

# **ANNUAL REPORT**

**2014-2015**



**SHAH FOODS LIMITED**

**CIN-L15419GJ1982PLC005071**

**An ISO : 22000 Certified Company**



*Regd. Office :*

Block No. 453/1, Kalol-Mehsana Toll Road, Chhatral-382729, Sub-Dist. Kalol, Dist. Gandhinagar.

Phone : 2764-233931/932

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**BOARD OF DIRECTORS**

MR. JANAK P. SHAH	Vice-Chairman	DIN01880079
MR. NIRAV J. SHAH	Managing Director	DIN01880069
MR. PRADIP P. SHAH	Director	DIN00066242
MR. SUSHIL P. SHAH	Director	DIN02529990
MR. VIRENDRA P. SHAH	Director	DIN00643925
MRS. PUSHPA J. SHAH	Director	DIN07144650
MR. SHRICHAND R. KAHAR	Director Operations	DIN02538221

**AUDITORS**

DINESH R. SHAH & CO. (MEMBERSHIP NO: 047928)  
Chartered Accountants

**BANKERS**

BANK OF BARODA  
HDFC BANK LTD.

**REGISTERED OFFICE & WORKS**

CHHATRAL  
KALOL-MEHSANA HIGHWAY  
TALUKA KALOL, DISTRICT GANDHINAGAR  
GUJARAT - 382 729.

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**Notice**

Notice is hereby given that the Thirty third (33<sup>rd</sup>) Annual General Meeting of the Company will be held at Chhatral, Kalol Mehsana Highway Road, Taluka-Kalol, Dist. Gandhinagar, Gujarat-382729 on Saturday, 19<sup>th</sup> September, 2015, at 11.00 am to transact the following business.

**ORDINARY BUSINESS:**

1. To receive consider & adopt the audited Statement of Profit & Loss Account for the financial year ended 31<sup>st</sup> March, 2015, the Balance Sheet as at that date and the Reports of the Directors & the Auditors thereon.
2. To appoint a Director in place of Shri Janak.P. Shah(DIN- 01880079), who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Sushil.P. Shah (DIN-02529990), who retires by rotation and, being eligible, offers himself for reappointment.
4. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution RESOLVED THAT M/s. Dinesh R. Shah & Co., Chartered Accountants [Membership No: 047928] be and are hereby appointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting of the Company until the conclusion of the Thirty Fifth Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

**Special Business**

5. Appointment of Mrs. Pushpa Janak Shah as Director

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

"RESOLVED that Mrs. Pushpa Janak Shah (DIN: 07144650), who was appointed an Additional Director of the Company with effect from 25/03/2015 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the Act) but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company."

6. Appointment of Mr, Shrichand Kahar as Production Manager

To consider and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution:-

"RESOLVED that pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Schedule V to the Act and the Rules made there under, as amended from time to time, the Company hereby approves of the reappointment and terms of remuneration of Mr, Shrichand Kahar as Production Manager of the Company for the period of 3 (Three) years effective 1st October, 2015, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year, with liberty to the Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Directors and Mr, Shrichand Kahar.

RESOLVED FURTHER that the Board of Directors of the Company (which term shall be deemed to include Nomination and Remuneration Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

Place: Ahmedabad

Date: 01/08/2015

Registered office:

Chhatral, Kalol-Mehsana Highway, Taluka- Kalol  
Gandhinagar-382729

By order of the Board

Mr. Janak P Shah

Vice-Chairman

DIN: 01880079

## SHAH FOODS LTD.

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### NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable
3. The Register of Members and Share Transfer Books of the Company will remain closed from, Saturday 12th September, 2015, to Saturday, 19<sup>th</sup> September, 2015 (both days inclusive).
4. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the Annual General Meeting
5. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
6. The Notice of Annual General Meeting, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of Annual General Meeting, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s).
7. Members who have received the Notice of Annual General Meeting, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the Annual General Meeting.
8. Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rule, 2014 as amended and clause 35B of the Equity Listing Agreement, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Cut-off date i.e. a date not earlier than seven days before the date of general meeting are entitled to vote on the Resolutions set forth in this Notice.

Members who have acquired shares after the dispatch of the Annual Report and before the Cut-off date may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. A person who is not a member as on the Cut-off date should treat this notice for the information purpose only.

The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.
- I. In case of members receiving e-mail from CDSL (for Members whose e-mail addresses are registered with Company/ Depositories):
  - i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)

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

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

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)·Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/mail) in the PAN field.·In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.·Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- viii) After entering these details appropriately, click on “SUBMIT” tab.
- ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in Demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN for the relevant <Company Name>on which you choose to vote.
- xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

## SHAH FOODS LTD.

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- xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.

- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

### II. In case of members receiving the physical copy:

- a) Please follow all steps from sl. no. (i) To sl. no. (xvii) Above to cast vote.

- b) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

### III. Other Instructions:

- a) The e-voting period commences at 9.00a.m. on 16<sup>th</sup> September, 2015 and will end at 5.00 p.m. on 18<sup>th</sup> September, 2015. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 12<sup>th</sup> September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.

- b) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 31st March, 2015.

- c) Mr. Pinakin Shah Practicing Company Secretary (FCS 2562), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- d) The Scrutinizer shall immediately after the conclusion of voting after the Annual General Meeting, count the votes cast at the meeting, thereafter unblock the votes in the presence of at least two witnesses not in the employment of the company and make, not later than three days of the meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company. The chairman or person authorised by him in writing shall declared the results of the voting forthwith.

- e) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.shahfoodslimited.com](http://www.shahfoodslimited.com) and on the website of CDSL [www.evotingindia.co](http://www.evotingindia.co) immediately after the result is declared by the chairman.
- f) A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- g) Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to M/s. Big Share Services Pvt Ltd /Investor Service Department of the Company immediately.
- h) The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to M/s. Big Share Services Pvt Ltd / Investor Service Department of the Company.
- i) Members desiring any information relating to the accounts are requested to write to the Company at least seven days in advance so as to enable the management to keep the information ready.
- j) Details of the Directors seeking re-appointment in the 33<sup>rd</sup> Annual General Meeting [Pursuant to Clause 49 of Listing Agreement of Bombay Stock Exchange] are provided overleaf.

Particulars	Shri Janak Shah	Shri Sushil shah	Mrs. Pushpa Shah	Shri Shrichand Kahar
Relationships with other directors	Brother	Brother		None
Date of Appointment	07/06/1988	07/06/1988	25/03/2015	01/10/1997
Expertise	Administration	Administration	Doctor	Production Manager
Qualification	CivilEngineer	B. Sc. Plastic Eng.	M.B.B.S.	11 pass
No. of Equity Shares held in the Company	36080	26550	8100	200
List of other companies in which directorship are held	None	None	None	None
Chairmanship/ Membership of committees(includes only Audit Committee and Shareholders Grievances Committee)	None	None	None	None

Note: The Directorships held by Directors as mentioned above, do not include Directorships of Private Limited Companies.

Place: Ahmedabad  
Date: 01/08/2015

Registered Office:  
Chhatral, Kalol-Mehsana Highway Road,  
Taluka-Kalol, Dist. Gandhinagar.  
Gujarat-382729

By Order of the Board

Mr. Janak P shah  
Vice Chairman  
DIN: 01880079

**Explanatory Statements****Pursuant to section 102 of the Companies Act, 2013.**

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No 5 & 6 of the accompanying Notice dated 01/08/2015:

**Item No.5 : Appointment of Mrs. Pushpa Janak Shah as Director**

Mrs. Pushpa Shah was appointed as an Additional Director of the Company with effect from 25/03/2015 by the Board of Directors under Section 161 of the Act and Article 85 of the Company's Articles of Association. In terms of Section 161(1) of the Act, Mrs. Pushpa Shah holds office only upto the date of the forthcoming AGM but is eligible for appointment as a Director. A notice under Section 160(1) of the Act has been received from a Member signifying its intention to propose Mrs. Pushpa Shah appointment as a Director.

The Directors are of the view that the appointment of Mrs. Pushpa Shah will be beneficial to the Company and accordingly commend the Resolutions at Item No. 5 of the accompanying Notice for approval by the Members of the Company.

None of the Directors except Mrs. Pushpa Janak Shah being appointee and Shri Janak Shah & Shri Nirav Shah being the relatives of the appointee interested in the said resolution.

The Board recommend the resolution at Item No 5 of the accompanying Notice for the approval by the members.

**Item No.6: Appointment of Mr, Shrichand Kahar as Production Manager**

Shri Shrichand Kahar was appointed as Production Manager of the Company with effect from 01/10/2012 by the members in their meeting held on 22<sup>nd</sup> September, 2012. The Board on recommendation of Nomination and Remuneration Committee in its Meeting held on 01/08/2015, reappointed Shri Shrichand Kahar as the Production Manager of the Company for a period of three years i.e. from 01/10/2015 to 30/09/2018, subject to approval of the Members..

