Dividend Distribution Tax on dividend for the F Y 2012 - 2013	2,55,171	-
Less: Provision for dividend for the F Y 2013 - 2014	15,01,450	-
Dividend Distribution Tax on proposed dividend	2,55,171	-
Closing balance	<u>5,86,42,946</u>	<u>5,14,26,663</u>
Total	8,04,76,146	7,32,59,863

NOTE - 3

Particulars	As at 31.03.2014 (Rs.)	As at 31.03.2013 (Rs.)
A. LONG TERM BORROWINGS		
Secured		
(a) Term loans from banks	77,97,225	7,04,298
(b) Other loans and advances	59,483	7,51,297
Total	78,56,708	14,55,595
Unsecured		
Loans and advances from related parties	21,34,347	7,64,775
Loans and advances from share holder	24,00,000	21,40,599
Total	45,34,347	29,05,374
Grand Total	1,23,91,055	43,60,969

B. DEFAULTS IN REPAYMENT OF BORROWINGS

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Period of default	In rupees	Period of default	In rupees
(a) Term loans from banks				
Principal	None	Nil	None	Nil
Interest	None	Nil	None	Nil
(b) Loans and advances from related parties				
Principal	None	Nil	None	Nil
Interest	None	Nil	None	Nil
(c) Other loans and advances				
Principal	None	Nil	None	Nil
Interest	None	Nil	None	Nil

C. TERMS AND CONDITIONS

Particulars	Secured Loans	Unsecured Loans
	Nature of security & Repayment of loan	
(a) Term loans from banks (Secured)	Secured by the certain immovable properties of the company, hypothecation by way of first charge on company's stock, book debts, plant and machinery, vehicles Term loan repayable within 3 years in equal monthly installments	NA
(b) Other loans and advances (Secured)	Secured by Hypothecation of vehicles Term loan repayable within 3 years in equal monthly installments	NA
(c) Loans and advances from related parties(unsecured)		Repayable on demand
(d) Loans and advances from Shareholders (unsecured)		Repayable on demand

NOTE - 4

Particulars	As at 31.03.2014 (Rs.)	As at 31.03.2013 (Rs.)
DEFERRED TAX LIABILITY		
Fixed assets	78,07,025	67,85,875
Other timing differences	-	
Less:		
Deferred tax asset		
Fixed assets	-	-
Other timing differences	3,35,413	1,85,052
Provision for Gratuity	-	
Provision for Leave Encashment	-	
Total	74,71,612	66,00,823

NOTE - 5

LONG TERM PROVISIONS

(a) Provision for employee benefits		
Gratuity(Funded)	8,43,252	5,70,357
Leave Encashment	1,47,669	-
Total	9,90,921	5,70,357

NOTE - 6

A. SHORT TERM BORROWINGS

Secured

Loans payable on demand from banks	12,00,77,431	11,98,70,452
Total	12,00,77,431	11,98,70,452

B. DEFAULTS IN REPAYMENT OF BORROWINGS

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Period of default	In rupees	Period of default	In rupees
(a) Loans payable on demand from banks				
Principal	None	Nil	None	Nil
Interest	None	Nil	None	Nil
(b) Other loans and advances				
Principal	None	Nil	None	Nil
Interest	None	Nil	None	Nil

C. TERMS AND CONDITIONS

Particulars	Secured Loans	Unsecured Loans
	Nature of security & Repayment of loan	
(a) Loans payable on demand from banks	Secured by Hypothecation of Wheat & Wheat Products, Packing Material, Book Debts & certain immovable properties of company & also personnel guarantee of some of the directors	Payable on Demand

NOTE - 7

Particulars	As at 31.03.2014 (Rs.)	As at 31.03.2013 (Rs.)
TRADE PAYABLES		
Payable for purchases		
Interstate Purchases	3,35,41,114	81,21,499
Interstate Others	10,86,698	3,59,112
Others	56,73,877	65,90,988
Packing Materials	3,80,690	36,262
Total	4,06,82,379	1,51,07,862

NOTE - 8

OTHER CURRENT LIABILITIES		
(a) Current maturities of long term debt (Secured) *	58,56,926	6,68,956
(b) Intetest accrued but not due on borrowings	1,20,273	2,43,609
(c) Income received in advance		
Advance from Customers	1,56,147	2,68,725
Rent Advance	2,95,000	2,95,000
(d) Unpaid dividends	93,574	-
(e) Other payables		
Statutory Payables	8,75,748	9,39,094
Total	73,97,667	24,15,383

* Refer note No. 3C for securities offered for loan & terms of repayment of loan

NOTE - 9

SHORT TERM PROVISIONS		
(a) Provision for employee benefits		
Gratuity(Funded)	38,053	-
Leave Encashment	4,817	-
(b) Provision for proposed dividend	15,01,450	-
© Dividend distribution tax on proposed dividend	2,55,171	-
(d) Others		
Provision for Income Tax	41,00,000	50,11,835
Total	58,99,491	50,11,835

