



**Vimal Oil & Foods Ltd.**

Healthy U, Happy U !

**24<sup>th</sup> Annual Report**

**2015-16**



## Vision

Our vision is to be a globally recognized Company producing and marketing the best world-class quality food products by adopting latest environment friendly technology. We aim to build a strong brand loyal customer base for years to come as well as to build trust and healthy relations among our employees, our investors and our society.

## Mission

Our mission is to discover, develop and innovate the best – pure healthy oils and food products; and successfully reach each and every Indian family to fulfill our mission statement “**Healthy you, Happy you**”. In our journey to the top, we ensure to deliver the best value proposition as per global standards in each and every area for the total satisfaction of our customers, vendors & partners, investors and stakeholders thus contributing towards our nation’s growth.

## 24<sup>th</sup> Annual Report 2015-2016

<b>Board of Directors</b>	: Shri Jayesh C. Patel Shri Mukesh N. Patel Shri Ditin N. Patel (Appointed w.e.f. October 1, 2015) Smt. Mona J. Acharya (Appointed w.e.f. October 15, 2015) Shri Alkesh B. Patel (Resigned w.e.f. October 1, 2015)	Chairman & Managing Director Independent Director Independent Director Woman Director Independent Director
<b>Audit Committee</b>	: Shri Mukesh N. Patel Shri Ditin N. Patel Shri Jayesh C. Patel	Chairman
<b>Stakeholders Relationship Committee</b>	: Shri Mukesh N. Patel Shri Jayesh C. Patel Shri Ditin N. Patel	Chairman
<b>Nomination and Remuneration Committee</b>	: Shri Mukesh N. Patel Shri Ditin N. Patel Smt. Mona J. Acharya	Chairman
<b>Chief Financial Officer</b>	: Shri Jitendra Mafatlal Patel	
<b>Company Secretary</b>	: Shri Mehulkumar K. Vyas	
<b>Auditors</b>	: M/s. S. D. Mehta & Co., Chartered Accountants (Statutory Auditors) Mr. Bharat Prajapati, Practicing Company Secretary (Secretarial Auditors) M/s. S A & Associates, Cost Auditors (Cost Auditor)	
<b>Bankers</b>	: Bank of India Bank of Baroda Dena Bank IDBI Bank Andhra Bank Punjab National Bank Syndicate Bank Indian Overseas Bank Union Bank of India	
<b>Registered Office</b>	: 4 <sup>th</sup> Floor, Heritage, Nr. The Grand Bhagwati, Sarkhej - Gandhinagar Highway, Ahmedabad – 380 054	
<b>Factory</b>	: At: Village Hanumant Heduva, Nr. Palavasna Railway Crossing, Highway, Mehsana – 384 002	
<b>Registrar &amp; Share Transfer Agent</b>	: <b>M/s. Link Intime India Private Limited</b>  Unit No 303, 3 <sup>rd</sup> Floor, Shoppers Plaza-V, Opp. Municipal Market, Behind Shoppers Plaza-II, Off. C.G. Road, Ahmedabad - 380 009	



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**IMPORTANT COMMUNICATION TO MEMBERS**

The Ministry of Corporate Affairs, Government of India, has taken a "Green Initiative" in the Corporate Governance by allowing paperless compliances by the Companies and has issued circulars stating that service of notice / documents including Annual Report (shareholders communication) can be sent by e-mail to its Members. As a support this "Green Initiative" of the Government, Shareholders who have not yet registered their e-mail ids / addresses, are requested to kindly register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members, who hold shares in physical form, are requested to kindly send the e-Communication Registration Form as attached with this Annual Report to Registrar and Share Transfer Agent of the Company (M/s. Link Intime India Private Limited).

## NOTICE

**NOTICE** is hereby given that the **Twenty Forth Annual General Meeting** of the Members of **Vimal Oil & Foods Limited** (CIN-L15400GJ1992PLC017626) will be held on **Friday, September 30, 2016 at 11:30 A.M.** at the Registered Office of the Company at 4<sup>th</sup> Floor, Heritage, Nr. The Grand Bhagwati, Sarkhej - Gandhinagar Highway, Ahmedabad - 380 054 to transact the following business:

### **ORDINARY BUSINESS:**

1. To consider and adopt:
  - (a) the audited financial statement (standalone) of the Company for the financial year ended March 31, 2016, the Reports of the Board of Directors and Auditors thereon; and
  - (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2016.
2. To appoint a Director in place of Shri Jayesh C. Patel (DIN 00027767) who retires by rotation at this Annual General meeting and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Auditors:

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

**“RESOLVED THAT** pursuant to the provision of Section 139 and any other applicable provision, if any, of the Companies Act, 2013, read with the rules made thereunder, the appointment of M/s. S. D. Mehta & Co., Chartered Accountants, Ahmedabad (Firm Registration Number 137193W) be and is hereby ratified to hold office from conclusion of this Annual General Meeting till the Conclusion of the next Annual General Meeting, and that the Board of Directors be and are hereby authorised to fix such remuneration as may be recommended by the Audit Committee in consultation with the Auditors.”

### **SPECIAL BUSINESS:**

4. **TO APPOINT SHRI DITIN N. PATEL (DIN 06978984) AS AN INDEPENDENT DIRECTOR:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, Shri Ditin N. Patel (DIN 06978984) who was appointed as Additional Director on the Board of the Company by the Board of Directors with effect from October 1, 2015, in terms of provisions of Section 161 of Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold the office for a period up to September 30, 2020.”

5. **TO APPOINT SMT. MONA J. ACHARYA (DIN 07316719) AS DIRECTOR:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Smt. Mona J. Acharya (DIN 07316719) who was appointed as an Additional Director on the Board of the Company by the Board of Directors with effect from October 15, 2015, in terms of provisions of Section 161 of Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom Company has received a notice in writing under Section 160 of the Companies Act, 2013



from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

**6. TO APPROVE THE REMUNERATION PAYABLE TO THE COST AUDITOR, M/S. S A & ASSOCIATES FOR THE FINANCIAL YEAR 2016-17:**

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

**“RESOLVED THAT** pursuant to section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force), the Cost Auditor, M/s. S A & Associates, Cost Accountants, Ahmedabad (Firm Registration No. 000347), appointed by the Board of Directors of the Company to conduct the audit of Cost Records of the Company for the financial year 2016-17, be paid the remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand Only) plus Service Tax as applicable, be and is hereby ratified.”

**By Order of the Board of Directors**  
*For, Vimal Oil & Foods Limited*

**Date:** May 26, 2016

**Registered Office:**

4<sup>th</sup> Floor, Heritage,  
Near The Grand Bhagwati,  
Sarkhej – Gandhinagar Highway,  
Ahmedabad – 380 054

**Mehulkumar K. Vyas**  
**Company Secretary**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** Pursuant to the provisions of the Companies Act, 2013 and the underlying rules viz. Companies (Management and Administration Rules) 2014, a person can act as a proxy on behalf of not exceeding fifty (50) members and holding in aggregate not more than ten (10) percent of the total share capital of the Company.
2. Corporate Members intending to send their Authorized Representative(s) to attend the Meeting are required to send the Company a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative(s) to attend and vote at the Meeting on their behalf.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. The Explanatory statement pursuant to section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Members are requested to affix their signature at the space provided on the attendance slip annexed to the proxy form and to hand over the slip at the entrance of the Meeting.
6. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
7. Members holding shares in physical form are requested to notify change of address, bank mandates, if any, to the Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited at Unit No 303, 3<sup>rd</sup> Floor, Shoppers Plaza-V, Opp. Municipal Market, Behind Shoppers Plaza-II, Off. C. G. Road, Ahmedabad, Gujarat – 380 009 or to their respective depository participants if the shares are held in electronic form.
8. Pursuant to Section 205C of the Companies Act, 1956, the amount of the dividend for the financial year ended March 31, 2009, which remains unpaid or unclaimed, will be due for transfer to the Investor Education and Protection Fund established by the Central Government (IEPF). Members, who have not encased their Dividend Warrant(s) for the Financial Year ended on March 31, 2009 or any subsequent financial year, are requested to approach the Company for revalidation / duplicate dividend warrants. Members are advised that once the unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof.
9. Pursuant to section 205A of the Companies Act, 1956, unclaimed dividend, for the financial year 2007-08, has been transferred to the IEPF and no claim shall lie with the Company.
10. Members desirous of getting any information about the accounts and / or operations of the Company are requested to write to the Company at least seven days before the date of the Meeting to enable the Company to keep the information ready at the Meeting.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN to the Company / RTA.
12. Members who hold shares in the form of physical share certificate and wish to make/change nominations in respect of their shareholdings in the Company, as permitted under section 72 of the Companies Act, 2013, may send **“Form No. SH - 14”** as prescribed under the Companies (Share Capital and Debentures) Rules 2014, as amended from time to time, to **M/s. Link Intime India Private Limited**, the Registrar and Share Transfer Agent of the Company, at Unit No 303, 3<sup>rd</sup> Floor, Shoppers Plaza-V, Opp. Municipal Market, Behind Shoppers Plaza-II, Off. C. G. Road, Ahmedabad, Gujarat – 380 009.
13. Electronic copy of the Annual Report and Notice of the 24<sup>th</sup> Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies



of the Notice of the 24<sup>th</sup> Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

