

Raj Agro Mills Limited
27th Annual Report
2016-17

RAJ AGRO MILLS LIMITED Annual Report 2017

REGISTERED OFFICE: C-8/419 SECTOR 8, NEAR MADHUBAN CHOWK, ROHINI, NEW DELHI – 110085
CIN: L15149DL1990PLC040532 Email: rajagromills@gmail.com, Ph: 0161-2512264

BOARD OF DIRECTORS:

Sh. Sanjeev Bansal : Managing Director
Sh. Jatinder Singh : Director
Mrs. Meenu Uppal : Director

COMPANY SECRETARY

Ms. Harleen Kaur

CHIEF FINANCIAL OFFICER

Mr. Rupinder Singh

STATUTORY AUDITORS

M/s. P.C. Goyal & Co;
Chartered Accountants
62, New Lajpat Nagar
Ludhiana (Pb.)

BANKERS

HDFC Bank
Mall Road, Ludhiana - (Pb.)

SHARE TRANSFER AGENT

M/s Link Intime India Private Limited
(Formerly Intime Spectrum Registry Limited)
44- Community Centre, 2nd Floor, Naraina Industrial Area
Phase-I, PVR, Naraina, New Delhi

27 th ANNUAL GENERAL MEETING	CONTENTS	Page No.
Day: Friday	Notice	1
Date: 29 th September, 2017	Directors' Report	4
Time: 10.00 a.m.	Management Discussion & Analysis Report	28
Place: C-8/419 Sector 8, Near Madhuban Chowk, Rohini, New Delhi-110085	Corporate Governance Report	29
	Auditors' Report	35
	Balance Sheet	41
	Profit & Loss Statement	42
	Cash Flow Statement	43
	Notes on Accounts	44
	Proxy Form	58

RAJ AGRO MILLS LIMITED Annual Report 2017

NOTICE

NOTICE is hereby given that the **27th Annual General Meeting** of the Members of **RAJ AGRO MILLS LIMITED** will be held on **Friday, the 29th day of September, 2017 at 10.00 A.M.** at the Registered Office of the Company at **C-8/419 Sector 8, Near Madhuban Chowk, Rohini, New Delhi-110 085** for transacting the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st, March, 2017 including Audited Balance Sheet as at 31st, March, 2017, the statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the reports of Board of Directors and Auditors thereon.
2. To appoint Mr Sanjeev Bansal (00057485) as a Director who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s Rajiv Rajeev & Associates, Chartered Accountants, Ludhiana (FRN:019136N) as Statutory Auditors of the Company to hold office for a period of Five Years from the conclusion of this Annual General Meeting until the conclusion of the Sixth Annual General Meeting from this meeting and to fix their remuneration.

**By Order of Board
For Raj Agro Mills Limited
Sd/-**

(Sanjeev Bansal)
Managing Director
DIN- 00057485
662/2, Premjit Road, Gurdev
Nagar, Ludhiana-141001

Date: 10.08.2017

Place: Ludhiana

NOTES:

- (i) A member entitled to attend and vote at the annual general meeting (the "MEETING") is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the company. The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting. The blank proxy form is enclosed.
- (ii) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (iii) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- (iv) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Link Intime India Pvt. Ltd.
- (v) The register of members and the share transfer book of the company will remain closed from Sunday the 24th September, 2017 to Saturday, 30th September, 2017 (both days inclusive).
- (vi) The Notice of the AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the Company or with the Depository Participant(s), unless members have requested for the hard copy of the same, physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to the Members who have not registered their email address with the Company Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Gate of Venue of the AGM.
- (vii) Members are requested to bring their copies of Annual Reports along with them, as copies of the report will not be distributed at the meeting.
- (viii) Members/proxies are requested to bring their attendance slips sent herewith duly filled in for attending the meeting.

RAJ AGRO MILLS LIMITED Annual Report 2017

- (ix) Any queries regarding the Annual Accounts or otherwise must be sent to Registered Office of the Company at least 10 days before the date of meeting.
- (x) M/s B.K. Gupta & Associates, Company Secretaries have been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner (including the ballot forms received from members who do not have access to the e voting process). The scrutinizer shall upon the conclusion of General Meeting, unblock the votes in presence of at least two witnesses not in employment of the Company and make a report of the votes cast in favour or against, if any, forthwith to the Managing Director of the Company.
- (xi) The Results of the resolutions passed at the AGM of the Company will be declared within 48 working hours of the conclusion of AGM. The Results declared along with the Scrutinizer's report shall be placed on website of CDSL and will be communicated to the stock exchanges.
- (xii) **Voting through Electronic Means:** Pursuant to the Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management And Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to the Members a facility to exercise their right to vote at the 27th Annual General Meeting (AGM) by electronic means.

The instructions for shareholders voting electronically are as under:

- The Members whose name appears in the Register of Members of the Company as on 23rd September, 2017. The Members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). The remote e-voting shall commence on 26th September, 2017 at 09:00 AM and ends on 28th September, 2017 at 05:00 PM. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The e-voting module shall be disabled by CDSL for voting thereafter.
- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting value.
- The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- Click on "Shareholders" tab.
- Now, select the "RAJ AGRO MILLS LIMITED" from the drop down menu and click on "SUBMIT"
- Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- 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.
- If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number 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 e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

RAJ AGRO MILLS LIMITED Annual Report 2017

- j. After entering these details appropriately, click on "SUBMIT" tab.
- k. 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.
- l. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- m. Click on the EVSN for the relevant <RAJ AGRO MILLS LIMITED> on which you choose to vote.
- n. 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.
- o. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- p. 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.
- q. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- r. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- s. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- t. Note for Non Individual Shareholders and Custodians
- Non Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
 - 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 they have to create 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 in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- u. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- v. Members holding equity shares in electronic form and proxies thereof are requested to bring their DP ID and client ID for identification.
- w. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. Them-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

RAJ AGRO MILLS LIMITED Annual Report 2017

DIRECTORS' REPORT TO THE MEMBERS

Dear Members,

Your Directors have the pleasure in presenting the 27th Annual Report of the Company together with the Audited Accounts for the financial year ended 31st March, 2017.

FINANCIAL RESULTS

The financial figures for the year under review are given below:

PARTICULARS	CURRENT YEAR	(Rs. In Lacs) PREVIOUS YEAR
	2016-2017	2015-2016
Sales and Other income	1.09	3.67
Profit/(Loss) before Interest, Depreciation and Tax	(25.97)	(13.62)
Less : Interest & Bank charges	(0.01)	285.93
Cash Profit/(Loss)	(25.98)	(299.55)
Depreciation	2.31	1.76
Profit/(Loss) before Tax	(28.29)	(301.31)
Provision for Current Tax	0.00	0.00
Provisions for Deferred Tax Liability(+)/Liability(-)	--	--
Outstanding Deferred Tax Liability written back	--	--
Profit/(Loss) after Tax	(28.29)	(301.31)
Transfer to General Reserve	--	--
Provision for Proposed Dividend	--	--
Proposed Dividend	--	--
Balance Carried to Balance Sheet	(28.29)	(301.31)

The company has not carried on any business activity during the year under review.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review your company's income which consisted of from non-operating activities only stands at Rs.1.09 Lacs (Previous Year Rs.3.67Lacs). The company has incurred a loss of Rs.28.29Lacs (Previous Year Loss of Rs.301.31Lacs) during the period under review.

INFORMATION ON STATE OF COMPANY'S AFFAIR

The company has not carried any activity during the year under review. The company has disposed off the remaining assets during the year and there is no asset in the company.

DIVIDEND

Your Directors express their inability to recommend any dividend in view of present turmoil.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 does not apply.

TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

The company has not carried on any activity since the last more than seven years rather the assets of the company had been disposed off to pay off State Bank of India's liability; therefore, the Board expresses its inability to propose to carry any amount to any of reserves.

CHANGES IN SHARE CAPITAL

There is no change in the Share capital of the company during the Financial Year 2016-17.

CHANGES IN DIRECTORS

There is no change in the Directors of the company during the Financial Year 2016-17. However, in April, 2017 the company came to know the demise of one of its directors namely Shri Varinder Kumar. The Board expresses its deep sorrow over the demise of Shri Varinder Kumar who had a long association with the company.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186

Under review during Financial Year 2016-17, the Company has not given any loan or Guarantee or provides security in connection with a loan to any other body corporate and person and also the company has not made any investment in any other body corporate.

RAJ AGRO MILLS LIMITED Annual Report 2017

AUDITOR'S

Statutory Auditors

The term of the existing statutory auditor M/s P C Goyal & Co., Chartered Accountants, Ludhiana, is expiring at the conclusion of forthcoming Annual General Meeting however pursuant to stipulations imposed by section 139(2) of the Companies Act, 2013, the retiring auditor firm namely M/s P C Goyal & Co, Chartered Accountants cannot be appointed as Statutory auditor for a period of five years from the completion of said term i.e. from conclusion of this Annual General Meeting.

To comply with the provisions of the Companies Act, 2013 and the Rules made there-under, the Board of Directors on the recommendations made by the Audit Committee have proposed and recommend for the kind consideration of worthy shareholders the name of M/s Rajiv Rajeev & Associates, Chartered Accountants, Ludhiana as the statutory auditor of the company. Their appointment is being for a term of five years and they will hold from the conclusion of this Annual General Meeting (27th AGM) till the conclusion Sixth annual general from this annual general meeting i.e. up to 32nd Annual General Meeting. However, the said appointment shall be subject to rectification by the members at every annual general meeting to be held after this Annual General Meeting. The incoming auditors have furnished a certificate that their re-appointment, if made, would be within the prescribed limits under section 141(3)(g) of the Companies Act, 2013.

Further, as the existing auditors are vacating their office upon completion of consecutive tenure of ten years pursuant to the stipulations/restrictions imposed by section 139(2) about term period of their appointment, therefore, the matter and proposal of appointment of new auditors in their place has been placed in the ordinary businesses. Also, the cooling period of three years provided by second proviso to sub section (2) of section 139 the Companies Act, 2013 to comply with section 139(2) of the Act is expiring this year, therefore, the Board takes this opportunity to appoint new statutory auditors by referring the matter to shareholders as an ordinary matter at the 27th Annual General Meeting of the company.

Statutory Auditor's Report

The Auditors Report on the Accounts of the Company is self-explanatory and there is no adverse remark in it requiring explanation(s) by the Board. The Auditors' in his audit report has commented upon the fact that the company's losses are more than its net worth and the company has liquidated its assets to pay off dues, hence, the company is presently not maintaining its going concern status. As the members already know that the company has sold its assets to pay off bank liabilities and thereafter it could not become operational hence it is not maintaining its going concern status.

Cost Audit

The provisions regarding applicability of Cost Audit are not applicable to the company due to non-operation of unit.

Secretarial Auditors

B.K. Gupta & Associates, Company Secretaries, Ludhiana has conducted the secretarial audit for the financial year 2016-17.

Internal Auditors

The Company is not in Operation since the last more than seven years so no internal Auditor is appointed in Company. However, the Company has adequate internal financial controls in place and the same is operating effectively having regard to company's size and operations.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Pursuant to Section 197(12) of the Act, read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company is required to disclose information related to remuneration paid during the year. The detailed information in this regard is annexed to this report as "Annexure I".

RELATED PARTY TRANSACTIONS

The company has not entered into any contract, arrangement and transaction with any of related parties during the year under review. Therefore, there is nothing to disclose in the report.

DETAILS AND INFORMATION AS REQUIRED UNDER SECTION 134(3) (I) OF THE COMPANIES ACT 2013

No material changes and commitments have taken place between the end of the financial year of the Company to which balance sheet relates and date of report, which affects the financial position of the Company.

RAJ AGRO MILLS LIMITED Annual Report 2017

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

The company is not engaged in the manufacturing activities or any other commercial activity as such your Directors express their inability to comment upon the conservation of energy, technology absorption measures and there is no the foreign exchange earnings and outgo during the year under review.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return, in format MGT-9, for the financial year 2016-17 has been enclosed with this report as "Annexure II".

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company has no Subsidiary/Joint Venture or Associate companies.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

There is no change in composition of Key Managerial Personnel during the year under review. However in April, 2017 the company came to know the demise of Mr. Varinder Kumar, Director of the company.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received the necessary declaration from each independent director in accordance with section 149 (7) of the Companies Act 2013, that he/she meets the criteria of independence as laid out in sub section (6) of section 149 of the Companies Act, 2013.

DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

No material order has been passed by any regulator/court/tribunal during the year under review.

STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

NUMBER OF MEETINGS

During the Financial year 2016-2017 under review, 5 (Five) meetings of Board of Directors were held. The detailed information about the meetings is given in corporate governance report which forms the part of Annual Report.

RISK MANAGEMENT POLICY

The Board of Directors of your Company has adopted the Risks Management Policy. The policy establishes the process for the management of risk faced by the Company. The aim of risk management is to maximize opportunities in all activities and to minimize adversity. This policy applies to all activities and processes associated with the normal operations of Raj Agro Mills Limited.

The Policy is to assist the Board of Directors in fulfilling its responsibilities with regard to enterprise risk management. Further, the Committee strives to assist the Board in framing, implementing and monitoring the risk management plan for the Company and reviewing and guiding the risk policy.

EVALUATION BY BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEE AND INDIVIDUAL DIRECTORS WITH REFERENCE TO SECTION 134 (3) (p) OF THE COMPANIES ACT, 2013 AND RULE 8(4) OF THE COMPANIES (ACCOUNTS) RULES 2014

Pursuant to the above said provisions of the Companies Act, 2013, the Board has carried out an evaluation of its own performance, directors individually as well as the evaluation of the Committees as per the Criteria laid down in the Nomination Remuneration Evaluation policy. Further the Independent directors have also reviewed the performance of the Non-Independent Directors and Board as a whole including reviewing the performance of the Chairperson of the Company taken into account the views of the Executive Directors and Non Executive Directors vide there separate meeting held on 09.02.2017 at the Registered office of the Company.

DISCLOSURE ON THE NOMINATION AND REMUNERATION POLICY OF THE COMPANY PURSUANT TO SECTION 134(3) (e) AND SECTION 178(3)

SEBI vide notification dated September 02, 2015 amended the existing Listing Agreement and bring in force SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from December 01, 2015. So, in order to align with the provisions of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of your Company in its meeting held on February 02, 2016 has re-defined the requisite terms of the reference of Nomination & Remuneration Committee as required under Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said Committee has framed, adopted and recommended "Nomination & Remuneration Evaluation Policy" vide its committee meeting dated February 02, 2016. The said policy forms the part of this report which is annexed at "Annexure III".

RAJ AGRO MILLS LIMITED Annual Report 2017

AUDIT COMMITTEE

SEBI vide its notification dated September 02, 2015 amended the existing Listing Agreement and bring in force SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from December 01, 2015. So, in order to align with the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the terms of reference of Audit Committee of the company has been re-defined on February 02, 2016 with the objectives to monitor, supervise and effective management of company's finance, to ensure effective internal financial controls and risk management systems with high level of transparency and accuracy.

The Chairman of Audit Committee is an Independent Director and all the members of the Audit Committee are non-executive directors. The composition of the Audit Committee consists of two Independent Directors viz., Sh. Jatinder Singh (Chairman) and Mrs Meenu Uppal (Member) and Sh Varinder Kumar (Ordinary Director) as Member. The Audit Committee met four times during the year, the details of which are given in the Corporate Governance Report which forms the part of this Annual Report. On the death of Shri Varinder Kumar, the constitution of the Audit Committee was changed in April, 2017.

VIGIL MECHANISM

SEBI vide its notification dated September 02, 2015 amended the existing Listing Agreement and bring in force SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with effect from December 01, 2015. So, in order to align with the provisions of Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Board of Directors of the Company in its meeting held on February 02, 2016 adopted the Vigil Mechanism Policy in compliance of Companies Act, 2013. The Policy is formulated to provide opportunity to employees and directors to report to management concerns about unethical behavior, actual or suspected fraud or violation of the Code of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and directors who express their concerns and also provides for direct access to Chairman/ Members of Audit Committee in exceptional cases. The policy is applicable to all employees and directors of the Company.

The policy on Vigil Mechanism and Whistle Blower Policy as approved by the Board may be accessed on the Company's website at the link: <http://www.rajagromills.com/p/investor-services.html>

SECRETARIAL AUDIT REPORT

Secretarial Audit Report in format MR-3 by M/s B.K. Gupta & Associates, Company Secretaries is annexed with the Board Report. Secretarial Audit Report is annexed herewith as "**Annexure IV**". There is no adverse remark in it requiring explanation(s) by the Board.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) They had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;
- (c) They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) They had prepared the annual accounts as per the applicable law, accounting standards and accounting principles however the company is not maintaining going concern due to non-operation of unit and as it has disposed off assets to pay off bank dues;
- (e) They had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under the Regulation 34 (2) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in the **Annexure-V** forming part of this report.

CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report on Corporate Governance together with Auditor's Certificate on compliance with this regard and Managing Director's declaration in this regarding compliance of code of conduct by Board Members and Senior Management Personnel is attached and forms part of this Annual Report.

RAJ AGRO MILLS LIMITED Annual Report 2017

GENERAL DISCLOSURE

Your Director state that no Disclosure or Reporting is required in respect of the following items as there were no transactions on these items during the year under review.

1. Details relating to Deposits covered under Chapter V of the Act.
2. Issue of Equity Shares with Differential right, as to dividend, voting or otherwise.
3. Issue of shares with including sweat equity shares to employees of the Company under any scheme.
4. No significant or Material order were passed by the regulators or courts or tribunal which impact the going concern status and company's operation in future, your director further state that during the year under review, there were no case filed pursuant to sexual harassment of women at workplace (prevention, prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENTS

Your Directors wish to express their grateful appreciation for the valuable support and co-operation received from sub-brokers, business associates, vendors, bankers, financial institutions, investors, stakeholders, registrar and share transfer agent, other business affiliates and media.

The Board places on record its sincere appreciation towards stakeholders for their continued co-operation and support to the company and look forward to the continuance of this supportive relationship in future.

Your Directors also places on record their deep sense of appreciation for the devoted services of the employees during the period under review.

FOR AND ON BEHALF OF THE BOARD

Sd/-
(Sanjeev Bansal)
Managing Director
DIN:00057485
662/2, Premjit Road,
Gurdev Nagar Ludhiana-01,
Punjab

Sd/-
(Jatinder Singh)
Director
DIN: 02150760
8-A, Model Town, Extension
Ludhiana-141002, Punjab

Place: Ludhiana
Date : 29.05.2017

RAJ AGRO MILLS LIMITED Annual Report 2017

ANNEXURE TO THE DIRECTORS REPORT

Annexure-I

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (1) Ratio of the remuneration of each Director/KMP to the average remuneration of all the employees of the Company for the financial year:

Average remuneration of all employees of the Company for the Financial Year 2016-17	4,86,976
The Percentage increase in the average remuneration of employees in the Financial Year	18.31%
The number of permanent employees on the roll of the Company as on 31 st March, 2017	2

Name of Director/ KMP	Remuneration of Director/KMP for financial year 2016-17	Ratio of Remuneration to average remuneration of all employees	% increase in remuneration in the Financial Year 2016-17	Comparison of the remuneration of the KMP against the performance of the Company
Independent Directors				
Mrs. Meenu Uppal	Nil	N.A	Nil	Nil
Mr. Jatinder Singh	Nil	N.A	Nil	Nil
Executive Directors/KMP				
Mr. Sanjeev Bansal M.D*	Nil			
Mr. Davinder Kumar, Company secretary**	8,09,200	1.66	20.77%	Loss Before interest, depreciation and tax increased by 90.60 % whereas loss after Interest, depreciation decreased by 90.61% in Financial Year 2016-17 due to payment of accrued interest to bank as per OTS in FY 2015-16.
Mr. Rupinder Singh, CFO	1,64,753	0.34	7.50%	

Notes: *Mr.Sanjeev Bansal is Executive Director of Company but he doesn't receive any salary.

**Mr.Davinder Kumar has resigned from the company with effect from 30th April, 2017.

- (2) Relationship between average increase in remuneration and company performance:
The Losses for the year decreased by 90.61% and whereas average remuneration has increased by 18.31%. There is increase in average remuneration whereas the losses decreased as compared to last year. However, it is worth mentioning that the company is not in operation since more than seven years and these losses are not the operating losses rather they are notional losses on the sale of assets and losses on account of employee cost during that year. The payment of employee remuneration is necessary to retain them for legal and compliance purposes.

RAJ AGRO MILLS LIMITED Annual Report 2017

(3) Comparison of the remuneration of the KMP against the performance of the Company:

The total remuneration of KMP increased by 18.31% from Rs.8,23,200/- in 2015-16 to Rs.9,73,953/- in 2016-17 whereas the losses decreased by 90.61% as there is loss of Rs.28.29 lacs in the year under review as compared to loss of Rs.301.31lacs during the year 2015-16.

(4) Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Sr No	Description	Amount
1.	Market Cap variation	
	Mcap at 31 March, 2017 (based on close price in March 2017)	1,22,28,184
	Mcap at 31 March, 2016	1,71,31,872
	Variation in Mcap in FY 2017 (%)	-28.62%
2	Price-to-Earnings Ratio	
	PE as at 31 March, 2017 (Mkt Price/EPS)	0.00
	PE as at 31 March, 2016 (Mkt Price/EPS)	0.00
3	Offer	
	- IPO price per share	18
	- Market price as at 31 March, 2017 (based on close price in March 2017)	3.94
	% decrease from last IPO	78.11%

(5) The key parameters for any variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

(6) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: Not Applicable since directors are not being paid any salary.

(7) It is hereby affirmed that remuneration paid is as per the remuneration policy of the Company.

FOR AND ON BEHALF OF THE BOARD

Sd/-
(Sanjeev Bansal)
Managing Director
DIN:00057485
662/2, Premjit Road,
Gurdev Nagar Ludhiana-01,
Punjab

Sd/-
(Jatinder Singh)
Director
DIN: 02150760
8-A, Model Town, Extension
Ludhiana-141002, Punjab

Place: Ludhiana
Date : 29.05.2017

RAJ AGRO MILLS LIMITED Annual Report 2017

Annexure II Form MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31st March, 2017

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

I. REGISTRATION AND OTHER DETAILS:

i) CIN: **L15149DL1990PLC040532**

ii) Registration Date: **18/06/1990**

iii) Name of the Company: **Raj Agro Mills Limited**

iv) Category/Sub-Category of the Company: **Company Limited by Shares/Indian Non-Government Company**

v) Address of the registered office and contact details: **C-8/419 Sector 8, Near Madhuban Chowk, Rohini, New Delhi- 110085 Delhi, Ph: 0161-2512264**

vi) Whether Listed Company Yes/No- **Yes**

vii) Name, Address and contact details of Registrar & Transfer Agent, if any –

M/s Link Intime India Private Limited

(Formerly Intime Spectrum Registry Limited)

44- Community Centre, 2nd Floor, Naraina Industrial Area

Phase-I, PVR, Naraina, New Delhi

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:-

Sr.No.	Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1.	N.A		

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY:

Sr.No.	Name and Description of the Company	CIN/GLN	Holding/Subsidiary /Associate	% of Shares Held	Applicable Section
	N.A				

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as Percentage of Total Equity)

I) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1930500	12600	1943100	62.61	1930500	12600	1943100	62.61	-
b) Central	-	-	-	-	-	-	-	-	-

RAJ AGRO MILLS LIMITED Annual Report 2017

Govt.									
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies. Corp.	66900	-	66900	2.16	66900	0.00	66900	2.16	-
e) Banks/Fl	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total	1997400	12600	2010000	64.77	1997400	12600	2010000	64.77	--
(A) (1) :-									
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies- Corp	-	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-	-	-	-
(A) (2) :-									
Total shareholding Of Promoter (A)=(A)(1)+(A)(2)	1997400	12600	2010000	64.77	1997400	12600	2010000	64.77	--
B. Public Shareholding									
1. Institution									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/Fl	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Other (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non-Institution									
a) Bodies Corp.									
i) Indian	29771	94300	124071	4.00	25961	94300	120261	3.88	(0.12)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individual									
i) Individual Shareholders Holding nominal Share capital Upto Rs.1 Lakh	361902	222036	583938	18.81	376641	219736	596377	19.22	0.41
ii) Individual	280466	53000	333466	10.74	268197	53000	321197	10.35	(0.39)

RAJ AGRO MILLS LIMITED Annual Report 2017

shareholders holding nominal share capital in excess of Rs. 1 Lakh									
c) Other (NRI, HUF, & Clearing Members)	52125	-	52125	1.68	55765	-	55765	1.79	0.11
Sub-total (B) (2):-	723964	369636	1093600	35.24	726564	367036	1093600	35.24	--