NOTE - 10**FIXED ASSETS - Tangible Assets**

Sl. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As On 31.03.2013	Addition	Deletion	Closing Balance	Opening Balance	Depreciation/ Amortisation expense for the year	Eliminated on Disposal of assets	Closing Balance	As On 30.03.2014	As On 31.03.2013
1.	Land (freehold)	70,08,261	-	-	70,08,261	-	-	-	-	70,08,261	70,08,261
2.	Buildings - Office	13,75,010	-	-	13,75,010	3,44,137	45,925	-	3,90,062	9,84,948	10,30,873
3.	Buildings - Factory	4,23,51,075	21,80,185	-	4,45,31,260	1,28,95,918	14,17,693	-	1,43,13,611	3,02,17,649	2,94,55,157
4.	Plant and equipment	6,49,53,817	52,86,677	-	7,02,40,494	3,05,53,347	49,30,460	-	3,54,83,807	3,47,56,687	3,44,00,470
5.	Furniture and fixtures	22,50,420	4,08,226	-	26,58,646	8,14,133	1,45,734	-	9,59,867	16,98,779	14,36,287
6.	Transportation Vehicles	55,57,811	-	-	55,57,811	27,40,076	4,83,819	-	32,23,895	23,33,916	28,17,735
7.	Others	63,84,564	-	-	63,84,564	11,34,303	5,98,281	-	17,32,584	46,51,980	52,50,261
8.	Office equipment	15,35,439	3,31,340	-	18,66,779	1,28,385	96,507	-	2,24,892	16,41,887	14,07,054
9.	Lab Equipments	7,83,729	1,97,437	-	9,81,166	1,40,578	53,061	-	1,93,639	7,87,527	6,43,151
10.	Computer	7,58,157	1,68,391	-	9,26,548	2,67,304	1,50,665	-	4,17,969	5,08,579	4,90,853
11.	Pooja Items	50,500	-	-	50,500	-	-	-	-	50,500	50,500
	Total	13,30,08,783	85,72,256	-	14,15,81,039	4,90,18,181	79,22,145	-	5,69,40,326	8,46,40,713	8,39,90,602
	Previous year	11,02,76,186	2,44,62,512	17,29,915	13,30,08,783	4,30,07,578	70,13,426	10,02,823	4,90,18,181	8,39,90,602	6,72,68,607

Capital work-in-progress as at March 31, 2014 is Rs. 15,39,582 (PY: Nil)

NOTE - 11

	As at 31.03.2014 (Rs.)	As at 31.03.2013 (Rs.)
NON CURRENT INVESTMENTS		
A. Other Investments - Quoted		
(a) Investment in equity instruments	21,18,477	21,18,477
Total	<u>21,18,477</u>	<u>21,18,477</u>
B. Other Investments- Unquoted		
(a) Investment in property	17,08,334	35,68,775
(b) Investment in mutual funds	1,00,000	1,00,000
(c) Investment in government or trust securities	1,400	1,400
(d) Other non-current investments	1,00,831	1,00,831
(e) Investment in equity instruments	16,91,231	16,91,231
Total	<u>36,01,796</u>	<u>54,62,237</u>
Total Investments	57,20,273	75,80,714
Less: Provision for diminution in value of investments	91,721	91,721
Total Investments (net of provisions)	<u>56,28,552</u>	<u>74,88,993</u>
Aggregate market value of quoted investments	6,56,845	6,54,761

NOTE - 12

LONG TERM LOANS AND ADVANCES		
Unsecured, considered good		
(a) Capital advances	1,17,15,840	58,34,197
(b) Security deposits	37,26,764	37,26,764
(c) Loans and advances to related parties	1,00,28,075	59,75,977
(d) Other loans and advances	25,61,105	32,73,701
Total	<u>2,80,31,784</u>	<u>1,88,10,639</u>
Less:		
Provision for doubtful loans and advances	-	-
Total	<u>2,80,31,784</u>	<u>1,88,10,639</u>

NOTE - 13

INVENTORIES		
Unsecured, considered good		
(a) Raw materials	6,38,82,812	4,60,78,073
(b) Finished goods (other than those acquired for trading)	1,99,36,312	1,39,87,474
(c) Packing Materials	1,15,68,798	73,26,710
(d) Stores and spares	1,23,737	10,47,644
Total	<u>9,55,11,659</u>	<u>6,84,39,901</u>

Mode of Valuation: Stated at lower of cost or net realizable value.