14. Members may also note that the Notice of the 24<sup>th</sup> Annual General Meeting and the Annual Report for 2015-16 will also be available on the Company's website [www.vimaloil.com](http://www.vimaloil.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost.
15. Process and manner for members opting for voting through Electronic means:
  - The Company is pleased to offer e-voting facility for all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his/her vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions.
  - Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date of September 23, 2016, shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
  - A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. September 23, 2016, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in a notice which is placed on company website i.e. [www.vimaloil.com](http://www.vimaloil.com) as well as CDSL web site i.e. [www.cdslindia.com](http://www.cdslindia.com).
  - The remote e-voting will commence on Tuesday, September 27, 2016 at 09.00 a.m. and will end on Thursday, September 29, 2016 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in Demat form as on the Cut-off date i.e. September 23, 2016, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
  - Once the vote on a resolution is casted by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
  - The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already casted their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already casted their vote by remote e-voting prior to the meeting, may also attend the Meeting, but shall not be entitled to cast their vote again.
  - The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date of September 23, 2016.
  - The Company has appointed Shri Dipak Rachchha, Advocate, to act as the Scrutinizer for conducting the remote e-voting process as well as the voting through Poll Paper at the AGM, in a fair and transparent manner.
  - The instructions for shareholders voting electronically are as under:
    - (i) The voting period begins on Tuesday, September 27, 2016 at 9.00 a.m. and ends on Thursday, September 29, 2016 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date September 23, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting beyond the said date & time.
    - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.



- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <p>* Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.</p>
DOB	<p>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.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account or folio.</p> <p>● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</p>

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <VIMAL OIL & FOODS LIMITED> on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30<sup>th</sup> June, 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.vimaloil.com](http://www.vimaloil.com) and on the website of CDSL [www.cdslindia.com](http://www.cdslindia.com) within 48 hours of the conclusion of the 24<sup>th</sup> Annual General Meeting of the Company and shall also be communicated to Stock Exchanges where the shares of the Company are listed.
- (xxii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

16. Pursuant to regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the details of Director Seeking Appointment/ Re-appointment in this Annual General Meeting to be held on Friday, September 30, 2016 are provided hereunder. The Directors have furnished consent/declaration for appointment/re-appointment as required under the Companies Act, 2013 and rules made thereunder.

Name of Director	Shri Jayesh C. Patel	Shri Ditin N. Patel	Smt. Mona J. Acharya
Date of Birth	June 4, 1969	December 29, 1985	April 29, 1966
Date of Appointment	May 14, 1992	October 1, 2015	October 15, 2015
Qualification	B.E. in Computer Engineering	Bachelor of Commerce	Bachelor of Commerce
Experience & Expertise in specific functional areas	In the field of Manufacturing and Marketing of edible oil, de-oiled Cake and Milk and Milk Product.	In the field of Accounting and Marketing.	In the Field of Administration and Import & Export.
List of Listed Entity in which Directorship held	Nil	Nil	Nil
List of Listed Entity in which membership held	Nil	Nil	Nil
Relationships between directors inter-se	Nil	Nil	Nil

17. Route Map showing directions to reach to the venue of the 24<sup>th</sup> AGM is attached to the annual report as per the requirement of the Secretarial Standards-2 on “General Meeting.”

## **ANNEXURE TO THE NOTICE**

### **EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013:**

#### **ITEM NO. 04:**

Pursuant to Section 161 of the Companies Act, 2013 and the Articles of Association of the Company, the Board of Directors of the Company had appointed Shri Ditin N. Patel (DIN 06978984) as an Additional (Non-Executive and Independent) Director on the Board of the Company w.e.f. October 1, 2015.

In terms of provisions of Section 161 of the Companies Act, 2013 read with the Articles of Association of the Company, Shri Ditin N. Patel holds office as an Additional Director only up to the date of this Annual General Meeting.

The Company has received notice from the member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013, proposing Shri Ditin N. Patel as a candidate for the office of Director of the Company.

Shri Ditin N. Patel is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given their consent to act as Director.

The Company has also received declaration from Shri Ditin N. Patel that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and rules made thereunder read with the Regulation 16(1)(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

Shri Ditin N. Patel, ages 30 years, is commerce graduate. He has good experience in administration and marketing. He does not hold any equity shares of the company and is not related to any Director and Key Managerial Personnel of the Company.

In view of his experience, the Board expects that with his induction as a Member of the Board, he will prove to be an asset to the Company. Therefore, the Board of Directors recommends the Ordinary Resolution set out at Item No. 4 of the Notice, for appointment of Shri Ditin N. Patel as Independent Director on the Board of the Company, not liable to retire by rotation, to hold the office for period up to September 30, 2020 for your approval.

None of the Directors / Key Managerial Personnel of the Company / their relatives except Shri Ditin N. Patel is concerned or interested in this resolution.

#### **ITEM NO. 05:**

Pursuant to Section 161 of the Companies Act, 2013 and the Articles of Association of the Company, the Board of Directors of the Company had appointed Smt. Mona J. Acharya (DIN 07316719) as an Additional (Non-Executive) Director on the Board of the Company w.e.f. October 15, 2015.

In terms of provisions of Section 161 of the Companies Act, 2013 read with the Articles of Association of the Company, Smt. Mona J. Acharya holds office as an Additional Director only up to the date of this Annual General Meeting.

As per Second Proviso of the Section 149 (1) of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with the Regulation 17(1)(a) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company requires to appoint at least one woman director on the Board of the Company.

The Company has received notice from the member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013, proposing Smt. Mona J. Acharya as a candidate for the office of Director of the Company.

Smt. Mona J. Acharya is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given their consent to act as Director.

Smt. Mona J. Acharya, aged about 50 years, completed graduation in commerce. She has good experience in the field of administration and Import & Export. In view of her experience, the Board expects that with her induction as a Member of the Board, she will prove to be an asset to the Company. Therefore, the Board of Directors recommends the Ordinary Resolution set out at Item No. 5 of the Notice, for appointment of Smt. Mona J. Acharya as Director of the Company, liable to retire by rotation, for your approval.

None of the Directors / Key Managerial Personnel of the Company / their relatives except Smt. Mona J. Acharya is concerned or interested in this resolution.



**ITEM NO. 06:**

On the recommendation of the Audit Committee, the Board has approved the appointment and remuneration of M/s. S A & Associates, Cost Accountants, as a Cost Auditor to conduct the audit of the cost records of the Company for the financial year 2016-17.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year 2016-17.

The details regarding their eligibility for appointment as a Cost Auditor will be available for inspection at the registered office of the Company during 11.00 a.m. to 1.00 p.m. and shall also be available at the meeting.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the members.

**By Order of the Board of Directors**  
*For, Vimal Oil & Foods Limited*

**Date:** May 26, 2016

**Registered Office:**

4<sup>th</sup> Floor, Heritage,  
Near The Grand Bhagwati,  
Sarkhej – Gandhinagar Highway,  
Ahmedabad – 380 054

**Mehulkumar K. Vyas**  
**Company Secretary**

## BOARDS' REPORT

**To  
The Members**

Your Directors have pleasure in presenting the **Twenty Forth Annual Report** with the Audited Financial Statement for the financial year ended March 31, 2016.

### FINANCIAL SUMMARY:

(₹ in lakhs)

Particulars	Current Year 2015-16	Previous Year 2014-15
Sales Including Other Income	172448.26	303484.70
Profit Before Interest, Depreciation & Taxation	(18621.69)	9668.21
Interest & Financial charges	5517.84	6370.84
Depreciation	696.39	744.69
<b>Profit Before Taxation &amp; Extra-Ordinary Items</b>	<b>(24835.92)</b>	<b>2552.68</b>
Profit on sale of Investments	312.00	0.00
<b>Profit Before Taxation</b>	<b>(24523.92)</b>	<b>2552.68</b>
Provision For Taxation including Deferred Tax	(139.28)	747.68
<b>Profit After Tax</b>	<b>(24384.64)</b>	<b>1805.00</b>
Less: Adjustment Related to Fixed Assets	0.00	55.69
Adding Thereto: Balance B/F From Previous Year	5821.48	4496.50
<b>Amounts Available For Appropriation</b>	<b>(18563.16)</b>	<b>6245.81</b>
<b>Addition:</b>		
Dividend & Dividend Tax (P.Y. Reversal)	349.33	0.00
Short provision for Income Tax	49.96	0.00
<b>(Appropriations):</b>		
Dividend & Dividend Tax	0.00	(349.33)
General Reserve	0.00	(75.00)
<b>Balance Carried Forward</b>	<b>(18163.87)</b>	<b>5821.48</b>

During the period under review, the total revenue of the Company has decreased by 43% (approx) as compared to previous year. The total export sales for the year ended March 31, 2016 was ₹ 1997 lakhs as against ₹ 4609 lakhs for the previous financial year.

