

SPECTRUM FOODS LIMITED

L-5, B-II, KRISHNA MARG, C-SCHEME, JAIPUR, RAJASTHAN (INDIA)
PHONE : 91-141-5191000, 2379483, 2372946 FAX : 91-141-2365888, E-mail : salt@suryasalt.com
CIN No : L15499RJ1994PLC008016

Date: 29.09.2017

Ref: SFL/JPR/2017/27

To,
The Manager,
Department of corporate services
Bombay Stock Exchange
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Kala Ghoda, Fort,
Mumbai, Maharashtra-400001

Reg.: Submission of 23rd Annual Report for the year 2016-17

Ref: Scrip code 531982

Dear Sir,

With reference to the subject matter we wish to submit the 23rd Annual report of the company in compliance to the Regulation 34 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which has been approved and adopted in the Annual General Meeting of the company held on 28th September, 2017.

Kindly take the same on record.

Thanking you

Yours Truly

For Spectrum Foods Limited



Girdhar Saboo
Managing Director

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Girdhar Gopal Saboo
Director (Executive)

Mr. Atul Kharbanda
Director (Non-Executive)

Mr. Vijay Kumar
Director (Non-Executive)

Mr. Sanjay Sarna
Director (Non-Executive)

Mr. Navrsingh Parmar
Director (Non-Executive)

Mr. Kailash Sharma
Chief Financial Officer

Mr. V.P Gagrani
Compliance Officer

Statutory Auditor

N. Kataria & Associates
Chartered Accountants
710, Paris Point
Collectorate Circle,
Bani Park, Jaipur-302017

Corporate Advisors

Naredi Vinod & Associates
Company Secretaries,
Plot No. 56, Rameshwar Dham,
Near Kedia Place, Murlipura,
Jaipur- 302013 Rajasthan

Registered Office

L-5, B-II, Krishna Marg,
C-Scheme, Jaipur-302001
(Rajasthan)

Bankers

State Bank of India
HDFC Bank Limited

Registrar & Share Transfer Agent

Beetal Financial & Computer Services Pvt. Ltd.
Beetal House, 3rd Floor, 99, Madangir,
Behind Local Shopping Centre
Near Dada Harsukhdas Mandir, New Delhi-62
Tel: 011 2996 1281/82
Fax: 011 2996 1284

Important Communication to members

The ministry of Corporate Affairs has taken a "Green initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this Green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants, Members who hold shares in Physical form are requested to register their e-mail addresses with the Company.

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NOTICE OF 23RD ANNUAL GENERAL MEETING

Notice is hereby given that 23rd Annual General Meeting of the members of Spectrum Foods Limited, will be held on Thursday, 28th September, 2017 at 3:00 P.M. at L-5, B - II, Krishna Marg, C-Scheme, Jaipur-302001, Rajasthan, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company as on 31st March, 2017 including any explanatory note annexed to, or forming part of the aforementioned documents, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint M/s Choudhary Gupta & Co., Chartered Accountants, in place of M/s N. Kataria & Associates, Chartered Accountants, the retiring Auditors of the Company, and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution is an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s Choudhary Gupta & Co., Chartered Accountants (Firm Registration No. 003165C), be appointed as statutory auditors of the Company, in place of retiring auditors M/s N. Kataria & Associates (ICAI Firm Registration Number: 014941C), Chartered Accountants, to hold office from the conclusion of this 23rd Annual General Meeting for term of consecutive five years till the conclusion of the 28th Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) and that the Board be and is hereby authorised to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out of pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

SPECIAL BUSINESS

3. To increase the remuneration of Mr. Girdhar Gopal Saboo [DIN:00364750], Managing Director:

To consider and if thought fit, to pass with or without modification(s) the following resolutions as Special Resolutions:

“RESOLVED THAT Pursuant to the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and recommendation of Nomination and Remuneration Committee and Audit Committee, approval of the Company be and is hereby accorded for revision in the remuneration of Mr. Girdhar Gopal Saboo [DIN:00364750], Managing Director of the Company, on the terms and conditions including remuneration as mentioned below:

Sr. no.	Particulars
1.	Basic Salary Rs. 1,50,000/- per month w.e.f. October 01, 2017.
2.	Reimbursement of medical expenses incurred in India or abroad including hospitalisation, nursing home and surgical charges for himself and family subject to ceiling of one month salary in a year.

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3.	Reimbursements of actual travelling expenses for proceeding on leave with family to anywhere in India or abroad as per rules of the Company.
4.	Reimbursement of membership fees for a maximum of two clubs.
5.	Personal accidents and Mediclaim Insurance Policy, premium not to exceed Rs. 1,00,000/- per annum.
6.	Car, Telephone, Cell Phone, PC shall be provided and their maintenance and running expenses shall be met by the Company. The use of above at residence for official purpose shall not be treated as perquisites.
7.	Other benefits like Gratuity, Provident Fund, Leave etc. as applicable to the employees of the Company.

“RESOLVED FURTHER THAT Board of Directors be and are hereby authorized to increase the remuneration of Mr. Girdhar Gopal Saboo, Managing Director of the company from time to time subject to the limit Rs. 84 Lakhs p.a. (Rupees Eighty Four Lakhs per annum) as per Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and recommendation of Nomination and Remuneration Committee and Audit Committee.”

BY ORDER OF THE BOARD

Sd/-
(Sanjay Sarna)
Director

Date: 25.08.2017

Place: Jaipur

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NOTES:

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

1. The register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2017 to 28th September, 2017 (both days inclusive).
2. Non-Resident Indian Shareholders are requested to inform M/s Beetal Financial & Computer Services (P) Ltd., the Registrar and Share Transfer Agent of the Company immediately about:
 - (a) The change in the Residential status on return to India for permanent settlement.
 - (b) The particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank, if not furnished earlier.
3. Members requiring information on the accounts are requested to write to the Company at least 7 (Seven) days before the date of the meeting to enable the Company to furnish the information.
4. Members are requested to:
 - I) Intimate change in their Registered Addresses, if any, in respect of Equity Shares held in electronic form (Dematerialized form) to their Depository Participant(s).
 - II) Intimate the Registrar & Share Transfer Agent about any change in their Registered Addresses in respect of equity shares held in physical form.
 - III) Quote the registered folio number / DP-ID and CL-ID in all future correspondence.
 - IV) To address their grievances to the Company Secretary if any, at the Registered Office of the Company.
5. Members are requested to please bring their copies of Annual Report at the meeting.
6. Members and Proxies attending the meeting should bring the attendance slip duly filled in for attending the meeting.
7. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business mentioned in the Notice is annexed hereto.
8. Members are informed that in case of Joint holders attending the meeting, only the joint holder higher in the order of the names will be entitled to vote.
9. Corporate members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
10. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 23rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):
- 11. The instructions for members for voting electronically are as under:-**
 - A. The voting period begins on 25th Sept., 2017 at 10:00 A.M and ends on 27th Sept., 2017 at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st Sept.,2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - B. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - C. The shareholders should Log on to the e-voting website www.evotingindia.com
 - D. Click on "Shareholders" tab.
 - E. Now, select the "Spectrum Foods Limited" from the drop down menu and click on "SUBMIT"
 - F. Now Enter your User ID
 - G. For CDSL: 16 digits beneficiary ID,
 - H. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - I. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - J. Next enter the Image Verification as displayed and click on Login.
 - K. 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.
 - L. If you are a first time user follow the steps given below:

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PAN*	<p>For Members holding shares in Demat Form and Physical Form</p> <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 in Capital Letter followed by 8 digits sequence no in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
Dividend Bank Details# OR Date of Birth(DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mention in instruction (vi).</p>

- (a) After entering these details appropriately, click on "SUBMIT" tab.
 - (b) Members holding shares in physical form will then directly reach 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.
 - (c) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (d) Click on the EVSN (Electronic Voting Sequence Number) of "Spectrum Foods Limited" to vote.
 - (e) 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.
 - (f) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions.
 - (g) 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.
 - (h) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (i) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - (j) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code (Image Verification Code) and click on Forgot Password & enter the details as prompted by the system.
- (k) Note for Non-Individual Shareholders & Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian 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 should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com & 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, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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- (l) 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.
12. The voting period begins on September 25, 2017 at 10.00 A: M. and ends on September 27, 2017 at 5:00 P.M. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 11, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
13. The e-voting period ends on September 27, 2017 at 5:00 P.M. In case you have any queries or issues regarding e-voting, please contact helpdesk.evoting@cdslindia.com.
14. The Company has appointed Mr. Vinod Naredi, Company Secretary in whole time practice as Scrutinizer, for conducting the process in a fair and transparent manner.
15. Voting rights will be reckoned on the paid-up value of the shares registered in the name(s) of the public shareholder(s) on the cut-off date i.e. September 21, 2017.
16. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
17. The Scrutinizer will submit his report addressed to the Board of Directors of the Company, Mr. Sanjay Sarna, the Chairman appointed by the Company in this regard or to any other person duly authorized in this behalf by the Chairman, after completion of scrutiny of including e-voting in a fair and transparent manner. The results of the will be announced by the Chairman appointed by the Company in this regard or by the Person authorized in this behalf by the Chairman on the date of AGM September 28, 2017 at 3:00 P.M. at the Registered Office of the Company and communicated to the Stock Exchanges where the Company’s shares are listed.
18. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
19. As per the provision of Listing Regulations, particulars of Directors to be appointed / re- appointed at the 23rd Annual General Meeting are given separately in the notice.
20. Notice of Annual General Meeting will be sent to those shareholders /beneficial owners, whose name will appear in the register of members/list of beneficiaries received from the depositories as on 25th day of August, 2017.
21. The investors may contact the Company Secretary for redressed of their grievances/queries. For this purpose, they may either write to him at the Registered office address or e-mail their grievances/queries to the Company Secretary at the following e-mail address: account@suryasalt.com
22. Queries on account and operations may please be sent to the Company, 7 days in advance of the Annual General Meeting so that the answers may be made available at the meeting.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF COMPANIES ACT, 2013:

Item no. 2:

The Statutory Auditors, M/s N. Kataria & Associates (ICAI Firm Registration Number: 014941C) , Chartered Accountants, who have completed two consecutive terms of five years ad transitional period of 3 years provided in the second proviso of section 139 (2) of the Companies Act, 2013 and are due to retire at the forthcoming Annual General Meeting and are not eligible for re-appointment as per provisions of the section 139 (2) of the Companies Act, 2013, hence the Board of Directors and audit committee of the company, considered the matter and has recommended appointment of M/s Choudhary Gupta & Co., Chartered Accountants (ICAI Firm Registration Number: 003165C), as the Statutory Auditors in place of the retiring Auditors, M/s N. Kataria & Associates.

The Audit Committee has recommended to the Board of Directors, the appointment of M/s Choudhary Gupta & Co., Chartered Accountants as the Statutory Auditors as their qualifications and experience have been found to be commensurate with the size and requirements of the Company. Written consent of the proposed auditors together with a certificate that the appointment, if made, shall be in accordance with the conditions specified in Rule 4 of the Companies (Audit and Auditors) Rules, 2014 has been received

The Directors recommend the Resolution for the approval of the Members. None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested in this Resolution.

Your Directors recommend the proposed resolution for your approval.

Item no. 3:

According to the new Act, director's responsibilities have increased. Keeping in view the enhanced role, responsibilities and duties of directors, it is considered appropriate that the remuneration payable to the Directors by the Company should be commensurate with their increased role, responsibilities and duties. In order to fulfil the same the company is adopting Schedule V of the Act which provides for payment of remuneration to the directors in case of inadequacy of profits.