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
Total Public Shareholding (B)=(B)(1)+(B)(2)	723964	369636	1093600	35.24	726564	367036	1093600	35.24	--
C. Shares held by									
Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2721364	382236	3103600	100.00	2723964	379636	3103600	100.00	-

(ii) Shareholding of Promoters

Sr.No.	Shareholder's Name	Shareholding at the beginning Of the year			Shareholding at the End of the year			% Change in share holding during the year
		No. of Shares	% of total Shares of the Com-Pany	% of Shares Pledged/enc-umbered to total shares	No. of Shares	% of total Shares of the Com-Pany	% of Shares Pledged/enc-umbered to total shares	
1.	Sanjeev Bansal	557000	17.95	--	557000	17.95	--	0.00
2.	Raj Paul Bansal	500650	16.13	--	500650	16.13	--	0.00
3.	Kamlesh Bansal	226900	7.31	--	226900	7.31	--	0.00
4.	Sahil Bansal	224200	7.22	--	224200	7.22	--	0.00
5.	Salil Bansal	210600	6.78	--	210600	6.78	--	0.01
6.	Rama Bansal	156250	5.03	--	156250	5.03	--	0.00
7.	Anu Bansal/Aggarwal	46100	1.49	--	46100	1.49	--	0.00
8.	DeshBandhu R Gupta	12600	0.41	--	12600	0.41	--	0.00
9.	Megha Bansal	7800	0.25	--	7800	0.25	--	0.00
10.	Sham Bansal	1000	0.03	--	1000	0.03	--	0.00
11.	Raj Soap & Detergents Pvt. Ltd.	66900	2.16	--	66900	2.16	--	0.00
	Total	2010000	64.76		2010000	64.76		0.00

RAJ AGRO MILLS LIMITED Annual Report 2017

(iii) Change in Promoter's Shareholding

Sr.No.		Shareholding at the Beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of the total shares Of the Company	No. of Shares	% of the total shares of the Company
1.	Sanjeev Bansal				
	At the beginning of the year	557000	17.95	557000	17.95
	Bought during the year	-	-	557000	17.95
	Sold during the year	-	-	557000	17.95
	At the end of the year	557000	17.95	557000	17.95
2.	Raj Paul Bansal				
	At the beginning of the year	500650	16.13	500650	16.13
	Bought during the year	-	-	500650	16.13
	Sold during the year	-	-	500650	16.13
	At the end of the year	500650	16.13	500650	16.13
3.	Kamlesh Bansal				
	At the beginning of the year	226900	7.31	226900	7.31
	Bought during the year	-	-	226900	7.31
	Sold during the year	-	-	226900	7.31
	At the end of the year	226900	7.31	226900	7.31
4.	Sahil Bansal				
	At the beginning of the year	224200	7.22	224200	7.22
	Bought during the year	-	-	224200	7.22
	Sold during the year	-	-	224200	7.22
	At the end of the year	224200	7.22	224200	7.22
5.	Salil Bansal				
	At the beginning of the year	210600	6.78	210600	6.78
	Bought during the year	-	-	210600	6.78
	Sold during the year	-	-	210600	6.78
	At the end of the year	210600	6.78	210600	6.78
6.	Rama Bansal				
	At the beginning of the year	156250	5.03	156250	5.03
	Bought during the year	-	-	156250	5.03
	Sold during the year	-	-	156250	5.03
	At the end of the year	156250	5.03	156250	5.03
7.	Anu Bansal/Aggarwal				
	At the beginning of the year	46100	1.49	46100	1.49
	Bought during the year	-	-	46100	1.49
	Sold during the year	-	-	46100	1.49
	At the end of the year	46100	1.49	46100	1.49
8.	DeshBandhu R Gupta				
	At the beginning of the year	12600	0.41	12600	0.41
	Bought during the year	-	-	12600	0.41
	Sold during the year	-	-	12600	0.41

RAJ AGRO MILLS LIMITED Annual Report 2017

9.	At the end of the year	12600	0.41	12600	0.41
	Megha Bansal				
	At the beginning of the year	7800	0.25	7800	0.25
	Bought during the year	-	-	7800	0.25
	Sold during the year	-	-	7800	0.25
	At the end of the year	7800	0.25	7800	0.25
10.	Sham Bansal				
	At the beginning of the year	1000	0.03	1000	0.03
	Bought during the year	-	-	1000	0.03
	Sold during the year	-	-	1000	0.03
	At the end of the year	1000	0.03	1000	0.03
11.	Raj Soap & Detergents Pvt. Ltd.				
	At the beginning of the year	66900	2.16	66900	2.16
	Bought during the year	-	-	66900	2.16
	Sold during the year	-	-	66900	2.16
	At the end of the year	66900	2.16	66900	2.16

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr.No		Shareholding at the beginning Of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of the total shares of the Company
1.	SUBRAMANIAN P				
	At the beginning of the year	0.00	0.00	0.00	2.82
	Bought during the year	115080	3.71	115080	3.71
	Sold during the year	-	-	115080	3.71
	At the end of the year	115080	3.71	115080	3.71
2.	HITESH RAMJI JAVERI				
	At the beginning of the year	87515	2.82	87515	2.82
	Bought during the year	-	-	87515	2.82
	Sold during the year	-	-	87515	2.82
	At the end of the year	87515	2.82	87515	2.82
3.	VARINDER KUMAR SHARMA				
	At the beginning of the year	34698	1.12	34698	1.12
	Bought during the year	-	-	34698	1.12
	Sold during the year	-	-	34698	1.12
	At the end of the year	34698	1.12	34698	1.12
4.	JAPRO ENGINEERING PVT. LTD.				

RAJ AGRO MILLS LIMITED Annual Report 2017

	At the beginning of the year	33400	1.08	33400	1.08
	Bought during the year	-	-	33400	1.08
	Sold during the year	-	-	33400	1.08
	At the end of the year	33400	1.08	33400	1.08
5.	DIPAK SHAH				
	At the beginning of the year	0.00	0.00	0.0	0.00
	Bought during the year	30106	0.97	30106	0.97
	Sold during the year	-	-	30106	0.97
	At the end of the year	30106	0.97	30106	0.97
6.	ASHA SIROHI				
	At the beginning of the year	28000	0.90	28000	0.90
	Bought during the year	-	-	28000	0.90
	Sold during the year	-	-	28000	0.90
	At the end of the year	28000	0.90	28000	0.90
7.	NEELMA JAIN				
	At the beginning of the year	25000	0.81	25000	0.81
	Bought during the year	-	-	25000	0.81
	Sold during the year	-	-	25000	0.81
	At the end of the year	25000	0.81	25000	0.81
8.	HARSHA HITESH JAVERI				
	At the beginning of the year	20000	0.64	20000	0.64
	Bought during the year	-	-	20000	0.64
	Sold during the year	-	-	20000	0.64
	At the end of the year	20000	0.64	20000	0.64
9.	COMPETENT FINMAN PVT. LTD.				
	At the beginning of the year	16700	0.54	16700	0.54
	Bought during the year	-	-	16700	0.54
	Sold during the year	-	-	16700	0.54
	At the end of the year	16700	0.54	16700	0.54
10.	SATYA INDUSTRIES PVT. LTD.				
	At the beginning of the year	16700	0.54	16700	0.54
	Bought during the year	-	-	16700	0.54
	Sold during the year	-	-	16700	0.54
	At the end of the year	16700	0.54	16700	0.54
11.	KISHOR PRAVINCHANDRA PARIKH				
	At the beginning of the year	17139	0.55	17139	0.55

RAJ AGRO MILLS LIMITED Annual Report 2017

	year				
	Bought during the year	0.00	0.00	17139	0.55
	Sold during the year	11243	11243	5896	0.19
	At the end of the year	5896	0.19	5896	0.19
12.	SANGEETHA S				
	At the beginning of the year	74590	2.40	74590	2.40
	Bought during the year	-	-	74590	2.40
	Sold during the year	74590	2.40	0.00	0.00
	At the end of the year	0.00	0.00	0.00	0.00
13.	SAVITHA S				
	At the beginning of the year	40490	1.30	40490	1.30
	Bought during the year	-	-	40490	1.30
	Sold during the year	40490	1.30	0.00	0.00
	At the end of the year	0.00	0.00	0.00	0.00
14.	MITA DIPAK SHAH				
	At the beginning of the year	30000	0.96	30000	0.96
	Bought during the year	0.00	0.00	30000	0.96
	Sold during the year	30000	0.96	30000	0.96
	At the end of the year	0.00	0.00	0.00	0.00

(v) Shareholding of Directors and Key Managerial Personnel:

Sr.No.		Shareholding at the beginning Of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares Of the Company	No. of Shares	% of total shares Of the Company
1.	Jatinder Singh				
	At the beginning of the year	-	-	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	-	-	-	-
2.	Varinder Kumar				
	At the beginning of the year	100	0.00	100	0.00
	Bought during the year	-	-	100	0.00
	Sold during the year	-	-	100	0.00
	At the end of the year	100	0.00	100	0.00
3	Sanjeev Bansal				
	At the beginning of the year	557000	17.95	557000	17.95
	Bought during the	-	-	557000	17.95

RAJ AGRO MILLS LIMITED Annual Report 2017

	year				
	Sold during the year	-	-	557000	17.95
	At the end of the year	557000	17.95	557000	17.95
4	Meenu Uppal				
	At the beginning of the year	-	-	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	-	-	-	-
5	Davinder Kumar				
	At the beginning of the year	-	-	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	-	-	-	-
6	Rupinder Singh				
	At the beginning of the year	-	-	-	-
	Bought during the year	-	-	-	-
	Sold during the year	-	-	-	-
	At the end of the year	-	-	-	-

(V) INDEBTEDNESS

Indebtedness of the Company including interest/outstanding/accrued but not due for payment

(in Rs.)

	Secured Loans Excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	--	12,06,73,686.00	--	12,06,73,686.00
(ii) Interest due but not paid	--	--	--	--
(iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	--	12,06,73,686.00	--	12,06,73,686.00
Changes in Indebtedness during the Financial year				
• Addition	--	31,195.00	--	31,195.00
• Reduction	--	--	--	--

RAJ AGRO MILLS LIMITED Annual Report 2017

Net Change	--	31,195.00	--	31,195.00
Indebtedness at the end of the financial year				
(i) Principal Amount	--	12,07,04,881.00	--	12,07,04,881.00
(ii) Interest due but not paid	--	--	-	-
(iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	--	12,07,04,881.00	--	12,07,04,881.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr.No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Sanjeev Bansal	--	--	--
		Managing Director			
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 © 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 (A)	--	--	--	--
	Ceiling as per the Act	--	--	--	--

RAJ AGRO MILLS LIMITED Annual Report 2017

B. REMUNERATION TO OTHER DIRECTORS.

Sr.No.	Particulars of Remuneration	Name of Directors			Total Amount
		Jatinder Singh	Varinder Kumar	Meenu Uppal	
1.	Independent Directors				
	• Fee for attending board/ Committee meetings	10000	--	10000	20000
	• Commission	--	--	--	--
	• Others, Please specify	--	--	--	--
	Total (1)	10000	--	10000	20000
	Other Non Executive Directors				
	• Fee for attending board/ Committee meetings	--	9000	--	9000
	• Commission	--	--	--	--
	• Others, Please specify	--	--	--	--
	Total (2)	--	9000	--	9000
	Total (B)+(1)+(2)	10000	9000	10000	29000
	Total Managerial Remuneration	--	--	--	--
	Overall Ceiling as per the Act	--	--	--	--

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
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	8,09,200	1,64,753	9,73,953
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission -as % of profit - others, specify	-	-	-
5.	Others, please specify	-	-	-
	Total	8,09,200	1,64,753	9,73,953

RAJ AGRO MILLS LIMITED Annual Report 2017

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:-

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment /Compounding Fee imposed	Authority (RD/NCLT /COURT)	Appeal Made, if Any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

FOR AND ON BEHALF OF THE BOARD

Sd/-
(Sanjeev Bansal)
Managing Director
DIN:00057485
662/2, Premjit Road,
Gurdev Nagar Ludhiana-01,
Punjab

Sd/-
(JatinderSingh)
Director
DIN: 02150760
8-A, Model Town, Extension
Ludhiana-141002, Punjab

Place: Ludhiana
Date : 29.05.2017

NOMINATION AND REMUNERATION POLICY RAJ AGRO MILLS LIMITED

(U/s 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

PREFACE:

In pursuance of the RAJ AGRO MILLS LIMITED policy to consider human resources as its invaluable assets, to pay appropriate remuneration to all Directors, Key Managerial Personnel and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been re-constituted by the Board of Directors in their meeting held on 2nd February, 2016.