### TRANSFER TO RESERVE

In view of losses incurred by the Company during the financial year, no amount has been transferred to the General Reserve.

### DIVIDEND

In view of losses incurred by the Company during the financial year 2015-16, the Board of Directors of the Company does not recommend any dividend on Equity Shares and on Preference Shares for the year ended on 31<sup>st</sup> March, 2016.

### FIXED DEPOSIT

The Company neither accepted nor invited any deposit from the public, within the meaning of Section 73 of the Companies Act, 2013 and the rules made thereunder as amended from time to time.

### NATURE OF BUSINESS

The Company is engaged in the business of manufacturing and trading of edible oils and Namkeen Products under its own brand name – “**VIMAL**”, with a strong focus on quality. Vimal Oil & Foods Limited is always committed to quality and integrity, and that's what is reflected in its products that never fail to delight its customers. Further, during the year 2015-16, there was no change in the nature of business of the Company.

### LISTING

- The Company's Shares are listed on the BSE Limited, Mumbai (BSE) and the National Stock Exchange of India Limited, Mumbai (NSE).
- For the year 2015-16, the Company has paid annual listing fee to BSE and NSE.



## **SUBSIDIARIES**

M/s. Brinda Exports Limited is Wholly-owned Subsidiary of the Company w.e.f. August 27, 2015. M/s. Vimal Dairy Limited ceased to be subsidiary of the Company w.e.f. June 26, 2015.

During the financial year 2015-16, the Board of Directors reviewed the affairs of the subsidiaries. In accordance with Section 129 of the Companies Act, 2013, the Company has prepared Consolidated Financial Statement of the Company as on March 31, 2016, which forms part of this Annual Report.

Further, a statement containing the salient features of the Financial Statement of our subsidiary in the prescribed format AOC-1 is set out in an annexure as '**Annexure 1**' to this Boards' Report. The statement also provides the details of performance, financial positions of the subsidiaries.

In accordance with the Section 136 of the Companies Act, 2013, the Audited Financial Statement, including the Consolidated Financial Statement as on March 31, 2016 and related information of the Company and Audited Financial Statement of the Subsidiary, are available on the website of the Company i.e. [www.vimaloil.com](http://www.vimaloil.com). These documents will also be available for inspection during business hours at the registered office of the Company.

## **CONSOLIDATED FINANCIAL STATEMENT**

Pursuant to Regulation 34(2)(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and applicable Accounting Standards issued by the Institute of Chartered Accountants of India, the Board of Directors has pleasure in attaching the Audited Consolidated Financial Statements.

## **ANNUAL RETURN**

The extract of Annual Return as prescribed under Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is set out in an annexure as '**Annexure 2**' to this Boards' Report.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### ➤ **Re-appointment**

In accordance with the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Shri Jayesh C. Patel (DIN 00027767), Director of the Company retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

### ➤ **Appointment**

Shri Ditin N. Patel (DIN 06978984) and Smt. Mona J. Acharya have been inducted as an Additional Directors w.e.f. October 01, 2015 and October 15, 2015, respectively and hold office up to this Annual General Meeting of the Company. The Company has received notices from Members under Section 160 of the Companies Act, 2013, signifying their intention to propose the candidature of above mentioned persons for the office of Directors.

### ➤ **Resignation**

Shri Alkesh B. Patel (DIN – 05142040) resigned from the Board of Directors of the Company w.e.f. October 01, 2015. The Board placed on record their deep sense of appreciations for the valuable contribution and guidance provided by Shri Alkesh B. Patel to the Company during his tenure of office as Director of the Company.

The information of Director(s) seeking appointment / re-appointment, details pertaining to brief resume and expertise in functional area is furnished in the notes.

All the Independent Directors have submitted the declaration to the Company that they meet the criteria of independence, as per Section 149(6) of the Companies Act, 2013 and Regulation (16)(1)(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

### ➤ **Key Managerial Personnel**

During the period under review, Shri Fagesh R. Soni, Company Secretary, KMP & Compliance Officer resigned w.e.f. September 30, 2015. The Board placed on record its appreciation for the valuable services rendered by Shri Fagesh R. Soni.

The Board of Directors has appointed Shri Mehulkumar K. Vyas as Compliance Officer of the Company. Thereafter, on the recommendation of the Nomination & Remuneration Committee, the Board of Directors has appointed Shri Mehulkumar K. Vyas, Compliance Officer of the Company as a Company Secretary (KMP) of the Company w.e.f. February 14, 2016.

#### **ANNUAL PERFORMANCE EVALUATION**

In compliance with the provision of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Board has carried out the annual performance evaluation of its own and the Directors individually and reported under the Report on Corporate Governance as annexed hereto.

#### **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The familiarisation programme aims to provide Independent Directors with the industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner. The familiarisation programme also seeks to update the Independent Directors on the roles, responsibilities, rights and duties under the Companies Act, 2013 and other statutes.

The policy on Company's familiarisation programme and the details of familiarization program imparted to Independent directors is available at [http://www.vimaloil.com/pdf/Codes%20and%20Policies/DETAILS\\_FAM\\_PROGM\\_2015-16.pdf](http://www.vimaloil.com/pdf/Codes%20and%20Policies/DETAILS_FAM_PROGM_2015-16.pdf)

#### **MEETINGS OF BOARD**

During the financial year 2015-2016, Eight (08) Board Meetings were convened and held. The details of which are given in the Report on Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

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

Based on the framework of internal financial controls established and maintained by the Company, work performed by the Internal, Statutory, Cost and Secretarial Auditors, the reviews performed by Management and the relevant Board Committees, the Board, with the concurrence of the Audit Committee, is of the opinion that the Company's internal financial controls were adequate and effective as on March 31, 2016.

Pursuant to Section 134 of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

- (a) that in the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) that we have 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 March 31, 2016 and of the profits of the company for the year ended March 31, 2016;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) that the annual accounts have been prepared on a going concern basis;
- (e) that proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively; and
- (f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

#### **AUDITORS AND AUDIT**

##### **➤ Statutory Auditors**

M/s. S. D. Mehta & Co., Chartered Accountants, Ahmedabad (Firm Registration No. 137193W), was appointed as the Statutory Auditors of the Company, to hold the office from the conclusion of the 23<sup>rd</sup> Annual General Meeting to the conclusion of the 28<sup>th</sup> Annual General Meeting, subject to ratification of the appointment by the members at every





Annual General Meeting. The Company has received the consent from the Auditors and confirmation to the effect that they are not disqualified to be appointed as the Auditors of the Company in the terms of the provisions of the Companies Act, 2013 and the Rules made thereunder.

Accordingly the Board of Directors recommends the ratification of appointment of M/s. S. D. Mehta & Co., Chartered Accountants as the Statutory Auditors of the Company to hold the office from the ensuing AGM till the conclusion of the next AGM in 2017 on such remuneration as may be determined by the Audit Committee in consultation with the Auditors.

In connection, with the Auditors' Observation in the Independent Auditors' Report, the explanation /clarifications of the Board of Directors are as under:

- (i). With regard to observation for non-provision of trade receipt, it is clarified that the Company is hopeful of recovery the outstanding amounts from the parties. The Company has also initiated legal action by giving notice to two (2) parties.
- (ii). With regard to observation for non-provision of interest on various credit facilities obtained from Dena bank, Bank of India, Bank of Baroda and Andhra Bank, it is that the some Banks has not debited interest amount in the account after classification of NPA by the concerned banks and some of the banks although debited the amount of interest, reversed the amount thereafter. Also the amount of interest to be provided in the books is not ascertainable.
- (iii). With regard to observation for purchases belonging to preceding year, it is that the purchase invoices were received late and came to notice while conducting the tax audit of the Company.



#### **Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration personnel) Rules, 2014 as amended from time to time, the Board of Directors appointed Mr. Bharat Prajapati, Practicing Company Secretary, Ahmedabad as Secretarial Auditor to conduct the Secretarial Audit of the Company for Financial Year 2015-16. The Report of the Secretarial Audit Report is set out in an annexure as '**Annexure 3**' to this Boards' Report.