Mr. Girdhar Gopal Saboo is a promoter and Managing Director of the company and experienced in the field of manufacturing products. He holds a degree in Chemical Engineering from Mayo College, Ajmer (Rajasthan). He has a excellent grasp and thorough knowledge and experience of not only engineering and technology but also of General management. His knowledge of various aspects relating to the company's affairs and long business experience, the Board of Directors is of the considered opinion that the remuneration of Mr. Girdhar Gopal Saboo be increased from Rs. 12 Lakhs to Rs. 18 Lakhs.

In the terms of provisions of the Companies Act, 2013 and the Articles of Association of the company, the Nomination and Remuneration Committee and Audit Committee of the company and Board of the Directors have at their meeting held on 11th August, 2017, recommended to revise the remuneration of Mr. Girdhar Gopal Saboo as Rs. 18 Lakhs p.a. (Rupees Eighteen Lakhs per annum) w.e.f 01st October, 2017 in accordance with the provisions of Section 197 read with Schedule V of the Act.

Sr. no.	Particulars
1.	Basic Salary: Rs. 1,50,000 /- per month w.e.f. October 01, 2017
2.	Reimbursement of medical expenses incurred in India or abroad including hospitalization, nursing home and surgical charges for himself and family subject to ceiling of one month salary in a year.
3.	Reimbursements of actual travelling expenses for proceeding on leave with family to anywhere in India or abroad as per rules of the Company.
4.	Reimbursement of membership fees for a maximum of two clubs.
5.	Personal accidents and Medclaim Insurance Policy, premium not to exceed Rs. 1,00,000/- per annum.

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6.	Car, Telephone, Cell Phone, PC shall be provided and their maintenance and running expenses shall be met by the Company. The use of above at residence for official purpose shall not be treated as perquisites.
7.	Other benefits like Gratuity, Provident Fund, Leave etc. as applicable to the employees of the Company.

The Nomination and Remuneration Committee, Audit Committee of the company and Board of the Directors have at their meeting held on 11th August, 2017, also recommended to revise the remuneration of Mr. Girdhar Gopal Saboo from time to time the Nomination and Remuneration Committee and Audit Committee of the company and Board of the Directors have at their meeting held on 11th August, 2017, recommended to revise the remuneration of Mr. Girdhar Gopal Saboo as per Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company.

Your Directors recommend the proposed resolution for your approval.

Except Mr. Girdhar Gopal Saboo, none of the Directors and Key Managerial Personnel of the company and their relatives is concerned or interested in the resolution set out in the item no. 03.

INFORMATION ABOUT THE APPOINTEE:

Background Details	Mr. Girdhar Gopal Saboo is a Graduate in Chemical Engineering, who is a dynamic, ambitious and very aggressive young entrepreneur, is at the helm of affairs of SSCL as its Managing Director, In fact, the Company is his own brain wave.
Past Remuneration.	Rs. 1,00,000/- Per Month
Recognition of Awards	N.A.
Job Profile and his suitability	Mr. Girdhar Gopal Saboo ex-alumni of Mayo College, Ajmer and Chemical Engineering Graduate is a dynamic, ambitious and very aggressive young entrepreneur is at the helm of affairs of SSCL as its CMD.
Pecuniary Relationship Directly/ Indirectly with the Company	N.A.

GENERAL INFORMATION OF THE COMPANY:

Nature of Industry	Salt and Spices Manufacturing Industry FMCG
Year of Commencement of Commercial Production	1994
Financial Performance	Rs. 8,62,59,406
Export Performance	Nil
Foreign Investment	Nil

OTHER INFORMATION:

1) Reasons for Losses:

The sale of Company's Food grade salt has declined during the year under purview hence company has incurred losses.

2) Steps taken or proposed to be taken for improvement:

The company has undertaken stringent cost actions. The management continuous to explore new avenues to increase revenue of the company through judicious investments in capabilities. Your company is planning to add more FMCG products so that it can increase its productivity and profit too.

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3) Expected increase in productivity and profits:

The company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that the financial position of the company will improve further in near future.

ANNEXURE TO THE NOTICE OF 23RD AGM

Details of Directors seeking appointment/re-appointment in the Annual General Meeting to be held on 28th September, 2017, pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government are provided herein below::

Name of Director	Mr. Girdhar Gopal Saboo
Date of Birth	09/12/1967
Date of Appointment	30/09/2016
Designation	Managing Director
Qualifications	Chemical Engineer
Directorship held in other Public Limited Companies	Saboo Sodium Chloro Ltd.
Members/Chairmanship of Committees of other public Companies	Saboo Sodium Chloro Ltd.

BY ORDER OF THE BOARD
Sd/-
(Sanjay Sarna)
Director

Date: 25.08.2017
Place: Jaipur

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BOARD'S REPORT

**TO,
THE MEMBERS,
SPECTRUM FOODS LTD.,**

Your Directors are pleased to present the 23rd Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2017.

FINANCIAL RESULTS

The financial results of the Company for the year ended 31st March, 2017 under report as compared to the previous year are summarized below:

Particulars	Financial year ended 31st March, 2017	Financial year ended 31st March, 2016
Total Income	8,62,59,406	5,43,11,549
Profit before depreciation and taxation	81,04,659	85,21,611
Depreciation	2,57,57,975	2,07,03,813
Profit before tax	(17,65,33,17)	(12,18,22,202)
Taxation (including Deferred Taxation and Short/Excess Provision for Earlier year)	0	0
Profit (loss) after Tax	(17,65,33,17)	(12,18,22,202)

TURNOVER, PROFITS & FUTURE PROSPECTS

The total income during the year under review was Rs. 8, 62, 59,406 as against Rs. 5,43,11,549 in the previous year. During the year under review the turnover was increased though but company recorded loss again in this year.

DIVIDEND

In view of the financial position of the Company, the Directors do not recommend payment of any dividend for the year ended on 31st March, 2017.

CORPORATE SOCIAL RESPONSIBILITY

Even though the provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company yet the Company has been, over the years, pursuing as part of its corporate philosophy, an unwritten CSR policy voluntarily which goes much beyond mere philanthropic gestures and integrates interest, welfare and aspirations of the community with those of the Company itself in an environment of partnership for inclusive development.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The company's policy on Director's appointment and remuneration and other details provided in section 178(3) of the Act has been disclosed In Corporate Governance Report, which forms part of Directors Report.

AUDITORS

1. STATUTORY AUDITOR

M/s N. Kataria & Associates (ICAI Firm Registration Number: 014941C), Chartered Accountants, Jaipur, has been appointed as Statutory Auditors of the company at the Last Annual General Meeting held on 30.09.2016 for the Financial year 2016-17 who retires at this Annual General Meeting and since it has completed two consecutive terms of five years ad transitional period of 3 years provided in the second proviso of section 139 (2) of the Companies Act, 2013, hence they cannot be re-appointed. Audit committee has recommended the Board for appointment of M/s Choudhary Gupta & Co., Chartered Accountants in place of M/s N. Kataria & Associates, the Board has considered the same and has placed the appointment for the shareholder's approval in their upcoming meeting.

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2. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Naredi Vinod & Associates (CP No 7994, ACS 20453), Company Secretaries to undertake the Secretarial audit of the company for the financial year 2016-17.

3. INTERNAL AUDITOR

Ms. Chandni Jain, Chartered Accountant (Category Individual) Having Membership Number 421132 performs the duties of Internal Auditors of the company and their report is reviewed by the audit committee from time to time.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The company's policy on Director's appointment and remuneration and other details provided in section 178(3) of the Act has been disclosed In Corporate Governance Report, which forms part of Directors Report.

STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTOR U/S 149(6) OF THE COMPANIES ACT, 2013

It is stated that pursuant to the Provisions of Companies Act, 2013 the Declaration given by the Independent Directors meets the Criteria of Independence as mentioned in the schedule IV of Companies Act, 2013 and under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

LISTING AT STOCK EXCHANGE

The Equity Shares of the Company are listed at Bombay Stock Exchange. The Company confirms that it has paid the Annual Listing fees for the year 2016-17 to BSE where the Company's shares are listed.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are:

- a) Employed throughout the year- Nil
- b) Employed for part of the year- Nil

FIXED DEPOSITS

During the year under review, your Company has not invited any fixed deposit from the public in the terms of the provision of Section 73 to 76 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure A".

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior the company has adopted a vigil mechanism policy. This policy is explained in corporate governance report.

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The report on Management Discussion and Analysis as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock exchange is set out as 'Annexure B' to the Director's Report.

CORPORATE GOVERNANCE REPORT

The Company has complied with all the mandatory requirements of Corporate Governance specified by Securities & Exchange Board of India (SEBI) through Listing Regulations, 2015. As required by the said regulations, a separate Report on Corporate Governance forms part of the Annual Report of the Company.

DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Notes to the financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2017 and of the profit of the company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities ;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) that systems to ensure compliance with provisions of all applicable laws were in place and were adequate and operating effectively;

EXTRACT OF ANNUAL RETURN

The extract of annual return in Form MGT-9 as required under Section 92(3) and Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended as an Annexure to this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions entered during the year were in Ordinary Course of the Business & on Arm's Length basis. No Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

CODE OF CONDUCT

As the New Companies Act, 2013 has been made effective from 01st April, 2014 which replaces the erstwhile Companies Act, 1956 (to the extent of notified sections) and the provisions of 149(8) requires that the Audit Committee shall review and recommend to the Board for their approval, the Code of Conduct for the Independent Directors. In this connection, the draft Code of Conduct

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for Independent Directors was placed before the Board along with the recommendations of the Audit Committee and the same was approved by the Board in the Meeting held on May 18, 2015.

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. Board Members and Senior Management Personnel have affirmed Compliance with the Code for the Period 2016-17. A separate declaration to this effect is made out in the Corporate Governance Report.

The Company has adopted code of practices and procedures for fair disclosures of unpublished price sensitive information and code of conduct as required under Regulation (8)(1) and Regulation (9)(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the co-operations received from its Bankers, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services of the executive, staff and workers of the Company.

CAUTIONARY STATEMENT

The statements contained in the Board's Report and Management Discussion and Analysis contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations.

Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

CONCLUSION

Your Company's Board and employees are inspired by their vision of sustaining of the Company as a dynamic and valuable Company through world class performance, creating enduring value for all stakeholders, including the shareholders and the Indian Society. The Company is continuously engaged in upgrading strategic capability to effectively address the challenge of growth in an increasingly competitive market. The vision of enlarging your Company's contribution to the Indian economy is manifest in the creation of unique business models that foster international competitiveness. Propelled by this vision and powered by the internal vitality, your Directors look forward to the future with confidence.

Date: 30.05.2017
Place: Jaipur

For & on behalf of the Board of Directors
Sd/-
Girdhar Saboo
Director

Sd/-
Sanjay Sarna
Director

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ANNEXURE “A” TO THE BOARD’S REPORT:

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, your Company has not made any expenditure for the conservation of energy, research and development as the company is only trading Company. However, the Company is conscious to comply with the same as and when the need for the same falls due.

Foreign Exchange Earning –Nil

Foreign Exchange Outgo –Nil

ANNEXURE “B” TO THE BOARD’S REPORT:

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The management of the Company is pleased to present its analysis on the Company's performance and its outlook, opportunities and challenges prepared in compliance with the Corporate Governance requirement as laid down in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company proposed to capture the growth potential in FMCG products by entering in retailing of the same.

OUTLOOK

Company continues to enjoy strong support from its promoters. As the Company has entered into the manufacturing of spices and Industrial and edible Salt arena, the business is poised to grow well in the future. The Company is also planning to enter in the retail market by distribution the FMCG products.

CHALLENGES

Now the Company is working on building its own brand image. The Company is also setting up its own network for marketing and selling its spices and industrial salt. The brand building image will require recruitment of high quality manpower and setting up of distribution network on large scale. The management is also contemplating of taking steps for cost reduction in order to improve the financial position.