In order to align with the provisions of

1. OBJECTIVES:

- a) To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- b) To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies of the relevant industry.
- c) To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- d) To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- e) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage

2. DEFINITIONS:

- (a) Key Managerial Personnel:
 - (i) Managing Director;
 - (ii) Company Secretary;
 - (iii) Chief Financial Officer; and
 - (iv) Such other officer as may be prescribed.
- (b) Senior Management: Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the Executive Directors including all functional heads.

3. APPLICABILITY:

The Policy is applicable to:

- Directors (Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management Personnel

4. ROLE OF COMMITTEE:

The role of the Committee, inter alia, will be the following:

- a) to formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b) to recommend to the Board the appointment and removal of Senior Management
- c) to carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance.
- d) to recommend to the Board on policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- e) to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- f) ensure that level and composition of remuneration is reasonable and sufficient, relationship of

RAJ AGRO MILLS LIMITED Annual Report 2017

remuneration to performance is clear and meets appropriate performance benchmarks,

- g) to devise a policy on Board diversity;
- h) to develop a succession plan for the Board and to regularly review the plan

5. MEMBERSHIP:

- a) The Committee shall consist of a minimum 3 non-executive directors, out of which half shall be independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

6. CHAIRMAN:

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

7. FREQUENCY OF MEETINGS:

The meeting of the Committee shall be held at such regular intervals as may be required.

8. COMMITTEE MEMBERS' INTERESTS:

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

9. SECRETARY:

The Company Secretary of the Company shall act as Secretary of the Committee.

10. VOTING:

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote

11. NOMINATION DUTIES:

The duties of the Committee in relation to nomination matters include:

- a) Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness;
- b) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the provisions provided under the Companies Act, 2013;
- c) Determining the appropriate size, diversity and composition of the Board; Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- d) Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- e) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- f) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- g) Due to reasons for any disqualification mentioned in the Companies Act, 2013 read with rules made there under, recommending, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel.
- h) Delegating any of its powers to one or more of its members of the Committee;
- i) Recommend any necessary changes in this policy to the Board.

- j) Considering any other matters as may be required by the Board.

12. REMUNERATION DUTIES:

The duties of the Committee in relation to remuneration matters include:

- a) to consider and determine the remuneration based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate.
- b) to approve the remuneration of the Senior Management including key managerial personnel of the Company.
- c) to delegate any of its powers to one or more of its members of the Committee.
- d) to consider any other matters as may be required by the Board;

13. MINUTES OF COMMITTEE MEETING:

The minutes of all the proceedings of all meetings must be signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board meetings.

14. EFFECTIVE DATE & AMENDMENTS:

This policy will be effective from 2nd February, 2016 and may be amended subject to the approval of Board of Directors.

RAJ AGRO MILLS LIMITED Annual Report 2017

Annexure-IV

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
RAJ AGRO MILLS LIMITED
C-8/419 Sector 8,
Near Madhuban Chowk
Rohini New Delhi - 110085

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

Based on our verification of the Company's 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 Company for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009- Not applicable during the audit period;
 - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999-Not applicable during the audit period;
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008-Not Applicable during the audit period;
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009-Not Applicable during the audit period; and
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998-Not Applicable during the audit period;
- (vi) We have relied on the representation made by the Company & its Officers for system and mechanism formed by the Company for compliances under other applicable Acts as Environmental Laws & Labour Laws as per list attached herewith.

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

RAJ AGRO MILLS LIMITED Annual Report 2017

(i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange;

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

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in 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.

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 not made any decisions which are having major bearing in the Company's affair in pursuance of above referred laws, rules, regulation, guidelines, standards, etc.

We further report that during the audit period, according to information and explanation given by company representatives, company is not doing any business for the past more than seven years and company has sold a substantial part of its fixed assets to discharge its liabilities of its banker in terms of One Time Settlement with bank. At present there is no business operation therefore, there is no production, sale or purchase of any goods during the period under review. In the absence of any business operations the company has not appointed internal auditors for the Financial Year 2016-17. No Environmental Law is applicable to the Company as it has already informed various Pollution Control Authorities about its business conditions. As company had already shut down its plant, so there is no person employed by the company during the year under review except two permanent employees of the company.

Place: Ludhiana
Date:29.05.2017

For B.K. Gupta & Associates
Company Secretaries
Sd/-
(Bhupesh Gupta)
FCS No.:4590
CP No.:5708

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

RAJ AGRO MILLS LIMITED Annual Report 2017

Annexure-A

RAJ AGRO MILLS LIMITED
C-8/419 Sector 8,
Near Madhuban Chowk
Rohini New Delhi-110085

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 the random 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 random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ludhiana
Date: 29.05.2017

For B.K. Gupta & Associates
Company Secretaries

Sd/-
(Bhupesh Gupta)
FCS No.:4590
C P No.:5708

RAJ AGRO MILLS LIMITED Annual Report 2017

Annexure-V

MANAGEMENT DISCUSSION AND ANALYSIS

While it has been the practice of the Company to regularly share with Members the developments/information on the Company and the Industry Front. However, this section and format is being offered as part of the Annual Report.

OVERVIEW

Financial Statements of the Company have been prepared in compliance with the requirements of the Companies Act, 2013 and generally accepted accounting principles in India. There are no material departures from the prescribed accounting standards in the adoption of accounting standards. The management of the Company accepts responsibility for the integrity and objectivity of these financial statements, as well as various estimates and judgments used therein. The estimates and judgments relating to financial statements have been made on a prudent and reasonable basis so that financial statements reflect in a true and fair manner, the form and substance of transactions and reasonably present the company's state of affairs and profit/loss for the year. The predictions and future estimates in any statements given in this report are based on current environment. However, many unforeseen and uncontrollable external factors may alter these predictions.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has proper and adequate internal control systems to ensure that all financial transactions are authorized and recorded correctly. There are no operation(s)/ transaction(s) during the year. This system ensures that all assets of the Company are properly protected against loss and put to authorized use only. However to pay off bank liabilities and the company pursuant to approval of members had disposed of its assets. The Audit Committee meets at regular intervals to review audit observations and implementation of corrective actions and submit reports of its observations to the Board of Directors.

RISK AND MANAGEMENT PERCEPTION

The Company was forced to dispose of its assets to pay off bank dues hence the management is nothing much to offer under this para.

HUMAN RESOURCES/INDUSTRIAL RELATIONS

The relations of Company remained very cordial with staff and other concerned during the year under review but it is very unfortunate that there is no workforce.

OUTLOOK

The sale of the assets had been made by the Board of Directors after careful consideration, negotiation and in the best interest of the company and its members. It is note-worthy that company had already obtained the approval of the shareholders under section 293(1)(a) of the Companies Act, 1956 for disposal by way of sale, transfer or otherwise of whole or substantially the whole of undertaking of the company at a time or at different times in one or more tranches pursuant to the Postal Ballot Notice dated 18.04.2011 sent under section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules 2001.

MARKET POTENTIAL AND FUTURE OUTLOOK

The company has abandoned the line of manufacturing of vanaspati ghee and refining of oils hence the market potential for the said line of business has now no relevance and future outlook towards said business is totally pessimistic. The company may enter into new venture.

SWOT ANALYSIS

Keeping in view the present turmoil, the directors express their inability to comment upon the SWOT analysis.

CAUTIONARY STATEMENT

Statement in the Management Discussion and Analysis describing Company objectives, expectations, projections, estimates may be "forward looking statements" within the meaning of applicable laws and regulations. Actual position and circumstances may differ. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

FOR AND ON BEHALF OF THE BOARD

Sd/-
(Sanjeev Bansal)
Managing Director
DIN:00057485
662/2, Premjit Road,
Gurdev Nagar Ludhiana-01,
Punjab

Sd/-
(Jatinder Singh)
Director
DIN: 02150760
8-A, Model Town, Extension
Ludhiana-141002, Punjab

Place: Ludhiana
Date : 29.05.2017

RAJ AGRO MILLS LIMITED Annual Report 2017

Annexure-VI

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The company had established a code of governance based on transparency and accountability. For Raj Agro Mills Limited, Good Corporate Governance means adoption of best practices to ensure that the Company operates not only within the regulatory framework, but is also guided by broader business ethics. The adoption of such corporate practices- based on the transparency and proper disclosures – ensures accountability of the persons in charge of the Company and brings benefits to investors, customers, creditors, employees and the society at large.

2. BOARD OF DIRECTORS COMPOSITION

The Company has a strong and broad-based Board consisting of four Directors with adequate blend of professionals, executive, non-executive and independent Directors. The Composition of the Board of Directors comprises of eminent and distinguished personalities, one of which is executive Director and three are non-executive Directors. Majority of Directors on the Board are independent. However, Shri Varinder Kumar died during the year and now Board of Directors consists of three directors one whole time and two independent directors.

BOARD MEETINGS

During the Financial Year 2016-17, Five Board Meetings were held on the following dates.

30.04.2016 25.05.2016 11.08.2016 09.11.2016 09.02.2017

The particulars of the directors, their category and attendance in the Board and Committee Meetings during the year 2016-2017 are given as under:

Name of Director	Category of Director	No. of Board Meetings Attended	No. of Committee Meetings Attended	No. of Committee's Chairman as on 31.03.2017
Sh. Sanjeev Bansal	Mg. Director (Executive)	5	--	--
Sh. Varinder Kumar	Director (Non-Executive)	4	7	--
Sh. Jatinder Singh	Director(Non- Executive)	5	9	3
Mrs. Meenu Uppal	Director(Non- Executive)	5	9	--

3. COMMITTEE(S) OF THE BOARD

The Board of Directors has the following committees with adequate delegation of powers to discharge the affairs of the Company.

(i) Audit Committee

The terms of reference of Audit Committee includes the matters specified in section 177 of the Companies Act, 2013 as well as Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

It consists of only non-executive directors. Sh. Jatinder Singh, Chartered Accountant is the Chairman of the said Committee. The committee is reviewing the accounting, internal control system, approving financial results, the financial reporting, monitoring the compliance with accounting standards, principles, practices etc. Due to death of Shri Varinder Kumar the membership of Audit Committee consists of only two independent directors namely Sh Jatinder Singh as Chairman and Mrs Meenu Uppal as member.

During the Financial Year 2016-17, the Audit Committee Members met four times on 25.05.2016, 10.08.2016, 09.11.2016 and 09.02.2017.

(ii) Nomination and Remuneration Committee

Although the company pays nothing to its whole time directors but the committee had its meeting as and when required as to propose appoint/re-appoint of whole time directors and Key Managerial Personnel and remuneration of KMPs. Due to death of Shri Varinder Kumar the membership of Nomination and Remuneration Committee consists of only two independent directors namely Sh Jatinder Singh as Chairman and Mrs Meenu Uppal as member.

(iii) Stakeholders Relationship cum Investor Grievance Re-dressal Committee

As a measure of good Corporate Governance and to focus on the Shareholder's grievances towards strengthening investor relations, Stakeholders Relationship cum Investor Grievance Re-dressal Committee, as a Sub-Committee of the Board is there for specifically look into the following matters.

- Transfer, Transmission of Shares.
- Dematerialization/Re-materialization of shares
- Replacement of lost/stolen/mutilated share certificate(s) etc.
- Investor Grievances.

RAJ AGRO MILLS LIMITED Annual Report 2017

Presently, the committee consists of only two directors who are independent directors namely Sh. Jatinder Singh as Chairman and Mrs. Meenu Uppal as member. The committee had its meetings on 25.05.2016, 05.08.2016, 09.11.2016 and 09.02.2017.

Name of Compliance Officer: Sh. Sanjeev Bansal, Mg. Director and Ms. Harleen Kaur, Company Secretary are the Compliance Officers of Company.

