



**SITA SHREE**   
FOOD PRODUCTS LTD.

**AN ISO 22000:2005 and 9001 : 2000 CERTIFIED COMPANY**

*Regd. Off & Flour Div.: 332/4/2, R.D. Udyog Nagar, Palda - Nemawar Road, Indore M.P. 452001 INDIA*

*Soya Division: Khasra No. 5 / 1, Vill Barlai Jagir, PO Kshipra, Teh. Sanwer, Dist. Indore -M P. INDIA*

*Ph.: + 918120881208*

*E mail : info@sitashri.com Website : www.sitashri.com CIN : L15314MP1996PLC010741*

*Manufacturers of: Soya Oil, Soya Flour, Wheat Flour, Maida, Rawa, Suji, Dalia and Pulses  
Importers and Exporters of all Agricultural Commodities*

To,

Dated: 18<sup>th</sup> October, 2018

<b>BSE Limited,</b> Phiroze Jeejeebhoy Towers, Rotunda Bldg, Dalal Street, Mumbai- 400 001	<b>National Stock Exchange of India Ltd.,</b> Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051.
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**SUB: SUBMISSION OF "ANNUAL REPORT FOR THE FINANCIAL YEAR 2017-18."**

**REF: SCRIP ID/SYMBOL: SITASHREE, SCRIP CODE: 532961, ISIN: INE686I01011**

*Dear Sir/ Ma'am,*

In consonance with the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly find enclosed h/w the Annual Report of the Company for the Financial Year 2017-18, which has been approved and adopted in the 22<sup>nd</sup> Annual General Meeting of the company.

This is for the intimation of Exchange and members thereof.

You are requested to take the same on record.

**Thanking You**

**Yours Sincerely**

**For, Sita Shree Food Products Limited**

**Dinesh Agrawal  
(Chairman cum Director)**

**Encl: a/a.**



**SITA SHREE**

**22<sup>nd</sup>**  
**Annual Report**  
**2017-2018**

**SITA SHREE FOOD  
PRODUCTS LIMITED**

## BOARD OF DIRECTORS

1.	Shri Dinesh Agrawal	-	Chairman cum Director
2.	Shri Ganesh Prasad Sharma <sup>1</sup>	-	Non-Executive Independent Director
3.	ShriMannalal Sethi <sup>2</sup>	-	Non-Executive Director
4.	ShriSunil Garg <sup>3</sup>	-	Non-Executive Independent Director
5.	ShriLucky Mevati <sup>4</sup>	-	Non-Executive Independent Director
6.	ShriAnkit Magare <sup>4</sup>	-	Non-Executive Independent Director
7.	Smt. Archana Shukla <sup>4</sup>	-	Non-Executive Director

<sup>1</sup>Resigned from the board w.e.f. 30.05.2017

<sup>2</sup>Resigned from the board w.e.f. 30.05.2017

<sup>3</sup>Resigned from the Board w.e.f. 15.02.2018

<sup>4</sup>Appointed as director w.e.f. 20.05.2017

### CHIEF FINANCIAL OFFICER

-

**Shri Dinesh Agrawal**

#### Auditors:

M/s Vinay Gandhi & Associates  
Chartered Accountants  
105 Man Heritage, 6/2, South Tukoganj

#### Registrar and Share Transfer Agent:

M/s Ankit Consultancy Private Limited  
60, Electronic Complex, Pardeshipura  
Indore (M.P.) 452001  
Tel.: +91-731-2551745-46, 4065799, 3198601-602  
Fax: +91-731-4065798  
Email: ankit\_4321@yahoo.com

#### Bankers:

State Bank of India  
Union Bank of India  
Canara Bank  
Andhra Bank

#### Registered Office:

332/4/2, R.D. Udyog Nagar,  
PaldaNemawar Road, Mathurawala's  
Colony, Indore (M.P.) 452020  
Tel.: +91-8120881208  
Website: www.sitashri.com  
Email: info@sitashri.com  
CIN: L15314MP1996PLC010741

#### Branch:

Khasra No. 5/1, Gram Barlai Jagir,  
Post- Kshipra, Teh. Sanwer,  
Dist. Indore (M.P.) – 453771

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## NOTICE

**NOTICE** is hereby given that Twenty Second Annual General Meeting of the Members of the Company will be held on Saturday, 29th September, 2018 at 10.30 A.M. at the registered office of the Company at 332/4/2, R.D. Udyog Nagar, Palda Nemawar Road, Mathurawala's Colony, Indore (M.P.) 452020.

Also, as per Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules 2014 and Clause 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is pleased to provide its members the facility to cast their vote by electronic means, i.e. E-voting, on all resolutions set forth in the Notice. **E-Voting is optional.**

The Twenty Second Annual General Meeting of the Members of the Company will be held to transact the following business:

### AS ORDINARY BUSINESS:

1. To consider and adopt the Financial Statements of the Company for the year ended on 31st March, 2018 together with the Auditors and Board's Report thereon.
2. To appoint a director in place of Mr. Dinesh Agrawal (DIN: 00348853), who retires by rotation and being eligible, offers himself for re-appointment.

### AS SPECIAL BUSINESS :

3. To rectify and confirm the appointment of Statutory Auditors to Fill Casual Vacancy and in this regard, to consider and if thought fit, to pass the following resolution as Ordinary Resolution:

**RESOLVED THAT**, pursuant to Sections 139(8) and 142 and other applicable provisions of the Companies Act, 2013 and other applicable provisions of the Act, if any and the rules framed thereunder, as amended from time to time, pursuant to the proposals of the audit committee of the Board and recommendation of the Board, M/s Vinay Gandhi & Associates, Chartered Accountants (FRN: 014442C), be is hereby confirmed as Statutory Auditor of the Company to fill the casual vacancy caused by the resignation of M/s Dilip K Neema & Associates, Chartered Accountants and to do the audit for the financial year 2017-18, who has been appointed by the Board of Directors on 24.05.2018 to hold the office till the conclusion of this Annual General Meeting and further appointment for a period of five consecutive years commencing from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting for the financial year 2022-2023; on a remuneration that may be determined by the audit committee in consultation with the auditors, and as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors."

4. To ratify the remuneration of the Cost Auditors for the financial year 2017-18 and in this regard, to consider and if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the total consolidated remuneration payable during the year 2017-18 to M/s. M. P. Turakhia & Associates, Cost Accountants (Firm Regn. No. 000417) appointed by the Board of Directors to conduct the audit of cost records of the Company for the financial year 2017-18, amounting to Rs.40,000/- (Rupees Forty Thousand Only) be and is hereby ratified and confirmed."

5. Approval for Related Party Transaction and in this regard, to consider and if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution

**"RESOLVED THAT** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules under Companies (Meetings of Board and its Powers) Rules, 2014, wherever applicable and in terms of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 executed with the Stock Exchanges (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded to enter into material transactions with related parties i.e. M/s Anoop Foods Limited, M/s Kashiya Exports Private Limited, M/s Usha Dal Mill, M/s Chandrika Trading Company, M/s Chandrika Agri Commodities Private Limited, M/s R.J. Marketing Limited (formerly known as Sita Shree Marketing Limited) and M/s M.R. Agro Overseas Limited (formerly known as Sitashree Overseas Limited) (all Related Parties) for sale, purchase or supply of any goods or products; leasing, selling or otherwise disposing of, or buying property of any kind or accepting loan and availing or rendering of any services or taking loan or any other purpose as the Company may think fit in its absolute discretion upto the amount not exceeding Rs. 750.00 Crore per year in aggregate as may be required by



the Company on the terms as agreed / may be agreed, subject to that all such transactions shall be at arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** all the earlier transactions done by the Board in this behalf be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby individually authorised to sign any document or agreement for above proposed transaction on behalf of the Company and take necessary steps and to do all acts, deeds and things as may be necessary and incidental to give effect to this resolution."

**By order of the Board of Directors,  
For, Sita Shree Food Products Limited**

**Dinesh Agarwal  
Director  
DIN:00348853**

**Date:28.08.2018  
Place: Indore**

**NOTES:**

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) in respect of the special business to be transacted at the Annual General Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by the member organization. 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 a Member.

3. All documents referred to in the Notice will be available for inspection at the Company’s registered office during normal business hours on working days up to the date of the AGM.
4. The register of members and transfer books of the Company shall remain closed from <<23rd day of September, 2018>> to <<29th day of September, 2018>> (both days inclusive) for the purpose of Annual General Meeting.
5. Any query relating to accounts or any other items of business set out in the Agenda of the meeting must be sent to the Company’s Registered Office at least seven days before the date of the Meeting.
6. Corporate members intending to send their authorized representatives to attend the meeting are requested to lodge a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate not later than 48 (forty eight) hours before commencement of the meeting authorizing such person to attend and vote on its behalf at the meeting.
7. The Notice is being sent to all the Members, whose names appear in the Register of Members/list of Beneficial Owners as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL).
8. Members may also note that the Notice of the AGM will be available on the Company’s website viz. [www.sitashri.com](http://www.sitashri.com).
9. Members who are holding Company’s shares in dematerialized form are required to bring details of their Depository Account Number for identification.
10. Members are requested to bring their copies of Annual Report to the Meeting. In order to enable us to register your attendance at the venue of the Annual General Meeting, members are requested to please bring their folio number/ demat account number/DP ID-Client ID to enable us to provide a duly filled attendance slip for your signature and participation at the meeting.
11. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
12. Members/Proxiesshouldbringtheirattendanceslipdulyfilledinforattendingthemeeting. Members are also requested to inform company of any change in their address immediately so as to enable the company to dispatch any further communication at their correct address.
13. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration) Rules, 2014 and Clause 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s Ankit Consultancy Private Limited. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.
14. With a view to using natural resources responsibly, we request shareholders to update their email address with their Depository Participants to enable the Company to send communications electronically.
15. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules, 2015 and Clause 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members the facility to exercise their right to vote through remote e-voting in respect of the resolution

proposed to be passed at the Annual General Meeting (AGM) by using the electronic voting facility provided by Central Depository Services Limited (CDSL).

16. Additional information, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the directors seeking appointment/ reappointment at the AGM, is furnished as annexure to the Notice. The directors have furnished consent/declaration for their appointment/ reappointment as required under the Companies Act, 2013 and the Rules thereunder.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to Registrar and Transfer Agents, M/s. Ankit Consultancy Private Limited, 60, Electronic Complex, Pardeshipura Indore (M.P.) 452010.
18. Mr. Pratik Tripathi (FCS 5812), Partner of P. S. Tripathi and Associates, Practicing Company Secretaries shall act as Scrutinizer for conducting the E-voting process in a fair and transparent manner.
19. The voting rights of Members shall be in proportion to their shares of the Paid up Equity Share Capital of the Company.

### SHAREHOLDER INSTRUCTIONS FOR E-VOTING

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on < **From 09.00 A.M. (IST) on 26th Day of September, 2018** > and ends on < **upto 05.00 P.M. (IST) on 28th Day of September, 2018** >. **During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <22nd Day of September, 2018>**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iv) Click on "Shareholders".
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

#### **For Members holding shares in Demat Form and Physical Form**

PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>
Dividend Bank Details and Date of Birth (DOB)	<ul style="list-style-type: none"> <li>• Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</li> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

**NOTE: PLEASE KEEP THE SEQUENCE NUMBER IN SAFE CUSTODY FOR FUTURE E VOTING.**

- (ix) After entering these details appropriately, click on "SUBMIT" tab.

- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Sita Shree Food Products Limited> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF and NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://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](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.
- (xxi) Mr. Pratik Tripathi (FCS 5812), Partner of P. S. Tripathi and Associates, Practicing Company Secretaries, having his office at 306, ManasBhawanExtn., 11, R. N. T. Marg, Indore – 452 001, M. P., has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Other Instructions:**

- (A) The facility to exercise the right of voting through ballot paper shall also be made available at the meeting for the members attending the meeting who have not already cast their vote by remote e-voting.
- (B) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (C) A person whose name is recorded in the register of beneficial owners maintained by the depositories as on the cut-off date (record date) of <22nd Day of September, 2018>, only shall be entitled to avail the facility of remote e-voting as well as voting in the meeting.
- (D) Any person who acquires shares of the Company and becomes a member of the Company after the dispatch of this Notice and holds shares as on the cut-off date i.e. <22nd Day of September, 2018> should follow the instructions for E-voting as mentioned for FIRST TIME USER. In case of any queries, the shareholder may also contact the Registrar &



Transfer Agent viz. M/s. Ankit Consultancy Private Limited.

- (E) The Scrutinizer shall, after the conclusion of the AGM, first count the votes cast at the meeting and thereafter unlock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company. The Scrutinizer shall, within a period of not later than three (3) days from the conclusion of the AGM, prepare a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit it to the Chairman or any person authorized by him in writing, who shall countersign the same and declare the results of the voting.
- (F) The Results so declared, along with the Scrutinizer's Report, shall be placed on the Company's website viz. www.sitashri.com and on the website of CDSL. The results shall also be forwarded to Stock Exchanges
- (G) Electronic copy of the Notice along with the Explanatory Statement is being sent to all the members whose email ids are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Notice along with the Explanatory Statement is being sent in the permitted mode.
- (H) Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of their electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses with the Company's Registrar & Transfer Agents, M/s. Ankit Consultancy Private Limited by sending an e-mail to ankit\_4321@yahoo.com along with details like Name, Folio No. etc.
- (I) In case you have any queries or issues regarding e-voting, you may contact the person mentioned below:  
Name: Dinesh Agarwal  
Designation : Director  
Address : 332/4/2, R.D. Udyog Nagar, Palda, Nemawar Road, Indore, M.P. 452020  
E-mail id : info@sitashri.com  
Phone Number : +918120881208
- (J) A route guide map of the Annual General Meeting venue is given in the last page of this Annual Report.

**By order of the Board of Directors,  
For, Sita Shree Food Products Limited**

**Dinesh Agarwal  
Director  
DIN:00348853**

**Date:28.08.2018  
Place: Indore**

## Explanatory Statement

(Pursuant to Section 102 of the Companies Act, 2013)

### For Item No. 3

As M/s Dilip K Neema & Associates, Chartered Accountants, has resigned from the office of Statutory Auditor of the Company on 16.05.2018, due to preoccupation and unavoidable circumstances. Therefore, pursuant to provisions of Section 139 of the Act and the Rules made thereunder, M/s Vinay Gandhi & Associates, Chartered Accountants (FRN: 014442C), has been recommended by audit committee and appointed by the Board on 24.05.2018 to fill the casual vacancy caused by resignation of M/s Dilip K Neema & Associates and to do the audit for the Financial Year 2017-18 which was subject to the approval of shareholders.

Further, on being eligible the Board has proposed the resolution for appointment of M/s Vinay Gandhi & Associates, Chartered Accountants (FRN: 014442C), as the Statutory Auditor of the Company to conduct Statutory Audit for a period of 5 (Five) consecutive years and to hold the office from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting for the financial year 2022-2023.

None of the directors or KMP or their relatives are concerned or interested in the aforesaid resolution and your board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders in the interest of the Company.

### For Item No. 4

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of M/s. M. P. Turakhia & Associates, Cost Accountants (Firm Regn. No. 000417) to conduct the audit of the cost records of the Company for the financial year ended March 31, 2018, at a consolidated remuneration of Rs. 40,000/-, subject to ratification by shareholders.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) (ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors during the year 2017-18 as set out in the Resolution for the aforesaid services to be rendered by them.

None of the directors or KMP or their relatives are concerned or interested in the aforesaid resolution and your board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders in the interest of the Company.

### For Item No. 5

Section 188 of the Companies Act, 2013 read with rules 15, 16 and 6A of Companies (Meetings of Board and its Powers) Rules, 2014, wherever applicable prescribes certain procedure for approval of related party transactions and revised Clause 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which has come into operation with effect from 01st of December, 2015, has also prescribed seeking of shareholders' approval for material related party transactions.

The proviso to section 188 also states that nothing in section 188 (1) will apply to any transaction entered into by the company in its ordinary course of business and at arm's length basis. All the transactions are proposed to be executed in ordinary course of business and at arm's length basis; therefore, it does not require any approval under section 188 of the Companies Act, 2013. But, pursuant to the provisions of revised Clause 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following contracts / arrangements / transactions are considered to be material in nature with an amount not exceeding Rs. 750.00 Crores in aggregate on yearly basis and require the approval of the unrelated shareholders of the Company by a resolution pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No.	Name of the Related Party	Relationship	Maximum Value of Transactions Per annum (Rs. In Crores)	Nature and Material Terms/Particulars of the contract or arrangement
1.	M/s R.J. Marketing Limited (formerly known as Sita Shree Marketing Limited)	Company in which relative is Director	750.00	For sale, purchase or supply of any goods or products; leasing, selling or otherwise disposing of, or buying property of any kind or acquiring loan and availing or rendering of any services or any other purpose as may be required
2.	M/s M.R. Agro Overseas Limited (formerly known as Sita Shree Overseas Limited)	Company in which relative is Director		
3.	M/s UshaDall Mill	Proprietorship of Relative		
4.	M/s Kashiya Exports Private Limited	Group Company		
5.	M/s Anoop Foods Limited	Group Company		
6.	M/s Chandrika Trading Company	Proprietorship of Director		
7.	M/s Chandrika Agri Commodities Private Limited	Group Company		

**The other related information is furnished hereunder:**

Name of the Related Party	As per table above
Name of the Director or key managerial personnel who is related, if any	Mr. Dinesh Agrawal, may be related in different capacities.
Nature of Relationship	As per table above
The nature, material terms, monetary value and particulars of the contract or arrangement	All proposed transactions were carried out based on business requirements of the Company after considering of various business exigencies, such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, optimization of market share, profitability, liquidity and capital resources and in ordinary course of business and at arms' length.
Any other information relevant or important for the members to take a decision on the proposed resolution	None

The above contracts / arrangements / transactions were duly approved by the Audit Committee.

Further, that all earlier material Related Party Transactions done by the board shall also to be ratified by the unrelated members of the Company. All material transactions already done by the Board were also carried on arm's length basis and in the ordinary course of business.

As per Clause 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all entities / persons that are directly / indirectly related parties of the Company shall abstain from voting on resolution(s) wherein approval of material Related Party Transactions is sought from the shareholders.

Except Mr. Dinesh Agrawal, no other directors or KMP or their relatives are concerned or interested in the aforesaid resolution and your board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the unrelated shareholders in the interest of the Company.

**Details of Directors seeking appointment as required in terms of Clause 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

<b>Particulars</b>	Mr. Dinesh Agrawal*
Date of Birth	17.09.1954
Date of Appointment	14.10.1996
Qualification	B.Sc.
Brief Resume and Expertise in specific functional area	Mr. Dinesh Agrawal is the Founder & Chairperson of SITA SHREE FOOD PRODUCTS LTD. (SSFPL) which was established in the year 1996. He is having comprehensive experience of over Four decades, well – known for his business integrity and business acumen, closely associated with Flour and cereals.
No. of Shares held in the Company	282430
Directorships held in other companies (excluding private and foreign cos.)	Nil
Memberships / Chairmanships of committees to the Board of other Public Companies (includes only Audit Committee and Stakeholders' Relationship Committee.	Nil

\* Retire by rotation.

**By order of the Board of Directors,  
For, Sita Shree Food Products Limited**

**Dinesh Agarwal  
Director  
DIN:00348853**

**Date:28.08.2018  
Place: Indore**

## BOARD'S REPORT

To,  
The Members,  
**Sita Shree Food Products Limited**  
**Indore**

Your Board of Directors has immense pleasure in presenting the 22nd Annual Report of your Company along with the Audited Financial Statements for the Financial Year ended on 31st March, 2018. Further, in compliance with the Companies Act, 2013 the Company has made requisite disclosures in this Board's Report with the objective of accountability and transparency in its operations to make you aware about its performance and future perspective of the Company.

### 1.1 FINANCIAL RESULTS AND STATE OF COMPANY'S AFFAIR AND CHANGE IN THE NATURE OF BUSINESS:

The Board's Report is prepared based on the financial statements of the company for the year ended March 31, 2018 is summarized below:

(Rs. In Lacs)

Particulars	2018	2017
Income from operation	(385.87)	14827.48
Profit/loss before providing Depreciation and Interest	(1070.41)	(14549.06)
Less: Depreciation	571.55	567.93
Interest	2418.19	2540.95
Profit/loss Before Exceptional & Extraordinary Items	(4060.15)	(17657.94)
Less: Exceptional Items	-	-
Profit/loss Before Taxation	(4060.15)	(17657.94)
Less: Provision for Current Taxation	-	-
Deferred Tax Liability	(803.19)	(1026.17)
Profit /Loss after Taxation	(3256.96)	(16631.77)

The Company had started its journey in capital market segment in 2008 by an IPO and listed its securities at National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The company has diversified its business in due course of time and started its Soya Refinery (Solvent Extraction Plant). All the products, different segments, including performance and business environment thereof have been covered in detail in the Management Discussion and Analysis Report separately which is annexed as ANNEXURE III with this report and shall form part of the Board's report.

### 1.2 WORKING PERFORMANCE REVIEW:

Due to huge losses and liabilities the income goes negative during the financial year from Rs. 14827.48Lacs to Rs.(385.87)Lacs and resulting in net loss of Rs. 3256.96 Lacs against the loss of Rs. 16631.77 Lacs in the previous year. Company is having loss of Rs. 4060.15 Lacs before the tax. Financial position of the Company is suffering from heavy losses and acute shortage of working capital fund. Credit facilities with Banks and NBFCs are classified as NPA. No production activities during the year and both the plants of the Company are remain idle during maximum days in the year. Networth of the Company is fully eroded during the year due to losses. Notice u/s 13 (2) of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 dated 02.07.2018, has been issued by the State Bank of India, due to failed to repay the dues/outstanding liabilities. Turnover of the company is negative during the year due to sales return of Rs. 9.33 crore. Your Directors are trying hard to control the situation with dedicated efforts of the management and with improving ability to source raw materials required from multiple sources in a timely and cost effective manner.

The Company is engaged in the business of wheat, soya and pulses products manufacturing and by products of agro commodities in local as well as international market. In manufacturing activity of flour division turnover is Rs. (4.86)Lakhs as compare to Rs.65.60 Crores of previous year similarly for soya division sales of manufacturing activity is Rs.(4.17)Crores as compare to Rs. 71.31Crores of previous year. In Grading & Processing activity of flour division turnover is Rs .Nil as compare to Rs.7.53 Crores of previous year. Further, the detailed performance covered in the Management Discussion and Analysis Report separately which is annexed as ANNEXURE III with this report and shall form part of the Board's report.

### 1.3 CHANGES IN NATURE OF BUSINESS

There is no change in the nature of business of the Company during the financial year 2017-18.

**1.4 SHARE CAPITAL:**

The paid up equity capital as on March 31, 2018 was Rs. 608,341,740/-.

**1.5 REVISION IN FINANCIAL STATEMENTS**

In terms of section 131 of the Companies Act, 2013, the Financial Statements and Board's Report are in compliance with the provisions of section 129 or section 134 of the act and that no revision has been made during any of the three preceding financial years.

**2. RESERVES:**

No amount has been proposed by the Board to carry to any reserves.

**3. DIVIDEND:**

The Company being in loss this year and in view of requirements of regular funds for operations, your directors is unable to recommend any dividend for the Financial Year ended on March 31, 2018.

**4. DEPOSITS:**

The Company has neither accepted nor invited any deposit from the public and hence directives issued by Reserve Bank of India and the provisions of Chapter V (Acceptance of deposits by Companies) of the Companies Act, 2013 and rules framed there under are not applicable for the year.

However company is having unsecured loan of Rs.3,49,47,332/- as on 31.03.2018 from Directors of the company for which proper declaration has been furnished by them as required under Rule 2(viii) of the Companies (Acceptance of Deposits) Rules, 2014 during the period under review.

**5. MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF FINANCIAL YEAR UPTO THE DATE OF THIS REPORT:**

Notice u/s 13 (2) of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 dated 02.07.2018, has been received from State Bank of India, due to failed to repay the dues/outstanding liabilities. Therefore, the SBI led consortium, through its leader State Bank of India issued notice to discharge in full liabilities within 60 days from the date of the notice and also liable to pay future interest at the contractual rate on the amount due together with incidental expenses costs, charges, etc.

M/s M.P. Turakhia & Associates, Cost Accountants in whole time Practice has been appointed as Cost Auditor to conduct audit of the Cost Accounts maintained by the Company relating to "Edible Oil (Soya) & Soya Lecithin Powder/Liquid" for the Financial Year 2017-18 on August 14th, 2018 as recommended by the Audit Committee and subject to the approval/ ratification by the members.

M/s P.S. Tripathi & Associates, Company Secretaries has been appointed as Secretarial Auditor to conduct the audit of Secretarial and related documents of the Company and give the Secretarial Audit Report as per provisions of section 204 of the Companies Act, 2013 and rules made thereunder.

Except than the matters stated above no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

**6. HIGHLIGHTS OF PERFORMANCE OF ASSOCIATE COMPANIES AND THEIR CONTRIBUTION TO OVERALL PERFORMANCE OF THE COMPANY:**

As per the Companies Act, 2013 and as on date the company is neither having any Subsidiary Company u/s 2(87) nor any Associate Company u/s 2(6) and hence, do not call for any disclosure under this head.

**7. EXTRACT OF THE ANNUAL RETURN:**

In compliance with section 92(3), section 134 (3) (a) and rule 11 of the Companies (Management and Administration) Rules, 2014 the extract of the annual return in Form No. MGT-9 which is annexed as ANNEXURE I with this report and shall form part of the Board's report.

**8. BOARD AND COMMITTEE MEETINGS:**

During the years under review various meetings of the Board of Directors and Committees was held for various purposes which are in compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with Stock Exchange(s). Further the details of the various meetings of the Board and Committees are mentioned in the Report on Corporate Governance which is annexed as ANNEXURE IV with this report and shall form part of the Board's report.

**9. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134 (5) of the Companies Act, 2013, the Directors, based on representation received from the

operating management and after due enquiry, confirm in respect of the audited financial accounts for the year ended March 31st, 2018:

- a) That in preparation of the annual accounts, the applicable accounting standards had been followed and that there were no material departures;
- b) That the Directors had, in consultation with the Statutory Auditors, 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 for the year ended March 31st, 2018 and the profit and loss Account of the Company for that period;
- c) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the Directors had prepared the annual accounts on a going concern basis;
- e) That the directors have laid down internal financial controls to be followed by the company and such internal financial controls are adequate and were operating effectively; and
- f) That the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

#### **10.1 CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

During the year under report Mr. Dinesh Agrawal, Chairman cum Director of the Company would retire by rotation at the forthcoming Annual General Meeting of the Company. Proposals for their re-appointment have been included in the Notice of Annual General Meeting for your approval.

During the year under review Mr. Ganesh Prasad Sharma, Independent Director of the Company has resigned w.e.f. 30.05.2017 due to his pre-occupancies; the Board places its appreciation for the services rendered by him during his tenure.

During the year under review Mr. MannalalSethi, Non-Executive Director of the Company has resigned w.e.f. 30.05.2017 due to his pre-occupancies; the Board places its appreciation for the services rendered by him during his tenure.

During the year under review Mr. Sunil Kumar Garg, Independent Director of the Company has resigned w.e.f. 15.02.2018 due to his pre-occupancies; the Board places its appreciation for the services rendered by him during his tenure.

Ms. Vipenjeet Kaur Banger, Company Secretary and Compliance Officer of the Company have been resigned from her post due to her pre-occupancies. The Board thereby accepted her resignation w.e.f. 12.03.2018 and places on record its appreciation for the services provided by her during her tenure as the Company Secretary of the Company.

All the intimations pertaining to the appointments and resignations made during the year has been given to Stock Exchange (s) where the shares of the Company are listed and also the relevant records are duly updated with the Registrar of Companies, Gwalior (M.P.), wherever required.

#### **10.2 DISCLOSURE OF DECLARATION FOR DISQUALIFICATIONS BY DIRECTORS:**

As per the declaration received in Form 'DIR-8' pursuant to section 164(2) of the Companies Act, 2013 and Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014, none of the Directors of the Company is disqualified from being appointment as Directors.