1. Job profile and his suitability  
His varied experience over such long period has resulted into a wide and deep understanding of the levers of business. This enables him to drive operational excellence across the breadth of responsibilities. He has worked diligently since 1986.
2. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel,  
He along with his family members and related parties holds 200 equity shares in the Company.
3. Comparative remuneration profile with respect to industry, size of the company  
As far as size of the Company is concerned, it falls under the category of Small Size Industry. Manager compensation in small and mid-sized companies at Rs. 50 to 60 thousand per month and industry parameter justifies salary payable to him.
4. Past remuneration  
As approved by members in their meeting held on 22<sup>nd</sup> September, 2012.
5. The principal terms and conditions are as follows:
  - a) Period:  
From 01/10/2015 to 30/09/2018.
  - b) Nature of duties:
    - i. The Production Manager shall devote his whole time and attention to the business of the Company and carry out such duties, as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to planning, coordination and control of manufacturing processes in connection with and in the best interests of the business of the Company.
    - ii. The Production Manager shall not exceed the powers so delegated by the Board pursuant to clause 2(a) above.
    - iii. The Production Manager ensure that goods and services are produced efficiently and that the correct amount is produced at the right cost and level of quality and comply with the directions and regulations of the Company and all such orders and directions as may be given to him from time to time by the Board.
  - c) Remuneration:
    - a) Salary : Rs 12,000/- p. m. in the grade of Rs. 12000-1000-15000-1300-18900.
    - b) D. A. : 50 % of Basic
    - c) HRA : 40 % of Basic



- |    |                         |   |   |
|----|-------------------------|---|---|
| d) | Conveyance              | : | 40 % of Basic   |
| e) | Bonus                   | : | As provided under Payment of bonus Act, If applicable.  |
| f) | Medical expenses        | : | Ceiling of one month's Basic and<br>D. A. in a year or three months' Basic & D. A. over a period of three years |
| g) | Leave travel concession | : | For self and family once in a year up to the maximum of one month Basic &<br>D. A. (Within India)               |

Overall remuneration will not exceed Rs 70000/- p. m. and will include payment made by way of perquisites which shall be evaluated at actual cost to the Company and where it is not possible to ascertain actual cost, such perquisites shall be evaluated as per Income Tax Rules, 1962. It will not include followings:

- a) Company's Contribution to Provident Fund as per the rules;
- b) Gratuity payable shall not exceed half a month's salary for each completed year of service;
- i. Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Production Manager, the Company has no profits or its profits are inadequate, the Company will pay to the Manager remuneration by way of Salary, Benefits, Perquisites Allowances as specified above.
- d) The personnel policies of the Company and the related Rules which are applicable to other employees of the Company will also be applicable to the Production Manager, unless specifically provided otherwise.
- e) The terms and conditions of the appointment of the Production Manager may be altered and varied from time to time by the Board as it may, in its discretion deem fit, in such manner as may be agreed to between the Board and the Production Manager, subject to such approvals as may be required.
- f) This appointment may be terminated by either party by giving to the other party Three months' notice of such termination or the Company paying Three months' remuneration in lieu of such notice.
- g) The employment of the Production Manager may be terminated by the Company without notice or payment in lieu of notice:
  - i. if the Production Manager is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company to which he is required by the Agreement to render services; or
  - ii. in the event of any serious or repeated or continuing breach (after prior warning) or non-observance by the Manager of any of the stipulations contained in the Agreement; or
  - iii. in the event the Board expresses its loss of confidence in the Manager.
- h) In the event the Production Manager is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his contract on such terms as the Board may consider appropriate in the circumstances.
- i) Upon the termination by whatever means of his employment under the Agreement:
  - a) the Production Manager shall immediately cease to hold offices held by him in company without claim for compensation for loss of office by virtue of Section 167(1)(h) of the Act;
  - b) the Production Manager shall not without the consent of the Company at any time thereafter represent himself as connected with the Company.
- j) If at any time, the Production Manager ceases to be Production Manager of the Company for any reason whatsoever, he shall cease to be Director, and this Agreement shall forthwith terminate.
- k) The terms and conditions of the appointment of the Production Manager also include clauses pertaining to adherence with the Code of Conduct of the Company.

In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Act, read with Schedule V to the Act, the terms of remuneration specified above are being recommended before the Members for their approval.

None of the Directors in any way concerned or interested in the resolution set out at item no. 6 of the Notice

The Board commends the resolution at Item No.5 & 6 for approval by the Members.

Place: Ahmedabad

By order of the Board

Date: 01/08/2015

Registered office

Mr. Janak P shah

Chhatral, Kalol-Mehsana Highway,

Vice Chairman

Taluka - Kalol, Gandhinagar- 382729

DIN: 01880079

## SHAH FOODS LTD.

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### Board's Report

To.

The Members of

ShahFoods Limited

Your Directors have pleasure in presenting the 33<sup>rd</sup> Board's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31st March, 2015.

#### **FINANCIAL HIGHLIGHTS**

Particulars	(Rs. In Lacs)	
	2014-2015	2013-14
Gross Income	477.71	377.97
Profit Before Interest and Depreciation	31.03	16.04
Finance Charges	(2.72)	(2.36)
Gross Profit	28.31	13.68
Provision for Depreciation	(9.11)	(8.01)
Net Profit Before Tax	19.2	5.67
Tax Expenses	(5.80)	(1.55)
Net Profit After Tax	13.36	4.11

#### **STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK**

We are in active dialogue with Britannia, for whom we have worked for 24 years as a reliable and dependable supply chain partner of utmost integrity, to give us sufficient volume at appropriate conversion rate for us to be able to continue operating as we have. We seek a viable commercial arrangement with Britannia.

#### **CHANGE IN NATURE OF BUSINESS, IF ANY**

Your Company continues to operate in same business segment as that of previous year and there is no change in the nature of the business

#### **DIVIDEND**

In order to conserve the resources of the Company, the Board of directors has not recommended any dividend for current year.

#### **AMOUNTS TRANSFERRED TO RESERVES**

The Board of Directors proposed to carry nil amounts to General Reserve Account

#### **CHANGES IN SHARE CAPITAL, IF ANY**

There was no change in the share capital of the Company during the year.

#### **INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY**

Company does not have any Subsidiary, Joint venture or Associate Company.

#### **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The Company has transferred an amount of Rs. 47493 of unclaimed dividend for accounting year 2006-07 to Investor Education And Protection Fund.

**MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which this financial statement relate and on the date of this report.

**MEETINGS OF THE BOARD OF DIRECTORS**

During the Financial Year 2014-15, the Company held four Board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 and listing agreement were adhered to while considering the time gap between two meetings.

<b>S No.</b>	<b>Date of Meeting</b>	<b>Board Strength</b>	<b>No. of Directors Present</b>
1	29/05/2014	6	5
2	28/07/2014	6	5
3	04/11/2014	6	5
4	31/01/2015	6	5

**AUDIT COMMITTEE**

The role of the Audit Committee is in accordance with the Section 177 of the Companies Act, 2013 which shall include the following:

- 1) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- 3) Approval of payment to statutory auditors for any other services rendered by them.
- 4) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (C) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reasons for the same
  - c) Major accounting entries involving estimates based on the exercise of judgment by management
  - d) Compliance with listing and other legal requirements relating to financial statements
  - e) Disclosure of any related party transactions
- 5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- 6) Review and monitor the auditor's independence and performance and effectiveness of audit process.
- 7) Evaluation of internal financial controls and risk management systems.
- 8) Reviewing the adequacy of internal audit function and frequency of internal audit.
- 9) Discussion with internal auditors any significant findings and follow up there on
- 10) To oversee the vigil mechanism and review the functioning of the whistle blower policy
- 11) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee

The company's Audit Committee comprised of three non executive directors. The board has accepted the recommendations of the Audit Committee. The table sets out the composition and participation of the member at the meeting of audit committee.

<b>Name of director</b>	<b>Designation</b>	<b>No of meetings attended</b>
Shri Virendra Shah	Chairman	4
Shri Sushil P Shah	Member	4
Shri Pradip P. Shah	Member	2

## SHAH FOODS LTD.

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### **NOMINATION AND REMUNERATION COMMITTEE**

In terms of section 178 of the Companies Act, 2013, it is mandatory for all listed companies to constitute a Nomination & Remuneration Committee (N&RC) to take care of the nomination of Directors, KMP, etc. and remuneration related matters of the Directors, KMPs and Employees, etc.

The Terms of Reference of the Nomination & Remuneration Committee include followings.

- 1) To identify persons who may be appointed in senior management and shall carry out evaluation of every Director's performance.
- 2) To recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- 3) The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
  - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
  - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 4) Regularly review the Human Resource function of the Company
- 5) Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.
- 6) Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.