INTERNAL CONTROL SYSTEM

The company remains committed to ensure an effective internal control that provides assurance on the efficiency of operations and security of assets. The company's well established and robust internal audit processes, both at business and corporate levels, continuously monitor the effectiveness of the internal control environment across the company and the status of compliance with operating systems, internal policies and regulatory requirements.

HUMAN RESOURCE DEVELOPMENT

Out of all the resources available to the Company, Human Resource is the only asset that appreciates with time. In its continued efforts to nurture the best human talent, during the year the management continued with its strategy of imparting professional training to the executives and staff at various levels with a view to upgrade their competency and remove all levels of inefficiency in order to make the Company more competitive. This is not a luxury, but a necessity, if the Company has to survive in a globally competitive market, providing better product at better cost requires additional efforts to develop skills and efficiency in the new appointees to face the challenge.

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ANNEXURE C TO THE BOARD'S REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L15499RJ1994PLC008016
2.	Registration Date	07/02/1994
3.	Name of the Company	SPECTRUM FOODS LIMITED
4.	Category/Sub-category of the Company	PUBLIC COMPANY, LIMITED BY SHARES
5.	Address of the Registered office & contact details	L-5,B-II, KRISHNA MARG, C-SCHEME, JAIPUR- 302001 RAJASTHAN, INDIA
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/S Beetal Financial & Computer Services (P) Ltd Beetal house, 3rd floor, 99, Madangir Behind Local Shopping Centre Near Dada Harsukhdas Mandir, New Delhi-62 Telephone no. 011 2996 1281/82 Fax: 011 2996 1284

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Salt Manufacturing	10798	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/	% to total turnover of the company
1	None		

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of total share	
A. Promoter's									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	55068	-	55068	1.14	55068	-	55068	1.14	-
e) Banks / FI	-	-	-	-	-	-	-	-	-

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(f) Any other Director	1999343		1999343	41.24	1999343		1999343	41.24	-
Total shareholding of Promoter (A)	2054411	-	2054411	42.37	2054411	-	2054411	42.38	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	2200934	60000	2260934	46.63	2199383	60000	2259383	46.60	(.03)
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 2 lakhs	123265	19990	143255	2.95	196227	33090	229317	4.73	1.78
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakhs	232343	129080	361423	7.45	167367	115980	283347	5.84	(1.61)
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
OCB	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members									
HUF	28363	-	28363	0.59	21928	-	21928	0.45	0.14
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies -D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	2584905	209070	2793975	57.63	2584905	209070	2793975	57.63	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2584905	209070	2793975	57.63	2584905	209070	2793975	57.63	-
C. Shares held by Custodian for GDRs &	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4639316	209070	4848386	100.00	4639316	209070	4848386	100.00	-

B. Shareholding of Promoter-

S.no	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2016]			Shareholding at the end of the year [As on 31-March-2017]			% change in shareholding during the year
		No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Saboo Damodar	16929	0.35	-	16929	0.35	-	-

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	Ropeways Private Limited							
2	Fortress Hotels and Resorts Private Limited	16968	0.35	-	16968	0.35	-	-
3	Rajasthan Mega Developers Private Limited	21171	0.44	-	21171	0.44	-	-
4	Girdhar Gopal Saboo	1999343	41.24	1000000	1999343	41.24	1000000	-

* The term "encumbrance" has the same meaning as assigned to it in regulation 28(3) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

* Shareholders listed under Sl. No. 1 to 4 are disclosed as promoters under regulation 30(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as on March 31, 2017.

C. Change in Promoters' Shareholding

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Girdhar Gopal Saboo	1999343	41.24	1999343	41.24
	Changes during the Year	-			
	At the end of the year	1999343	41.24	1999343	41.24

D. Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Nawa Hotels and Resorts Pvt Ltd	1051211	21.68	1051211	21.68
2	Tiger Salts Pvt Ltd	1027691	21.20	1027691	21.20
3	Nawa Salts Pvt. Ltd.	115000	2.37	115000	2.37
4	Manju Saboo	65390	1.35	65390	1.35
5.	Archana Saboo	64962	1.34	64962	1.34
6.	Chandra Shekar Saboo	50590	1.04	50590	1.04
7.	Saboo Engitech Pvt Ltd	60000	1.24	60000	1.24
8	Nareshkumar Anubhai Shah	0	0.87	42000	0.87
9.	Sanjaykumar Sarawagi	32850	0.68	32825	0.68
10.	Sonal Vijay Kumar Vejani	27580	0.57	27580	0.57

E. Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	None of the Directors or KMP hold shares in company			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	None of the Directors or KMP hold shares in company			
	At the end of the year	None of the Directors or KMP hold shares in company			

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	137896357	47999953	-	185896310
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	137896357	47999953	-	185896310
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	(20608848)	(479353)	-	(21088201)
Net Change			-	
Indebtedness at the end of the financial year				
i) Principal Amount	117287509	47520600	-	164808109
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	117287509	47520600	-	164808109

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors:

SN.	Particulars of Remuneration	Total Amount		
		Managing Director	Whole Time Director	Total
1	Gross salary	12,00,000	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5	Allowance	-	-	-
	Total (A)	12,00,000	-	-

B. Remuneration to other directors

No sitting fees and other benefits are given to Independent Directors.

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

SN	Particulars of Remuneration	Key Managerial Personnel	
		CFO	Total

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1	Gross salary	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	Others specify...	-	-
5	Others, please specify	-	-
	Total	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
B. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

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REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is about promoting corporate fairness, transparency, accountability and integrity of the management. It also aims to align, as nearly as possible, the interests of individuals, corporations and society and thereby enhancing the stakeholders' value. Good corporate governance practices have always been an integral part of the Company's philosophy. The commitment to good corporate governance practices predates the laws and mandates of the Securities and Exchange Board of India (SEBI) and the stock exchanges through Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015. Given below are the Company's corporate governance policies and practices:

2. BOARD OF DIRECTORS

The Board of Directors provides strategic direction and thrust to the operations of the Company, thereby enhancing the value of the stakeholders.

• Composition

The Board has an optimum combination of Executive and Non-Executive Directors, and is in conformity with the regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 with the stock exchange, in which the Company's shares are listed. The composition of the Board as on March 31, 2017 was as under:

1. Promoter & Executive Chairman
2. Non-Executive & Independent Directors

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees across all the companies in which he is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies.

• Details of meeting held:

The Board met 8 times on the following dates during the financial year 2016-17:

QUARTERS	Date of Meeting
1 ST QUARTER	28.05.2016
2 ND QUARTER	13.08.2016
	01.09.2016
	03.09.2016
	05.09.2016
3 RD QUARTER	07.10.2016
	12.11.2016
4 TH QUARTER	11.02.2017

• Category and Attendance of Directors

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the financial year 2016-17 and at the last Annual General Meeting (AGM), as also the number of Directorships and Committee positions held by them in other Public Limited Companies as on March 31, 2017 are as follows:

Name of Directors	Status	Board Meetings attended during the year	Attendance at last AGM	Number of Directorship Held in other Public companies	Board Committee Membership/ Chairmanship held in other Public companies
Mr. Girdhar Gopal Saboo	Executive Director	8	Yes	1	NIL

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Mr. Atul Kharbanda	Non-Executive Director and Independent	8	Yes	NIL	1
Mr. Vijay Kumar	Non- Executive Director and Independent	6	Yes	NIL	1
Mr. Natvarsingh Parmar	Non-Executive Director and Independent	0	No	NIL	1
Mr. Sanjay Sarna	Non-Executive Director and Independent	6	Yes	1	1
Mrs. Archana Saboo***	Non-Executive Director and Independent	5	Yes	1	NIL

Shareholding of Non-Executive Directors as on March 31, 2017 is as under:

Sr. No.	Name	No. of shares held	% of Paid-up
1.	Mr. Vijay Kumar	NIL	-
2.	Mr. Natvarsingh Parmar	NIL	-
3.	Mr. Atul Kharbanda	NIL	-
4.	Mr. Sanjay Sarna	NIL	-
5.	Mrs. Archana Saboo***	64962	1.34%

*** Mrs. Archana Saboo resigned from the post of Directorship w.e.f. 07.10.2016.

3. AUDIT COMMITTEE

The Audit Committee has been constituted as per Section 177(8) of the Companies Act, 2013 and the guidelines set out in the Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015. The terms of reference include:

- To investigate any activity within its terms of reference.
- To seek information from any employee/ records of the Company.
- To obtain outside legal or other professional advice.
- Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Major accounting entries based on exercise of judgment by management.
- Compliance with accounting standards
- Compliance with Stock Exchange and legal requirements concerning financial statements.
- Any changes in accounting policies and practices.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.
- Reviewing the adequacy of internal audit function.
- Discussion with internal auditor regarding any significant findings and follow up thereon.
- Discussion with external auditors before the audit commences the nature and scope. of audit as well as has post-audit discussion to ascertain any area of concern.
- Review the functioning of the Whistle Blower mechanism.
- Any other item referred to it by the Board.

- **Composition:**

Name	Designation	Category
Mr. Atul Kharbanda	Chairman	Non-Executive & Independent Director
Mr. Vijay Kumar	Member	Non-Executive & Independent Director
Mr. Natvarsingh Parmar	Member	Non-Executive & Independent Director

- **Meetings held:**

The committee met 5 times on the following dates during the financial year 2016-17:
27.05.2016; 13.08.2016; 01.09.2016; 12.11.2016; 11.02.2017

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- **Category and Attendance of members:**

The names and categories of the Directors on the Committee, their attendance at the Meetings held during the Financial Year 2016-17 are as follows:

<i>Name</i>	<i>Category</i>	<i>Attendance</i>
Mr. Atul Kharbanda	Non-Executive & Independent Director	5
Mr. Vijay Kumar	Non-Executive & Independent Director	5
Mr. Natvarsingh Parmar	Non-Executive & Independent Director	0

Members of the Audit Committee have requisite financial and management expertise and have held or hold senior positions in other reputed organization.

The Statutory Auditors, Internal Auditors and the Compliance Officer are invited to attend and participate in the meeting of the Committee. The Compliance Officer acts as the Secretary to the Committee.

Members of the Audit Committee have requisite financial and management expertise and have held or hold senior positions in other reputed organization.

The Statutory Auditors, Internal Auditors and the Compliance Officer are invited to attend and participate in the meeting of the Committee. The Compliance Officer acts as the Secretary to the Committee.

4. **REMUNERATION COMMITTEE**

The Company had merged the existing Nomination and Remuneration Committee in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in pursuant to the provisions of Companies Act, 2013. The terms of reference of the remuneration committee includes among others:

- To review, assess and recommend to the Board the appointment of the executive and non-executive Directors and the compensation payable to him.
- To consider and recommend human resource policies relating to the compensation and performance management.

- **Composition:**

<i>Name</i>	<i>Designation</i>	<i>Category</i>
Mr. Atul Kharbanda	Chairman	Non-Executive & Independent Director
Mr. Vijay Kumar	Member	Non-Executive & Independent Director
Mr. Natvarsingh Parmar	Member	Non-Executive & Independent Director

- **Meetings held:**

The committee met 1 time on the following dates during the financial year 2016-17 on 01.09.2016.

- **Category and Attendance of members:**

The names and categories of the Directors on the Committee, their attendance at the Meetings held during the Financial Year 2016-17 are as follows:

<i>Name</i>	<i>Category</i>	<i>Attendance</i>
Mr. Atul Kharbanda	Non-Executive & Independent Director	1
Mr. Vijay Kumar	Non-Executive & Independent Director	1
Mr. Natvarsingh Parmar	Non-Executive & Independent Director	0

5. **SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE**

The Board of Directors constituted the shareholders/ investors' grievance committee to look into redressal of investors' complaints like share transfers, non-receipt of annual reports, issue of duplicate share certificate, transfer and transmission of shares and other allied transactions. Its scope

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also includes delegating the powers to the executives of Company/share transfer agents to process share transfers etc.

