

**CREMICA AGRO FOODS LIMITED**

**27<sup>TH</sup>**

**2015-2016**

## **CREMICA AGRO FOODS LIMITED**

REGISTERED OFFICE: B-XXX111-324, G.T. ROAD (WEST), NEAR JALANDHAR BYE PASS, LUDHIANA

### **BOARD OF DIRECTORS**

Sh. Surendar Kumar Sood  
Sh. Dharamvir Bector  
Sh. Anoop Bector  
Smt. Rajni Bector  
Sh. Atul Verma  
Sh. Pankaj Dawar  
Sh. Ajay Bector  
Sh. Akshay Bector  
Sh. Shantilal Sukalal Chaudhari

Chairman & Independent Director  
Wholetime Director  
Director  
Wholetime Director  
Independent Director  
Independent Director  
Wholetime Director  
Director  
Executive Director

### **CHIEF FINANCIAL OFFICER**

Sh. Rishi Kumar Bector

### **COMPANY SECRETARY**

Mrs. Neha Gupta

### **SHARE TRANSFER AGENTS**

Link Intime India Private Limited  
44, Community Centre, 2<sup>nd</sup> Floor,  
Naraina Industrial Area,  
Phase-1, Near PVR Naraina,  
Delhi -110 028

### **AUDITORS**

M/s Kumar Sunil & Associates, Ludhiana

### **REGISTERED OFFICE**

B-XXXIII-324, G.T. ROAD (WEST), NEAR  
JALANDHAR BYEPASS LUDHIANA

<b>INDEX</b>	
<b>Particulars</b>	<b>Page No</b>
Management Details	1
Notice of AGM	2-5
Directors Report	6-60
Auditors Report	61-65
Balance Sheet	66
Profit & Loss Account	67
Schedules & Notes to accounts	68-86
Attendance Slip and Proxy Form	87
Ballot Paper	88-89



*Baked with love. Just for you!*

## CREMICA AGRO FOODS LTD.

### NOTICE

**NOTICE** is hereby given that the 27th Annual General Meeting of the members of M/s. Cremica Agro Foods Limited will be held on Wednesday 30th day of September, 2016 at 9.00 a.m. at Registered Office of the Company situated at B-XXXIII-324, G.T. Road (West), Near Jalandhar Bye Pass, Ludhiana-141005 to transact the following matter as ordinary business:

### ORDINARY BUSINESS

To Consider and if thought fit to pass with or without modification(s) following resolution as Ordinary Resolution.

1. To receive, consider and adopt audited financial statements of the Company for the financial year ended on March 31st 2016 including Audited Balance Sheet as at March 31st, 2016, the statement of Profit & Loss Account for the financial year ended on that date along with the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Sh. Anoop Bector (Din - 00108589) who retires by rotation in accordance with the Articles of Association of the Company and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Smt. Rajni Bector (Din- 00108730) who retires by rotation in accordance with the Articles of Association of the Company and being eligible, offers herself for re-appointment
4. Ratification of Appointment of Auditor:

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

**"RESOLVED THAT** pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Audit and Auditors) Rules, 2014 ("Rules") (including any statutory modification or re-enactment thereof, for the time being in force), the Company hereby ratifies the appointment of M/s Kumar Sunil & Associates, Chartered Accountants, **(ICAI Firm Registration No. 006263N)**, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the year 2017 at such remuneration as may be mutually agreed between the Board of Directors and the Auditors."

By order of Board of Directors  
For Cremica Agro Foods Limited

Place: Ludhiana  
Date: 13.08.2016

Surendar Kumar Sood  
(Chairman)  
DIN: 02315224  
Address: House 4275, Street 8,  
Durgapuri Haibowal,  
Ludhiana - 141001

Corporate Identity Number (CIN) : L15146PB1989PLC009676  
Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)  
E-mail : biscuits@mrsbectorfoods.com, Phone : Office : (0161) 5085104, 2744434  
Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : buns@mrsbectorfoods.com



*Baked with love, Just for you!*

## CREMICA AGRO FOODS LTD.

### NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY EIGHT HOURS BEFORE THE TIME OF THE MEETING. THE BLANK PROXY FORM IS ENCLOSED.

A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. The Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed here to and forms as part of this Notice.
4. Members holding shares in physical form are requested to immediately notify change in their address/Bank details to the Company's Share Transfer Agent M/s. Link Intime India Pvt. Ltd 44, Community Centre, Phase-I, Near PVR, Naraina Ind. Area, New Delhi-110028 or to the Company's Registered Office at B XXX III 324G T ROAD WEST LUDHIANA PUNJAB PB 141005.
5. The Register of Members and Share Transfer Register of the Company shall remain closed from 12<sup>th</sup> September, 2016 to 22<sup>nd</sup> September, 2016 (both days inclusive).
6. Members holding shares in electronic form are requested to notify change in their address/Bank details to their Depository Participants before 12<sup>th</sup> September, 2016.
7. Since the Company's shares are in compulsory demat trading, to ensure better service and elimination of risk of holding shares in physical form, we request shareholders holding shares in physical form to dematerialize their shares at the earliest.
8. To avail the facility of nomination, Members are requested to send us duly filled and signed Nomination Form (Form No. SH-13).
9. Copies of Annual Report 2016 are being sent by electronic mode only to all the members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of Annual Report 2016 are being sent by permitted mode.
10. Members seeking any information with regard to Annual Accounts at the time of meeting are requested to send their queries to the Company at least 7 days before the date of meeting so as to enable the management to keep the information ready.
11. Members are requested to bring their attendance slip along with their copy of Annual Report along with them at the Meeting.
12. The documents referred to in the accompanying Explanatory Statement are open for inspection at the Registered Office of the Company on any working day (except Sunday and holiday) between 10.00 A.M. to 12.00 Noon upto the date of Annual General Meeting.

Corporate Identity Number (CIN) : L15146PB1989PLC009676

Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)

E-mail : biscuits@mrsbectorfoods.com, Phone : Office : (0161) 5085104, 2744434

Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : buns@mrsbectorfoods.com



Baked with love, Just for you!

## CREMICA AGRO FOODS LTD.

13. The Register under Section 189 (4) of the Companies Act, 2013 shall be produced at the commencement of the meeting and shall remain open and accessible during the continuance of the meeting.
14. Notice of the 27th Annual General Meeting and the Annual Report or the financial year 2015-16 will also be available on the Company's website i.e., <http://www.cremica.in/>
15. The facility for voting, via ballot or polling paper shall also be made available at the meeting and members attending the meeting shall be able to exercise their right at the meeting;
16. The members who have cast their vote by remote e-voting prior to meeting may also attend the meeting but shall not be entitled to cast their vote again.

### **Additional Information pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations Act, 2015 regarding Director seeking appointment/re-appointment.**

As required under the SEBI (Listing Obligation and Disclosure Requirement) Regulations Act, 2015 the particulars of Directors who are proposed to be appointed/re-appointed are given below:

#### 1. Anoop Bector

<b>Name:</b>	Sh. Anoop Bector
<b>Age:</b>	54 Years
<b>Qualification:</b>	Graduate
<b>Expertise:</b>	Having Business experience of more than 30 years in the Industry
<b>Shareholding</b>	19571

**Listed Companies (other than Cremica Agro Foods Limited) in which Sh. Anoop Bector holds Directorship, Chairmanship and Membership of Board: NIL**

**Chairmanship of Board Committees: NIL**

**Member of Board Committees: NIL**

**Shareholding in the Company: 19571**

**Disclosure of relationship between Directors inter-se: NIL**

#### 2. Rajni Bector

<b>Name:</b>	Smt. Rajni Bector
<b>Age:</b>	76 Years

Corporate Identity Number (CIN) : L15146PB1989PLC009676  
Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)  
E-mail : [biscuits@mrsbectorfoods.com](mailto:biscuits@mrsbectorfoods.com), Phone : Office : (0161) 5085104, 2744434  
Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : [buns@mrsbectorfoods.com](mailto:buns@mrsbectorfoods.com)



*Baked with love, Just for you!*

## CREMICA AGRO FOODS LTD.

<b>Qualification:</b>	Under Graduate
<b>Expertise:</b>	Having Business experience of more than 50 years in the Industry
<b>Shareholding</b>	Nil

**Listed Companies (other than Cremica Agro Foods Limited) in which Smt. Rajni Bector holds Directorship , Chairmanship and Membership of Board :**

**Directorship: NIL**

**Chairmanship of Board Committees: NIL**

**Member of Board Committees: NIL**

**Shareholding in the Company: NIL**

**Disclosure of relationship between Directors inter-se: NIL**

By order of Board of Directors  
For Cremica Agro Foods Limited

Place: Ludhiana  
Date: 13.08.2016

**Surendar Kumar Sood**  
**(Chairman)**  
DIN: 02315224  
Address: House 4275, Street 8,  
Durgapuri Haibowal,  
Ludhiana - 141001



Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

### BOARD REPORT

Dear Members,

Your Directors have pleasure in presenting this Annual report on the affairs of the Company together with the Audited Statement of Accounts for the year ended on 31<sup>st</sup> March, 2016.

#### 1. Standalone Financial Summary or performance of the company:

Particulars	(In Rupees)	
	Year Ended 31.03.2016	Year Ended 31.03.2015
Sales for the year(Net)	-	75,43,986
Other Income	43,94,052	86,82,417
<b>Total Income</b>	<b>43,94,052</b>	<b>1,62,26,403</b>
<b>Profit/(Loss) before Financial Expenses, Preliminary expenses, Depreciation and Taxation</b>	<b>10,57,400</b>	<b>46,82,399</b>
Less: Financial expenses(Finance Cost)	11150	121
<b>Operating Profit/(Loss) before Preliminary expenses, Depreciation &amp; Taxation</b>	<b>10,46,250</b>	<b>46,82,278</b>
Less: Depreciation & Preliminary expenses written off	87522	67,439
<b>Profit/(Loss) before Taxation</b>	<b>9,58,728</b>	<b>46,14,839</b>
Less : Provision for Taxation		-
Current Tax	2,97,743	14,86,785
Deferred Tax Charge/ (Credit)	7,511	(1,68,865)
Income Tax of earlier years	-	24,11,789
Deferred Tax charge / (credit) for previous year	-	-
<b>Profit/(Loss)for the year</b>	<b>6,53,474</b>	<b>8,85,130</b>

#### 2. Operations

The Company has reported total income of ₹ 43,94,052/- for the current year as compared to ₹1,62,26,403/- in the previous year. The Net Profit for the year under review amounted to ₹6,54,018/- as compared to ₹8,85,130/- in the previous year. During the year under review the Company did not do any business. The management is making efforts in order to once again start the business of the Company.

Corporate Identity Number (CIN) : L15146PB1989PLC009676

Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)

E-mail : biscuits@mrsbectorfoods.com, Phone : Office : (0161) 5085104, 2744434

Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : buns@mrsbectorfoods.com



*Baked with love. Just for you!*

## CREMICA AGRO FOODS LTD.

### 3. Transfer to reserves

The Company has not transferred any amount to reserves.

### 4. Dividend

Your directors have not recommended any dividend for financial period 2015-16.

### 5. Material Changes between the date of the Board report and end of financial year.

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

### 6. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

During the year with the de-recognition of OTCEI Exchange of India, in which shares of companies has been listed, the company is presently put in dissemination board. However, company has put an listing application in MSEI Stock Exchange of India.

### 7. Subsidiary Company/Joint Venture/Associate Company.

The company has no subsidiary or Joint venture company. However Mrs. Bectors Food Specialities Limited is an associate Company

### 8. Statutory Auditor & Audit Report:

The appointment of M/s Kumar Sunil & Associates, Chartered Accountants, Statutory Auditors of the Company having registration number FRN No.006263N who has been appointed to hold the office of Statutory Auditors for the period of four years from Financial year 2015-2019 i.e. (from conclusion of (26th Annual General Meeting) till (30th Annual General meeting) has to be ratified pursuant to the provisions of Section 139 of the Companies Act, 2013. The resolution is therefore placed at this annual general meeting to ratify their appointment. The Company has received a certificate from the statutory auditors to the effect that their re-appointment, if made, would be within the limits prescribed.

There are no qualifications or observations or remarks made by the Auditors in their Report.





Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

### 9. Change in the nature of business:

As required to be reported pursuant to Section 134(3)(q) read with Rule 8(5) (ii) of Companies (Accounts) Rules, 2014, There is no change in the nature of business carried on by company during the financial year 2015-16.

### 10. Details of directors or key managerial personnel;

(i)	Mr. Surendar Kumar Sood	Independent Director, Chairman
(ii)	Dharamvir Bector	Director
(iii)	Rajni Bector	Women Director
(iv)	Anoop Bector	Director
(v)	Ajay Bector	Director
(vi)	Akshay Bector	Director
(vii)	Shantilal Sukalal Chaudhary	Whole time Director, Chief Executive Officer
(viii)	Pankaj dawar	Independent Director
(ix)	Mr. Atul Verma	Independent Director
(x)	Mr. Rishi Kumar Bector	Chief Financial Officer
(xi)	Mrs. Neha Gupta	Company Secretary

Sh. Ajay Bector and Smt. Rajni Bector (Directors who have been longest in office since their last appointment) shall retire by rotation at Annual General Meeting of the Company pursuant to the provisions of Articles of Association of the company, and being eligible, offers themselves for re-appointment.

Mr. Shantilal Sukhalal Chaudhari is the Chief Executive Officer of the Company. Sh. Rishi Kumar Bector is the Chief Financial Officer of the Company. Smt. Neha Gupta is the Company Secretary of the Company.

During the year under review the Company was in dissemination board. It was not been listed on any recognized stock exchange. Further the paid up capital of the Company was only 1.49 crores.

### 11. Deposits:

	(In Rupees)
Deposits accepted during the year(including renewed during the year)	Nil
Deposits remained unpaid or unclaimed as the end of the year	Nil
Default in repayment of deposits or payment of interest thereon during the year and if so number of such cases and the total amount involved	Nil

Corporate Identity Number (CIN) : L15146PB1989PLC009676

Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)

E-mail : biscuits@mrsbectorfoods.com, Phone : Office : (0161) 5085104, 2744434

Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : buns@mrsbectorfoods.com



Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

(i) at the beginning of the year; (ii) maximum during the year (iii) at the end of the year	
Deposits which are not in compliance with requirement of chapter V of the Companies Act 2013	Nil

### 12. Conservation of energy, technology absorption, foreign exchange earnings and outgo:

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

### 13. Corporate Social Responsibility:

As per the provisions of section 135 of the Companies Act, 2013, every company having net worth of rupees five hundred crore or more or turnover of Rs. one thousand crore or more or a net profit of rupees five crore or more during any financial year is required to spend in every financial year at least 2% of the average net profits made during the three immediate preceding financial years on CSR activities. We would like to inform you that as per applicable provisions of Companies Act 2013, there was only Rs. 6,53,474 and accordingly CSR provisions were not applicable during the year under review.

### 14. Number of meeting of the Board:

During the year under review, the Board of Directors met five times i.e. 30th May, 2015, 11th August, 2015, 27th August, 2015, 12<sup>th</sup> October, 2015 and 9th February, 2016 with a predefined agenda circulated well in advance. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### 15. Directors' Responsibility Statement:

Pursuant to the requirement under section 134(3)(C) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair



*Baked with love. Just for you!*

## CREMICA AGRO FOODS LTD.

view of the state of affairs of the company as at March 31, 2016 and of the profit and loss of the company for that period;

(iii) the directors had 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;

(iv) the directors had prepared the annual accounts on a going concern basis;

(v) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and

(vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 16. Declaration by Independent Directors

The Independent directors furnished a declaration that they meet the criteria of Independence as provided in sub section 6 of the section 149 of the Companies Act 2013 at Board meeting held on 7<sup>th</sup> day of March 2016.