4. GENERAL BODY MEETINGS

The detail of last four Annual General Meetings is given as follows;

MEETING	DAY, DATE, TIME & VENUE OF THE MEETING	NO. OF SPECIAL RESOLUTION
23rd AGM	Monday, the 30 th September, 2013 at 10.00 a.m. at C-8/419, Sector 8, Near Madhuban Chowk, Rohini, New Delhi- 110 085	Nil
24th AGM	Tuesday, the 30 th September, 2014 at 10.00 a.m. at C-8/419, Sector 8, Near Madhuban Chowk, Rohini, New Delhi- 110 085	Nil
25th AGM	Wednesday, the 30 th September, 2015 at 10.00 a.m. at C-8/419, Sector 8, Near Madhuban Chowk, Rohini, New Delhi- 110 085	Nil
26th AGM	Friday, the 30 th September, 2016 at 10.00 a.m. at C-8/419, Sector 8, Near Madhuban Chowk, Rohini, New Delhi- 110 085	Nil

5. DISCLOSURES

Related Party Transactions are reported by the Auditors in Notes to Accounts attached with the Financial Statements for every financial year. During the year 2016-17, there are no instances of any non-compliance of any provision of law by Company nor any penalty/strictures has been imposed on the Company by Stock Exchange(s), SEBI or any other Statutory Authority on any matter relating to the Capital Market.

6. MEANS OF COMMUNICATION

The Company communicates with the Shareholders at large through its Annual Reports, Publication of Financial Results and by filing of various reports and returns with the Statutory Bodies like Stock Exchanges and the Registrar of Companies. The Quarterly/Half-Yearly/Annual Un-Audited/Audited Results of the Company are being published regularly in prominent daily newspapers.

7. GENERAL SHAREHOLDERS INFORMATION

(a) As stated in the Notice, the **27th Annual General Meeting** of Members of **RAJ AGRO MILLS LIMITED** will be held on **Friday, the 29th day of September, 2017 at 10.00 A.M. at C-8/419 Sector 8, Near Madhuban Chowk, Rohini, New Delhi-110 085.**

(b) Financial Calendar : 1st April to 31st March.

(c) Tentative calendar of events for the Financial Year 2017-18 (April-March) is given below.

First Un-audited Quarterly Results : July-August, 2017

Second Un-audited Quarterly Results: October-November, 2017

Third Un-audited Quarterly Results : January-February, 2018

Fourth Un-audited Quarterly Results : April-May, 2018

(d)**Book-Closure:** Sunday, 24.09.17 to Saturday, 30.09.2017 (both days inclusive).

(e) **Listing Details:** The Securities of the Company are presently listed on the following Stock Exchanges.

1. The Bombay Stock Exchange, Mumbai
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
2. The Delhi Stock Exchange, Delhi

(f) STOCK MARKET DATA

The reported high and low closing prices during the year ended March 31, 2017 on The Bombay Stock Exchange Limited, Mumbai, where the Company's shares are traded, is given below:

RAJ AGRO MILLS LIMITED Annual Report 2017

Scrip Code:530291 **Company:** RAJ AGRO MILLS LTD. **For the Period:** April 2016 to March 2017. All prices in Rs.

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover	Spread *	
								H-L	C-O
Apr-16	5.79	5.79	5.79	5.79	50	1	289	0	0
Jun-16	5.8	6.09	5.8	6.09	8	2	47	0.29	0.29
Jul-16	6.39	6.39	6.08	6.08	426	9	2596	0.31	-0.31
Aug-16	6.37	6.37	6.37	6.37	508	1	3235	0	0
Sep-16	6.68	7.01	6.68	6.7	408	9	2734	0.33	0.02
Oct-16	7.03	7.38	7.03	7.38	14	5	101	0.35	0.35
Nov-16	7.4	7.77	5.17	5.17	1370	15	8176	2.6	-2.23
Dec-16	5	5	3.1	3.1	5419	24	20449	1.9	-1.9
Jan-17	3.25	4.03	3.25	3.83	10259	12	36329	0.78	0.58
Feb-17	4.01	4.15	3.26	3.26	12353	35	47203	0.89	-0.75
Mar-17	3.11	3.94	2.97	3.94	40772	13	148135	0.97	0.83

*Spread

H-L->High-LowC - 0 -> Close - Open

Source www.bseindia.com

(g) Depository for Equity Shares

National Securities Depository Limited (NSDL)

Central Depository Services Limited (CDSL)

International Securities Identification Number (ISIN) with NSDL and CDSL for the Company's Equity Shares: **INE791C01012**.

As on 31st March, 2017, 87.77% of the equity share capital of the company stands dematerialized.

(h) Registrar and Share Transfer Agent

M/s Link Intime India Private Limited formerly known as Intime Spectrum Registry Limited is the Registrar & Share Transfer Agent of the Company handling the Share Transfer Work both in physical and electronic form. All correspondence relating to share transfer, transmission, dematerialization, re-materialization etc. can be made at the following address of the Registrar or to the Company at the Registered Office/Corporate Office of the Company.

M/s Link Intime India Private Limited

(Formerly Intime Spectrum Registry Limited)

44- Community Centre, 2nd Floor, Naraina Industrial Area

Phase-I, PVR, Naraina,

New Delhi - 110 028, Ph. 011-41410592-594

Fax: 91-11-41410591, e-mail: delhi@linkintime.co.in

(i) Distribution Schedule of Company as on 31.03.2017

Shareholding of nominal value			Shareholders		SHARES				
Rs.		Rs.	Number	% to Total	PHYSICAL (in Rs.)	NSDL DEMAT (in Rs.)	CDSL (in Rs.)	Total In Rs.	% to Total
(1)			(2)	(3)	(4)	(5)	(6)	(7)	(8)
Upto	---	5,000	1590	85.0267	100736	76478	40971	218185	7.0301
5,001	---	10,000	117	6.2567	27600	43837	21875	93312	3.0066
10,001	---	20,000	97	5.1872	55100	52093	44142	151335	4.8761
20,001	---	30,000	14	0.7487	14200	10600	13712	38512	1.2409
30,001	---	40,000	10	0.5348	14500	14118	6495	35113	1.1314
40,001	---	50,000	11	0.5882	13500	32141	4600	50241	1.6188
50,001	---	1,00,000	10	0.5348	25800	29009	25698	80507	2.5940
1,00,001	AND	ABOVE	21	1.1230	128200	580395	1727800	2436395	78.5022
TOTAL			1870	100.00	379636	838671	1885293	3103600	100.00

RAJ AGRO MILLS LIMITED Annual Report 2017

- (j) The Company has not issued any GDR's/ADR's and there are no warrants or convertible instruments.
- (k) Corporate office : Raj Agro Mills Limited
Village Pawa, G.T.Road
Near Civil Airport
Ludhiana-141 120
- (l) Address for correspondence : Raj Agro Mills Limited
Registered Office C-8/419 Sector 8, Near Madhuban Chowk, Rohini
New Delhi - 110 085
- (m) The Company is at present not adopting non-mandatory requirements.
- (n) No remuneration has been paid to whole time director(s) during the year 2016-17.
- (o) Non-Executive/Independent Directors have not been paid any remuneration during the year under review except the meeting sitting fees.

FOR AND ON BEHALF OF THE BOARD

Sd/-
(Sanjeev Bansal)
Managing Director
DIN:00057485
662/2, Premjit Road,
Gurdev Nagar Ludhiana-01,
Punjab

Sd/-
(Jatinder Singh)
Director
DIN: 02150760
8-A, Model Town, Extension
Ludhiana-141002, Punjab

Place: Ludhiana
Date : 29.05.2017

RAJ AGRO MILLS LIMITED Annual Report 2017

STATUTORY AUDITOR'S CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To the Members
RAJ AGRO MILLS LIMITED
New Delhi

We have examined the compliance of the conditions of the Corporate Governance by Raj Agro Mills Limited for the year ended 31st March 2017, as stipulated as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations;

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and Management, we certify that:

(i) The Paid-up Capital of the Company as on March 31, 2017 is Rs.7,60,36,000/-

(ii) The Net Worth of the Company as on March 31, 2017 is Rs.-11,92,41,638/-

Accordingly, as per Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 compliance of conditions of Corporate Governance is not applicable on the Company. However, the Company has voluntarily complied with the conditions of the Corporate Governance as stipulated in the above-mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We state that no investor grievance is pending for a period of exceeding one month against the Company as per the records maintained by the Stakeholders Relationship Committee.

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

PLACE: LUDHIANA
DATE: 29.05.2017

FOR P.C. GOYAL & CO.
Chartered Accountants

Sd/-
CA P.C. Goyal
PARTNER
M.NO.080377

RAJ AGRO MILLS LIMITED Annual Report 2017

CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)
(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Board of Directors
Raj Agro Mills Limited,

We, Sanjeev Bansal, Managing Director and Rupinder Singh, Chief Financial Officer of the Company hereby certify that :-

- a. We have reviewed Financial Statements and the Cash Flow Statement for the year ended 31st March, 2017 and to the best of our knowledge and belief;
- i. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
- ii. These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations;
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct;
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have not found any significant deficiencies in the design or operation of such internal controls;
- d. We have indicated to the Auditors and the Audit Committee that there are:
- i. No significant changes in internal control over financial reporting during the year;
- ii. No significant changes in accounting policies during the year; and
- iii. No instances of significant fraud have come to our notice, which involve the management or an employee of the Company having significant role in the Company's internal control system.

PLACE: LUDHIANA
DATE: 29.05.2017

FOR RAJ AGRO MILLS LIMITED

Sd/-
(RUPINDER SINGH)
(CFO)

Sd/-
(SANJEEV BANSAL)
(MD)

Declaration by Chief Executive Officer under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

I Sanjeev Bansal, Managing Director of the Company hereby certify that all the Members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management.

FOR RAJ AGRO MILLS LIMITED

Sd/-
(SANJEEV BANSAL)
Managing Director

RAJ AGRO MILLS LIMITED Annual Report 2017

P.C. Goyal & Co.,
CHARTERED ACCOUNTANTS

62-New Lajpat Nagar,
Pakhawal Road,
LUDHIANA – 141001.
Off:+ 91161-2406716
Fax:+ 91161-2403546
Resi.:+91161-2406342
Email: capcgoyal@gmail.com

Independent Auditor's Report

To The Members of Raj Agro Mills Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

This responsibility also includes maintenance of adequate 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 true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

We have taken into accounts 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 Rules made there-under.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, its losses and its cash flows for the year ended on that date.

RAJ AGRO MILLS LIMITED Annual Report 2017

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required under the provisions of section 143(3) of the Act, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of 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 Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the directors as on 31st March 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With reference to adequacy of internal financial control over financial reporting of company and operating effectiveness of such controls refer to our separate report in Annexure "B"; and.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i The Company does not have any pending litigations which would impact its financial position.
 - ii The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii There is no such amount which is required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer note no.20 to standalone financial statements.

For & on behalf of
P. C. Goyal & Co.,
Chartered Accountants

Place: Ludhiana
Date: 29.05.2017

Sd/-
CA. P.C. Goyal
(Partner)
M. No. 080377
FRN:002368N

RAJ AGRO MILLS LIMITED Annual Report 2017

Annexure- A to the Audit Report

Referred to in paragraph 1 of our Report on **Other Legal and Regulatory**

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Since the company has sold all its remaining fixed assets during the year as such no question of physical verification by the management arises. According to information and explanation given to us, the company has so far not made any plan to replace such fixed assets that has been sold. In view of said sale of the assets, the company has no plans to maintain going concern status in near future.
- (c) The company does not own any immovable property.
- (ii) There is no business operation in the company as such it is not having any stock inventory, in view of which nothing requires to be given under this para.
- (iii) The Company has not granted any loan secured or unsecured to the companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the companies has not provided any loans, investments, guarantees, and security stated in section 185 and 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public, therefore, the provisions of clause (v) of paragraph 3 of the Order is not applicable to the company.
- (vi) In our opinion, and according to information and explanations given to us the Companies (Cost Records and Audit) Rules, 2014 are not applicable to the Company. Hence, the maintenance of cost accounts and records are not required.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has been regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employee's state insurance, Income tax, Vat/CST, Service Tax, Custom Duty, Excise duty, Cess and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears, as at 31.03.2017 for a period of more than six months from the date of becoming payable.

- (b) According to the information and explanation given to us and as per records of the company, as at 31st March, 2017, the following are the particulars of dues on account of sales tax penalty matters that have not been deposited on account of any dispute:

Name of the statute	Nature of the dues	Amount (in Rs.)	Period to which the amount relates	Forum where dispute pending
The Punjab VAT ACT, 2005	Penalty u/s 51(7)(b)	35,500/-	Fin Year 2006-2007	Appeal before Deputy Excise & Taxation Commissioner Cum Joint Director (Enforcement), Bathinda

However according to information and explanation given to us, a sum of Rs.8,875/- was deposited on 22.07.2006 against the above demand.

- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture-holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to information and explanation given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the year.