### **REMUNERATION TO DIRECTORS**

The remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by Board in Board meeting, subject to the subsequent approval of the shareholders at the General Meeting and such other authorities, as may be required. The remuneration is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, industry standards as well as financial position of the Company. Remuneration paid for the year ended 31st March, 2015 was as under:

Name of the director	Period of appointment	Remuneration(in lacs)	Approving authority
Shri Janak P. Shah	For period of five years with effect from 01/10/2014	10.13	32 <sup>nd</sup> AGM
Shri S. R. Kahar	For period of three years with effect from 01/10/2015	4.01	33 <sup>rd</sup> AGM(ensuing)
Shri Nirav J Shah	For period of five years with effect from 01/10/2014	10.61	32 <sup>nd</sup> AGM
TOTAL		24.75	

### **RATIO OF REMUNERATION TO EACH DIRECTOR**

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is furnished here as annexure 1.

### **STAKEHOLDER RELATIONSHIP COMMITTEE**

The terms of reference of the Committee include reviewing and redressing complaints from shareholders such as non-receipt of annual report, transfer of shares, issue of duplicate share certificates, etc.; to oversee and review all matters connected with transfers, transmissions, dematerialization, rematerialization, splitting and consolidation of securities; to oversee the performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of investor services; and to perform any other function, duty as stipulated by the Companies Act, Securities & Exchange Board of India, Stock Exchanges and any other regulatory authority or under any applicable laws, as amended from time to time.

Committee met four times during FY 2014-15 i.e. 29/05/2014, 28/07/2014, 04/11/2014 and 31/01/2015. The Composition of the Stakeholders Relationship Committee and details of Members participation at the Meetings of the Committee are as under:

Name	Position	No of meetings attended
Shri Virendra Shah	Chairman	4
Shri Janak P Shah	Member	4

In addition, Details of Shareholders' Complaints received during the year are as follows:

Particulars	No. of Complaints
Investor complaints pending as at April 1, 2014	0
Investor complaints received during the year ended on March 31, 2015	0
Investor complaints resolved during the year ended March 31, 2015	0
Investor complaints pending as on March 31, 2015	0

#### **Share transfer committee**

The Stakeholder relationship committee has delegated power of approving transfer of securities to Shri Janak P Shah and Shri Nirav J Shah. The Committee, inter alia, reviews and approves the transfer/ transmission/ D-mat of equity shares as submitted by BigShare., the Registrar & Transfer Agent of the Company.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis; and
- The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- 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.

#### **DIRECTORS AND KMP**

In accordance with the Articles of Association of the Company and pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Janak. P. Shah (DIN- 01880079) and Shri Sushil P. Shah (DIN-02529990) would retire by rotation at the ensuing AGM and being eligible, offers himself for reappointment.

The term of the Shri Shrichand Kahar as Director is Expiring on 30/09/2015. On recommendation of Nomination & Remuneration Committee. Your Directors recommend to approve his reappointment as Director for further period of 3 years on a remuneration as specified in the Notice calling Annual General Meeting.

During the current financial year the following changes have occurred in the constitution of directors of the company:

S.No	Name	Designation	Date of appointment
1	Mrs Pushpa Janak Shah	Additional Director	25/03/2015

## SHAH FOODS LTD.

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Mrs. Pushpa Janak Shah holds the position till this AGM. The Board has issued the notice for her reappointment and recommends her resolution for the approval of the shareholders at AGM.

The Board has identified the following officials as Key Managerial Personnel pursuant to Section 203 of the Companies Act, 2013:

1. Mr. Nirav J. Shah – Managing Director & CEO
2. Mr. Janak P. Shah – Chief Financial Officer

### **INDEPENDENT DIRECTORS AND DECLARATION**

Mr. Virendra Shah has been appointed as the independent director of the company as per Section 149(10) of the Companies Act, 2013 on 20/09/2014 for a term of 5 (Five) consecutive years on the Board of the Company.

The Board of Directors of the Company hereby confirms that the Independent director duly appointed by the Company has given the declaration and he meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

### **AUDITORS AND REPORT THEREON**

M/s Dinesh R Shah & Co., Chartered Accountants, Ahmedabad retire at the ensuing Annual General Meeting and, being eligible; offer themselves for reappointment for a period of two years from the conclusion of this Annual General Meeting [AGM] till the conclusion of 35<sup>th</sup> AGM

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

### **SECRETARIAL AUDIT REPORT**

The company has appointed M/s Pinakin Shah & Co., Practicing Company Secretary as secretarial auditor to conduct audit under section 204 of the Companies Act, 2013.

There are qualifications or adverse remarks in the Secretarial Audit Report which require clarification/ explanation.

Sr no.	Remarks	Explanation
1	Non-compliance of regulation 54 of the listing agreement-	The website was under maintenance at the time of secretarial audit.
2	Non-compliance of section 149(4) of the Companies Act, 2013. -appointment of independent director	The Company had two independent directors till October, 2014. Our Company falls in the category of small Company and it is our endeavor to appoint Independent Director as early as possible.
3	Schedule IV of the Companies Act, 2013. - Meeting of Independent Director.	As there is one Independent Director there was no separate meeting of Independent Director was held.
4	Non-compliance of section 203 of the Companies Act, 2013. - Appointment of Company Secretary	No Company Secretary likes to join Small Scale Industry (SSI) Company
5	Non-compliance of Section 177 and 178 of the Companies Act, 2013 as Company does not have required independent directors.	The Company has constituted audit committee and nomination & remuneration committee with three non-executive directors.
6	Non-compliance of Clause 41 (III) of the listing agreement	Notice convening the Board Meeting were sent to BSE as per listing agreement and was uploaded on the website.

The Secretarial Audit Report for the financial year ended, 31st March, 2015 is annexed herewith for your kind perusal.

**DEPOSITS**

The company has not accepted any deposits during the year

**LOANS, GUARANTEES AND INVESTMENTS**

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable

**RELATED PARTY TRANSACTIONS**

The Company has not entered into any Related Parties Transactions as defined under Section 188 of the Companies Act, 2013 with related parties as defined under Section 2 (76) of the said Act.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:****A. Conservation of energy**

- a) The Company has not made any investment for (energy conservation) and taken any specific measures to reduce energy cost per unit. However, it intends to conserve energy for future generation.

**B. Technology absorption**

There is no research and development activity carried out by the Company.

**C. Foreign exchange earnings and Outgo**

There were no foreign exchange earnings and outgo during the year under review.

**RISK MANAGEMENT**

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the company to control risk through a properly defined plan. The risks are classified as financial risks, operational risks and market risks. The risks are taken into account while preparing the annual business plan for the year. The Board is also periodically informed of the business risks and the actions taken to manage them. The Company has formulated a policy for Risk management with the following objectives:

- Provide an overview of the principles of risk management
- Explain approach adopted by the Company for risk management
- Define the organizational structure for effective risk management
- Develop a “risk” culture that encourages all employees to identify risks and associated opportunities and to respond to them with effective actions.
- Identify access and manage existing and new risks in a planned and coordinated manner with minimum disruption and cost, to protect and preserve Company’s human, physical and financial assets.

**CORPORATE SOCIAL RESPONSIBILITY**

The company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement to constitute Corporate Social Responsibility Committee.

**ANNUAL EVALUATION**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees.

## **SHAH FOODS LTD.**

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A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board.

### **VIGIL MECHANISM**

As per Section 177(9) and (10) of the Companies Act, 2013, the company has established Vigil Mechanism for directors and employees to report genuine concerns and made provisions for direct access to the chairperson of the Audit Committee. Company has formulated the present policy for establishing the vigil mechanism/ Whistle Blower Policy to safeguard the interest of its stakeholders, Directors and employees, to freely communicate and address to the Company their genuine concerns in relation to any illegal or unethical practice being carried out in the Company.

### **INTERNAL CONTROL SYSTEM**

The Company has in place, adequate systems of Internal Control to ensure compliance with policies and procedures. It is being constantly assessed and strengthened with new / revised standard operating procedures and tighter Information Technology controls. Internal audits of the Company are regularly carried out to review the Internal Control Systems.

### **DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

Internal financial control is in place commensurate with the size of the Company

### **EXTRACT OF ANNUAL RETURN**

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed as annexure-2 herewith for your kind perusal and information.

### **SHARES**

#### **BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

#### **SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

#### **BONUS SHARES**

No Bonus Shares were issued during the year under review.