In connection, with the auditors' observation in the Secretarial Audit Report, the explanation / clarifications of the Board of Directors are as under:

- (i). With regard to non appointment of Woman Director from 1<sup>st</sup> April, 2015 to ending on 14<sup>th</sup> October, 2015, it is clarified that the Company was seeking eligible candidate to appoint as a woman director for period from 1<sup>st</sup> April, 2015 to ending on 14<sup>th</sup> October, 2015 and accordingly the Company has appointed woman director on the Board of the Company w.e.f. 15<sup>th</sup> October, 2015.
- (ii). With regard to the reconstitution of Nomination and Remuneration Committee from 1<sup>st</sup> April, 2015 to ending on 14<sup>th</sup> October, 2015, it is clarified that the Company was seeking eligible candidate to appoint as a Non-executive director for period from 1<sup>st</sup> April, 2015 to ending on 14<sup>th</sup> October, 2015 and accordingly on 15<sup>th</sup> October, 2015 the Company has appointed woman director on the Board of the Company and reconstituted the Nomination and Remuneration Committee.
- (iii). With regard to amount required to spent under the Corporate Social Responsibility, it is clarified that the Company has suffered from huge losses and the entire net worth is wiped out. Therefore, the Company is not in position to spend any amount for Corporate Social Responsibility.



#### **Cost Auditor**

In compliance with the provisions of Section 148 (3) of Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014 as amended from time to time, the Directors, on the recommendation of the Audit Committee, has appointed M/s. S A & Associates, Cost Accountants, as the Cost Auditor of the Company for the financial year 2016-17 on a remuneration amounting to ₹ 75000/- (Rupees Seventy Five Thousand Only), subject to the ratification of remuneration by the members of the Company in the ensuing General Meeting. M/s. S A & Associates have good experience in the field of cost audit and have conducted the audit of the cost records of the Company for the previous year. The Cost Audit Report for the financial year 2014-15, was filed with the Ministry of Corporate Affairs on February 23, 2016.



## **PARTICULARS OF EMPLOYEES**

The particulars of employees in accordance with the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, is set out in an annexure as 'Annexure 4' to this Board's Report.

The particulars of employees falling under the purview of Section 197 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are **NIL**.

## **REFERENCE TO BIFR**

On account of erosion of 100% net worth of the Company, The Company has become a Sick Industrial Company under the provisions of the Sick Industrial Companies (Special Provisions) Act 1985. The Company has to file reference to Honourable Board for Industrial and Financial Reconstruction (BIFR) within 60 days to comply the provisions of Section 15(1) of SICA 1985 read with regulation 19 of The BIFR regulations 1987. The management is in process to make due compliances of the law.

## **INDUSTRIAL RELATIONS**

The Company's relations with its employees remained cordial throughout the year. The Directors wish to place on record their deep appreciation of the devoted services by workers, staff and executives of the Company.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the financial year 2015-16, the Company has not given any Loans / Guarantees and made Investments as covered under the provisions of Section 186 of the Companies Act, 2013. During the year, the Company has invested in 100% Equity Share Capital of M/s. Brinda Exports Limited which is within the limits prescribed under the Companies Act, 2013.

## **RELATED PARTY TRANSACTIONS**

All the transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, if any, during the year were in the ordinary course of business and on an arm's length price basis. Such transactions have been approved by the Audit Committee.

The Board of Directors of the Company has formulated the Policy on Related Party Transactions. Such Policy is available on the website of the Company i.e. <http://www.vimaloil.com/pdf/Codes%20and%20Policies/Related%20Party%20Policy.pdf>.

During the Financial Year 2015-16, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors. In the preparation of Financial Statement, the Company has followed the Accounting Standards. The significant accounting policies which are applied have been set out in the Notes to Financial Statement. The Board has received disclosures from Key Managerial Personnel, relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.

## **MATERIAL CHANGES AND COMMITMENTS**

There are no material changes and commitments, affecting the financial position of the company, have occurred between the end of the financial year of the company to which the financial statements relate and to the date of this report. However, the Company has suffered from huge losses and the entire net worth is wiped out.

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

The particulars as prescribed under the Companies (Accounts) Rules, 2014, are set out in 'Annexure 5' to this Board's Report.

## **CORPORATE GOVERNANCE**

The Company is committed to maintain the standards of Corporate Governance and adheres to the Corporate Governance requirements as stipulated by Securities and Exchange Board of India (SEBI).

The Report on Corporate Governance as per the requirement of the SEBI (LODR), 2015 forms part of this Annual Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Pursuant to Regulation 34(2)(e) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Management Discussion and Analysis Report is annexed after the Boards' Report and forms part of this Report.

### **RISK MANAGEMENT POLICY**

The Board reviews the risks associated with the Company every year while considering the business plan. Considering the size of the Company and its activities, it is felt that the development and implementation of a Risk management policy is not relevant to the Company and in the opinion of the Board there are no risks which may threaten the existence of the Company.

### **CORPORATE SOCIAL RESPONSIBILITY**

The composition of CSR Committee is given in the Corporate Governance Report. The Report on Corporate Social Responsibility is as set out in annexure as '**Annexure 6**' to this Board's Report.

### **INTERNAL FINANCIAL CONTROL**

The Company has established an Internal Control System, keeping in mind the size, scale and complexity of the operations of the business. The Company developed efficient policies and procedures to carry out its regular activities and for better compilation of data. All the business transactions were recorded timely and the financial records were maintained accurately. Internal financial controls were designed to provide reasonable assurance that the Company's Financial Statement were reliable and prepared in accordance with the applicable law.

Moreover, the Board of Directors of the Company, in compliance with the provision of the Companies Act, 2013, had appointed M/s. Kanabar & Associates, Chartered Accountants, Ahmedabad, as internal auditor for the financial year 2015-16 for better implementation of Internal Financial Control and safeguarding of the assets of the Company. Significant audit observations and corrective actions thereon were presented to the Audit Committee. Their work was satisfactory. Therefore, the Board of Directors of the Company, on recommendation of the Audit Committee, appointed M/s. Kanabar & Associates, Chartered Accountants, Ahmedabad, as internal auditor for the financial year 2016-17.

### **ESTABLISHMENT OF VIGIL MECHANISM**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has adopted a Whistle-Blower Policy/ Vigil mechanism, which provides a formal mechanism for all employees of the Company to make protected disclosures to the Management about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. During the year under review, no employee of the Company has been denied access to the Audit Committee.

### **MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

There were no material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

### **BOARD COMMITTEE**

The Board of Directors of your Company had already constituted various Committees in compliance with the provisions of the Companies Act, 2013 and/or Listing Regulations viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee. The said committees are re-constituted as and when required.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference / role of the Committee are taken by the Board of Directors.

Details of the role and composition of these Committees, including the number of meetings held during the financial year and attendance at meetings, are provided under section "Report on Corporate Governance" of Annual Report.

## INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors of the Company met on March 9, 2016 inter alia to discuss:

- i) Evaluation of Performance of Non-Independent Directors and the Board of Directors of the Company as a whole.
- ii) Evaluation of performance of the Chairman and / or Managing Director of the Company, taking into views of Executive and Non-executive Directors.
- iii) Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

## POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The current policy is to have an appropriate mix of executive and Independent Directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2016, the Board consists of 4 members, one of them is Managing Directors, two are Independent Directors and one is Non Executive Woman Director. The Board periodically evaluates the need for change in its composition and size. The policy of the Company on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Sub section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is set out in annexure as '**Annexure 7**' to this Board's Report. We affirm that the remuneration paid to the Directors and other employees are as per the terms laid out in the Nomination and Remuneration Policy of the Company.

## SEXUAL HARASSMENT POLICY

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year 2015-2016, no complaints were received by the Company related to sexual harassment.

## ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation and gratitude for the valuable support and co-operation received from the Customers and Suppliers, various Financial Institutions, Banks, Government Authorities, Auditors and Shareholders during the year under review. Your Directors wish to place on record their deep sense of appreciation for the devoted services of the Executives, Staff and Workers of the Company for its success.

**On behalf of Board of Directors**  
*For, Vimal Oil & Foods Limited*

**Place:** Ahmedabad  
**Date:** May 26, 2016

**Jayesh C. Patel**  
**Chairman & Managing Director**



## ANNEXURE TO DIRECTORS' REPORT

### Annexure 1

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

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)- Form AOC-1, as on March 31, 2016)

(₹in lakhs)

Sl. No.	Particulars	Details
1	Name of the subsidiary	M/s. Brinda Exports Limited
2	Share capital	6.64
3	Reserves & surplus	4.78
4	Total assets	1872.12
5	Total Liabilities	1872.12
6	Investments	0.50
7	Turnover	28,770.98
8	Profit before taxation	5.60
9	Provision for taxation	1.73
10	Profit after taxation	3.87
11	Proposed Dividend	NIL
12	% of shareholding	100.00 %