### 17. Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178;

Your Board of directors has constituted Nomination and Remuneration Committee of the Board consisting of Sh. Atul Verma, Sh. Pankaj Dawar and Sh. Surendar Kumar Sood in terms of 178 of the Companies Act 2013 read with rule 6 of the Companies (Meeting of Board and its Power) Rules 2014. The Company considers human resources as its invaluable assets. This policy on nomination and remuneration of Directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 in order to pay equitable remuneration to the Directors, KMPs and employees of the Company and to harmonise the aspirations of human resources consistent with the goals of the Company. Objective and purpose of the policy

The objectives and purpose of this policy are:

- a. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive and Non-

Corporate Identity Number (CIN) : L15146PB1989PLC009676

Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)

E-mail : biscuits@mrsbectorfoods.com, Phone : Office : (0161) 5085104, 2744434

Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : buns@mrsbectorfoods.com



Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

- Executive) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- To formulate the criteria for evaluation of performance of all the Directors on the Board;
  - To devise a policy on Board diversity; and
  - To lay out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's Goals.

A Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, and independence of a director recommended by the Nomination and Remuneration Committee of the Board and approved by the Board of directors attached herewith as Annexure –B.

**18. Explanation or Comments on qualifications, reservations or adverse remarks or disclaimers made by the Auditors and the Practicing Company Secretary in their reports**

Your Board of directors wish to inform that since the Company was in dissemination board with the de-recognition of OTCEI Exchange of India, in which shares of companies has been listed, the Company was not able to file documents as required under Listing Agreement/ SEBI (LODR) Regulations, 2015 with the stock exchange during the year under review.

**19. Particulars of Employee:**

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is annexed as Annexure- C and form part of this report.

Further During the year under review, No employee of the Company was in receipt of remuneration exceeding the limits as provided under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**20. Extract of the annual return in form MGT-9:**

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules 2014 is attached with this report as Annexure –F

**21. Secretarial Audit Report:**

M/s. Anuj Bansal & Associates, Company Secretaries Jalandhar has been appointed to conduct Secretarial Audit of the Company pursuant to section 204 of the Companies Act

Corporate Identity Number (CIN) : L15146PB1989PLC009676

Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)

E-mail : biscuits@mrsbectorfoods.com, Phone : Office : (0161) 5085104, 2744434

Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : buns@mrsbectorfoods.com



*Baked with love. Just for you!*

## CREMICA AGRO FOODS LTD.

2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014. A report submitted by them attached herewith as Annexure –E

### 22. **Related Party Transactions:**

The Company has not entered into any related party transactions during the year on arm's length basis and details of related party transactions in Form AOC-2 pursuant to section 134 of the Companies Act 2013 read with rule 8(2) of the Companies (Accounts) Rules 2014 attached herewith as Annexure –D

### 23. **Share Capital and provision of money by Company for purchase of its own shares by trustees or employees for the benefit of employees:**

Your Company has not issued any equity shares with differential rights, sweat shares, employee stock options and made any provision of money for purchase of its own shares by trustees or employees for the benefit of employees.

### 24. **Audit Committee and Vigil Mechanism**

The Board of directors of the Company has constituted an audit committee consisting of Sh. Pankaj Dawar, Sh. Anoop Bector, Sh. Surendar Kumar Sood in terms of section 177 of the Companies Act 2013 and rule 6 of the Companies (Meeting of Board and its Powers) Rules 2014.

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, the Company established a Vigil Mechanism process as an extension of Company's Code of Conduct whereby any employee, directors, customers, vendors etc., can report the genuine concerns or grievances to the members of the Committee about unethical behavior, actual or suspected, fraud or violation of Company's Code of Conduct so that appropriate action can be taken to safeguard the interest of the Company. The Mechanism also provides for adequate safeguards against victimization of persons who uses such mechanism. The mechanism provide direct access to the chairperson/chairman of the Audit Committee in appropriate or exceptional cases. The Audit Committee regularly review the working of the Mechanism. No complaint was received during the year under review.

### 25. **Risk Management Policy**

The Company has a Risk Management Policy with an objective to formalize the process of identification of potential risk and adopt appropriate risk mitigation measures through a risk management structure. The Risk Management Policy is a step taken by the Company



Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

towards strengthening the existing controls. The Business of the Company solely depends upon the agricultural produce which is highly seasonal and this is a major element of risk which may threaten the existence of the Company.

### 26. Disclosure regarding Issue of Equity Shares with Differential Rights

The company under the provision of Section 43 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 has not issued any equity shares with differential rights.

### 27. Disclosure regarding issue of Sweat Equity Shares

The company under the provision Section 54 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 has not issued any sweat equity shares.

### 28. Disclosure regarding issue of Employee Stock Options

There is no issue of employee stock option during the year.

The Board of directors, shall, inter alia, disclose in the Directors' Report for the year, the details as provided in rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014.

Particulars	Not Applicable
Approval	Not Applicable
Options granted	Not Applicable
Options vested	Not Applicable
Options exercised	Not Applicable
Total number of shares arising out of exercise of options	Not Applicable
Options forfeited/lapsed/cancelled	Not Applicable
Variations of terms of options	Not Applicable
Money realized by exercise of options	Not Applicable
Total number of options in force	Not Applicable

Notes: -

1. Details of options granted during the fiscal Year 2013 to 2016



Baked with love, Just for you!

## CREMICA AGRO FOODS LTD.

Particulars	
(a) Directors and key managerial personnel	Not Applicable
Dharamvir Bector	Not Applicable
Rajni Bector	Not Applicable
Anoop Bector	Not Applicable
Ajay Bector	Not Applicable
Akshay Bector	Not Applicable
Shantilal Sukalal Chaudhary	Not Applicable
Pankaj dawar	Not Applicable
Surendar Kumar Sood	Not Applicable
Atul Verma	Not Applicable
Rishi Bector	Not Applicable
Neha Gupta	Not Applicable
(b) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year (includes employees and group company employees)	Not Applicable
(c) Identified employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Not Applicable

### 29. Voluntary Revision of Financial Statements or Board's Report

The Company is complying with the provisions of Section 129 or 134 of Companies Act, 2013, so there was no voluntary revision done by the company during financial year 2015-16.

### 30. Statement in Respect of Adequacy of Internal Financial Control with Reference to the Financial Statements

Pursuant to Section 134 (3)(q) read with Rule 8(5) (viii) of Companies (Accounts) Rules, 2014, and ICAI guidance note on adequacy on internal financial controls with reference to financial statements – it is stated that there is adequate internal control system in the Company



*Baked with love. Just for you!*

## CREMICA AGRO FOODS LTD.

### 31. **Receipt of any commission by MD / WTD from a Company or for receipt of commission / remuneration from it Holding or subsidiary**

The Company has not paid any Commission to the Directors of the Company for the Financial Year 2015-16.

### 32. **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement/ SEBI (LODR) Regulations, 2015, the Board carried out a formal Annual performance evaluation of its own, Board Committees and individual Directors as per the criteria laid down by the Nomination and Remuneration Committee of the Company.

The Board evaluation was carried out through a structured evaluation process by all the Directors based on the criteria such as composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board. They were evaluated on parameters such as their education, knowledge, experience, expertise, skills, behaviour, leadership qualities, level of engagement and contribution, independence of judgement, decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Board was satisfied with the evaluation process and the results thereof.

### 33. **Fraud Reporting**

There was no fraud committed by company during the year.

### 34. **DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment for women at workplace and has adopted a policy against sexual harassment in line with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

During the financial year 2015-16, the Company has not received any complaints on sexual harassment and hence no complaint remains pending as of 31 March, 2016

### 35. **SEPARATE MEETING OF INDEPENDENT DIRECTORS**





Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

The Company's Independent Directors met on 07th March, 2016, without the attendance of Non Independent Directors and members of the management. All Independent Directors were present at the meeting. At the meeting, they:-

- i. Reviewed the performance of non-independent directors and the Board as a whole;
- ii. Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;

Assessed the quality and timeliness of flow of information between the Company management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

### 36. Particulars of Loan, Guarantees and Investments (LGSI) under Section 186.

As required to be reported pursuant to Section 134(3)(g) of Companies Act, 2013, the Complete details of LGSI covered under Sec 186 of CA, 2013, as per following format:

#### A. Details of Loans:

SL No	Date of making loan	Details of Borrower	Amount	Purpose for which the loan is to be utilized by the recipient	Time period for which it is given	Date of BR	Date of SR (if reqd)	Rate of Interest	Security
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

#### B. Details of Investments:-

SL No	Date of investment	Details of Investee	Amount	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Date of BR	Date of SR (if reqd)	Expected rate of return
NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA

#### C. Details of Guarantee / Security Provided:

Corporate Identity Number (CIN) : L15146PB1989PLC009676  
Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)  
E-mail : biscuits@mrsbectorfoods.com, Phone : Office : (0161) 5085104, 2744434  
Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : buns@mrsbectorfoods.com



Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

SL No	Date of providing security/guarantee	Details of recipient	Amount	Purpose for which the security/guarantee is proposed to be utilized by the recipient	Date of BR	Date of SR (if any)	Commission
NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA

### 37. Internal financial control

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

### 38. Internal Auditors

Pursuant to the provisions of section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Company has also appointed Mr. Ranjeev Grover as Internal Auditor of the Company. The Company is also having an Internal Audit Department to test the adequacy and effectiveness of Internal Control Systems laid down by the management and to suggest improvement in the systems.

### 39. REPORT ON THE CORPORATE GOVERNANCE

Your Company continues to follow the principles of good Corporate Governance. The company has already constituted several committees of directors to assist the Board in good Corporate Governance. The Corporate Governance Report alongwith the Auditors Certificate regarding compliance of the conditions of the Corporate Governance as stipulated in Clause 49 of the Listing Agreement/ SEBI (LODR) Regulations, 2015 of the Stock Exchange, is attached herewith as Annexure-G and form part of this report.

### 40. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review as stipulated under the clause 49 of the listing agreement/ SEBI (LODR) Regulations, 2015 with the Stock Exchanges in India is enclosed as per annexure-H and forms the part of this Report.



*Baked with love. Just for you!*

---

## CREMICA AGRO FOODS LTD.

### 41. INDUSTRIAL RELATIONS

The industrial relations remained cordial throughout the year and the excellent results were achieved with the whole hearted co-operation of employees at all levels.

### 42. Acknowledgments:

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to all associates for their valuable support and look forward to their continued co-operation in the years to come. Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

By order of Board of Directors  
For Cremica Agro Foods Limited

Place: Ludhiana  
Date: 13.08.2016

Surendar Kumar Sood  
(Chairman)  
DIN: 02315224



*Baked with love. Just for you!*

## CREMICA AGRO FOODS LTD.

### Annexure –A

Particulars of energy conservation, technology absorption and foreign exchange earnings and outgo required under Rule 8 of the Companies (Accounts) Rules 2014 are provided below .

The Company operates in a safe and environmentally responsible manner for the long- term benefit of all stake holders. The Company is committed to take effective measures to conserve energy and drive energy efficiency in operations.

#### A. CONSERVATION OF ENERGY

(i) Following steps have been taken for conservation of energy.

- a) Energy Audits have been conducted at various plants/ units of the company
- b) Replacement of florescent lamps with LED Lights in all plants/ units has been initiated
- c) Occupancy sensors have been installed in corporate office to minimize power usage.
- d) Auto- timers for Air conditioners and lights have been installed at corporate office to shut down power supply after office hours.
- e) In-house training for energy conservation to the plant members and employees
- f) Air pressure reduction in plants to reduce compressed air energy cost.
- g) Installations of Wind ventilators on sheds of different units.

(ii) Following steps taken by the Company for utilizing alternate source of energy.

The Company is exploring the option of installing solar panels for generation of electricity at all plant locations

#### B. TECHNOLOGY ABSORPTION

(i) **the efforts made towards technology absorption:**

The company is motivated to continuously work for the process and technology development on need basis .The team undertakes specific time – bound programmes to improve technology which are tried on pilot scale / lab to achieve desired results and then up scaled at the manufacturing level. The Team works in



Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

close co-ordination with other outside agencies to ensure smooth transfer of technology. Appropriate documents are created for quality control and food safety.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(In Rupees)

Particulars	2015-2016	2014-2015
Total Foreign Exchange Received (F.O.B. Value of Export)	Nil	Nil
<b>TOTAL FOREIGN EXCHANGE USED</b>		
i) Raw Materials	0	0
ii) Consumable Stores	0	0
iii) Capital Goods	0	0
iv) Foreign Travels	394871	461058
v) Others	0	0
<b>Total</b>	<b>394871</b>	<b>461058</b>

By order of Board of Directors  
For Cremica Agro Foods Limited

Place: Ludhiana  
Date: 13.08.2016

Surendar Kumar Sood  
(Chairman)  
DIN: 02315224



*Baked with love, Just for you!*

## CREMICA AGRO FOODS LTD.

### Annexure -B

Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, and independence of a director recommended by the Nomination and Remuneration Committee of the Board and approved by the Board of directors

#### Constitution of the Nomination and Remuneration Committee

The Board has constituted the "Nomination and Remuneration Committee" of the Board. This is in line with the requirements under the New Act. The Board has authority to reconstitute this Committee from time to time.

Policy for appointment including criteria for determining qualifications, positive attributes, and independence of a director of Director, KMPs and Senior Management

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his / her appointment. A person to be appointed as Director, KMP or senior management level 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 is sufficient / satisfactory for the concerned position. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to THE COMPANY, ability to contribute to THE COMPANY's growth. Independence of directors are decided on the basis of definition of independent director contained in sub section 6 of section 149 of the Companies Act 2013.

#### Policy relating to the remuneration for Directors, KMPs and other employees

The remuneration / compensation / commission etc. to Directors will be determined by the Committee and recommended to the Board for approval. The remuneration and commission to be paid to the Managing Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director. Where any insurance is taken by the Company on behalf of its Managing Director and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration. The remuneration and reward structure for employees depends upon their qualification and experience. The Committee would determine the remuneration of the Directors and formulate guidelines for remuneration payable to the employees.

By order of Board of Directors  
For Cremica Agro Foods Limited

Surendar Kumar Sood  
(Chairman)  
DIN: 02315224

Place: Ludhiana  
Date: 13.08.2016



Baked with love, Just for you!

## CREMICA AGRO FOODS LTD.

ANNEXURE- C

**A. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director /KMP for financial year 2015-16	% increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Director/ to median remuneration of employees.	Comparison of the Remuneration of the KMP Against the Performance of the Company
1					
2					
3					
4					

N.A.

- ii) The median remuneration of employees of the company during the financial year was – N.A.as there is only one employee on the rolls of the Company. (CS. Neha Gupta)
- iii) In the financial year, there was an increase in the median remuneration of employees; -N.A.
- iv) There were only one permanent employee on the rolls of company as on March 31, 2016;
- v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e.2015-16- No Increase
- vi) It is hereby affirmed that the remuneration paid is as per the Appointment and Remuneration Policy of the Company for Directors, Key Managerial Personnel and other Employees.