#### **EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme to the employees.

#### **SHARES IN SUSPENSE ACCOUNT**

- i. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil
- ii. Number of shareholders who approached issuer for transfer of shares from suspense account during the year: Not Applicable
- iii. Number of shareholders to whom shares were transferred from suspense account during the year: Not Applicable



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

**SHARES IN UNCLAIMED SUSPENSE ACCOUNT**

- i. Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year Nil
- ii. Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year: Not Applicable
- iii. Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year: Not Applicable
- iv. Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year: Nil

**MATERIAL VARIATIONS**

The material variations between the projections and the actual utilization/profitability are as follows: Nil

**CODE OF CONDUCT**

The Code of Conduct for all Board members and Senior Management of the Company have been laid down and are being complied with in words and spirit.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

No orders were passed by the regulators or courts or Tribunals impacting the going concern status and company's operation in future.

**ACKNOWLEDGEMENT**

The Board places on record their appreciation of the support of all stakeholders.

Place: Ahmedabad  
Date: 01/08/2015  
Registered office:  
Chhatral, Kalol-Mehsana Highway,  
Taluka - Kalol, Gandhinagar- 382729

By order of the Board

Mr. Janak P shah  
Vice Chairman  
DIN: 01880079

## SHAH FOODS LTD.

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### Annexure-1

#### **Ratio of Director Remuneration To Employee Median Remuneration**

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr no	REQUIREMENTS	DISCLOSURE
1	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	1 : 1.28
2	The percentage increase in remuneration of each Director, CFO, CEO, CS in the financial year	23%
3	The percentage increase in the median remuneration of employees in the financial year	10%
4	The number of permanent employees on the rolls of the Company	14
5	The explanation on the relationship between average increase in remuneration and Company performance	-
6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	-
7	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current FY and previous FY and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer.	-
8	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	-
9	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	-
10	The key parameters for any variable component of remuneration availed by the directors	-
11	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	-
12	Affirmation that the remuneration is as per the remuneration policy of the Company	-

## Annexure – 2

FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN  
As on financial year ended on 31.03.2015

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

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L15419GJ1982PLC005071
2.	Registration Date	18/03/1982
3.	Name of the Company	SHAH FOODS LIMITED
4.	Category/Sub-category of the Company	Company Limited by Shares Indian Non-Government Company
5.	Address of the Registered office & contact details	CHHATRAL, KALOL-MEHSANA HIGHWAY,, TALUKA KALOL, GANDHINAGAR - 382729 Gujarat
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	BIGSHARE SERVICES PRIVATE LIMITED Address: E-2 & 3, Ansa Industrial Estate, Saki-Vihar Road, Sakinaka, Andheri (E), Mumbai – 400 072

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Biscuits	190530.03	100

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

Not Applicable

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

**A). Category wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				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. Promoters</b>									
(1) Indian									
a) Individual/HUF	257050	200	257250	43.05	257050	200	257250	43.05	0.00
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any Other....									
<b>Sub-total (A) (1):-</b>	257050	200	257250	43.05	257050	200	257250	43.05	0.00
(2) Foreign									
a) NRIs - Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
<b>Sub-total (A) (2):-</b>									
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	257050	200	257250	43.05	257050	200	257250	43.05	0.00
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub-total (B)(1):-</b>									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	21718	1200	22918	3.84	27003	1200	28203	4.72	0.88
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	152192	106715	258907	43.33	151288	100215	251503	42.09	-1.24
ii) Individual “ shareholders holding nominal share capital in excess of Rs 1 lakh	51000	0	51000	8.54	52895	052895	8.85	0.31	
c) Others (specify)	7425	0	7425	1.24	7649	7649	1.28	0.04	
<b>Sub-total (B)(2):-</b>	232335	107915	340250	56.95	238835	101415	340250	56.95	0.00
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	232335	107915	340250	56.95	238835	101415	340250	56.95	0.00
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	489385	108115	597500	100.00	495885	101615	597500	100.00	0.00

## B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	PRADIP P SHAH	67955	11.37		67955	11.37		0.00
2	JANAK PANALAL SHAH	36080	6.04		36080	6.04		0.00
3	VIRENDRA P SHAH	29800	4.99		29800	4.99		0.00
4	SUSHIL PANALAL SHAH	26550	4.44		26550	4.44		0.00
5	SUDHA SHAH	24000	4.02		24000	4.02		0.00
6	KALPANA V SHAH	11000	1.84		11000	1.84		0.00
7	NIRAV JANAK SHAH	18765	3.14		18765	3.14		0.00
8	DR.PUSHPA JANAK SHAH	8100	1.36		8100	1.36		0.00
9	NEHA KUNAL VIN	7900	1.32		7900	1.32		0.00
10	BIMAL V SHAH	5500	0.92		5500	0.92		0.00
11	PRADIP PANALAL SHAH	4500	0.75		4500	0.75		0.00
12	CHETAN SUSHIL SHAH	4500	0.75		4500	0.75		0.00
13	SUSHIL PANALAL SHAH	3000	0.50		3000	0.50		0.00
14	JANAK PANALAL SHAH	3000	0.50		3000	0.50		0.00
15	NAYANA SUSHIL SHAH	300	0.05		300	0.05		0.00
16	SHRICHAND R. KAHAR	200	0.03		200	0.03		0.00
17	KARAN PRADIP SHAH	6100	1.02		6100	1.02		0.00

C) Change in Promoters' Shareholding: there is no change in the shareholding of promoters.

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

SN	Name	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	PREM CHAND GUPTA	PUBLIC	24000	4.02	24000	4.02
2	PRADEEP PORWAL	PUBLIC	15000	2.51	16895	2.83
3	MURTAZAJAFFERALISEVWALA	PUBLIC			12000	2.01
4	VORA CONSTRUCTIONS LIMITED	PUBLIC			9250	1.55
5	SUMAN PRAKASH SHAH	PUBLIC	7295	1.22	7295	1.22
6	N. PRAKASH KUMAR	PUBLIC	6810	1.14	6810	1.14
7	HASUMATI ARVIND SHAH	PUBLIC	6400	1.07	6400	1.07
8	SWASTIKA INVESTMART LIMITED	PUBLIC	6250	1.05	6250	1.05
9	VIJAY KANTILAL SHETH	PUBLIC	6100	1.02	6100	1.02
10	KUNJBALA S SHAH	PUBLIC	5600	0.94	5600	0.94

**E) Shareholding of Directors and Key Managerial Personnel:**

SN	Name	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	VIRENDRA SHAH	Director	29800	4.99	29800	4.99
2	SHAH NIRAV JANAK	Managing Director	10765	1.80	18765	3.14
3	SHAH JANAK PANALAL	Whole-time Director	36080	6.04	36080	6.04
4	SUSHIL PANALAL SHAH	Director	26550	4.44	26550	4.44
5	SHRICHAND RAMBRIKSH KAHAR	Director	200	0.03	200	0.03
6	PUSHPA JANAK SHAH	Additional Director	8100	1.36	8100	1.36

**VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-****A. Remuneration to Managing Director, Whole-time Directors and/or Manager/ Directors**

SR. NO	NAME OF DIRECTOR	AMOUNT (RS.)(Lacs)
1	Shri Janak P Shah	10.13
2	Shri S. R. Kahar	4.01
3	Shri Nirav J Shah	10.61

**B. Remuneration to Relative of Directors: Nil****C. Remuneration to key managerial personnel other than MD/ Manager/ WTD: Nil****VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NO**

**SECRETARIAL AUDIT REPORT**

For The Financial Year Ended 31<sup>ST</sup> March, 2015  
[Pursuant to section 204(1) of the Companies Act, 2013 and rule  
No.9 of the Companies (Appointment and Remuneration Personnel)  
Rules, 2014]

To,

The Members,

SHAHFOODS LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SHAH FOODS LIMITED [CIN: L15419GJ1982PLC005071] having registered office at Chhatral, Kalol-Mehsana Highway, Taluka Kalol, Gandhinagar-382729. (Hereinafter called the company). The secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of 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 covering the financial year ended on 31<sup>st</sup> March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- VI. Factories act, 1948, The Standards of weights and measures Act, 1976 Income Tax Act, 1961, Service Tax, Professional Tax, Labor Laws, Central Excise Act, 1985, Foods and Drugs Act, Minimum Wages Act, 1936, Payment of Bonus Act, 1965 etc. for which we have relied on certificates/ reports/ declarations/ consents/ confirmation issued by the experts of relevant field such as Advocates, consultants, chartered accountants and the Executive Directors of the Company.