RAJ AGRO MILLS LIMITED Annual Report 2017

- (xi) According to information and explanation given to us and based on our examination of records of the company, the company has not paid or provided any managerial remuneration during the year. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion, the company is not a chit fund or a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to information and explanation given to us and based on our examination of records of the company, during the year under review the company has not entered into any transactions with the related parties in terms of section 177 and 188 of the Act. Accordingly, the provisions of clause (xiii) of paragraph 3 of the Order, are not applicable to the company.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to information and explanation given to us and based on our examination of records of the company, during the year under review the company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

For & on behalf of
P. C. Goyal & Co.,
Chartered Accountants

Sd/-
CA. P.C. Goyal
(Partner)
M. No. 080377
FRN:002368N

Place: Ludhiana
Date: 29.05.2017

RAJ AGRO MILLS LIMITED Annual Report 2017

Annexure- B to the Audit Report

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 control over the financial reporting of "Raj Agro Mills Limited" ('the company') as of 31st March, 2017 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date:

Management 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 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 the 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 were 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 systems 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 auditors' judgment, 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 for our audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial control 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) Pertains to 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 the 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 authorization of the management and directors of the Company; and
- 3) Provide reasonable assurance regarding prevention of timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

RAJ AGRO MILLS LIMITED Annual Report 2017

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of 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 procedure may deteriorate.

Opinion

In our opinion and based on present financial structure, the company has, in all material aspects, and adequate internal financial controls systems over financial reporting and such internal controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal controls 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 & on behalf of
P. C. Goyal & Co.,
Chartered Accountants

Place: Ludhiana
Date: 29.05.2017

Sd/-
CA. P.C. Goyal
(Partner)
M. No. 080377
FRN:002368N

RAJ AGRO MILLS LIMITED Annual Report 2017

RAJ AGRO MILLS LIMITED C-8/419, Sector 8, Near Madhuban Chowk, Rohini, New Delhi-85 CIN:L15149DL1990PLC040532 Balance Sheet as at 31.03.2017			
Particulars	Note No.	31.03.2017	31.03.2016
1	2	3	4
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	76,036,000.00	76,036,000.00
(b) Reserves and surplus	2	-195,277,637.89	-192,448,335.19
(c) Money received against share warrants		-	-
2 Share application money pending allotment		-	-
3 Non-current liabilities			
(a) Long-term borrowings	3	120,704,881.00	120,673,686.00
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities	4	-	-
(d) Long-term provisions	5	-	-
4 Current liabilities			
(a) Short-term borrowings	6	-	-
(b) Trade payables		-	-
(c) Other current liabilities	7	77,416.11	133,430.00
(d) Short-term provisions	8	83,618.00	92,608.00
TOTAL		1,624,277.22	4,487,388.81
II. ASSETS			
Non-current assets			
1 (a) Fixed assets			
(i) Tangible assets	9	-	1,410,485.59
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	10	-	-
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	11	1,346,239.82	1,346,239.82
(e) Other non-current assets	12	-	-
2 Current assets			
(a) Current investments	13	-	-
(b) Inventories	14	-	-
(c) Trade receivables	15	-	-
(d) Cash and cash equivalents	16	256,352.40	615,458.40
(e) Short-term loans and advances	17	21,685.00	15,205.00
(f) Other current assets	18	-	1,100,000.00
TOTAL		1,624,277.22	4,487,388.81

Significant Accounting Policies and Notes on Accounts Note No. 26

Signed in terms of our report of even date

For P. C. Goyal & Co.

Chartered Accountants

Sd/-
(CA. P. C. Goyal)
Partner
M.NO. 080377
FRN: 002368N
Place : Ludhiana
Date : 29.05.2017

For & on behalf of the board

Sd/-
Sanjeev Bansal
Managing Director
DIN 00057485

Sd/-
Jatinder Singh
Director
DIN:02150760

Sd/-
Harleen Kaur
Company Secretary

Sd/-
Rupinder Singh
CFO

RAJ AGRO MILLS LIMITED Annual Report 2017

RAJ AGRO MILLS LIMITED				
C-8/419, Sector 8, Near Madhuban Chowk, Rohini, New Delhi-85				
CIN:L15149DL1990PLC040532				
Profit and Loss statement for the year ended 31.03.2017				
(` in Rupees)				
Particulars		Refer Note No.	As at 31 March 2017	As at 31 March 2016
I.	Revenue from operations	21	-	-
II.	Other income	22	108,880.00	367,024.39
III.	Total Revenue (I + II)		108,880.00	367,024.39
IV.	Expenses:			
	Cost of materials consumed		-	-
	Purchases of Stock-in-Trade		-	-
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
	Employee benefits expense	23	988,439.00	860,866.00
	Finance costs	24	623.00	28,592,615.37
	Depreciation and amortization expense	9	231,575.50	176,311.00
	Other expenses	25	1,717,545.20	868,590.65
	Total expenses		2,938,182.70	30,498,383.02
V.	Profit before exceptional and extraordinary items and tax (III-IV)		-2,829,302.70	-30,131,358.63
VI.	Exceptional items		-	-
VII.	Profit before extraordinary items and tax (V - VI)		-2,829,302.70	-30,131,358.63
VIII.	Extraordinary Items		-	-
	Prior Period Expenses		-	-
IX.	Profit before tax (VII- VIII)		-2,829,302.70	-30,131,358.63
X	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
XI	Profit (Loss) for the period from continuing operations (VII-VIII)		-2,829,302.70	-30,131,358.63
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV	Profit (Loss) for the period (XI + XIV)		-2,829,302.70	-30,131,358.63
XVI	Earnings per equity share:			
	Before Exceptional Items			
	(1) Basic		-0.91	-9.71
	(2) Diluted		-0.91	-9.71
	After Exceptional Items			
	(1) Basic		-0.91	-9.71
	(2) Diluted		-0.91	-9.71
	Number of Shares Used in Computing Earning Per Share			
	(1) Basic		3103600	3103600
	(2) Diluted		3103600	3103600

Signed in terms of our report of even date

For & on behalf of the board

For P. C. Goyal & Co.
Chartered Accountants

Sd/-
(CA. P. C. Goyal)
Partnership
M.NO. 080377
FRN: 002368N
Place : Ludhiana
Date : 29.05.2017

Sd/-
Sanjeev Bansal
Managing Director
DIN 00057485

Sd/-
Jatinder Singh
Director
DIN:02150760

Sd/-
Harleen Kaur
Company Secretary

Sd/-
Rupinder Singh
CFO

RAJ AGRO MILLS LIMITED Annual Report 2017

RAJ AGRO MILLS LIMITED C-8/419, Sector 8, Near Madhuban Chowk, Rohini, New Delhi-85 CIN:L15149DL1990PLC040532 CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017		
PARTICULARS	CURRENT YEAR (RS.)	PREVIOUS YEAR (RS.)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit/(Loss) Before Tax And Extra ordinary Items	-2,829,303	-30,131,359
Adjustment for :		
Depreciation	231,576	176,311
Interest Paid/(Earned)	-108,257	28,374,945
Bad Debts/Sundry Bal w/off	-	149,349
(Profit)/Loss on sale of Assets (Net)	1,131,762	-
Operating Profit before Working Capital changes	-1,574,222	-1,430,753
Decrease/(Increase) in Trade & other Receivable & other current assets	1,093,520	855,705
Increase/(Decrease) in Trade Payables & Provisions	-65,004	-52,003,536
Cash Generated from operations	-545,706	-52,578,585
Net Cash from/(used) Operating Activities	-545,706	-52,578,585
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	-
Proceeds from sale of assets	47,148	-
Proceeds from loans & advances	-	2,638
Net Cash from/(used) in Investing Activities	47,148	2,638
C. CASH FLOW FROM FINANCING ACTIVITIES		
Receipt of long term borrowings/unsecured loans	31,195	80,815,060
Interest Paid/Earned	108,257	-28,374,945
Payment of cash credit limit/short term bank borrowing	-	-
Net Cash from/(used) in Financing Activities	139,452	52,440,115
Net Increase/(Decrease) in cash and cash Equivalents	-359,106	-135,832
Cash and Cash equivalents (Opening Balance)	615,458	751,290
Cash and Cash equivalents(Closing Balance)	256,352	615,458
Cash and Cash Equivalents Comprises		
Cash and Cheques in Hand	86,916	497,892
Balance with Scheduled Banks	169,436	117,566
	256,352	615,458

Signed in terms of our report of even date
For P. C. Goyal & Co.
Chartered Accountants

For & on behalf of the board

Sd/-
(CA. P. C. Goyal)
PARTNER
M.NO. 080377
FRN: 002368N
Place : Ludhiana
Date : 29.05.2017

Sd/-
Sanjeev Bansal
Managing Director
DIN:00057485

Sd/-
Jatinder Singh
Director
DIN:02150760

Sd/-
Harleen Kaur
Company Secretary

Sd/-
Rupinder Singh
CFO

RAJ AGRO MILLS LIMITED Annual Report 2017

NOTE 1

Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013 pertaining to Share Capital

Share Capital	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
Authorised		
450000 10% Redeemable Non-cumulative Participative Preference Shares (Prv Yr 450000) of Rs.100/- par value)	45,000,000.00	45,000,000.00
3250000 Equity Shares (Prv Yr 3250000) of Rs.10/- par value	32,500,000.00	32,500,000.00
Issued		
450000 10% Redeemable Non-cumulative Participative Preference Shares (Prv Yr 450000) of Rs.100/- par value)	45,000,000.00	45,000,000.00
3103600 Equity Shares (Prv Yr 3103600) of Rs.10/- par value	31,036,000.00	31,036,000.00
Subscribed & Paid up		
450000 10% Redeemable Non-cumulative Participative Preference Shares (Prv Yr 450000) of Rs.100/- par value)	45,000,000.00	45,000,000.00
3103600 Equity Shares (Prv Yr 3103600) of Rs.10/- par value	31,036,000.00	31,036,000.00
Total	76,036,000.00	76,036,000.00

Terms of issue and redemption of preference shares:

150000 10% Redeemable Non-cumulative Participative Preference Shares of Rs.100/- each issued pursuant to Special Resolution dated 21.09.2001 on 30.10.2001.

300000 10% Redeemable Non-cumulative Participative Preference Shares of Rs.100/- each issued pursuant to Special Resolution dated 30.09.2008 i.e. 200000 on 13.03.2009 and 100000 on 20.03.2009.

- The said Preference Shares shall carry a right to fixed preferential dividend of 10% per annum in relation to the capital paid thereon.
- The holders of the said shares shall have a right to attend their class meetings and shall be entitled to vote on resolutions affecting their right directly.
- The preference shares shall rank in priority to the equity share holders for payment of dividend or arrears of dividend.
- In winding up the preference shares shall rank in priority to the equity shareholders for repayment of capital and payment of arrears of dividend and shall also have a right to participate in the surplus assets of the Company.
- The preference shares shall be redeemable at the option of the Company but in any case not later than 20 years from the date of issue.
- All the preference shares may be redeemed simultaneously or in parts issued to the preference share holders on prorata basis.