**On behalf of Board of Directors**  
*For, Vimal Oil & Foods Limited.*

**Place:** Ahmedabad  
**Date:** May 26, 2016

**Jayesh C. Patel**  
**Chairman & managing Director**

## Annexure 2

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

**As on the financial year ended on March 31, 2016**

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

#### I. REGISTRATION AND OTHER DETAILS

CIN	L15400GJ1992PLC017626
Registration Date	May 14, 1992
Name of the Company	Vimal Oil & Foods Limited
Category/ Sub-Category of the Company	Public Company/Limited by Shares
Address of the registered office and contact details	Address: 4 <sup>th</sup> Floor, Heritage Near The Grand Bhagwati, Sarkhej-Gandhinagar Highway, Ahmedabad - 380054 (Gujarat-INDIA) Ph. No.: 079-26841851-52-53-54 Fax: +91-79-26841850 Email Address: <a href="mailto:sec.vimal@yahoo.co.in">sec.vimal@yahoo.co.in</a> Website: <a href="http://www.vimaloil.com">www.vimaloil.com</a>
Whether listed Company (Yes/No)	Yes
Name and Address of Registrar & Transfer Agents (RTA)	M/s Link Intime India Private Limited Address: Unit No. 303, 3 <sup>rd</sup> Floor, Shoppers Plaza-V, Opp. Municipal Market, Behind Shoppers Plaza-II, Off. C.G. Road, Ahmedabad – 380 009 (Gujarat-INDIA) Ph. No.: 079- 26465179 Fax: +91-79-26841850 Email Address: <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a>

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Cotton Seed Oil	10402	28
2.	Soyabean Oil	10402	23
3.	Palmolin Oil	10402	20

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

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares held	Applicable Section
1.	Brinda Exports Limited Address: 4 <sup>th</sup> Floor, Heritage Near The Grand Bhagwati S.G. Highway, Ahmedabad - 380054 (Gujarat-INDIA)	U65910GJ1995PLC024258	Subsidiary Company	100%	2(87)


**IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):**
**i) Category-Wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year As on March, 31 2015				No. of Shares held at the end of the year As on March, 31 2016				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	10892500	-	10892500	72.520	10892500	-	10892500	72.520	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	220000	-	220000	1.465	220000	-	220000	1.465	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Others	-	-	-	-	-	-	-	-	-
<b>Sub-total of (A)(1):</b>	<b>11112500</b>	<b>-</b>	<b>11112500</b>	<b>73.985</b>	<b>11112500</b>	<b>-</b>	<b>11112500</b>	<b>73.985</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>11112500</b>	<b>-</b>	<b>11112500</b>	<b>73.985</b>	<b>11112500</b>	<b>-</b>	<b>11112500</b>	<b>73.985</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	800	800	0.005	-	800	800	0.005	-
b) Banks / FI	900	-	900	0.006	500	-	500	0.003	(0.003)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):</b>	<b>900</b>	<b>800</b>	<b>1700</b>	<b>0.011</b>	<b>500</b>	<b>800</b>	<b>1300</b>	<b>0.008</b>	<b>(0.003)</b>
<b>(2) Non-Institutions</b>									
a) Bodies Corp.									
i. Indian	851763	400	852163	5.674	802935	400	803335	5.348	(0.325)
ii. Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i. Individual shareholders holding nominal share capital upto ₹ 1 lakh	349675	232525	582200	3.876	667316	205325	872641	5.810	1.934
ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lac	2206550	146000	2352550	15.663	1875760	146000	2021760	13.460	(2.202)
c) Others									
i. Clearing Members	58160	-	58160	0.387	42333	-	42333	0.282	(0.105)
ii. Non Resident Indians	32727	3400	36127	0.240	22971	3400	26371	0.176	(0.064)
iii. H.U.F.	-	100	100	0.001	115260	-	115260	0.767	0.766
iv. Foreign Portfolio Investor (Corporate)	24500	-	24500	0.163	24500	-	24500	0.163	-
<b>Sub-total (B)(2)</b>	<b>3523375</b>	<b>382425</b>	<b>3905800</b>	<b>26.004</b>	<b>3551075</b>	<b>355125</b>	<b>3906200</b>	<b>26.007</b>	<b>0.003</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>3524275</b>	<b>383225</b>	<b>3907500</b>	<b>26.015</b>	<b>3551575</b>	<b>355925</b>	<b>3907500</b>	<b>26.015</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>14636775</b>	<b>383225</b>	<b>15020000</b>	<b>100.000</b>	<b>14664075</b>	<b>355925</b>	<b>15020000</b>	<b>100.000</b>	<b>0.000</b>

**ii) Shareholding of Promoters (Including Promotor Group)**

Sl. No.	Shareholder's Name	Share Holding at the beginning of the year			Share Holding at the End of the year			% Change in Share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ Encumbered To Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered To Total Shares	
1.	Jayesh C. Patel	3196300	21.280	-	3196300	21.280	21.280	-
2.	Chandubhai I. Patel	2885100	19.208	-	2885100	19.208	19.208	-
3.	Pradip C. Patel	2770300	18.444	-	2770300	18.444	-	-
4.	Sonalben Jayeshkumar Patel	700000	4.661	-	700000	4.661	-	-
5.	Kantaben Chandubhai Patel	637000	4.241	-	637000	4.241	-	-
6.	Jigishaben Pradipkumar Patel	624000	4.155	-	624000	4.155	-	-
7.	Vimal Dairy Limited	220000	1.465	-	220000	1.465	-	-
8.	Chandubhai Ishwarlal Patel	42200	0.281	-	42200	0.281	-	-
9.	Pradipkumar Chandubhai Patel	37600	0.250	-	37600	0.250	-	-
	<b>Total</b>	<b>11112500</b>	<b>73.985</b>	<b>-</b>	<b>11112500</b>	<b>73.985</b>	<b>-</b>	<b>-</b>

**iii) Change in Promoters' (including Promoter Group) Shareholding**

There was no change in the Promoter's Shareholding for the year ending March 31, 2016.

**iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters (including Promoter Group) and Holders of GDRs and ADRs)**

Sl. No.	For each of the Top 10 Share Holders	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.	Monarch Network Capital Limited At the beginning of the year Increase due to purchase of shares from Open Market (Data easily not available, therefore not mentioned) At the end of the year	- 229864	- 1.530	- 229864 229864	- 1.530 1.530
2.	Anjalee Exim Pvt Ltd At the beginning of the year Increase due to purchase of shares from Open Market (Data easily not available, therefore not mentioned) At the end of the year	89916	0.599	89916 224916 224916	0.599 1.497 1.497
3.	Ramanbhai Manchanddas Patel At the beginning of the year At the end of the year	175004	1.165	175004 175004	1.165 1.165
4.	Manubhai M. Patel At the beginning of the year Decrease due to purchase of shares from Open Market (Data easily not available, therefore not mentioned) At the end of the year	221185	1.4726	221185 149120 149120	1.4726 0.993 0.993
5.	Vishnubhai I Patel At the beginning of the year At the end of the year	140550	0.936	140550 140550	0.936 0.936
6.	Rambhai C. Patel At the beginning of the year At the end of the year	100000	0.666	100000 100000	0.666 0.666
7.	Patel Pankajbhai At the beginning of the year At the end of the year	97825	0.651	97825 97825	0.651 0.651
8.	Patel Dilipbhai At the beginning of the year At the end of the year	94522	0.629	94522 94522	0.629 0.629
9.	Vimal Pumps Private Limited At the beginning of the year At the end of the year	87800	0.585	87800 87800	0.585 0.585
10.	Metro global Limited At the beginning of the year Increase due to purchase of shares from Open Market (Data easily not available, therefore not mentioned) At the end of the year	- 86000	- 0.573	- 86000 86000	- 0.573 0.573



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

Sl.No.	For each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding During the year	
		No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
1.	Jayesh C. Patel				
	At the beginning of the year	3196300	21.280	3196300	21.280
	At the end of the year			3196300	21.280

Note: No other Directors / Key Managerial Personnel held any shares during the financial year 2015-16.

**V. INDEBTEDNESS**

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

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i. Principal Amount	<b>17249.47</b>	<b>445.87</b>	-	<b>17695.34</b>
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	<b>17249.47</b>	<b>445.87</b>	-	<b>17695.34</b>
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
· Addition	36414.09	-	-	36414.09
· Reduction	(118.48)	(444.37)	-	(562.85)
<b>Net Change</b>	<b>36295.61</b>	<b>(444.37)</b>	-	<b>35851.24</b>
<b>Indebtedness at the end of the financial year</b>				
i. Principal Amount	53545.08	1.5	-	53546.58
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
<b>Total (i + ii + iii)</b>	<b>53545.08</b>	<b>1.5</b>	-	<b>53546.58</b>



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lakhs)

Sl.No.	Particulars of Remuneration	Name of MD/WTD Manager	Total Amount
		Jayesh C. Patel	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	16.16	16.16
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of profit	-	-
	- others	-	-
5.	Others	-	-
	<b>Total (A)</b>	<b>16.16</b>	<b>16.16</b>

Ceiling as per the Act : The Remuneration paid to MD is within the ceiling Limit as prescribed under the Companies Act, 2013.

## B. Remuneration to other directors :

There is no remuneration being paid to any other directors for the year ending March 31, 2016.