**B. DETAIL OF TOP TEN EMPLOYEES OF THE COMPANY IN TERMS OF SALARY DRAWN AS REQUIRED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

Sr. No.	Name & Designation	Remuneration received (Rs. in Lakhs)	Nature of Employment (Contractual otherwise)	Qualification and Experience	Date of Commencement of Employment	Age	Last Employment	%age of Equity shares held	Whether relative of any director or manager
N.A.									

\*Mrs. Neha Gupta is the only employee of the Company. So there is no question of top 10 employees of the Company.

**By order of Board of Directors  
For Cremica Agro Foods Limited**

Place: Ludhiana  
Date: 13.08.2016

Surendar Kumar Sood  
(Chairman)  
DIN: 02315224

Corporate Identity Number (CIN) : L15146PB1989PLC009676  
Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)  
E-mail : biscuits@mrsbectorfoods.com, Phone : Office : (0161) 5085104, 2744434  
Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : buns@mrsbectorfoods.com



Baked with love, Just for you!

## CREMICA AGRO FOODS LTD.

Annexure-D

### 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**

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
2. Details of material contracts or arrangements or transactions at arm's length basis

#### (A) Related Party Transactions with Cremica Food Specialties Limited

(a) Name(s) of the related party and nature of relationship	Cremica Food Specialties Limited (a Limited company in which directors hold more than 2% shares)	
(b) Nature of contracts/arrangements/transactions	Rent Paid	
(c) Duration of the contracts/arrangements/transactions	Continuous Basis	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Contracts or arrangements or transactions are at arm's length basis having value (in Rs) as follows	
	Rent Paid	Rs 6,81,540
(e) Justification for entering into such contracts or arrangements or transactions	Is a company which deals in Manufacturing, sale and distribution of Biscuits, Breads and Buns	
(f) Date(s) of approval by the board	30.05.2016	

#### (B) Related Party Transactions with Mrs. Bectors Food Specialties Limited

(a) Name(s) of the related party and nature of relationship	Mrs. Bectors Food Specialties Limited hereinafter referred as MBFSL (a Public company which holds 44.20% equity shares of company)	
(b) Nature of contracts/arrangements/transactions	Payable for Capital Goods	
(c) Duration of the contracts/arrangements/transactions	Continuous Basis	
	Contracts or arrangements or transactions are at arm's length basis having value (in Rs) as	





Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any	follows		
	Sale to MBFSL	Payable for Capital Goods	Rs 6,81,540
(e) Justification for entering into such contracts or arrangements or transactions	MBFSL is a company which deals in Manufacturing, sale and distribution of Biscuits, Breads and Buns		
(f) Date(s) of approval by the board	30.05.2016		

### (C) Related Party Transactions with Cremica Food Industries Limited

(a) Name(s) of the related party and nature of relationship	Cremica Food Industries Limited (a Limited company in which directors hold more than 2% shares)		
(b) Nature of contracts/arrangements/transactions	1. For the purchase of Land 2. Trade Payable		
(c) Duration of the contracts/arrangements/transactions	Contract for one year		
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Contracts or arrangements or transactions are at arm's length basis having value (in Rs) as follows		
	Advance against Land	Rs 145,57,071	
	Trade Payable	Rs. 39,43,965	
(e) Justification for entering into such contracts or arrangements or transactions	Cremica Food Industries Limited is a company which deals in Manufacturing, sale and distribution of Sauce.		
(f) Date(s) of approval by the board	30.05.2016		

By order of Board of Directors  
For Cremica Agro Foods Limited

Place: Ludhiana  
Date: 13.08.2016

Surendar Kumar Sood  
(Chairman)  
DIN: 02315224

**Corporate Advisors**

313, SF, IInd Floor, Prestige Chambers, Wimpy's Building,  
Adjoining Narinder Cinema, G.T. Road, Jalandhar. 144001.  
Phones: 0181-4622464, 981432338, M- 9814032331.  
advisors.india@hotmail.com; anujoffice2000@yahoo.com

Ref:ABA

Date: 13.08.2016.

**Form No. MR-3**

**Secretarial Audit Report**

(For the Financial Year Ending 31.3.2016)

[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 Board of Directors  
**Cremica Agro Foods Limited,**  
**Ludhiana.**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Cremica Agro Foods Limited, having registered office at #B-XXXIII-324, G.T. Road (West), Near Jalandhar Bye Pass, Ludhiana-141005, Corporate Identification No.L15146PB1989PLC009676 (**hereinafter called the Company**).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Based on our verification of the 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 31.03.2016, complied to Some Extent** with the statutory provisions listed hereunder and also that the subject to certain irregularities, Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

*Under the Companies Act, 2013, it is Public Limited Company. However, since the Company was exclusively listed on OTCEI and as per the SEBI notification, all Companies on OTCEI have been either sent to dissemination board or given the option to list on some other exchange, therefore as on 31.3.2016, the Compliance with respect to listed Company has not been complied with.*

1. We have examined the books, papers, minute books, forms and returns filed and their records maintained by ("**The Company**") for the period ended on 31.3.2016 according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;

- =====
- II. 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;
- III. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- IV. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. 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;
  - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - g. The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited; and
  - h. The Memorandum and Articles of Association.
  - i. Listing Obligation and Disclosure Requirements Regulation, 2015.

- VI. As informed to us, the other laws specifically applicable to the Company have been complied with. In this regard, we have relied on the information/records produced by the Company during the course of Audit on test check and randomly basis and limited to that extent only for the following acts:

- > Food Safety & Standards Act, 2006
- > The Factories Act, 1948.
- > The Payment of Wages Act, 1936.
- > The Minimum Wages Act, 1948.
- > Employees Provident Fund and Misc. Provisions Act, 1952.
- > Employers State Insurance Act, 1948.
- > The Payment of Bonus Act, 1965.
- > The Environment (Protection) Act, 1986.
- > Electricity Act 2003.
- > Payment of Gratuity Act, 1972.
- > Water (Prevention & Control of Pollution) Act 1974 and rules thereunder.
- > Air (Prevention & Control of Pollution) Act 1981 and rules thereunder.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has *complied only to the some extent* with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

**2. We further report that the Company has, in our opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:**

- a) Maintenance of various statutory registers and documents and making necessary entries therein;
- b) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- c) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- d) Notice of Board meetings and Committee meetings of Directors;
- e) The meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- f) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- g) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- h) Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
- i) Payment of remuneration to Directors including the Managing Director and Whole-time Directors,
- j) Appointment and remuneration of Auditors and Cost Auditors;
- k) Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
- l) Declaration and payment of dividends;
- m) Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs, if any;
- n) Borrowings and registration, modification and satisfaction of charges wherever applicable;
- o) Investment of the Company's funds including investments and loans to others;
- p) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
- q) Directors' report;
- r) Related Party Transactions.

- s) Contracts, common seal, registered office and publication of name of the Company; and
- t) Generally, all other applicable provisions of the Act and the Rules made under the Act.

**3. We further report that the following compliances have been made to some extent only for :**

- a. 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.
- b. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at reasonable gap in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- d. The Company has obtained all necessary approvals under the various provisions of the Act; and
- e. There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
- f. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being Independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

5. The Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

**6. We further report that:**

- a. the Company has not Complied with the requirements under the Equity Listing Agreements entered into with OTCEI Limited;
- b. the Company has not Complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

c. the Company has not Complied with the provisions of the Securities and Exchange Board of India(Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

7. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

8. We further report that based on the information received and records maintained 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.

**For Anuj Bansal & Associates**  
Practicing Company Secretaries



Anuj R Bansal  
C.P. No. 3667  
M. No. 5166

Date: 13.08.2016.

Place: Jalandhar.

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

**'Annexure A'**

(Forming Integral Part of Secretarial Audit Report for the financial year ending 31.3.2016)

To  
The Members,  
**Cremica Agro Foods Limited,**  
**Ludhiana.**

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc. which forms the integral part to express our opinion in Form MR-3.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis as the Secretarial Auditors.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For AnujBansal & Associates**  
Practicing Company Secretaries



Anuj R Bansal  
C.P. No. 3667  
M. No. 5166

Date: 13.08.2016.  
Place: Jalandhar.



Baked with love, Just for you!

## CREMICA AGRO FOODS LTD.

### ANNEXURE-F

#### FORM MGT-9

### EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31<sup>st</sup> MARCH, 2016

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

#### **I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	<b>L15146PB1989PLC009676</b>
ii.	Registration Date	<b>06/09/1989</b>
iii.	Name of the Company	<b>CREMICA AGRO FOODS LIMITED</b>
iv.	Category/Sub-Category of the Company	<b>Company limited by shares / Indian non- Government company</b>
v.	Address of the Registered office and contact details	<b>B XXX III 324G T ROAD WEST LUDHIANA PUNJAB PB 141005</b>
vi.	Whether Listed Company	<b>Yes</b>
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd 44, Community Centre, Phase-I, Near PVR, Naraina Ind. Area, New Delhi-110028 ☎ Phone: +91 11 4141 0592 ☎ Fax: +91 11 4141 0591 ✉ <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> 🌐 <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>

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

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ Service	% to total turnover of the Company
1.	Manufacture of bread	<b>10711</b>	Nil

Corporate Identity Number (CIN) : L15146PB1989PLC009676  
Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)  
E-mail : [biscuits@mrsbectorfoods.com](mailto:biscuits@mrsbectorfoods.com), Phone : Office : (0161) 5085104, 2744434  
Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : [buns@mrsbectorfoods.com](mailto:buns@mrsbectorfoods.com)





Baked with love, Just for you!

## CREMICA AGRO FOODS LTD.

2.	Manufacture of other bakery products n.e.c.	10719	Nil
----	---	-------	-----

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S NO	Name and address of company	CIN/GLN	Holding/Subsidiary/Associate	% of share held	Applicable section
1.	Mrs. Bectors Food Specialties Limited	U748PPP1995PLC033417	Associate	44.20	2 (6)

### 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 the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
1) Indian									
(a) Individuals	0	228300	228300	15.23	0	121932	121932	8.14	-7.09
(b) Central Government / State Government(s)	0	0	0	0	0	0	0	0	0
(c) Bodies Corporate	0	888003	888003	59.26	0	888003	888003	59.26	0
(d) Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(e) Any Other (Specify)									
<b>Sub Total (A)(1)</b>	<b>0</b>	<b>1116303</b>	<b>1116303</b>	<b>74.49</b>	<b>0</b>	<b>1009935</b>	<b>1009935</b>	<b>67.40</b>	<b>-7.09</b>
(2) Foreign									
(a) Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b) Bodies Corporate	0	0	0	0	0	0	0	0	0
(c) Institutions	0	0	0	0	0	0	0	0	0
(d) Any Other (Specify)									
<b>Sub Total (A)(2)</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>Total Shareholding of</b>	<b>0</b>	<b>1116303</b>	<b>1116303</b>	<b>74.49</b>	<b>0</b>	<b>1009935</b>	<b>1009935</b>	<b>67.40</b>	<b>-7.09</b>

Corporate Identity Number (CIN) : L15146PB1989PLC009676  
 Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)  
 E-mail : biscuits@mrsbectorfoods.com, Phone : Office : (0161) 5085104, 2744434  
 Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : buns@mrsbectorfoods.com



Baked with love. Just for you !

## CREMICA AGRO FOODS LTD.

<b>Promoter and Promoter Group(A)=(A)(1)+(A)(2)</b>									
<b>(B) Public Shareholding</b>									
<b>(1) Institutions</b>									
<b>(a) Mutual Funds / UTI</b>	0	0	0	0	0	0	0	0	0
<b>(b) Financial Institutions / Banks</b>	0	0	0	0	0	0	0	0	0
<b>(c) Central Government / State Government(s)</b>	0	0	0	0	0	0	0	0	0
<b>(d) Venture Capital Funds</b>	0	0	0	0	0	0	0	0	0
<b>(e) Insurance Companies</b>	0	0	0	0	0	0	0	0	0
<b>(f) Foreign Institutional Investors</b>	0	0	0	0	0	0	0	0	0
<b>(g) Foreign Venture Capital Investors</b>	0	0	0	0	0	0	0	0	0
<b>(h) Any Other (Specify)</b>									
<b>Sub Total (B)(1)</b>	0	0	0	0	0	0	0	0	0
<b>(2) Non-Institutions</b>									
<b>(a) Bodies Corporate</b>									
<b>(i) Indian</b>	0	53900	53900	3.60	0	53900	53900	3.60	0
<b>(ii) Overseas</b>	0	0	0	0	0	0	0	0	0
<b>(b) Individuals</b>									
<b>(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh.</b>	3900	192397	196297	13.10	5800	271500	277300	18.50	5.40
<b>(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh</b>	0	132000	132000	8.81	0	157365	157365	10.50	1.69
<b>(c) Any Other (Specify)</b>									
<b>Sub Total (B)(2)</b>	3900	378297	382197	25.51	5800	482765	488565	32.60	7.09
<b>Total Public Shareholding(B)=(B)(1) + (B)(2)</b>	3900	378297	382197	25.51	5800	482765	488565	32.60	

Corporate Identity Number (CIN) : L15146PB1989PLC009676

Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)

E-mail : biscuits@mrsbectorfoods.com, Phone : Office : (0161) 5085104, 2744434

Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : buns@mrsbectorfoods.com



Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

Total (A)+(B)	3900	1494600	1498500	'100.00	5800	1492700	1498500	'100.00	0
Shares held by custodians and against which depository receipts have been issued									
Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
Public	0	0	0	0	0	0	0	0	0
Total (A)+(B)+(C)	3900	1494600	1498500	'100.00	5800	1492700	1498500	'100.00	

\*Where ever necessary the figures of the last year have been made comparable with this year's figures.

### (ii), (iii) Change in Promoters Shareholding

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2015		Transactions during the year		Cumulative Shareholding at the end of the year - 2016	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	MRS. BECTOR FOOD SPECIALITIES LTD	662323	44.20%				
	At The End of the Year					662323	44.20%
2	AKSHAY BECTOR	56370	3.76				
	Transfer						
	At The End of the Year					56370	3.76%
3	AJAY BECTOR	59220	3.95				
	Transfer			05.08.2016	-39029		
	At The End of the Year					20191	1.35%
4	ANOOP BECTOR	58600	3.91				
	Transfer			05.08.2016	-39029		
	At The End of the Year					19571	1.31%
5	Dharamvir Bector	54110	3.61				
				05.08.2016	16955		



Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

				05.08.2015	-54110		
				21.09.2015	-16955		
	Transfer			31.03.2016	25800		
	At The End of the Year					25800	1.72%
6	Cre mica Food Industries Limited	225680	15.06%				
	At The End of the Year					225680	15.06%
	<b>Total :</b>	<b>1116303</b>	<b>74.49%</b>			<b>1009935</b>	<b>67.40%</b>
Note: 1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 1498500 Shares.							
2. The details of holding has been clubbed based on PAN.							
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.							