NOTE 1 A

For the year ending 31.03.2017

Particulars	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	3103600	31,036,000.00	450000	45,000,000.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3103600	31,036,000.00	450000	45,000,000.00

For the year ending 31.03.2016

Particulars	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	3103600	31,036,000.00	450000	45,000,000.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3103600	31,036,000.00	450000	45,000,000.00

NOTE 1 C

Disclosure pertaining to shares in the company held by each shareholder holding more than 5 per cent

a) 10% Redeemable Non-cumulative Participative Preference Shares of `100/- each

SR NO	Name of Shareholder	As at 31 March 2017		As at 31 March 2016	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Sh. Raj Paul Bansal	30,000	6.67%	30,000	6.67%
2	Smt. Kamlesh Bansal	30,000	6.67%	30,000	6.67%
3	Sh Sanjeev Bansal	175,000	38.88%	175,000	38.88%
4	Sh Salil Bansal	135,000	30.00%	135,000	30.00%
4	Sh Sahil Bansal	80,000	17.78%	80,000	17.78%
	Total	450,000	100%	450,000	100%

b) Equity Shares

SR NO	Name of Shareholder	As at 31 March 2017		As at 31 March 2016	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Sh Sanjeev Bansal	557,000	17.95%	557,000	17.95%
2	Sh Raj Paul Bansal	500,650	16.13%	500,650	16.13%
3	Smt. Kamlesh Bansal	226,900	7.31%	226,900	7.31%
4	Sh Sahil Bansal	224,200	7.22%	224,200	7.22%
5	Sh Salil Bansal	210,600	6.79%	210,600	6.79%
6	Smt Rama Bansal	156,250	5.03%	156,250	5.03%
	Total	1,875,600		1,875,600	

RAJ AGRO MILLS LIMITED Annual Report 2017

NOTE 1 D

Disclosure pertaining to Shares issue for consideration other than cash, Bonus Shares & Shares bought back

Particulars	(Aggregate No. of Shares) for the year ended				
	2016-17	2015-16	2014-15	2013-14	2012-13
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL	NIL	NIL	NIL
Fully paid up by way of bonus shares	NIL	NIL	NIL	NIL	NIL
Shares bought back	NIL	NIL	NIL	NIL	NIL
Preference Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL	NIL	NIL	NIL
Fully paid up by way of bonus shares	NIL	NIL	NIL	NIL	NIL
Shares bought back	NIL	NIL	NIL	NIL	NIL

NOTE 1 E

Unpaid Calls	
By Directors	NIL
By Officers	NIL

NOTE 2

Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013 pertaining to Reserves and Surplus

Reserves & Surplus	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
(i) (c). Securities Premium Reserves		
Opening Balance	16,197,706.61	16,197,706.61
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	16,197,706.61	16,197,706.61
(ii) Reserved specifically represented by earmarked investments	-	-
(iii) Debit Balance of Statement of Profit & Loss Account		
Opening balance	-208,646,041.80	-203,338,374.16
(+) Net Profit/(Net Loss) For the current year	-2,829,302.70	-5,307,667.64
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
(+) Sundry Balance W/Off	-	-
(-) Income Tax of earlier year w/off	-	-
Closing Balance	-211,475,344.50	-208,646,041.80
Total	-195,277,637.89	-192,448,335.19

NOTE 3

Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013 pertaining to Long-Term Borrowings

Long Term Borrowings	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
A) Secured	-	-
	-	-
B) Unsecured		
(a) Deposits		
i) from Public	-	-
ii) from Directors	120,704,881.00	120,673,686.00
iii) from bodies corporates	-	-
	120,704,881.00	120,673,686.00
Total (A + B)	120,704,881.00	120,673,686.00

RAJ AGRO MILLS LIMITED Annual Report 2017

NOTE 4

Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013 pertaining to Other Long Term Liabilities

<u>Other Long Term Liabilities</u>	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
(a) Trade Payables	-	-
(b) Others	-	-
Total	-	-

NOTE 5

Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013 pertaining to Long Term Provisions...N.A...

NOTE 6

Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013 pertaining to Short Term Borrowings...N.A.

NOTE 7

Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013 pertaining to Other Current Liabilities

<u>Other Current Liabilities</u>	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
(a) Current Maturities of Long Term Debt:		
A) Secured		
From State Bank of India		
(a) Term loan (As Per One Time Settlement dated 26.09.2012)	-	-
(b) Other payables (specify nature)		
Advances from parties against C-Form/Sale of fixed assets/supplies	-	-
TDS Payable	13,512.00	11,443.00
ESI Payable	1,244.00	813.00
Labour Welfare Fund Payable	1,371.00	896.00
Service Tax Payable	-	4,350.00
PF Payable	700.00	2,660.00
Expenses Payable (Others)	60,589.11	113,268.00
Total	77,416.11	133,430.00

NOTE 8

Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013 pertaining to Short Term Provisions

<u>Short Term Provisions</u>	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
(a) Provision for employee benefits		
Salary & Reimbursements	83,618.00	92,608.00
Contribution to PF	-	-
(b) Others (Specify nature)		
Total	83,618.00	92,608.00

NOTE 10

Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013 pertaining to Non Current Investments

<u>Other Investments</u>	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
	-	-

Note No.9: Disclosure pursuant to Part I & Part II of Schedule III to the Companies Act, 2013 pertaining to Tangible Assets & Depreciation & Amortisation Expense													
	Gross Block					Accumulated Depreciation					Net Block		
	As at 31 March 2016	Additions	(Disposals)	Adjustment on Account of Forfeiture	As at 31 March 2017	As at 31 March 2016	Depreciation charge for the year	Adjustment due to revaluations/w/off	Retirement of Assets	On disposals	As at 31 March 2017	As at 31 March 2016	
	1	2	3	4	5=1+2-3-4	6	7	8	9	10	11=6+7-8-9-10	12=5-11	13=1-6
a Tangible Assets													
Plant and Machinery	2,100,000.20	-	2,100,000.20	-	-	689,514.61	231,575.50	-	-	921,090.11	-	-	1,410,485.59
Others (specify nature)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	2,100,000.20	-	2,100,000.20	-	-	689,514.61	231,575.50	-	-	921,090.11	-	-	1,410,485.59
b Intangible Assets													
Total	-	-	-	-	-	-	-	-	-	-	-	-	-
c Capital Work In Progress													
Total	-	-	-	-	-	-	-	-	-	-	-	-	-
d Intangible assets													
Total	2,100,000.20	-	2,100,000.20	-	-	689,514.61	231,575.50	-	-	921,090.11	-	-	1,410,485.59
Previous Yr	2,100,000.20	-	-	-	2,100,000.20	513,203.61	176,311.00	-	-	-	689,514.61	1,410,485.59	1,586,796.59

RAJ AGRO MILLS LIMITED Annual Report 2017

NOTE 11

Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013 pertaining to Long Term Loans & Advances

Long Term Loans and Advances	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
a. Capital Advances		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Allowance for doubtful advances	-	-
	-	-
b. Security Deposits(unsecure considered good)		
Electricity Security	1,319,391.00	1,319,391.00
Telephone Security	26,848.82	26,848.82
	1,346,239.82	1,346,239.82
c. Loans and advances to related parties	-	-
d. Other Loans and advances		
Secured, considered good	-	-
Unsecured, considered good	-	-
Less: Allowance for doubtful loans and advances	-	-
Total	1,346,239.82	1,346,239.82

NOTE 11 A

Disclosure pertaining to Loan & Advances due by Directors/officers/other interested parties

Particulars	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
Directors *	-	-
Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
	-	-

*Either severally or jointly

NOTE 12

Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013 pertaining to Other Non Current Assets

Other Non Current Asset	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
a. Long term trade receivables (including trade receivables on deferred credit terms)		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful debts	-	-
	-	-
b. Others (specify nature)		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for _____	-	-
	-	-
Total	-	-

NOTE 12 A

Disclosure pertaining to Debts due by Directors/officers/other interested parties

	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
	-	-

*Either severally or jointly

NOTE 13

Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013 pertaining to Current Investments: N.A.

RAJ AGRO MILLS LIMITED Annual Report 2017

NOTE 14

Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013 pertaining to Inventories

Inventories	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
a. Raw Materials and components (Valued at cost or market price whichever is less)	-	-
Goods-in transit	-	-
<i>Sub total</i>	-	-
b. Work-in-progress (Valued at lower of cost and net realisable value)	-	-
Goods-in transit	-	-
<i>Sub total</i>	-	-
c. Finished goods (Valued at lower of cost and net realisable value)	-	-
Goods-in transit	-	-
<i>Sub total</i>	-	-
d. Stock-in-trade (Valued at cost or market price whichever is less)	-	-
Goods-in transit	-	-
<i>Sub total</i>	-	-
e. Stores and spares (Valued at cost or market price whichever is less)	-	-
Goods-in transit	-	-
<i>Sub total</i>	-	-
f. Loose Tools (Valued at _____)	-	-
Goods-in transit	-	-
<i>Sub total</i>	-	-
g. Others (Specify nature)	-	-
Packing Material (Valued at cost or market price whichever is less)	-	-
Goods-in transit	-	-
<i>Sub total</i>	-	-
Grand Total	-	-

NOTE 15

Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013 pertaining to Trade Receivables

Trade Receivables	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Less: Allowance for doubtful debts	-	-
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Less: Allowance for doubtful debts	-	-
Total	-	-

NOTE 15 A

Trade Receivable stated above include debts due by:

Particulars	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
Total	-	-

*Either severally or jointly

RAJ AGRO MILLS LIMITED Annual Report 2017

NOTE 16

Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013 pertaining to Cash and Cash equivalents

Cash and cash equivalents	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
a. Balances with banks*	169,436.08	117,566.08
This includes:		
Earmarked Balances (eg/- unpaid dividend accounts)	-	-
Margin money	-	-
Security against borrowings	-	-
Guarantees	-	-
Other Commitments	-	-
Bank deposits with more than 12 months maturity	-	-
b. Cheques, drafts on hand	-	-
c. Cash on hand*	86,916.32	497,892.32
d. Others (specify nature)	-	-
Total	256,352.40	615,458.40

*Repatriation restrictions, if any, in respect of cash and bank balances shall be separately stated....N.A.....

NOTE 17

Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013 pertaining to Short Term Loans & Advances

Short-term loans and advances	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
	-	-
b. Others (specify nature)		
i) Balance with revenue authorities		
- Income Tax	21,685.00	15,205.00
- Sales Tax	-	-
ii) Others unsecured considered good	-	-
iii) Advance to employees	-	-
Total	21,685.00	15,205.00

NOTE 17 A

Short-term loans & advances stated above due by

Short-term loans and advances	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-
	-	-

*Either severally or jointly

NOTE 18

Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013 pertaining to Other Current Assets :

Other Current Assets	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
Receivables against sale of fixed assets	-	1,100,000.00
	-	1,100,000.00

RAJ AGRO MILLS LIMITED Annual Report 2017

NOTE 19		
Disclosure pursuant to Part I of Schedule III to the Companies Act, 2013 pertaining to Contingent Liabilities and commitments		
<u>Contingent liabilities and commitments (to the extent not provided for)</u>	As at 31 March 2017	As at 31 March 2016
	Amount	
(i) Contingent Liabilities		
(a) Claims against the company not acknowledged as debt	-	-
(b) Guarantees	-	-
(c) Other money for which the company is contingently liable	-	-
Sales Tax Liability u/s 51(7)(b) of Punjab Vat Act, 2005 for the FY 06-07	26,625.00	26,625.00
Gravuty Provisions	230,769.00	166,154.00
	257,394.00	192,779.00
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
(b) Uncalled liability on shares and other investments partly paid	-	-
(c) Other commitments (specify nature)	-	-

NOTE 20 Details of Specified Bank Notes (SBN) held and Transacted during the period from 8th November, 2016 to 30th December, 2016

Particulars	SBNs	Other Denomination	Total
Closing Cash in Hand as on 08.11.2016	-	304,206.32	304,206.32
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	6,745.00	6,745.00
(-) Amount Deposited in banks	-	-	-
Closing Cash in Hand as on 30.12.2016	-	297,461.32	297,461.32

RAJ AGRO MILLS LIMITED Annual Report 2017

NOTE 21

Disclosure pursuant to Note 2 of Part II of Schedule III to the Companies Act, 2013

Particulars	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
Sale of products	-	-
Sale of services	-	-
Other operating revenues	-	-
Less: Excise duty	-	-
Total	-	-

NOTE 22

Disclosure pursuant to Note 4 of Part II of Schedule III to the Companies Act, 2013

Other Income	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
Interest Income	108,880.00	217,670.00
Sale of traded goods	-	-
Net gain/loss on sale of investments	-	-
Profit on Sale of Assets	-	-
Sundry Balances W/Back	-	149,349.00
Other non-operating income (net of expenses directly attributable to such income)	-	5.39
Total	108,880.00	367,024.39

NOTE 23

Disclosure pursuant to Note 5(i) (a) of Part II of Schedule III to the Companies Act, 2013

Employee Benefits Expense	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
(a) Salaries and wages, bonus, HRA	960,242.00	804,000.00
(b) Contributions to -		
(i) Provident fund and other funds	21,318.00	28,869.00
(c) Gratuity fund contributions	-	-
(d) Leave Encashment & Bonus	6,879.00	27,997.00
(d) Social security and other benefit plans for overseas	-	-
(f) Staff/Labour welfare expenses	-	-
Total	988,439.00	860,866.00

NOTE 24

Disclosure pursuant to Note 3 of Part II of Schedule III to the Companies Act, 2013

Finance costs	As at 31 March 2017	As at 31 March 2016
	Amount	Amount
Interest expense	278.00	28,592,615.37
Other borrowing costs	345.00	-
Applicable net gain/loss on foreign currency transactions and translation	-	-
Total	623.00	28,592,615.37

*The account of company with State Bank of India had become NPA as on 30.09.2010 and the bank issued a Notice dated 15.12.2010 under section 13 (2) of the Securitization And Reconstruction of Financial Assets And Enforcement of Securities Act, 2002 by which the bank claimed outstanding dues to the tune of Rs.34,89,75,652.74 (inclusive of interest up to 15.12.2010) and also asked for future interest at contractual rate on said amount together with incidental expenses, cost, charges etc. However, the company had reached One Time Settlement with the bank under OTS Scheme for Rs.33.20 Cr. conveyed by bank vide its letter reference no. SAMB/SK/1142 dated 26.09.2012.