- **Composition :**

<i>Name</i>	<i>Designation</i>	<i>Category</i>
Mr. Atul Kharbanda	Chairman	Non-Executive & Independent Director
Mr. Vijay Kumar	Member	Non-Executive & Independent Director
Mr. Natvarsingh Parmar	Member	Non-Executive & Independent Director

- **Meetings held:**

The committee met 4 times on the following dates during the financial year 2016-17:
12.04.2016; 18.07.2016; 20.10.2016; 13.01.2017

- **Category and Attendance of members:**

The names and categories of the Directors on the Committee, their attendance at the Meetings held during the Financial Year 2016-17 are as follows:

<i>Name</i>	<i>Category</i>	<i>Attendance</i>
Mr. Atul Kharbanda	Non-Executive & Independent Director	4
Mr. Vijay Kumar	Non-Executive & Independent Director	4
Mr. Natvarsingh Parmar	Non-Executive & Independent Director	0

- **Status of Investor Complaints**

There was no complaint pending before share transfer Agents as on 31.03.2017.

6. **GENERAL BODY MEETINGS**

A. **Annual General Meeting**

The details of Annual General Meetings held in the last three years are given below:

AGM/EGM	Date	Time	Venue
AGM	29.09.2014	01:00 PM	L-5, B-II Krishna Marg, C-Scheme, Jaipur-302001, Rajasthan.
AGM	30.09.2015	03.00 PM	L-5, B-II Krishna Marg, C-Scheme, Jaipur-302001, Rajasthan.
AGM	30.09.2016	03.00 PM	L-5, B-II Krishna Marg, C-Scheme, Jaipur-302001, Rajasthan.

B. **Extra Ordinary General Meeting during the year**

No Extra-Ordinary General Meeting was conducted during the financial year 2016-17.

7. **CODE OF CONDUCT**

The Company has in place a comprehensive Code of Conduct (the Code) applicable to all the employees and Non-executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company viz. - Customer Value, Ownership Mind-set, Respect, Integrity, One Team and Excellence.

The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually. A declaration signed by the Company's Chairman is published in this Report.

8. **PROHIBITION OF INSIDER TRADING**

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

9. **DISCLOSURES**

There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their relatives etc. that may

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have potential conflict with the interests of the Company at large.

The company has always ensured fair code of conduct and maintained transparency. There were no instances of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

In accordance with requirement of Companies Act as well as Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a vigil mechanism has been adopted by the board of directors and accordingly a whistle blower policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor or Chairman of the Audit Committee of the Company to report any grievance.

Compliances, rules & regulations as laid down by various statutory authorities has always been observed by the company since such change over both in letter as well as in spirit.

The Board has obtained certificates/disclosures from key management personnel confirming they do not have any material financial and commercial interest in transactions with the company at large.

10. MEANS OF COMMUNICATION

In compliance with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company regularly intimates un-audited as well as audited financial results to the Stock Exchanges where shares of the Company are listed for the benefit of the investors, immediately after they are taken on record by the Board. Moreover, the said results were put up on the BSE website, apart from being published in "Adhikar".

11. RECORDING MINUTES OF PROCEEDINGS AT BOARD AND COMMITTEE MEETINGS

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/ Board Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

12. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting for the Financial Year 2016-17:

Date:	Thursday, 28th September, 2017
Venue:	L-5, B-II, Krishna Marg, C-Scheme, Jaipur-302001
Time:	3:00 PM
Last Date for receipt of Proxy Forms:	Tuesday, 26 th September, 2017 before 3:00 PM

b. Financial Calendar

The meetings of Board of Directors for approval of quarterly financial results during the financial year ended 31st March, 2017 were held the following dates:

Result for the qtr ending June 30, 2016	13 th August, 2016
Result for the qtr ending Sep 30, 2016	12 th November, 2016
Result for the qtr ending Dec 31, 2016	11 th February, 2017
Audited Result if any for the current year ending Mar 31, 2017	30 th May, 2017

c. Book Closure Date

The Share Transfer Register of the Company shall remain closed from 22nd September, 2017 to 28th September, 2017 (both days inclusive).

d. Dividend

No dividend being recommended by the Board during the year.

e. Listing of Equity Shares in Stock Exchange

The share of the Company are Listed at Bombay Stock Exchange.

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f. Demat ISIN exchange number in NSDL & CDSL for equity shares

INE547C01018

g. Stock Code.

Bombay Stock Exchange Limited, Mumbai – 531982.

h. Market Price Data

<i>Month</i>	<i>High Price</i>	<i>Low Price</i>	<i>No. of Shares</i>	<i>No. of trades</i>	<i>BSE Sensex High</i>
<i>Apr-16</i>	42.35	31.95	534	11	25606.62
<i>May-16</i>	48	40.15	29	9	26667.96
<i>June-16</i>	48.8	37.9	8662	11	26999.72
<i>Jul-16</i>	47.05	36.05	112	13	28051.86
<i>Aug-16</i>	49.3	32.95	10080	54	28452.17
<i>Sep-16</i>	41	34.55	2488	74	27865.96
<i>Oct-16</i>	40	40	1	1	27930.21
<i>Nov-16</i>	42	38.1	106	3	26652.81
<i>Dec-16</i>	49.5	40	231	16	26626.46
<i>Jan-17</i>	65.1	49.9	130	19	27655.96
<i>Feb-17</i>	77.25	68.3	207	24	28743.32
<i>Mar-17</i>	77	77	2	2	29620.5

Source: BSE website

i. REGISTRAR & SHARE TRANSFER AGENT

All the physical share transfer work is done in-house at the Share Department at the registered office of the Company at Jaipur and for Demat work the Company has appointed a registrar.

Address & Correspondence:

M/S Beetal Financial & Computer Services (P) Ltd
 Beetal house, 3rd floor, 99, Madangir
 Behind Local Shopping Centre
 Near Dada Harsukhdas Mandir, New Delhi-62
 Telephone no. 011 2996 1281/82
 Fax: 0141-2365888

j. SHARE TRANSFER SYSTEM

With a view to expedite the process of share transfers, the Board of Directors of the Company has delegated the power of share transfer to Shareholders' & Investor Grievances Committee. As on date all the work related to the shares both held in physical and electronic form is handled by RTA. All correspondences are to be directed to the RTA at the address mentioned above. The correspondences may also be sent at the Company's address which will be sent by the Company to RTA. Share transfer is normally affected within the maximum period of 30 days from the date of receipt.

k. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2017

<i>Shareholding of Nominal value</i>	<i>Number of Shareholders</i>	<i>% of Total</i>	<i>No. of Shares</i>	<i>Amount in Rs.</i>	<i>% of Total</i>
<i>Up to 5000</i>	250	75.07	13978	139780	0.29

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5001 to 10000	23	6.90	17253	172530	0.36
10001 to 20000	13	3.90	17360	17360	0.36
20001 to 30000	6	1.80	14882	148820	0.31
30001 to 40000	9	2.70	30672	306720	0.63
40001 to 50000	1	0.30	4500	45000	0.09
50001 to 100000	8	2.40	51825	518250	1.07
100001 & Above	23	6.90	4697916	46979160	96.90
Total	298	100.00	4848386	4848386	100.00

I. SHARE HOLDING PATTERN AS ON 31ST MARCH, 2017

SCRIP CODE : 530461 SCRIP NAME : SPECTRUM FOODS LIMITED LIMITED SCRIP TYPE :- EQUITY

(I)(A) STATEMENT SHOWING SHAREHOLDING PATTERN AS ON 31/03/2017

CATEGORY CODE	CATEGORY OF SHAREHOLDERS	NUMBER S OF SHAREHOLDERS	TOTAL NUMBER OF SHARES	NUMBER OF SHARES HELD IN DEMATERIALIZED FORM	TOTAL SHAREHOLDING AS A PERCENTAGE OF TOTAL NUMBER OF SHARES		SHARES PLEDGED OR OTHERWISE ENCUMBERED	
					AS A % OF(A+B)	AS A PERCENTAGE OF(A+B+C)	NUMBER OF SHARES	AS A %
(A)	SHAREHOLDING OF PROMOTER AND PROMOTER GROUP							
(1)	INDIAN							
(A)	INDIVIDUALS/ HINDU UNDIVIDED FAMILY	1	1999343	1999343	41.24	41.24	1000000	50.02
(B)	CENTRAL GOVERNMENT /STATE GOVERNMENT(S)	0	0	0	0.00	0.00	0	0.00
(C)	BODIES CORPORATE	3	55068	55068	1.14	1.14	0	0.00
(D)	FINANCIAL INSTITUTIONS BANKS	0	0	0	0.00	0.00	0	0.00
(E)	ANY OTHER DIRECTORS & THEIR RELATIVES SOCIETIES PARTNERSHIP FIRMS RBI EMP.WELFARE FUND ESOP/ESOS TRUSTS	0 0 0 0 0 0 0	0 0 0 0 0 0 0	0 0 0 0 0 0 0	0.00 0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00	0 0 0 0 0 0 0	0.00 0.00 0.00 0.00 0.00 0.00 0.00
	SUB-TOTAL (A)(1)	4	2054411	2054411	42.37	42.37	1000000	48.68
(2)	FOREIGN							
(A)	INDIVIDUALS (NON-RESIDENT INDIVIDUALS FOREIGN INDIVIDUALS)	0	0	0	0.00	0.00	0	0.00
(B)	BODIES CORPORATE	0	0	0	0.00	0.00	0	0.00
(C)	INSTITUTIONS	0	0	0	0.00	0.00	0	0.00
(D)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0.00	0	0.00
(E)	ANY DIRECTORS & THEIR RELATIVES SOCIETIES PARTNERSHIP FIRMS EMP.WELFARE FUND TRUST	0 0 0 0 0 0	0 0 0 0 0 0	0 0 0 0 0 0	0.00 0.00 0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00	0 0 0 0 0 0	0.00 0.00 0.00 0.00 0.00 0.00

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	ESOP/ESOS							
	SUB-TOTAL(A)(2)	0	0	0	0.00	0.00	0	0.00
	TOTAL SHAREHOLDING OF PROMOTER AND PROMOTER GROUP A= (A)(1)+(A)(2)	4	2054411	2054411	42.37	42.37	1000000	48.68
(B)	PUBLIC SHAREHOLDINGS							
(1)	INSTITUTIONS							
(A)	MUTUAL FUNDS/UTI	0	0	0	0.00	0.00	0	0.00
(B)	FINANCIAL INSTITUTIONS BANKS	0	0	0	0.00	0.00	0	0.00
(C)	CENTRAL GOVERNMENT STATE GOVERNMENT(S)	0	0	0	0.00	0.00	0	0.00
(D)	VENTURE CAPITAL FUND	0	0	0	0.00	0.00	0	0.00
(E)	INSURANCE COMPANIES	0	0	0	0.00	0.00	0	0.00
(F)	FOREIGN INSTITUTIONAL INVESTORS	0	0	0	0.00	0.00	0	0.00
(G)	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0.00	0	0.00
(H)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0.00	0	0.00
(I)	ANY OTHER							
	FOREIGN FIN INST	0	0	0	0.00	0.00	0	0.00
	FOREIGN MUT.FUND	0	0	0	0.00	0.00	0	0.00
	F.F.I/BANKS	0	0	0	0.00	0.00	0	0.00
	STRESSED ASSET	0	0	0	0.00	0.00	0	0.00
	STABILISATION							
	FUND FUND	0	0	0	0.00	0.00	0	0.00
	STATE FIN.CORP.							
	SUB TOTAL B(1)	0	0	0	0.00	0.00	0	0.00
2	NON-INSTITUTIONS							
(A)	BODIES CORPORATE	22	2260934	2200934	46.63	46.63	0	0.00
(B)	I. INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	252	143255	123265	2.95	2.95	0	0.00
	II.INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	11	361423	361423	7.45	7.45	0	0.00
(C)	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0.00	0	0.00
(D)	ANY OTHER							
	TRUSTS	0	0	0	0.00	0.00	0	0.00
	DIRECTORS & THEIR RELATIVES	0	0	0	0.00	0.00	0	0.00
	MARKET MAKER	0	0	0	0.00	0.00	0	0.00
	NRI	0	0	0	0.00	0.00	0	0.00
	CLEARING MEMBERS	0	0	0	0.00	0.00	0	0.00
	HUF	0	0	0	0.59	0.59	0	0.00
	NRIS/OCBS	9	28363	28363	0.00	0.00	0	0.00
	ESOP/ESOS/ESPS	0	0	0	0.00	0.00	0	0.00
	SUB-TOTAL(B)(2)	294	2793975	2584905	57.63	57.63	0	0.00
	TOTAL PUBLIC							