\*Please note that due to scheme of merger and amalgamation as approved by Punjab and Haryana High Court on 4<sup>th</sup> July, 2014 the shares of Cremica Industries Limited, Mrs. Bector's Cremica Enterprises Limited, Bector Food Limited, Cremica Foods Limited, Cremica Mulk Specialities Ltd got transferred to Mrs. Bectors Food Specialited Limited and Cremica Food Industries Ltd



Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

### (iv). Shareholding Pattern of Top Ten Shareholders

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2015		Transactions during the year		Cumulative Shareholding at the end of the year - 2016	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	D.V. & SONS (HUF)	30100	2.0087			30100	2.0087
	AT THE END OF THE YEAR					30100	2.0087
2	DATT ENTERPRISES LTD	25700	1.7150			25700	1.7150
	AT THE END OF THE YEAR					25700	1.7150
3	SBI CAPITAL MARKETS LIMITED	19200	1.2813			19200	1.2813
	AT THE END OF THE YEAR					19200	1.2813
4	SANA BECTOR	15600	1.0410				
	AT THE END OF THE YEAR						
5	SNEHAL R KOTHARI	8300	0.5539			8300	0.5539
	AT THE END OF THE YEAR					8300	0.5539
6	INDRA KUMAR BAGRI	3800	0.2536			3800	0.2536
	Transfer			1 Mar 2015	1500	5300	0.3537
	AT THE END OF THE YEAR					5300	0.3537
7	VISHNU MITTAL	4000	0.2669			4000	0.2669
	AT THE END OF THE YEAR					4000	0.2669
8	ERROL JOSEPH SIQUEIRA	3800	0.2536			3800	0.2536
	AT THE END OF THE YEAR					3800	0.2536
9	ARJAN BHARWANI	2300	0.1535			2300	0.1535
	AT THE END OF THE YEAR					2300	0.1535
10	SANA BECTOR	15600	1.04				
	Transfer						
	At The End of the Year					15600	1.04%
11	AKHILESH BECTOR	19100	1.27				
	Transfer						
	At The End of the Year					19100	1.27%
12	ISHAN BECTOR	15950	1.06				
	Transfer						
	At The End of the Year					15950	1.06%

Corporate Identity Number (CIN) : L15146PB1989PLC009676

Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)

E-mail : biscuits@mrsbectorfoods.com, Phone : Office : (0161) 5085104, 2744434

Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : buns@mrsbectorfoods.com



Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

13	SAUVIR BECTOR	15950	1.06				
	Transfer						
	At The End of the Year					15950	1.06%
14	NIKHIL BECTOR	27000	1.8				
	Transfer						
	At The End of the Year					27000	1.80%
15	SAMIRA BECTOR	14550	0.97				
	Transfer						
	At The End of the Year					14550	0.97%
16	RASHMI BECTOR	10270	0.69				
	Transfer						
	At The End of the Year					10270	0.69%
17	Dharamvir Bector and Sons	25800	1.72				
	Transfer			05.08.2016	-16955		
	At The End of the Year					8845	0.59%
18	Rajni Bector	25800	1.72				
	Transfer			31.03.2016	-25800		
	At The End of the Year					0	0.00%

Note: 1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 1498500 Shares.

2. The details of holding has been clubbed based on PAN.

3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.



Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	Nil	Nil	Nil	Nil
<b>Change in Indebtedness during the financial year</b>				
- Addition	Nil	Nil	Nil	Nil
- Reduction	Nil	Nil	Nil	Nil
<b>Net Change</b>	Nil	Nil	Nil	Nil
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	Nil	Nil	Nil	Nil



Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

Corporate Identity Number (CIN) : L15146PB1989PLC009676

Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)

E-mail : biscuits@mrsbectorfoods.com, Phone : Office : (0161) 5085104, 2744434

Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : buns@mrsbectorfoods.com





Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

### B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	<u>Independent Directors</u> *Fee for attending board committee meetings *Commission *Others, please specify	NIL	
	Total (1)		
	<u>Other Non-Executive Directors</u> *Fee for attending board committee meetings *Commission *Others, (Consultancy Fees)		
	Total (2)		
	Total (B) = (1+2)		
	Total Managerial Remuneration		

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	25000	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil



Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	- Commission as % of profit - others, specify...	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil
6.	Total	Nil	25000	Nil	Nil

### 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					
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty			<b>NIL</b>		
Punishment					
Compounding					
<b>C. Other Officers in Default</b>					
Penalty					
Punishment					
Compounding					

By order of Board of Directors  
For Cremica Agro Foods Limited

Surendar Kumar Sood  
(Chairman)  
DIN: 02315224

Place: Ludhiana  
Date: 13.08.2016



*Baked with love. Just for you!*

## CREMICA AGRO FOODS LTD.

### ANNEXURE - G

#### CORPORATE GOVERNANCE REPORT

This report of Corporate Governance form part of the Annual Report.

#### Company's philosophy on Corporate Governance

Your company continues to practice the principle of good Corporate Governance. It is company's firm belief that good Corporate Governance is key to success of business. The company's philosophy envisage an attainment of highest level of the transparency and accountability in its operations so that company's goal of creation and maximization of wealth of the shareholders could be achieved. The SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015 (hereinafter referred to as SEBI LODR Regulations, 2015) incorporate certain mandatory disclosure requirements which shall be made with regard to Corporate Governance (Part C of Schedule V) and accordingly we are pleased to report on the corporate governance as hereunder:-

#### I. BOARD OF DIRECTORS

As per the requirements of Regulation 17(1) of SEBI LODR Regulations, 2015, the Board of the Company should have the optimum combination of executive and non-executive directors with at least one women director.

##### a. Composition and Category of Directors:

We are pleased to report that the present strength of the Board is Nine Directors which Comprises of optimal mix of Executive and Non executive Directors. Sh. Surendar Kumar Sood is a Non-Executive Chairman & Sh. Shantilal Sukhlal Chaudhary is an Executive Director. Thus the post of Chairman and Executive Director are held by different persons.

The present board consists of one third of the Independent Directors, as required under under Corporate Governance Rules. Out of Nine Board members, three members namely Sh. Pankaj Dawar, Sh. Surendar Kumar Sood and Sh. Atul Verma are the Independent Additional Directors.

Mrs. Rajni Bector is women Director of the Company. Thus the company has complied the Corporate Governance Rules regarding composition of Board of Directors.

Since the Company did not do any business none of the Director was paid any sitting fee.



Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

### b. Number of Board Meetings held and dates on which held:

During the year the Board met five times i.e., on 30th May, 2015, 11th August, 2015, 27th August, 2015, 12<sup>th</sup> October, 2015 and 9th February, 2016 with clearly defined agenda circulated well in advance of each meeting. The maximum interval between the two board meetings is not more than 120 days.

### c. Details of Attendance of Directors at the Board Meetings and Last Annual General Meeting:

The participation of Non-Executive Directors and Independent Directors has been active in the Board Meetings. The Attendance record of directors in the Board Meeting held during the year 2015-16 and the last Annual General Meetings held on Wednesday, 30th day of September, 2015 is given here under:

Name of Director	Category of Directors	No. of other Directorship (excluding Private Company)	No. of Committee Membership of other Companies		No. of Board Meeting Attended	AGM Attendance (held on 30.09.2015)	No. of Shares held
Dharamvir Bector	Director	1	-	-	5	Yes	25800
Rajni Bector	Women Director	1	-	-	5	Yes	0
Anoop Bector	Director	2	1	-	5	Yes	19571
Ajay Bector	Director	3	-	-	5	Yes	20191
Akshay Bector	Director	2	2	-	5	Yes	56370
Shantilal Sukalal Chaudhary	Whole Time Director, CEO	1	-	-	5	Yes	0
Pankaj Dawar	Independent Director	3	1	1	5	Yes	0
Surendar Kumar Sood	Independent Director, Chairman	2	-	-	5	Yes	0
Atul Verma	Independent Director	0	-	-	5	Yes	0

### d. Number of other Board of Directors or Committees in which Directors are member or chairperson:

The information regarding the other Board of Directors or Committees in which Directors are member or chairperson is already given in the table given in Para C above. None of the Director holds Directorship in more than twenty Companies and



*Baked with love. Just for you!*

## **CREMICA AGRO FOODS LTD.**

is Director of more than ten public limited companies as prescribed under the Companies Act, 2013. Independent Directors are holding Directorship as per the limit specified in Regulation 25(1) of SEBI LODR Regulations, 2015. None of the director is a member of more than Ten Board level Committees or is Chairperson of more than Five such Board level Committees as required under Regulation 26(1) of SEBI LODR Regulations, 2015.

### **e. Disclosure of relationships between directors inter-se:**

Sh. Dharamvir Bector is the father of Sh. Anoop Bector, Akshay Bector and Sh. Ajay Bector. Sh. Anoop Bector, Akshay Bector and Sh. Ajay Bector are brothers. Further Smt. Rajni Bector is wife of Sh. Dharamvir Bector. No other director is related to any other Director of the Company within the meaning of Section 2(77) of the Companies Act, 2013.

### **f. No. of Shares and Convertible Instruments held by non-executive directors:**

Sh. Dharamvir Bector, Anoop Bector, Ajay Bector and Akshay Bector, Non Executive Promoter Directors are holding 25800, 19571, 20191 and 56370 equity shares of Rs. 10 each of the company respectively None of the other Non-Executive Director are holding any share and convertible instruments issued by the Company.

### **g. Web link of Familiarization Programs:**

The details of Company's Policy on Familiarization Programs for Independent Directors are posted on the website of the Company and can be accessed at <http://cafl.co.in/wp-content/uploads/2017/01/Policy-on-Independent-Directors-Familiarization-Program.pdf>

### **h. Separate Meeting of Independent Directors:**

The Company's Independent Directors met on 7th March, 2016, without the attendance of Non Independent Directors and members of Management. All the Independent Directors were present at the meeting. At the Meeting, they –

- i. Reviewed the performance of non-independent directors and the Board as a whole;
- ii. Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors;
- iii. Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.



Baked with love, Just for you!

## CREMICA AGRO FOODS LTD.

### II. AUDIT COMMITTEE

#### a. Brief Description of Terms of Reference:

The Board has constituted an independent and qualified Audit Committee. The term of reference of the Audit Committee is as per Part C of Schedule II of the SEBI LODR Regulations, 2015 and Section 177(4) of Companies Act, 2013.

#### b. Composition:

The Board has already constituted an independent and qualified Audit committee as per Section 177 of the Companies Act, 2013. The committee consists of three Non-Executive Directors under the chairmanship of Sh. Pankaj Dawar, Sh. Anoop Bector and Sh. Surendar Kumar Sood are the two other members of the Audit Committee. Sh. Pankaj dawar is a member of Institute of Company Secretaries of India having ACS No. A18157. He is having more than 20 years of experience in the industry and trade. Sh. Anoop Bector is also a senior corporate executive having rich experience in Corporate Finance, taxation, Financial and Accounting matters. Likewise Sh. Surendar Kumar Sood is an Independent Director, is well versed with Accounting and Financial Matters. He has been past president of Lions Club Ludhiana where he has served four years as Secretary of the Club thereafter served as President of the Club for one year. The statutory Auditors are invited to attend the meetings, as per relevant provisions of the applicable laws/rules, as and when felt necessary.

Mrs. Neha Gupta, Company Secretary is the secretary of the Committee. Mr. Rishi Bector who is Chief Financial Officer of the Company is a permanent invitee of the company. The Statutory Auditors, Internal Auditors and Cost Auditors are also invited to attend the meetings, as per relevant provisions of the applicable laws/rules, as and when felt necessary.

#### c. Meetings and Attendance

During the financial year 2015-16, the committee met four times i.e. on 30th May, 2015, 5th August, 2015, 10th November, 2015 and 10th February, 2016, for reviewing and adopting the quarterly unaudited financial results as well as the financial statement for the year ended 31st March, 2015 before recommending the same to the Board of Directors for their perusal and adoption. The attendance record of the Audit Committee members during the year 2015-16 is as under:-

Name of the Member	No. of meetings held Upto 31.03.2016	No. of meetings attended
Sh. Pankaj dawar	4	4
Sh. Anoop Bector	4	4
Sh. Surendar Kumar Sood	4	4

Corporate Identity Number (CIN) : L15146PB1989PLC009676

Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)

E-mail : biscuits@mrsbectorfoods.com, Phone : Office : (0161) 5085104, 2744434

Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : buns@mrsbectorfoods.com



Baked with love, Just for you!

## CREMICA AGRO FOODS LTD.

Mr. Pankaj Dawar, Chairman of the Audit Committee attended the last Annual General Meeting of the company held on 30th September, 2015 and replied/clarified the queries raised at the Annual General Meeting.

### III. NOMINATION & REMUNERATION COMMITTEE

#### a. Brief Description of Terms of Reference:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, the Board constituted the Nomination and Remuneration Committee. The broad term of reference of the Nomination and Remuneration Committee is as per the requirements of Part D of Schedule II of SEBI LODR Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Committee identifies the persons who are suitable and qualified enough to become the Directors and who can be appointed in the Senior Management category in accordance with the criteria laid down/approved by the Board and recommend to the Board their appointment & removal. It carries out the evaluation of every director's performance. The Committee also ensures that Company's remuneration policies, in respect of Executive Director, Key Managerial Personnel, Senior Executives and others are competitive so as to recruit and retain best talent in the company. It also ensures that appropriate disclosure of remuneration paid to the Directors, Executive Director, KMP and Senior Executives are made as per the applicable provisions of the Companies Act, 2013. It carries out Evaluation of every Director's performance and also devise a policy on "Diversity of Board of Directors".

#### b. Composition:

The committee comprises of three Non Executive Independent directors, Sh. Atul Verma as chairman, Sh Pankaj dawar and Sh. Surendar Kumar Sood as members of the committee.

#### c. Meetings and Attendance:

The Nomination and Remuneration Committee met three times i.e. on 30.05.2015, 05.08.2015 and 21.03.2016 during the year under review. The attendance record of the Members at the meetings held during the year 2015-16 is as follow:-

Name of the Member	No. of meetings held Upto 31.03.2016	No. of meetings attended
Sh. Atul Verma	3	3
Sh. Surendar Kumar Sood	3	3
Sh. Pankaj dawar	3	3

Corporate Identity Number (CIN) : L15146PB1989PLC009676

Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)

E-mail : biscuits@mrsbectorfoods.com, Phone : Office : (0161) 5085104, 2744434

Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : buns@mrsbectorfoods.com



*Baked with love, Just for you!*

## CREMICA AGRO FOODS LTD.

### **d. Performance Evaluation Criteria for Independent Directors:**

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of parameters for evaluation includes education, knowledge, experience, expertise, skills, behaviour, leadership qualities, level of engagement and contribution, independence of judgement, ability to communicate effectively with other board members and Management, effective decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders.

### **REMUNERATION OF DIRECTORS**

Since the Company did not do any business none of the Director was paid any remuneration or sitting fee.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company. None of the Directors has been granted any stock option.

The appointment and remuneration policy of the Company in respect of Company's Directors has already been discussed in the Directors' Report. Hence, the same is not repeated here for the sake of brevity.

### **IV. STAKEHOLDERS RELATIONSHIP COMMITTEE**

#### **a. Brief Description of Terms of Reference:**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI LODR Regulations, 2015, the Board has constituted the Stakeholders' Relationship Committee. The Committee look into the complaints/grievances of shareholders in respect of transfer/transmission of shares, Non receipt of Dividend, Share Certificates, Demat and Annual Reports etc.