NOTE - 14

Particulars	As at 31.03.2014 (Rs.)	As at 31.03.2013 (Rs.)
TRADE RECEIVABLES		
A. Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good		
Unsecured, considered good	37,74,958	38,76,024
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
	<u>37,74,958</u>	<u>38,76,024</u>
B. Other trade receivables		
Secured, considered good		
Unsecured, considered good	7,25,04,351	6,12,54,268
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
	<u>7,25,04,351</u>	<u>6,12,54,268</u>
Total	<u>7,62,79,309</u>	<u>6,51,30,292</u>

NOTE - 15

CASH AND BANK BALANCES		
(a) Cash on hand*	17,62,618	21,33,328
(c) Balances with banks		
(i) In current accounts*	9,95,823	12,03,484
(ii) In deposit accounts	3,66,479	6,27,961
Total	<u>31,24,919</u>	<u>39,64,773</u>
Of the above balances that meet the definition of Cash and Cash Equivalents as per AS 3- Cash Flow Statements are items marked "*" above and aggregate to	<u>27,58,440</u>	<u>33,36,812</u>

NOTE - 16

SHORT TERM LOANS AND ADVANCES		
Unsecured, considered good		
(a) Loans and advances to employees	16,55,219	9,90,719
(b) Other loans and advances		
Advance Income Tax	36,15,971	45,48,507
Income Tax Refund Receivable	21,46,586	18,08,766
Total	<u>74,17,776</u>	<u>73,47,992</u>
Less: Provision for doubtful loans and advances	-	-
Total	<u>74,17,776</u>	<u>73,47,992</u>

NOTE - 17

OTHER CURRENT ASSETS		
(a) Interest accrued but not due	2,78,000	1,78,149
(b) Advance to Suppliers	3,39,581	2,01,051
(c) Prepaid Expenses	2,63,465	66,893
(d) Others	23,60,362	16,07,259
Total	<u>32,41,408</u>	<u>20,53,352</u>

NOTE - 18

	For the Year Ended 31.03.2014 (Rs.)	For the Year Ended 31.03.2013 (Rs.)
REVENUE FROM OPERATIONS		
a) Sale of products		
Maida	71,98,94,974	58,23,93,759
Sooji	11,38,47,462	9,89,42,234
Atta	7,14,19,943	11,51,80,628
Bran Rough	15,01,07,332	13,01,20,446
Bran Flakes	7,02,96,865	5,80,14,522
Wheat	19,95,72,627	5,41,73,112
Others	1,53,47,363	1,37,62,220
	<u>1,34,04,86,565</u>	<u>1,05,25,86,921</u>
(b) Sale of services	1,81,38,353	1,58,11,095
Less:Excise duty	-	-
Total sales	<u>1,35,86,24,918</u>	<u>1,58,11,095</u>
Add:Other operating revenues	-	-
Total	<u>1,35,86,24,918</u>	<u>1,58,11,095</u>

NOTE - 19

OTHER INCOME

(a) Interest income (in case of a company other than a finance company)	13,96,972	13,83,726
(b) Dividend income	10,484	2,085
(c) Profit on sale of investments	12,10,559	-
(d) Rental Income	13,28,804	14,82,362
(e) Foreign Exchange Gain	2,612	-
(f) Other non-operating income	33,46,905	30,30,507
Total	<u>72,96,336</u>	<u>58,98,680</u>

NOTE - 20

	For the Year Ended 31.03.2014 (Rs.)	For the Year Ended 31.03.2013 (Rs.)
CONSUMPTION OF MATERIALS		
Opening stock		
Wheat (Indigenous)	4,60,78,073	6,17,72,783
Packing Materials	73,26,710	68,42,962
Total	5,34,04,783	6,86,15,745
Add: Purchases		
Wheat	1,23,68,85,986	86,10,37,114
Packing Materials	1,68,80,727	1,35,10,590
Total	1,25,37,66,713	87,45,47,704
Less: Cost of Wheat Sold	19,05,22,310	5,30,36,953
Less: Closing stock		
Wheat (Indigenous)	6,38,82,812	4,60,78,073
Packing Materials	1,15,68,798	73,26,710
Total	7,54,51,610	5,34,04,783
Consumption of Material	1,04,11,97,576	83,67,21,714

NOTE - 21**CHANGES IN INVENTORIES OF
FINISHED GOODS, WIP AND STOCK IN TRADE**

Opening stock		
Finished Goods		
Maida	49,97,045	62,72,188
Sooji	34,74,320	29,63,981
Atta	14,41,705	7,37,450
Bran Rough	28,26,254	9,93,349
Bran Flakes	12,48,150	8,83,654
Total	1,39,87,474	1,18,50,622
Closing stock		
Finished Goods		
Maida	1,23,77,058	49,97,045
Sooji	42,15,689	34,74,320
Atta	15,91,378	14,41,705
Bran Rough	8,23,376	28,26,254
Bran Flakes	9,28,811	12,48,150
Total	1,99,36,312	1,39,87,474
Changes in inventory	(59,48,838)	(21,36,852)
Total	(59,48,838)	(21,36,852)