#### **11.1 APPOINTMENT/RE-APPOINTMENT OF INDEPENDENT DIRECTORS:**

All the Independent Directors are well appointed in the Board of the Company in compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with Stock Exchange(s). Further that all independent directors shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment for next five years on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

#### **11.2 DISCLOSURE OF DECLARATION FOR INDEPENDENCE BY INDEPENDENT DIRECTORS:**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence under sub-section (6) of section 149 of the Companies Act, 2013.

#### **11.3 FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

The Directors had been introduced to all the Board members and the senior management personnel such as Chief Financial Officer, Company Secretary and Various Department heads individually to know their roles in the organization and to understand the information which they may seek from them while performing their duties as a



Director. And meeting had also been arranged for Independent Directors with aforesaid officials to better understand the business and operation of the Company. As part of continuous updating and familiarization with the Company, every Independent Director had been taken for visits to the factory or manufacturing units and other branch of the company where officials of various departments apprise them of the operational and sustainability aspects of the plants to enable them to have full understanding on the activities of the Company and initiatives taken on safety, quality etc. The Company may also circulate news and articles related to the industry from time to time and may provide specific regulatory updates. The company has also organized Familiarization Programme for Independent directors. The details of such programmes for Independent Directors are posted on the website of the company and can be accessed at [http://sitashri.com/docs/policies/familiarization\\_prog\\_det.pdf](http://sitashri.com/docs/policies/familiarization_prog_det.pdf)

#### 11.4 SEPARATE MEETING OF INDEPENDENT DIRECTORS:

As mandated by Clause VII of Schedule IV of the Companies Act, 2013, a separate meeting of Independent Directors was held on 31st of March, 2018.

#### 11.5 EVALUATION BY INDEPENDENT DIRECTORS:

The Independent Directors in their meeting has reviewed the performance of Non-Independent directors and Board as a whole including reviewing the performance of the Chairperson of the company taken into account the views of Executive Directors and Non-Executive Directors. The said policy including above said criteria for the evaluation of the Board, individual directors including independent directors and the committee of the board has been laid down under Nomination, Remuneration and Evaluation Policy given in the Report on Corporate Governance which is annexed as ANNEXURE IV with this report and shall form part of the Board's report.

#### 12. POLICIES:

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 has mandated the formulation of certain policies for all listed companies. All our corporate governance policies are available on our website (<http://sitashri.com/index.php/shareholder-desk/policies>). The policies are reviewed periodically by the board and updated on need and new compliance requirement.

Name of the Policy	Brief Description	Web Link
Nomination Remuneration and Evaluation Policy	This policy formulates the criteria for determining qualifications, positive attributes, independence of the Directors and recommends to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees	<a href="http://sitashri.com/docs/policies/nomination.pdf">http://sitashri.com/docs/policies/nomination.pdf</a>
Policy for determining materiality of event	The policy applies for disclosures of material events affecting company and its associates.	<a href="http://sitashri.com/docs/policies/policy_determining_materiality_events.pdf">http://sitashri.com/docs/policies/policy_determining_materiality_events.pdf</a>
Corporate Social Responsibility Policy	The policy outlines the Company's strategy to bring about a positive impact on society through programs relating to hunger, poverty, education, healthcare environment and lowering its resource footprint.	<a href="http://sitashri.com/docs/policies/csr_policy.pdf">http://sitashri.com/docs/policies/csr_policy.pdf</a>
Policy on document preservation	The policy outlines that the Company intends to safeguard significant documents and preserve them to ensure durability of documents including documents in electronic form.	<a href="http://sitashri.com/docs/policies/document_preservation.pdf">http://sitashri.com/docs/policies/document_preservation.pdf</a>
Related Party Transactions Policy	The policy regulates all transactions between the Company and its related parties.	<a href="http://sitashri.com/docs/policies/related_party.pdf">http://sitashri.com/docs/policies/related_party.pdf</a> <a href="http://sitashri.com/docs/policies/whistle_blower.pdf">http://sitashri.com/docs/policies/whistle_blower.pdf</a>
Whistle Blower and Vigil Mechanism Policy	The policy outlines the whistleblower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct and ethics.	<a href="http://sitashri.com/docs/policies/policy_on_prevention.pdf">http://sitashri.com/docs/policies/policy_on_prevention.pdf</a> <a href="http://sitashri.com/docs/policies/risk_management.pdf">http://sitashri.com/docs/policies/risk_management.pdf</a>

Policy on prevention of sexual harassment at workplace	The policy that the Company provides an equal employment opportunity and is committed to creating a healthy working environment that enables employees to work without fear of prejudice, gender bias and sexual harassment.	<a href="http://sitashri.com/docs/policies/policy_determining_material_subsiidiary.pdf">http://sitashri.com/docs/policies/policy_determining_material_subsiidiary.pdf</a> .
Risk Management Policy	The policy that builds a strong risk management culture to better understand a risk profile and to better manage the uncertainties.	<a href="http://sitashri.com/docs/policies/risk_management.pdf">http://sitashri.com/docs/policies/risk_management.pdf</a>
Policy for determining Material Subsidiary	The Policy is framed to determine material subsidiary.	<a href="http://sitashri.com/docs/policies/policy_determining_material_subsiidiary.pdf">http://sitashri.com/docs/policies/policy_determining_material_subsiidiary.pdf</a> .

### 13. NOMINATION AND REMUNERATION COMMITTEE AND STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Board of Directors of your Company had re-constituted the Nomination and Remuneration Committee and Stakeholders Relationship Committee with the requisite terms of reference as required under Section 178 of the Companies Act, 2013 and other applicable provisions thereof;

The constitutions of the said committees are as under:

#### Nomination and Remuneration Committee

Name	Designation
Mr. Sunil Kumar Garg <sup>1</sup>	Chairman <sup>1</sup>
Mr. Ganesh Prasad Sharma <sup>2</sup>	Member
Mr. Mannalal Sethi <sup>2</sup>	Member
Mr. Ankit Magare <sup>3</sup>	Member
Mr. Lucky Mevati <sup>3</sup>	Chairman <sup>4</sup>
Mrs. Archana Shukla <sup>5</sup>	Member

<sup>1</sup>Resigned from the Board and Chairmanship w.e.f. 15.02.2018

<sup>2</sup>Resigned from the Board w.e.f. 30.05.2017

<sup>3</sup>Appointed as director and committee member w.e.f. 20.05.2017

<sup>4</sup>Appointed chairman w.e.f. 15.02.2018

<sup>5</sup>Appointed committee member w.e.f. 15.02.2018

#### Stakeholders Relationship Committee

Name	Designation
Mr. Sunil Kumar Garg <sup>1</sup>	Chairman <sup>1</sup>
Mr. Ganesh Prasad Sharma <sup>2</sup>	Member
Mr. Mannalal Sethi <sup>2</sup>	Member
Mr. Ankit Magare <sup>3</sup>	Member
Mr. Lucky Mevati <sup>3</sup>	Chairman <sup>4</sup>
Mrs. Archana Shukla <sup>5</sup>	Member

<sup>1</sup>Resigned from the Board and Chairmanship w.e.f. 15.02.2018

<sup>2</sup>Resigned from the Board w.e.f. 30.05.2017

<sup>3</sup>Appointed as director and committee member w.e.f. 20.05.2017

<sup>4</sup>Appointed chairman w.e.f. 15.02.2018

<sup>5</sup>Appointed committee member w.e.f. 15.02.2018



**14. DISCLOSURE IN TERMS OF NOMINATION AND REMUNERATION POLICY:**

The Board of Directors of your Company had constituted the Nomination and Remuneration Committee with the requisite terms of reference as required under section 178 of the Companies Act, 2013. The said Committee framed, adopted and recommended the "Nomination, Remuneration & Evaluation Policy" and the said policy has been approved by the Board. The Details of the Nomination and Remuneration Committee and the said Policy given in the Report on Corporate Governance which is annexed as ANNEXURE IV with this report and shall form part of the Board's report and at the end at the website of the company [www.sitashri.com](http://www.sitashri.com).

**15.1 AUDITORS:**
**(i) Statutory Auditors:**

As M/s Dilip K Neema & Associates, Chartered Accountants, has resigned from the office of Statutory Auditor of the Company on 16.05.2018, due to preoccupation and unavoidable circumstances. Therefore, pursuant to provisions of Section 139 of the Act and the Rules made thereunder, M/s Vinay Gandhi & Associates, Chartered Accountants (FRN: 014442C), has been recommended by audit committee and appointed by the Board on 24.05.2018 to fill the casual vacancy caused by resignation of M/s Dilip K Neema & Associates and to do the audit for the Financial Year 2017-18 which was subject to the approval of shareholders.

Further, on being eligible the audit committee of the Company has proposed, the Board has recommended the appointment of M/s Vinay Gandhi & Associates, Chartered Accountants (FRN: 014442C), as the Statutory Auditor of the Company to conduct Statutory Audit for a period of 5 (Five) consecutive years and to hold the office from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting for the financial year 2022-2023. Proposal for their appointment have been included in the Notice of Annual General Meeting for your approval.

**(ii) Cost Auditors:**

M/s. M. P. Turakhia & Associates, Cost Accountants were appointed as Cost Auditors for auditing the cost records of your Company for the financial year 2017-18 by the Board of Directors on a consolidated remuneration of Rs. 40,000/- only, the remuneration was recommended by the Audit Committee of the Company. Further, the remuneration proposed to be paid to them requires ratification of the shareholders of the Company and in views of the same the proposal for the ratification of appointment and remuneration have been included in the Notice of Annual General Meeting for your approval.

**(iii) Secretarial Auditor:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Pratik Tripathi partner of M/s. P. S. Tripathi & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company

**(iv) Internal Auditor:**

The Company has appointed M/s RGS Verma & Company, Chartered Accountants, as the internal auditor of the Company w.e.f. 14.12.2016 as per section 138 of the Companies Act, 2013 and rules made there under to take charge of the Internal Audit function, but due to their preoccupation they have resigned during the year. The Company has not appointed Internal Auditor during the year.

**15.2 AUDITOR'S REPORT/ SECRETARIAL AUDIT REPORT:**

The Statutory Auditors of the Company, M/s Vinay Gandhi & Associates, Chartered Accountants, have submitted the Auditor's Report which has observation on Standalone Financial Statements for the period ended March 31, 2018.

**MANAGEMENT'S EXPLANATION TO THE AUDITOR'S QUALIFICATION S/OBSERVATIONS:-**
**1) Auditors' Qualification in the Standalone Auditor's Report**

- (i) The company is not regular in depositing undisputed & disputed statutory dues including Provident Fund Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities and we have been noticed that there are following arrears of outstanding statutory dues as at the last day of the financial year under Audit for a period of more than six months from the date they became payable as on 31.03.2018.

S.NO.	STATUTORY LIABILITIES	AMOUNT
1	INTEREST ON TAX	694077
2	PF PAYABLE	245512
3	PROFESSIONAL TAX EMPLOYEE	145400
4	DIVERSION TAX	383370
5	SERVICE TAX PAYABLE	37195
6	TDS	1960847
7	WORK CONTRACT TAX	600

**Explanation:**

Company is facing acute financial difficulties to meet its obligation at all fronts including statutory dues. Board is trying hard to pay the aforesaid liabilities as early as possible.

**2) Auditors' Qualification in the Standalone Auditor's Report**

According to the information and explanations given to us, the Company has defaulted in repayment of term loan installment as well as interest on various credit facilities obtained by the company from banks and other financial institution. Banks & loan accounts of the company have been classified as NPA by Banks. The Company doesn't have any borrowing by way of debentures from government.

**Explanation:**

Company is facing acute financial difficulties and due shortage of working capital and non-receipt of permission from bank regarding holding of operation in account, Company is not able to run the plants of the Company. Directors are regularly in touch with the Banker to find out the solution and start the production again.

**3) Auditors' Qualification in the Standalone Auditor's Report**

Entire Net worth of the company has been eroded and the company suffers heavy losses. The accumulated losses is Rs. 168,18,80,075/- as compared to Equity capital of company Rs. 27,83,41,740/-.

**Explanation:**

Net worth is eroded Company due to losses of the Company.

Further no fraud has been reported by the auditors under sub section(12) of section 143 of the Companies act, 2013.

As required under section 204 (1) of the Companies Act, 2013 the Company has obtained a secretarial audit report which is annexed as ANNEXURE VII with this report and shall form part of the Board's report. Further, certain observations made in the report, which are mentioned below alongwith explanations thereto:

**Secretarial Auditors' Qualification in Secretarial Audit Report****Point No. 2(a):-**

Company has not filed Financial Statement and Annual Return of the company for F.Y. 2015-16 and 2016-17.

**Explanation:-**

We are trying to ratify this non compliance as soon as possible.

**Point No. 2(b):-**

Filing of E-Forms w.r.t. allotment and change in Authorized Share Capital in F.Y. 2015-16, F.Y.2016-17 and Payment of stamp duty yet to be done

**Explanation:-**

The Company is under process to file the related forms and related payments and it will be done at the earliest.

**Point No. 2(c):-**

B.S.E. and N.S. E. Listing fee is pending for the financial year 2017-18 & 2018-19.

**Explanation:-**

We have done part payment of listing fee for the financial year 2017-18 and we will pay rest part payment of listing fee and payment of financial year 2018-19 as soon as possible.

**Point No. 2(d):-**

During the year company has not appointed Chief Executive officer/Managing Director in the Board of the Company.

**Explanation:-**

Management shall strive for appointment of Chief Executive officer/ Managing Director as soon as possible.

**Point No. 2(e):-**

Company has delay in filling of quarterly compliances to B.S.E. and N.S.E. of quarter ended March 2018 and the penalty has been charged by the exchanges which is yet to be paid:-

**Penalty imposed by N.S.E.:-**

Clause No.	Quarter	Due date	Submission date	No. of days non compliance	Fine Amount
Clause 31	31.03.2018	23.04.2018	03.05.2018	10	Rs. 10000/-

**Explanation:-**

Company has yet to paid penalty for delay in filing of quarterly compliances to N.S.E. due to financial crisis and we will take care in future.

**Point No. 2(f):-**

There are some instances where newspaper publication regarding Notice of Board Meeting /submission of unaudited financial result has been delayed.

**Explanation:-**

We will take care in future.

**Point No. 2(g):-**

The Company has not filed Form CRA -4 regarding cost audit report for the financial year 2017-18 to the ROC.

**Explanation:-**

We are trying to ratify this noncompliance as soon as possible.

**Point No. 2(h):-**

The Company has not filed Form MGT -14 regarding approval of Annual financial statement for the financial year 2017-18 to the ROC.

**Explanation:-**

We are trying to ratify this noncompliance as soon as possible.

**Point No. 2(i):-**

The Company has not complied section 139 of the Companies Act, 2018 regarding appointment of Statutory Auditor in case of casual vacancy of in the office of the auditor and failed to convene general meeting within three months of the recommendation of the Board.

**Explanation:-**

The same has been ratified in this annual general meeting and included in the resolutions above for the members approval. We will take care in future.

**Point No. 2(j):-**

The Company has delayed in reporting to exchange regarding Notice received u/s 13 (2) of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 dated 02.07.2018, has been received from State Bank of India, due to failed to repay the dues/outstanding liabilities.

**Explanation:-**

We will take care in future

**Point No. 2(k):-**

The Company has not appointed Internal Auditor as per section 138 of the Companies Act, 2013 during the year 2017-18.

**Explanation:-**

Management shall strive for appointment of Internal Auditor as soon as possible.

**Point No. 2(l):-**

The whole time Company Secretary of the Company has been resigned w.e.f. 12.03.2018, no new appointment has been made by the Company till date.

**Explanation:-**

Management shall strive for appointment of Company Secretary as soon as possible.

**Point No. 2(m):-**

Members of the Audit Committee are not adequately qualified as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Explanation:-**

In the opinion of the Board, Audit Committee members have adequate knowledge.

**Point No. 2(n):-**

The Company has failed to spend two percent of the average netprofit of the last three financial years or any part thereof which required to be spent under CSR activities as per section 135 of Companies Act, 2013 for the financial year 2015-16.

**Explanation:-**

Due to the continuous requirements of funds for the business operations of the Company and due to increased interest burden, the Company couldn't spend the amount which was required to be spent.

**Point No. 5 (a):-**

F.Y. 2015-16 audit period the company has issued and allotted Preference Shares on preferential basis due to stipulation of Banker by conversion of unsecured loan but filling of related forms with ROC is yet to be done.

**Explanation:-**

We are trying to ratify this noncompliance as soon as possible.

**Point No. 5 (d):-**

Company has defaulted in payment of statutory dues relating to direct and indirect taxes.

**Explanation:-**

Company is facing acute financial difficulties to meet its obligation at all fronts including statutory dues.

Board is trying hard to pay the aforesaid liabilities as early as possible.

**Point No. 5 (e):-**

Show Cause Notice has been issue for violation under section 137 read with section 129 and 92 of the Companies Act, 2013 for the financial year 2015-16 and 2016-17.

**Explanation:-**

Due to continues financial crisis Company has not filed annual return and financial statement to the ROC as per section 129 and 92 of the Companies Act, 2013 for the financial year 2015-16 and 2016-17. We are trying to ratify this noncompliance as soon as possible

**Point No. 5 (f):-**

Prosecution has been initiated against the company and its director for non filing of Cost Audit Report within the time prescribed under sub-section (6) of section 148 of the Companies Act, 2013 for the financial year 2014-15.

**Explanation:-**

The form has been filed dated 31.08.2016 with additional fee and explanation has also sent to ROC. Further, we regret for delay caused in filing Cost Audit Report and the same will be taken care of.

**16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S 186:**

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The details of the investments held by company are given in the notes to the financial statements.

**17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES U/S 188:**

The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, optimization of market share, profitability, liquidity and capital resources of its group companies.

All transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. However, Company has not entered into any contract or arrangement during the year. During the year, the Company has entered into transactions with related parties which were material in accordance with Clause 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and with the policy of the Company on Related Party Transactions. Attention of members is drawn to the disclosure of transactions with related parties have been reported in sub notes attached to the accounts which are forming part of this Annual Report. Further, details of transactions entered as per section 188 of the Companies Act, 2013, are mentioned in ANNEXURE II which forms part of this report. The company has adopted a Policy on Related Party Transaction which is available on the website of the Company and can be accessed at [http://sitashri.com/docs/policies/related\\_party.pdf](http://sitashri.com/docs/policies/related_party.pdf).

**18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:****(A) Conservation of energy-**

- (i) Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
- (ii) No specific investment has been made in reduction in energy consumption.
- (iii) As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.

**(B) Technology absorption-**

- (i) Company's products are manufactured mostly by using indigenous technology and no outside technology is being used for manufacturing activities other than mentioned in (iii) below;
- (ii) The company has no specific research & development expenditure during the year;
- (iii) Imported Technology –

**(C) Foreign exchange earnings and Outgo-**

S. No.	PARTICULAR	2017-18 (Rs. in Lacs)	2016-17 (Rs. in Lacs)
1	Foreign Exchange Earning (CIF Value of goods Export)	32.94	1309.55
2	Foreign Exchange Out Go	0	906.54

**19. BUSINESS RISK MANAGEMENT:**

The Board of Directors of the Company state that risk associated in the ordinary course of business is duly taken care by the board while taking business decisions. However, the constitution of Risk Management Committee is not applicable to the company, but company has framed the policy for Risk Management and uploaded the same on website of the company, at [http://sitashri.com/docs/policies/risk\\_management.pdf](http://sitashri.com/docs/policies/risk_management.pdf).

**20. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

In terms of section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of your Company has constituted a CSR Committee. The Committee comprises of three (3) directors out of which 1 (one) is Independent Director. The full particulars of CSR Committee and CSR Policy developed by the CSR Committee which is approved by the Board is given in the Report on Corporate Governance and Annual Report on CSR Activities which is annexed as ANNEXURE V and ANNEXURE IX with this report and shall form part of the Board's report. Additionally, the CSR Policy has been uploaded on the website of the Company and can be accessed at [http://sitashri.com/docs/policies/csr\\_policy.pdf](http://sitashri.com/docs/policies/csr_policy.pdf).

**Corporate Social Responsibility Committee**

Name	Designation
Mr. Dinesh Agrawal	Chairman
Mr. Mannalal Sethi <sup>1</sup>	Member
Mr. Sunil Kumar Garg <sup>2</sup>	Member
Mr. Lucky Mevati <sup>3</sup>	Member
Mrs. Archana Shukla <sup>4</sup>	Member

<sup>1</sup> Resigned w.e.f. 30.05.2017

<sup>2</sup> Resigned from the Board w.e.f 15.02.2018

<sup>3</sup> Appointed as Member w.e.f. 20.05.2017

<sup>4</sup> Appointed as Member w.e.f. 15.02.2018

Further, the Annual Report on CSR Activities is annexed herewith as **Annexure VIII**.

**21. FORMAL ANNUAL EVALUATION:**

Pursuant to section 134 (3) (p) of Companies act 2013 and rule 8(4) of Companies (Accounts) Rules, 2014 and clause 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of its Committees as per the criteria laid down in the Nomination, Remuneration and Evaluation policy. The said policy including above said criteria for the evaluation of the Board, individual directors including independent directors and the committee of the board has been given in the Report on Corporate Governance which is annexed as ANNEXURE IV with this report and shall form part of the Board's report.

**22. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

During the year under review no significant and material order was passed by the Regulators or Courts, which may affect the going concern status of the company.

**23. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has a proper internal control system, which provides adequate safeguards and effective monitoring of the transactions and ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition.

Moreover, the audit committee of the Company comprising of all independent directors regularly reviews the audit plans, adequacy of internal control as well as compliance of accounting standards.

Also the CFO has the responsibility for establishing and maintaining internal controls for financial reporting and that they also have the overall responsibility to evaluate the effectiveness of internal control systems of the company pertaining to financial reporting and they have to disclose to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify the deficiencies.

#### 24. AUDIT COMMITTEE:

The Audit Committee comprises of Three (3) directors all of whom are Independent Directors.

Name	Designation
Mr. Ganesh Prasad Sharma <sup>1</sup>	Member
Mr. Mannalal Sethi <sup>2</sup>	Member
Mr. Sunil Kumar Garg <sup>3</sup>	Chairman <sup>3</sup>
Mr. Lucky Mevati <sup>4</sup>	Chairman <sup>4</sup>
Mr. Ankit Magare	Member
Mrs. Archana Shukla <sup>5</sup>	Member

1 Resigned from the board w.e.f. 30.05.2017

2 Appointed w.e.f. 14.12.2016 and Resigned w.e.f. 30.05.2017

3 Resigned from the Board the effect from 15.02.2018

4 Appointed as Chairman w.e.f. 15.02.2018

5 Appointed as member w.e.f. 15.02.2018

The Board has considered all recommendations of the Audit Committee as and when provided during the year under review and hence, do not call for any disclosure under Section 177(8) of the Companies Act, 2013.

#### 25. DISCLOSURE IN TERMS OF VIGIL MECHANISM:

The Company believes in the conduct of its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Company is committed to develop a culture in which every employee feels free to raise concerns about any poor or unacceptable practice and misconduct. In order to maintain the standards the company has adopted and lays down this Whistle Blower Policy to provide a framework to promote responsible and secure whistle blowing.

The Board of Directors of your Company has adopted the Vigil Mechanism and Whistle Blower Policy in compliance of Companies Act, 2013 and Clause 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of the Policy is given in the Report on Corporate Governance which is annexed as ANNEXURE IV with this report and shall form part of the Board's report and the said policy has already been uploaded on the website of the company and it can be accessed at [http://sitashri.com/docs/policies/whistle\\_blower.pdf](http://sitashri.com/docs/policies/whistle_blower.pdf).

#### 26. COMMISSION RECEIVED BY DIRECTORS FROM HOLDING AND SUBSIDIARY:

During the year under review neither the Managing Director nor Whole time Director is in receipt of commission from the company and also has not received any remuneration or commission from any holding or subsidiary company of company u/s 197(14).

#### 27. MANAGERIAL REMUNERATION:

Disclosures Pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

S.No.	Name	Designation	CTC	Median Employee Salary	Ratio
1.	Dinesh Agrawal	Chairman and CFO	-	-	-
2.	Ganesh Prasad Sharma <sup>1</sup>	Independent Director	-	-	-
3.	Sunil Garg <sup>2</sup>	Independent Director	-	-	-
4.	Lucky Mevati <sup>3</sup>	Independent Director	-	-	-
5.	Ankit Magare <sup>3</sup>	Independent Director	-	-	-
6.	Archana Shukla <sup>3</sup>	Non-Executive Director	-	-	-

<sup>1</sup>Resigned w.e.f. 30.05.2017

<sup>2</sup>Resigned w.e.f. 15.02.2018

<sup>3</sup>Appointed as director w.e.f. 20.05.2017



2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

S. No.	Name	Designation	Remuneration paid in FY 2016-17	Remuneration paid in FY 2017-18	Change	Percentage (%)
1.	Dinesh Agrawal	Chairman and CFO	-	-	-	-
2.	Ashish Goyal <sup>1</sup>	Managing Director	900000 <sup>1</sup>	-	900000	100
3.	Anoop Goyal <sup>1</sup>	Whole-time Director and CFO	900000 <sup>1</sup>	-	900000	100
4.	Ganesh Prasad Sharma	Independent Director	-	-	-	-
5.	Mannalal Sethi	Non-Executive Director	-	-	-	-
6.	Sunil Garg	Independent Director	-	-	-	-
7.	Lucky Mevati	Independent Director	-	-	-	-
8.	Ankit Magare	Independent Director	-	-	-	-
9.	Archana Shukla	Non-Executive Director	-	-	-	-
10.	Chitrangda Vishwakarma <sup>3</sup>	Company Secretary	96605 <sup>3</sup>	-	-	-
11.	Vipenjeet Kaur Banger <sup>4</sup>	Company Secretary	76500 <sup>4</sup>	145532 <sup>4</sup>	-	-

<sup>1</sup>Salary given for 3 months i.e. April, May & June 2016 and Mr. Ashish Goyal resigned w.e.f. 14.12.2016 & Mr. Anoop Goyal resigned w.e.f. 17.09.2016

<sup>2</sup>Salary given for 6 months w.e.f. date of appointment i.e. 01.10.2015 and Resigned w.e.f. 17.05.2016

<sup>3</sup>Salary given upto 16.11.2016 i.e. date of resignation

<sup>4</sup>Salary given w.e.f. date of appointment i.e. 14.12.2016 upto 12.03.2018

The company is having net loss during the current financial year i.e. 2017-18. The remuneration of the KMP's are duly reviewed on annual basis keeping in mind the tenure, the past performance and current performance.

3. The percentage decrease in the median remuneration of employees in the financial year was 85.46%;
4. The number of permanent employees on the rolls of company as on 31.03.2018 was 3
5. Average Percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof;

Remuneration paid to employees excluding managerial personnel for the 2016-17	Remuneration paid to employees excluding managerial personnel for the 2017-18	% Change in remuneration paid to employees excluding managerial personnel	Remuneration paid to managerial personnel for the FY 2016-17	Remuneration paid to managerial personnel for the FY 2017-18	% Change in remuneration paid to managerial personnel
7362066	1048869	-85.75%	1973105	145532	-92.62%

Further there are no exceptional circumstances for increase in the managerial remuneration.

6. During the year under review no variable component of remuneration availed by Directors of the Company;
7. It is hereby affirmed that the remuneration paid by the Company to its Directors, KMP's and Employees during the year under review is as per the Nomination, Remuneration & Evaluation Policy of the company.

## 28. EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS:

The company has not issued any shares with differential voting rights and accordingly the provisions of Section 43 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 of the Companies Act, 2013 and rules framed there under are not applicable for the year.

## 29. DETAILS OF SWEAT EQUITY SHARES:

The company has not issued any sweat equity shares and accordingly the provisions of Section 54 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 of the Companies Act, 2013 and rules framed there under are not applicable for the year.