#### **b. Composition:**

The Committee consists of three non executive directors under the Chairpersonship of Sh. Pankaj Dawar an Independent Director, Sh. Anoop Bector a NonExecutive Director and Sh. Atul Verma an Independent Director are the other two members of the Committee. as chairman, and are the other members of the committee

#### **c. Meetings and Attendance**

The Committee met four times from 1st April, 2015 to 31st March, 2016 i.e. on 30th May, 2015, 5th August, 2015, 10th November, 2015 and 10th February, 2016. The attendance record of members at the meetings held during the year 2015-16 is as follow:-





Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

Name of the Member	No. of meetings held Upto 31.03.2016	No. of meetings attended
Sh. Pankaj dawar	4	4
Sh. Anoop Bector	4	4
Sh. Atul Verma	4	4

### d. Name and Designation of Compliance Officer

Mrs. Neha Gupta, Company Secretary was the Compliance Officer of the Company for the financial year 2015-2016.

### e. Details of Investors' complaints received/ resolved/not solved to the satisfaction of shareholders/ pending:

The Company has been quick in redressal of the grievances of the shareholders and has attended to most of the investors correspondence/grievances within a period of 7 to 10 days from the date of the receipt of the same. The details of Investors' complaints received/resolved/not solved to the satisfaction of shareholders/pending is given here below:

No. of complaints received during the year : 1

No. of complaints resolved during the year : 1

No. not solved to the satisfaction of shareholder : NIL

No. of complaints pending as on 31st March, 2016 : NIL

### f. Dedicated e-mail for Investor Grievance

To enable investors to register their grievances, the Company has designated an exclusive e-mail id i.e. [cs.bis@cremica.in](mailto:cs.bis@cremica.in).

## V. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board has constituted the Corporate Social Responsibility Committee as per provisions Section 135 read with Schedule VII of the Companies Act, 2013. The Committee consists of Sh. Dharamvir Bector, as Chairman and Dr. Pankaj dawar and Mr. Anoop Bector, directors of the Company as members of the Committee. The terms and reference of the Committee are:-

1. To Formulate and recommend to the Board a CSR Policy which shall indicate the activities to be undertaken by the Company as laid down in Schedule VII of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.
2. To Recommend the amount of expenditure to be incurred on the CSR activities.
3. To Monitor the Company's CSR Policy and implementation of CSR projects from time to time. During the year under review, the Committee met once i.e. on 04

Corporate Identity Number (CIN) : L15146PB1989PLC009676

Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)

E-mail : [biscuits@mrsbectorfoods.com](mailto:biscuits@mrsbectorfoods.com), Phone : Office : (0161) 5085104, 2744434

Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : [buns@mrsbectorfoods.com](mailto:buns@mrsbectorfoods.com)



Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

June, 2015 and the attendance record of the meetings held is as follow:-

Name of the Member	No. of meetings held Upto 31.03.2016	No. of meetings attended
Sh. Pankaj dawar	1	1
Sh. Anoop Bector	1	1
Sh. Atul Verma	1	1

### VI. RISK MANAGEMENT COMMITTEE:

As per the provisions of Regulation 21 of SEBI LODR Regulations, 2015, Top 100 listed entities, determined on the basis of market capitalization as at the end of immediate previous financial year shall constitute a Risk Management Committee. We would like to inform you that the Company does not fall under the said category accordingly the Regulation 21 is not applicable to the company. However, no business is free from Normal Business Risks i.e. Financial risk, Exchange risk, Crude Oil prices risk, Policy risk, Global risk etc. The Audit Committee through its risk policies takes care of the risks so that the company could face the challenges and become a globally competitive company.

### VII. GENERAL BODY MEETINGS

I) The details of the last three Annual General Meetings are as under:-

Financial year	Location	Date	Time
2012-2013	Registered Office i.e. B-XXXIII-324, G.T. Road (West), Near Jalandhar	28.09.2013	1:00 P.M.
2013-2014	Registered Office i.e. B-XXXIII-324, G.T. Road (West), Near Jalandhar	30.09.2014	11.00 A.M.
2014-2015	Registered Office i.e. B-XXXIII-324, G.T. Road (West), Near Jalandhar	30.09.2015	10.00 A.M.

#### II) Special Resolutions passed in the previous three Annual General Meetings:

##### 2012-13

No Special Resolution was passed.

##### 2013-14

No Special Resolution was passed.

##### 2014-15

No Special Resolution was passed.

#### III) Special Resolution passed last year through postal ballot.



*Baked with love, Just for you!*

## CREMICA AGRO FOODS LTD.

No special resolution was passed during the financial year ended 31.03.2016 through postal ballot.

### **IV) Person who conducted the postal ballot exercise:**

Not applicable as no special resolution was passed during the financial year ended 31.03.2016 through postal ballot.

### **V) Whether any special resolution is proposed to be conducted through postal ballot.**

Presently, no Special Resolution is proposed to be conducted through postal ballot.

### **VI) Procedure for postal ballot.**

Whenever any special resolution will be conducted through postal ballot, the procedure for postal ballot shall be as per the applicable provisions of Companies Act, 2013 read with SEBI LODR Regulation, 2015.

## **IX. MEANS OF COMMUNICATION/ STATUS OF FILING RESULTS WITH STOCK EXCHANGE**

The company's quarterly/yearly results in the format prescribed by the Stock Exchanges are approved and taken on record by the Board within the prescribed time frame and sent immediately to all Stock Exchanges on which the company's equity shares are listed. Since the stock exchange on which the Company shares were listed got decognized therefore the Company went into dissemination board because of which the Company could not file the quarterly results with the stock exchange.

## **XII. GENERAL SHAREHOLDERS INFORMATION**

- 1. Annual General Meeting Date:** September 30, 2016
- 2. Day, Time & venue :** Wednesday at 9.00 A.M. at the Registered Office of the Company situated at B-XXXIII-324, G.T. Road (West), Near Jalandhar Bye Pass, Ludhiana-141005.
- 3. Financial Calendar:** The Financial year of the Company covers 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016
- 4. Dividend Payment:** Since the Company did not do any business last year it is unable to declare any dividend
- 5. Date of Book Closure:** 12th September, 2016 to 22nd September, 2016 (Both Days inclusive)
- 6. Change of Address:** Members may kindly note that the R & T Agent and/ or Company will not entertain requests for noting of change of address/ bank details/



Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

ECS Mandate in case of accounts with demat holding. For this purpose, the Shareholders should approach their depository Participants.

**7. Listing of Equity Shares:** During the year with the de-recognition of OTCEI Exchange of India, in which shares of companies has been listed, the company is presently put in dissemination board. However, company has put an listing application in MCX Stock Exchange of India.

**7. For Dematerialization ISIN Number INE050S01019**

The Annual Custodian Fees for the Financial Year 2015-16 have been paid to National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

### 8. Dedicated e-mail for investor Grievances

To enable investors to register their grievances, the Company has designated an exclusive e-mail id i.e. [manager.cafl@gmail.com](mailto:manager.cafl@gmail.com).

### 9. Registration/ updation of e-mail address

The Ministry of Corporate Affairs vide Circular No.17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies. The Companies can now send various notices and documents, including Annual Report, to its shareholders via electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest e-mail addresses with their Depository Participant (D.P.) with whom they are having Demat A/c or send the same to the Company via e-mail at "cs.bis@cremica.in".

## XIII.MARKET PRICE DATA

The month wise High, Low stock prices during the financial year 2015-2016 are as follows:

Month	High	Low

There was no movement in the share during the year under review as the stock exchange on which the shares were listed has got recognized.

## XIV.PERFORMANCE IN COMPARISION TO BSE SENSEX:-

Comparison between Cremica Agro Foods Limited closing price variation and OTCEI Exchange in percentage is again NOT Applicable as OTCEI Exchange has got



Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

decognized.

### XV. Registrar and Transfer agents

As per SEBI circular no. D&CC/FITTC/CIR-15/2002 dated 27th December, 2002, Company has appointed M/s. Link Intime India Pvt. Ltd, 44, Community Centre, Phase-I, Near PVR, Naraina Ind. Area, New Delhi-11002 as Registrar for Share Transfer and Electronic Connectivity. Accordingly all the shareholders, Investors, Members of the Stock Exchanges, Depository Participants and all other concerned are requested to send all communication in respect of Share Transfer, Demat/Remat, Change of Address etc. to our Registrar whose address and telephone no.(s) etc. have already been mentioned in the Director's Report.

### XVI. Share Transfer System

As required under clause 47(C) of the Listing Agreement/ Regulation 40(9) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with the Stock Exchanges, a certificate is obtained every six month from a Practising Company Secretary with regard to inter alia, effecting transfer, transmission sub-division, consolidation, renewal & Exchange of equity shares with in fifteen days of their lodgement. The Certificates has not been forwarded to the exchange as the exchange has got derecognised.

### XVII. Nomination facility

Individual shareholders holding physical shares can nominate any person for the shares held by them. This will save the nominee from going through the lengthy process of getting the shares later on transmitted to his/her name. For further details, shareholders may write to the RTA of the Company.

### XVIII. Distribution of Shareholding as on March 31, 2016

As on March 31, 2016 your Company had 1399 shareholders having a total of 1498500 equity shares. The following is the distribution of Shareholding.

No. of shares held	No. of Share holders	%of Share holders	Aggregate shares held holding	%age share
1-500	1314	93.92	184691	12.33
501-1000	28	2.00	20700	1.38
1001-2000	14	1.00	20800	1.39
2001-3000	5	0.36	12500	0.83
3001-4000	5	0.36	19200	1.28
4001-5000	5	0.36	21300	1.42
5001-10000	12	0.86	82336	5.50
10000 and above	16	1.14	1136973	75.87
<b>TOTAL</b>	<b>1399</b>	<b>100</b>	<b>1498500</b>	<b>100.00</b>

Corporate Identity Number (CIN) : L15146PB1989PLC009676  
Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)  
E-mail : biscuits@mrsbectorfoods.com, Phone : Office : (0161) 5085104, 2744434  
Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : buns@mrsbectorfoods.com



Baked with love, Just for you!

## CREMICA AGRO FOODS LTD.

### XIX. The Shareholding pattern as on March 31, 2016 as follows:

Shares held by	No. of Shares	% of holding
Bodies Corporate	53900	3.60
Directors & Promoters	1009935	67.40
General Public	434665	29.00
<b>TOTAL</b>	<b>1498500</b>	<b>100.00</b>

### XX. Dematerialisation of Shares and liquidity

The Securities and Exchange Board of India (SEBI) has included company's scrip in compulsory demat settlement for all type of investors. Thus the dealing in company's equity shares can be in demat form only. To facilitate holding and trading of securities in electronic form, your company has established connectivity with both the Depositories i.e National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The investors have an option to dematerialise their equity shares with either of the Depositories. As on 31st March, 2016, 5800 comprising of 0.39% of the total equity capital of the company have been dematerialised.

### XXI. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely impact on equity

The company does not have any outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments which is likely to have any impact on the equity of the company.

### XXII. Commodity price risk or foreign exchange risk and hedging activities

The Company is in the Manufacturing of bread and bakery products and has not dealt in any commodity market and thus there is no commodity price risk.

XXIII. Address for : Registered Office of the Company situated at  
Correspondence B-XXXIII-324, G.T. Road (West), Near Jalandhar Bye Pass, Ludhiana- 141005  
Phone No. : 0161-5085104, 2744434  
E-mail address : cs.bis@cremica.in

### XXIV. OTHER DISCLOSURES

#### a. Disclosure on Materially Significant Related Party Transactions that may have potential conflict with the interest of the Company at large:

During the year, there are no material related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered

Corporate Identity Number (CIN) : L15146PB1989PLC009676  
Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)  
E-mail : biscuits@mrsbectorfoods.com, Phone : Office : (0161) 5085104, 2744434  
Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : buns@mrsbectorfoods.com



*Baked with love. Just for you!*

## CREMICA AGRO FOODS LTD.

material in accordance with the provisions of Regulation 23 of SEBI LODR Regulations, 2015. However, the details of transactions with the Group Companies are disclosed in Notes to the Financial Statements as per applicable provisions

**b. Details of Non-compliance by the Company, penalties, strictures imposed by Stock Exchanges or the Board or any Statutory Authority on any matter related to capital markets during the last three years:**

The Company continues to comply with the requirements of Stock Exchanges, SEBI or any other Statutory Authorities on all matters related to capital markets during last three years. No penalty or strictures have been imposed on the company by the said authorities relating to the above.

**c. Details of establishment of Vigil Mechanism/ Whistle Blower Policy:**

The Board, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2013, has established a Whistle Blower Policy/Vigil Mechanism for its Directors and employees to report genuine concerns or grievances about the unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or Policy. The Policy provide adequate safeguards against victimisation of persons who use such mechanism. The Audit Committee regularly reviews the working of the Mechanism. The mechanism provides direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. No personnel have been denied access to the Audit Committee. The Whistle Blower Policy/Vigil Mechanism is also posted on Company's Website and can be accessed at <http://cafl.co.in/wp-content/uploads/2017/01/Vigil-Mechanism-policy.pdf>

**d. Details of compliance with mandatory requirements and adoption of non-mandatory requirements:**

The company has complied with all the mandatory requirements of Corporate Governance as prescribed in SEBI LODR Regulations, 2015. Besides, the Company has also complied with the non mandatory requirements in respect of Corporate Governance as specified Part E of Schedule II of SEBI LODR Regulations, 2015 as detailed below:

- i. Un-modified opinion(s) in audit report: The Company is already in a regime of financial statements with un-modified audit opinion.
- ii. Separate posts of Chairman and CEO: Mr. Surendar Kumar Sood is the Chairman of the Company and Mr. Shantilal Sukalal Chaudhari is Chief Executive Officer of the Company. Thus the post of Chairman and CEO are held by different persons.
- iii. Reporting of internal auditor: The internal auditor may report directly to the Audit Committee. The Company is yet to comply with other non mandatory requirements of the Corporate Governance as specified in Part E of Schedule II of the SEBI LODR Regulations, 2015.

Corporate Identity Number (CIN) : L15146PB1989PLC009676

Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)

E-mail : [biscuits@mrsbectorfoods.com](mailto:biscuits@mrsbectorfoods.com), Phone : Office : (0161) 5085104, 2744434

Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : [buns@mrsbectorfoods.com](mailto:buns@mrsbectorfoods.com)



*Baked with love. Just for you!*

## CREMICA AGRO FOODS LTD.

e. **Web link where policy for determining 'material' subsidiaries is disclosed:**

The requirement of policy for determining 'material' subsidiaries is not applicable to the Company as it does not have any subsidiary.

f. **Web link where policy on dealing with related party transactions is disclosed:**

The Company has formulated the Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions, which can be accessed at <http://cafl.co.in/wp-content/uploads/2017/01/POLICY-ON-RELATED-PARTY-TRANSACTION.pdf>

g. **Disclosure of commodity price risks and commodity hedging activities:**

The Company is engaged in the Business of Manufacture of Bread and Bakery Products and the primary raw material for the manufacturing of Bread and Bakery Products are Wheat, Meda, Sugar etc. With the increase/ decrease in the Price of these raw materials effect the price of the end products. During the year, the company has not dealt in any commodity market, thus there is no commodity price risk. Further, the Company is not involved in any hedging activities.

h. **Prevention of Insider Trading:**

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of practices and procedures for fair disclosure of unpublished price sensitive information" and "Code of Conduct to regulate, monitor and report trading by insiders. The Code helps to regulate trading in securities by the Directors and designated employees of the Company. The Code requires preclearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary being the Compliance Officer of the company, is responsible for implementation of the Code.

i. **Reconciliation of Share Capital Audit:**

The Securities and Exchange Board of India has directed vide Circular No. D&CC/FITTC/CIR- 16/2002 dated 31st December, 2002 that all issuer companies shall submit a certificate of capital integrity, reconciling the total shares held in both the depositories, viz. NSDL and CDSL and in physical form with the total issued/paid up capital. The said certificate duly certified by a Practicing Company Secretary is submitted to the Stock Exchanges within 30 days of the end of each quarter.