NOTE - 22

	For the Year Ended 31.03.2014 (Rs.)	For the Year Ended 31.03.2013 (Rs.)
OTHER OPERATING EXPENSES		
(a) Consumption of stores and spare parts	23,08,111	19,28,914
(b) Freight inward	57,346	-
(c) Custom Milling Charges	1,94,40,715	1,91,69,325
(d) Power and fuel	2,31,52,095	1,92,56,445
(e) Laboratory Expenses	3,57,111	4,04,637
(f) Repairs and maintenance		
Building	5,57,538	3,94,785
Machinery	15,46,093	25,76,477
Others	21,53,128	18,37,857
(g) Insurance	2,84,638	3,72,824
Total	4,98,56,775	4,59,41,264

NOTE - 23

EMPLOYEE BENEFITS		
(a) Salaries and wages	1,11,06,646	88,05,208
(b) Contribution to provident fund and other funds	21,78,455	8,58,920
(c) Staff Welfare	24,49,618	24,36,244
Total	1,57,34,719	1,21,00,372

NOTE - 24

OTHER EXPENSES		
(a) Rent including lease rentals	2,42,340	2,57,267
(b) Communication	4,47,762	4,55,821
(c) Repairs and maintenance - Others	67,69,350	57,67,093
(d) Printing and stationery	4,62,004	3,83,432
(e) Rates and taxes	5,19,954	6,83,281
(f) Freight and forwarding	1,02,13,360	61,42,492
(g) Business promotion	2,38,824	4,03,324
(h) Sales commission	4,34,138	5,16,173
(i) Sales discount	33,95,086	25,14,154
(j) Legal and professional	7,09,314	5,12,685
(k) *Payments to auditors	3,27,152	2,64,155
(l) Internal Audit Fees	1,07,574	1,09,824
(m) Bad debts written off	1,19,091	30,59,372
(n) Miscellaneous expenses	30,01,604	63,99,614
(o) Bank Charges	34,901	3,19,416
(p) Travelling Expenses & Others	22,84,163	20,46,778
(q) Director Sitting Fees	24,000	30,000
(r) Loss on sale of Car	-	2,88,886
(s) Foreign Exchange Loss	-	46,103
(t) Water Charges	4,22,660	2,62,860
Total	2,97,53,277	3,04,62,729

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	For the Year Ended 31.03.2014 (Rs.)	For the Year Ended 31.03.2013 (Rs.)
*PAYMENTS TO THE AUDITORS COMPRISES (INCLUDING SERVICE TAX)		
(a) For statutory audit	1,12,360	1,12,360
(b) For tax audit	50,562	50,562
(c) For taxation matters	44,944	16,854
(d) Limited Review Fee	33,708	33,708
(e) For other services	67,978	32,023
(f) Reimbursement of expenses	17,600	18,608
Total	3,27,152	2,64,115

NOTE - 25

FINANCE CHARGES

(a) Interest expenses	1,41,24,524	1,38,05,315
(b) Other borrowing costs	6,05,651	-
Total	1,47,30,175	1,38,05,315

NOTE - 26

EARNING PER SHARE

Profit for the year	1,07,29,525	1,08,28,143
Weighted average number of equity shares outstanding	30,02,900	30,02,900
Basic Earnings per share (Face value of Rs. per share)	3.57	3.61
Weighted average number of equity shares (including dilutive) outstanding	30,02,900	30,02,900
Diluted Earnings per share (Face value of Rs. per share)	3.57	3.61

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**1. CORPORATE INFORMATION**

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

2. SIGNIFICANT ACCOUNTING POLICIES**2.1 BASIS FOR PREPARATION OF FINANCIAL STATEMENT:**

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India (“ICAI”), relevant provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India.

The financial statements have been prepared under historical cost convention on an accruals basis. The accounting policies have been consistently applied by the company and are consistent with those used during the previous year. The presentation of financial statement in conformity with generally accepted accounting principles (“GAAP”) requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management best knowledge of current events and actions the company may undertake in future, actual results ultimately may differ from the estimates.

2.2 INVENTORY VALUATION:

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

2.3 CASH FLOW STATEMENT:

Cash flows are reported using the indirect method, whereby net profit (loss) before tax is adjusted for the effective transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, investing and financing activities of the group are segregated.

2.4 DEPRECIATION:

Depreciation on Fixed Assets is provided on straight-line basis at the rates mentioned in Schedule XIV of the companies Act, 1956, on proportionate basis.

2.5 REVENUE RECOGNITION:

- Sales are recognized when the significant risk attached to the goods are passed on to the seller and are recorded net of trade discounts, rebates but includes Sales Tax wherever applicable.
- Dividend income is recognized when the right to receive the dividend is established.
- Interest income is recognized on an accrual basis.
- Rental income on leased property is recognized on accrual basis, based on the terms and conditions agreed with the lessee.

2.6 FIXED ASSETS:

- Fixed Assets are stated at cost of acquisition and subsequent improvements thereto including taxes, duties, freight and other incidental expenses related to acquisition and installation.
- Interest on term loan taken for acquisition of assets is capitalized upto the date of asset being ready for use.
- Capital work in progress comprises of the cost of Fixed Assets that are not put to use as at the Balance Sheet date and advance paid towards acquisition of Fixed Assets.