**30. DETAILS OF EMPLOYEES STOCK OPTION SCHEME:**

The company has not granted stock options and accordingly the provisions of Section 62(1)(b) read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 of the Companies Act, 2013 and rules framed there under are not applicable for the year.

**31. DISCLOSURE OF VOTING RIGHTS NOT EXERCISED:**

The company has not made any provision of money for the purchase of, or subscription for, shares in the company or its holding company, if the purchase of, or the subscription for, the shares by trustees is for the shares to be held by or for the benefit of the employees of the company and accordingly the provisions of Chapter IV (Share Capital and Debentures) of the Companies Act, 2013 and rules framed there under are not applicable for the year.

**32. EMPLOYEES:**

Employee's relation continued to be cordial throughout the year. Your Directors wish to place on record their sincere appreciation for the excellent spirit with which the entire team of the Company worked at factory and office premises and achieved commendable progress.

During the year under review, none of the employee has received remuneration of Rs. Eight Lakh and Fifty Thousand per month or Rs. One Crore TwoLacs per year or at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence, do not call for any further details referred to in Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**33. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT:**

Report on Corporate Governance and Management Discussion and Analysis Report, in terms of Clause 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed as ANNEXURE IV and ANNEXURE III respectively with this report and shall form part of the Board's report.

A certificate from the Auditors confirming compliance with the conditions of Corporate Governance is also annexed as ANNEXURE VI.

**34. PAYMENT OF LISTING FEES:**

Annual listing fee for the year 2017-18 and 2018-19 has been pending by the Company to BSE and NSE.

**35. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Board of Directors of the Company has approved and adopted the "Policy on Prevention of Sexual Harassment at Workplace" to provide equal employment opportunity and is committed to provide a work environment that ensures every woman employee is treated with dignity and respect and afforded equitable treatment. The Company has formed an Internal Complaints Committee where employees can register their complaints against sexual harassment. This is supported by the Sexual Harassment Policy which ensures a free and fair enquiry process with clear timelines.

**36. PAYMENT OF DEPOSITORY FEES:**

Annual Custody/Issuer fee for the year 2018-19 has not been paid by the Company to NSDL and CDSL.

**37. DEMAT STATUS:**

The company's shares are presently held in both electronic and physical modes.

**38. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:**

Subsidiary Company:

The Company neither has any Subsidiary Company as on date of this report as defined u/s 2(87) of the Companies Act, 2013 nor any company became or ceased to be its Subsidiary Company during the year under review.

Associate Company:

The Company neither has any Associate Company as on date of this report as defined u/s 2(6) of the Companies Act, 2013 nor any company became or ceased to be its Subsidiary Company during the year under review.

Joint Ventures:

The Company neither has any Joint Ventures as on date of this report nor any company became or ceased to be in Joint Venture during the year under review.

**39. TRANSFER TO INVESTORS EDUCATION & PROTECTION FUND:**

As per the provisions of section 125 of the Companies Act, 2013 and as per rule 3 of the Investor Education &



Protection fund (awareness and protection of investors) Rules, 2001, the Company has transferred the amount of Rs. 6000.00/- lying in the Refund Account for the year 2008-09 after expiry of Seven (7) years from the date of transfer to the said A/c.

**40. CODE OF FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION AND CODE OF CONDUCT UNDER SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015**

Pursuant to Regulation 8 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 the Board of Directors has formulated and adopted the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" (Code of Fair Disclosure) of the Company.

The Board has also formulated and adopted "Code of Conduct for Prohibition of Insider trading" (Code of Conduct) of the Company as prescribed under Regulation 9 of the said Regulations.

**41. ACKNOWLEDGEMENTS:**

Your Directors wish to place on record their appreciation for and gratitude to the Union Bank of India, State Bank of India, Canara Bank, Andhra Bank, Axis Bank for their valuable support and co-operation.

Your directors also wish to place on record their appreciation of the wholehearted and continued support extended by the shareholders, investors, employees and workers of the company which had always been a source of strength for the Company.

For and on behalf of the Board of Directors of  
Sita Shree Food Products Limited

Sd/-  
**Dinesh Agrawal**  
Chairman Cum Director  
DIN: 00348853

Sd/-  
**Lucky Mevati**  
Director  
DIN: 07793340

Indore  
Date: 28.08.2018

**ANNEXURE INDEX**

<b>ANNEXURE</b>	<b>CONTENT</b>
I	Extract of the Annual Return (Form MGT-9)
II	Particulars of Contract/Transactions with Related Parties(Form AOC-2)
III	Management Discussion and Analysis Report
IV	Report on Corporate Governance
V	CFO Compliance Certificate
VI	Auditors Certificate on Corporate Governance
VII	Secretarial Audit Report (Form MR-3)
VIII	Annual Report on CSR Activities

**ANNEXURE-I**

**FORM NO. MGT-9  
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31st March, 2018

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

**I. REGISTRATION AND OTHER DETAILS:**

- |      |                                                                           |   |                                                                                                                                                                                                          |
|------|---------------------------------------------------------------------------|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i)   | CIN                                                                       | : | L15314MP1996PLC010741                                                                                                                                                                                    |
| ii)  | Registration Date                                                         | : | 17/04/1996                                                                                                                                                                                               |
| iii) | Name of the Company                                                       | : | Sita Shree Food Products Limited                                                                                                                                                                         |
| iv)  | Category / Sub-Category of the Company                                    | : | Public Company/ Limited by Shares                                                                                                                                                                        |
| v)   | Address of the Registered office and contact details                      | : | 332/4/2, R.D. Udyog Nagar, Palda, Indore, M.P. 452020<br>Ph No. +91-8120881208                                                                                                                           |
| vi)  | Whether listed company Yes / No                                           | : | Yes                                                                                                                                                                                                      |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | : | M/s. Ankit Consultancy Private Limited<br>60, Electronic Complex, Pardeshipura,<br>Indore (M.P.) 452010<br>Tel.: +91-731-2551745-46, 3198601-602<br>Fax: +91-731-4065798<br>Email – ankit_4321@yahoo.com |

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

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Soya DOC (DE Oiled Cake)	15146	22.90%
2.	Atta	10611	66.21%

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

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
-	NIL	NIL	NIL	NIL	-

**IV. SHARE HOLDING 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 year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	4862493	-	4862493	17.47	4862493	-	4862493	17.47	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1508436	-	1508436	5.42	1508436	-	1508436	5.42	-
e) Banks/ FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	6370929	0	6370929	22.89	6370929	0	6370929	22.89	-

(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>6370929</b>	<b>0</b>	<b>6370929</b>	<b>22.89</b>	<b>6370929</b>	<b>0</b>	<b>6370929</b>	<b>22.89</b>	<b>-</b>
<b>B. Public Share holding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs -	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds -	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	7366950*	-	7366950	26.47	7012050*	-	7012050	25.19	-1.28
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	7857807	10	7857817	28.23	8230785	10	8230795	29.57	1.34
ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	5666201	-	5666201	20.36	5906872	-	5906872	21.22	0.86
c) Others	126788	-	126788	0.46	23360	-	23360	0.08	-0.38
Clearing Members NRI's/OCB's	445489	-	445489	1.60	290168	-	290168	1.04	-0.56
<b>Sub-total (B)(2):-</b>	<b>20310747</b>	<b>10</b>	<b>21463245</b>	<b>77.11</b>	<b>20310747</b>	<b>10</b>	<b>21463245</b>	<b>77.11</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>20310747</b>	<b>10</b>	<b>21463245</b>	<b>77.11</b>	<b>20310747</b>	<b>10</b>	<b>21463245</b>	<b>77.11</b>	<b>0.00</b>
<b>C. Share held by custodians against which Depository Receipts have been issued:</b>									
1. Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
2. Public	-	-	-	-	-	-	-	-	-
<b>SUB-TOTAL (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>27834164</b>	<b>10</b>	<b>27834174</b>	<b>100</b>	<b>27834164</b>	<b>10</b>	<b>27834174</b>	<b>100</b>	<b>0.00</b>

\*Including Corporate action for 1152488 equity shares has been pending

**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 company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Anoop Foods Ltd.	1508286	5.42	5.42	1508286	5.42	5.42	0.00
2	AnoopGoyal	793960	2.85	2.83	793960	2.85	2.83	0.00
3	AshishGoyal	3206403	11.52	10.39	3206403	11.52	10.39	0.00
4	Dinesh Agarwal	282430	1.01	1.01	282430	1.01	1.01	0.00
5	DineshchandraAgrawal - H U F Dinesh - H U F	448500	1.61	1.61	448500	1.61	1.61	0.00
6	NehaAgarwal	131200	0.47	0.47	131200	0.47	0.47	0.00
7	Sitashree Marketing Private Limited	150	0.00	0.00	150	0.00	0.00	0.00
	<b>Total</b>	<b>6370929</b>	<b>45.85</b>	<b>21.73</b>	<b>6370929</b>	<b>45.85</b>	<b>21.73</b>	

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding end of the year	
	No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
AnoopGoyal				
At the beginning of the Year	793960	2.85	793960	2.85
Transaction during the year	-	-	-	-
At the end of the Year	793960	2.85	793960	2.85
Anoop Foods Ltd.				
At the beginning of the Year	1508286	5.42	1508286	5.42
Transaction during the year	-	-	-	-
At the end of the Year	1508286	5.42	1508286	5.42
AshishGoyal				
At the beginning of the Year	3206403	11.52	3206403	11.52
Transaction during the year	-	-	-	-
At the end of the Year	3206403	11.52	3206403	11.52
Dinesh Agarwal				
At the beginning of the Year	282430	1.01	282430	1.01
Transaction during the year	-	-	-	-
At the end of the Year	282430	1.01	282430	1.01
DineshchandraAgrawal - H U F Dinesh - H U F				
At the beginning of the Year	448500	1.61	448500	1.61
Transaction during the year	-	-	-	-
At the end of the Year	448500	1.61	448500	1.61
NehaAgarwal				
At the beginning of the Year	131200	0.47	131200	0.47
Transaction during the year	-	-	-	-
At the end of the Year	131200	0.47	131200	0.47
Sitashree Marketing Private Limited				
At the beginning of the Year	150	0.00	150	0.00
Transaction during the year	-	-	-	-
At the end of the Year	150	0.00	150	0.00

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

Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding end of the year	
	No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
Synergy Cosmetics (EXIM) Ltd.				
At the beginning of the Year	1200888	4.31	1200888	4.31
Change during the Year	-	-	-	-
At the end of the Year			1200888	4.31
Saianand Commercial Limited (Formerly: Oregon Commercial Ltd.)				
At the beginning of the Year	1158000	4.16	1158000	4.16
Change during the Year	-	-	-	-
At the end of the Year			1158000	4.16

Sun and Shine Worldwide Ltd.				
At the beginning of the Year	1152488	4.14	1152488	4.14
Change during the Year	-	-	-	-
At the end of the Year			1152488	4.14
Interface Financial Services Ltd.				
At the beginning of the Year	943555	3.39	943555	3.39
Change during the Year	-	-	-	-
At the end of the Year			943555	3.39
Classic Filaments Ltd.				
At the beginning of the Year	818444	2.94	818444	2.94
Change during the Year	-	-	-	-
At the end of the Year			818444	2.94
HimanshuChandrakantAshar				
At the beginning of the Year	277000	1.00	277000	1.00
Sold during the year	277000	1.00	277000	1.00
At the end of the Year			0	0.00
Synergy Bizcon Limited (Formerly: Synergy Infrastructures Ltd.)				
At the beginning of the Year	266666	0.96	266666	0.96
Change during the Year	-	-	-	-
At the end of the Year			266666	0.96
Simplex Trading & Agencies Ltd.				
At the beginning of the Year	257333	0.92	257333	0.92
Change during the Year	-	-	-	-
At the end of the Year			257333	0.92
Vijay Kumar Jain				
At the beginning of the Year	251000	0.90	251000	0.90
Transaction during the year	24000	0.09	275000	0.99
At the end of the Year			275000	0.99
VishanjiShamjiDedhia				
At the beginning of the Year	300000	1.08	300000	1.08
Sold during the year	300000	1.08	300000	1.08
At the end of the Year			0	0.00

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

Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding end of the year	
	No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
Dinesh Agrawal Chairman & Executive Director				
At the beginning of the Year	282430	1.01	282430	1.01
Transactions During the Year	-	-	-	-
At the end of the Year	-	-	282430	1.01
Ganesh Prasad Sharma <sup>1</sup> Independent Director				
			NIL Holding Throughout The Year	
Mannalal Sethi <sup>2</sup> Non-Executive Director				
			NIL Holding Throughout The Year	
Sunil Garg <sup>3</sup> Independent Director				
			NIL Holding Throughout The Year	
Lucky Mevati <sup>4</sup> Independent Director				
			NIL Holding Throughout The Year	
Ankit Magare <sup>5</sup> Independent Director				
			NIL Holding Throughout The Year	
Archana Shukla <sup>1</sup> Non-executive Director				
			NIL Holding Throughout The Year	
VipenjeetKaur Banger <sup>3</sup> Company Secretary				
			NIL Holding Throughout The Year	

<sup>1</sup> For changes during the year kindly refer the point on (iii) above

<sup>2</sup> Resigned from the board w.e.f. 30.05.2017

<sup>3</sup> Appointed w.e.f. 14.12.2016 and Resigned w.e.f. 30.05.2017

<sup>4</sup> Resigned from the board w.e.f. 15.02.2018

<sup>5</sup> Appointed as director w.e.f. 20.05.2017

<sup>6</sup> Resigned w.e.f. 12.03.2018

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1832238088.34	111618032.00	-	1943856120.34
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1832238088.34</b>	<b>111618032.00</b>	<b>-</b>	<b>1943856120.34</b>
Change in Indebtedness during the financial year				
Addition	44859273.66	3280158.00	-	48139431.66
Reduction	-	-	-	-
Net Change	44859273.66	3280158.00	-	48139431.66
Indebtedness at the end of the financial year				
i) Principal Amount	1877097362.00	114898190.00	-	1991995552.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1877097362.00</b>	<b>114898190.00</b>	<b>-</b>	<b>1991995552.00</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:**

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Dinesh Agrawal	-	-	
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- Others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	-	-	-	-
	Ceiling as per the Act				Rs. 1.2 Cr.

**B. REMUNERATION TO OTHER DIRECTORS:**

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Sunil Garg <sup>1</sup>	Mr. Lucky Mevati <sup>2</sup>	Mr. Ankit Magare <sup>2</sup>	Mrs. Archana Shukla <sup>2</sup>	
1.	Independent Directors	13000	12000	12000	12000	49000
	• Fee for attending board/committee meetings				-	
	• Commission					
	• Others, please specify					
	Total (1)	13000	12000	12000	12000	49000
	Other Non-Executive Directors Fee for attending board/committee meetings					
	• Commission					
	• Others, please specify					
	Total (2)					
	Total (B) = (1+2)	13000	12000	12000	12000	49000
		Total Managerial Remuneration				100000
		Overall Ceiling as per the Act				per Director

<sup>1</sup>Resigned w.e.f. 15.02.2018

<sup>2</sup>Appointed w.e.f. 20.05.2017

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

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Company Secretary Vipenjeet Kaur Banger <sup>1</sup>	CFO	M.D.	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	145532/-	-	-	145532/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (C)</b>	<b>145532/-</b>	<b>-</b>	<b>-</b>	<b>145532/-</b>

<sup>1</sup>Resigned w.e.f. 12.03.2018

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD/ NCLT / COURT]	Appeal made, if any (give Details)
<b>A. Company</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. Director</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. Other Officer in default</b>					
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 of Directors of  
Sita Shree Food Products Limited

Place: Indore  
Date: 28.08.2018

Sd/-  
Dinesh Agrawal  
Chairman Cum  
DIN: 00348853

Sd/-  
Lucky Mevati  
Director Director  
DIN: 07793340



**ANNEXURE II**
**FORM NO. AOC-2**
**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

<b>1. Details of contracts or arrangements or transactions not at arm's length basis</b>			
(a) Name(s) of the related party and nature of relationship	Nil		
(b) Nature of contracts/ arrangements/transactions	Nil		
(c) Duration of the contracts / arrangements/ transactions	Nil		
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Nil		
(e) Justification for entering into such contracts or arrangements or transactions	Nil		
(f) date(s) of approval by the Board	Nil		
(g) Amount paid as advances, if any:	Nil		
(h) Date on which the ordinary resolution was passed in general meeting as required under first proviso to section 188	Nil		
<b>2. Details of material contracts or arrangement or transactions at arm's length basis</b>			
(a) Name(s) of the related party and nature of relationship	<b>Sr.No.</b>	<b>Name of Related Party</b>	<b>Relationship</b>
	1.	M/s R.J. Marketing Limited <i>(Formerly known as M/s Sita Shree Marketing Ltd.)</i>	Company in which relative is Director
	2.	M/s M.R. Agro Overseas Limited <i>(Formerly known as M/s Sita Shree Overseas Ltd.)</i>	Company in which relative is Director
	3.	M/s UshaDall Mill	Proprietorship of Relative
	4.	M/s Kashiya Exports Pvt. Ltd.	Group Company
	5.	M/s Anoop Foods Limited	Group Company
	6.	M/s Chandrika Trading Company	Proprietorship of Director
	7.	M/s Chandrika Agri Commodities Private Limited	Group Company
	(b) Nature of contracts/ arrangements/ transactions	For Sale, Purchase or Supply of any goods or products; leasing, selling or otherwise disposing of, or buying property of any kind and availing or rendering of any services or any other purpose as may be required.	
(c) Duration of the contracts / arrangements/ transactions	For the Year under review.		
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Purchase, Sale or Supply of any goods or products on arm's length basis and in ordinary course of business at the prevailing market price at the time of transaction.		
(e) Date(s) of approval by the Board, if any:	N.A.		
(f) Amount paid as advances, if any:	Nil		

**For and on behalf of the Board of Directors of  
Sita Shree Food Products Limited**

Sd/-  
**Dinesh Agrawal**  
Chairman Cum  
DIN: 00348853

Sd/-  
**Lucky Mevati**  
Director Director  
DIN: 07793340

Place: Indore  
Date: 28.08.2018

## ANNEXURE-III

**MANAGEMENT DISCUSSION AND ANALYSIS**

**We have pleasure in submitting the Management Discussion & Analysis Report on the business of the Company:-**

**INDUSTRY STRUCTURE AND DEVELOPMENTS:**

The Indian food and grocery market is the world's sixth largest, with retail contributing 70 per cent of the sales. The Indian food processing industry accounts for 32 per cent of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. It contributes around 8.80 and 8.39 per cent of Gross Value Added (GVA) in Manufacturing and Agriculture respectively, 13 per cent of India's exports and six per cent of total industrial investment. The Indian gourmet food market is currently valued at US\$ 1.3 billion and is growing at a Compound Annual Growth Rate (CAGR) of 20 per cent. India's organic food market is expected to increase by three times by 2020.

Looking to the rise in nuclear family and working husband-wife working culture will lead to shift packaged floor and ready to use/eat meal. This will going to help a lot to the packaged food industry in future.

**OPPORTUNITIES AND THREATS:**

The local and export market for agro commodities has grown appreciably for countries like India and export and import of agriculture items have increased significantly over the past several years. Over a period of several decades the Company has developed a strong reputation in industry. Supply of raw material in agriculture based industry always depends upon the monsoon and as per projections it is going to be good in coming year. Company is expecting good business in running financial year.

Export of Soya bean oil and DOC always depends upon production of soyabean in other countries as well.

The global food industries are extremely competitive, hygienic and health conscious and Indian manufacture and exporter have to compete with low profit margin and unorganized set-up in India. Small flour units are big competitor in local markets. Being in agricultural food industry availability of raw material is mostly dependent upon monsoon, which always unpredictable.

**SEGMENT-WISE PERFORMANCE OR PRODUCT-WISE PERFORMANCE:**

The Company is engaged in the business of wheat, soya and pulses products manufacturing and by products of agro commodities in local as well as international market. In manufacturing activity of flour division turnover is Rs. (4.86) Lakhs as compare to Rs.65.60 Crores of previous year similarly for soya division sales of manufacturing activity is Rs.(4.17)Crores as compare to Rs. 71.31Crores of previous year. In Grading & Processing activity of flour division turnover is Rs .Nil as compare to Rs.7.53 Crores of previous year

The overall performance of the Company was affected mainly by slow movement of debtor, increase in amount of idle and spoiled stock for longer period, non-utilisation of production capacity and increased interest burden on debt requirement for high working capital needs.

**OUTLOOK**

Domestic market and export has been on downswing during the last two year. But industry as a whole and after implementation of GST it seems that it may get momentum in current year. Development of nuclear family concept is the basic line for packed food industry i.e. Atta and other packed basic food. With high protein soya products we are looking forward towards export market with good amount of margin.

**RISK AND CONCERNS:**

Risk is a potential event or non-event, the occurrence or nonoccurrence of which can adversely affect the objectives of company. Impact of risks could either be monetary that is impact on business profits due to increase in costs, decreasing revenue amongst others or non-monetary which is delay in securing regulatory approvals, reputational damage etc. In addition, we could also be susceptible to risks arising out of our business strategy, decision on innovation or product portfolio. If there is any significant unfavorable shift in industry trend or pattern of demand, our investments might get affected. We also have multiple competitors both in India and overseas and we also stride through risk associated with clients' and prospective clients' dispositions.

As a conscientious organization, we have adopted a risk management framework to ensure early identification and management of various critical risks, which accrue to our business model.

At present the financial position of the Company is suffering from heavy losses and acute shortage of working capital fund. Credit facilities with Banks and NBFCs are classified as NPA. No production activities during the year and both the plants of the Company are remain idle during maximum days in the year. Networth of the Company is fully eroded during the year due to losses. Notice u/s 13 (2) of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 dated 02.07.2018, has been issued by the State Bank of India, due to failed to repay the dues/outstanding liabilities. Turnover of the company is negative during the year due to sales return of Rs. 9.33 crore.

The Audit committee consisting of independent director's review important issues raised by the Statutory auditors thereby ensuring that the risk is mitigated appropriately with appropriate rectification measures on a periodic basis.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has a proper internal control system, which provides adequate safeguards and effective monitoring of the transactions and ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition.

The audit committee of the Company comprising of all independent directors regularly reviews the audit plans, adequacy of internal control as well as compliance of accounting standards.

Also the CFO has the responsibility for establishing and maintaining internal controls for financial reporting and that they also have the overall responsibility to evaluate the effectiveness of internal control systems of the company pertaining to financial reporting and they have to disclose to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify the deficiencies.

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

Please refer to brief description of the Company's Working during the year and State Of Company's Affair in the Board of Directors Report.

**MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT:**

The Company has constituted an Internal Complaint Committee (ICC) in pursuant to the provisions of Companies Act, 2013 for prevention, prohibition and redressal of complaints / grievances on the sexual harassment of women at work places.

We have ensured safe and healthy working conditions in the Unit and have continued with our policy to ensure safe and healthy working conditions in the other premises of the Company taking into account of health and safety of all concerned, besides conservation of natural resources and protection of the environment.

A major factor which continued growth of your organization is the constructive support of Banks, Institutions, suppliers, Executives, employees, creditors and the confidence shown by them in the Company. Employer-Employee relations in all the offices of the Company were cordial throughout the year under review.

As at March 31st, 2018, the Company had a total workforce of approximately 3 persons, including managers, staff.

**DISCLOSURE OF ACCOUNTING TREATMENT:**

During the year under review while preparing the Financial Statements for the Financial Year 2017-18 the Company has followed the same treatment as prescribed in an Accounting Standards hence, disclosure/management's explanation under this head is not applicable for the year.

**For and on behalf of the Board of Directors of  
Sita Shree Food Products Limited**

**Place: Indore  
Date: 28.08.2018**

**Sd/-  
Dinesh Agrawal  
Chairman Cum  
DIN: 00348853**

**Sd/-  
Lucky Mevati  
Director Director  
DIN: 07793340**

## ANNEXURE-IV

## REPORT ON CORPORATE GOVERNANCE

**I. Company's Philosophy on code of Governance:**

Corporate Governance is an ethically driven business process that is committed to values and conduct aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decisions and conducting the business with a firm commitment to values, while meeting stakeholders' expectations. The Company's philosophy on Corporate Governance has been developed with a tradition of fair and transparent governance even before they were mandated by the legislation. Transparency, integrity, professionalism and accountability - based values form the basis of the Company's philosophy for Corporate Governance. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations. Your company has fulfilled all the existing guidelines under Clause 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**II. Board of Directors:**

The Board of Directors of the Company consists of four (4) directors, consisting of two (2) Independent, Non-Executive, one (1) Non-Executive - Non Independent directors and 1 (One) Executive director as at the end of financial year 2017-18.

The constitution of Board is as under:

Director	Category	No. of other Directorships as on 31st March, 2018*	No. of other Committees Membership as on 31st March, 2018**		No. of Board Meetings Annual		Attendance at the previous General Meeting
			Chairman	Member	Held	Attended	
Mr. Dinesh Agrawal Director	Promoter/ Executive/ Non Independent	-	-	-	7	7	Yes
Mr. Ganesh Prasad Sharma <sup>1</sup>	Non-Executive /Independent	-	-	-	7	1	No
Mr. Sunil Garg <sup>2</sup>	Non-Executive /Independent	1	1	-	7	7	Yes
Mr. Mannalal Sethi <sup>3</sup>	Non-Executive - Non Independent Director	-	-	-	7	1	No
Mr. Ankit Magare <sup>4</sup>	Non-Executive /Independent	-	-	-	7	6	Yes
Mr. Lucky Mevati <sup>4</sup>	Non-Executive /Independent	-	-	-	7	6	Yes
Mrs. Archana Shukla <sup>4</sup>	Non-Executive /Non-Independent	-	-	-	7	6	Yes

\*Directorship of only Public Limited Companies other than Sita Shree Food Products Limited has been considered.

\*\*As per Regulation 26(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Chairmanship/Membership of only Audit Committee and Stakeholder's Relationship Committee of Companies other than Sita Shree Food Products Limited has been considered.

<sup>1</sup>Resigned from the board w.e.f. 30.05.2017

<sup>2</sup>Resigned from the board w.e.f. 15.02.2018

<sup>3</sup>Resigned w.e.f. 30.05.2017

<sup>4</sup>Appointed w.e.f.20.05.2017

During the year under review Seven (7) meetings of the Board of Directors were held on:

20.05.2017	30.05.2017	14.08.2017	28.08.2017	14.11.2017	31.01.2018	14.02.2018
------------	------------	------------	------------	------------	------------	------------

**Note on Directors re-appointment:**

Mr. Dinesh Agrawal, the Chairman cum Director of the Company is retiring at the forthcoming annual general meeting by rotation and he is eligible for re-appointment.

During the year under review Mr. Ganesh Prasad Sharma, Independent Director of the Company has resigned w.e.f. 30.05.2017 due to his pre-occupancies; the Board places its appreciation for the services rendered by him during his tenure.

During the year under review Mr. Mannalal Sethi, Non-Executive Director of the Company has resigned w.e.f. 30.05.2017 due to his pre-occupancies; the Board places its appreciation for the services rendered by him during his tenure.

Ms. Vipenjeet Kaur Banger, Company Secretary and Compliance Officer of the Company have been resigned from his post due to his pre-occupancies. The Board thereby accepted his resignation w.e.f. 12.03.2018 and places on record its appreciation for the services provided by her during her tenure as the Company Secretary of the Company.

During the year under review Mr. Sunil Kumar Garg, Independent Director of the Company has resigned w.e.f. 15.02.2018 due to his pre-occupancies; the Board places its appreciation for the services rendered by him during his tenure.

In Compliance with requirements of Clause 26(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, brief resume, expertise and details of other directorships, membership in committees of other companies and shareholding in the Company of persons proposed to be appointed as Directors are mentioned in the Notice of the AGM which shall form part of this Annual Report.

#### **Information placed before the Board:**

Information placed before the Board of Directors broadly covers the items specified in clause 17 read with Part A of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other items which are necessary to facilitate meaningful and focused deliberations on issues concerning the Company and taking decision in an informed and efficient manner. Besides, the Directors on the Board have complete access to all information of the Company, as and when necessary. Further the board has periodically reviewed the compliance reports pertaining to all laws applicable to the Company as well as monitored the risk management plan as laid down before the board.