Corporate Identity Number (CIN) : L15146PB1989PLC009876

Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)

E-mail : [biscuits@mrsbectorfoods.com](mailto:biscuits@mrsbectorfoods.com), Phone : Office : (0161) 5085104, 2744434

Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : [buns@mrsbectorfoods.com](mailto:buns@mrsbectorfoods.com)





*Baked with love, Just for you!*

## CREMICA AGRO FOODS LTD.

**j. CEO and CFO Certification:**

As required under Regulation 17(8) of SEBI LODR Regulations, 2015, a Certificate duly signed by the Executive Director and Chief Financial Officer was placed at the meeting of Board of Directors held on 30.05.2016.

**1. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT WITH REASONS THEREOF:**

The Company has complied with all the requirements of Corporate Governance Report from sub-paras (2) to (10) of Part C of Schedule V of SEBI LODR Regulations, 2015.

**2. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS AS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2) (I) (b) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

The Company has complied with all the Corporate Governance requirements as specified in Regulation 17 to 27 (except Regulation 21 and 24, which are not applicable to the Company) and Regulation 46 (2)(i)(b) of SEBI LODR Regulations, 2015.

**3. CODE OF CONDUCT**

The Company is committed to conduct its business in accordance with applicable laws, rules and regulations and highest standard of transparency. Accordingly, the Company has laid down a Code of conduct for all its Board members and Senior Managerial Personnel so that conflict of interest could be avoided. The Code of Conduct suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. All the Board members and Senior Managerial Personnel are complying with the said code of conduct. The code of conduct is also available on Company's website i.e. [www.owmnahar.com](http://www.owmnahar.com). The Board members and senior management personnel affirm the compliance of this Code annually. A declaration by the Executive Director/CEO in terms of SEBI LODR Regulations, 2015 to the effect that members of the Board and senior management personnel have affirmed compliance with this Code of Conduct is attached with this Report.

**4. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT /UNCLAIMED SUSPENSE ACCOUNT**

- a. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil
- b. Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: Nil
- c. Number of shareholders to whom shares were transferred from suspense account during the year: Nil

Corporate Identity Number (CIN) : L15146PB1989PLC009676

Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)

E-mail : [biscuits@mrsbectorfoods.com](mailto:biscuits@mrsbectorfoods.com), Phone : Office : (0161) 5085104, 2744434

Works : 11-B, Udyog Vihar, Greater Noida, Dist. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : [buns@mrsbectorfoods.com](mailto:buns@mrsbectorfoods.com)



*Baked with love. Just for you!*

---

## CREMICA AGRO FOODS LTD.

- d. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil  
e. That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: Not Applicable

All the shares of the Company has already been allotted to the eligible allottees, hence there is no demat suspense account/unclaimed suspense account

By order of Board of Directors  
For Cremica Agro Foods Limited

Surendar Kumar Sood  
(Chairman)  
DIN: 02315224

Place: Ludhiana  
Date: 13.08.2016

---

### EXECUTIVE DIRECTOR'S DECLARATION

Pursuant to the requirement of Regulation 34(3) read with Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all Board Members and Senior Management personnel (as defined in the Regulation 34 of the company have affirmed compliance with Code of Conduct for Board & Senior Management Personnel' for the year ended 31st March, 2016.

By order of Board of Directors  
For Cremica Agro Foods Limited

Shantilal Sukhalal Chaudhary  
(Executive director)  
Din:02315224

PLACE : LUDHIANA  
DATED : 13th August, 2016



*Baked with love, Just for you!*

## CREMICA AGRO FOODS LTD.

### ANNEXURE- H

#### MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

##### INDUSTRY STRUCTURE AND DEVELOPMENT

Your Company was engaged in the manufacture of bread and other Bakery products. Though the industry of bread and bakery is showing huge growth both domestic and at the international level Firstly due to the availability of different variety of breads and bakery items having better ingredients and Secondly due to education which has brought in awareness and changed the eating habits of people in India at large, who used to eat their traditional food have now shifted to other food items. Since, in the Last year under review your Company did not do any business so we cannot comment on the performance of the company in comparison with the other companies at large.

##### OPPORTUNITIES AND THREATS

There are lot of opportunities related to the Company which can be contributed to the rising income and aspiration of consumers, Large & profitable domestic and international markets and Rural growth in India. People prefer fresh bread and other products. Bakery products are an item of mass consumption in view of its low price and with rapid growth and changing eating habits of people, bakery products have gained popularity among masses. Besides above Untapped geographies in India is also a huge area of Opportunity.

These opportunities are equally visible to the current and future competitors of your Company and that constitutes the primary threat. Intensified competition due to lower industry growth. A combination of ahead-of- market innovations, consistent quality delivery, supporting the brand aggressively through consistent and competitive investment and continuous enhancement of capability and efficiency of distribution pipeline will help your Company address the threats.

##### SEGMENT WISE OR PRODUCT WISE PERFORMANCE

Since there was no business last year therefore the management cannot comment on this head.

##### FUTURE OUTLOOK

In the near term, Company is planning to once again start its business. It has formed a very good and abled Board, under whose guidance and abled support it is expected that Company will do well and will attain new targets and goals better than what it used to achieve when it was in full flow.

##### RISKS AND CONCERNS

Growth of individual categories is linked to the overall economic growth. Primary risk to the business will



*Baked with love, Just for you !*

## **CREMICA AGRO FOODS LTD.**

be on account of adverse changes to the economy. Volatility in commodity prices is the other significant risk.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The company has adequate internal control systems and procedures which commensurate with the nature of its business and the size of its operations. The internal control system are adequate to ensure that all assets and resources of the company are safeguarded and protected against loss from unauthorized use or disposition and all transactions are authorized, recorded and reported correctly. The company also ensures compliance with all statutes and regulatory policies and guidelines.

Further the company is also having internal audit department which carries out audit work throughout the year. The main objective of such audit is to test the adequacy and effectiveness of internal control systems laid down by the Management and to suggest improvement in the systems.

Besides, an audit committee consisting of three non executive directors has been constituted. All the significant audit observation and follow up action thereon are taken care of by the audit committee. The audit committee met four times during the financial year under review.

### **FINANCIAL/OPERATION PERFORMANCE**

During the year under review the Company did not do any business. The company achieved total revenue of Rs.43.94 Lakh. It earned a net profit of Rs. 6.53 Lakhs as against 8.85 Lakhs in the previous year. The detailed performance has already been discussed in the Directors report under column operational review.

### **HUMAN RESOURCES/INDUSTRIAL RELATIONS**

During the year under review the Company had no person on the rolls of the Company.

### **CAUTIONARY STATEMENT**

Though the statement and views expressed in the above said report are on the basis of best judgment but the actual future results might differ from whatever is stated in the report.

**By order of Board of Directors  
For Cremica Agro Foods Limited**

**Surendar Kumar Sood  
(Chairman)  
DIN: 02315224**

**Place: Ludhiana  
Date: 13.08.2016**



Baked with love. Just for you!

## CREMICA AGRO FOODS LTD.

### ANNEXURE- I

#### Form AOC-1

(Pursuant to first provision to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

#### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

#### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

#### Associate

Sl. No.	Particulars	Details
	Name of the subsidiary	Mrs. Bectors Food Specialities Limited
	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Associate Company i.e 31.03.2016
	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Since the Company is Indian Company, this clause is not applicable
	Share capital	28,63,38,110
	Reserves & surplus	1,75,93,86,035
	Total assets	3,10,82,85,589
	Total Liabilities	1,06,25,61,444
	Investments	29,52,05,853
	Turnover	5,65,52,90,744
	Profit before taxation	54,93,41,010
	Tax Expenses	16,21,21,192
	<b>Profit after Tax</b>	<b>38,72,19,818</b>
	% of shareholding	44.20%

By order of Board of Directors  
For Cremica Agro Foods Limited

Surendar Kumar Sood  
(Chairman)  
DIN: 02315224

Place: Ludhiana  
Date: 13.08.2016

Corporate Identity Number (CIN) : L15146PB1989PLC009676  
Regd. Office & Works : B-XXXIII-324, G. T. Road (West), Jalandhar Bye-Pass, Ludhiana - 141 005, Punjab (India)  
E-mail : biscuits@mrsbectorfoods.com, Phone : Office : (0161) 5085104, 2744434  
Works : 11-B, Udyog Vihar, Greater Noida, Distt. Gautam Budh Nagar (U. P.) Ph. 4625400, E-mail : buns@mrsbectorfoods.com



**Sunil Kumar Aggarwal**

B.Com., F.C.A., DISA (ICAI)

**Aseem Aggarwal**

B.Com. (H), A.C.A., A.C.S., A.S.A (AUST.)  
St. Xavier's College, Kolkata

**NEW DELHI | PUNJAB | HARYANA**

Office: 455, Sohan Palace, 2nd Floor, The Mall, Ludhiana-141001.

Mobile: 98147-09714 Phone: 0161-5050669

e-mail : sunil\_ksa@yahoo.co.in | aseem@ksafirm.com

Website : www.ksafirm.com

Dated.....

### **INDEPENDENT AUDITORS' REPORT**

#### **TO THE MEMBERS OF M/S CREMICA AGRO FOODS LIMITED**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of M/s Cremica Agro Foods Limited ("the company") which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

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

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

#### **Auditor's Responsibility**

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

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

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

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

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

### **Opinion**

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

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

1. This report does not include a statement on the matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016, issued by the Central Government in terms of section 143(11) of the Companies Act, 2013, since in our opinion and according to the information and explanation given to us, the said Order is not applicable to the company.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014;
  - e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- ii. There were no amounts which were required to be transferred to the investor Education and Protection Fund by the Company].

Place: Ludhiana

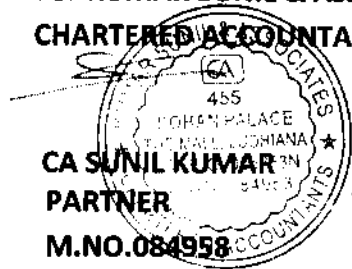
Date: 13-08-2016

For KUMAR SUNIL & ASSOCIATES  
CHARTERED ACCOUNTANTS

CA SUNIL KUMAR  
PARTNER

M.NO.084958

FRN.006263N





## **ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE**

### **FINANCIAL STATEMENTS OF M/s Cremica Agro Foods Limited**

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

We have audited the internal financial controls over financial reporting of M/s Cremica Agro Foods Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

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

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the

- maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

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

Place: Ludhiana

Date: 13-04-2016

For KUMAR SUNIL & ASSOCIATES  
CHARTERED ACCOUNTANTS

CA SUNIL KUMAR  
PARTNER

M.NO.084958

FRN.006263N

**Cremica Agro Foods Limited**  
**Balance Sheet as at 31 March 2016**

Note	31 March 2016	31 March 2015
	Amount (Rs.)	Amount (Rs.)
<b>Equity and liabilities</b>		
<b>Shareholders' funds</b>		
Share capital	1,49,85,000	1,49,85,000
Reserves and surplus	8,75,87,647	8,69,34,173
	<b>10,25,72,647</b>	<b>10,19,19,173</b>
<b>Non-current liabilities</b>		
Long-term borrowings	-	-
<b>Current liabilities</b>		
<b>Trade payables</b>		
(a) Total outstanding dues of micro enterprises and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,17,19,531	1,22,30,756
<b>Other current liabilities</b>		
Short-term provisions	64,06,016	62,58,753
	<b>1,81,25,547</b>	<b>1,84,89,509</b>
<b>Total</b>	<b>12,06,98,194</b>	<b>12,04,08,682</b>
<b>Assets</b>		
<b>Non-current assets</b>		
<b>Fixed assets</b>		
Tangible Assets	4,15,512	3,29,134
Capital Work in Progress	-	-
Long-term loans and advances	2,91,41,013	2,46,07,020
Deferred tax asset (net)	1,72,84,651	1,72,92,162
	<b>4,68,41,176</b>	<b>4,22,28,316</b>
<b>Current assets</b>		
Inventories	-	-
Trade receivables	-	-
Cash and bank balances	7,38,04,617	7,62,06,030
Short-term loans and advances	52,401	19,74,336
	<b>7,38,57,018</b>	<b>7,81,80,366</b>
<b>Total</b>	<b>12,06,98,194</b>	<b>12,04,08,682</b>

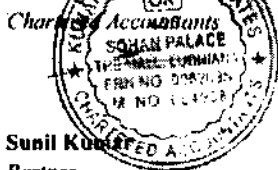
Significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors  
of Cremica Agro Foods Limited

For Kumar & Co. Associates  
Firm registration number: FRN006263N



Sunil Kumar  
Partner  
Membership No.: 084958

*Neha Gupta*  
Neha Gupta  
Company Secretary

*Anoop Bector*  
Anoop Bector  
(Director)  
DIN:-00108589

*Dharamvir Bector*  
Dharamvir Bector  
(Director)  
DIN:-00108654

*Shantilal Sukhalal Chaudhari*  
Shantilal Sukhalal Chaudhari  
Whole Time Director & CEO  
Din No. 02315224

*Rishi Kumar Bector*  
Rishi Kumar Bector  
Chief Financial Officer

Place : Ludhiana  
Date : 13.08.2016

**Cremica Agro Foods Limited**  
**Statement of Profit and Loss for the year ended 31 March 2016**

	Note	31 March 2016	31 March 2015
		Amount (Rs.)	Amount (Rs.)
<b>Income</b>			
Revenue from operations			
Other Income	11	-	75,43,986
<b>Total revenue (I)</b>	12	43,94,052	86,82,417
		<b>43,94,052</b>	<b>1,62,26,403</b>
<b>Expenses</b>			
Cost of raw materials consumed	13	-	73,40,075
Employee benefits expense	14	6,57,656	1,17,032
Finance costs	15	11,150	121
Depreciation and amortization expense	16	87,522	67,439
Other expenses	17	26,78,996	40,86,896
<b>Total expenses (II)</b>		<b>34,35,324</b>	<b>1,16,11,563</b>
<b>Profit before tax</b>		<b>9,58,728</b>	<b>46,14,839</b>
<b>Tax expenses</b>			
Current tax		2,97,743	14,86,785
Tax expense relating to earlier years		-	24,11,789
Deferred tax (credit)		7,511	(1,68,865)
<b>Total Tax expense</b>		<b>3,05,254</b>	<b>37,29,709</b>
<b>Profit after tax for the year</b>		<b>6,53,474</b>	<b>8,85,130</b>

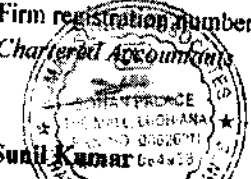
**Earnings per equity share**  
 [nominal value of Rs. 10 (previous year Rs.10)]  
**Basic/ Diluted (Computed on the basis of total profit of the year)**

	0.44	0.59
--	------	------

Significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Kumar Sunil & Associates  
 Firm registration number: FRN006263N  
  