2.7 FOREIGN CURRENCY TRANSACTION:

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

2.8 INVESTMENTS:

Long Term Investments are valued at their acquisition cost. Provision for diminution in the value of long-term investment is made only if such decline is other than temporary in the opinion of the management.

2.9 EMPLOYEE BENEFITS:

2.9.1 Gratuity:

The company has taken Group Gratuity Scheme for its eligible employees from Life Insurance Corporation of India, for the gratuity liability. The premium payable to Life Insurance Corporation of India is provided on an actuarial basis.

2.9.2 Leave Encashment:

Leave Encashment Liability of eligible employees is accounted on accrual basis.

2.9.3 Provident Fund:

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

2.10 BORROWING COST:

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

2.11 SEGMENT REPORTING:

The companies operations predominantly relate to trading in wheat and manufacturing & trading in wheat products. The company has business segment as primary segment & geographical segment as secondary segment. Income and direct expenses in relation to segments is categorized bases on item that are individually identifiable to that segment and based on their relationship to the operating activity of that segment. Certain expenses such as depreciation, financial charges which form part of a segment component of total expense, are not specifically allocable to specific segment on a reasonable basis, have been included under unallocated corporate expenses.

Geographical revenues are segregated based on the location of the customer who is invoiced are in relation to which revenue is otherwise recognized.

2.12 ACCOUNTING OF LEASE:

Leases where the lessor effectively retains the substantially all risks and benefits of the ownership

over the lease term are classified as operating lease. Operating lease payments are recognized as expenses in the profit and loss account on the straight-line basis over the lease term.

2.13 INCOME TAX:

- Tax expenses comprises of current, deferred and fringe benefit tax. Current tax and fringe benefit tax are measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax act, 1961.
- Deferred income taxes reflect the impact of current year timing differences between the taxable income and accounting income for the year and reversal of timing differences of earlier years, based on the tax rates that have been enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognized only if there is reasonable certainty that sufficient future taxable income will be available, against which such deferred tax assets can be realized. If the company has carry forward of unobserved depreciation and tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are reassessed and recognized to the extent that it has become reasonably certain or virtually certain, as the case may be that future taxable income will be available against which such deferred tax asset can be realized.

2.14 PROVISIONS:

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

2.15 CONTINGENT LIABILITIES:

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

NOTE - 27

NOTES ON GENERAL INFORMATION FORMING PART OF THE FINANCIAL STATEMENTS

27. Corporate information

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

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

Particulars	As at 31st March, 2014 (Rs.)	As at 31st March, 2013 (Rs.)
A. Contingent liabilities		
(a) Claims against the company not acknowledged as debt	-	-
(b) Guarantees	2,00,000	2,00,000
B. Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,55,52,938	1,46,75,850
(b) Uncalled liability on shares and other investments partly paid	-	-

The following are the guarantees given by the banks to the parties on behalf of the company which are in force as on March 31, 2012.

Name of the Bank	Party to whom the guarantee given	Amount (Rs)
State Bank of Bikaner & Jaipur	Collector of Customs	2,00,000

29. Related party disclosure

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

1 Key Managerial Personnel	Sri. B Shanthilal Sri. Pramod Kumar S Sri. AVS Murthy Smt. Pinky Jain Sri. Shailesh Siroya Smt. Kamala Bai
2 Enterprise with significant influence and fellow subsidiary	Brindavan Roller Flour Mills Private Limited Sryshti Pharmaceuticals Private Limited Mysore Vegetable Oil Products Limited Mysore Snacks Foods Limited Kithur Channamma Roller Flour Mills Private Limited Alampalli Investments Private Limited Krishna Industries Private Limited Bal Pharma Limited BRFM India Private Limited Brindavan Softland Private Limited Sunil AG

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(ii) The following transactions were carried with the related parties in the ordinary course of business during the year ended March 31, 2014

Particulars	Enterprise with Significant influence In rupees	Key Managerial Personnel In rupees	Total In rupees
(a) Deposit Received from Directors & Relatives			
Sri. Shanthi Lal	-	32,50,000	32,50,000
		(19,00,000)	(19,00,000)
Kamala Bai	-	3,50,000	3,50,000
		(6,00,000)	(6,00,000)
Smt. Pinky Jain	-	1,15,000	1,15,000
		-	-
Sri. Pramod Kumar S	-	2,27,08,646	2,27,08,646
		(1,10,99,450)	(1,10,99,450)
(b) Repayment of Deposit			
Sri. Shanthi Lal	-	21,00,000	21,00,000
		(30,06,618)	(30,06,618)
Kamala Bai	-	9,50,000	9,50,000
		-	-
Sri. Pramod Kumar S	-	2,25,50,000	2,25,50,000
		(1,11,04,339)	(1,11,04,339)
Smt. Pinky Jain	-	2,50,000	2,50,000
		(1,50,000)	(1,50,000)
(c) Interest on Deposit Received			
Sri. Shanthi Lal	-	53,141	53,141
		(1,58,443)	(1,58,443)
Smt. Pinky Jain	-	-	-
		(32,388)	(32,388)
(d) Receiving of Services			
Brindavan Softland Private Limited	1,94,40,715	-	1,94,40,715
	(1,91,69,325)	-	(1,91,69,325)
(e) Purchase of Goods & others			
Brindavan Softland Private Limited	1,50,000	-	1,50,000
	(5,99,81,650)	-	(5,99,81,650)
BRFM (India) Private Limited	-	-	-
	(18,00,000)	-	(18,00,000)
(f) Advance given to Related Party			
Kithur Chanamma Roller Flour Mills Pvt Ltd	7,45,011	-	7,45,011
	-	-	-
(g) Interest Received on Advance			
Brindavan Softland Private Limited	2,97,241	-	2,97,241
	(5,86,979)	-	(5,86,979)
Kithur Chanamma Roller Flour Mills Pvt Ltd	6,59,400	-	6,59,400
	(5,50,000)	-	(5,50,000)