#### **Code of Conduct:**

In compliance with Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct and Ethics (“the Code”). The Code is applicable to the members of the board, the executive officers and all employees of the Company and its associates. The code of conduct is available on the website of the company i.e. [www.sitashri.com](http://www.sitashri.com).

All members of the board and senior management personnel have affirmed compliance to the Code as on March 31, 2018.

A declaration to that effect signed by the Director is attached and forms part of the Annual Report of the company.

#### **Prevention of Insider Trading Code:**

As per SEBI (Prohibition of Insider Trading) Regulation, 2015 the company has adopted a Code of Conduct for Prevention of Insider Trading. All directors, employees and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company has automated the declarations and disclosures to identified designated employees, and the board reviews the policy on a need basis. The policy is also available on the company’s website at [http://sitashri.com/docs/policies/code\\_of\\_conduct\\_insiders.pdf](http://sitashri.com/docs/policies/code_of_conduct_insiders.pdf).

#### **Committees of the Board:**

In compliance with the requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and other applicable laws, the Board has constituted the following committees of the Board:

Audit Committee; Members of the Audit Committee are not adequately qualified as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Nomination & Remuneration Committee;

Stakeholders Relationship Committee;

Corporate Social Responsibility Committee.

### **III. Audit Committee**

#### **Terms of Reference:**

The primary objective of the Committee is to monitor and provide an effective supervision of the financial Reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Audit Committee reviews the audit reports submitted by the Internal Auditors and Statutory Auditors, financial results, effectiveness of internal audit processes and the Company’s risk management strategy. It reviews the Company’s established systems and the Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 along with Clause 18 and Part C of the Schedule II under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Composition, Number of Meetings, Name of Members and Attendance during the year:**

The Audit Committee consists of three (3) directors; two of them are independent directors and a Non-executive director.

During the financial year 2017-18 Six (6) meetings of the said Committee were held on the following dates:

20.05.2017	30.05.2017	14.08.2017	28.08.2017	14.11.2017	14.02.2018
------------	------------	------------	------------	------------	------------

Name of Director	Designation	No. of Meetings Held	No. of Meetings Attended
Mr. Ganesh Prasad Sharma <sup>1</sup>	Member	6	1
Mr. Mannalal Sethi <sup>2</sup>	Member	6	1
Mr. Sunil Garg <sup>3</sup>	Chairman <sup>3</sup>	6	6
Mr. Lucky Mevati	Chairman <sup>4</sup>	6	6
Mr. AnkitMagare	Member	6	6
Mrs. Archana Shukla <sup>4</sup>	Member	6	-

<sup>1</sup>Resigned from the board w.e.f.30.05.2017

<sup>2</sup>Resigned w.e.f. 30.05.2017

<sup>3</sup>Resigned from the board w.e.f.15.02.2018

<sup>4</sup>Appointed as member w.e.f.15.02.2018

#### The Chairman of the Audit Committee was present at the last AGM.

The Company Secretary acted as a Secretary to the Committee.

#### IV. Nomination and Remuneration Committee

##### Terms of Reference:

This Committee identifies the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also carries out evaluation of every director's performance. It also decides whether to extend or continue the term of appointment of the independent director, on the basis of report of performance evaluation of independent director. The Committee also formulates the criteria for determining qualifications, positive attributes, independence of the Directors and recommends to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

##### Composition, Number of Meetings, Name of Members and Attendance during the year:

The Committee consists of Three (3) directors; two of them are independent directors and a Non-executive director.

During the financial year 2017-18 Four (4) meetings of the said Committee were held on the following dates:

30.05.2017	14.08.2017	14.11.2017	14.02.2018
------------	------------	------------	------------

Name of Director	Designation	No. of Meetings Held	No. of Meetings Attended
Mr. Ganesh Prasad Sharma <sup>1</sup>	Member	4	1
Mr. Mannalal Sethi <sup>2</sup>	Member	4	1
Mr. Sunil Garg <sup>3</sup>	Chairman <sup>3</sup>	4	1
Mr. Lucky Mevati	Chairman	4	4
Mr. AnkitMagare	Member	4	4
Mrs. Archana Shukla <sup>4</sup>	Member	4	-

<sup>1</sup>Resigned from the board w.e.f.30.05.2017

<sup>2</sup>Resigned w.e.f. 30.05.2017

<sup>3</sup>Resigned from the board w.e.f. 15.02.2018

<sup>4</sup>Appointed as member w.e.f. 15.02.2018

## NOMINATION, REMUNERATION AND EVALUATION POLICY

### PREFACE

The Nomination & Remuneration Committee of Sita Shree Food Products Limited (“the Company”) has been formed to review and make recommendations on annual salaries, performance commission, perquisites and other employment conditions of the Executive Directors, Key Managerial Personnel and other employees. In order to align with the provisions of the Companies Act, 2013 the Board changed the nomenclature of “Remuneration Committee” as “Nomination and Remuneration Committee”.

### OBJECTIVE

The Nomination and Remuneration Committee and this Policy are in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto, along with Clause 19 and Part D of the Schedule II under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Key Objectives of the Committee would be:

- to guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- to evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- to recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- to devise a policy on diversity of board of directors;
- to extend or continue the term of appointment of the independent director on the basis of report of performance evaluation of independent directors.

### DEFINITIONS

The definitions of some of the key terms used in this Policy are given below.

Terms not defined in the policy shall have the meaning as per the Companies Act, 2013.

“Key Managerial Personnel” means –

Chief Executive Officer or the Managing Director or the Manager;

Company Secretary,

Whole-time Director;

Chief Financial Officer; and

Such other officer as may be prescribed.

“Senior Management” means 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.

### ROLE OF COMMITTEE:

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

to formulate a criteria for determining qualifications, positive attributes and independence of a Director;

to recommend to the Board the appointment and removal of Senior Management;

to carry out evaluation of Director’s performance and recommend to the Board appointment / removal based on his / her performance;

to recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive;

- a) 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;
- b) ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- c) to devise a policy on Board diversity;
- d) to develop a succession plan for the Board and to regularly review the plan.

### MEMBERSHIP:

- a) The Committee shall consist of a minimum 3 non-executive directors, majority of them being 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.



**CHAIRMAN:**

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairperson 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.

**FREQUENCY OF MEETINGS:**

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

**COMMITTEE MEMBERS' INTERESTS:**

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.

The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

**SECRETARY:**

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

**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.

**NOMINATION DUTIES:**

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

Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness;

Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013;

Identifying and recommending Directors who are to be put forward for retirement by rotation.

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;

Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

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.

Delegating any of its powers to one or more of its members or the Secretary of the Committee;

Recommend any necessary changes to the Board.

Considering any other matters as may be requested by the Board; and

**POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT:**

1. Appointment Criteria and Qualifications
  - a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
  - b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
  - c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

**2. Term / Tenure****Managing Director/Whole-time Director:**



The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**Independent Director:**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

**3. Evaluation**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

**4. Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**5. Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**REMUNERATION DUTIES:**

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

to consider and determine the Remuneration Policy, 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 all elements of the remuneration of the members of the Board.

to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

to delegate any of its powers to one or more of its members or the Secretary of the Committee

to consider any other matters as may be requested by the Board;

Professional indemnity and liability insurance for Directors and senior management.

**POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL:**

1. Remuneration to Managing/Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

The Remuneration/ Compensation/ Commission etc. to be paid to Director / Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

2. Remuneration to Non- Executive / Independent Director:

The Non-Executive Independent Director may receive remuneration / compensation / commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The criteria for making payment to Non-Executive directors of the company are also uploaded on the website of the company and can be accessed at [http://www.sitashri.com/docs/policies/payment\\_criteria\\_nonexe.pdf](http://www.sitashri.com/docs/policies/payment_criteria_nonexe.pdf).

**EVALUATION POLICY:**

The following parameters for the purpose of evaluating the performance of the Board and that of Committees and Individual Directors:

Rating Scale

<b>RATING</b>	<b>DESCRIPTION</b>
1	Does not meet evaluation parameter
2	Meets evaluation parameter
3	Exceeds evaluation parameter
N/A	Not Applicable

### Evaluation of Board

Some of the specific issues and questions that should be considered in a performance evaluation of the entire Board by the Independent Directors are set out below:

S. No.	Assessment Criteria
1	Is the composition of the board appropriate with the right mix of knowledge and skills required to drive organizational performance in the light of future strategy?
2	Members of the board meet all applicable independence requirements.
3	The Board of Directors is effective in establishing a corporate environment that promotes timely and effective disclosure, fiscal accountability, high ethical standards and compliance with applicable laws and regulations.
4	The Board of Directors is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.
5	The Company's systems of control are effective for identifying material risks and reporting material violations of policies and law and The Board is provided with sufficient information about material risks and problems that affects the Company's business and prospects.
6	The Board receives regular financial updates and takes all necessary steps to ensure the operations of the organization are sound and reviews the organization's performance in carrying out the stated mission on a regular basis.
7	Are sufficient numbers of board meetings, of appropriate length, being held to enable proper consideration of issues?
8	The information provided to directors prior to Board meetings meets expectations in terms of length and level of detail and Board members come prepared to meetings and ask appropriate questions of management and address issues that might present a conflict of interest.
9	Board meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution of issues.
10	The Chairman of the Board effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the Board.
11	Nomination and appointment of Board members and their Remuneration follow clearly established procedures using known criteria as laid down by the Nomination and Remuneration Committee.
12	The Board oversees the role of the independent auditor from selection to termination and has an effective process to evaluate the independent auditor's qualifications and performance (through its Audit Committee).
13	Company has a system for Corporate Social Responsibility, Stakeholder Relationships and for prohibition of insider trading
14	Company has necessary Committees which are required and these Committees are working effectively
15	Adherence to Internal Policies and Procedures.

Based on the above criteria Board has to be assessed by giving a rating according to the Rating Scale. The total number of the ratings awarded will be averaged over the number of persons who have awarded the ratings. The process of evaluation shall be done by Independent Directors only. Assistance in the process will be provided by a person so authorized by the Board, and for this purpose the person will report to the Board.

### Evaluation of Committees

Some of the specific issues and questions that should be considered in a performance evaluation of the Committees of the Board are set out below:

S. No.	Assessment Criteria
1	Compliance with Articles of Association, Companies Act and Other applicable laws.
2	Compliance with Code of Conduct of the Company.
3	Committee's accomplishments w.r.t. performance objectives.
4	Adherence to Articles of Association, Companies Act and Other applicable laws.
5	Redressal of Complaints and Grievances.
6	Coordination with other committees and with Board of Directors.
7	Fulfillment of Roles and Responsibilities in accordance to Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
8	Adherence to Internal Policies and Procedures.

Based on the above criteria Committees has to be assessed by giving a rating according to the Rating Scale. The total number of the ratings awarded will be averaged over the number of persons who have awarded the ratings.

The process of evaluation shall be done all the Directors of the Company. Assistance in the process will be provided by a person so authorized by the Board, and for this purpose the person will report to the Board.

#### Evaluation of Individual Directors (Independent Directors)

Some of the specific issues and questions that should be considered in the performance evaluation of an Independent Director, (the exercise in which the concerned director being evaluated shall not be included) are set out below:

S. No.	Assessment Criteria
1	Attendance and participations in the Meetings and timely inputs on the minutes of the meetings
2	Adherence to code of conduct of Company and disclosure of non – independence, as and when it exists and disclosure of interest
3	Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings
4	Interpersonal relations with other directors and management
5	Objective evaluation of Board's performance, rendering independent, unbiased opinion
6	Understanding of the Company and the external environment in which it operates and contribution to strategic direction.
7	Safeguarding interest of whistle-blowers under vigil mechanism and Safeguard of confidential information
8	Adherence to Internal Policies and Procedures.

Based on the above criteria each of the Independent Directors has to be assessed by giving a rating according to the Rating Scale. The total number of the ratings awarded will be averaged over the number of persons who have awarded the ratings.

The process of evaluation shall be done by the other directors (including other Independent Directors). Assistance in the process will be provided by a person so authorized by the Board, and for this purpose the person will report to the Board.

#### Evaluation of Individual Directors (NON – INDEPENDENT DIRECTORS / CMD / WTD)

Some of the specific issues and questions that should be considered in the performance evaluation of a Non-Independent Director /WTD/ CMD, (the exercise in which the concerned director being evaluated shall not be included) are set out below:

S. No.	Assessment Criteria
1	Attendance, participations in the Meetings and timely inputs on the minutes of the meetings
2	Contribution towards growth of the Company including actual vis-a-vis budgeted performance.
3	Leadership initiative, like new ideas and planning towards growth of the Company and steps initiated towards Branding of the Company
4	Adherence to code of conduct of Company
5	Team work attributes and supervising & training of staff members
6	Compliance with policies, Reporting of frauds, violation etc. and disclosure of interest
7	Safeguarding of interest of whistle blowers under vigil mechanism and Safeguard of confidential information
8	Adherence to Internal Policies and Procedures.

Based on the above criteria each of the Non – Independent Directors / CMD / WTD has to be assessed by giving a rating according to the Rating Scale. The total number of the ratings awarded will be averaged over the number of persons who have awarded the ratings.

The process of evaluation shall be done by the other directors (including other Non – Independent Directors / CMD / WTD). Assistance in the process will be provided by a person so authorized by the Board, and for this purpose the person will report to the Board.

#### MINUTES OF COMMITTEE MEETING:

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

#### REVIEW AND AMENDMENT

The Nomination and Remuneration Committee or the Board may review the Policy as and when it deems necessary.

The Nomination and Remuneration Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.

This Policy may be amended or substituted by the Nomination and Remuneration Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

Note: Nomination and Remuneration Policy of the Company is also available on the website of the Company i.e. <http://sitashri.com/docs/policies/nomination.pdf>.

**Details of remuneration paid/payable to directors for the year ended March, 2018 are as follows:**

(Amount in Rupees)

Name of the Director	Relationship Between Directors Inter-se	Designation	Business relationship with Company	Sitting Fees*	Salary and Perquisites	Total
Mr. Dinesh Agrawal	Relative of AshishGoyal, AnoopGoyal, NehaAgrawal	Chairman cum Director	Promoter	-	-	-
Mr. Ganesh Prasad Sharma <sup>1</sup>	Not Related to any Other Director	Non Executive /Independent	Independent	-	-	-
Mr. Mannalal Sethi <sup>2</sup>	Not Related to any Other Director	Non Executive /Non Independent	Non Executive	-	-	-
Mr. Sunil Garg <sup>3</sup>	Not Related to any Other Director	Non Executive /Independent	Independent	Rs. 13000		Rs. 13000
Mr. Lucky Mevati	Not Related to any Other Director	Non Executive /Independent	Independent	Rs. 12000		Rs. 12000
Mr. AnkitMagare	Not Related to any Other Director	Non Executive /Independent	Independent	Rs. 12000		Rs. 12000
Mrs. ArchanaShukla	Not Related to any Other Director	Non Executive /Non Independent	Non Executive	Rs. 12000		Rs. 12000

\*The Company does not pay any other remuneration to them besides sitting fees. Appropriate records are maintained in respect of the payment made to them.

<sup>1</sup>Resigned from the board w.e.f. 30.05.2017

<sup>2</sup>Resigned w.e.f. 30.05.2017

<sup>3</sup>Resigned from Board w.e.f. 15.02.2018

<sup>4</sup>Appointed as director w.e.f.20.05.2017

#### Notes:

- The remuneration to the Executive Directors is being paid as per the recommendation of Nomination and Remuneration Committee and approval of the shareholders at the general body meeting, wherever applicable.
- Other than the benefits stated above no other fixed or variable benefits are available for any of the directors.
- There is no separate provision of service contracts, notice period and severance fees.
- The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under the Companies Act, 2013.
- No Stock-Option has been granted to any directors by the Company.
- There are no pecuniary relationships or transactions of Non-executive directors vis a vis the company which has potential conflict with the interests of the Company at large.
- Numbers of shares held by Non-executive Directors are mentioned in Form No. MGT-9 which is annexed as ANNEXURE I of this Annual Report which shall form part of this report.
- Further that none of the directors were holding convertible instruments as on date.
- Details of transactions of a material nature of the related parties as specified in Accounting Standard 18 issued by the Institute of Chartered Accountants of India have been reported in notes to the accounts. There is no transaction of a material nature with any of the related parties, which was in conflict with the interests of the Company.

#### V. Stakeholders Relationship Committee:

Terms of Reference:

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

Composition, Number of Meetings, Name of Members and Attendance during the year:

The Committee consists of three (3) directors, two of them are independent directors and a Non-executive director.

During the financial year 2017-18 One (1) meetings of the said Committee were held on the following dates:

30.05.2017

Name of Director	Designation	No. of Meetings Held	No. of Meetings Attended
Mr. Ganesh Prasad Sharma <sup>1</sup>	Member	6	1
Mr. Mannalal Sethi <sup>2</sup>	Member	6	1
Mr. Sunil Garg <sup>3</sup>	Chairman <sup>3</sup>	6	6
Mr. Lucky Mevati	Chairman <sup>4</sup>	6	6
Mr. AnkitMagare	Member	6	6
Mrs. Archana Shukla <sup>4</sup>	Member	6	-

<sup>1</sup>Resigned from the board w.e.f.30.05.2017

<sup>2</sup>Resigned w.e.f. 30.05.2017

<sup>3</sup>Resigned from the board w.e.f.15.02.2018

<sup>4</sup>Appointed as member w.e.f.15.02.2018

Name	Designation	No. of Meetings Held	No. of Meetings Attended
Mr. Ganesh Prasad Sharma <sup>1</sup>	Member	2	1
Mr. Sunil Garg <sup>2</sup>	Chairman	2	-
Mr. Mannalal Sethi <sup>3</sup>	Member	2	-
Mr. AnkitMagare	Member	2	-
Mr. Lucky Mevati	Chairman	2	-
Mrs. Archana Shukla <sup>4</sup>	Member		

<sup>1</sup>Resigned from the board w.e.f. 30.05.2017

<sup>2</sup>Resigned from the board w.e.f. 15.02.2018

<sup>3</sup>Resigned w.e.f. 30.05.2017

<sup>4</sup>Appointed as member w.e.f.15.02.2018

Name, Designation & Address of Compliance Officer:

Dinesh Agarwal, Director

332/4/2, R.D. Udyog Nagar, Palda

Nemawar Road, Mathurawala's Colony

Indore (M.P.) -452020

Email at: complianceofficer@sitashri.com, info@sitashri.com

#### Shareholder's Services:

Nature of Complaint	2017-18			
	Received	Answered	Not solved to the satisfaction of shareholders	Pending
-	-	-	-	-

#### VI. Corporate Social Responsibility Committee

Terms of Reference:

This committee has been formed in terms of section 135 and Schedule VII of the Companies Act, 2013, to formulate, recommend and monitor the Corporate Social Responsibility Policy and amount of expenditure to be incurred on the activities referred to into the policy.

Composition

The Committee consists of three (3) directors, consisting of one (1) Executive, and one (1) Independent and one(1) Non-Executive director.

Name	Designation
Mr. Dinesh Agrawal	Chairman <sup>5</sup>
Mr. Mannalal Sethi <sup>1</sup>	Member
Mr. Sunil Garg <sup>2</sup>	Member
Mr. Lucky Mevati	Member
Mrs. Archana Shukla <sup>3</sup>	Member

<sup>1</sup>Resigned from the board w.e.f. 30.05.2017.

<sup>2</sup>Resigned from the board w.e.f. 15.02.2018

<sup>3</sup>Appointed as member w.e.f.15.02.2018

#### Corporate Social Responsibility Policy

A Corporate Social Responsibility Policy has been formulated and recommended by CSR Committee and duly adopted by the Board of Directors. The CSR Policy has been uploaded on the website of the Company at [http://sitashri.com/docs/policies/csr\\_policy.pdf](http://sitashri.com/docs/policies/csr_policy.pdf).

## VII. General Body Meetings:

The details of the location and time of the General Meetings held during the last 3 years are as follows:

Annual General Meeting for year	Date	Time	Venue	No. of Special Resolutions passed
2017	29th September 2017	10:30 A.M.	332/4/2 R. D. Udyog Nagar PaldaNemawar Road, Mathurawala's Colony, Indore, M.P. - 452020	One (1)
2016	30th Sep. 2016	10.30 A.M.	332/4/2 R. D. Udyog Nagar PaldaNemawar Road, Mathurawala's Colony, Indore, M.P. - 452020	Two(2)
2015	30th Sep. 2015	10.30 A.M.	332/4/2 R. D. Udyog Nagar PaldaNemawar Road, Mathurawala's Colony, Indore, M.P. - 452020	Two(2)

No resolution has been passed through postal ballot till date in any AGM.

There is no proposal for passing any resolution through Postal Ballot at the ensuing Annual General Meeting scheduled to be held on 29th September, 2018.

Extra Ordinary General Meeting for year	Date	Time	Venue	No. of Special Resolutions passed
2017-18	-	-	-	-
2016-17	25th January, 2017	01:00 P.M.	332/4/2 R. D. Udyog Nagar PaldaNemawar Road, Mathurawala's Colony, Indore, M.P. -452020	Three (3)
2015-16	30th May, 2015	11.00 A.M.	332/4/2 R. D. Udyog Nagar PaldaNemawar Road, Mathurawala's Colony, Indore, M.P. -452020	Five(5)

## VIII. Disclosures

### i. Related Party Transactions

Details of transactions of a material nature of the related parties as specified in Accounting Standard 18 issued by the Institute of Chartered Accountants of India have been reported in notes to the accounts. There is no transaction of a material nature with any of the related parties, which was in conflict with the interests of the Company.

The Policy on Related Party Transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website i.e. [http://sitashri.com/docs/policies/related\\_party.pdf](http://sitashri.com/docs/policies/related_party.pdf).

### ii. Accounting Treatment

Where in the preparation of financial statements, a treatment different from that prescribed in an Accounting Standard has been followed, the fact shall be disclosed in the financial statements.

### iii. Details of Non- Compliances by the Company

During the period under review but after the closing of financial year, National Stock Exchange of India Limited and Bombay Stock Exchange Limited have imposed penalty for late submission of quarterly compliances for the quarter ended on 31st March, 2018 respectively.

Except than the matter stated above there has been no instance of non-compliance by the Company on any matter related to capital markets or imposition of penalties or strictures by SEBI or the Stock Exchanges or any other Statutory Authority during last three years.

### iv. Whistle Blower Policy

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Whistle Officer which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

### v. Accounting Treatment

The financial statements for the year 2017-18 have been prepared in accordance with the applicable accounting standards prescribed by The Institute of Chartered Accountants of India and there are no deviations.

### vi. Separate Meeting of the Independent Director

As per Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors are required to hold at least one separate meeting in a year. Accordingly, a meeting had been held on 31st of March, 2018.



**vii. Familiarization Programme for Independent Director**

The directors will be introduced to all the Board members and the senior management personnel such as Chief Financial Officer, Company Secretary and Various Department heads individually to know their roles in the organization and to understand the information which they may seek from them while performing their duties as a Director. And meeting may be arranged for Independent Directors with aforesaid officials to better understand the business and operation of the Company. As part of continuous updating and familiarization with the Company, every Independent Director will be taken for visits to the factory or manufacturing units and other branch of the company where officials of various departments apprise them of the operational and sustainability aspects of the plants to enable them to have full understanding on the activities of the Company and initiatives taken on safety, quality etc. The Company may also circulate news and articles related to the industry from time to time and may provide specific regulatory updates. The Programme to familiarize the directors of the company was held on 14.03.2016; further the details of such familiarization programmes imparted to Independent Directors are posted on the website of the Company and can be accessed at [http://www.sitashri.com/docs/policies/familiarization\\_prog\\_det.pdf](http://www.sitashri.com/docs/policies/familiarization_prog_det.pdf).

**viii. Commodity price risks & hedging activities**

During the year under review, the Company was not involved in the trading in commodity exchange; however, the company is involved in hedging activities w.r.t. the Import and Export of products.

**ix. Compliance**

**Mandatory Requirements:**

The Company is fully complied with the applicable mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Adoption of Non-Mandatory Requirements:**

Moving towards the regime of best corporate governance practices, the company had appointed separate persons to the post of Chairman and Managing Director / CEO and had also adopted procedure for reporting by the Internal Auditor directly to the Audit Committee.

**x. CFO Certification:**

The CFO have issued certificate pursuant to the provisions Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

**IX. Reconciliation of Share Capital Audit Report**

A qualified practicing Company Secretary carried out Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total numbers of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**X. Means of Communication**

The Company generally publishes quarterly unaudited and annual audited results in Six news papers i.e. (1) Free Press (2) Nav Shakti (3) The Financial Express (4) Nav Bharat (5) Mumbai Lakshadweep (6) Business Standard and it has been intimated to both Stock Exchanges immediately after approval of the Board.

The announcements, quarterly results, Shareholding Pattern, Presentations made to institutional investors/analysts(if any) etc. of the Company are regularly filed by the company and are also available on the website of NSE ([www.nseindia.com](http://www.nseindia.com)), BSE ([www.bseindia.com](http://www.bseindia.com)) and also at the website of the Company at [www.sitashri.com](http://www.sitashri.com).

The Company also informs by way of a press release, all matters which in its opinion are material and of relevance to the shareholders of the Company.

**Management discussion and analysis report is forming part of this report.**

SEBI Complaints Redress System (SCORES): The investor complaint(s) are processed in a centralized web based complaints redress system. The salient features of this system are: Centralized database of all complaints, Online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

**XI. Subsidiaries**

The company doesn't have any subsidiary during the period under review.

**XII. Details of Non-Compliance:**

The Company has fully complied with the requirement of corporate governance report as mentioned in sub paras (2) to (10) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**XIII. Discretionary Requirements under Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015:**

The status of compliance with discretionary recommendations of the said schedule of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 is provided below:

- (i) Non- Executive Chairperson Office: Chairperson of the company is Executive Director and hence the same is not applicable.



- (ii) Shareholders Right: As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
- (iii) Modified Opinion in Auditors Report: The Company's financial statement for the year 2017-18 does not contain modified audit opinion and hence the same is not applicable.
- (iv) Separate Post of Chairperson and CEO: The Chairman of the board is an Executive director and his position is separate from that of the Managing Director.
- (v) Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

**XIV. Affirmation and Disclosure:**

All the members of the Board and the Management Committee have affirmed their compliance with the Code of Conduct as on 31st March, 2018 and a declaration to that effect, signed by the Chief Financial Officer (CFO) is attached and forms part of this Report.

The members of the Management Committee have made disclosure to the Board of Directors relating to transactions with potential conflict of interest with the Company. There were no material, financial or commercial transaction, between the Company and members of the Management Committee that may have a potential conflict with the interest of the Company at large.

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters. The Company has complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of the Regulation 46(2) of the Listing Regulations.