## SHAH FOODS LTD.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with Bombay Stock Exchange(s), During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:
  - i. Under Listing Agreement
    1. The Company does not maintain a functional website containing basic information of the Company which is in violation of Regulation 54 of the listing agreement.
    2. The Company does not issue public notice for intimating the meetings of the Board of Directors in English and vernacular newspapers which is in violation of clause 41 (III) of the Listing Agreement.
  - ii. Under Companies Act, 2013.
    1. It is difficult to verify the compliances of following provisions of the Companies Act, 2013 and listing agreements as during the audit period the website of the Company is not working.
      - Section 136: Placing the Financial statements on the website of the Company
      - Section 177(3): Establishment of vigil mechanism
    2. The Company has violated the provision of section 149(4) of the Companies Act, 2013 according to which, Company to have one-third of the total number of directors as independent directors.
    3. The Company has violated the Rule IV (1) schedule IV of the Companies Act, 2013 which require holding at least one meeting in a year without the attendance of non-independent directors and members of management to review the performance of non-independent directors and the Board as a whole.
    4. The Company does not have a company secretary pursuant to section 203 of the Companies Act, 2013 and rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) rules, 2014.
    5. Violation of section 177 of the Companies Act, 2013:  
The Company has constituted the Audit Committee but it does not have majority of Independent Directors.
    6. Violation of section 178 of the Companies Act, 2013:

The Company has constituted Nomination and Remuneration Committee but it does not have one half of Independent Directors.

**We further report that** the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

**We further report that** during the audit period the company has not taken any major decision in pursuant to section 180 of the Companies Act, 2013.

Date: 01/08/2015  
Place: Ahmedabad

Pinakin Shah & Co.  
FCS No: 2562  
C P NO: 2932



**INDEPENDENT AUDITOR'S REPORT**

To,  
The Members of SHAH FOODS LTD.

**Report on Financial Statements:**

We have audited the accompanying financial statements of Shah Foods Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of 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 in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility:**

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

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

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

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

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

**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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date;
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

- 1) As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by section 143(3) of the Act, we report that:

## SHAH FOODS LTD.

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- 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, dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

PLACE: AHMEDABAD  
DATED: 28-05-2015

FOR **DINESH R. SHAH & Co.**  
CHARTERED ACCOUNTANTS  
Hiren D. Shah FRN No. 102610W  
(PARTNER)  
MEMBERSHIP NO: 47928

### **The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Shah Foods Limited on the accounts of the company for the year ended 31<sup>st</sup> March, 2015.**

- i.
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) All the assets have not been physically verified by the management during the year but the company has regular program of verification of its fixed assets which, in our opinion, is reasonable having regard to the size if the company and the nature of its assets. No material discrepancies were noticed on such verification.
- ii.
  - (a) There management has conducted physical verification of inventory at reasonable intervals during the year.
  - (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed physical verification carried out at the end of the year.
- iii. The Company has not granted any loans, secured or unsecured to the companies, firms or parties covered in the register maintained under section 189 of the Companies Act. Accordingly clause (iii) of CARO, 2015 is not applicable.
- iv. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventory

and fixed assets and for sale of goods & services. During the course of our audit, no major instance of continuing failure to correct major weaknesses in the internal control system has been noticed.

- v. The Company has not accepted any deposits covered the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act. Therefore, clause (v) of the order is not applicable to the company.
- vi. In our opinion and according to the information and explanation given to us, the provision under sub section (I) of section 148 of the companies Act is not applicable to the company. Therefore, clause (vi) of CARO, 2015 is not applicable.
- vii. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no undisputed amounts payable in respect of statutory dues as on 31<sup>st</sup> of March, 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
- (c) During the year the company has transferred the fund to Investor Education and Protection Fund Account and such transfer was made within the time limit as provided in Companies Act and rules made there under.
- viii. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
- ix. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- x. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
- xi. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
- xii. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

PLACE : AHMEDABAD

DATED : 28-05-2015

FOR **DINESH R. SHAH & Co.**

CHARTERED ACCOUNTANTS.

Hiren D. Shah FRN No. 102610W  
(PARTNER)

MEMBERSHIP NO: 047928

# SHAH FOODS LTD.

## BALANCE SHEET AS ON 31ST MARCH 2015

PARTICULARS	Note No.	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
<b>I EQUITY AND LIABILITIES</b>			
<b>1. Shareholder's funds</b>			
(a) Share Capital	3	59,75,000	59,75,000
(b) Reserves and surplus	4	84,58,851	71,22,804
(c) Money received against share warrants		-	-
		<b>1,44,33,851</b>	<b>1,30,97,804</b>
<b>2. Share application money pending allotment</b>			
<b>3. Non-current liabilities</b>			
(a) Long-term borrowings		-	-
(b) Deferred Tax liabilities (Net)	5	4,02,269	3,98,861
(c) Other Long term liabilities	6	3,08,695	6,43,744
(d) Long-term Provisions	7	1,64,279	2,12,672
		<b>8,75,243</b>	<b>12,55,277</b>
<b>4. Current Liabilities</b>			
(a) Short term borrowings		-	-
(b) Trade payables		-	-
(c) Other current liabilities	8	38,33,145	36,80,347
(d) Short term provisions		-	-
		<b>38,33,145</b>	<b>36,80,347</b>
<b>TOTAL</b>		<b>1,91,42,239</b>	<b>1,80,33,428</b>
<b>II ASSETS:</b>			
<b>1. Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	9	87,98,227	62,10,743
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	10	6,000	6,000
(c) Long-term loans and advances	12	5,16,555	11,68,284
(e) Other non-current assets	13	37,26,196	32,11,691
		<b>1,30,46,978</b>	<b>1,05,96,718</b>
<b>2. Current Assets</b>			
(a) Current investments		-	-
(b) Inventories	11	26,27,545	36,25,187
(c) Trade receivables		-	-
(d) Cash and Cash equivalents	14	34,67,716	38,11,523
(e) Short-term loans and advances		-	-
(f) Other current assets		-	-
		<b>60,95,261</b>	<b>74,36,710</b>
<b>TOTAL</b>		<b>1,91,42,239</b>	<b>1,80,33,428</b>

See significant accounting policies and accompanying notes forming part of the Financial Statements

As per our audit report even date

**FOR DINESH R. SHAH & CO.**

CHARTERED ACCOUNTANTS

Firm registration no. 102610W

**CA HIREND. SHAH (PARTNER)**

MEMBERSHIP NO. 047928

Place : Ahmedabad

Date : 28<sup>th</sup> May, 2015

For and on behalf of the Board of Directors  
SHAH FOODS LIMITED

JANAK P. SHAH  
Vice-Chairman

NIRAV J. SHAH  
Managing Director

Place: Ahmedabad  
Date : 28<sup>th</sup> May, 2015

## STATEMENT OF PROFIT &amp; LOSS AS ON 31ST MARCH 2015

PARTICULARS	Note No.	For the year ended 31st March 2015		For the year ended 31st March 2014	
		Rs.	Rs.	Rs.	Rs.
<b>I Revenue from Operations</b>					
a Revenue from operations (net) - Job Charges		4,68,75,376		3,67,11,299	
b Income from Share Trading activities	16	2,68,733		5,45,576	
			4,71,44,109		3,72,56,875
<b>II Other Income</b>	15		6,27,480		5,40,570
<b>III Total (I + II)</b>			<b>4,77,71,589</b>		<b>3,77,97,445</b>
<b>IV Expenses</b>					
a Cost of materials consumed		-		-	
b Purchases of Stock in Trade		-		-	
c Changes in inventories of finished goods, work in progress and Stock-in- trade		-		-	
d Employee benefits expense	17	43,99,637		44,37,456	
e Other expense	19	4,02,68,252		3,17,54,416	
<b>Total</b>			<b>4,46,67,889</b>		<b>3,61,91,872</b>
Earnings before exceptional items and extraordinary items, interest					
<b>V Tax, depreciation and amortization (EBITA)(III-IV)</b>			<b>31,03,700</b>		<b>16,05,573</b>
<b>VI Finance Costs</b>	18	2,72,790		2,36,677	
<b>VII Depreciation and amortization expense</b>	9	9,11,453		8,01,356	
			11,84,243		10,38,033
<b>VIII Profit before exceptional and extraordinary Items and extra or tax (V-VI &amp; VII)</b>			19,19,457		5,67,540
<b>IX Exceptional Items</b>			-		-
<b>X Profit before extraordinary items and tax (IX-VIII)</b>			19,19,457		5,67,540
<b>XI Extraordinary items</b>			-		-
<b>XII Profit before tax (X-XI)</b>			<b>19,19,457</b>		<b>5,67,540</b>
<b>XIII Tax expense:</b>					
1 Current tax expenses for the current year		5,80,000		1,90,000	
2 Deferred tax		3,410		(34,278)	
			5,83,410		1,55,722
<b>XIV Profit/(Loss) for the period from continuing operations (IX - X)</b>			<b>13,36,047</b>		<b>4,11,818</b>
<b>XV Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)</b>					-
<b>XVI Earnings per equity share:</b>					
1 Basic			2.24		0.69
2 Diluted			2.24		0.69
See significant accounting policies and accompanying notes forming part of the Financial Statements					