Sunil Agro Foods Limited

(iii) Balance Outstanding

Particulars	Enterprise with Significant influence In rupees	Key Managerial Personnel In rupees	Total In rupees
(a) Deposit received			
Sri. Shanthi Lal	-	19,62,602	19,62,602
	-	(7,64,775)	(7,64,775)
Sri. Pramod Kumar S	-	1,58,646	1,58,646
	-	-	-
Smt. Pinky Jain	-	13,099	13,099
	-	(1,40,599)	(1,40,599)
Kamala Bai	-	-	-
	-	(6,00,000)	(6,00,000)
(b) Payable For Receiving of goods & Services			
Brindavan Softland Private Limited	-	-	-
	(4,96,037)	-	(4,96,037)
BRFM (India) Private Limited	17,64,000	-	-
	(17,64,000)	-	(17,64,000)
(b) Receivable from			
Kittur Chanamma Roller Flour Mills Private Limited	68,33,471	-	68,33,471
	(54,95,000)	-	(54,95,000)
Brindavan Roller Flour Mills Private Limited	4,80,977	-	4,80,977
	(4,80,977)	-	(4,80,977)
Brindavan Softland Private Limited	27,13,627	-	27,13,627
	-	-	-

Notes:

- a. Related Party relationships are as identified by the company on the basis of information available with them and relied upon by the auditors.
- b. No amounts is written off/ Written Back during the year in respect of debts due from or to related parties
- d. Reimbursement is not disclosed as related party transaction
- c. Previous year figures have been given in Brackets

30. Remuneration to Managerial Personnel

Particulars	Amount (In Rs)	
	As at 31st March, 2014	As at 31st March, 2013
Mr. Pramod Kumar (Executive Director)	26,05,876	25,56,000
Mr. B. Shantilal (Managing Director)	11,00,663	7,75,000
Total	37,06,539	33,31,000

Notes:

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

31. Obligation on longterm, non-cancellable operating lease:

As lessor : The company has entered into non-cancelable operating lease for letting the terrace space of the factory building for erecting the mobile tower.

The brief description of the agreement is as follows:

Lease rental charges of Rs.13,960 per months from July 1, 2006 onwards with a condition to increase the rent every year.

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Rental income included in the Statement of Profit and Loss is Rs.3,05,264/- towards operating lease

Future lease rental commitments by the lessee is as follows:

Lease Rentals	As at 31st March, 2014	As at 31st March, 2013
Due within one year from the balance sheet date	3,10,484	3,05,264
Total	3,10,484	3,05,264

32 Segmented Reporting

As per Accounting Standard - 17 "Segment Reporting" issued by Institute of Chartered Accountants of India, the company should report information based on Business Segment and Geographical Segment. It is the perception of the management that there is only one segment and it is viewed as a whole. However information is disclosed to the extent possible.