**XV. Disclosure on Website:**

Following information has been disseminated on the website of the Company at [www.sitashree.com](http://www.sitashree.com);

1. Details of business of the Company
2. Terms and conditions of appointment of Independent Directors
3. Composition of various Committees of Board of Directors
4. Code of Conduct for Board of Directors and Senior Management Personnel
5. Details of establishment of vigil mechanism/ Whistle Blower policy
6. Criteria of making payments to Non-Executive Directors
7. Policy on dealing with Related Party Transactions
8. Policy for determining 'material' subsidiaries
9. Details of familiarization programmes imparted to Independent Directors
10. Policy for determination of materiality of events

**XVI. General Shareholder Information**

- a) AGM Date, Time and Venue** : 29th September, 2018 at 10.30 A.M.  
332/4/2, R.D. Udyog Nagar, PaldaNemawar Road  
Mathurawala's Colony, Indore (M.P.) -452020
- b) Financial Year** : 1st April, 2017 to 31st March, 2018
- c) Financial Calendar (2018-19)**
- Financial reporting for**
- Quarter ending 30th June, 2018** : Second Week of August'2018
- Quarter ending 30th September, 2018** : Second week of November'2018
- Quarter ending 31st December, 2018** : Second Week of February'2019
- Quarter and Year ending 31st March, 2019** : Last week of May' 2019
- d) Date of Book Closure** : 20th September, 2018 to 29th September, 2018  
(Both days inclusive)
- e) Dividend payment date:** : N.A.
- f) Listing of Equity Shares on Stock Exchanges** : BSE Limited, Mumbai  
National Stock Exchange of India Limited, Mumbai
- g) Stock Code** : BSE - 532961  
NSE – SITASHREE
- h) ISIN No.** : INE686I01011
- i) CIN** : L15314MP1996PLC010741
- Stock Market Data** : Monthly Stock market data in both the Stock  
Exchanges are given below:-

Market Data Of Equity Shares At National Stock Exchange				Market Data Of Equity Shares At Bombay Stock Exchange			
Date	High price	Low price	Total traded quantity	Date	High price	Low price	Total traded quantity
Apr-17	7.20	6.1	1127407	Apr-17	7.20	5.51	435564
May-17	6.60	4.80	772940	May-17	6.60	5.00	208175
Jun-17	5.60	3.35	1206501	Jun-17	5.23	3.75	265681
Jul-17	4.90	3.40	789601	Jul-17	5.30	3.69	221417
Aug-17	4.75	3.50	376901	Aug-17	4.70	3.65	179397
Sep-17	4.00	3.40	524316	Sep-17	4.23	3.41	157958
Oct-17	3.90	3.40	463591	Oct-17	4.30	3.16	87320
Nov-17	7.55	3.60	1606660	Nov-17	7.80	3.65	1368705
Dec-17	5.20	4.30	459794	Dec-17	5.19	4.24	250648
Jan-18	5.40	4.65	455784	Jan-18	5.38	4.57	302319
Feb-18	5.00	3.75	418637	Feb-18	5.04	3.80	234901
Mar-18	4.30	2.80	294331	Mar-18	4.19	2.86	77473
YEAR	7.55	2.80	8496463	YEAR	7.80	2.86	3789558

None of the securities were suspended from trading, during the period under review.

Performance in comparison to broad based indices:

#### BSE SENSEX Vs SSFPL SHARE PRICE (INDEXED) NSE NIFTY Vs SSFPL SHARE PRICE (INDEXED)



#### j) Registrar and Transfer Agents (For Physical and Electronic Both)

M/s. Ankit Consultancy Private Limited  
60, Electronic Complex, Pardeshipura Indore (M.P.) 452010  
Tel.: +91-731-2551745-46, 4065799, 3198601-602  
Fax: +91-731-4065798  
Email – ankit\_4321@yahoo.com

The Share transfer and de-materialization related activities are being handled by the Share Transfer Agent.

#### k) Share Transfer System

To expedite the transfer of shares held in physical mode the powers to transfer have been delegated to SEBI registered share transfer agents M/s. Ankit Consultancy Private Limited. The transfers which are complete in all respect are taken up for approval generally every ten days and the transfer/transmission approved by the delegates to the transferor within 21 days. Further, w.r.t. the compliance of share transfer system in a timely manner the half yearly/quarterly certificate as prescribed under Clause 7(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has also been submitted to concern Stock Exchanges.

The Company has signed necessary agreements with two depositories currently functional in India viz. National Securities Depository Limited and Central Depository Services (India) Limited. The transfer of shares in depository mode need not to be approved by the company.

**l) Distribution of shareholding as on 31st March, 2018 for Equity Shares:**

Slab of Shareholding	No. of share Holder	%	No. of Shares	%
0-5000	7583	67.39	13752890	4.93
5001-10000	1540	13.69	13344410	4.79
10001-20000	884	7.86	14297650	5.14
20001-30000	350	3.11	9208770	3.31
30001-40000	180	1.60	6521270	2.34
40001-50000	173	1.54	8222510	2.95
50001-100000	286	2.54	21694490	7.79
100001- and above	257	2.28	191299750	68.73
<b>Total</b>	<b>11253</b>	<b>100</b>	<b>278341740</b>	<b>100</b>

**m) According to categories of shareholdings as on 31st March, 2018 for Equity Shares:**

Sr. No.	CATEGORY	NO. OF SHARES	% OF HOLDING
<b>A</b>	<b>PROMOTER'S HOLDING</b>		
1.	Promoters		
	-Indian Promoters	6370929	22.89
	-Foreign Promoters		
2.	Persons acting in concert	-	-
	<b>Sub-Total</b>	<b>6370929</b>	<b>22.89</b>
<b>B</b>	<b>NON PROMOTERS HOLDING</b>		
3.	Institutional Investors	-	-
a.	Mutual funds and UTI	-	-
b.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions /Non-government Institutions)	-	-
c.	FII	-	-
	<b>Sub-Total</b>	<b>-</b>	<b>-</b>
<b>4.</b>	<b>Others</b>		
a.	Private Corporate Bodies	7012050	25.19
b.	NRIs/OCBs	290168	1.04
c.	Indian Public	14137667	50.79
d.	Any Other (Clearing Member)	23360	0.08
	<b>Sub-Total</b>	<b>21463245</b>	<b>77.11</b>
	<b>GRAND TOTAL</b>	<b>27834174</b>	<b>100</b>

**n) Disclosure with respect to demat suspense account/ unclaimed suspense account**

During the year under review none of the shares were lying in the demat/unclaimed suspense account.

**o) Dematerialization of shares**

As on 31st March, 2018 except 10 shares all the shares of the Company are in dematerialized form.

**p) Outstanding GDRs / ADRs / Warrants or any convertible instruments**

No instruments are pending for conversion.

**q) Listing Fees**

Annual Listing Fees for the Financial Year 2017-18 and 2018-19 has been pending till date of the respective Stock Exchanges.

**r) Plant Locations:**

**Plant I-** 332/4/2, R.D. Udyog Nagar, PaldaNemawar Road, Mathurawala's Colony, Indore (M.P.) –  
Flour Division

**Plant II-** Khasra. No. 5/1, Gram BarlaiJangir, Post Kshipra, Tehsil Sanwer, Dist. Indore  
(M.P.) – Soya Division

**s) Address for Investor's Correspondence:****1) Company****Compliance Officer****Sita Shree Food Products Limited**

332/4/2, R.D. Udyog Nagar, Palda  
Nemawar Road, Mathurawala's Colony,  
Indore, (M.P.) -452020

Tel 0731- 2439913, 2439924 Fax: +91- 0731-2439931

Email at: complianceofficer@sitashri.com

**2) Registrar and Share Transfer Agent****Ankit Consultancy Private Limited**

60, Electronic Complex, Pardeshipura,  
Indore (M.P.) 452010

Tel.: +91-731-2551745-46, 4065799, 3198601-602

Fax: +91-731-4065798

Email at: ankit\_4321@yahoo.com

### DECLARATION

As provided under Clause 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchanges, it is hereby declared that all board members and senior management personnel of the Company have affirmed the compliance of Code of Conduct for the year ended 31st March, 2018.

For Sita Shree Food Products Limited  
Sd/-

**Dinesh Agrawal**  
Chairman cum Director  
DIN: 00348853  
**ANNEXURE-V**

### COMPLIANCE CERTIFICATE

(Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Board of Directors  
Sita Shree Food Products Limited  
332/4/2 R.D. Udyog Nagar,  
PaldaNemawar Road, Mathurawala's Colony,  
Indore (M.P.) – 452020

I, Dinesh Agrawal, Chief Financial Officer of the Company do hereby certify that:

- A. I have reviewed financial statements and the cash flow statement for the year ended 31st March, 2018 and that to the best of my knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2018 are fraudulent, illegal or violative of the Company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the audit committee, deficiencies in the design operation of such internal controls, if any, of which I am aware and the steps have been taken to rectify these deficiencies.
- D. I have indicated to the auditors and the Audit committee that there are no:
- Significant changes in internal control over financial reporting during the year, if any;
  - Significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Sita Shree food Products Limited  
Sd/-

**Dinesh Agrawal**  
(Chief Financial Officer)  
Din: 00348853

Date: 28.08.2018

Place: Indore

## CERTIFICATE

To  
**The Members of  
M/s Sita Shree Food Products Limited,  
Indore**

We have examined the compliance of the conditions of Corporate Governance by M/s Sita Shree Food Products Limited for the year ended March 31, 2018 as stipulated in Clause 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said company with stock exchange(s) in India.

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

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, except non-appointment of CEO or Managing Director, non-appointment of Company Secretary, members of audit committee are not adequately qualified, payment of listing fee to NSE and BSE, non-filing of annual forms for FY 2015-16 and 2016-17 and forms relating to change in share capital and Cost Audit Report of the Company with ROC.

We 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.

We state that in respect of investor grievances received during the year ended 31st March, 2018 no investor grievances are pending against the company as on date as per the records maintained by the company and presented to the investors/shareholders grievance committee.

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

**For P. S. Tripathi & Associates  
Company Secretaries**

**Date: 28.08.2018**

**Place: Indore**

Sd/-  
**Pratik Tripathi**  
Partner  
C.P. No. 5358

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Sita Shree Food Products Limited**  
**Indore**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Sita Shree Food Products Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of **M/s Sita Shree Food Products Limited'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 ended on 31st March, 2018, has 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:

1. **We have examined the books, papers, minute books, forms and returns filed and other records maintained by Sita Shree Food Products Limited for the period ended on 31st March, 2018 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) The 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, (no such transactions reported);
  - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the Audit Period);
    - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
    - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2015 (Not applicable to the Company during the Audit Period); and
    - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);
  - (vi) Other Laws specifically applicable to the Company, as informed by management:-
    - (a) Prevention of Food Adulteration Act, 1954;
    - (b) Food Safety and Standards Act, 2006 and Rules and Regulations made thereunder, to the extent applicable to the Company;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange.

During the period under review, the Company has materially complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the followings:-

- a. Company has not filed Financial Statement and Annual Return of the company for F.Y. 2015-16 and 2016-17.;
- b. Filing of E-Forms w.r.t. allotment and change in Authorized Share Capital in F.Y. 2015-16, F.Y. 2016-17 and payment of stamp duty yet to be done.
- c. B.S.E. and N.S. E. Listing fee is pending for the financial year 2017-18 & 2018-19.
- d. During the year company has not appointed Chief Executive officer/Managing Director in the Board of the Company.
- e. Company has delay in filling of quarterly compliances to B.S.E. and N.S.E. of quarter ended March 2018 and the penalty has been charged by the exchanges which is yet to be paid:-

**Penalty imposed by N.S.E.:-**

Clause No.	Quarter	Due date	Submission date	No. of days non compliance	Fine Amount
Clause 31	31.03.2018	23.04.2018	03.05.2018	10	Rs. 10000/-

- f. There are some instances where newspaper publication regarding Notice of Board Meeting /submission of unaudited financial result has been delayed.
- g. The Company has not filed Form CRA -4 regarding cost audit report for the financial year 2017-18 to the ROC.
- h. The Company has not filed Form MGT -14 regarding approval of Annual financial statement for the financial year 2017-18 to the ROC.
- i. The Company has not complied section 139 of the Companies Act, 2013 regarding appointment of Statutory Auditor in case of casual vacancy of in the office of the auditor and failed to convened general meeting within three months of the recommendation of the Board.
- j. The Company has delayed in reporting to exchange regarding Notice received u/s 13 (2) of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 dated 02.07.2018, has been received from State Bank of India, due to failed to repay the dues/outstanding liabilities.
- k. The Company has not appointed Internal Auditor as per section 138 of the Companies Act, 2013 during the year 2017-18.
- l. The whole time Company Secretary of the Company has been resigned w.e.f. 12.03.2018, no new appointment has been made by the Company till date.
- m. Members of the Audit Committee are not adequately qualified as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- n. The Company has failed to spend two per cent of the average net profit of the last three financial years or any part thereof which required to be spent under CSR activities as per section 135 of Companies Act, 2013 for the financial year 2015-16.

**3. 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 except that the Composition of Board with regard to Chief Executive officer/Managing Director are not as per Section 149 read with Rule 3 of companies (Appointment and Qualification of Directors) Rules 2014 and Section 203 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or with shorter period, wherever required, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever exist.



4. 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.
5. **We further report that**
- a) F.Y. 2015-16 audit period the company has issued and allotted Preference Shares on preferential basis due to stipulation of Banker by conversion of unsecured loan but filling of related forms with ROC is yet to be done.
  - b) Net Worth of the company eroded during the year.
  - c) Entire Banking Facility becomes NPA during the financial year 2016-17.
  - d) Company has defaulted in payment of statutory dues relating to direct and indirect taxes.
  - e) Show Cause Notice has been issue for violation under section 137 read with section 129 and 92 of the Companies Act, 2013 for the financial year 2015-16 and 2016-17.
  - f) Prosecution has been initiated against the company and its director for non filing of Cost Audit Report within the time prescribed under sub-section (6) of section 148 of the Companies Act, 2013 for the financial year 2014-15.

For **P.S. Tripathi & Associates**  
Company Secretaries

Place: Indore  
Date: 28th August 2018

**Pratik Tripathi**  
Partner  
C.P. No. 5358

*Note: This report is to be read with Annexure to Secretarial Audit Report of even date which is annexed with this report and forms an integral part of this report.*

**Annexure to Secretarial Audit Report**

**To,  
The Members,  
Sita Shree Food Products Limited  
Indore**

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

1. Maintenances of secretarial records are the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion. Our report is based on said secretarial records.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The compliance of the provisions of corporate and other specifically applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis. We have not gone through the laws which are general in nature and applicable to the Company.
5. 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.
6. Where ever required, we have obtained the management representation and declaration about the compliance of laws, rules and regulation and happening of events etc.

**For P.S. Tripathi & Associates**  
Company Secretaries

Place: Indore  
Date: 28th August 2018

**Pratik Tripathi**  
Partner  
C.P. No. 5358

**ANNEXURE VIII**
**ANNUAL REPORT ON CSR ACTIVITIES**

1. **Abrief outline of the company’s CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web –link to the CSR Policy and projects or programs.**

CSR Policy aimed at developing meaningful and effective strategies for engaging with all stakeholders, Consult with local communities to identify effective and culturally appropriate development goals, Partner with credible organizations like trusts, foundation etc including non-governmental organizations, Check and prevent pollution, recycle, manage and reduce waste, manage natural resources in a sustainable manner and to ensure efficient use of energy and environment friendly technologies.

2. **The Composition of the CSR Committee.**

The corporate social responsibility committee (“the CSR committee”) of the Board is responsible for overseeing the execution of the Company’s CSR policy and ensuring that the CSR objectives of the Company are met. The CSR committee comprises two independent director and the CFO. The members of the CSR committee are:

<b>Name</b>	<b>Designation</b>
Shri Dinesh Agrawal	Chairman
Shri Mannalal Sethi <sup>1</sup>	Member
Shri Sunil Garg <sup>2</sup>	Member
Shri Lucky Mevati	Member
Smt. Archana Shukla <sup>3</sup>	Member

<sup>1</sup>Resigned from the board w.e.f. 30.05.2017

<sup>2</sup>Resigned from the board w.e.f. 15.02.2018

<sup>3</sup>Appointed as member w.e.f. 15.02.2018

3. **Average Net Profit of the company for last three financial years : Rs. (564630862)/-**  
 4. **Prescribed CSR expenditure (two percent of the amount as in item 3 above) : Rs(11292617)/-.**  
 5. **Details of CSR spent during the financial year.**  
 (a) **Total amount to be spent for the financial year;NIL.**  
 (b) **Amount unspent, if any;NA**  
 (c) **Manner in which the amount spent during the financial year is detailed below:**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr.No.	CSR project or activity identified	Sector in which the Project is covered.	Projects or Programs (1) Local area or other (2)Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub- heads: 1) Direct expenditure On project/sor Programs 2)Overheads:	Cumulative expenditure upto the reporting period.	Amount spent: Direct or through implementing agency
-----NIL-----							

\*Give details of implementing agency

6. Reason for not spending the amount (in case the Company has failed to spend two per cent of the average net profit of the last three financial years or any part thereof):NA  
 7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of the CSR policy, is in compliance with CSR objectives and policy of the Company.

**For and on behalf of the Board of Directors of  
Sita Shree Food Products Limited**

Sd/-  
**Dinesh Agrawal**  
**Chairman Cum Director &**  
**Chairman of CSR Committee**  
**DIN: 00348853**

**Indore**  
**Date: 28.08.2018**

VINAY GANDHI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
105, MAN HERITAGE  
6/2, SOUTH TUKOGANJ NEAR,  
HIGH COURT INDORE (M.P.)  
: (O) 0731-4040023 (m) 94253-15846  
E-mail:cavinaygandhi@yahoo.com

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## INDEPENDENT AUDITOR'S REPORT

To,  
The Members,  
**Sita Shree Food Products Ltd.,**  
INDORE

### Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of Sita Shree Food Products Limited, which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (Including other comprehensive income), the statement of changes in equity and the statement of Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of directors is responsible for the matters stated in section 134(5) of the Companies act 2013("the act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial statements, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the Indian Accounting Standards (IND AS) prescribed under section 133 of the act, read with the companies ( Indian Accounting Standards) Rules, 2015 , as amended, and other accounting principles generally accepted in India.

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

### Auditor's Responsibility

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

We have taken into account the provisions of the act, accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules there under and order issued under section 143(11) of the act.

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 Standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the Standalone 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 used and the reasonableness of the accounting estimates made by company's directors, as well as evaluating the overall presentation of the Standalone financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- (b) In the case of the Profit and Loss Account, total other comprehensive income, for the year ended on that date;
- (c) In the case of the statement of changes in Equity and;
- (d) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date

### Emphasis of Matter

We draw attention to the following matters in the notes to the financial statement:

- a) Note 14 in the financial statement which indicates that the Company has accumulates losses and its net worth has been fully eroded, the company has incurred a net loss of 332970873/- during the current year and the company's current liabilities exceeds its current assets as at the Balance Sheet date. The financial statements

- of the company have been prepared on a Going Concern basis.
- b) Note 24 in the financial statement which indicates the amount of revenue from operations which is Rs. (39884531)/-. There was a sales return from a party of Rs. 95249440/- during the year which was deteriorated and was sold as scrap at negligible value as it was unfit for human/ animal consumption, and thus revenue from operations turned out to be negative in value.

**Our opinion is not modified in respect of these matters.**

**Other Matters**

The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March 2017 and 31st March 2016 dated 30 May, 2017 and 6 June 2016 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the IND AS, which have been audited by us.

As per the information and explanations given to us by the management of the company, during previous year forensic audit was conducted by the Banks and financial institutions and on the basis of that audit a consortium meeting was held on 31st January 2018 with the management of the company, the minutes of which states that there were no adverse findings in the FAR and lenders are ready to consider the OTS proposal of the company. We are unable to form any opinion regarding this matter as Forensic Audit Report was not provided to us.

**Our opinion is not modified in respect of these matters.**

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report to the extent applicable, that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, Statement of Profit and Loss including other comprehensive income, statement of changes in Equity and statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Indian Accounting Standards prescribed under section 133 of the act read with the companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial control over financial reporting.
  - g. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to best of our information and according to the explanation given to us.
    - 1) The company has disclosed the impact of pending litigation on its financial position in its financial statements.
    - 2) The company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
    - 3) There has been no delay in transferring amounts, required to be transferred, to the investor's education and protection fund by the company.

**For: VINAY GANDHI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Regn.No.014442C)**

**(VINAY GANDHI)  
PROPRIETOR  
M.NO. 075972**

**Place: Indore  
Date: 30/05/2018**

**VINAY GANDHI & ASSOCIATES**  
**105, MAN HERITAGE**  
**6/2, SOUTH TUKOGANJ NEAR HIGH COURT**  
**INDORE – 452 001**  
**Phone: (O) 0731-4040023 (m) 9425315846**  
**E-mail: cavinaygandhi@yahoo.com**

#### ANNEXURE A TO THE AUDITORS REPORT

**Annexure to the Auditor's Report (referred to in paragraph 3 of our Report of even date to the members of Sita Shree Food Products Ltd., Indore on the Financial Statement for the year ended 31st March, 2018).**

- 1.1. As informed to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- 1.2. As informed to us, all the fixed assets have been physically verified during the year by the management at reasonable intervals and which is in our opinion is reasonable having regards to the size of the Company. No material discrepancies were noticed on such verification.
- 1.3. According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of Immovable Property are held in the name of the company. The discrepancies noticed on physical verification were not material and have been dealt in books of accounts.
2. The inventories have been physically verified during the year at reasonable intervals by the management. The discrepancies noticed on physical verification were not material and have been dealt in books of accounts.
3. According to the information and explanations given to us, the Company has received unsecured loans to 1/2/3 bodies corporate, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
  - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
  - (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations. (c) There is no overdue amount remaining outstanding as at the year-end.
4. In our opinion and according to the information and explanations given to us, there are no loans and guarantee granted in respect of the provisions of the Section 185 and 186 of the Companies Act, 2013; however based on our examination of the records of the Company we report that investments has been made in accordance with the provision of Section 186 of the Act.
5. According to the information and explanations given to us, the Company has not accepted any deposits in terms of directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
6. We have broadly reviewed the cost records maintained by the Company pursuant sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- 7.1. The company is not regular in depositing undisputed & disputed statutory dues including Provident Fund Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities and we have been noticed that there are following arrears of outstanding statutory dues as at the last day of the financial year under Audit for a period of more than six months from the date they became payable as on 31.03.2018.

S.NO.	STATUTORY LIABILITIES	AMOUNT
1	INTEREST ON TAX	694077
2	PF PAYABLE	245512
3	PROFESSIONAL TAX EMPLOYEE	145400
4	DIVERSION TAX	383370
5	SERVICE TAX PAYABLE	37195
6	TDS	1960847
7	WORK CONTRACT TAX	600

- 7.2 Details of Dues of Income Tax, Sales tax which have not been deposited as at March 31, 2018 On account of dispute are given below:

Nature of the statute	Nature of dues	Authorities where dispute is pending	Period to which the amount relates	Amount in Rs. Lakhs
M.P. Commercial tax	Sales tax	ACTO	2013-2014	47.90
M.P. Commercial tax	Sales tax	ACTO	2014-2015	486.00
The Income tax act 1961	Income Tax	Commissioner	2011-12	801.61
The Income tax act 1961	Income Tax	CIT(A)	2014-15	358.84

- 8.1 According to the information and explanations given to us, the Company has defaulted in repayment of term loan installment as well as interest on various credit facilities obtained by the company from banks and other financial institution. Banks & loan accounts of the company have been classified as NPA by Banks. The Company doesn't have any borrowing by way of debentures from government.
- 8.2 Entire Networth of the company has been eroded and the company suffers heavy losses. The accumulated losses is Rs.168,18,80,075/- as compared to Equity capital of company Rs. 27,83,41,740/-
9. To the best of our knowledge and belief and according to the information and explanations given to us and based on documents provided to us ,the company has not raised moneys by way of initial public offer or further public offer (including debt instruments)during the year or term loans and hence reporting under clause 3 (9) of the order is not applicable to the company.
10. During the course of our examination of the books of accounts and record of the company and according to the information and explanations given to us, we have neither come across any instance of material fraud on the company by its officers/employees or by the Company noticed or reported during the year nor have we been informed of any such case by the management.
11. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Therefore, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions to the extent required has been disclosed in the financial statements as required by the applicable Indian accounting standards.
14. During the year, the company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3(14) of the order is not applicable to the company.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non- cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For: VINAY GANDHI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Regn.No.014442C)**

**(VINAY GANDHI)  
PROPRIETOR  
M.NO. 075972**

**Place: Indore  
Date: 30/05/2018**



**SITA SHREE FOOD PRODUCTS LIMITED  
STANDALONE BALANCE SHEET AS AT 31.03.2018**

S. NO.	PARTICULARS	NOTE NO.	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 01/04/2016
<b>I.</b>	<b>ASSETS</b>				
<b>(1)</b>	<b>Non-Current Assets</b>				
	(a) Property, Plant and Equipment	1	711,008,944	768,113,734	827,205,267
	(b) Capital Work in Progress	1	18,949,900	18,949,900	18,949,900
	(c) Investment Property		-	-	-
	(d) Goodwill		-	-	-
	(e) Other Intangible Assets	2	258,864	308,947	368,750
	(f) Intangible Assets Under Development		-	-	-
	(g) Biological Assets Other than Bearer Plants		-	-	-
	(h) Financial Assets				
	(i) Investments	3	401,014	474,118	14,164,631
	(II) Trade Receivables	4	664,130,734	664,692,634	1,400,891,744
	(III) Loans	5	27,750,776	32,285,006	67,703,766
	(iv) Others (to be Specified)	6	2,333,456	30,631,279	105,165,116
	(i) Deferred Tax Assets (Net)		112,184,683	31,865,278	-
	(j) Other Non Current Assets	7	19,630,900	19,724,398	13,337,253
<b>(2)</b>	<b>Current Assets</b>				
	(a) Inventories	8	15,810,070	35,126,565	1,589,018,839
	(b) Financial Assets				
	(i) Investments		-	-	-
	(II) Trade Receivables	9	37,536,659	108,346,334	732,234,360
	(III) Cash and cash equivalents	10	336,768	6,406,059	17,876,666
	(iv) Bank balances other Than (iii) above		-	-	-
	(v) Loans	11	6,195,157	4,697,855	19,951,173
	(c) Current Tax Assets (Net)		-	-	-
	(d) Other current Assets	12	3,292,174	245,617	6,005,368
	<b>Total Assets</b>		<b>1,619,820,099</b>	<b>1,721,867,724</b>	<b>4,812,872,832</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>				
<b>(1)</b>	<b>Equity</b>				
	(a) Equity Share Capital	13	278,341,740	278,341,740	278,341,740
	(b) Other Equity	14	(1,419,633,315)	(1,086,662,442)	583,289,344
	<b>LIABILITIES</b>		(1,141,291,575)	(808,320,702)	861,631,084
<b>(2)</b>	<b>Non Current Liabilities</b>				
	(a) Financial Liabilities				
	(I) Borrowings	15	155,197,116	193,861,728	258,328,022
	(II) Trade Payables	16	191,245,756	124,805,377	154,134,206
	(iii) Other financial liabilities (other than those specified in item (b), to be specified)	17	127,229,449	120,027,782	113,233,757
	(b) Provisions	18	1,274,760	1,274,760	1,151,759
	(c) Deffered tax liabilities (Net)	-	-	70,751,828	-
	(d) Other Non- Current Liabilities	19	735,630	710,130	1,610,130
<b>(3)</b>	<b>Current Liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	20	1,794,501,508	1,652,716,500	1,653,284,440
	(ii) Trade Payables	21	137,285,397	198,502,448	1,575,196,440
	(iii) Other financial liabilities (other than those specified in item ©)		-	-	-
	(b) Other Current Liabilities	22	353,642,058	238,289,699	123,227,446
	(c) Provisions	23	-	-	323,721
	(d) Current Tax Liabilities (Net)	-	-	-	-
	<b>Total Equity and Liabilities</b>		<b>1,619,820,099</b>	<b>1,721,867,724</b>	<b>4,812,872,832</b>
ADDITIONAL NOTES ON FINANCIAL STATEMENT		"32"			
SIGNIFICANT ACCOUNTING POLICIES					
CASH FLOW STATEMENT					

**IN TERMS OF OUR SEPARATE REPORT OF EVEN DATE ATTACHED, FOR CA. VINAY GANDHI & ASSOCIATES CHARTERED ACCOUNTANT (Reg. No.014442C) (VINAY GANDHI) PROPRIETOR M.NO.:075972**

**WE CERTIFY TO THE CORRECTNESS OF ABOVE, FOR AND ON BEHALF OF THE BOARD**

**DINESH AGRAWAL  
(CHAIRMAN CUM DIRECTOR)  
(DIN : 00348853)**

**LUCKY MEVATI  
(DIRECTOR)  
(DIN : 07793340)**

**PLACE : INDORE  
DATE : 30/05/2018**

**DINESH AGRAWAL  
(Chief Financial Officer)**

**SITA SHREE FOOD PRODUCTS LIMITED**  
**STANDALONE PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31 MARCH 2018**

(Amount in Rs.)