As per our audit report even date

**FOR DINESH R. SHAH & CO.**

CHARTERED ACCOUNTANTS

Firm registration no. 102610W

**CA HIREND. SHAH (PARTNER)**

MEMBERSHIP NO. 047928

Place : Ahmedabad

Date : 28<sup>th</sup> May, 2015For and on behalf of the Board of Directors  
SHAH FOODS LIMITEDJANAK P. SHAH  
Vice-ChairmanNIRAV J. SHAH  
Managing DirectorPlace: Ahmedabad  
Date : 28<sup>th</sup> May, 2015

## SHAH FOODS LTD.

### CASH FLOW STATEMENT FOR THE YEAR MARCH 31, 2015

	Rupees
<b>A</b>	<b>Cash flow from operating activities</b>
	Profit/(Loss) before tax
	Depreciation
	Capital Loss on assets sold
	Current tax expenses for the current year
	Interest expense
	Interest (income)
	<b>Operating profit before working capital changes</b>
	<b>Movements in fund / capital :</b>
	Increase/ (decrease) in other long term liabilities
	Increase/ (decrease) in other long term provisions
	Increase/ (decrease) in other current liabilities
	Decrease / (increase) in Long-term loans and advances
	Decrease / (increase) in Other non-current assets
	Decrease / (increase) in inventories
	Cash generated from /(used in) operations
	<b>Net cash flow from/ (used in) operating activities A</b>
<b>B</b>	<b>Cash flows from investing activities</b>
	Purchase of fixed assets
	Sale of fixed assets
	Interest and Dividend received
	<b>Net cash flow from/ (used in) investing activities B</b>
<b>C</b>	<b>Cash flows from financing activities</b>
	Interest paid
	<b>Net cash flow from/ (used in) in financing activities C</b>
	<b>Net increase/(decrease) in cash and cash equivalents A + B + C</b>
	Cash and cash equivalents at the beginning of the year
	<b>Cash and cash equivalents at the end of the year</b>
	<b>Components of cash and cash equivalents</b>
	Cash in hand
	With banks- in current account
	- in deposit account and accrued interest account
	<b>Total cash and cash equivalents (note 7)</b>
	Summary of significant accounting policies

#### Notes :

1. The above Cash flow statement has been prepared under the indirect method set out in AS-3 as notified under section 133 of the Companies Act, 2013.
2. Figures in brackets indicate cash outflow.
3. Following non cash transactions have not been considered in the cash flow statement: - Tax deducted at source (on income)
4. Previous year's figures have been regrouped or reclassified wherever necessary to conform to current year's grouping and classification.

As per our audit report even date

**FOR DINESH R. SHAH & CO.**

CHARTERED ACCOUNTANTS

Firm registration no. 102610W

**CA HIREND. SHAH (PARTNER)**

MEMBERSHIP NO. 047928

Place : Ahmedabad

Date : 28<sup>th</sup> May, 2015

For and on behalf of the Board of Directors

SHAHFOODSLIMITED

JANAK P. SHAH

Vice-Chairman

NIRAV J. SHAH

Managing Director

Place: Ahmedabad

Date : 28<sup>th</sup> May, 2015

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015****1 Corporate information**

Shah Foods Ltd. is a public limited company in India and incorporated under the provision of the company Act, 1956. Its shares are listed in BSE. The Company's activities are in manufacturing of Biscuits for Britannia Industries Limited and Trading of shares and securities.

**2 Significant accounting policies****2.1 Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention and prepares its accounts on a going concern basis. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

**2.2 Use of estimates**

In the preparation of the financial statements, the management of the Company makes estimates and assumptions in conformity with the applicable accounting principles in India that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, and the useful lives of fixed assets and intangible assets.

**2.3 Tangible fixed assets**

Fixed assets are stated at cost. Cost comprises cost of acquisition, freight, duties levies and directly attributable cost of bringing the assets to their working condition up to the date, the asset is ready for its intended use.

**2.4 Capital work-in-progress**

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses.

**2.5 Intangible assets**

The company recognizes intangible assets in accordance with Accounting Standard i.e. AS 26 issued by the Institute of Chartered Accountants of India on intangible assets less accumulated amortisation and impairment losses.

**2.6 Depreciation & amortisation**

Depreciation has been provided on a straight line method based on the economic useful life of the assets ascertained by the Management which is greater than or less than or equal to the corresponding rates prescribed in Part "C" of Schedule II of the Companies Act, 2013 and accordingly the rates of depreciation are applied. Depreciation on additions and deletions during the year is calculated on pro-rata basis.

**2.7 Impairment of assets**

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any

## SHAH FOODS LTD.

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indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

### 2.8 Inventories

Inventories are valued at the lower of cost (on FIFO / weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including Octroi and other levies, transit insurance and receiving charges.

Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty

### 2.9 Revenue Recognition:

#### Sales

Income from sales of goods is recognised upon passage of risks and rewards of ownerships to goods, which generally coincide with delivery of goods to customers.

Interest income from deposit is accounted on accrual bases and considered as operating income

Dividend Income is accounted when the right to receive the payment is established.

### 2.10 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

### 2.12 Employee benefits

Employee benefits include provident fund, gratuity fund and compensated absences.

Annual leave benefits / leave encashment to employees and retirement benefits in form of gratuity are charged to Statement of Profit and Loss based on undiscounted amount (actual bases) rather than actuarial valuations.

#### Defined contribution plans

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

#### Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under : (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and (b) in case of non-accumulating compensated absences, when the absences occur.

#### Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.



**2.13 Research and development expenses**

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Tangible Fixed Assets and Intangible Assets.

**2.14 Taxes on Income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. and based on expected outcome of the assessment.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date.

Deferred tax liabilities are recognised for all timing differences.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their reliability.

Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.

**2.15 Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events 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 (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

However, all known, material contingent liabilities are disclosed by way of separate notes.

**2.16 Prior Expenditure / Income**

Expenditure / Income relating to prior year are disclosed separately, if any.

**2.17 Earnings Per Share****Basic EPS**

The earnings considered in ascertaining the Company's basic EPS comprise the net profit/ (loss) after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

**Diluted EPS**

The net profit/ (loss) after tax and the weighted average number of shares outstanding during the year are adjusted for all the effects of dilutive potential equity shares for calculating the diluted EPS.

## SHAH FOODS LTD.

3 SHARE CAPITAL	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	Rupees	No. of Shares	Rupees
<b>a. AUTHORISED</b>				
Equity Share Capital of Rs. 10 each (with voting rights)	10,00,000	1,00,00,000	10,00,000	1,00,00,000
<b>b. ISSUED, SUBSCRIBED &amp; FULLY PAID UP SHARES</b>				
Equity Share Capital of Rs. 10 each fully paid (with voting rights )	5,97,500	59,75,000	5,97,500	59,75,000
<b>TOTAL</b>		<b>59,75,000</b>		<b>59,75,000</b>

**c. Reconciliation of the shares (with voting rights) outstanding**

	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	Rupees	No. of Shares	Rupees
At the beginning of the year	5,97,500	59,75,000	5,97,500	59,75,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	5,97,500	59,75,000	5,97,500	59,75,000

**d. Details of shareholders holding more than 5% shares in the Company**

Name of Share Holder	As at 31st March 2014		As at 31st March 2013	
	No. of Shares	Rupees	No. of Shares	Rupees
PRADIP P SHAH- Director	67955	11.37%	67,955	11.37%

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 ownerships of shares.

**e. Rights & Restriction attached to shares**

**Equity shares**

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

## ANNUAL REPORT 2014-2015

	As at 31st March 2015		As at 31st March 2014	
	Rupees	Rupees	Rupees	Rupees
<b>4 RESERVE &amp; SURPLUS</b>				
<b>a General Reserve</b>				
Opening Balance	18,34,256		18,34,256	
Additions / Reduction during the year	-		-	
Adjusted Against Opening Profit & Loss (Debit Balance)	-		-	
<b>Closing Balance</b>		18,34,256		18,34,256
<b>b Surplus/ (deficit) in the statement of profit and loss</b>				
Balance as per last financial statements	52,88,549		48,76,730	
Add : Profit during the Year	13,36,047		4,11,818	
Net surplus in the statement of profit and loss		66,24,596		52,88,548
<b>TOTAL</b>		<b>84,58,851</b>		<b>71,22,804</b>
	As at 31st March 2015		As at 31st March 2014	
	Rupees	Rupees	Rupees	Rupees
<b>5 DEFERRED TAX LIABILITIES (NET)</b>				
<b>a</b> Difference between book and tax written down of fixed assets	14,21,235		14,43,811	
Gross deferred tax liability		4,39,163		4,46,138
<b>b</b> Less Deferred tax assets				
Difference in provision disallowance	(1,19,400)		((1,53,000))	
Adjustments to the carrying amount of investment				
Gross deferred tax assets		(36,895)		(47,277)
Net deferred tax liability		4,02,269		3,98,861
<b>TOTAL</b>		<b>4,02,269</b>		<b>3,98,861</b>
	As at 31st March 2015		As at 31st March 2014	
	Rupees	Rupees	Rupees	Rupees
<b>6 LONG TERM PROVISIONS</b>				
<b>a</b> Unclaimed dividend	1,64,279		2,12,672	
<b>TOTAL</b>		<b>1,64,279</b>		<b>2,12,672</b>
	As at 31st March 2015		As at 31st March 2014	
	Rupees	Rupees	Rupees	Rupees
<b>7 LONG TERM OTHER CURRENT LIABILITIES</b>				
HDFC Bank Vehicle Loan		3,08,695		6,43,744
<b>TOTAL</b>		<b>3,08,695</b>		<b>6,43,744</b>
	As at 31st March 2015		As at 31st March 2014	
	Rupees	Rupees	Rupees	Rupees
<b>8 SHORT TERM OTHER CURRENT LIABILITIES</b>				
<b>a</b> Other payable		36,75,892		34,16,740
<b>b</b> Statutory dues		1,57,253		2,63,607
<b>TOTAL</b>		<b>38,33,145</b>		<b>36,80,347</b>