## C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ in Lakhs)

Sl.No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Company Secretary	Company Secretary	CFO	
		Fagesh R. Soni*	Mehulkumar Vyas*	Jitendra M. Patel	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2.44	0.42	6.86	9.72
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit	-	-	-	-
	- others	-	-	-	-
5.	Others	-	-	-	-
	<b>Total</b>	<b>2.44</b>	<b>0.42</b>	<b>6.86</b>	<b>9.72</b>

\* Part of the year

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

Type	Section of the Companies Act	Brief Description	Details of Panelty Punishment Compounding Fees imposed	Authority [RD/ NCLT /Court]	Appeal made if any (Give Details)
A. Company					
Penalty		No Penalties, Punishments or of Offences Compounding			
Punishment					
Compounding					
B. Director					
Penalty		No Penalties, Punishments or of Offences Compounding			
Punishment					
Compounding					
C. Other Officers in Defaults					
Penalty		No Penalties, Punishments or of Offences Compounding			
Punishment					
Compounding					

**On behalf of Board of Directors**  
*For, Vimal Oil & Foods Limited*

**Place:** Ahmedabad  
**Date:** May 26, 2016

**Jayesh C. Patel**  
**Chairman & Managing Director**



**Annexure 3**  
**Secretarial Audit Report**  
**Form No. MR-3**

**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 - FORM MR-3]

To

The Members,

**VIMAL OIL & FOODS LIMITED**

4th Floor, Haritage, Nr. The Grand Bhagwati,

Sarkhej-Gandhinagar Highway,

Ahmedabad - 380054

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

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2016** ('Audit Period') 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2016 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 (upto 14<sup>th</sup> May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15<sup>th</sup> May, 2015);
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009: **Not Applicable as the Company has not issued any security during the Audit Period;**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee stock Purchase Scheme) Guidelines, 1999: **Not Applicable as the Company has not granted any options during the Audit Period;**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: **Not applicable as the Company has not issued any Debt Securities during the Audit Period;**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client: **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the Audit Period;**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: **Not Applicable as**

**the Company has not delisted its equity shares from any stock exchanges during the Audit Period; and**

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: **Not Applicable as the Company has not bought back any of its securities during the Audit Period.**

(vi) The following specifically other applicable laws to the Company:

- (a) National Oil Seeds and Vegetable Oils Development Board Act, 1983: **Not Applicable**
- (b) Cotton Copra and Vegetable Oils Cess (Abolition) Act, 1987: **Not Applicable**
- (c) Seeds Act, 1966: **Not Applicable**
- (d) Protection of Plant Varieties and farmers Right Act, 2001: **Not Applicable**
- (e) Food Safety and Standards Act, 2006

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1<sup>st</sup> July, 2015;
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosure Requirements), 2015 made effective from 1<sup>st</sup> December, 2015.

During the period under review the Company has broadly complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

- 1) *The Company has not appointed Woman Director as per section 149 of the Companies Act, 2013, Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement during the period beginning from 01<sup>st</sup> April, 2015 to ending on 14<sup>th</sup> October, 2015.*
- 2) *The Company has not re-constituted the Nomination and Remuneration Committee as per the Provision of Section 178 of the Companies Act, 2013, Rule 6 of The Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement during the period beginning from 01<sup>st</sup> April, 2015 to ending on 14<sup>th</sup> October, 2015.*
- 3) *The Company has not spent at least two per cent of the average net profit of the Company as Corporate Social Responsibility (CSR) during the year, as per the provision of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.*

**I further report that** the compliance by the Company of applicable financial laws, like direct tax and indirect tax laws and maintenance of financial reports and Books of accounts has not been reviewed in this Audit since the same have been subject to review by the statutory financial audit and other designated professionals.

**I further report that**

The Board of Directors of the Company is not duly constituted with the proper balance of Executive Directors, Non-Executive Directors and Independent Directors, **during the period beginning from 01<sup>st</sup> April, 2015 to ending on 14<sup>th</sup> October, 2015.** 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 Meeting, agenda and detailed notes on agenda were usually sent 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.

As per the minutes of the meetings duly recorded and signed by the Chairman the decisions of the Board were unanimous and no dissenting views have been recorded.

**I 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 compliances with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period, there were no other specific events/ actions in pursuance of the above refereed laws, rules, regulations, guidelines, standards, etc. having a major bearing on the Company's affairs.

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

**Place :** Ahmedabad  
**Date :** 10/ 05/ 2016

**Bharat Prajapati**  
**Company Secretary**  
**A.C.S. NO. : 25607**  
**C. P. NO. : 10788**



**“ANNEXURE”**

To  
The Members,  
**VIMAL OIL & FOODS LIMITED**  
4<sup>th</sup> Floor Heritage Nr. The Grand Bhagwati,  
Sarkhej-Gandhinagar Highway,  
Ahmedabad – 380054

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

1. The Management of the Company is responsible for maintenance of secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. My responsibility is to express an opinion on these secretarial records and procedures followed by the Company with respect to secretarial Compliance.
3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
5. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place :** Ahmedabad  
**Date :** 10/ 05/ 2016

**Bharat Prajapati**  
**Company Secretary**  
**A.C.S. NO. : 25607**  
**C. P. NO. : 10788**

## Annexure 4 – Particulars of employees

- a. The ratio of the remuneration of each Director to the Median Remuneration of Employees (MRE) of the company for the financial year:

Name	Designation	Ratio
Jayesh C. Patel	Managing Director	10.60
Mukesh N. Patel	Director	-
Alkesh B. Patel	Director (Resigned w.e.f. October 1, 2015)	-
Ditin N. Patel	Director (Appointed w.e.f. October 1, 2015)	-
Mona J. Acharya	Director (Appointed w.e.f. October 15, 2015)	-

- b. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Jitendra M. Patel	Chief Financial Officer	55.56 %
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- c. The MRE excluding Key Managerial Personnel of the Company during the financial year 2015-16 increased by 10.52 % as compared to previous financial year. For computation of MRE, the details of employees serving the company below the period of twelve months has not been included.
- d. There were 118 permanent employees on the rolls of the Company as on March 31, 2016.
- e. The average remuneration increased by 10.14% for the said financial years. For computation of increase in remuneration, the details of employees serving the company below the period of twelve months has not been included. Average increase in the remuneration of employees is based on individual performance and criteria set out by the management, despite there being losses incurred by the Company.
- f. In view of the losses incurred by the Company, comparison of the remuneration of the KMP against the performance of the Company is not possible. However, the remuneration of Key Managerial Personnel (CFO) in the said financial year increased by 55.56 %.
- g. Variation in Market capitalization, Price Earnings Ratio and market quotation of the Company:

Particulars	March 31, 2016	March 31, 2015	% Change
Share Price (BSE) (in Rupees)	48.75	241.50	-
Market Capitalization (Rupees in Lakhs)	7322.25	36273.30	(79.81)
Share Price (NSE) (in Rupees)	48.75	239.40	-
Market Capitalization (Rupees in Lakhs)	7322.25	35957.88	(79.64)
Price Earnings Ratio (BSE)	(0.30)	20.09	-
Price Earnings Ratio (NSE)	(0.30)	19.92	-

- h. The Company came out with Initial Public Offer in March, 1994 at a price of ₹ 10/- per share. The market price of the shares as on 31<sup>st</sup> March, 2015 was ₹ 48.75 on BSE Limited and ₹ 48.75 on the National Stock Exchange of India Limited (NSE).
- i. There are no key parameters for any variable component of remuneration availed by directors.
- j. During the financial year 2015-16, no employee received remuneration in excess of the highest paid director.
- k. It is hereby affirmed that the remuneration is as per the Nomination and Remuneration policy of the Company.

**On behalf of Board of Directors**  
**For, Vimal Oil & Foods Limited**

**Place:** Ahmedabad  
**Date:** May 26, 2016

**Jayesh C. Patel**  
**Chairman & Managing Director**

**Annexure - 5 In Accordance with the Companies (Accounts) Rules, 2014****I. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO****A) CONSERVATION OF ENERGY:****a) Energy Conservation Measure Taken :-**

1. Preventive maintenance of machines to reduce energy loss.
  2. Employees Training Program conducted for the awareness of energy conservation.
- b) Additional investments and proposal, if any, being implemented for reduction of consumption of energy: In the current year, no additional investments and proposal are being considered for reduction of consumption of energy. The Company has already carried out energy audit from outside agencies as per the statutory requirement.
- c) Impact of the measures taken at (a) and (b) above for reduction of energy and consequent impact on the cost of production of goods: Impact has not been separately measured.