As per OTS Interest was to be paid on reducing balance amount at base rate (simple) and a period of six month was allowed for repayment of interest accrued on the OTS amount starting 36 months after conveying of sanction of OTS offer. As such the total amount of interest was to be paid on or before 25.03.2016.

The company has paid the interest amount of Rs.2,85,92,615/- to the bank during the year as per terms and conditions of the OTS scheme. As the bank account was classified as NPA on 30.09.2010 and the company was in the process of settlement of accounts with the bank hence the bank interest from the date of account becoming NPA till the payment of said amount of interest of Rs.2,85,92,615/- has not been booked on due basis in books of account but accounted for on payment basis.

RAJ AGRO MILLS LIMITED Annual Report 2017

NOTE 25

Disclosure pursuant to Note 5(i) & (iv) of Part II of Schedule III to the Companies Act, 2013

SR No	Other expenses	As at 31 March 2017	As at 31 March 2016
		Amount	Amount
1	Consumption of Stores & Spares	-	-
2	Power & Fuel	52,643.00	291,190.00
3	Repairs to building	-	-
4	Repairs to machinery	-	-
5	Insurance	-	-
6	Rates & taxes	263,370.00	356,965.00
7	Legal & Professional Fees	92,714.11	48,853.65
8	Service Tax	4,350.00	7,441.00
9	Telephone & Internet Charges	13,522.00	15,568.00
10	VAT W/off (Sale Tax Under Protest)	-	-
11	Business Promotion	-	-
12	Rent	-	-
13	Insurance Claim recoverable w/off	-	-
14	Miscellaneous Expenses		
	- Loss on Sale of Fixed Assets	1,131,762.09	-
	- Others Expenses	159,184.00	148,573.00
15	Diminution in value of Investment	-	-
	Total	1,717,545.20	868,590.65

SR No	Audit fees	As at 31 March 2017	As at 31 March 2016
		Amount	Amount
1	Payments to the Statutory Auditor as	18,975.00	18,893.00
	b. for taxation matters,	11,500.00	11,450.00
	c. for company law matters,	-	-
	d. for management services,	-	-
	e. for other services,	-	-
	f. for reimbursement of expenses;	-	-

RAJ AGRO MILLS LIMITED Annual Report 2017

NOTE NO.26 FORMING PART OF THE BALANCE SHEET AND STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDING 31ST MARCH 2017

A. STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES

- a. **Description of Business:** The Company was engaged in Hydrogenation of vegetable oils and the related products like Vanaspati and Refined oil.
- b. **Basis of preparation of financial statements:** The financial statements have been prepared under the historical cost convention, in accordance with the Generally Accepted Accounting Principles (GAAP) and as per the provisions of the Companies Act, 2013 as adopted consistently by the company. All the Income and Expenditure having material bearing on the financial statements are recognized on accrual basis.
- c. **Use of Estimates:** The preparation of the financial statements in conformity with the GAAP requires that the management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as of the date of the financial statements, and the reported amount of revenues and expenses during the reported period. Actual results could differ from those estimates.
- d. **Revenue Recognition:** The Company follows the mercantile system of accounting and recognizes income & expenditure on accrual basis except gratuities and interest on working capital and term loans taken from State Bank of India.
- e. **Fixed Assets:** Fixed assets are capitalized at cost of acquisition including directly attributable cost of bringing the assets to their working condition for intended use and also including an appropriate share of incidental expenditure during construction/installation.
- f. **Depreciation:** Depreciation has been calculated and provided in accordance with schedule II to the Companies Act, 2013. Depreciation for assets purchased/sold during the period is proportionately charged. Intangible assets, if any, are amortized over their respective individual estimated use lives on Written down Value basis, commencing from the date the asset is available to the Company for its use.
- g. **Investments:** Trade investments are the investments made to enhance the Company's business interests. Investments are either classified as current or long-term based on Management's intention at the time of purchase. Current investments are carried at the lower of cost and fair value of each investment individually. Cost for overseas investments comprises the Indian Rupee value of the consideration paid for the investment translated at the exchange rate prevalent the date of investment. Long term investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.
- h. **Foreign Currency Transactions:**
 - (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
 - (b) Monetary items denominated in foreign currencies at the year-end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
 - (c) Non monetary foreign currency items are carried at cost.
 - (d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss statement except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.
- i. **Accounting for Taxes on Income:** Current tax is determined in accordance with the provisions of the Income Tax Act, 1961. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable. Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognized as an asset in the Balance Sheet if there is convincing evidence that the Company will pay normal tax in future. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured considering the tax rates and tax laws enacted or substantively enacted by the Balance Sheet date, in accordance with "Accounting Standard – 22" of the Institute of Chartered Accountants of India. Deferred tax assets are recognized based on management's judgment as to the sufficiency of future taxable income against which the deferred tax assets can be realized.

RAJ AGRO MILLS LIMITED Annual Report 2017

j. Inventories:

1. Raw material, Chemicals and consumables are valued at cost or net realizable value whichever is lower, cost being purchase price on FIFO basis plus other expenses incurred in bringing the inventories to their present location and condition, including duties (other than those subsequently recoverable from the taxation authorities.)
2. Work in progress is valued at cost or net realizable value whichever is lower, cost i.e. Raw materials, Chemicals & Consumables at 100% of the cost & other direct expenses at 75% of the unit cost.
3. Finished goods are valued at Net realizable value.
4. Stores spares and components are taken at estimated value.

k. Retirement Benefit:

I) Short Term Employee Benefits:

Short Term employee benefits are recognized on an undiscounted basis in the profit & Loss statement of the year in which the related service is rendered.

II) Post-Employment Benefits:

a) Provided Fund

Benefits to employees are provided for by contribution to Provident and other funds in accordance with provisions of Employee Provident Fund and Miscellaneous Provisions Act, 1952, the payment of which are accounted for on accrual basis.

b) Gratuity

The gratuity is being charged to profit & loss account in the year in which it is paid.

l. Impairment of Assets:

The management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the assets and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated amortisation or depreciation) had no impairment loss been recognised for the assets in prior years.

NOTES ON ACCOUNTS

1. CONTINGENT LIABILITIES NOT PROVIDED FOR;

i) Letter of Credit outstanding Rs. Nil (Previous Year Nil).

ii) Claims against the company not acknowledged as debt are:

- Sales Tax pending in appeals Rs.0.35 Lacs (Previous Year Rs. 0.35 lacs)

2. The Gratuity is being charged to profit & loss account in the year in which it is paid. The liability for gratuity as on 31/03/2017 is Rs.2,30,769/- (Previous year Rs.1,66,154/-).
3. In the opinion of the Board of Directors, the Current Assets, Loans and Advances have the value on realization in the ordinary course of business at least equal to the amount at which they are stated except as expressly stated otherwise.
4. The Company is having no inventory as at close of the year.
5. The Company is regularly incurring losses for last more than the seven years and its accumulated losses are more than 50% of its Net worth. However during the current year it incurred cash losses. There is no business operation(s) during the year under review. The company had also obtained the approval of the shareholders under section 293(1)(a) of the Companies Act, 1956 for disposal by way of sale, transfer or otherwise of whole or substantially the whole of undertaking of the company at a time or at different times in one or more tranches pursuant to the Postal Ballot Notice dated 18.04.2011 sent under section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules 2001. As such the company, in order to pay off its liabilities, the company has liquidated all its assets. Hence, presently the company is not maintaining its status of going concern.
6. There are no Micro and Small Enterprises under The Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues.

RAJ AGRO MILLS LIMITED Annual Report 2017

7. Amounts Payable to Auditors:

i) Statutory Auditors	
Audit Fees	Rs.18,975/-
Taxation/Other Matters	<u>Rs.11,500/-</u>
Total: -	<u>Rs.30,475/-</u>

8. **RELATED PARTY DISCLOSURE:**

There is no transaction with the related parties as described in Accounting Standard-18 issued by the Institute of Chartered Accountants of India.

9. **Earning Per Share:**

a) Earning per Share (EPS) computed in accordance with Accounting Standard 20 issued by The Institute of Chartered Accountants of India: -

Particulars	F.Y. 2016-17	F.Y. 2015-16
Net Profit/(Loss) as per Profit & Loss A/c (Rs.)	(28,29,303)	(3,01,31,359)
Weighted Average No. of Equity Shares outstanding during the year (No.)	3103600	3103600
Basic and Diluted Earnings Per Share (Rs.)	(0.91)	(9.71)

10. **Deferred Income Tax:** As there is no certainty of company being operational in its line of activity in the near future hence no Deferred Tax Asset has been created. The deferred tax liability created in earlier years has been written back in the books in the previous years.
11. No Remuneration paid to Whole time director during the year.
12. The Power and Fuel expenses include standing charges for holding power connection in the name of company and these are the minimum charges and do not include any operational expenses.
13. The previous year figures have been regrouped and re-casted wherever necessary to make them comparable with the current year figures.
14. Notes No. "1" to "26" including statement on Significant Accounting Policies form an integral part of the Balance Sheet and Statement of Profit & Loss.

Signed in terms of our report of
Even date
For P.C.Goyal & Co.
Chartered Accountants

For & on behalf of the Board

Sd/-
(CA P.C. Goyal)
Partner
M.No.080377
FRN: 002368N

Sd/-
(Sanjeev Bansal)
Mg. Director
DIN:00057485

Sd/-
(Jatinder Singh)
Director
DIN:02150760

Sd/-
(Harleen Kaur)
Company Secretary

Sd/-
(Rupinder Singh)
Chief Financial Officer

Place : Ludhiana
Date : 29.05.2017

RAJ AGRO MILLS LIMITED Annual Report 2017

RAJ AGRO MILLS LIMITED
CIN:L15149DL1990PLC040532
Registered Office: C-8/419, Sector 8, Near Madhuban Chowk, Rohini, New Delhi

ATTENDANCE SLIP

Cut here

Member's Folio No
Client ID No.
DP ID No.
Name of the Member
Name of Proxy holder.....
No of shares held.....

I hereby record my presence at the 27th Annual General Meeting of the Company held on **Friday, 29th day of September, 2017** at 10.00 a.m. at the Registered Office of the Company at C-8/419, Sector 8, Near Madhuban Chowk, Rohini, New Delhi.

Signature of Member/Proxy

Notes :

1. **Members/Proxy holders are requested to produce the attendance slip duly signed for admission to the meeting hall.**



RAJ AGRO MILLS LIMITED Annual Report 2017

RAJ AGRO MILLS LIMITED
CIN:L15149DL1990PLC040532
Registered Office:C-8/419, Sector 8, Near Madhuban Chowk, Rohini, New Delhi
PROXY FORM

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

Name of the member (s) :
Registered address
E-mail Id:.....
Folio No./ Client Id :
DP ID :
I/We, being the Member(s) ofRAJ AGRO MILLS LIMITED..... and holding..... shares of the above named company, hereby appoint

Name:..... E-mail: Id:

Signature: or failing him

Name: E-mail:..... Id:

Signature:.....,or failing him

Name:..... E-mail:..... Id:

Signature:.....as my/our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company to be held on **Friday 29th day of September, 2017 at 10.00 A.M.** at the Registered Office of the Company at C-8/419, Sector 8, Near Madhuban Chowk, Rohini, New Delhi- 100 085 and at any adjournment thereof in respect of such resolution as are indicated below:

----- CUT HERE -----

Affix Re. 1/- Revenue Stamp here
--

Resolution No.	Resolution	For	Against
1.	To consider audited financial statements of the company for the financial year ended 31 st march, 2017 together with Reports of Board of Directors and Auditors thereon.		
2.	To appoint Mr. Sanjeev Bansal (DIN:00057485) as a Director, who retires by rotation and being eligible, offers himself for re-appointment.		
3.	To appointment M/s Rajiv Rajeev & Associates as Statutory Auditors of the Company to hold office for a period of Five Year from conclusion of this Annual General Meeting until conclusion of Sixth Annual General Meeting from this meeting however subject to rectification by members at every general meeting to be held after this AGM		