9 FIXED ASSETS Particulars		GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 1-Apr-14		Addition		Deduction		As at 31-Mar-15		As at 31-Mar-15	
		Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
<b>Tangible Assets</b>											
a	Computer	8,77,581	35,900	---	9,13,481	---	1,03,215	---	7,61,928	1,51,552	2,18,867
b	Factory Building	41,94,782	9,87,494	---	51,82,276	---	1,18,842	---	25,71,639	26,10,635	17,41,985
c	Furniture and Fixture	6,55,605	1,27,861	---	7,83,466	---	62,585	---	4,09,031	3,74,435	3,09,159
d	Free Hold Land	2,08,914	---	---	2,08,914	---	---	---	---	2,08,914	2,08,914
e	Office Equipments	6,80,903	3,23,679	---	10,04,583	---	2,20,585	---	3,38,685	6,65,898	5,62,804
f	Vehicle	19,59,385	---	5,75,203	13,84,182	---	1,45,906	2,29,798	1,45,908	12,38,274	17,29,585
g	Plant and Machineries	47,35,895	19,30,209	---	66,66,104	---	1,95,016	---	35,44,147	31,21,957	13,86,764
h	Tube well	1,58,197	4,39,201	---	5,97,398	---	65,304	---	1,70,836	4,26,562	52,665
<b>Total</b>		<b>1,34,71,262</b>	<b>38,44,344</b>	<b>---</b>	<b>167,40,403</b>	<b>---</b>	<b>9,11,453</b>	<b>2,29,798</b>	<b>79,42,174</b>	<b>87,98,227</b>	<b>62,10,743</b>
<b>Previous year</b>		<b>112,44,805</b>	<b>22,26,457</b>	<b>---</b>	<b>134,71,262</b>	<b>---</b>	<b>8,01,356</b>	<b>---</b>	<b>72,60,519</b>	<b>62,10,743</b>	<b>47,85,641</b>

## ANNUAL REPORT 2014-2015

	As at 31st March 2015		As at 31st March 2014	
	Rupees	Rupees	Rupees	Rupees
<b>10 NON CURRENT INVESTMENT</b>				
At cost and fully paid-up unless otherwise specified				
Investment in Government Securities				
NSC 31-08-09 to 31-08-15		6,000		6,000
<b>TOTAL</b>		<b>6,000</b>		<b>6,000</b>
	As at 31st March 2015		As at 31st March 2014	
	Rupees	Rupees	Rupees	Rupees
<b>11 INVENTARIES</b>				
a Raw Materials		53,075		53,075
b Shares in Trading accounts		25,74,470		35,72,112
<b>TOTAL</b>		<b>26,27,545</b>		<b>36,25,187</b>
	As at 31st March 2015		As at 31st March 2014	
	Rupees	Rupees	Rupees	Rupees
<b>12 LONG TERM LOANS AND ADVANCES</b>				
a Income Tax refund receivable		2,30,261		8,81,990
b Sabarmati Gas Ltd. -Deposit		-		-
c UGVCL Deposit		2,86,294		2,86,294
<b>TOTAL</b>		<b>5,16,555</b>		<b>11,68,284</b>
	As at 31st March 2015		As at 31st March 2014	
	Rupees	Rupees	Rupees	Rupees
<b>13 SHORT TERM LOANS AND ADVANCES</b>				
a Unsecured & considered good and recoverable in cash or in Kind		27,81,680		20,72,806
b Income Tax refund receivable		9,18,750		11,17,128
c interest on UGVCL Deposit		25,766		21,757
<b>TOTAL</b>		<b>37,26,196</b>		<b>32,11,691</b>
	As at 31st March 2015		As at 31st March 2014	
	Rupees	Rupees	Rupees	Rupees
<b>14 CASH &amp; CASH EQUIVALENTS</b>				
a Cash on Hand		29,680		22,422
b Balance with Scheduled Banks				
i) In Current Accounts	(9,56,235)		(5,12,458)	
ii) Fixed Deposit with Bank	42,53,382		42,94,846	
iii) Accrued Interest on Bank Fixed Deposit	1,40,889		6,713	
<b>TOTAL</b>		<b>34,38,036</b>		<b>37,89,101</b>
		<b>34,67,716</b>		<b>38,11,523</b>
	FY 2014-15		FY 2013-14	
	Rupees	Rupees	Rupees	Rupees
<b>15 OTHER INCOME</b>				
a Interest on Bank Fixed Deposit	3,80,700		283,050	
b Dividend	65,945		88,480	
c Interest on IT Refund order	98,365		90,947	
d Interest on UGVCL Security Deposit	28,170		54,254	
e Other Income	54,300		-	
c Previous year's excess provision added back	-		23,839	
<b>TOTAL</b>		<b>6,27,480</b>		<b>5,40,570</b>

## SHAH FOODS LTD.

	FY 2014-15		FY 2013-14	
	Qty	Rupees	Qty	Rupees
<b>16 PROFIT/(LOSS)FROM STOCKS TRADING</b>				
Sales	3,500	13,92,377	5680	507626
+ Closing Stock	25,800	25,74,470	28,300	35,72,112
	<b>29300</b>	<b>39,66,847</b>	<b>33,980</b>	<b>40,79,738</b>
- Opening Stock	28,300	35,72,112	29,680	33,73,830
- Purchase and Demat Charges	1,000	1,26,002	4,300	1,60,332
	<b>29,300</b>	<b>36,98,114</b>	<b>33,980</b>	<b>35,34,162</b>
<b>Profit / (Loss) During the Year</b>		<b>2,68,733</b>	<b>-</b>	<b>5,45,576</b>
		<b>FY 2014-15</b>		<b>FY 2013-14</b>
<b>17 PAYMENT TO AND PROVISION FOR EMPLOYEES</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>
a Staff Salaries, Wages and other benefits		19,24,208		24,34,062
b Directors Remuneration and other benefits		24,75,429		20,03,395
<b>TOTAL</b>		<b>43,99,637</b>		<b>44,37,457</b>
		<b>FY 2014-15</b>		<b>FY 2013-14</b>
<b>18 INTEREST AND FINANCE CHARGES</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>
a Bank + Credit card Charges		15,812		70,276
b Interest -Bank		96,483		1,17,437
c Interest -Others		1,60,495		48,964
<b>TOTAL</b>		<b>2,72,790</b>		<b>2,36,677</b>
		<b>FY 2014-15</b>		<b>FY 2013-14</b>
<b>19 OTHER EXPENSES</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>
a) Power, Light and Fuel		1,90,94,527		1,54,51,720
b) Repairs to Plant and Machineries		3,90,005		4,51,203
c) Repairs to Factory Building		5,23,914		83,178
d) Repairs to Electric and others		3,36,267		1,04,460
e) Labour Charges		1,71,12,041		1,37,61,976
f) Factory Expenses		5,06,335		2,21,238
g) Laboratory Expenses		1,32,017		26,482
h) Ad Expenses		41,524		20,604
i) Audit Fees		54,496		44,944
j) Conveyance		9,906		7,621
k) Electricity		29,897		28,548
l) ROC filing fees		11,640		2,000
m) E-TDS return filing fees		307		945
n) Insurance		55,822		37,670
o) Professional Fees		2,78,494		2,02,070
p) License and Marking Fees		6,163		5,250
q) Listing and Depository Fees		1,25,842		30,336
r) Miscellaneous Expenses		1,12,691		1,37,862
s) Communication Expenses		1,37,823		1,05,310
t) Printing and Stationery		70,510		73,774
u) Professional Tax		2,400		2,400
v) Rent, Rate and Taxes		53,711		51,885
w) Share Transfer Agent Charges		39,339		37,834
x) Security Expenses		4,45,165		2,13,365
y) Vehicle Expenses		3,44,906		3,95,458
z) Travelling for Business Support		1,08,105		2,56,283
aa) Capital loss on Aveo car sold		2,44,405		-
<b>TOTAL</b>		<b>4,02,68,252</b>		<b>3,17,54,416</b>

## 20 {A}METHOD OF ACCOUNTING:

Expenses are provided on mercantile system except cash system for Insurance Claims, Sales Tax Refund.