A. Business Segment

Particulars	Trading in Wheat		Manufacturing and Trading in Wheat Products		Total	
	Current Yr.	Previous Yr.	Current Yr.	Previous Yr.	Current Yr.	Previous Yr.
Segment Revenue	19,95,72,626	5,41,73,112	1,15,90,52,292	1,01,42,24,904	1,35,86,24,918	1,06,83,98,016
Segment Results	90,50,316	11,36,159	5,38,79,539	6,24,63,127	6,29,29,855	6,35,99,287
Add: Unallocated Income					72,96,336	58,98,678
					7,02,26,190	6,94,97,965
Less: Unallowable Corporate Expenses						
Admin, Selling and Distribution Expense					4,04,78,331	3,89,48,103
Financial Charges					1,47,30,175	1,38,05,315
Profit before taxation					1,50,17,684	1,67,44,549
Provision for taxation						
Current Tax					-41,00,000	-50,00,000
Previous Year Tax					6,82,629	23,658
Deferred Tax					-8,70,789	-9,40,063
Profit after Tax					1,07,29,525	1,08,28,145
Particulars	Trading in Wheat		Manufacturing and Trading in Wheat Products		Total	
	Current Yr.	Previous Yr.	Current Yr.	Previous Yr.	Current Yr.	Previous Yr.
Segment Assets						
Fixed Assets			8,46,40,713	8,39,90,602	8,46,40,713	8,39,90,602
Capital Work-in Progress			15,39,582	-	15,39,582	-
Inventory			9,55,11,659	6,84,39,901	9,55,11,659	6,84,39,901
Debtors	3,35,33,868	16,87,761	4,27,45,441	6,34,42,531	7,62,79,309	6,51,30,292
Cash & Bank Balances			31,24,919	39,64,773	31,24,919	39,64,773
Segment Liabilities						
Short Term Borrowings			12,00,77,431	12,05,39,408	12,00,77,431	12,05,39,408
Long Term Borrowings			1,23,91,055	43,60,969	1,23,91,055	43,60,969
Unallocated Segment Assets						
Investments					56,28,552	74,88,993
Loans and Advances					3,86,90,968	2,82,11,983
Unallocated Segment Liabilities						
Current Liabilities & Provisions					5,39,79,537	2,25,35,080

Note: Income and expenditure not allocable on any business segment directly have been classified as Unallocated.

It is perception of the management that unallocated assets and liabilities are those which are not possible to be appropriately identified to any particular business segment, in view of the interchangeability between segments.

B. Geographical Segment (Based on location of customer)

Particulars	Karnataka		Others		Total	
	Current Yr.	Previous Yr.	Current Yr.	Previous Yr.	Current Yr.	Previous Yr.
Segment Revenue	1,20,09,63,944	94,07,02,855	15,76,60,974	12,76,95,161	1,35,86,24,918	1,06,83,98,016
Unallocated Revenue					72,96,336	58,98,678
Total Revenue	1,20,09,63,944	94,07,02,855	15,76,60,974	12,76,95,161	1,36,59,21,253	1,07,42,96,694
Segment Assets	88,91,415	83,79,055	6,73,87,894	5,67,51,237	7,62,79,309	6,51,30,292
Unallocated Assets					22,91,36,393	19,20,96,252
Total Assets					30,54,15,703	25,72,26,544

36a. Employee Benefit Plan

Defined benefit plans/long term compensated absences - as per actuarial valuation as on 31st March, 2014 and recognised in the financial statements in respect of employee benefit schemes

Particulars	As at 31st, March 2014	
	Gratuity	Leave encashment
Composition of employer expenses		
Current service cost	1,79,157	90,367
Interest cost	1,19,976	12,578
Expected return on plan assets	(40,014)	
Actuarial Losses / (Gains) on obligation	(1,35,012)	2,60,712
Actuarial Losses / (Gains) on plan Assets	(3,574)	
Total Expenses to be recognised in the Statement of Profit & Loss A/c	1,27,681	3,63,657
Fund Status		
Present Value of obligation	14,15,122	-
Fair Value of plan assets	5,33,817	
Fund Status - surplus / (defecit)	(8,81,305)	-
Net Asset/ (Liability) Recognised in the balance sheet	(8,81,305)	-
Net asset / (liability) in the balance sheet at the beginning of the period	(8,95,624)	(1,27,027)
Employer expenses	(1,27,681)	3,63,657
Employer contribution	1,42,000	3,38,198
Net asset / (liability) in the balance sheet at the end of the period	(8,81,305)	(1,52,486)
Total		

33b. Defined contribution plans

The company has recognised, in the Statement of Profit and loss for the year year ended March 31, 2014 an amount of Rs.12,34,823/-

(Previous year: 8,37,130/- under defined contribution plans)

Benefit (Contribution to)	For the year ended March 31, 2014	For the year ended March 31, 2013
Provident Fund	9,17,793	5,96,294
Employee State Insurance Corporation	3,17,030	2,40,836
Total	12,34,823	8,37,130

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

Particulars	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
	Percentage	Value (In rupees)	Percentage	Value (In rupees)
(a) Raw materials				
Imported	0%	-		-
Indigenous	100%	1,02,85,58,937	100%	82,36,94,872
(b) Spare parts and components				
Imported	9%	1,99,240	0%	-
Indigenous	91%	21,08,871	100%	19,28,914

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

Particulars	For the year ended 31st March, 2014 In rupees	For the year ended 31st March, 2013 In rupees
Raw materials	-	-
Spare parts and components	1,99,240	-
Capital goods	-	31,47,225
Total	1,99,240	31,47,225

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

Particulars	For the year ended 31st March, 2014 In rupees	For the year ended 31st March, 2013 In rupees
Consultation fees	-	-
Interest	-	-
Other Expenses	24,935	
Travelling Expenses	4,66,189	2,45,357
Total	4,91,124	2,45,357

35. Micro, Small or Medium Enterprises

- (a) Based on the information available with the company, there is no dues to Small Scale Undertaking in excess of Rs.1,00,000/- and outstanding for more than 30 days.
- (b) Based on the information available with the company, there are no suppliers who are registered as Micro, Small or Medium Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2014.