Disclosure of particulars with respect to conservation of energy:

**A. Power and Fuel Consumption**

	<b>Current Year 2015-16</b>	<b>Previous Year 2014-15</b>
<b>1. ELECTRICITY</b>		
a. Purchased Units	4,477,905	8116923
Total Amount (₹)	35,203,148	59850239
Rate per Unit	7.86	7.37
b. Own generation		
i. Through diesel generator		
Units	20665	517541
Unit per ltr. of diesel oil	4.92	5.23
Cost/Unit	10.76	11.89
<b>2. C 9 PLUS</b>		
Quantity (KGS)	0	315970
Total cost (₹)	0	20105383
Average Rate (₹ Per M.T)	0.00	63.63
<b>3. LIGNITE</b>		
Quantity (KGS)	23,787,344	31402900
Total cost (₹)	72,534,661	95209363
Average Rate (₹ Per SCM)	3.05	3.03
<b>4. GAS</b>		
Quantity (KGS)	2,328,055	2389339
Total cost (₹)	28,600,931	29150528
Rate per Unit (₹ Per SCM)	12.29	12.20

**B. Consumption per unit of Production**

	<b>Standards (if any)</b>	<b>Current Year 2015-16</b>	<b>Previous Year 2014-15</b>
Products (with details)			
Electricity (KWH/M.T)	N.A	12.1917	17.3361
C 9 PLUS	N.A	0.0000	0.9960
Diesel (M.T/M.T)	N.A	0.0563	1.6315
Lignite (M.T/M.T)	N.A	0.0648	0.0990
Gas (SCM/M.T)	N.A	6.3384	7.5320



**B) TECHNOLOGY ABSORPTION:**

- i) The efforts made towards technology absorption: NIL
- ii) The benefits derived like product improvement, cost reduction, product development or import substitution: NIL
- iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) : NIL
  - a) The details of technology imported: NIL
  - b) The year of import: NIL
  - c) Whether the technology been fully absorbed: NIL
  - d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: NIL
- iv) The expenditure incurred on Research and Development: NIL

**C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Total Foreign Exchange earnings	₹ 323.94 Lakhs
Total Foreign Exchange outgo	₹ 29190.41 Lakhs
Net Foreign Exchange earnings	₹ (28866.47) Lakhs

**On behalf of Board of Directors**  
*For, Vimal Oil & Foods Limited*

**Place:** Ahmedabad  
**Date:** May 26, 2016

**Jayesh C. Patel**  
**Chairman & Managing Director**



## Annexure 6 - Annual Report on CSR activities of the Company

1. Brief outline of CSR policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.
  - Brief outline of CSR policy is stated herein below: The Company as its CSR shall focus on programs / projects from the following are as per the provisions of Schedule VII referred in the section 135 of the Companies Act, 2013:
    - a. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
    - b. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
    - c. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
    - d. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
    - e. Training to promote rural sports, nationally recognized sports and Olympic sports and rural development projects; and
    - f. Such other projects or programs in pursuance of recommendations of the CSR Committee.
  - Weblink of CSR Policy: <http://www.vimaloil.com/CSR%20Policy%20VOFL.pdf>
2. The Composition of CSR Committee: Shri Mukesh N. Patel (Chairman), Shri Jayesh C. Patel and Shri Ditin N. Patel
3. Average net profit of the Company for the last three financial years: ₹ 2460.06 Lakhs.
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 49.20 Lakhs.
5. Details of CSR spent during the financial year 2015-16
  - a) Total amount to be spent for the FY 2015-16 ₹49.20 Lakhs.
  - b) Amount unspent, if any, ₹49.20 Lakhs.
  - c) Manner in which the amount spent during the FY 2015-16:

S.No.	CSR Project or Activity Identified	Sector in which the Project is Covered	Projects or Programs 1. Local Area or other 2. Specify the State and district where projects or programs were undertaken	Amount Out-lay (budget) Projects or Programms Wise	Amount spent on the Projects or Programms Sub-heads 1. Direct Expenditure on Projects or Programms 2. Overheads	Cumulative Expenditure upto to the Reporting Period	Amount spent: Direct or Through Implementing Agency
No Amount was spent							

6. Reasons for not spending the amount during FY 2015-16: The Company has suffered from huge losses and the entire net worth of the company has wiped out.
7. Responsibility Statement: The implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

For, **Vimal Oil & Foods Limited**

For, **Vimal Oil & Foods Limited**

**Place:** Ahmedabad  
**Date:** May 26, 2016

**Jayesh C. Patel**  
**Chairman & Managing Director**

**Mukesh N. patel**  
**Chairman of CSR Committee**

## Annexure 7 – Nomination and Remuneration Policy

### Introduction

The Company considers human resources as its invaluable assets. This policy on nomination and remuneration of Directors, Key Managerial Personnel (KMPs), Senior Management Personnel (SMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 to pay equitable remuneration to the Directors, KMPs, SMPs and other employees of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company.

### Objective and purpose of the policy

- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the employees, to run the company successfully, etc.
- Ensuring that relationship of remuneration to the performance of the Company is clear and meets the performance benchmarks.
- Ensuring that remuneration involves a balance between fixed and incentives pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

### Constitution of the Nomination and Remuneration Committee

The Board has constituted the Nomination and Remuneration Committee of the Board on July 31, 2007. Thereafter it was re-constituted from time to time. The Board has authority to reconstitute the committee.

### Terms and References

The terms used in the policy shall have following meaning:

- (i) **‘The Board’** means Board of Directors of the Company.
- (ii) **‘Director’** means Director of the Company.
- (iii) **‘The Committee’** means the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and/or regulations.
- (iv) **‘The Company’** means Vimal Oil & Foods Limited.
- (v) **‘Independent Director’** means a director referred to in Section 149(6) of the Companies Act, 2013 and rules framed thereunder.
- (vi) **‘Key Managerial Personnel (KMP)’** means :
  - the Managing Director or the Chief Executive Officer or the Manager and Whole-time Director;
  - the Company Secretary; and
  - the Chief Financial Officer
- (vii) **‘Senior Management Personnel (SMP)’** means personnel of the company who are members of its core management team excluding the Board of Directors but including Functional Heads

### Matters to be dealt with

#### \* *Size and composition of the Board*

To review and ensure that the size and composition of the Board is in compliance with the Act and in the best interest of the Company as a whole.

#### \* *Directors*

To formulate the criteria determining qualifications, positive attributes and independence of a director and recommending candidates to the Board, when circumstances warrant the appointment of a new director, having regard to the range of skills, experience and expertise, on the Board and who will best complement the Board.

#### \* *Evaluation of performance*

To evaluate the performance of all the Directors, KMPs, SMP and other employees at regular intervals and based on such evaluation to recommend to the Board, the appointment or removal of Director, KMP, SMP and other employees.



\* *Board diversity*

The committee is to assist the Board in ensuring that diversity of gender, thought, experience, knowledge and perspective is maintained in the Board nomination process.

**Remuneration**

**General**

- \* The remuneration / compensation / commission etc. to the Whole-time Director, KMP and SMP will be determined by the Committee and recommended to the Board for approval and shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.
- \* The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company, if any and as per the provisions of the Act.
- \* Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
- \* Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration.

**Executive Directors and Key Managerial Personnel**

- \* The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders, if required.
- \* The Board, on the recommendation of the Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
- \* The remuneration structure to the Executive Directors and Key Managerial Personnel may include the following components:
  - i. Basic Pay
  - ii. Perquisites and Allowances
  - iii. Stock Options
  - iv. Commission (Applicable in case of Executive Directors)
  - v. Retire benefits
  - vi. Annual Performance Bonus

The Annual Plan and Objectives for Executive Directors and Senior Executives shall be reviewed by the Committee and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and Objectives.

**To non-executive / independent directors**

- \* The remuneration payable to each non-executive director (including independent directors) is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the Companies Act, 2013 and the rules made thereunder. The remuneration to non-executive directors (including independent directors) shall be paid in accordance with the limits as prescribed under the Act and subject to member's approval, wherever required.

**To other employees**

- \* Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

**Appointment criteria**

- \* The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

- \* A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- \* The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

**Removal criteria**

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

**Retirement criteria**

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

**Policy review**

This policy is framed based on the provisions of the Companies Act, 2013, rules made thereunder and applicable requirements. In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulation which makes any of the provisions in the policy inconsistent with the Act or regulations, the provisions of the Act or regulations would prevail over the policy, and the provisions in the policy would be modified in due course to make it consistent with the law. This policy shall be reviewed by the Nomination and Remuneration Committee as and when changes need to be incorporated in the policy due to changes in regulations or as may be felt appropriate by the Committee. Any change or modification in the policy as recommended by the Committee would be given for approval to the Board.

## REPORT ON CORPORATE GOVERNANCE

### 1. Company's Philosophy on Code for Corporate Governance:

The Company's philosophy on Corporate Governance envisages attainment of higher levels of transparency, accountability and equity in all facets of its operations and in all its interactions with its stakeholders, including shareholders, employees, customers, suppliers, government, lenders and the community at large. It aims to increase and sustain corporate value through growth and innovation.

The Company's core values include business ethics, customer focus, professional pride, mutual respect, speed and innovation, excellence in manufacturing and total quantity. The Company believes that its operations and actions must serve the underlying goal of enhancing the interests of its stakeholders over a sustained period of time.