S. No.	PARTICULARS	NOTE NO.	AS AT 31.03.2018	AS AT 31.03.2017
I	REVENUE FROM OPERATIONS	"24"	(39,884,532)	1,466,370,510
II	OTHER INCOME	"25"	1,296,946	16,377,610
<b>III</b>	<b>TOTAL REVENUE (I+II)</b>		<b>(38,587,586)</b>	<b>1,482,748,120</b>
<b>IV</b>	<b>E X P E N S E S :</b>			
	COST OF MATERIAL CONSUMED	"26"	<u>33,900,824</u>	<u>1,822,143,684</u>
	PURCHASE OF STOCK FOR GRADING ACTIVITY	"27"	-	-
	CHANGE IN INVENTORIES OF FINISHED GOODS			
	WORK-IN-PROGRESS AND STOCK-IN-TRADE	"28"	15,072,285	865,789,579
	EMPLOYEE BENEFITS EXPENSES	"29"	,716,885	17,464,601
	FINANCE COST	"30"	242,387,438	273,348,453
	DEPRICIATION AND AMORTIZATION EXPENSES	"1"	57,154,873	56,793,533
	OTHER EXPENSES	"31"	17,195,617	213,002,624
	<b>TOTAL EXPENSES (IV)</b>		<u><b>367,427,922</b></u>	<u><b>3,248,542,474</b></u>
V	PROFIT BEFORE TAX (III-IV)		<b>(406,015,508)</b>	<b>(1,765,794,354)</b>
VI	TAX EXPENSES			
	(1) CURRENT TAX		0	0
	(2) DEFERRED TAX		<u>(80,319,406)</u>	<u>(102,617,106)</u>
<b>VII</b>	<b>PROFIT FOR THE YEAR (V-VI)</b>		<u><b>(80,319,406)</b></u>	<u><b>(102,617,106)</b></u>
	<b>OTHER COMPREHENSIVE INCOME</b>		<u><b>(325,696,102)</b></u>	<u><b>(1,663,177,248)</b></u>
A	(I) items that will not be reclassified to profit or loss:			
	Interest Expenses on account of Redemable Preference shares		(7,201,667)	(6,794,025)
	change in fair value of investment		(73,104)	19,487
B.	(I) items that will be reclassified to Profit or loss:			
<b>VIII</b>	<b>OTHER COMPREHENSIVE INCOME [A(I-II)+B(I-II)]</b>		<b>(7,274,771)</b>	<b>(6,774,538)</b>
<b>IX</b>	<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR (VII+VIII)</b>		<u><b>(332,970,873)</b></u>	<u><b>(1,669,951,786)</b></u>
X	Earnings per equity share (Face value Rs. 1 each) :			
	(1) Basic (in rs.)		(11.96)	(60.00)
	(2) Dilluted (in rs.)		(11.96)	(60.00)
	ADDITIONAL NOTES ON FINANCIAL STATEMENT	"32"		
	SIGNIFICANT ACCOUNTING POLICIES			
	CASH FLOW STATEMENT			
	CASH FLOW STATEMENT			

**IN TERMS OF OUR SEPARATE REPORT OF EVEN DATE ATTACHED, FOR CA. VINAY GANDHI & ASSOCIATES CHARTERED ACCOUNTANT (Reg.No.014442C)**

**(VINAY GANDHI)**  
**PROPRIETOR**  
**M.NO.:075972**

**PLACE : INDORE**  
**DATE : 30/05/2018**

**WE CERTIFY TO THE CORRECTNESS OF ABOVE, FOR AND ON BEHALF OF THE BOARD**

**DINESH AGRAWAL**  
**(CHAIRMAN CUM DIRECTOR)**  
**(DIN : 00348853)**

**LUCKY MEVATI**  
**(DIRECTOR)**  
**(DIN : 07793340)**

**DINESH AGRAWAL**  
**(Chief Financial Officer)**

## SIGNIFICANT ACCOUNTING POLICIES ON STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED AT 31ST MARCH 2018

### Accounting Convention

#### A) Basis of Accounting

1. These Financial statements are prepared in accordance with Indian accounting standards (IND AS), under the historical cost convention on the accrual basis for certain financial instruments which are measured at fair values, the provision of the Companies Act, 2013 ("the act") (to the extent notified) and guidelines issued by the securities and exchange board of India (SEBI). The IND AS prescribed under sec 133 of the act read with rules 3 of the companies (Indian Accounting Standards) rules, 2015 and the relevant amended rules issued thereafter.

Effective April 1, 2017, the company has adopted all the IND As and the adoption was carried out in accordance with IND AS 101, first time adoption of Indian Accounting Standards, with April 1, 2016 as the transition date. The transition was carried out from Indian Accounting principles generally accepted in India prescribed under Section 133 of the act, read with rule 7 of the companies (accounts) rules, 2014 (IGAAP), which was previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revisions to an existing accounting standard require a change in the accounting policy hitherto in use.

Amounts for the year ended March 31, 2017 and as at March 31, 2017 were audited by the previous auditor M.K. Shah & Associates.

#### 2. Sales and other operational activities

1) Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Thus revenue from sales is recognized at the time of dispatch of goods to customers. Sales other than manufacturing sales are recorded at the time of dispatch and raising the invoice. Sales are shown net of sales return.

#### B) Use of Estimates

The Preparation of financial statements in confirmative with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amount of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenue and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from these estimates. Appropriate changes in estimates are made as the management become aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effect are disclosed in the notes to the financial statements.

#### C) Inventory

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any. Cost of Inventories comprise of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares, packing materials, trading and other products are determined on lower of cost or net realizable value. For real estate segment method of valuation of inventory is done at standard price.

#### D) Cash Flow Statements

Cash flow statement has been prepared by using Indirect Method as per Ind AS-7 Issued by ICAI.

#### E) Events occurring after the reporting date

Events occurring after the reporting date are considered up to the date of approval of the accounts by the board where material.

#### F) Depreciation as per Ind AS-16

Depreciation is provided on the basis of life assigned to each asset in accordance with schedule II of the companies act, 2013 earlier depreciation was provided on SLM basis accounting policy is changed to prepare financial statements in accordance with changes in companies' act 2013. Assets of RS. 18949900/- are still in work in progress thus depreciation is not required to be provided on the same.

#### G) Property, Plant & Equipment

Property, Plant & Equipment is stated at cost of acquisition, less accumulated depreciation and impairment loss, if any. Cost directly attributable to acquisition are capitalized until the Property, Plant and Equipment are ready for use, as intended by the management the company depreciates Property, Plant & Equipment over their estimated Useful Lives using the Straight Line Method. Repair & maintenance cost are recognized in statement of profit & loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the assets and the resulted gain or losses are recognized in the statement of profit and loss.

#### H) Foreign Currency Transactions

Company has entered into export sale during the period and thereby earning foreign exchange. Foreign currency transactions are recorded by applying an exchange rate at the time of date of transactions.

**VALUE OF IMPORT ON CIF BASIS IN RESPECT OF**

Particular	CURRENT YEAR (Rs. In Lacs)	PREVIOUS YEAR (Rs. In Lacs)
	2017-2018	2016-2017
Goods	0	906.54

**VALUE OF EXPORT ON CIF BASIS IN RESPECT OF:**

Particular	CURRENT YEAR (Rs. In Lacs)	PREVIOUS YEAR (Rs. In Lacs)
	2017-2018	2016-2017
Goods	32.94	1309.55

**I) Financial Instruments**
**(i) Initial Recognition**

The company recognizes Financial Assets and Financial Liabilities when it becomes party to the contractual provisions of the instruments. All Financial Assets and liabilities are recognized at fair value on initial recognition except for trade Receivables which are initially measured at transaction price. Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit and loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**(ii) Subsequent Recognition**

- **Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dated to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial Liabilities**

Financial Liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance date the carrying amounts approximate fair value due to short maturity of these instruments.

**J) Retirement Benefit**

No provision is made for Retirement Benefits to employees for payment of gratuity this year.

**K) Borrowing Cost as per Ind AS- 23**

Borrowing cost which are directly attributable to the acquisition/construction of fixed assets till the time such assets are ready for use are capitalized as part of the assets. Other borrowing costs are treated as revenue expenditure and charged to profit and loss account for the year.

**L) Segment Reporting**

The Company has identified its primary reportable segments under Ind AS-108 and necessary disclosure is separately made in notes of accounts. Based on "Management Approach" as defined in Ind AS 108 the chief operating decision maker evaluates the company performance and allocates resources based on analysis of various performance indicators by business segments. The accounting principles used in preparation of financial statements are consistently applied to record revenue and expenditure in individual segment, and are as set out in the significant accounting policies.

Revenue and identifiable operating expenses in relation to segment are categorized based on items that are individually identifiable to that segment. The Management believes that it is not practical to provide segment disclosures relating to those cost and expenses which are separately disclosed as unallocated and adjusted against the total income of the company. Segment assets and Segment Liabilities represent assets and liabilities in respective Segments. Investments tax related assets and other assets and liabilities that cannot be allocated to a segment on a reasonable basis have been disclosed as "Un allocable".

**M) Related Party Disclosure**

Related Party disclosure as per Ind AS-24 issued by the ICAI is made and disclosed separately in notes to accounts.

**N) Earnings Per Share**

E.P.S. has been calculated on weighted average of total number of share as per Ind AS-33 issued by the ICAI.

**O) Provision for current & deferred tax**

Provision is made for income tax liability estimated to arise on the results for the year at the current rate of Tax in accordance with Income Tax act, 1961 Tax expenses for the year comprises of current Tax and deferred tax. Deferred tax Assets of Rs. 80319406/- created during the year and total closing balance of deferred tax Assets is Rs.112184683/-.

**P) Impairment of Assets**

The Company has a policy of assessing the impairment of intangible assets every year in accordance with Ind AS-36 impairment of assets prescribed by the ICAI. This is done through comparing its carrying amount as per books of accounts with its recoverable value. During the year there was no impairment in the value of the assets: hence no provision is required as per Ind AS-36.

**Q) Provision Contingent Liabilities and Contingent Assets**

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statement.

**R) Other Income**

Other Income for the year ended 31st march 2018 included dividend Income, Packing Income (Job Work)& other income.

**SITA SHREE FOOD PRODUCTS LIMITED**  
332/4/2, R.D. UDYOG NAGAR, MATHURAWALA'S COLONY, PALDA, NEMAWAR ROAD, INDORE (M.P.)  
**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

**NOTE NO. "1" PROPERTY PLANT & EQUIPMENT**

Particulars	Original cost			Depreciation and amortization			Net book value			
	As at 01.04.2017	Additions during the period	Deductions during the period	As at 01.04.2017	Additions during the period	Deductions during the period	loss on sale of asset	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
<b>Tangible assets :</b>										
Buildings	248,030,063	-	-	60,559,308	10,813,121	-	-	71,372,429	176,657,634	187,470,755
Computer equipment	1,962,319	-	-	1,915,450	30,184	-	-	1,945,634	16,685	46,869
Electrical Installation	27,005,752	-	-	9,828,677	2,622,064	-	-	12,450,741	14,555,011	17,177,075
Furniture and fixtures	7,589,848	-	-	3,592,244	662,419	-	-	4,254,663	3,335,185	3,997,604
Land Free-hold	24,435,981	-	-	2,995,846	373,184	-	-	2,504,836	491,010	24,435,981
Office equipment	2,995,846	-	-	170,900	169,191	-	-	1,435,194	1,709	1,709
Other Office Equipment	170,900	-	-	1,615,733	1,40,028	-	-	1,098,159	180,539	475,705
Mobile	1,615,733	-	-	901,149	197,010	-	-	1,098,159	139,991	337,001
Lab Equipment	1,238,150	-	-	163,713,448	35,945,636	-	-	199,659,084	369,762,307	405,707,943
Air Conditioner	569,421,391	-	-	15,307,519	5,542,053	-	-	20,849,572	118,652,694	124,194,747
Plant and equipment (REFINERY)	139,502,266	-	-	8,404,149	4,999,998	-	-	5,623,951	2,780,198	3,404,151
Vehicles	8,404,149	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,032,372,398</b>	-	-	<b>264,258,664</b>	<b>57,104,790</b>	-	-	<b>321,363,454</b>	<b>711,008,944</b>	<b>768,113,734</b>
PREVIOUS YEAR TOTAL	1,036,183,463	149,435	3,960,500	208,978,196	56,733,730	1,453,262	-	264,258,664	768,113,734	827,205,267

**NOTE NO. "2" OTHER INTANGIBLE ASSETS**

Particulars	Original cost			Depreciation and amortization			Net book value			
	As at 01.04.2017	Additions during the period	Deductions during the period	As at 01.04.2017	Additions during the period	Deductions during the period	loss on sale of asset	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
<b>Intangible assets :</b>										
COMPUTER SOFTWARE	5,47,060	-	-	3,69,852	28,728	-	-	3,98,580	1,48,480	1,77,208
TRADE MARK	1,82,667	-	-	64,585	19,141	-	-	83,726	98,941	1,18,082
WEBSITE DEVELOPMENT	22,000	-	-	8,343	2,214	-	-	10,557	11,443	13,657
<b>TOTAL</b>	<b>7,51,727</b>	-	-	<b>4,42,780</b>	<b>50,083</b>	-	-	<b>4,92,863</b>	<b>2,58,864</b>	<b>3,08,947</b>
PREVIOUS YEAR TOTAL	7,51,727	-	-	3,82,977	59,803	-	-	4,42,780	3,08,947	3,68,750

**NOTE NO. "1" PROPERTY PLANT & EQUIPMENT**

Particulars	Original cost			Depreciation and amortization			Net book value			
	As at 01.04.2017	Additions during the period	Deductions during the period	As at 01.04.2017	Additions during the period	Deductions during the period	loss on sale of asset	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
<b>CAPITAL WORK IN PROGRESS:</b>										
PLANT & MACHINERY	1,89,49,900	-	-	-	-	-	-	-	1,89,49,900	1,89,49,900
<b>TOTAL</b>	<b>1,89,49,900</b>	-	-	-	-	-	-	-	<b>1,89,49,900</b>	<b>1,89,49,900</b>
PREVIOUS YEAR TOTAL	1,89,49,900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,89,49,900.00	1,89,49,900.00

## NOTES ON STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31.03.2018

S. NO. PARTICULARS	AS AT 31/03/2018	AS AT 31/03/2017	AS AT 01/04/2016
<b>NOTE NO. "3"</b>			
=====			
<b>NON-CURRENT ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
<b>INVESTMENTS</b>			
<b>(LONG TERM) (FULLY PAID UP)</b>			
<b>QUOTED EQUITY SHARES OF</b>			
UNION BANK OF INDIA	1,11,014	1,84,118	1,64,631
1181 EQUITY SHARE (FACE VALUE RS.10/- PER SHARE)			
(P.Y. 1181 EQUITY SHARES FACE VALUE RS.10/- PER SHARE)			
(MARKET VALUE RS.185063/- P.Y. RS. 243227/-)			
CHOKSI LABORATORIES LIMITED INDORE	-	-	1,07,50,000
500000 EQUITY SHARES (FACE VALUE RS. 10/- PER SHARE)			
(MARKET VALUE RS. 3785000, P.Y. RS. 2750000/-)			
<b>UNQUOTED</b>			
ANOOP FOODS LTD.(SHARES)	2,90,000	2,90,000	5,00,000
29000 EQUITY SHARE (FACE VALUE RS.10/- PER SHARE)			
(P.Y. 50000 EQUITY SHARES FACE VALUE RS.10/- PER SHARE)			
<b>INVESTMENT IN OTHER FUND</b>			
UNION KBC CAPITAL PRO. ORIENTED FUND,	-	-	25,00,000
(TOTAL 250000 UNITS OF RS. 10 EACH ARE PLEDGE WITH			
UNION BANK OF INDIA)			
UNION KBC CAPITAL PRO.ORIENTED FUND	-	-	2,50,000
<b>TOTAL</b>	<b>4,01,014</b>	<b>4,74,118</b>	<b>1,41,64,631</b>

## NOTE NO. "4"

=====			
<b>NON-CURRENT ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
<b>TRADE RECEIVABLES</b>			
UNSECURED CONSIDERED GOOD			
MORE THAN 12 MONTH	66,41,30,734	66,46,92,634	1,40,08,91,744
<b>TOTAL</b>	<b>66,41,30,734</b>	<b>66,46,92,634</b>	<b>1,40,08,91,744</b>

## NOTE NO. "5"

=====			
<b>NON-CURRENT ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
<b>LOANS &amp; ADVANCES</b>			
ADVANCE FOR CAPITAL WORK IN PROGRESS	1,04,24,223	1,05,65,224	3,01,76,039
ADVANCE FOR CAPITAL GOODS	65,000	65,000	65,000
ADVANCE FOR RAW MATERIAL	20,58,195	20,58,195	20,58,195
OTHER LOANS & ADVANCES	58,79,900	58,79,900	55,33,975
ADVANCE FOR PURCHASE OF LAND	79,28,000	79,28,000	2,24,28,000
SECURITY DEPOSITS (GOVT. DEP. & OTHER)	13,95,458	57,88,687	74,42,557
<b>TOTAL</b>	<b>2,77,50,776</b>	<b>3,22,85,006</b>	<b>6,77,03,766</b>

## NOTE NO. "6"

=====			
<b>NON-CURRENT ASSETS</b>			
<b>FINANCIAL ASSETS</b>			
<b>OTHERS (TO BE SPECIFIED)</b>			
<b>FIXED DEPOSIT ACCOUNT</b>			
UNION BANK OF INDIA		2,34,49,601	5,00,01,799
STATE BANK OF INDIA	23,33,456	58,94,830	94,85,867
STATE BANK OF INDIA (BUYERS CREDIT MARGIN)		12,86,848	86,75,572



(ALL FD'S ARE AGAINST MARGINE FOR LC AND MORTGAGE WITH BANKS AGAINST BANK GUARANTEE)

CAN BANK	-	-	92,48,312
CANARA BANK	-	-	1,00,73,554
ANDHRA BANK	-	-	1,57,91,500
	-	-	-
<b>CHEQUE IN HAND</b>	-	-	<b>18,88,512</b>
<b>TOTAL</b>	<b>23,33,456</b>	<b>3,06,31,279</b>	<b>10,51,65,116</b>

**NOTE NO. "7"**

**NON-CURRENT ASSETS**

**OTHER NON CURRENT ASSETS**

AMALGAMATION EXP.,	93,500	1,87,000	2,80,500
ENTRY TAX (APPEAL 2008-09),	44,877	44,877	44,877
VAT TAX (APPEAL 2008-09),	3,99,250	3,99,250	3,99,250
INDIA INFOLINE FINANCE LIMNITED	2,50,462	2,50,460	
SALES TAX (APPEAL 2013-14),	47,79,200	47,79,200	9,79,017
SALE TAX 2014-15(APPEAL 14-15),	24,30,002	24,30,002	
FLATS IN SITASHRI RESIDENCY (PLEGDED WITH SBI)	64,63,109	64,63,109	64,63,109
PLEGDED STOCK (STOCK OF FLATS PLEDGED AGAINST LOAN TAKEN CONSIDERED AS NON-CURRENT ASSET)	51,70,500	51,70,500	51,70,500
<b>TOTAL</b>	<b>1,96,30,900</b>	<b>1,97,24,398</b>	<b>1,33,37,253</b>

**NOTE NO. "8"**

**CURRENT ASSETS**

**INVENTORIES**

(As Vaued & Certified by the Directors)

**Flour Division**

RAW MATERIAL	-	-	37,74,91,839
STOCK OF FINISHED GOODS	14,38,170	15,22,650	14,32,57,905
STOCK OF PACKING MATERIAL	-	62,250	87,67,450
STOCK OF W.I.P.	-	-	20,59,202
STOCK OF GRADING GOODS	-	-	25,03,76,310

**Soya Division**

RAW MATERIAL	-	-	24,59,80,000
STOCK OF FINISHED GOODS	-	1,39,34,805	45,16,91,659
STOCK OF PACKING MATERIAL	-	-	1,23,70,005
STOCK OF W.I.P.	-	-	2,43,82,259
OTHER CONSUMABLES	2,86,000	44,67,960	4,80,23,610

**REAL ESTATE**

UNFINISHED SHOPS / FLATS	1,92,56,400	2,03,09,400	2,97,89,100
Less : Considered as non Current (STOCK OF FLATS PLEDGED AGAINST LOAN TAKEN BY COMPANY CONSIDERED AS NON-CURRENT ASSET)	(51,70,500)	(51,70,500)	(51,70,500)
<b>TOTAL</b>	<b>1,58,10,070</b>	<b>3,51,26,565</b>	<b>1,58,90,18,839</b>

**NOTE NO. "9"**

**CURRENT ASSETS**

**FINANCIAL ASSETS**

**TRADE RECEIVABLES**

UNSECURED CONSIDERED GOOD	3,75,36,659	10,83,46,334	73,22,34,360
<b>TOTAL</b>	<b>3,75,36,659</b>	<b>10,83,46,334</b>	<b>73,22,34,360</b>

**NOTE NO. "10"**
**CURRENT ASSETS**
**FINANCIAL ASSETS**
**CASH AND CASH EQUIVALENTS**

CASH IN HAND (AS CERTIFIED BY DIRECTOR)	1,89,024	27,96,278	1,68,86,226
<b>B</b> BALANCE WITH BANK			
<b>I) CURRENT A/Cs</b>			
BANK OF INDIA (A/C NO.883720110000105),	16,000	16,000	16,000
BANK OF INDIA C/A (882220110000150),	6,272	34,31,907	-
CANARA BANK (CURRENT A/C),	2,518	4,511	-
ANDHRA BANK CURRENT A/C (023411100002078),	17,298	17,519	-
STATE BANK OF INDIA (DUTY DRAW BACK)	1,04,892	1,05,524	6,73,082
UNION BANK OF INDIA (C/A)	590	8,333	1,12,833
AXIS BANK	-	-	1,00,000
CAN BANK FACTORS LTD	-	-	34,126
PUNJAB NATIONAL BANK	-	-	19,791
UNION BANK OF INDIA (REAL ESTATE)	-	-	34,608
YES BANK CURRENT A/C (00406370000505),	174	25,987	-
<b>TOTAL</b>	<b>3,36,768</b>	<b>64,06,059</b>	<b>1,78,76,666</b>

**NOTE NO. "11"**
**CURRENT ASSETS**
**FINANCIAL ASSETS**
**LOANS**
**ADVANCE FOR PURCHASES & OTHERS**

ADVANCE FOR RAW MATERIAL	25,80,866	25,65,866	1,67,41,284
ADVANCE INCOME TAX & TDS RECEIVABLE	15,47,588	15,84,534	8,27,287
ADVANCE FOR EXPENSES	5,39,198	4,39,198	17,63,481
EMPLOYEE ADVANCES	15,27,505	1,08,257	6,19,121
<b>TOTAL</b>	<b>61,95,157</b>	<b>46,97,855</b>	<b>1,99,51,173</b>

**NOTE NO. "12"**
**CURRENT ASSETS**
**FINANCIAL ASSETS**
**OTHER CURRENT ASSETS**

OTHER CURRENT ASSETS	32,92,174	2,45,617	60,05,368
<b>TOTAL</b>	<b>32,92,174</b>	<b>2,45,617</b>	<b>60,05,368</b>

**NOTE NO. "13"**
**EQUITY & LIABILITIES**
**EQUITY**
**EQUITY SHARE CAPITAL**
**AUTHORISED SHARE CAPITAL**

48550000 EQUITY SHARES OF RS. 10/- EACH	48,55,00,000	28,55,00,000	28,55,00,000
33000000 PREFERENCE SHARES OF RS. 10/- EACH	33,00,00,000	33,00,00,000	33,00,00,000
	81,55,00,000	61,55,00,000	61,55,00,000

**ISSUED, SUBSCRIBED & PAID-UP SHARE CAPITAL**

27834174 EQUITY SHARES OF RS. 10/- EACH FULLY PAIDUP (PY 27834174 EQUITY SHARES OF RS. 10/- EACH FULLY PAIDUP)	27,83,41,740	27,83,41,740	27,83,41,740
33000000 0% REDEMMEABLE PREFERENCE SHARES OF RS. 10/- EACH FULLY PAIDUP	-	-	-
<b>TOTAL</b>	<b>27,83,41,740</b>	<b>27,83,41,740</b>	<b>27,83,41,740</b>

21000000 0% REDEMMEABLE PREFERENCE SHARES having face value of Rs. 10/- can be redeemed after 18 years but not later than 20 years from the date of issue. These shares are issued during financial year 2013-14.

## 1.1 The Detail of Share Holders Holding More than 5% Shares

Name of the Shareholder	ASAT 31/03/2018		ASAT 31/03/2017		AS 01/04/2016	
	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Ashish Goyal	32,06,403	11.52%	32,06,403	11.52%	32,06,403	11.52%
Anoop Foods Ltd.	15,08,286	5.42%	15,08,286	5.42%	15,08,286	5.42%
R.J, Marketing Limited (previously known as sita shree marketing ltd)	-	0.00%	-	0.00%	15,88,957	5.71%

## 1.2 The reconciliation of the No. of share outstanding is set out Below.

Particulars	ASAT 31/03/2018	ASAT 31/03/2017	ASAT 01/04/2016
	No. of Shares	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	27834174	27834174	27834174
Add: Share Issued	Nil	Nil	Nil
Less: Share Cancelled or buy back of Equity Shares	Nil	Nil	Nil
Equity Shares at the end of the year	27834174	27834174	27834174

Particulars	ASAT 31/03/2018	ASAT 31/03/2017	ASAT 01/04/2016
	No. of Shares	No. of Shares	No. of Shares
0 % Redeemable Preference Shares at the beginning of the year	33000000	33000000	21000000
Add: Share Issued	Nil	Nil	12000000
Less: Share Cancelled or buy back of Equity Shares	Nil	Nil	Nil
0 % Redeemable Preference Shares at the end of the year	33000000	33000000	33000000

## 1.3 Following Shares out of Shares Issued subscribed and paidup Share capital held by under mentioned the company has been pledged by the Company in favour of State Bank of India Consortium with Union Bank of India for securing loan taken by the Sita Shree Food Products Ltd. Detail of Share Pledge of following share holder.

Name of the Shareholder	ASAT 31/03/2018		ASAT 31/03/2017		AS 01/04/2016	
	No. of Share held	% of Holding	No. of Share held	% of Holding	No. of Share held	% of Holding
Ashish Goyal	28,91,365	10.39%	28,91,365	10.39%	28,91,365	10.39%
Anoop Foods Ltd.	15,08,286	5.42%	15,08,286	5.42%	15,08,286	5.42%
Anoop Goyal	7,88,735	2.83%	7,88,735	2.83%	7,88,735	2.83%
Dinesh Agrawal-HUF	4,48,500	1.61%	4,48,500	1.61%	4,48,500	1.61%
Dinesh Agrawal	2,82,430	1.01%	2,82,430	1.01%	2,82,430	1.01%
Neha Agarwal	1,31,200	0.47%	1,31,200	0.47%	1,31,200	0.47%

## 1.4 There is no Shares allotted without payment being receiving in cash, Share allotted by way of bonus shares and share buy back for the Period of five year immediately preceding the date of Balance Sheet.