**Sunil Kumar**  
 Partner  
 Membership No. 084958

*Neha Gupta*  
**Neha Gupta**  
 Company Secretary

For and on behalf of the Board of Directors  
 of Cremica Agro Foods Limited

*Anoop Bector*  
**Anoop Bector**  
 (Director)  
 DIN:-00108589

*Dharamvir Bector*  
**Dharamvir Bector**  
 (Director)  
 DIN:-00108654

*Shantilal Sukhalal Chaudhari*  
**Shantilal Sukhalal Chaudhari**  
 Whole Time Director & CEO  
 Din No. 02315224

*Rishi Kumar Bector*  
**Rishi Kumar Bector**  
 Chief Financial Officer

Place : Ludhiana  
 Date : 13.08.2016

**Cremica Agro Foods Limited**  
**Cash Flow Statement for the year ended 31 March 2016**

	31 March 2016 Amount (Rs.)	31 March 2015 Amount (Rs.)
<b>A. Cash flow from operating activities</b>		
Net profit before taxation	9,58,728	46,14,839
<u>Non cash adjustments to reconcile profit before tax to net cash flows:</u>		
Depreciation and amortisation expense	87,522	67,439
(Profit)/ loss on sale of investments	-	(11,26,415)
Interest expense	11,150	121
Interest income	(43,35,558)	(68,54,977)
<b>Operating profit before working capital changes</b>	<b>(32,78,158)</b>	<b>(32,98,993)</b>
<u>Movement in working capital:</u>		
Decrease in trade receivables	-	2,09,57,696
Decrease in inventories	-	73,40,075
Increase in trade payables and other current liabilities	(3,63,962)	(3,41,51,681)
Decrease/(increase)/in loans and advances	79,452	(1,92,95,317)
(Decrease)/ increase in provisions	-	(29,02,799)
<b>Cash generated from operations</b>	<b>(35,62,668)</b>	<b>(3,13,51,019)</b>
Income Tax paid	(29,89,253)	(36,84,975)
<b>Net cash used in operating activities (A)</b>	<b>(65,51,921)</b>	<b>(3,50,35,994)</b>
<b>B. Cash flows from investing activities</b>		
Purchase of fixed assets (including capital work in progress)	(1,73,900)	(3,02,732)
Purchase of investments	-	-
Proceeds from sale of investments	-	8,46,26,415
Interest received	43,35,558	68,54,977
<b>Net Cash from investing activities (B)</b>	<b>41,61,658</b>	<b>9,11,78,660</b>
<b>C. Cash flows from financing activities</b>		
Interest paid	(11,150)	(121)
<b>Net Cash used in financing activities (C)</b>	<b>(11,150)</b>	<b>(121)</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>(24,01,413)</b>	<b>5,61,42,545</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>7,62,06,030</b>	<b>2,00,63,485</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>7,38,04,617</b>	<b>7,62,06,030</b>
<b>Components of cash and cash equivalents as at 31 March 2016</b>		
Cash on hand	42,366	5,48,918
With Banks		
-- On current accounts	81,87,888	19,71,725
-- On deposit accounts	6,55,74,363	7,36,85,387
<b>Total Cash &amp; Cash Equivalents as at 31 March 2016</b>	<b>7,38,04,617</b>	<b>7,62,06,030</b>

As per our report of even date

For Kumar Sunil & Associates  
Firm registration number: FN006263N  
Chartered Accountants  
SUNIL KUMAR  
Partner  
Membership No.: 084958

Place : Ludhiana  
Date : 13.08.2016

*Neha Gupta*  
Neha Gupta  
Company Secretary

*Shantil Sukhral Chaudhari*  
Shantil Sukhral Chaudhari  
Whole Time Director & CEO  
Din No. 02315224

For and on behalf of the Board of Directors  
of Cremica Agro Foods Limited

*Anoop Bector*  
Anoop Bector  
(Director)  
DIN:-00108589

*Dharamvir Bector*  
Dharamvir Bector  
(Director)  
DIN:-00108654

*Rishi Kumar Bector*  
Rishi Kumar Bector  
Chief Financial Officer

## **Cremica Agro Foods Limited**

### **Notes to financial statements for the year ended 31 March 2016**

#### **1 a) Corporate Information**

Cremica Agro Foods Limited (hereinafter referred to as the Company ) is a public company domiciled in India and of the Companies Act, 1956. The Company is primarily engaged in manufacturing of Breads & bakery to cater to domestic market.

#### **b) Basis of Preparation**

The financial statements are prepared under the historical cost convention, on accrual basis of accounting and comply with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable. Accounting Policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### **2 Summary of significant accounting policies**

##### **a) Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

##### **b) Classification of current / non-current liabilities and assets**

###### **Liabilities**

A liability has been classified as 'current' when it satisfies any of following criteria:

- a) It is expected to be settled in the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is due to be settled within twelve months after reporting date; or
- d) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by issue of equity instrument do not affect its classification.

Current Liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

###### **Assets**

An asset has been classified as 'current' when it satisfies any of following criteria:

- a) It is expected to be realised in, or is intended for sale or consumption in the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is expected to be realised within twelve months after reporting date; or
- d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Current assets include current portion of non-current financial assets. All other assets are classified as non-current.

##### **c) Tangible fixed assets**

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**d) Depreciation on tangible fixed assets**

Depreciation on fixed assets is calculated on a straight line basis using the rates arrived based on the useful lives estimated by the Management or those prescribed as per Part C of schedule II, of the Companies Act 2013, whichever is higher. Fixed Assets which have a value less than or equal to Rs. 5,000 are fully depreciated in the year of purchase.

During current year, pursuant to Companies Act, 2013 ('the Act') being effective from 1 April 2014, the Company has revised depreciation rates, wherever required, on its tangible fixed assets to align with the useful life specified in Part 'C' of Schedule II, to the Act.

**e) Leases**

Where the Company is the Lessee:

Finance leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Part C of schedule II, of the Companies Act, 2013, whichever is lower. However, if there is no reasonable certainty that the company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Part C of schedule II, of the Companies Act, 2013.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the company is the lessor:

Leases in which the company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

**f) Impairment of assets**

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the assets recoverable amount. An assets recoverable amount is the higher of an assets or cash-generating units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the companies cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year. Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for previously revalued tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the assets or cash-generating units recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the assets recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

**g) Investments**

Current Investments are carried at lower of cost and fair value. Long term investments are carried at cost. However the provision for diminution in value of long term investments is made only when such a decline is not temporary in opinion of the management

**h) Inventories**

Raw Materials, components ,stores and spares are valued at lower of cost and net realizable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials ,components and stores and spares is determined on first in first out basis.

Work in progress and finished goods are valued at lower of cost and nt realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**i) Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

**Sale of Goods**

Revenue in respect of sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer. The Company collects sales taxes and value added taxes (VAT) on behalf of government and therefore these are not economic benefits flowing to the Company. Hence ,they are excluded from revenue.

**Interest**

Interest Income is recognized on a time proportion basis taking into amount outstanding and the applicable interest rate.



**j) Foreign currency translation**

Foreign currency transactions and balances

**Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

**Exchange differences**

Exchange differences arising on the settlement of monetary items on reporting such monetary items of the Company at rates different from those at which they were initially recorded during the year or recorded in previous financial statements are recognised as income or as expenses in the year in which they arise.

**k) Retirement and other Employees benefits**

Retirement benefit in the form of Provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

Accumulated leave which is expected to be utilized within the next 12 months is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that is expected to pay as a result of the unused entitlement that has accumulated at the reporting date.

**l) Income Taxes**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

In the situations where the company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

**m) Earning per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

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

**n) Provisions**

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

**o) Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

**p) Cash and Cash Equivalents**

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**Creteca Agro Foods Limited**

Notes to financial statements for the year ended 31 March 2016

**3. Share capital**

	31 March 2016	31 March 2015
	Amount (Rs.)	Amount (Rs.)
<b>Authorised shares</b>		
2,000,000 (Previous year 2,000,000) equity shares of Rs.10 each	2,00,00,000	2,00,00,000
3,000,000 (Previous year 3,000,000) preference shares of Rs.10 each	3,00,00,000	3,00,00,000
	<b>5,00,00,000</b>	<b>5,00,00,000</b>
<b>Issued, subscribed and fully paid-up shares</b>		
1,498,500 (Previous year 1,498,500) equity shares of Rs.10 each fully paid up	1,49,85,000	1,49,85,000
<b>Total issued, subscribed and fully paid-up equity share capital</b>	<b>1,49,85,000</b>	<b>1,49,85,000</b>

**(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year****(i) Equity shares**

	31 March 2016		31 March 2015	
	Number of equity shares	Amount (Rs.)	Number of equity shares	Amount (Rs.)
At the beginning of the year	14,98,500	1,49,85,000	14,98,500	1,49,85,000
<b>Outstanding at the end of the year</b>	<b>14,98,500</b>	<b>1,49,85,000</b>	<b>14,98,500</b>	<b>1,49,85,000</b>

**(b) Terms/rights attached to equity shares**

The company has issued one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

**(c) Details of Equity shareholders holding more than 5% shares in the company**

	31 March 2016		31 March 2015	
	Numbers	% holding	Numbers	% holding
Mrs Bectors Food Specialities Limited	6,73,506	44.95%	6,73,506	44.95%
Creteca Food Industries Limited	2,25,680	15.06%	2,25,680	15.06%
<b>Total</b>	<b>8,99,186</b>	<b>60.01%</b>	<b>8,99,186</b>	<b>60.01%</b>

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**Cremica Agro Foods Limited**  
**Notes to financial statements for the year ended 31 March 2016**

<b>4. Reserves and surplus</b>		
	<b>31 March 2016 Amount (Rs.)</b>	<b>31 March 2015 Amount (Rs.)</b>
<b>Capital reserve</b>		
At the commencement and the end of the year	<b>(A) 84,48,000</b>	<b>84,48,000</b>
<b>General reserve</b>		
At the commencement and the end of the year	<b>(B) 79,50,032</b>	<b>79,50,032</b>
<b>Securities premium account</b>		
At the commencement and the end of the year	<b>(C) 27,42,900</b>	<b>27,42,900</b>
<b>Surplus in the statement of profit and loss</b>		
Balance at the commencement of the year	6,77,93,241	6,69,08,111
Profit for the year	6,53,474	8,85,130
<b>Net surplus in the statement of profit and loss</b>	<b>(D) 6,84,46,715</b>	<b>6,77,93,241</b>
<b>Total reserves and surplus (A)+ (B) + (C) + (D)</b>	<b>8,75,87,647</b>	<b>8,69,34,173</b>

**Creteca Agro Foods Limited**  
**Notes to financial statements for the year ended 31 March 2016**

<b>5. Trade Payable</b>		
	<b>31 March 2016</b>	<b>31 March 2015</b>
	<b>Amount (Rs.)</b>	<b>Amount (Rs.)</b>
Trade payable*	1,17,19,531	1,22,30,756
<b>Total</b>	<b>1,17,19,531</b>	<b>1,22,30,756</b>

\*The Company has during the year, not received any intimation from any of its suppliers regarding their status under the MSMED Act. Based on the above facts, there are no dues to parties registered under MSMED Act. Accordingly, disclosures required under MSMED act are not given.

<b>6. Other current liabilities</b>		
	<b>31 March 2016</b>	<b>31 March 2015</b>
	<b>Amount (Rs.)</b>	<b>Amount (Rs.)</b>
Security and other trade deposit	3,45,000	3,45,000
Payables towards capital goods	60,60,051	55,55,000
Statutory dues	965	3,58,753
	<b>64,06,016</b>	<b>62,58,753</b>
<b>Total</b>	<b>1,81,25,547</b>	<b>1,84,89,509</b>

Cremica Agro Foods Limited				Notes to financial statements for the year ended 31 March 2016			
7. Tangible assets							
Amount in Rs.							
	Plant & machinery	Computers	Furniture & fixture	Total			
Gross block (at cost)	2,12,397	1,14,955	68,883	3,96,235	At April 1, 2013	2,65,090	31,761
Additions during the year	(4,13,295)	-	(68,883)	(5,97,133)	At March 31, 2014	64,192	31,761
Disposals	64,192	-	31,761	95,953	At 1 April 2014	1,38,920	18,001
Additions	1,38,920	1,45,811	49,762	3,98,685	At 31 March 2015	2,03,112	49,762
Disposals	2,03,112	1,45,811	49,762	3,98,685	At 1 April 2015	2,03,112	49,762
Additions	51,400	32,500	90,000	1,73,900	At 1 April 2015	2,03,112	49,762
Disposals	-	-	-	-	At 31 March 2016	2,54,512	1,39,762
Depreciation/Amortisation	30,657	12,246	13,237	56,140	At April, 2013	(49,567)	(17,597)
Charge for the year	20,185	18,634	5,197	44,016	Charge for the year	(49,567)	(17,597)
Disposals	-	(30,880)	-	(98,044)	At March 31, 2014	1,275	837
At 1 April 2014	1,275	-	837	2,112	At 1 April 2014	27,486	9,427
Charge for the year	27,486	30,526	9,427	67,439	Charge for the year	27,486	9,427
Disposals	-	-	-	-	At 31 March 2015	28,761	10,264
At 1 April 2015	28,761	30,526	10,264	69,551	At 1 April 2015	28,761	10,264
Charge for the year	34,024	35,762	17,737	87,522	Charge for the year	34,024	17,737
Disposals	-	-	-	-	At 31 March 2016	62,785	28,001
At 31 March 2016	62,785	66,288	28,001	1,57,073	At 31 March 2016	1,91,727	1,11,761
Net block	1,91,727	1,12,023	1,11,761	4,15,512	At 31 March 2015	1,74,351	39,498
	1,74,351	1,15,285	39,498	3,29,134	At 31 March 2016		

**Cremica Agro Foods Limited**  
**Notes to financial statements for the year ended 31 March 2016**

<b>8. Loans and Advances</b>				
	<b>Long term</b>		<b>Short term</b>	
	<b>31 March 2016 Amount (Rs.)</b>	<b>31 March 2015 Amount (Rs.)</b>	<b>31 March 2016 Amount (Rs.)</b>	<b>31 March 2015 Amount (Rs.)</b>
<b>Capital advances</b>				
Unsecured and considered good	1,85,92,176	2,46,07,020	-	-
Total (A)	<b>1,85,92,176</b>	<b>2,46,07,020</b>	-	-
<b>Security deposit</b>				
Unsecured, considered good	-	-	-	-
Total (B)	-	-	-	-
<b>Loans and advances to related parties</b>				
Unsecured, considered good	-	-	-	-
Total (C)	-	-	-	-
<b>Other loans and advances</b>				
Advances recoverable in cash or in kind	81,40,000	-	-	-
Advance tax recoverable (net of provision)	24,08,837	-	-	19,21,935
Balances with statutory/government authorities	-	-	52,401	52,401
Total (D)	<b>1,05,48,837</b>	-	<b>52,401</b>	<b>19,74,336</b>
<b>Total (A+B+C+D)</b>	<b>2,91,41,013</b>	<b>2,46,07,020</b>	<b>52,401</b>	<b>19,74,336</b>



**Cremica Agro Foods Limited**  
**Notes to financial statements for the year ended 31 March 2016**

**9. Deferred tax asset (net)**

	<b>31 March 2016 Amount (Rs.)</b>	<b>31 March 2015 Amount (Rs.)</b>
<b>Deferred tax liabilities on account of :</b>		
Difference between depreciation on fixed assets as per books and as per Income Tax Act, 1961	21,192	13,681
<b>Gross Deferred Tax Liabilities</b>	<b>21,192</b>	<b>13,681</b>
<b>Deferred tax assets on account of :</b>		
Provision for employees benefits	-	-
Net Loss as per Income Tax Act carried forward	1,73,05,843	1,73,05,843
<b>Gross Deferred Tax Assets</b>	<b>1,73,05,843</b>	<b>1,73,05,843</b>
<b>Deferred tax asset (net)</b>	<b>1,72,84,651</b>	<b>1,72,92,162</b>