The Accounts have been prepared on historical cost basis of accounting. All expenses and income to the extent considered payable and receivable unless stated otherwise are accounted for on accrual basis. Accounting policies not specifically referred to are in consistent with generally accepted accounting practices.

## {B}FIXED ASSETS:

Fixed Assets are stated at cost of acquisition or construction less Depreciation. All costs relating to the acquisition and installation of fixed assets are capitalised.

## {C}DEPRECIATION:

Depreciation on Fixed Assets has been provided on straight line method as per rates specified in amended schedule XIV of the Companies Act, 1956 Vide Notification No GSR 758 (2) dated 16th December 1993 other than free hold land for full year.

## {D}INVENTORIES:

Raw Materials & Furnace Oil is valued at cost. Stock of Shares of Trading activity is valued at cost or market value whichever is lower.

## {E}INVESTMENT:

Unquoted Investments are stated at cost.

## {F}GRATUITY:

Payment for present liability of future payment of gratuity is being made to approve Gratuity Funds which fully covers the same under cash accumulation scheme of the Life Insurance Corporation of India.

21 Previous year's figures have been regrouped / rearranged wherever necessary to make them comparable with current year's figures.

22 Provision made of Rs. 5,80,000 for Income Tax has been made from current year profit and Rs. 3,410 for deferred Tax has been made from current year profit on the basis of claims and deductions as per Income Tax Act 1961.

## 23 RELATED PARTY DISCLOSURES UNDER ACCOUNTING STANDARD 18

## • RELATED PARTY

A) Associate Companies: (1) IND ASIA Funds Advisors Pvt. Ltd. (2) Helios Greentech Pvt. Ltd.

B) Vice chairman: Shri. Janak P. Shah

C) Directors (1) Shri. Sushil P. Shah (2) Shri. Pradip P. Shah (3) Shri Virendra P. Shah  
(4) Shri. Shrichand R. Kahar (5) Shri. Nirav J. Shah (6) Mrs. Pushpa J. Shah

## • RELATED PARTY TRANSACTIONS

A) Associate Companies - Nil -

B) Directors

2014-15                      2013-14  
(Rupees in lacs)

## Payments/provision to Directors:

(Remuneration & Perquisites)

Shri Janak P. Shah	10.13	8.98
Shri S. R. Kahar	4.01	3.41
Shri Nirav J. Shah	<u>10.61</u>	<u>7.65</u>
Total	24.75	20.04

- Details of remuneration to Vice Chairman, Operations Director are disclosed in the notes to accounts.
- There are no write offs/write back of any amounts for any of the above-related party.

## SHAH FOODS LTD.

24	Payments to Auditors:	2014-15	2013-14
		(Rupees)	(Rupees)
	For Audit Fees	29,000	25,000
	For Tax Audit Fees	8,000	8,000
	For Certification & Professional	11,500	7,000
	For Service Tax on Fees	5,996	4,944
		----	----
	Total	54,496	44,944
25	Expenditure incurred on employees covered u/s 217(2A) of the companies act,1956- Rs. NIL (Previous year Rs. NIL)		
26	During the year under review, Britannia Industries Limited deducts TDS on job-work receipts on job charges including excise duty and hence TDS rate & job charges are not comparable.		
27	Balance confirmations for debit/credit balances have been sought.		
28	Additional information pursuant to para III and IV of part II of schedule VI of Companies Act, 1956 to the extent applicable.(As certified by the Directors)		
(A)	Installed Capacity:		
	Biscuits	7,200 M.T.	
(B)	Production:	2014-15	2013-14
	Biscuits(Job) (M.T.)	5,870	5,137
(C)	Job Charges Rs.	4,68,75,376	3,67,11,299
(D)	Value of Imported and indigenous raw materials (including components) consumed and their percentage:		
		2014-15	2013-14
		Rs.(lacs)%	Rs.(lacs)%
	Stores & Spares:		
	Imported	- - - -	
	Indigenous	- - - -	
29	Expenditure in foreign currency during the year on account of royalty, know-how, professional consultancy fees, interest and other matters Rs. Nil. (Previous years Rs. Nil).		
30	C.I.F. Value of imports of raw materials, components and spares Rs. Nil.(Previous year Rs. Nil)		
31	Earning in foreign exchange on account of export etc. Rs.Nil.		
32	Remittance in foreign currency on account of dividend etc. Rs.NIL. (Previous year Nil)		
33	In the opinion of Board of Directors, the current assets, loans & advances are approximately of the same value, if realised in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.		
Signatures to Note No. 1 to 33			
By order of this Board		For Dinesh R. Shah & Co.	
		Chartered Accountant	
Janak P. Shah	Vice-Chairman		
Nirav J. Shah	Managing Director	(Hiren D. Shah)	
		(Membership No. 47928)	
		Partner	
Ahmedabad		Ahmedabad	
Date: 28-05-2015		Date: 28-05-2015	



**SHAH FOODS LIMITED****ATTENDANCE SLIP**

CIN : L15419GJ1982PLC005071

Regd. Office : Chhatral, Kalol-Mehsana Highway,

Taluka - Kalol, Gandhinagar- 382729

Name of the member(s) :

Registered Address :

E-mail Id :

Folio No. / Client Id :

DP Id

I hereby record my presence at the 33rd Annual General Meeting of the Company held on Saturday, September 19, 2015 at 11-00am at Registered Office: Chhatral, Kalol-Mehsana Highway, Taluka - Kalol, Gandhinagar- 382729

Signature/s of the Shareholder/s or Proxy

Please bring this Attendance Slip to the Meeting and hand over at the entrance duly filled in

✂ ..... **TEAR HERE** .....**SHAH FOODS LIMITED****FORM NO. MGT-11**

CIN : L15419GJ1982PLC005071

Regd. Office : Kalol-Mehsana Highway, Post : Chhatral

Taluka Kalol, NORTH GUJARAT - 382 729

**PROXY FORM**

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

Name of the member(s) :

Registered Address :

E-mail Id :

Folio No. / Client Id :

DP Id

I(we) being member(s) of .....shares of the above named Company, hereby appoint:

1. Name.....Address.....  
E-mail Id.....failing him
2. Name.....Address.....  
E-mail Id.....failing him
3. Name.....Address.....  
E-mail Id.....failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting/Extraordinary General Meeting of the Company, to be held on the 19th day of September, 2015 at 11-00am at Regd. Office : Chhatral, Kalol-Mehsana Highway, Taluka - Kalol, Gandhinagar- 382729 and at any adjournment thereof in respect of such resolutions as are indicated below:

**PTO**

Resolution No.	Resolution	For	Against
	<b>Ordinary Business</b>		
1.	Consider & adopt the audited Statement of Profit & Loss Account for the financial year ended 31 <sup>st</sup> March, 2015, the Balance Sheet as at that date and the Reports of the Directors & the Auditors thereon.		
2.	Appoint a Director in place of Shri Janak.P. Shah(DIN- 01880079), who retires by rotation and, being eligible, offers himself for reappointment.		
3.	Appoint a Director in place of Shri Sushil.P. Shah (DIN-02529990), who retires by rotation and, being eligible, offers himself for reappointment.		
4.	Appointment of statutory auditors		
	<b>Special Business</b>		
5.	Appointment of Mrs. Pushpa Janak Shah as Director		
6.	Appointment of Mr, Shrichand Kahar as Production Manager		

Signed this .....day of.....2015

Signature of shareholder.....

Signature of Proxy Holder(s) (1).....(2).....(3).....

Affix a  
Revenue  
Stamp  
here

**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 time fixed for holding the meeting.

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**SPEED-POST/courier service**

If undelivered please return to

**SHAH FOODS LIMITED**

Corporate Office :

"SARAYU"


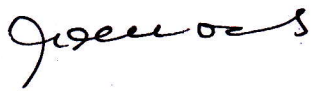
16/1, Kalyan Society,

Mithakhali, Ellisbridge,

AHMEDABAD-380 006

FORM A

(Clause 31(a) of the Listing Agreement)

Sr. No	Particulars	Details
1	Name of the Company	SHAH FOODS LIMITED
2	Annual financial statements for the year ended	31/03/2015
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Not Applicable.
5	<b>To be signed by-</b> <ul style="list-style-type: none"><li>• Managing Director</li><li>• Chairman of Audit Committee</li><li>• Auditors of the Company</li></ul>	<p></p> <p><u>J Shah</u></p> <p>Refer our Audit Report of the Company dated 28/05/2015. For, Chartered Accountants Firm Registration No. Name and address of Auditor.</p> <p></p>