1.5 12000000 0% REDEEMABLE PREFERENCE SHARES having face value of Rs. 10/- can be redeemed after 18 years but not later than 20 years from the date of issue.  
these shares are issued during financial year 2015-2016 dated 31.05.2015**NOTE NO. "14"****EQUITY & LIABILITIES****STATEMENT OF CHANGES IN EQUITY****OTHER EQUITY****PROFIT & LOSS ACCOUNT**

OP. BALANCE	(1,34,89,09,202)	32,10,42,584	9,96,88,703
Add: PROFIT DURING THE YEAR	(33,29,70,873)	(1,66,99,51,786)	(1,00,55,965)
Add/Less : Changes in reserve on adopting IND As for the first time			23,14,09,846
CLOSING BALANCE	(1,68,18,80,075)	(1,34,89,09,202)	32,10,42,584
CAPITAL RESERVES			
SECURITIES PREMIUM RESERVE	23,89,86,870	23,89,86,870	23,89,86,870
SHARE FORFEITURE ACCOUNT	2,32,59,890	2,32,59,890	2,32,59,890
<b>TOTAL</b>	<b>(1,41,96,33,315)</b>	<b>(1,08,66,62,442)</b>	<b>58,32,89,344</b>

## NOTE NO. "15"

NON CURRENT LIABILITIES  
FINANCIAL LIABILITIES  
BORROWINGS

<b>A SECURED LOAN FROM BANKS</b>				
<b>TERM LOAN FOR SOYA PROJECT (U.B.I.)</b>	39,775,010	39,775,010	57,566,679	
(Paripassu Charge over Entire Fixed Assets of the Company) (As per sub note 3.5)				
Non current	39,775,010	39,775,010	57,566,679	
Current	42,000,000	42,000,000	42,000,000	
<b>Total</b>	<b>81,775,010</b>	<b>81,775,010</b>	<b>99,566,679</b>	
<b>CAR LOAN (ICICI)</b>				
(Secured by Hypothication of Car)	0	(548,991)	64,785	64,785
Non current	0	(548,991)	64,785	
Current	0	548,991	802,966	
<b>Total</b>	<b>0</b>	<b>0</b>	<b>867,751</b>	
<b>TERM LOAN FOR SOYA PROJECT (S.B.I.)</b>	0	42,520,000	64,979,718	
(Paripassu Charge over Entire Fixed Assets of the Company) (As per sub note 3.5)				
Non current	0	42,520,000	64,979,718	
Current	0	54,000,000	54,000,000	
<b>Total</b>	<b>0</b>	<b>96,520,000</b>	<b>118,979,718</b>	
<b>HDFC CAR LOAN</b>	0	(682,433)	1,358,730	1,358,730
Non current	0	(682,433)	1,358,730	
Current	0	682,433	716,205	
<b>Total</b>	<b>0</b>	<b>-</b>	<b>2,074,935</b>	
<b>UNION BANK OF INDIA (INNOVA) A/C NO.4564,</b>	523,915	929,649	1,049,509	
(Secured by Hypothication of Car (Pajero))				
Non current	523,915	929,649	1,049,509	
Current	296,928	296,928	296,952	
<b>Total</b>	<b>820,843</b>	<b>1,226,577</b>	<b>1,346,461</b>	
<b>UNSECURED LOAN</b>				
LOAN FROM DIRECTOR	34,947,332	32,448,982	13,458,241	
OTHER LOAN	79,950,858	79,419,511	81,901,978	
INDIA INFOLINE FINANCE LIMITED	-	-	37,948,381	133,308,600
	114,898,190	111,868,493		
<b>TOTAL</b>	<b>155,197,116</b>	<b>193,861,728</b>	<b>258,328,022</b>	

## 3.1 Classification of Total Credit Sanction limit is as follows:- Rs. in Crore

Type of Facilities	UBI	SBI	CANARA	ANDHRA	Total
<b>Fund Base</b>					
Cash Credit Limit	47.00	38.00	10.00	10.00	105.00
Stand by Limit	6.00	6.00	-	2.00	14.00
Term Loan	20.00	25.00	-	-	45.00
ADHOC ON CC	7.50	0.00	0.00	0.00	7.50
<b>Total (A)</b>	<b>80.50</b>	<b>69.00</b>	<b>10.00</b>	<b>12.00</b>	<b>171.50</b>
<b>Non Fund Base</b>					
Letter of Credit	7.25	4.25	10.00	14.00	35.50
Bank GUARANTEE	-2.00	1.00	5.00	-	4.00
Credit Exposure Limit	0.42	1.50	-	2.08	4.00
<b>Total (B)</b>	<b>7.67</b>	<b>6.75</b>	<b>15.00</b>	<b>17.83</b>	<b>39.50</b>
<b>Total (A+B)</b>	<b>77.37</b>	<b>75.75</b>	<b>25.00</b>	<b>27.75</b>	<b>211.00</b>

- 3.2 This Credit Facilities is Secured by Entire Assets of the Company & the personal Guarantee of following Persons
- Dinesh Agrawal (Chairman & Director)
  - Ashish Agrawal (Promoter)
  - Anoop Agrawal (Promoter)
  - GG Infra Pvt. Ltd.

- 3.3 Maturity profile of Term Loan are as set out below.

Repayment schedule is according to sanction amount.

Rs. in Crore

Repayment Year	UBI	SBI	Total
2016-17	4.20	5	10
2017-18	4.20	5	10
2018-19	1.84	2	4
<b>Total</b>	<b>10.24</b>	<b>13</b>	<b>23</b>

### 3.4 SECURITY DETAILS

#### SECURITY DETAILS - SBI

##### PRIMARY

FACILITY	PROPERTY DESCRIPTION
Working Capital	First Pari Passu hypothecation charge over entire current assets of the company present & future.
Term Loan	First Pari Passu charge over entire fixed assets of the company by way of Equitable Mortgage situated at survey No. 5/1/Kha, Survey No. 5/9/3, Survey No. 5/1/Ka, Patwari HalkaNo. 32, Village Barlai jagir, Tehsil Sanwer, District Indore and survey no. 332/2/9, 332/3/8, 332/5, 332/3/8, 332/5, 332/4/2, 331/1/6, 330/1/4 at Palda together with buildings & structures thereon & plant and machinery, fixtures and fittings constructed, erected or installed thereon present and future.

##### Collateral Security

FACILITY	PROPERTY DESCRIPTION
Working Capital	Second Pari-passu charge over fixed Assets of Barlai unit.
All Facility	First Pari-Passu Charge by way of EM of Land Bearing Survey No. 366/3/2, area 1386.05 sq meter in PH No. 26, situated at Village Palda, Tehsil & District Indore (This Property is to be replaced by 4(Four) flats situated at Sita Shree Residency, Survey No. 179/1/2, Village Sirpur, Aerodrome Road, Indore, belonging to GGREPL)
All Facility	First Pari Passu charge by way of EM of flat No. \$ 1. 605 (area BA 771 sq ft, SBA 1041 sq ft) in Block B1 2. 606 (area BA 1161 sq ft, SBA 1567 sq ft) in Block B1 3. 607 (area BA 1161 sq ft, SBA 1567 sq ft) in Block B1 4. 410 (area BA 771 sq ft, SBA 1041 sq ft) in Block B2 5. 606 (area BA 1161 sq ft, SBA 1567 sq ft) in Block B2 6. 610 (area BA 771 sq ft, SBA 1041 sq ft) in Block B2 All at Sitashri Residency, Survey no. 179/1/2, Village Sirpur, Aerodrum Road, Indore

All Facility	EM of diverted land bearing survey No. 362/1/1 (Eastern Part) area 0.167 Hectare (1670 sq meters) situated at PH No. 26, Village Musakhedi, Tehsil & District Indore in the name of M/s GG Infra Pvt. Limited
All Facility	EM of diverted land bearing survey No. 362/1/1 (Western Part) area 0.167 Hectare (1670 sq meters) situated at PH No. 26, Village Musakhedi, Tehsil & District Indore in the name of M/s GG Infra Pvt. Limited
All Facility	First exclusively charge by way of pledge of 4407360 equity shares belonging to promoters.
Term Loans	Second Pari-passu charge over entire current assets of the company
All Facility	First Pari-passu charge of TDR with Union Bank in the name of SSFPL
All Facility	First Pari-passu charge on pledge of TDR in the name of SSFPL

**Additional Collateral Security**

<b>FACILITY</b>	<b>PROPERTY DESCRIPTION</b>
	Immovable Property Value : 1.00 bank's Share 0.29, PariPassu Charge

**DETAILS OF COLLATERAL SECURITIES - UBI**

Second pari-passu charge over entire fixed assets of Barlai Unit of the company in the name of Sita Shree Food Products Ltd. For working capital limits.
Second Pari Passu Charge on entire current assets of Company for term loan.
Paripassu charge by way of lien on deposit, deposit receipt bearing a/cNo. 303-802,303-805,303-833,303-834,303-901 with UBI.
First pari passu charge over Residual Net Block of fixed Assets at Palda, Tehsil & District Indore(115992 sq ft) in the name of Sita shree food Products Ltd(Flour Divison).
First Paripassu charge of two plots situated at S No.:362/1/1 (Eastern & Western area 0.167 hectare each) Ph No. 26, Village: Musakhedi, Tehsil & Distt: Indore, in the name of GG Infra Pvt Ltd
Paripassu charge of flat Nos.
1.605 (area BA 771 sq ft,SBA 1041 sq ft) in Block B12.606 (area BA 1161 sq ft,SBA 1567 sq ft) in Block B13.607(area BA 1161 sq ft,SBA 1567sq ft)in Block B14.410(area BA 771 sq ft,SBA 1041 sq ft)in Block B25.606(area BA 1161 sq ft,SBA 1567 sq ft)in Block B26.610 (area BA 771 sq ft,SBA 1041 sq ft) in Block B2All the above flats located at Sitashree Residency, S. No.179/1/2,,Gram Sirpur (Opp. Armed Police Training College), Aerodrome Road,Indore.
Pledge of 4407360 Equity Shares belonging to Promoters
4 Flats Located at Sitashri Residency, S. no. 179/1/2, Gram Sirpur (Opp. Armed Police Training College), Aerodrum Road, Indore Flat no. 608 & 609 in Block 1, 506 & 612 in Block 2
First exclusive paripassu charge by way of pledge of 2000000 equity shares belonging to promoters(only 1643156 shares has been pledged and in lieu of 356844 shares STDR of Rs. 0.36 crores taken ). As Per SBI Note
Pledge of Union KBC Capital oriented fund 250000 units
Lien on deposit with Union Bank of India.

3.5 This Credit Facilities are Secured by Entire Assets of the Company & the personal Guarantee of following Persons: -

Name of Personal Guarantor

- i) Dinesh Agrawal (Chairman & Director)
- ii) Ashish Agrawal (Promoter)
- iii) Anoop Agrawal (Promoter)

Name of Corporator Guarantor

vi) GG Infra Pvt. Ltd.

3.6 Rate of interest on SBI CC @ 13.15% p.a.  
Rate of interest on UBI CC @ 14.15% p.a.  
Rate of interest on UBI TL @ 14.55% p.a.  
Rate of interest on SBI TL @ 13.60% p.a.

iii) Anoop Agrawal (Promoter)

Name of Corporator Guarantor

vi) GG Infra Pvt. Ltd.

3.6 Rate of interest on SBI CC @ 13.15% p.a.  
Rate of interest on UBI CC @ 14.15% p.a.  
Rate of interest on UBI TL @ 14.55% p.a.  
Rate of interest on SBI TL @ 13.60% p.a.

**NOTE NO. "16"**
**NON CURRENT LIABILITIES**
**FINANCIAL LIABILITIES**
**TRADE PAYABLES**

MORE THAN 12 MONTHS

	19,12,45,756	12,48,05,377	15,41,34,206
<b>TOTAL</b>	<b>19,12,45,756</b>	<b>12,48,05,377</b>	<b>15,41,34,206</b>

**NOTE NO. "17"**
**NON CURRENT LIABILITIES**
**FINANCIAL LIABILITIES**
**OTHER FINANCIAL LIABILITIES**

REDEMABLE PREFERENCE SHARES discounted @6% (fair value)	12,72,29,449	12,00,27,782	11,32,33,757
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**TOTAL**

<b>12,72,29,449</b>	<b>12,00,27,782</b>	<b>11,32,33,757</b>
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**NOTE NO. "18"**
**NON CURRENT LIABILITIES**
**FINANCIAL LIABILITIES**
**PROVISIONS**

Provision for Employee Benefits (Gratuity)	12,74,760	12,74,760	11,51,759
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**TOTAL**

<b>12,74,760</b>	<b>12,74,760</b>	<b>11,51,759</b>
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**NOTE NO. "19"**
**NON CURRENT LIABILITIES**
**FINANCIAL LIABILITIES**
**OTHER NON CURRENT LIABILITIES**

FROM OTHERS	7,35,630	7,10,130	16,10,130
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**TOTAL**

<b>7,35,630</b>	<b>7,10,130</b>	<b>16,10,130</b>
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**NOTE NO. "20"**
**CURRENT LIABILITIES**
**FINANCIAL LIABILITIES**
**BORROWINGS**

WORKING CAPITAL LOAN FROM UNION BANK OF INDIA *	66,38,93,559	67,49,84,433	60,69,18,646
WORKING CAPITAL LOAN FROM STATE BANK OF INDIA *	59,96,46,612	45,12,14,402	38,04,96,193
CAN BANK FACTORS LTD.,	3,09,47,492	3,09,47,492	4,05,78,974
CANARA BANK CC A/C 4878261000002,	19,19,07,614	16,40,97,475	9,70,73,884
ECL FINANCE LTD, -	-	11,281	5,67,82,774
ANDHRA BANK CC A/C 02341300000186,	29,48,74,345	26,02,76,507	10,10,48,470
STATE BANK OF INDIA (SLC), -	-	5,97,05,971	5,98,67,305
ANDHRA BANK (SLC) A/C NO023413100000201,	-	(908)	2,02,27,094
LC DEVOLVED A/C (ANDHRA),	1,32,31,886	1,14,79,848	-
ANDHRA BANK (LC)	-	-	15,73,64,558
CANARA BANK (LC)	-	-	3,97,26,008
SBI (LC)	-	-	3,07,57,824
UBI (LC)	-	-	6,21,74,098
EXPORT PACKING CREDIT LOAN FROM SBI	-	-	2,68,611

**TOTAL**

<b>1,79,45,01,508</b>	<b>1,65,27,16,500</b>	<b>1,65,32,84,440</b>
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**NOTE NO. "21"**
**CURRENT LIABILITIES**
**FINANCIAL LIABILITIES**
**TRADE PAYABLES**

CREDITORS FOR GOODS	11,51,91,638	16,48,16,802	1,53,82,19,490
CREDITORS FOR ADVANCE RECEIVED FROM CUSTOMER AGAINST SALES/ORDERS	5,03,499	54,84,006	74,53,706
CREDITORS FOR EXPENSES	1,72,43,258	2,30,39,739	2,35,72,089
CREDITORS FOR BROKERAGE	43,47,001	51,61,901	59,51,155

**TOTAL**

<b>13,72,85,397</b>	<b>19,85,02,448</b>	<b>1,57,51,96,440</b>
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**NOTE NO. "22"**

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**CURRENT LIABILITIES**
**OTHER CURRENT LIABILITIES**

(a)	CURRENT MATURITY OF LONG TERM DEBT			
	TERM LOAN FOR SOYA PROJECT (U.B.I.)	4,20,00,000	4,20,00,000	4,20,00,000
	UBI CAR LOAN			
	TERM LOAN FOR SOYA PROJECT (S.B.I.)	-	5,40,00,000	5,40,00,000
	UNION BANK OF INDIA(INNOVA)A/C NO.4564,	2,96,928	2,96,928	2,96,952
	ICICI CAR LOAN	-	5,48,991	8,02,966
	INDIA INFOLINE FINANCE LIMITED	-	6,82,433	21,51,619
	HDFC CAR LOAN	-	-	7,16,205
(b)	OTHER PAYABLES			
	CREDITORS FOR CAPITAL GOODS	7,73,288	7,74,296	27,73,393
	OTHER STATUTORY LIABILITIES	30,95,71,842	13,89,87,051	1,94,86,311
	SECURITY DEPOSIT	10,00,000	10,00,000	10,00,000
	<b>TOTAL</b>	<b>35,36,42,058</b>	<b>23,82,89,699</b>	<b>12,32,27,446</b>

**NOTE NO. "23"**

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**CURRENT LIABILITIES**
**PROVISIONS**

1	PROVISION FOR CURRENT TAX	-	-	3,23,721
	<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>3,23,721</b>

## NOTES ON STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31.03.2018

(Amount in Rs.)

S. No.	PARTICULARS	AS AT 31/03/2018	AS AT 31/03/2017	
<b>NOTE NO. "24"</b>				
<b>REVENUE FROM OPERATIONS</b>				
<b>A) SALES OF PRODUCTS</b>				
<b>MANUFACTURING ACTIVITY</b>				
<b>(FLOUR DIVISION)</b>				
I)	INDIGENOUS	(4,86,160)	64,93,29,387	
	LESS : SALE TO SOYA DIVISION (INTER BRANCH TRANSFER ARE ELIMINATED)			
II)	EXPORT	-	8,20,07,429	73,13,36,816
		(4,86,160)		
<b>MANUFACTURING ACTIVITY (SOYA DIVISION)</b>				
I)	INDIGENOUS	(4,49,76,209)	67,84,18,723	
	LESS : SALE TO FLOUR DIVISION (INTER BRANCH TRANSFER ARE ELIMINATED)	-	-	
II)	EXPORT	32,93,835	3,49,36,517	
	Less :- Excise Duty	-	2,43,850	
		(4,16,82,374)		71,31,11,390
<b>REAL ESTATE DEVELOPMENT</b>				
	SALES (REAL ESTATE),	22,84,002	2,03,76,000	2,03,76,000
		22,84,002		
<b>B) OTHER</b>				
<b>SOYA DIVISION</b>				
	Other Sales	-	15,47,071	
	Less: Excise Duty	-	766	
		-		15,46,305
	<b>TOTAL</b>	<b>(3,98,84,532)</b>		<b>1,46,63,70,510</b>

**NOTE NO. "25"****OTHER INCOME**

INTEREST INCOME	4,61,455	56,22,285
DIVIDEND INCOME		
OTHER NON OPERATING INCOME	(27)	2020806
FOREIGN EXCHANGE FORWARD BOOKING P&L A/C,	-	425562
DIRECTOR DEPOSIT	-	100000
DISCOUNT RECEIVED,	-	666960
DUTY DRAWBACK A/C	-	7,59,353
EXPORT LICENSE	-	18,54,413
MISCELLANEOUS INCOME	4,64,215	
<b>SOYA DIVISION</b>		
INTEREST RECEIVED	75,830	6,35,629
RENT RECEIVED (FLAT),	1,40,000	3,15,760
OTHER NON OPERATING INCOME	-	3,97,359
PACKING INCOME (JOB WORK) SOYA,	1,62,403	22,427
SETTLEMENT INCOME (SOYA DIV.),	-	(1,96,580)
DUTY DRAWBACK A/C		
FOREIGN EXCHANGE FORWARD BOOKING P&L A/C,	-	6,48,284
FOREIGN EXCHANGE REALISATION DIFFERENCE,	(6,931)	(72,07,075)
VKGUY LICENCE SALES (SOYA),	-	37,25,362
EXPORT LICENSE	-	57,34,690
<b>REAL ESTATE</b>		
PROFIT ON SALE OF INVESTMENT,	-	8,52,375
<b>TOTAL</b>	<b>12,96,946</b>	<b>1,63,77,610</b>

## NOTES ON STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31.03.2018

(Amount in Rs.)

S. No.	PARTICULARS	AS AT 31/03/2018	AS AT 31/03/2017
<b>NOTE NO. "26"</b>			
<b>COST OF MATERIAL CONSUMED (FLOUR DIVISION)</b>			
	OPENING STOCK	-	37,74,91,840
	PURCHASE (NET OF RETURN)	3,39,00,824	55,95,63,498
	LESS: PURCHASE FROM SOYA DIVISION	-	-
	LESS: CLOSING STOCK	-	-
	<b>TOTAL</b>	<b>3,39,00,824</b>	<b>93,70,55,338</b>
<b>COST OF MATERIAL CONSUMED (SOYA DIVISION)</b>			
	OPENING STOCK	-	24,59,80,000
	PURCHASE (NET OF RETURN)	-	63,91,08,346
	LESS: PURCHASE FROM FLOUR DIVISION	-	-
	LESS: CLOSING STOCK	-	-
	<b>TOTAL</b>	<b>-</b>	<b>88,50,88,346</b>
<b>NOTE NO. "27"</b>			
<b>PURCHASES OF STOCK IN TRADE INDEGINIOUS</b>			
		-	-
	<b>TOTAL</b>	<b>-</b>	<b>-</b>
<b>NOTE NO. "28"</b>			
<b>CHANGE IN INVENTORIES</b>			
<b>FLOUR DIVISION</b>			
	OP.STOCK OF FINISHED GOODS	15,22,650	14,32,57,905
	OP.STOCK OF W.I.P.	-	20,59,200
	OP.STOCK OF STOCK-IN-TRADE	-	25,03,76,310
		15,22,650	39,56,93,415
<b>LESS:</b>			
	CLS.STOCK OF FINISHED GOODS	14,38,170	15,22,650
	CLS.STOCK OF W.I.P.	-	-
	CLS.STOCK OF STOCK-IN-TRADE	-	-
		14,38,170	15,22,650
<b>SOYA DIVISION</b>			
	OP.STOCK OF FINISHED GOODS	1,39,34,805	45,16,91,659
	OP.STOCK OF W.I.P.	-	2,43,82,260
	OP.STOCK OF STOCK-IN-TRADE	-	-
		1,39,34,805	47,60,73,919
<b>LESS:</b>			
	CLS.STOCK OF FINISHED GOODS	-	1,39,34,805
	CLS.STOCK OF W.I.P.	-	-
	CLS.STOCK OF STOCK-IN-TRADE	-	-
		-	1,39,34,805
<b>REAL DIVISION</b>			
	OP.STOCK OF UNFINISHED SHOPS / FLATS	2,03,09,400	2,97,89,100
		2,03,09,400	2,97,89,100
<b>LESS:</b>			
	CLS.STOCK OF UNFINISHED SHOPS / FLATS	1,92,56,400	2,03,09,400
		1,92,56,400	2,03,09,400
	<b>DECREASE / (INCREASE) IN STOCK</b>	<b>1,50,72,285</b>	<b>86,57,89,579</b>
<b>NOTE NO. "29"</b>			
<b>EMPLOYEE BENEFITS EXPENSES</b>			
	SALARY AND OTHER BENEFITS	11,37,990	38,66,570
	BONUS	-	8,330
	BOOKS & PERIODICALS	-	-
	CONVEYANCE ALLOWNCES,	(15,000)	1,00,059
	GRATUTI A/C,	-	1,23,001
	HOUSE RENT ALLOWANCES,	(40,000)	2,44,870
	LEAVE ENCASHMENT	-	-
	OTHER ALLOWANCE(FLOUR),	(15,000)	96,352
	MEDICAL EXPENSES FOR STAFF,	684	-
	P.F. CONTRIBUTION	-	98,898

## NOTES ON STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31.03.2018

(Amount in Rs.)

S. No.	PARTICULARS	AS AT 31/03/2018	AS AT 31/03/2017
	E.S.I.C.	-	19,019
	STAFF WELFARE EXP.	-	24,479
	<b>SOYA DIVISION</b>		
	P.F. CONTRIBUTION	-	1,83,807
	BONUS		
	SALARY & OTHER BENEFITS(SOYA DIV.),	6,42,792	1,25,09,004
	STAFF WELFARE EXP.	5,419	1,90,212
	<b>REAL ESTATE DIVISION</b>		
	SALARY & OTHER BENEFITS	-	-
	(REAL ESTATE.),		
	<b>TOTAL</b>	<b>17,16,885</b>	<b>1,74,64,601</b>

**NOTE NO. "30"****FINANCE COST**

BANK CHARGES	5,67,975	1,91,77,737
INTEREST ON CASH CREDIT	22,67,16,187	20,20,26,192
INTEREST ON BUYERS CREDIT (IMPORT),		
INTEREST ON (FCNRB)SBI,	-	959
INTEREST TO OTHER	4,32,037	1,42,53,425
INTEREST ON VEHICLE LOAN	1,766	1,87,699
INTEREST ON EPC A/C,	-	237
INTEREST PAID (RELIGARE & others),	1,80,463	26,75,330
INTEREST ON LC DEVOLVED (ANDHRA),	17,52,038	35,18,609
STAMP DUTY FOR LOAN PROCESSING,		
PROCESSING CHARGES	-	1,00,000
<b>SOYA DIVISION</b>		
BANK CHARGES (EXPORT)SOYA DIV.,	770	(23,955)
INTEREST ON FCFB A/C (SBI),	-	47,87,218
INTEREST ON FOREIGN BILL	-	(24,402)
DISCOUNT(SD),		
INTEREST ON TERM LOAN	1,27,36,202	2,65,67,614
<b>REAL ESTATE DIVISION</b>		
INTEREST ON VEHICLE LOAN	-	1,01,791
<b>TOTAL</b>	<b>24,23,87,438</b>	<b>27,33,48,453</b>

**NOTE NO. "31"****OTHER EXPENSES****(A) MANUFACTURING EXPENSES**

PACKING MATERIAL CONSUMED	6,63,633	1,16,79,699
BROKERAGE ON PURCHASE (FLOUR DIV.),	-	85,571
ENTRY TAX	1,066	25,932
FACTORY EXPENSES	-	49,284
FREIGHT (INWARD)	3,632	53,374
FUMIGATION EXPENSES	-	86,363
HAMMALI AND WAGES	6,47,064	13,49,989
LAB CHEMICAL	-	5,356
LOADING UNLOADING EXPENSES	-	3,94,303
MANDI TAX		
PACKING AND BARDANA EXPENSES	13,342	7,72,389
POWER & FUEL	44,10,006	89,26,294
QUALITY IMPROVEMENT EXP.,	-	12,680
REPAIRS & MAINTENANCE		
a) Plant & Machinery	75,382	4,77,409
b) Building	-	3,93,492
Water Charges	1,000	-
WAREHOUSE STORAGE CHARGES	-	26,78,239
<b>SOYA DIVISION</b>		
PACKING MATERIAL CONSUMED	-	1,66,63,300
BROKERAGE ON PURCHASE		
COAL CONSUMED	77,400	3,17,29,118

## NOTES ON STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31.03.2018

(Amount in Rs.)