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	SHAREHOLDING (B)=(B)(1)+(B)(2)	294	2793975	2584905	57.63	57.63	0	0.00
	TOTAL (A)+(B)	298	4848386	4639316	100.00	100.00	1000000	20.63
(C)	SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED	-	-	-	-	-	-	-
1	PROMOTER AND PROMOTER GROUP	0	0	0	0.00	0.00	0	0.00
2	PUBLIC	0	0	0	0.00	0.00	0	0.00
	GRAND TOTAL (A)+(B)+(C)	298	4848386	4639316	100.00	100.00	1000000	20.63

m. DEMATERIALISATION OF SHARES

The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). As on 31st March 2017, 4639316 equity shares of the Company forming 95.688% of the share capital of the Company stand dematerialized.

n. LIQUIDITY OF SHARES

The Equity Shares of the Company have been regularly traded at Mumbai Stock Exchange.

o. OUTSTANDING GDRs/Warrants and Convertible Instruments

The Company has not issued any GDRs/Warrants or any other instrument which is convertible into Equity Shares of the Company.

p. PLANT LOCATIONS

Our company has plant located at Village-Badi Dhani, Bhartasar Road, Phalodi, Jodhpur (Raj.)

q. ADDRESS FOR CORRESPONDENCE

M/s Beetal Financial & Computer Services (P) Ltd
Beetal house, 3rd floor, 99, Madangir
Behind Local Shopping Centre
Near Dada Harsukhdas Mandir, New Delhi-62
Telephone no. 011 2996 1281/82
Fax: 011 2996 1284

Shareholders may also contact to:

The Compliance officer:
L-5, B - II
Krishna Marg, C-Scheme, Jaipur-302001, Rajasthan.

13. RECONCILIATION OD SHARE CAPITAL AUDIT

For each of the quarter in the financial year 2016-17, M/s Naredi Vinod & Associates, Company Secretaries, Jaipur carried out secretarial audits to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital. The audit report confirm that the total issued/ paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

14. COMPLIANCE WITH ACCOUNTING STANDARDS

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 1956 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

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15. COMPLIANCE CERTIFICATE OF THE AUDITORS

Certificate from the Company's Auditors, M/s. N. Kataria & Associates, (Chartered Accountants) confirming compliance with conditions of Corporate Governance as stipulated under Securities Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015, is attached to this Report.

16. ADOPTION OF MANDATORY AND NON-MANDATORY UNDER LISTING REGULATIONS

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations. In addition, the Company has also adopted the following non-mandatory requirements to the extent mentioned below:

- **Audit Qualification**

The Company is in the regime of unqualified financial statements.

- **Reporting of Internal Auditor**

The Internal Auditor directly reports to the Audit Committee on functional matters.

The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchanges, in accordance with the requirements of Regulation 27(2)(a) of the Listing Regulations.

17. CEO/CFO CERTIFICATE

Certificate from CEO/CFO for the financial year ended March 31, 2017 has been given elsewhere in the Annual Report.

For & on behalf of the Board of Directors

Date: 30th May, 2017
Place: Jaipur

Sd/-
SANJAY SARNA
(Director)

Sd/-
GIRDHAR SABOO
(Director)

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Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Spectrum Foods Limited
L-5, B-II, Krishna Marg
C-Scheme, Jaipur-302001 (Raj.)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Spectrum Foods Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **Spectrum Foods Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31ST March, 2017** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Spectrum Foods Limited** ("the Company") for the financial year ended on **31ST March, 2017** according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made there under;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - i. The Environment (Protection) Act, 1986
- 6) The EPF & Misc. Provisions Act, 1952;

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India, yet to be approved by the Central Government;
- b. The Listing Agreements entered into by the Company with Bombay Stock Exchange;

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

We further report that:

- 1) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. The Company has not appointed Company Secretary of the Company and it has not appointed any women Director in its Board after resignation of Mrs. Archana Saboo.
- 2) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- 3) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period the company has Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013, having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Jaipur
Date: 30.05.2017

Vinod Kumar Naredi
For Naredi Vinod and Associates
Company Secretaries
ACS 20453
CP No. 7994

Note: This report is to be read with our letter of even date which is annexed as 'Annexure 2' and forms an integral part of this report.

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Annexure to the Secretarial Audit Report

To,
The Members,
Spectrum Foods Limited
L-5, B-II, Krishna Marg
C-Scheme, Jaipur-302001 (Raj.)

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Jaipur
Date: 30.05.2017

Vinod Kumar Naredi
For Naredi Vinod and Associates
Company Secretaries
ACS 20453
CP No. 7994

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SECRETARIAL STANDARDS REPORT

**To,
THE BOARD OF DIRECTORS
SPECTRUM FOODS LIMITED**

We have examined the relevant registers, records and documents maintained by Spectrum Foods Ltd. ("the Company") for the financial year ended March 31, 2017 for compliances of Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) relating to Meetings of the Board of Directors (SS1) and General Meetings (SS2) as applicable during the Financial Year 2016-17.

The management has voluntarily decided to adhere to the Secretarial Standards and comply with the same. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the above said Secretarial Standards.

In our opinion and to the best of our information and according to the explanation given and documents/papers furnished to us, we report that the Company has complied with applicable Secretarial Standards relating to Meetings of the Board of Directors (SS1) and General Meetings (SS2).

**Place: Jaipur
Date: 30.05.2017**

**Vinod Kumar Naredi
For Naredi Vinod and Associates
Company Secretaries
ACS 20453
CP No. 7994**

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STATUTORY AUDITOR'S CERTIFICATE OF COMPLIANCES WITH THE CORPORATE GOVERNANCE

**(Requirements under the SEBI (Listing Obligations and Disclosure
Requirements) Regulations, 2015)**

**TO,
THE MEMBERS,
SPECTRUM FOODS LIMITED.**

We have examined the compliance of conditions of corporate governance by Spectrum Foods Limited ('the Company') for the year ended 31st March, 2017, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India.

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

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

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

Jaipur, 30th May, 2017

For N. Kataria & Associates
Chartered Accountants
Firm Reg. No.014941C
(Nikhilesh Kataria, FCA)
Proprietor
Membership No.079048

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DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its Board of Directors and Senior Management Personnel.

I confirm that the Company has, in respect of the financial year ended March 31, 2017, received from the members of the Board and the senior management team of the Company, a declaration of compliance with the Code of Conduct as applicable to them.

Place: Jaipur
Date: 30th May 2017

Sd/-
GIRDHAR SABOO
(Chairman)

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CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO)

To,
The Board of Directors
Spectrum Foods Limited

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Spectrum Foods Limited ("the Company"), to the best of our knowledge and belief certify that:

- a. We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2017 and to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- d. We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- e. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
 - i. significant changes, if any, in the internal control over financial reporting during the year;
 - ii. significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Place: Jaipur
Date: 30.05.2017

Sd/-
Girdhar Saboo
Chief Executive Officer

Sd/-
Kailash Sharma
Chief Financial Officer

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REPORT OF THE AUDIT COMMITTEE

To,
THE SHAREHOLDERS,
SPECTRUM FOODS LIMITED,
JAIPUR

1. The Audit Committee of the Board of Directors comprises of 3 Directors (Non-Executive Independent Directors) of the Company. The Committee operates under a written charter adopted by the Board of Directors, and has been vested with all the powers necessary to effectively discharge its responsibilities.
2. The committee has primary responsibility for the financial statements and reporting process including the systems of internal controls. During the year, the Committee discussed with the Company's auditors about the overall scope and plans for their audit. The Committee also discussed the result of their examination, their evaluation of the Company's internal controls and the overall quality of the Company's financial reporting.
3. In fulfilling its oversight responsibilities, the committee has reviewed and discussed the Company's audited financial statements with the management. Relying on the review and discussions with the management and the auditors, the Audit Committee believes that the Company's financial statements are fairly presented in all material aspects.
4. Further the Committee has recommended that for the year 2016-17, the Board shall appoint M/s Choudhary Gupta & Co., Chartered Accountants (ICAI Firm Registration Number: 003165C) as statutory Auditor in place of retiring auditor M/s N. Kataria & Associates.
5. The Company's Code of Business Conduct and Ethics has the mechanism whereby no personnel intending to make a complaint relating to Securities and financial reporting shall be denied access to the Audit Committee.

Place: Jaipur
Date: 30th May, 2017

Sd/-
Atul Kharbanda
(Chairman)
Audit Committee

INDEPENDENT AUDITOR'S REPORT

**TO,
THE MEMBERS,
SPECTRUM FOODS LIMITED,
JAIPUR**

Reports on the Financial Statements

We have audited the accompanying financial statements of Spectrum Foods Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, and the Cash Flow Statement for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

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Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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 balance sheet, of the state of affairs of the Company as at 31st March 2017;
- (b) in the case of profit and loss account, of the **loss** for the year ended on that date except as appearing in clause 2(g) below; and
- (c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal & Regulatory Requirement

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in exercise of powers conferred by sub-section 11 of section 143 of the Act, we enclose in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by sub-section 3 of Section 143 of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the Directors as on March 31, 2017 taken on record by the Board of Directors, none of the Directors are disqualified as on March 31, 2017 from being appointed as a Director in terms of sub-section 2 of Section 164 of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g. The company has not complied with the mandatory AS-15 on Retirement Benefits (see note 1.9 on accounting policies) however impact not expected to be substantial, our opinion remain unmodified
 - h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 to the financial statements;
 - (b) There are no material foreseeable losses on long-term contracts including derivatives contracts on which provision is required to be made in the financial statements
 - (c) There are no amounts to be transferred, to the Investor Education and Protection Fund.
 - (d) The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management- Refer Note 27 to the financial statements.

For N. Kataria & Associates
Chartered Accountants
Firm Reg. No.014941C

(Nikhilesh Kataria, FCA)
Proprietor
Membership No.079048
Jaipur, May 30th, 2017

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ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our report of even date)

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2017:

- i.
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
 - (c) With respect to immovable properties of acquired land and buildings that are freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/transfer deed/conveyance deed/court orders approving schemes of arrangements/amalgamations provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- ii. As explained to us, the management has conducted the physical verification of inventory at reasonable intervals. No material discrepancies were noticed on physical verification of the inventory as compared to books records.
- iii. The Company has not granted, during the year, any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. As per the information and explanation given by the management. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and sale of goods and services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weakness in internal control system.
- v. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security as applicable.
- vi. According to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2016 with regard to the deposits accepted from the public are not applicable. According to the information and explanations given to us, no Order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal on the Company.
- vii.
 - (a) According to information and explanations given to us & on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable except of service tax payable of Rs.5593/-.
 - (b) On the basis of information and explanation given to us, details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on 31st March, 2017 on account of disputes are given below:

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Annexure I

Name of the Statute	Nature of due	Amount Demanded	Amount Deposited	Period	Appeal Status
Income Tax Act,1961	Income Tax	2050087	Nil	AY 2010-11	Pending

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company there is no amount required to be transferred to Investor Education and Protection Fund in accordance with relevant provisions of the Companies Act, 1956 and rules made there under.