Cremica Agro Foods Limited		Notes to financial statements for the year ended 31 March 2016	
10. Cash and bank balances			
		Non Current	Current
	31 March 2016	31 March 2015	31 March 2015
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Cash and cash equivalents	Balances with banks:		
	On current accounts		
	Cash on hand		
Total (A)		-	25,20,643
Other bank balances	Deposits due to matured within 12 months of the reporting date		
	Total (B)	-	7,36,85,387
Total (A+B)		-	7,62,06,030

**Cre mica Agro Foods Limited****Notes to financial statements for the year ended 31 March 2016****11. Revenue from operations**

	<b>31 March 2016 Amount (Rs.)</b>	<b>31 March 2015 Amount (Rs.)</b>
<b>Sale of products</b>		
Raw Materials & others	-	75,43,986
<b>Other operating revenue</b>		
Others	-	-
<b>Total</b>	<b>-</b>	<b>75,43,986</b>

**12. Other income**

	<b>31 March 2016 Amount (Rs.)</b>	<b>31 March 2015 Amount (Rs.)</b>
<b>Interest income</b>		
- from bank	43,35,558	67,93,277
- from others	-	61,700
<b>Profit on sale of investments (other than trade)</b>	<b>-</b>	<b>11,26,415</b>
<b>Other non-operating income</b>	<b>58,494</b>	<b>7,01,024</b>
<b>Total</b>	<b>43,94,052</b>	<b>86,82,417</b>

<b>Creteca Agro Foods Limited</b>		
<b>Notes to financial statements for the year ended 31 March 2016</b>		
<b>13. Cost of raw material consumed</b>		
	<b>31 March 2016</b>	<b>31 March 2015</b>
	<b>Amount (Rs.)</b>	<b>Amount (Rs.)</b>
Inventory at the beginning of the year	-	73,40,075
Add : Purchases (net)	-	-
	-	73,40,075
Less: Inventory at the end of the year	-	-
<b>Total</b>	-	<b>73,40,075</b>
<b>Details of raw materials consumed</b>		
	<b>31 March 2016</b>	<b>31 March 2015</b>
	<b>Amount (Rs.)</b>	<b>Amount (Rs.)</b>
Wheat Flour	-	-
Oil & Fats	-	-
Sugar	-	-
Packing Material	-	-
Others	-	-
Gluten	-	-
	-	-
<b>Details of inventory at the end of the year</b>		
Wheat Flour	-	-
Oil & Fats	-	-
Sugar	-	-
Packing Material	-	-
Others	-	-
Gluten	-	-
	-	-

**Creteca Agro Foods Limited****Notes to financial statements for the year ended 31 March 2016****14. Employee benefits expense**

	31 March 2016 Amount (Rs.)	31 March 2015 Amount (Rs.)
Salaries, wages and bonus	5,67,950	-
Staff welfare expenses	89,706	1,17,032
<b>Total</b>	<b>6,57,656</b>	<b>1,17,032</b>

**15. Finance Cost**

	31 March 2016 Amount (Rs.)	31 March 2015 Amount (Rs.)
Interest to others	11,150	121
<b>Total</b>	<b>11,150</b>	<b>121</b>

**16. Depreciation and amortisation expense**

	31 March 2016 Amount (Rs.)	31 March 2015 Amount (Rs.)
Depreciation of tangible assets	87,522	67,439
<b>Total</b>	<b>87,522</b>	<b>67,439</b>

**17. Other expenses**

	31 March 2016 Amount (Rs.)	31 March 2015 Amount (Rs.)
Repairs & maintenance	81,467	1,746
Legal & professional expenses	65,990	2,17,873
Travelling and conveyance	9,68,231	13,75,163
Rates & taxes	32,602	89,827
Rent	6,81,540	14,32,590
Telephone Expenses	26,696	-
Printing and stationery	15,950	47,596
Payment to auditor	34,464	11,236
Charity & donation	58,300	2,70,000
General Expenses	4,38,808	1,11,192
Computer Expenses	57,750	28,520
Gardening Expenses	57,850	76,525
Diwali Expenses	1,56,978	4,19,214
Bank charges	2,370	5,414
<b>Total</b>	<b>26,78,996</b>	<b>40,86,896</b>

**Cremica Agro Foods Limited**

Notes to financial statements for the year ended 31 March 2016

18. Payment to auditors:	Current year Amount (Rs.)	Previous year Amount (Rs.)
Audit Fees	34,464	11,236
Tax Audit Fees	-	-
	<u>34,464</u>	<u>11,236</u>

19. Contingent liabilities	Current year	Previous year
1) Bank guarantees	-	5,86,200
II) Claims against the Company not acknowledged as debts:		
a) Sales Tax Appeals	25,37,838	25,37,838

**20. Disclosures as required by AS-18 'Related Party Disclosures' issued by the ICAI**

**A. List of Related parties and Relationships**

**I Key Management Personnel (KMP)**

(i)	Dharamvir Bector	Director
(ii)	Rajni Bector	Director
(iii)	Anoop Bector	Director
(iv)	Ajay Bector	Director
(v)	Akshay Bector	Director
(vi)	S.S. Chaudhary	Director
(vii)	Pankaj Dawar	Additional Director

**II Enterprises over which persons having controlling interest in Company / Key management personnels along with their relatives are able to exercise significant influence:**

**Companies**

Mrs. Bectors Food Specialities Limited  
 Cremica Frozen Foods Limited  
 Mrs. Bectors Cremica Enterprises Limited  
 Cremica Food Specialities Limited  
 Cremica Food Industries Limited  
 Mrs. Bectors Food Private Limited  
 Poliyan Food Park Private Limited  
 Bector Core Investments Private Limited  
 E.B.I Foods Private Limited  
 Auro Mira Diaries Limited  
 Mrs. Bectors Cremica Dairies Private Limited

**Partnership Firm**

Sunshine Foods  
 Hira Mal Lachman Das

**Limited Liability Partnership Firm**

Him Valley Food Processors - LLP

**Hindu Undivided Family**

Ajay Bector (HUF)  
 Dharamvir & Sons (HUF)  
 Anoop Bector (HUF)  
 Akshay Bector (HUF)

Cremica Agro Foods Limited

Notes to financial statements for the year ended 31 March 2016

B. Transactions with related parties	Enterprises owned or significantly influenced by key management personnel or their relatives	
	Current year Amount (Rs.)	Previous year Amount (Rs.)
Sale of goods	-	75,00,440
Rent paid	6,81,540	14,32,590
<b>Balances at the end of the year</b>		
Trade Payables	39,43,965	39,36,290
Payables for capital goods	60,60,501	55,55,000
Advances and other receivables	14,55,771	2,08,43,571

21. C.I.F value of imports	Current year Nil	Previous year Nil		
22. Expenditure in foreign currency (in Rs.)	Rs. 394,871/-	Rs. 461,058/-		
23. Income in foreign Currency (In Rs.)	Nil	Nil		
24. Value of imported & indigenous material consumed & %age thereof	Current year	Previous year		
a) Material Consumed	-	-		
Total (a)	-	-		
b) Fuel	-	-		
c) Consumable stores	-	-		
Total (b)	-	-		
Total (a)+(b)	-	-		
	Current year	Previous year		
	Amount	%age	Amount	%age
Indigenous Material Consumed	-	-	-	-
Imported Material Consumed	-	-	-	-
Indigenous Store Consumed	-	-	-	-
Imported Store Consumed	-	-	-	-
25. Earning per share:	Current year	Previous year		
The basic and diluted earning per share of the company is Rs.	0.44	0.59		
26. Previous years figures have been re-grouped/re-arranged to make them comparable with the current years figures, wherever considered necessary.				

As per our report of even date

For and on behalf of the Board of Directors  
of Cremica Agro Foods Limited

For Kumar Sunil & Associates

Firm registration number: FRN006263N

Chartered Accountants

55  
SUNIL KUMAR  
THE CAPITAL LUDHIANA  
SUNIL KUMAR & CO. CHARTERED ACCOUNTANTS  
PARTNERS  
U. NO. 00443P  
Membership No. 084078

Neha Gupta  
Neha Gupta  
Company Secretary

Ajooj Bector  
(Director)  
DIN:-00108589

Dharamvir Bector  
(Director)  
DIN:-00108654

Shantilal Sukhalal Chaudhari  
Whole Time Director & CEO  
Din No. 02315224

Rishi Kumar Bector  
Chief Financial Officer

Place : Ludhiana

Date : 13.08.2016



**CREMICA AGRO FOODS LTD**

CIN: L15146PB1989PLC009676  
 Registered Office: B-XXXIII-324, G.T. ROAD (WEST), JALANDHAR BYE-PASS, LUDHIANA, Punjab -141005  
 Phone (0161) 5085104, 2744434  
 Website: www.cafil.co.in, Email id: biscuits@mrsbectorfoods.com

*Baked with love. Just for you!*

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

**ATTENDANCE SLIP**

*DPID		Name & Address of the registered Shareholder
Regd.FolioNo./Client Id.		
No. of Share(s) held		

(\*Applicable for Members holding Shares in electronic form)

I hereby record my presence at the **27th ANNUAL GENERAL MEETING** of the Members of **CREMICA AGRO FOODS LTD** to be held on Friday 30th day of September, 2016 at 9.00 a.m. at B-XXXIII-324, G.T. Road (West), Near Jalandhar Bye Pass, Ludhiana-141005

Member's/Proxy's Signature

TEAR HERE



**CREMICA AGRO FOODS LTD**

CIN: L15146PB1989PLC009676  
 Registered Office: B-XXXIII-324, G.T. ROAD (WEST), JALANDHAR BYE-PASS, LUDHIANA, Punjab -141005  
 Phone (0161) 5085104, 2744434  
 Website: www.cafil.co.in, Email id: biscuits@mrsbectorfoods.com

*Baked with love. Just for you!*

**PROXYFORM**

**FORM NO. MGT-11**

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

Name of the Member(s):	
Registered Address:	
E-mail Id:	
*DPID:	
Regd Folio No./Client Id.	

(\*Applicable for Members holding Shares in electronic form)

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

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

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **27th ANNUAL GENERAL MEETING** of the Members of **CREMICA AGRO FOODS LTD** to be held on Friday 30th day of September, 2016 at 9.00 a.m. at B-XXXIII-324, G.T. Road (West), Near Jalandhar Bye Pass, Ludhiana-141005, Punjab and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution No.	Matter of Resolution	For	Against
1.	To receive, consider and adopt audited financial statements of the Company for the financial year ended on March 31st 2016 including Audited Balance Sheet as at March 31st, 2016, the statement of Profit & Loss Account for the financial year ended on that date along with the Reports of the Auditors and Directors thereon.		
2.	To appoint a Director in place of Sh. Anoop Bector (Din- 00108589) who retires by rotation in accordance with the Articles of Association of the Company and being eligible, offers himself for re-appointment.		
3.	To appoint a Director in place of Smt. Rajni Bector (Din- 00108730) who retires by rotation in accordance with the Articles of Association of the Company and being eligible, offers himself for re-appointment.		
4.	To Ratify Appointment of Auditor		

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

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

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

Affix Revenue Stamp

**Note:**

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





# CREMICA AGRO FOODS LIMITED

Registered Office: B-XXXIII-324, G.T. Road (West),  
Near Jalandhar Bye Pass, Ludhiana-141005, Punjab  
CIN: L15146PB1989PLC009676

E-mail: [cs.bis@cremica.in](mailto:cs.bis@cremica.in), [manager.cafl@gmail.com](mailto:manager.cafl@gmail.com); Website: [www.cafl.co.in](http://www.cafl.co.in)

*Baked with love, Just for you!*

## BALLOT FORM

Sr. No. \_\_\_\_\_

Name and Registered Address of the Sole/ First named Member:

Name of the Joint Member(s), If Any:

Registered Folio No./ DP ID No./ Client ID No. :

No of shares held:

I/We hereby exercise my/our vote(s) in respect of the following Resolutions as set out in the Notice dated August 13, 2016 of the Company by conveying my/our assent (for) or dissent (against) the said Resolutions by placing the tick mark (✓) at the appropriate box below:

Resolution No.	Description	No. of Shares	I/ We assent to the Resolution (For)	I/ We dissent to the Resolution (Against)
1.	To receive, consider and adopt audited financial statements of the Company for the financial year ended on March 31st 2016 including Audited Balance Sheet as at March 31st, 2016, the statement of Profit & Loss Account for the financial year ended on that date along with the Reports of the Auditors and Directors thereon.			
2.	To appoint a Director in place of Sh. Anoop Bector (Din- 00108589) who retires by rotation in accordance with the Articles of Association of the Company and being eligible, offers himself for re-appointment.			
3.	To appoint a Director in place of Smt. Rajni Bector (Din- 00108730) who retires by rotation in accordance with the Articles of Association of the Company and being eligible, offers herself for re-appointment			
4.	To Ratify Appointment of Auditor			

Place:

Signature of the Member

Date:

or

Authorised Representative

**Note: Please Read the Instructions printed overleaf carefully before exercising your vote**

## INSTRUCTIONS

### 1. General Instructions:

- a. There will be one Ballot Form for every Client ID No./Folio No., irrespective of the number of joint holders.
- b. Voting in the ballot cannot be exercised by a proxy. However, corporate and institutional members shall be entitled to vote through their authorised representatives with proof of their authorization, as stated below under instruction no. 2(b).
- c. Any query in relation to the Resolutions proposed to be passed at the ensuing AGM may be addressed to Company Secretary, at the Registered Office of the Company.
- d. The Scrutinizer's decision on the validity of a Ballot shall be final and binding.

### 2. Instructions for voting physically by Ballot Form:

- a. This Form must be completed and signed by the Member who is desirous of exercising his/her vote at the 27<sup>th</sup> Annual General Meeting, as per specimen signature registered with the Company or Depository Participant, as the case may be. In case of joint holding, this Form must be completed and signed (as per the specimen signature registered with the Company) by the first named Member and in his/her absence, by the next named Member.
- b. In respect of shares held by corporate and institutional members (companies, trusts, societies, etc.), the completed Ballot Form should be accompanied by a certified copy of the relevant Board Resolution/appropriate authorization, with the specimen signature(s) of the authorized signatory(ies) duly attested.
- c. Voting rights shall be reckoned in proportion to the paid-up equity shares registered in the name of the Member as on cut off date i.e. 23<sup>rd</sup> September, 2016.
- d. The consent must be accorded by recording the assent in the column 'FOR' or dissent in the column 'AGAINST' by placing a tick mark (✓) in the appropriate column in the Ballot Form. The assent or dissent received in any other form shall not be considered valid.
- e. Members are requested to fill the Ballot Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.
- f. Incomplete, unsigned or incorrectly ticked Ballot Forms will be rejected.
- g. The Scrutinizer shall immediately after the conclusion of Annual General Meeting first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a Consolidated Scrutinizer's Report of the total votes cast in the favor or against, if any, forthwith to the Chairman of the Company.

The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.cafl.co.in](http://www.cafl.co.in)