36. The previous years figures have been regrouped/restated wherever necessary to conform to this year's classification.

Sunil Agro Foods Limited

CIN: L01111KA1988PLC008861

Regd. Off: 39/A2, Hosakote Industrial Area, Chokkahalli, Hoskote - 562 114

Tel: 080 2797 1371 / 2797 1463 Email: manager@sunilagro.in

ATTENDANCE SLIP

(This attendance slip duly filled in to be handed over at the entrance of the meeting hall)

Name of the attending Member (in block letters)

Members' Folio Number:

Client I.D. No. :

D.P.I.D No:

Name of the Proxy (in Block Letters, to be filled in if the proxy attends instead of the members)

.....

No. of Shares held :

I hereby record my presence at the Twenty Sixth Annual General Meeting of the Company held at Bharatiya Vidya Bhavan, Race Course Road, Bangalore - 560 001, at 10.30 am on Wednesday, the 10th Day of September, 2014.

To be signed at the time of handing

Signature of the Member/Proxy

Sunil Agro Foods Limited

CIN: L01111KA1988PLC008861

Regd. Off: 39/A2, Hosakote Industrial Area, Chokkahalli, Hoskote - 562 114

Tel: 080 2797 1371 / 2797 1463 Email: manager@sunilagro.in

Form No. MGT-11

PROXY FORM

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

CIN:.....

Name of the company:.....

Registered office:.....

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

Registered address :.....

E-mail Id:.....

Folio No/ Client Id :.....

DP ID :.....

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

1. Name :

Address :

E-mail Id :

Signature :, or failing him

2. Name :

Address :

E-mail Id :

Signature :, or failing him

3. Name :

Address :

E-mail Id :

Signature :, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Sixth Annual General Meeting of the Shareholders of the Company to be held at Bharatiya Vidya Bhavan, Race Course Road, Bangalore - 560 001, at 10.30 am on Wednesday, the 10th Day of September, 2014 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

- 1. Adoption of Annual Accounts for the year ended March 31, 2014.
- 2. To declare Final Dividend.
- 3. Appointment of Ms. Pinky Jain, Director who retires by rotation.
- 4. Appointment of Auditors of the Company.
- 5. Appointment of Mr. A V S Murthy as an Independent Director.
- 6. Approval for the transaction with Brindavan Softland Private Limited.
- 7. Acquisition of business as a slump sale from Brindavan Softland Private Limited.
- 8. Leasing out of the unused office premises to Markasia Foods Private Limited.

Signed this..... day of..... 2014



Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Sunil Agro Foods Limited

CIN: L01111KA1988PLC008861

Regd. Off: 39/A2, Hosakote Industrial Area, Chokkahalli, Hoskote - 562 114

Tel: 080 2797 1371 / 2797 1463 Email: manager@sunilagro.in

Form No. MGT-12

POLLING PAPER

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

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

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

BALLOT PAPER

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

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

Sl. No	Item	No. of shares held by me	I assent to the resolution	I dissent from the resolution
ORDINARY BUSINESS				
1.	Adoption of Annual Accounts for the year ended March 31, 2014.			
2.	To declare Final Dividend.			
3.	Appointment of Ms. Pinky Jain, Director who retires by rotation.			
4.	Appointment of Auditors of the Company.			
SPECIAL BUSINESS				
5.	Appointment of Mr. A V S Murthy as an Independent Director.			
6.	Approval for the transaction with Brindavan Softland Private Limited.			
7.	Acquisition of business as a slump sale from Brindavan Softland Private Limited.			
8.	Leasing out of the unused office premises to Markasia Foods Private Limited.			

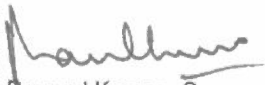

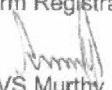
Place:

Date:

Scrutinizer

(Signature of the shareholder)

FORM B
Format of covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the company	Sunil Agro Foods Limited
2.	Annual financial statements for the year ended	31 st March, 2014
3.	Type of Audit qualification	Qualified
4.	Frequency of qualification	Repetitive
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	The corresponding notes to accounts are self-explanatory for the qualification of Auditors' Report.
	Additional comments from the board/audit committee chair:	Accounting policy No. 2.8: the temporary nature of fluctuations in the capital market is the reason for valuing the investments at cost. In view of the adequate reservation and surplus available in the books of the Company, the Board has decided that no provisions are required.
5.	To be signed by	
	<ul style="list-style-type: none"> ▪ For Sunil Agro Foods Limited ▪ Auditor of the company Messrs MSSV & Co Chartered Accountants ▪ Audit Committee Chairman 	 Pramod Kumar . S Executive Director  D R Venkatesh Partner Membership No. 25087 Firm Registration No 001987S  AVS Murthy Independent Non Executive Director