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.
- ix. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- x. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xii. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- xiii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- xiv. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the note 26 of Financial Statements as required by the applicable accounting standards.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- xvii. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For N. Kataria & Associates
Chartered Accountants
Firm Reg. No.014941C
(Nikhilesh Kataria, FCA)
Proprietor
Membership No.079048
Jaipur, May 30th, 2017

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ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Spectrum Foods Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

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Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For N. Kataria & Associates
Chartered Accountants
Firm Reg. No.014941C

(Nikhilesh Kataria, FCA)
Proprietor
Membership No.079048
Jaipur, May 30th, 2017

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SPECTRUM FOODS LIMITED				
BALANCE SHEET AS AT 31st MARCH, 2017				
	<i>Note</i>		As at 31.3.2017 <i>(in Rs.)</i>	As at 31.3.2016 <i>(in Rs.)</i>
I. EQUITY AND LIABILITIES				
Shareholders Fund				
Share Capital	2		63,692,360	63,692,360
Reserve & Surplus	3		-23,964,305	-6,310,988
			39,728,055	57,381,372
Non-current Liabilities				
Long Term Borrowings	4		164,808,109	185,896,310
			164,808,109	185,896,310
Current Liabilities				
Short Term Borrowings & Advances	5		20,239,847	18,758,210
Trade Payables	6		45,923,634	39,356,324
Other Current Liabilities	7		12,329,759	9,670,236
Short Term Provisions	8		958,836	278,312
			79,452,076	68,063,083
Total Liabilities			283,988,241	311,340,765
II. ASSETS				
Non-current Assets				
Fixed Assets				
Tangible Assets			172,468,012	181,500,097
Capital Work in Progress	9		-	14,450,150
			172,468,012	195,950,247
Non Current Investments	10		7,389,180	9,432,487
Long Term Loans & Advances	11		529,381	480,413
Other Non-current Assets	12		5,579,001	5,579,001
Current Assets				
Current Investments	13		21,324,310	28,060,926
Inventories	14		39,764,913	42,591,029
Trade Receivables	15		16,824,470	10,762,078
Cash & Cash Equivalents	16		323,013	1,000,042
Short Term Loans & Advances	17		19,785,959	17,484,543
			98,022,665	99,898,617
Total Assets			283,988,241	311,340,765

Summary Of Significant Accounting Policies 1

As per our report of even date attached

For N. Kataria & Associates

Chartered Accountants

Firm Reg. No.014941C

For & on behalf of the Board

Sd/-

Nikhilesh Kataria, FCA
Proprietor

Membership No.079048
Jaipur, May 30th, 2017

Sd/-

Sanjay Sarna
Director

Sd/-

Girdhar Saboo
Mg. Director

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SPECTRUM FOODS LIMITED				
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2017				
	<i>Note</i>		Year Ended 31.03.2017 (in Rs.)	Year Ended 31.03.2016 (in Rs.)
Revenue from operations	18		84,593,579	52,603,757
Other Income	19		1,665,827	1,707,792
Total Revenue			86,259,406	54,311,549
<u>Expenses:</u>				
Cost of material Consumed	20		27,734,199	11,818,600
Purchases of Trading Goods			865,194	0
Changes in inventories of finished goods, work-in-progress and stock-in-trade	21		(2,242,275)	5,810,916
Employee benefit expense	22		7,647,297	3,927,481
Financial costs	23		16,897,813	15,803,318
Depreciation and amortization expense			25,757,975	20,703,813
Other expenses	24		27,252,520	8,420,805
Total Expenses			103,912,723	66,493,751
Profit and Loss before tax			(17,653,317)	(12,182,202)
Short/ (Excess) Provision for Earlier Year			0	0
Tax expense:				
Current tax (Provision)			0	0
Total Current Tax Expenses			0	0
Profit and Loss after Tax for the Period			(17,653,317)	(12,182,202)
Earning per equity share:	25			
Basic			-3.64	-2.51
Diluted			-3.64	-2.51

Summary Of Significant Accounting Policies

1

**As per our report of even date attached
For N. Kataria & Associates
Chartered Accountants
Firm Reg. No.014941C**

For & on behalf of the Board

Sd/-
Nikhilesh Kataria, FCA
Proprietor
Membership No.079048
Jaipur, May 30th, 2017

Sd/- Sanjay Sarna Director	Sd/- Girdhar Saboo Mg. Director
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SPECTRUM FOODS LIMITED		
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2017		
PARTICULARS	Year Ended	Year Ended
	31.03.2017	31.03.2016
<u>A. CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit before Tax and extraordinary items	(17,653,317)	(12,175,075)
Adjustments for :	-	-
Depreciation and amortization	25,757,975	20,703,813
Interest Received	(843,089)	(1,562,577)
Interest Paid	16,800,146	15,524,341
Profit On sale of Tangible Fixed Assets	(1,080,571)	(97,892)
Operating Profit before Working Capital Changes	22,981,145	22,392,610
Adjustments for :		
Decrease / (Increase) in Trade & Other Receivables	(6,062,392)	0
Decrease / (Increase) in Inventories	2,826,116	0
Decrease / (Increase) in Other Assets	-	-
Increase / (Decrease) in Current Liability	8,948,522	(278,311)
Preliminary Exp. Not Written Off	-	-
Cash Generated From Operations	28,693,391	22,114,300
Income Tax	-	-
NET CASH FROM OPERATING ACTIVITIES	28,693,391	22,114,300
<u>B. CASH FLOW FROM INVESTING ACTIVITIES</u>		
(Purchase) / sale of Fixed Assets	(2,275,741)	(9,886,548)
Receipt on Sale of Fixed Assets	-	-
Interest Received	843,089	1,562,577
Decrease (Increase) in Loans & Advances	(2,350,384)	0
(Purchase)/ Sale of Investments	8,779,923	0
Net Cash from Investing Activities	4,996,887	8,323,971
<u>C. CASH FLOW FROM FINANCING ACTIVITIES</u>		
Proceed from Share Capital/ Share Application Money	-	-
Proceeds/(Repayment) of Long Term Borrowings	(20,711,997)	376,204
Proceed/(Repayment) of short Term Borrowings	1,481,637	0
Proceed of State Capital Investment Subsidy	-	-
Interest paid	(16,800,146)	(15,524,341)
Net Cash used in Financing Activities	(36,030,507)	(15,148,137)
Net Increase (Decrease) in Cash and Cash Equivalents	(2,340,229)	(1,357,807)
Cash and Cash Equivalents at the Beginning of the year	480,555	480,555
* Cash and Cash Equivalents at the end of the year	(1,859,674)	(877,252)

* See Note 34 in Accounting Policies

As per our report of even date attached
For N. Kataria & Associates
Chartered Accountants

For & on behalf of the Board

Sd/-
Nikhilesh Kataria, FCA
Proprietor
Jaipur, May 30th, 2017

Sd/-
Sanjay Sarna
Director

Sd/-
Girdhar Saboo
Mg. Director

NOTE 1 FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

Note 1: Significant Accounting Policies

1.1 Basis of Preparation of Financial Statement

These financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act'), the provisions of the Act & Rules (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013, based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents.

The figures are presented rounded off nearest to a rupee.

1.2 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialized.

1.3 Revenue Recognition

Revenue is primarily derived from sale of iodized salt. Revenues are recognized on accrual basis when the substantial risks and reward of ownership in the goods are transferred to the buyers upon supply of the goods except disputed claims, demands, discounts, rebates etc, which are accounted for on cash basis as per consistent practice.

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities except disputed claims & demands and discounts, rebates etc., which are accounted for on cash basis as per consistent practice.

1.4 Tangible Assets

Fixed assets are stated at their cost of acquisition including all direct cost attributable to the installation less accumulated depreciation comprising of its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Whereas Expenditure and outlays of money on uncompleted plant & machinery, building etc., which are of a capital nature, are shown as capital work-in-progress until such time these projects are completed and are put to use.

1.5 Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any.

1.6 Depreciation

Depreciation is provided on a pro-rata basis on the Written Down value method at the rates prescribed under Schedule II to the Companies Act, 2013. Useful life of the assets has been taken as provided in the said Schedule II to the Companies Act, 2013.

1.7 Impairment

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount. There is no impairment loss charged during the year.

1.8 Inventories

Inventories consisting of raw salt and packing materials are valued on the weighted-average basis and taken at the lower of the cost or net realizable value. Unserviceable raw material, if any, is valued at net realizable value. The cost of manufactured finished goods and work-in-progress includes material cost determined on weighted-average basis including an appropriate portion of allocable overheads. However, it does not include interest and administrative overheads which are indirect in nature.

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1.9 Provisions and Contingent Liabilities

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the financial statements

1.10 Employee Benefits

1.10.1 Short Term Employee Benefits

The amount of employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services. These benefits include performance incentive and compensated absences.

1.10.2 Post-Employment Benefits

No Provision for post employment benefit is being made.

1.10.3 Employee Separation Costs – Non Compliance of Mandatory AS-15

The company does not provide for leave encashment, medical etc. and the same is accounted for on cash basis as and when actual payment is made. The mandatory accounting standard AS-15 requires that an actuarial valuation of the retirement benefits be made. Though, provision is made as per company's own method, however, no such actuarial valuation report has been taken nor any other prescribed method is followed to provide for the pre or post-retirement benefits for the employees. As such AS-15 not stood complied with however, impact on profit is not ascertainable. The impact not expected to be substantial no qualification of the audit report is made.

1.11 Investments

Investments are classified into current and long term investments. Current investments are stated at lower of cost or fair value. Non-current investments are stated at cost. Provision for diminution in the value of Non Current investments is made only if such a decline is other than temporary.

1.12 Current & Deferred Tax

Current tax is the provision made for income tax liability, if any, on the profits of the current year calculated in accordance with the provisions of the Income Tax Act 1961.

Deferred tax is recognized subject to the consideration of prudence on timing difference; being the difference between the taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized on unabsorbed depreciation and brought forward losses unless there is virtual certainty that sufficient future income shall be available against which the deferred tax assets can be realized. Deferred tax assets and liabilities are measured using the tax rate and the Tax Law as applicable on the Balance Sheet date. No provision for deferred tax is made for the period.

1.13 Foreign Currency Transactions

Foreign currency transactions are accounted for at the exchange rate prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and translation of monetary assets and liabilities in foreign currencies are recognized in the profit and loss account.

1.14 Segment Reporting

The company derives its main revenue from sale of iodized salt. The company also derives revenue from power generation activities and the total income from such activities during the year stood at Rs. 126.19 lacs. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further,

- (a) There has been no inter segment transfer during the year.
- (b) Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and if are not allocable to segments on a reasonable basis, have been included under "Un- allocated corporate expenses net of un allocated income"

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(c) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated, if any, to a segment on reasonable basis have been disclosed as "Unallocable"

1.15 Investment Income

Income from investments are accounted for on accrual basis

1.16 Earnings per Share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the equity shares outstanding at the end of the year. For the purposes of calculating diluted earnings per share, all potential equity shares have been taken into consideration including convertible warrants.