S. No.	PARTICULARS	AS AT 31/03/2018	AS AT 31/03/2017
	HEXANE CONSUMED	41,04,560	2,22,12,377
	FACTORY EXPENSES	-	2,74,443
	FREIGHT & CARTAGE	1,900	3,84,975
	FUMIGATION EXPENSES	-	1,17,802
	HAMMALI & LABOUR CHARGES	10,873	4,30,077
	IMPORT DUTY SOYA DEGUMMED OIL		
	LOADING UNLOADING	240	24,07,002
	MANDI TAX	-	1,64,441
	POWER & FUEL EXP.	3,46,692	1,28,17,422
	INSURANCE (GOODS)	-	1,81,007
	PACKING & BARDANA EXP	-	1,62,175
	PACKING EXP.REFINERY	-	1,620
	REPAIR & MAINTENANCE		
	a) Electric Repair & Maintaince	5,030	1,38,478
	b) Plant & Machinery	2,200	8,96,939
	c) Building	-	2,41,641
	d) Lab	-	75
	e) WEIGHT BREIGH	-	18,450
	LAB CHEMICAL	-	53,741
	REFINERY CHEMICALS PURCH (SOYA DIV),	-	46,742
	TRAVELLING EXPENSES FOR SOYA SEED(S.D.),	4,478	-
		-	-
	WATER CHARGES	-	1,66,910
	<b>TOTAL</b>	<b>1,03,68,498</b>	<b>11,60,99,109</b>
<b>(B)</b>	<b>ESTABLISHMENT &amp; ADMINISTRATIVE EXP.</b>		
	ADVERTISEMENT EXPENSES	84,398	96,705
	AFTER ASSESSMENT TAX (INCOME TAX)		
	AGENCY CHARGES (IMPORT),	-	3,11,006
	AMALGAMATION EXP. WRITTEN OFF	93,500	93,500
	ASSOCIATION & MEMBERSHIP FEES,	-	24,203
	AUDITORS REMUNERATION		
	a) STATUTORY AUDIT FEES	50,000	2,00,000
	b) OTHER PAYMENT TO STATUTORY AUDITOR	-	10,000
	AUDIT FEES (INTERNAL),	-	1,90,000
	AUDIT FEES (COST AUDIT),	-	51,750
	BAD DEBT,	(27,278)	3,75,941
	ROC FEES	26,02,938	
	BOARD SITTING FEES,	56,960	48,300
	BUSINESS PROMOTION EXPENSES		
	COMPUTER REPAIR & MAINTENANCE	50,150	91,600
	DIRECTOR SALARY & PERQUISITE	-	18,00,000
	FESTIVAL EXPENSES	-	8,620
	FILLING FEES		
	GARDEN MAINTAINENCE	14,400	46,810
	INSURANCE EXPENSES	4,03,332	3,49,179
	INSPECTION CHARGES		
	INTEREST ON INCOME TAX	11,38,732	10,16,725
	LATE FEES & FINE CHARGES(F.D.),	-	45,000
	LEGAL & PROFESSIONAL EXPENSES	8,95,528	19,97,612
	LEGAL & PROFESSIONAL FEES (OTHER),	1,21,815	6,69,286
	LICENCE & REGISTRATION FEES	-	69,219
	LOSS ON VEHICLE,	-	9,02,038
	OFFICE EXPENSES	77,951	2,15,875
	POOJA EXPENSES	44,691	1,59,580
	POSTAGE & TELEGRAM EXPENSES	34,281	66,220
	PROFESSIONAL TAX	2,500	2,500
	PROPERTY TAX	50,000	3,25,000
	SECURITY EXPENSES		
	QIP EXPENSES	-	4,60,000
	REPAIR & MAINTENANCE (OTHER)	24,995	1,37,187
	STATIONERY & PRINTING EXPENSES	44,946	1,66,735
	SUNDRY BALANCES W/O	90,000	

**NOTES ON STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31.03.2018**
**(Amount in Rs.)**

<b>S. No.</b>	<b>PARTICULARS</b>	<b>AS AT 31/03/2018</b>	<b>AS AT 31/03/2017</b>
	TELEPHONE EXPENSES	75,337	4,15,860
	TESTING FEES	-	5,850
	TRAVELLING & CONVEYANCE EXPENSES	18,177	1,42,994
	VEHICLE RUNNING & MAINTENANCE	2,89,223	3,71,624
	MISC. EXPENSES	-	2,36,607
	WEBSITE DESIGNING & UPDATION CHARGES	-	12,500
	<b>ESTABLISHMENT &amp; ADMINISTRATIVE EXP.(SOYA DIVISION)</b>		
	MEMBERSHIP FEES	-	2,010
	INTERNAL AUDIT FEES		
	COMPUTER REPAIR & MAINTENANCE	300	32,533
	BROKERAGE EXP	-	3,818
	COMMODITY P&L		
	DIVERSION TAX	-	3,83,370
	INSURANCE EXPENSES	4,44,247	11,51,747
	LICENCE & REGISTRATION FEES (SOYA DIV.),	-	2,75,233
	LEGAL & PROFESSIONAL EXPENSES	200	5,54,762
	OFFICE EXPENSES	1,000	1,21,092
	POSTAGE & TELEGRAM EXPENSES	550	1,20,113
	POOJA EXPENSES (SOYA DIV),	19,210	95,054
	PROFESSIONAL TAX	2,500	2,500
	SECURITY EXP. (SOYA DIV.),	180	9,69,236
	SERVICE TAX	-	1,79,851
	STATIONERY & PRINTING EXPENSES	-	39,235
	TELEPHONE & TRUNK CALL EXP.	19,191	77,158
	TENDER & DOCUMENTATION EXP		
	TESTING FEES (SOYA DIV),	-	48,600
	TRAVELLING & CONVEYANCE EXP		
	MISC. EXPENSES SOYA DIV.,	2,887	-
	VEHICLE RUNNING & MAINTENANCE	6,336	3,70,785
	<b>TOTAL</b>	<b>67,33,178</b>	<b>1,55,43,123</b>
<b>(C)</b>	<b>SELLING &amp; DISTRIBUTION EXPENSES</b>		
	BROKERAGE ON SALES (FLOUR DIV.),	-	3,96,833
	CLEARING & FORWARDING EXPENSES	-	3,72,20,009
	AGENCY CHARGES (EXPORT),	-	1,44,400
	DISCOUNT	7,59,568	62,421
	FREIGHT OUTWARD (EXPORT )	-	12,45,806
	FREIGHT OUTWARD (OTHER)	5,250	4,42,444
	GOODS INSPECTION CHRGES (EXPORT )	-	1,50,215
	INSURANCE (EXPORT )	-	7,96,451
	RATE DIFFERENCE ON SALES,	-	(1,15,647)
	SETTELMENT A/C,	-	(1,520)
	SHIPPING & FORWARDING EXP.(EXPORT),	-	18,79,325
	WAREHOUSE RENT (EXPORT),	14,870	45,142
	<b>SOYA DIVISION</b>		
	AGENCY CHARGES (EXPORT)SOYA,	-	68,900
	BROKRAGE ON EXPORT SALES(SOYA DIV.),	-	81,997
	CASH DISCOUNT A/C (SOYA DIV.),	31,073	9,64,679
	CLEARING EXP.(EXPORT) SOYA,	-	28,23,768
	FREIGHT OUTWARD (EXPORT),	-	1,94,522
	FREIGHT ON SOYA DOC EXPORT (SOYA DIV.),	-	53,32,407
	FREIGHT ON SOYA OIL,	-	7,00,466
	BROKRAGE (SOYA DIV.),	-	2,37,136
	SHIPPING & FORWARDING EXP.(EXPORT) SOYA,	-	9,28,868
	INSURANCE (EXPORT )	-	3,553
	INSPECTION CHARGES (SOYA DIV.),	-	4,40,237
	<b>TOTAL</b>	<b>8,10,761</b>	<b>5,40,42,412</b>
<b>(D)</b>	<b>OTHER EXPENSES</b>		
	LOSS IN INVESTMENT,	-	94,25,000
	LOSS ON CAPITAL ADVANCES FORFEITED	51,001	1,72,06,280
	<b>TOTAL</b>	<b>51,001</b>	<b>2,66,31,280</b>

**NOTES ON STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31.03.2018**

		(Amount in Rs.)	
S. No.	PARTICULARS	AS AT 31/03/2018	AS AT 31/03/2017
<b>(E)</b>	<b>PRIOR PERIOD ITEMS</b>		
	BROKERAGE	-	2,10,000
	FREIGHT OUTWARD	-	1,86,503
	CENVAT CREDIT LAPSED	811	1,21,838
	LEGAL & PROFESSIONAL EXP.	58,650	
	SERVICE TAX W/O	42,088	
	SUNDRY BALANCE W/O	1,891	
	MAINTAINENCE CHARGES	(1,900)	
	MISCALLENEOUS RECEIPT	(1,72,954)	
	LABOUR EXPENSES	-	1,84,051
	SOYA DIV		
	BROKERAGE	-	(15,692)
	DISCOUNT INCOME	(6,99,816)	
	SERVICE TAX W/O	3,410	
	<b>TOTAL</b>	<b><u>(7,67,820)</u></b>	<b><u>6,86,700</u></b>
	<b>TOTAL (A TO D)</b>	<b><u>1,71,95,617</u></b>	<b><u>21,30,02,624</u></b>



## NOTE NO. "32"

## ADDITIONAL NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED AT 31ST MARCH 2018

## 1. Contingent Liability not provided:

S.No.	Particular	2017-2018	2016-2017
1	Bank Guarantee in Favor of Authorities	0	2975000.00

## 1. Contingent Liability not provided:

S.No.	Particulars	2017-2018	2016-2017
1	Audit Fees	50000.00	200000.00
2	Other Payments	0	10000.00
	<b>Total</b>	<b>50000.00</b>	<b>210000.00</b>

## 3. Information related to prior period items as per Ind AS-8 is as under:-

## a) Detail of prior period items with nature:-

S.No.	Particulars	Nature	Amount
1	Sundry Balances W/o	Expenses	1891.00
2	Service Tax W/o	Expenses	45498.00
3	Cenvat credit Lapsed	Expenses	811.00
4	Legal & Professional expenses	Expenses	58650.00
5	Miscellaneous Charges & Receipt	Expenses	(174854.00)
6	Discount Income	Expenses	(699816.00)
	<b>Total</b>		<b>(767820.00)</b>

Above prior period items Debited to Profit & Loss A/c of the current financial year and accordingly loss for the year is Less by Rs. 767820.00/-

## 4. Remuneration to Directors:-

S.No.	Particular	2017-2018	2016-2017
1	Salary	0	1800000.00
2	Sitting Fees	56960.00	48300.00
	<b>Total</b>	<b>56960.00</b>	<b>1848300.00</b>

5. Expenditure on employees (excluding perquisite) who are in receipt of remuneration of not less than Rs. 6000000/- per annum or Rs.500000/- per month when employed for part of the year.

Particulars	2017-2018	2016-2017
Employees in receipt of remuneration of not less than Rs. 6000000/- per annum or Rs. 500000/- per month	Nil	Nil

## 7. Loans &amp; Advance details shown in Non Current assets &amp; Current Assets in Balance Sheet

S.No	Particulars	2017-2018	2016-2017
	<b>Long Term Loans &amp; Advances</b>		
1	Advance For Capital Work In Progress	10424223.00	10565224.00
2	Advance For Capital Goods	65000.00	65000.00
3	Advance For Raw Material	2058195.00	2058195.00
4	Advance For Purchase Of Land	7928000.00	7928000.00
5	Other Loans & Advances	5879900.00	5879900.00
6	Security Deposits ( Govt. Dep. & other)	1395458.00	5788687.00
	<b>Total</b>	<b>27750776.00</b>	<b>32285006.00</b>
	<b>Short Term Loans &amp; Advances</b>		
1	Advance For Raw Material	2580866.00	2565866.00
2	Advance Income Tax & TDS Receivable	1547588.00	1584534.00
3	Advance For Expenses	539198.00	439198.00
4	Employee Advances	1527505.00	108257.00
	<b>Total</b>	<b>6195157.00</b>	<b>4697855.00</b>

8. The provision of deferred tax Asset as on 31/03/2018 has been calculated as under after considering the timing difference in depreciation and other as per Ind AS-12 of ICAI.

Particulars	Opening Balance 01/04/2017	Current Year	Closing Balance 31/03/2018
Differed Tax Assets due to Difference between WDV as per Books & as per Income Tax	31865278.00	80319405.00	112184683.00

## 9. Related Party Disclosures:

i) List of related parties with whom transaction have taken place and relationship.

Details of related party disclosure as per Ind AS-24 issued by the ICAI are as follows:-

**LIST OF RELATED PARTIES AND RELATIONSHIP**

1. Key Managerial Personnel		
S. No.	Name	Designation
1	Mr. Dinesh Agrawal	Chairman & CFO
2. Relatives of Key Management Personnel		
S. No.	Name of the Relative	Relation
1	Dinesh Agrawal HUF	Relative of Director
2	Anshu Goyal	
3	Ashish Goyal HUF	
4	Neha Agrawal	
5	Anoop Goyal	
6	Ashish Agrawal	
7	Ushadevi Agrawal	
8	Rajababu Agrawal	
3. List of concerns and nature of control headed by Related Parties in the reported year		
S. No.	Name of Party	Nature of Control
1	M/s R.J. Marketing Limited (formerly known as Sita Shree Marketing Limited)	Company in which relative is Director
2	M/s M.R. Agro Overseas Limited (formerly known as Sita Shree Overseas Limited)	Company in which relative is Director
3	M/s Usha Dall Mill	Proprietorship of Relative
4	M/s Kashiya Exports Private Limited	Group Company
5	M/s Anoop Foods Limited	Group Company
6	M/s Chandrika Trading Company	Proprietorship of Director
7	M/s Chandrika Agri Commodities Private Limited	Group Company

ii) Transactions held during the year with related parties:

01.04.2017 - 31.03.2018	2017-18	2016-17
<b>OPENING BALANCE AS ON 1ST APRIL 2017</b>		
Preference share capital	330000000	330000000
Sundry Debtors	51428465.00	61,036,447.00
Advance for Raw Material	Nil	Nil
Unsecured Loans taken	32448982	13458241
Current account of Key Managerial Personnel	2805468 (Cr)	2865038 (Cr.)
Sundry Outstanding	Nil	Nil
Sundry Creditors	173100415.00	283007247
Long Term Borrowing	Nil	Nil
Loans & Advance to Subsidiary	Nil	Nil
<b>TRANSACTIONS</b>		
Sale of Goods	36128652	144951523
Purchase of Goods	4650854	83098207
Loans & Advances Received	5005619	102310154
Repayment of unsecured loans taken	950000	101249197
Repayment of Sundry Outstanding	Nil	Nil
Remuneration to Key Managerial Personnel Salary	Nil	NIL
Interest Received from Subsidiary	Nil	Nil
Loans & Advances to Subsidiary	Nil	Nil
Loans & Advances Recovered (Subsidiary)	Nil	Nil
Lease Deposit Recovered	Nil	Nil
Issue of Preference Share	Nil	Nil

<b>CLOSING BALANCE AS ON 31ST MARCH 2018</b>		
Preference Share Capital	127229449	330000000
Sundry Debtors	9193075.00	51428465.00
Advance for Raw Material	Nil	Nil
Unsecured loans taken	34947332	32448982
Current account Key Managerial Personnel	Nil	2805468 (Cr)
Sundry Outstanding	Nil	Nil
Sundry Creditors	116064400.00	173100415.00
Long Term Borrowing	Nil	Nil

10. Sundry debtors and sundry creditors include firm or Private Limited Company in which Director are a partner or a Director or a Member respectively:

<b>A</b>	<b>As Debtors</b>	<b>2017-2018</b>	<b>2016-2017</b>
1	M/s R.J. Marketing Limited ( <i>formerly known as Sita Shree Marketing Limited</i> )	9002504	37679039
2	M/s M.R. Agro Overseas Limited ( <i>formerly known as Sita Shree Overseas Limited</i> )	0	6154804
3	Anoop Foods Limited	190571	0
4	Usha Dall Mill 0	5119545	
5	Chandrika Trading company	0	2281877
6	Kashiya Exports Pvt Ltd	0	193200
	<b>Total</b>	<b>9193075</b>	<b>51428465</b>
<b>B</b>	<b>As Creditors</b>	<b>2017-18</b>	<b>2016-17</b>
1	M/s M.R. Agro Overseas Limited ( <i>formerly known as Sita Shree Overseas Limited</i> )	16791862	22946665
2	Kashiya Exports Private Limited	61754427	81677226
3	Chandrika Trading Company	37518111	39799988
4	M/s R.J. Marketing Limited ( <i>formerly known as Sita Shree Marketing Limited</i> )	0	28676536
	<b>Total</b>	<b>116064400</b>	<b>173100415</b>

### 11. Earnings per Share

<b>S. No.</b>	<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
1	Net Profit after tax available for equity share holders	(332970873)	(1771360253)
2	Weighted average number of equity share	278341740.00	278341740.00
3	Basic & Diluted Earnings Per Share (Rs.)		
	(Face Value of Rs.10/- each)	(11.96)	(63.64)

### 12. Disclosures In Respect Of Provisions Pursuant To Accounting Standard-29:-

<b>S. No.</b>	<b>Particular</b>	<b>Opening Balance as on 01/04/2017</b>	<b>Provided during the year</b>	<b>Utilized during the year</b>	<b>Reversed during the year</b>	<b>Closing Balance as on 31/03/2018</b>
1	Proposed dividend on equity Share	Nil	Nil	Nil	Nil	Nil
2	Corporate Dividend Tax	Nil	Nil	Nil	Nil	Nil
3	Provision for Income Tax	912875.00	580968	Nil	Nil	1493843

14. In view of the insufficient information from suppliers regarding their status as SSI/SME Company amount overdue to such undertaking could not be ascertained but the management does not envisage any material impact on the Financial Statement.
15. The part of trade receivables and trade payables shown in Balance Sheet as on 31-03-2018 includes same parties to whom the company has made sales as well as purchases of different products and shown in trade receivables as well as trade payables and by maintaining separate accounts.
16. In the opinion of the Board of Directors the current assets loans and advances including deposits have value on realization in the ordinary courses of business at least equal to the amount at which they are stated in the Balance Sheet and provision for all known liabilities is adequate and not in excess of the amount which is reasonably necessary.
17. Note 4 to the financial statement which indicates the amount of trade receivable which is Rs. 664130734/- and out of that amount receivables of Rs. 639357781/- has been outstanding for more than 36 months. These receivables comprise of 91% of total trade receivables.

Signed to Note "01" to "17"

In terms of our report of even date attached  
For : CA. VINAY GANDHI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
(Regn.No.014442C)

WE APPROVE TO THE CORRECTNESS OF ABOVE  
FOR AND ON BEHALF OF THE BOARD

**(VINAY GANDHI)**  
Proprietor  
M.NO. 075972

**DINESHAGRAWAL**  
(CHAIRMAN CUM DIRECTOR)      **LUCKY MEWATI**  
(DIRECTOR)  
CFO

**SITA SHREE FOOD PRODUCTS LIMITED**  
**332/4/2, R.D. UDYOG NAGAR, MATHURAWALA'S COLONY**  
**PALDA, NEMAWAR ROAD, INDORE (M.P.)**

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31 ST MARCH,2018**

(Amount in Rs.)

S. NO.	PARTICULARS	31/03/2018	31/03/2017
<b>A</b>	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
	NET PROFIT BEFORE TAXATION	(40,60,15,508)	(1,76,57,94,354)
	<b>ADJUSTMENTS FOR :</b>		
	DEPRECIATION	5,71,54,873	5,67,93,533
	INTEREST/DIVIDEND INCOME	(5,37,285)	(62,57,914)
	CHANGE IN FAIR VALUE OF INVESTMENT	(73,104)	19,487
	INTEREST PAID	24,23,87,438	27,33,48,453
	LOSS ON SALE OF FIXED ASSETS	-	9,02,038
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(10,70,83,587)</b>	<b>(1,44,09,88,757)</b>
	CHANGE IN TRADE AND OTHER RECEIVABLES	7,13,71,574	1,36,00,87,136
	CHANGE IN INVENTORIES	1,93,16,495	1,55,38,92,274
	CHANGE IN OTHER CURRENT ASSETS	83,870	5,00,44,684
	CHANGE IN CURRENT LIABILITIES	26,23,60,694	(1,29,17,29,226)
	INCOME TAX	-	-
	<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>24,60,49,047</b>	<b>23,13,06,111</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING</b>		
	PURCHASE OF FIXED ASSETS	-	(1,49,435)
	CHANGE IN OTHER LONG TERM LIABILITIES	25,500	(9,00,000)
	SALE OF FIXED ASSETS	-	16,05,200
	INVESTMENTS PURCHASED (FDR EXCLUDING INT.)	2,83,70,927	8,63,35,838
	<b>NET CASH FLOW USED IN INVESTING ACITIVIES (B)</b>	<b>2,83,96,427</b>	<b>8,68,91,603</b>
<b>C</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	CHANGES IN BORROWINGS	(3,86,64,612)	(6,44,66,294)
	CHANGE IN CAPITAL	-	-
	INTEREST RECEIVED	5,37,285	62,57,914
	DIVIDEND RECEIVED	-	-
	INTEREST PAID	(24,23,87,438)	(27,33,48,453)
	<b>NET CASH FLOW FROM FINANCING ACTIVITIES [C]</b>	<b>(28,05,14,764)</b>	<b>(33,15,56,833)</b>
	<b>NET INCREASED IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(60,69,291)</b>	<b>(1,33,59,119)</b>
	<b>CASH AND CASH EQUIVALENTS (OPENING BALANCE)</b>	<b>64,06,059</b>	<b>1,97,65,178</b>
	<b>CASH AND CASH EQUIVALENTS (CLOSING BALANACE)</b>	<b>3,36,768</b>	<b>64,06,059</b>

As per our report of even date attached,  
**For: CA. VINAY GANDHI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**(Reg. No.014442C)**

We certify to the correctness of above  
**For AND ON BEHALF OF THE BOARD**

**(VINAY GANDHI)**  
**PROPRIETOR**  
**M.NO. 075972**

**DINESH AGRAWAL**  
**(CHAIRMAN CUM DIRECTOR)**  
**CFO**

**LUCKY MEVATI**  
**(DIRECTOR)**

Place : **INDORE**  
Date : **30-May-18**

**18. INFORMATION ABOUT BUSINESS SEGMENT**

<b>Select Information for the Financial Year Ended March 31 MARCH 2018</b>								
	<b>FLOUR</b>		<b>SOYA</b>		<b>REAL ESTATE</b>		<b>TOTAL</b>	
	<b>2017-18</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2016-17</b>
SEGMENT REVENUE (SALES)	(4,86,160)	73,13,36,816	(4,16,82,374)	71,46,57,695	22,84,002	2,03,76,000	(3,98,84,532)	1,46,63,70,511
SEGMENT RESULTS	(4,02,86,589)	-	(6,01,70,552)	(72,16,78,501)	12,31,002	1,08,96,300	(9,92,26,139)	(1,33,76,61,862)
UNALLOCATED CORPORATE EXPENSES	-	-	-	-	-	-	7,84,35,849	20,18,83,215
OPERATING PROFIT	-	-	-	-	-	-	(17,76,61,988)	(1,53,95,45,077)
INTEREST AND OTHER OPERATING INCOME	-	-	-	-	-	-	12,96,946	1,63,77,610
INTEREST AND OTHER EXPENSES	-	-	-	-	-	-	22,96,50,466	24,26,26,887
PROFIT BEFORE TAX	-	-	-	-	-	-	(40,60,15,508)	(1,76,57,94,354)
DEFERED TAX	-	-	-	-	-	-	(8,03,19,406)	(10,26,17,106)
INCOME TAX	-	-	-	-	-	-	-	-
PROFIT AFTER TAX	-	-	-	-	-	-	(32,56,96,102)	(1,66,31,77,248)

<b>OTHER INFORMATION</b>								
	<b>FLOUR</b>		<b>SOYA</b>		<b>REAL ESTATE</b>		<b>TOTAL</b>	
	<b>2017-18</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2016-17</b>
SEGMENT ASSET UNALLOCATED	73,59,50,087	79,60,46,476	69,34,57,505	78,01,51,177	1,41,42,100	1,52,70,900	1,44,35,49,692	1,59,14,68,552
CORPORATE ASSET		-		-		-	17,62,70,407	13,03,99,171
TOTAL ASSET							1,61,98,20,099	1,72,18,67,723
SEGMENT LIABILITY	30,17,56,117	26,54,18,076	10,93,23,334	23,69,47,266	10,00,000	10,00,000	41,20,79,451	50,33,65,342
UNALLOCATED CORPORATE LIABILITY		-		-		-	2,34,90,32,223	2,02,68,23,082
TOTAL LIABILITIES							2,76,11,11,674	2,53,01,88,424
DEPRECIATION	-	-	-	-	-	-	5,71,54,873	5,67,93,533
NON-CASH EXPENSES OTHER THAN DEPRECIATION	-	-	-	-	-	-	93,500	93,500

NOTE : THE COMPANY HAS IDENTIFIED 3 REPORTABLE SEGMENT VIZ SOYA AND FLOUR SEGMENT HAVE BEEN IDENTIFIED AND REPORTED TAKEN INTO ACCOUNT IN NATURE OF PRODUCT AND SERVICES DEFFERING RISK AND RETURN INTERNAL BUSINESS REPORTING SYSTEMS

**SITA SHREE FOOD PRODUCTS LIMITED**

REGD. OFFICE: 332/4/2, R. D. UDYOG NAGAR, PALDA, NEMAWAR ROAD, INDORE (M.P.) - 452020  
CIN: L15314MP1996PLC010741

**Form No. MGT-11**

Proxy form

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

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No/Client ID	DP ID
I/We, being the member(s) of _____ shares of the above named company. Hereby appoint		
Name :	E-mail Id:	
Address:		
Signature....., or failing him		
Name :	E-mail Id:	
Address:		
Signature....., or failing him		
Name :	E-mail Id:	
Address:		
Signature....., or failing him		

as my/our proxy, to act for me/us at the meeting of the equity shareholder(s) of the Company to be held on Saturday, the 29th day of September, 2018 at 10:30 A.M. at "332/4/2, R.D. Udyog Nagar, Palda, Indore-M.P.-452020, for the purpose of considering and, if thought fit, approving, with or without modification(s), an arrangement proposed to be made between the said company and its equity shareholder(s) and at such meeting and at any adjournment thereof, to vote, for me/us and in my/our name/s..... [here, 'if for', insert 'for'; 'if against', insert 'against', and in the latter case, strike out the words below after arrangement'] the said arrangement either with or without modification as my/our proxy may approve.

**Resolution No.**

Sl. No.	Resolution(S)	Vote	
		For	Against
1.	To consider and adopt the Financial Statements of the Company for the year ended on 31st March, 2018 together with the Auditors and Board's Report thereon.		
2.	To appoint a director in place of Mr. Dinesh Agrawal (DIN: 00348853), who retires by rotation and being eligible, offers himself for re- appointment.		
3.	To rectify and confirm the appointment of Statutory Auditors to Fill Casual Vacancy		
4.	To ratify the remuneration of the Cost Auditors for the financial year 2017-18		
5.	Approval for Related Party Transaction		

\* Applicable for investors holding shares in Electronic form.

\* [Strike out what is not necessary.]

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2018

Affix Revenue Stamp
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Signature of Shareholder

Signature of Proxy holder

 Signature of the shareholder  
Across Revenue Stamp

**Note:**

- Proxy to be deposited at the Registered Office of the Company at "332/4/2, R.D. Udyog Nagar, Palda, Indore-M.P.-452020," not later than FORTY-EIGHT hours before the meeting.
- All alterations made in the Form of Proxy should be initialed.
- Please affix appropriate Revenue Stamp before putting signature.
- In case of multiple proxies, proxy later in time shall be accepted.
- A proxy need not be a shareholder of the Company.

**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting hall)

22nd Annual General Meeting on 29th September, 2018

Full name of the members attending \_\_\_\_\_ In block capitals) Ledger Folio No. /Client ID No.  
\_\_\_\_\_ No. of shares held: \_\_\_\_\_

\_\_\_\_\_ Name of Proxy \_\_\_\_\_ (To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the ANNUAL GENERAL MEETING of the Company convened on Saturday, the 29th day of September, 2018 at 10.30 A.M. at 332/4/2, R.D. Udyog Nagar, Palda, Indore -M.P-452020.

(Member's /Proxy's Signature)

**Note:**

1. Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
2. The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
3. A Proxy need not be a member of the Company.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

-----TEAR HERE-----

***The E-Voting Particulars are set out as below*****Note: Please read common instructions carefully before exercising the vote*****The E-Voting facility will be available during the following voting period:***

<b>Commencement of E-voting</b>	<b>End of E-voting</b>
From 09.00 A.M. (IST) on 26th Day of September, 2018	Upto 05.00 P.M. (IST) on 28th Day of September, 2018

Note: The procedure and instructions for e-voting as provided in the Notice should be followed.

**AGM VENUE ROUTE MAP****AGM VENUE:**

332/4/2, R. D. UDYOG NAGAR, PALDA, NEMAWAR ROAD, INDORE (M.P.) – 452020

**ROUTE GUIDANCE:**

1. Easy Local Transit, Local Taxi (Mini Van) and Hired Cabs\* available for reaching to Agrasen Square, Sneh Nagar, Navlakha, Indore From the following places:
  - a. Airport,
  - b. Railway Station,
  - c. Sarvate Bus Stand and
  - d. Navlakha Bus Stand
2. From Agrasen Square, Sneh Nagar, Navlakha, Indore you can easily reach R. D. Udyog Nagar, Palda, Nemawar Road, Indore (AGM Venue) via following modes of transit:
  - a. Local Taxi (Mini Van) and Hired Cabs.



Book - Post

TO

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**SITA SHREE**

If undelivered, Kindly return to:

**SITA SHREE FOOD PRODUCTS LIMITED**

332/4/2, R.D. Udyog Nagar, Palda Nemawar Road,  
Mathurawala's Colony, Indore (M.P.) 452020  
Tel.: +91-731-2439902-912-920,  
Website: [www.sitashri.com](http://www.sitashri.com), E-mail: [info@sitashri.com](mailto:info@sitashri.com)