Note 2 : Share Capital and Application Money	31.3.2017	31.3.2016
A : Share Capital	(in Rs.)	(in Rs.)
a) Authorized :		
7000000 equity shares of Rs. 10/- each (previous Year- no change)	70,000,000	70,000,000
	70,000,000	70,000,000
b) Issued Capital:		
6404500 equity shares of Rs. 10/- each (previous Year- no change)	64,045,000	64,045,000
	64,045,000	64,045,000
c) Subscribed & Paid Up Capital:		
6404500 equity shares of Rs. 10/- each (previous Year- no change)	64,045,000	64,045,000
Less: Forfeited Shares (3994066 Partly paid Equity Shares of Rs 10 each Forfeited on 23.03.1999)	39,940,660	39,940,660
	24,104,340	24,104,340
Add: Forfeited Shares to the extent of Paid Up	15,208,500	15,208,500
Add: Shares Issued against forfeited shares	24,379,520	24,379,520
	63,692,360	63,692,360

Note 2.3: Shri Girdhar Saboo is director in the company. In all the other companies, one or more director/ shareholder is common having substantial interest of more than 10% in this company and the other company and as such associated companies.

Note 3 : Reserve and Surplus

Profit & Loss Account

Balance from Previous Year	-22,049,275	-9,867,073
Add: Profit During the Year	-17,653,317	-12,182,202
	-39,702,592	-22,049,275

Share Premium

Opening Balance	15,738,287	15,738,287
Addition during the year - Issue of New Shares	0	0
Total	15,738,287	15,738,287

Total	-23,964,305	-6,310,988
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Note 4 : Long Term Borrowings

Secured Loan

Rupee Term Loans

	31.3.2017	31.3.2016
SBI Term Loan for Salt Refinery	52,088,940	64,130,238
SBI Term Loan for Spices plant	7,869,608	9,724,357
SBI Term Loan For Wind Mill	57,328,961	64,041,762
Total	117,287,509	137,896,357

Others

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	Total	117,287,509	137,896,357
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Note 4.1:

- 1) SBI Term Loan (Salt-Phalodi) is primarily secured against Plant, fixed assets of the company with extension of charge
- 2) SBI Term Loan (SpicesPhalodi) is primarily secured against Plant, fixed assets of the company with extension of charge
- 3) SBI term Loan (Ratlaam) is primarily secured against windmill at Ratlaam with extension of charge
- 4) Terms of repayment are given below:
 - a) Term Loans taken from SBI is repayable in monthly installments of Rs. 10,00,000
 - b) Term Loans taken from SBI is repayable in monthly installments of Rs. 1,50,000
 - c) Term Loans taken from SBI is repayable in monthly installments of Rs. 4,75,000

Unsecured Loan	31.3.2017	31.3.2016
Raunak Vyaprar Pvt Ltd	1,108,000	1,108,000
Girdhar Gopal Saboo	0	578,353
Nawa Salts Pvt. Ltd.	1,313,600	1,313,600
Venture Capital Assistance	5,000,000	5,000,000
Saboo Sodium Chloro Limited	40,000,000	40,000,000
Tiger Salts Pvt.Ltd.	99,000	0
	47,520,600	47,999,953
	164,808,109	185,896,310

Note 7.1 : Out of the above amt. Rs. nil pertain to the Micro, Small and Medium Enterprises (MSME) as defined under "Micro, Small and Medium Enterprises Development Act, 2006" based on the information available with the Company. There is no intt. payable to such parties as at 31-3-2017 (31-3-2016 :Rs. NIL)

Note 4.2 Girdhar Gopal Saboo is director in the company

Note 4.3 All above loans/ advances are interest free

CURRENT LIABILITIES

Note 5 : Short Term Borrowings & Advances	31.3.2017	31.3.2016
Banks		
State Bank of India C/c Account	19,768,352	18,758,210.4
State Bank of India Phalodi Account	471,494.50	0
	20,239,846.50	18,758,210.4

Note 6 : Trade Payables	31.3.2017	31.3.2016
Creditors for Goods	39,136,228	33,849,005
Creditors for Capital Goods	6,787,406	5,507,319
	46,923,634	39,356,324

Note 7 : Other Current Liabilities	31.3.2017	31.3.2016
N.Kataria & Associates	75,578	71,578
TDS Payable	214,794	119,804
Bikas Kumar Lakhota & Co	93,904	93,904
Staff Security Deposit	28,300	28,300
Service tax payable	5,593	5,593
VAT Payable	-1,063	0
Saboo Sodium Chloro Ltd. (Advance against Sales)	11,912,653	9,351,057
	12,329,759	9,670,236

Note 8 : Short Term Provisions	31.3.2017	31.3.2016
Provision for Expenses	589,802	278,312.00
Provision for Salary	369,034	-

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	958,836	278,312
Note 9: See below on page no. 60		
Note 10 : Non Current Investments	31.3.2017	31.3.2016
Trade Investments	-	-
Other Investments		
In Equity Shares of Associate Company		
Quoted		
Saboo Sodium Chloro Ltd	1,319,860	3,363,167
Unquoted		
Saboo Engitech Pvt. Ltd.	5,396,000	5,396,000
Fortress Hotels & Resorts Pvt. Ltd.	530,750	530,750
Other Companies		
Unquoted		
Share - Silktex	13,500	13,500
Ras Kmk	29,250	29,250
Uniworth EQ	300	300
Prima Plastic	81,030	81,030
Vogue Tex	4,960	4,960
ANG Exports	13,530	13,530
	7,389,180	9,432,487
Aggregate Amount of Quoted Investments	1,319,860	3,363,167
Market Value of Quoted Investments	2,540,677	2,540,677
Aggregate Amount of UnQuoted Investments	6,069,320	6,069,320
Note 11 : Long Term Loans & Advances	31.3.2017	31.3.2016
<i>(Unsecured considered good)</i>		
TDS & Advance Tax	494,656	445,688
Security Deposit	34,725	34,725
	529,381	480,413
Note 12 : Other Non Current- Unamortized Expenses		
Preliminary Expenses	5,579,001	5,579,001
	5,579,001	5,579,001
Note 12.1: The preliminary expenses are related to a new project at Phalodi (Raj.). The project is still in progress and yet to be commissioned.		
<u>CURRENT ASSETS</u>		
Note 13: Current Investments	31.3.2017	31.3.2016
Trade Investment		
In Certificate of Deposits - Unquoted		
State Bank Of India	21,324,310	20,883,615
Quoted Investments - Shares		
Short Term Share Investment	0	7,177,311
	21,324,310	28,060,926
Aggregate Amount of Quoted Investments	0	7,177,311
Market Value of Quoted Investments		
Aggregate Amount of Unquoted Investments	21,324,310	20,883,615
Note 14 : Inventories		
Raw Material	7,160,681	12,526,792.29
Packing Materials	3,034,754	2,968,315.63
Consumables	332,470	101,187.00
Finished Goods	17,134,484	7,563,174
Trading Goods	12,102,524	19,431,560
	39,764,913	42,591,029

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Note 15 : Trade Receivables

(unsecured and considered good)

More than 6 Months	-	-
Others	16,824,470	10,762,078
	16,824,470	10,762,078

Note 16 : Cash And Cash Equivalents

Cash In hand	288,833	925,325
Balances with Banks	34,180	74,717
	323,013	1,000,042

Note 17 : Short Term Loan And Advances

(Unsecured considered good)

Adv. Reco. in cash or kind or for value to be received	4,752,684	2,532,973
Loan and advances to related parties	15,014,380	14,984,380
Imprest	18,895	-32,810
	19,785,959	17,484,543

Note 17.1: Loans & Advances given to Related Parties:

	As at 31st March 2017	Max. Bal. outstanding in the year
Rajasthan Mega Developers P Ltd	10897980	10897980
Fortress Hotels & Resorts Private Limited	30000	0
Nawa Hotels and Resorts Private Limited	4086400	4386400

Note 18 : Income From Operations

<u>Products</u>	31.3.2017	31.3.2016
Sales - Salt	71,769,659	35,558,936
Electricity Income From Wind Mill	11,634,761	15,726,360
GBI Income	984,937	1,318,461
Spices	177,222	0
	52,603,757	52,603,757

Note 19 : Other Income

Interest	353,426	1,562,577
Dividend Received	165	2,334
Profit on Sale of Shares	1,080,571	97,892
Balance Written Off	451	8,081
Rebate and Discount	-258,449	36,908
Interest on FDR	489,663	0
	1,665,827	1,707,792

Note 20 : Cost of Raw Material Consumed

	31.3.2017	31.3.2016
Raw Material Consumed (see note 20.1)	18,622,237	8,675,211
Packing Material Consumed (see note 20.1)	9,111,962	3,143,389
	27,734,199	11,818,600

Note 20.1:

a) Raw Material Consumed Includes

Raw Salt	17,406,854	8,626,214
Iodine	160,396	34,869
PFC	124,670	14,128
Spices	930,317	0
	18,622,237	8,675,211

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b) Packing Material Consumed Includes

HDPE Bardana	1,804,348	983,697
Poly Pouch	4,273,961	478,746
Jumbo Bag	1,970,950	540,345
Laminated Roll	1,062,704	1,140,602
	9,111,962	3,143,389

Note 20.2: Value of Raw Material & Packing Material Consumed:

Imported		
Indigenous	27,734,199	11,818,600

Note 20.3: Value of Imports on CIF Basis in respect of:

Raw Material		-
Packing Material		-

Note 21 : Changes in Inventoris of Finished Goods, WIP & Stores

	31.3.2017	31.3.2016
<u>Opening Stock</u>		
Trading Salt	19,431,560	32,805,650
Manufactured Salt	7,563,174	-
Spices	-	-
	26,994,734	32,805,650
<u>Closing Stock</u>		
Trading Salt	12,102,524	19,431,560
Manufactured Salt	16,332,004	7,563,174
Spices	802,480	-
	29,237,008	26,994,734
	(2,242,275)	5,810,916

*Some part of opening stock of trading salt has been used in manufacturing during the year and as such the opening stock of the same has been considered in raw salt consumption

Note 22 : Employees Benefit Expenses

	31.3.2017	31.3.2016
Director Remuneration	1,272,704	675,849
Salary Expenses	3,972,817	2,081,640
Wages	2,401,776	1,178,809
	7,647,297	3,936,298

Note 22.1 : *The Company has not complied with mandatory accounting standard AS-15 on employees benefit in so far as the provision for post retirement benefit are concerned see note also. Leave encashment etc. are charged on cash basis.*

Note 23 : Financial Costs

	31.3.2017	31.3.2016
Interest Paid	120,000	120,000
Interest on term loan	14,768,365	13,289,151
Interest on CC A/c	1,911,781	2,115,190
Bank comm. & Charges	97,667	278,977
	16,897,813	15,803,318

Note 24 : Other Expenses

A. Selling & Distribution Exp

	31.3.2017	31.3.2016
Advertisement Expenses	14,623	38,320
Sales Distribution & Retailing Exp.	819,174	198,558
Freight Outward (Factory)	12,190,476	1,203,021

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Sales Promotion Exp.	86,112	167,158
Travelling Exp.	27,458	27,458
Commission on sales	5,100	0
	13,144,205	1,634,515

B. Manufacturing Exp.

Pet Coke and fire wood Consumed	1,585,410	1,202,969
Consumable Store Exp.	1,464,120	314,872
Plant running exp.	10,955	36,927
Repair and Maintenance - Others	767,447	364,571
Water and Electricity Charges	4,696,739	2,475,058
Repair and Maintenance - Electrical	223,814	199,792
Unloading Exp.	166,124	53,521
Boiler Exp.	94,350	12,820
Fuel exp.	363,976	240,110
Freight Inwards Exp.	1,802,562	0
	11,175,497	4,900,640

C. Administrative Expenses

Annual Custodial Fees	27,480	16,005
Annual Listing Fees	229,000	224,720
Bad debts written off	1,103	480
Conveyance Expenses	10,940	43,215
Insurance Premium	87,539	108,891
Legal Expenses	64,520	101,419
Miscellaneous Exp	43,295	103,141
Printing & Stationery Expenses	19,893	14,529
Professional Service Exp	58,127	55,984
Rent Rate and Taxes	600,000	600,000
Share Transfer Exp	22,399	56,176
Postage & Telegram	5,867	2,492
Telephone Exp.	141,904	131,538
Security Transaction Tax & DP Charges	16,830	25,644
Rating Exp.	34,500	34,200
Computer Exp.	600	550
Director's Travelling exp.	0	11,750
Repair and Maintenance - Building	123,285	56,860
Staff Welfare Exp.	60,484	103,523
Windmill exp.	168,167	61,024
Labour & Cartage Outward	38,860	6,871
Raw Salt Exp.	0	17,655
Office maintenance Exp.	56,336	24,384
Arbitration Expenses	38,000	
AMC Charges Windmill	988,779	
Canteen Expenses	46,466	
Security Maintenance Exp.	33,444	
Rebate & Discount	0	69,600
	2,917,818	1,870,650

D. Auditor's Remuneration

Statutory Audit Fees	8,500	8,500
Tax Audit Fees	6,500	6,500
	15,000	15,000
Grand Total	27,252,520	8,420,805

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Note 24.A: Selling & distribution expenses also includes salary paid to the marketing staff of the company

Note 25: Basic & Diluted EPS

Basic Earnings Per Share	31-Mar-17	31-Mar-15
Net Profit/Loss (after tax)	-17,653,317	-12,182,202
No. of Share	4,848,386	4,848,386
Face Value (Per Share)	10	10
EPS-Basic	-3.64	-2.51
Diluted Earnings Per Share		
Net Profit/Loss (after tax)	-17,653,317	-12,182,202
No. of Share	4,848,386	4,848,386
Face Value (Per Share)	10	10
EPS- Diluted	-3.64	-2.51

Note 26: Related Party Disclosures

a. Key Management Personnel	:	Girdhar Gopal Saboo
b. Associate Companies	:	Saboo Sodium Chloro Limited
	:	Rajasthan Mega Developers P Ltd
	:	Nawa Salts P Ltd.
	:	Tiger Salts P Ltd.
	:	Saboo Damodar Ropeways Private Limited
	:	Fortress Hotels and Resorts Private Limited
	:	Nawa Hotels and Resorts Private Limited
	:	Saboo Energy & Power Pvt. Ltd.

Disclosure of Transactions with the Related Persons

Summary of Transaction of Revenue Nature	Year Ended	Year Ended
	31st March,	31st March,
	2017	2016
a. Key Management Personnel		
Girdhar Gopal Saboo Rent	600,000	600,000
Girdhar Gopal Saboo Director Remuneration	12,00,000	12,00,000
b. Associate Companies		
Purchases	0	0
Sales	42,165,342	10,913,265
Summary of Other Transactions		
i) Loans & Advances Given/ Taken (Refunded)		
	Year Ended	Year Ended
	31st March,	31st March,
	2017	2016
a. Key Management Personnel	0	
b. Associate Companies (Gross Amounts) refunded	425,000 (6200000)	425,000 (6200000)
ii) Preferential Allotments		
a. Key Management Personnel	0.00	0.00
b. Associate Companies	0.00	0.00
Transactions with Related Parties	Year Ended	Year Ended
	31st March,	31st March,
	2017	2016
a. Key Management Personnel		

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Girdhar Gopal Saboo	Rent	600,000	0
Girdhar Gopal Saboo	Director Remuneration	12,00,000	6,00,000

b. Associate Companies

Revenue Transaction

Saboo Sodium Chloro Limited	Sales	10,913,265	10,913,265
Saboo Sodium Chloro Limited	Purchases	-	-
Saboo Sodium Chloro Limited	Advance against sale	9351057	
Tiger Salt Pvt Ltd	Purchases	550000	550000

Financial Transactions

Preferential Allotments

Nawa Hotels & Resorts Private Limited	Preferential Allotment	0	8,388,050
Tiger Salt Private Limited	Preferential Allotment	0	8,388,050
Nawa Salt Private Limited	Preferential Allotment	0	1,277,650

Loans & Advances Given

	Total Debits	Total Credits	Net Refunded
Nawa Salts Pvt Ltd	425,000	5,900,000	5,900,000
Nawa Hotels & Resorts Pvt. Ltd	0	300,000	300,000

Outstanding Balances

	As at 31st March 2017	Max. Balance outstanding during the year	As at 31st March 2016	Max. Balance outstanding during the year
Rajasthan Mega Developers P Ltd	10,897,980	10,897,980	10897980	10897980
Nawa Salt Pvt Ltd.	1,313,600	1,313,600	1,313,600	4,161,400
Nawa Hotels and Resorts Private Limited	4,086,400	4,086,400	4,086,400	4386400
Tiger Salts Pvt. Ltd.	99000	99000	0	0

Loans & Advances Taken

Saboo Sodium Chloro Limited	40,000,000	40,000,000	40000000	40000000
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Note 27: Specified Bank Notes Disclosures

Particulars	SBNs Notes	Other Denomination Notes	Total
Closing Cash balance as on 8/11/2016	0	346648	346648
Add: Receipts	0	2736250	2736250
Less: Payments	0	3027022	3027022
Less: SBNs Deposits in Banks	0	0	0
Closing cash Balance as on 30/12/2016	0	55876	55876

Note 28: Contingent Liabilities & Commitments

	As at 31st March, 2017	As at 31st March, 2016
a. Contingent Liabilities		
A. Claims against the company/ disputed liabilities not acknowledged as debt*		
i) in respect of joint ventures	0.00	0.00
ii) in respect of others*	4500000 (approx)	

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B. Guarantees

(i) Guarantees given to bank and financial institutions against credit

facilities extended to third parties 0.00 0.00

i) in respect of joint ventures

ii) in respect of others

b. Commitments

There are no contracts remained to be executed on capital account

* Concept of materiality has been followed

Note 29: Financial & Derivative Instruments

The company has not entered into any long term contracts including derivative contracts during the year

Note 30: Details of Loans Given, Invst. Made & Guarantees Given u/s 186(4) of the Companies Act, 2013

	As at 31st March, 2017	As at 31st March, 2016
(i) Loans & Advances Given/ Taken <i>no fresh advances given, only repayment made</i>	See note 26 above	
(ii) Guarantees given to bank and financial institutions against credit facilities extended	0	0

Note 31: Interest in Joint Venture

The company has not entered into any joint venture during the year

Note 32: Segment Reporting	Salt Business	Energy*	Unallocable	Total
i) Primary Segment Revenue	2016-17	2016-17	2016-17	2016-17
External Turnover	719.73	126.19	0.00	845.92
Inter Segment Revenue	0.00	0.00	0.00	0.00
Total	719.73	126.19	0.00	845.92
Segment Results	-61.89	37.71	0.00	-24.17
Interest Income	0.00	0.00	0.00	0.00
Interest Expenses	0.00	0.00	168.97	168.97
Other Expenses	0.00	0.00	-16.66	-16.66
Profit before Tax	-61.89	37.71	-152.31	-176.49
Short/ (Excess) Provision of Earlier Year	0.00	0.00	0.00	0.00
Profit after Tax	-61.89	37.71	-152.31	-176.49

Note 33: Previous year's figures have been regrouped or reclassified wherever considered necessary.

Note no. 9: Fixed Assets:

Particulars	Gross Block				Depreciation as at 31.03.2016	Depreciation for the year	Total Depreciation	Net Block	
	As at 31-03-2016	Addition During the year	Deletion During the year	As at 31-03-2017				As at 31-03-2017	As at 31-03-2016
Land & Site Development	5704392	0	-	5704392	-	-		5704392	5,704,392

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Vehicles	47054	440000	-	487054	21,373	59,157	80,530	406,254	25,681
Wind Mill	91504936	0		91504936	21814726	8,847,258	30,661,984	60842952	69,690,210
Building Salt	34853161	0	-	34853161	1923131	3119782	5042913	29810248	329300230
Borwell	150000	0	-	150000	8277	13427	21704	128296	141723
Plant & Machinery Salt	75828496	674634	-	76503130	7953864	12266625	20220489	56282641	67874632
MFA	5723818	0	-	5723818	619631	952048	1571679	4152139	5104087
Office Equipments	76,470	27,100	-	103,570	47,229	22,725	69,954	33,616	29,241
Building (WIP)	39497764	130216	34,845,500	4782480	-		-	4782480	39,497,764
Plant (WIP)	9667670	0	9667670	0	-	0	-	0	9667670
Spices Building	0	4958422	-	4958422	-	151752	151752	4806670	0
Spices Plant	0	10625735	-	10625735	-	325200	325200	10300535	0
Total	228338477	16725891	14450150	230614218	32388231	25757975	58146206	172468012	195950146

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SPECTRUM FOODS LIMITED

Regd. Office: L-5, B-II, Krishna Marg, C-Scheme, Jaipur-302001 Rajasthan, (India)

ATTENDANCE SLIP

23rd Annual General Meeting on Thursday, 28th day of September, 2017 at 3.00 p.m.
PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. PLEASE ALSO BRING YOUR COPY OF THE ENCLOSED ANNUAL REPORT

I hereby record my presence at the 23rd Annual General Meeting to be held on Thursday, 28th day of September, 2017 at 3.00 p.m. at L-5, B-II, Krishna Marg, 'C' Scheme, Jaipur-302001 Rajasthan (India)

1. Name of the Attending Member (in Block Letters)	_____
2. Regd. Folio Number	_____
3. DP id. *	_____
4. Client Id.*	_____
5. Name of the Proxy (In Block Letters) (To be filled in if the proxy attends instead of member)	_____
6.No. of shares held:	_____

*Applicable for Investors holding shares in electronic form

I hereby record my presence at the Annual General Meeting held at L-5, B-II, Krishna Marg, 'C' Scheme, Jaipur-302001 Rajasthan, (India) on Thursday, 28th day of September, 2017 at 3.00 p.m.

.....
Signature of the shareholders/ Proxy

NOTES:

1. Shareholders/ proxy holders are requested to bring the attendance slip with them when they come to the meeting. No attendance slip is issued at the time of meeting.
2. This attendance slip is valid only in case shares are held in the date of AGM.

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Proxy Form (FORM NO. MGT - 11)

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

Name of the Member(s): _____

Registered address: _____

E-mail ID: _____ Folio No./Client ID: _____ DP ID: _____

I / We being the Member(s) of _____ shares of Spectrum Foods Limited here by
appoint

1. Name.....
Address.....
Email Id.....Signature.....or
failing him

2. Name.....
Address.....
Email Id.....Signature.....or
failing him

3. Name.....
Address.....
Email Id.....Signature.....or
failing him

as my/our proxy to attend and vote (on a poll) for me/us & on my/our behalf at the 23rd Annual General Meeting of the company, to be held on Thursday, 28th day of September, 2017 at 3.00 p.m. at L-5, B-II, Krishna Marg, 'C' Scheme, Jaipur-302001 Rajasthan, (India) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution no.	Subject Matter of the Resolution	Optional*	
		For	Against
1	Adoption of the Audited Financial Statements and Reports thereon for the year ended March 31st, 2017		
2	Appointment of M/s Choudhary Gupta & Co., Chartered Accountants as Statutory Auditors of the Company in place of M/s N. Kataria & Associates, Chartered accountants who is liable to retire by rotation.		
3	Increase in remuneration of Mr. Girdhar Saboo, Managing Director of the Company		

Signed this.....day of2017

*Affix
revenue
stamp*

Signature of member

Note:

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1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the for, against or abstained column blank against any or all resolution, your proxy will be entitled to vote in the manner as he / she may deem appropriate.
3. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting right, than such proxy shall not act as a proxy for any other person or Member.
4. A Proxy need not be a member of the Company.