The policies and actions of the Company are in terms of applicable guidelines on Corporate Governance with endeavor to enhance shareholders' value.

### 2. Board of Directors:

#### ➤ Annual Performance Evaluation

In accordance to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee.

The various inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement 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. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

The Board had undertaken a proper annual evaluation of its performance and that of its committees and individual Directors. Individual evaluation was aimed to show whether each Director continues to contribute effectively and to demonstrate commitment to the role, including commitment of time for Board and Committee meetings and any other duties. The Chairman of the Company acted on the results of the performance evaluation by recognizing the strengths and addressing the weaknesses of the board.

#### ➤ Composition & category of Directors and their other Directorships and Committee Memberships:

The Board of Directors of the Company is having optimum combination of executive and Non-Executive Directors in compliance of Regulation 17(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

The Board of Directors of the Company comprises Four Members – one (1) Executive Director, one (1) Non Executive Woman Director and two (2) Non-Executive and independent Directors as on March 31, 2016. The composition of Board of Directors, the number of other Directorships or Board Committees of which he is a Member / Chairman is as under:

Name of Director	Category	Designation	Other Directorships/ Board Committees (Numbers)	
			Directorships	Board Committees
Shri Jayesh C. Patel	Promoter & Executive Director	Chairman & Managing Director	1	NIL
Shri Mukesh N. Patel	Independent & Non-Executive Director	Director	1	NIL
Shri Ditin N. Patel <sup>#</sup>	Independent & Non-Executive Director	Director	NIL	NIL
Smt. Mona J. Acharya <sup>##</sup>	Non Executive Woman Director	Director	NIL	NIL
Shri Alkesh B. Patel <sup>*</sup>	Independent & Non-Executive Director	Director	NIL	NIL

<sup>#</sup> Appointed with effect from October 01, 2015

<sup>\*</sup> Resigned with effect from October 01, 2015

<sup>##</sup> Appointed with effect from October 15, 2015

- \* While calculating the number of Membership / Chairmanship in Committees of other Companies, Membership / Chairmanship of only Audit Committee and Stakeholder Relationship Committee have been considered pursuant to Regulation 26(1)(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.
- \* None of the Director is a Member in more than ten Committees and acts as a Chairman in more than five Committees across all companies in which he is a Director.
- \* None of the Director of the Company is relative of each other.
- \* None of the Non-Executive Director of the company holds the shares of the Company.
- \* The details of familiarization program of Independent directors can be accessed at [http://www.vimaloil.com/pdf/Codes%20and%20Policies/DETAILS\\_FAM\\_PROGM\\_2015-16.pdf](http://www.vimaloil.com/pdf/Codes%20and%20Policies/DETAILS_FAM_PROGM_2015-16.pdf)

❖ **Attendance of Directors at the Board Meeting & Last Annual General Meeting:**

Name of Director	Number of Meetings held during his tenure	Number of Meetings Attended	% of Total Meetings Attended	AGM Attendance
Shri Jayesh C. Patel	8	7	87.5%	Yes
Shri Mukesh N. Patel	8	8	100 %	Yes
Shri Ditin N. Patel <sup>#</sup>	4	4	100%	No
Smt. Mona J. Acharya <sup>##</sup>	3	3	100%	No
Shri Alkesh B. Patel <sup>*</sup>	3	3	100%	No

<sup>#</sup> Appointed with effect from October 01, 2015

<sup>##</sup> Appointed with effect from October 15, 2015

<sup>\*</sup> Resigned with effect from October 01, 2015

➤ **Board Meetings:**

During the financial year 2015-2016, **Eight (08)** Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the applicable laws.

Details of Board Meeting are as under:			
May 30, 2015	August 27, 2015	September 01, 2015	October 01, 2015
October 15, 2015	November 06, 2015	January 27, 2016	February 14, 2016

The Board meets at least once in a quarter to review the quarterly performance and the financial results. Agenda of the meeting were prepared and all necessary papers were circulated to Members of the Board in advance. All Members of the Board have access to all information of the Company and are free to recommend inclusion of any matter in the Agenda for discussions.

**3. Audit Committee:**

The Audit Committee of the Company was constituted in January, 2003, thereafter it was reconstituted as and when required. The Audit Committee has been mandated with the same terms of reference specified in Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 with the Stock Exchanges, as revised from time to time and as well as those stipulated by SEBI Guidelines. These terms also simultaneously complies with the requirements of Section 177 of the Companies Act, 2013.

❖ The terms of reference of the Committee are briefly described below:

- 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
- Recommending the appointment, remuneration and terms of appointment of statutory auditors including cost auditors of the Company
- Approving payment to statutory auditors, including cost auditors, for any other services rendered by them
- Reviewing with the management, the annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:



- \* Matters required to be included in the Directors' 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;
  - \* Changes, if any, in accounting policies and practices and reasons for the same;
  - \* Major accounting entries involving estimates based on the exercise of judgement by the management;
  - \* Significant adjustments made in financial statements arising out of audit findings;
  - \* Compliance with listing and other legal requirements relating to financial statements;
  - \* Disclosure of any related party transactions; and
  - \* Qualifications in draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
  - Monitoring and reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter
  - Reviewing and monitoring the auditors independence and performance, and effectiveness of audit process
  - Approval or any subsequent modification of transactions of the Company with related parties
  - Scrutiny of inter-corporate loans and investments
  - Valuation of undertakings or assets of the Company, wherever it is necessary
  - Evaluation of internal financial controls and risk management systems
  - Reviewing, with the management, the performance of statutory auditors and internal auditors, adequacy of internal control systems
  - Formulating the scope, functioning, periodicity and methodology for conducting the internal audit
  - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
  - Discussion with internal auditors of any significant findings and follow-up thereon
  - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
  - Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern
  - To look into the reasons for substantial defaults, if any, in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
  - To review the functioning of the Vigil Mechanism and Whistle Blower mechanism
  - Approval of appointment of the CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background, etc. of the candidate
  - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee
  - Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries
  - Reviewing the following information:
    - \* The Management Discussion and Analysis of financial condition and results of operations;
    - \* Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
    - \* Management letters/letters of internal control weaknesses issued by the statutory auditors;



- \* Internal audit reports relating to internal control weaknesses; and
- \* Reviewing the appointment, removal and terms of remuneration of the Chief internal auditor / internal auditor(s).

➤ **Composition, Name of Members and Chairperson**

Presently, the Audit Committee comprises two Non-Executive and Independent Directors (Shri Mukesh N. Patel & Shri Ditin N. Patel) and one Executive Director (Shri Jayesh C. Patel). Shri Mukesh N. Patel is the Chairman of the Audit Committee. He has considerable financial expertise and experience. Shri Mehulkumar K. Vyas, Company Secretary acts as a Secretary of the Committee.

➤ **Meeting and the Attendance**

During the financial year 2015-16, total of four (4) Audit Committee meetings were held on May 30, 2015, August 27, 2015, November 6, 2015 and February 14, 2016. The Attendance of each member of the Committee is given below:

Name of Director	Number of Meetings held during his tenure	Number of Meetings Attended	% of Total Meetings Attended
Shri Mukesh N. Patel	4	4	100%
Shri Jayesh C. Patel	4	3	75%
Shri Ditin N. Patel #	2	2	100%
Shri Alkesh B. Patel*	2	2	100%

# Appointed in the committee with effect from October 01, 2015.

\* Resigned with effect from October 01, 2015.

**4. Nomination and Remuneration Committee:**

The Company had constituted a Remuneration Committee on July 31, 2007 thereafter it was reconstituted as and when required. Presently, in accordance with the section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Obligation and Disclosure Requirement), Regulation, 2015.

❖ **The terms of reference of the Committee are briefly described below:**

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Devising a policy on Board diversity.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

❖ **Composition, Name of Members and Chairperson**

Presently, the Nomination and Remuneration Committee comprises two Non-Executive and Independent Directors (Shri Mukesh N. Patel & Shri Ditin N. Patel) and one Non-Executive Director (Smt. Mona J. Acharya). Shri Mukesh N. Patel is the Chairman of the Committee. Shri Mehulkumar K. Vyas, Company Secretary is a Secretary of the Committee.

❖ **Meeting and Attendance during the year 2015-16:**

One (1) Nomination and Remuneration Committee meeting was held during the year 2015-16 i.e. February 14, 2016. The details of attendance at the Nomination and Remuneration Committee meeting is as under:

Name of Director	Number of Meetings held during his tenure	Number of Meetings Attended	% of Total Meetings Attended
Shri Mukesh N. Patel	1	1	100%
Shri Ditin N. Patel	1	1	100%
Smt. Mona J. Acharya	1	1	100%



❖ **Performance evaluation criteria for independent directors:**

- \* Highest personal and professional ethics, integrity and values
- \* Inquisitive and objective perspective, practical wisdom and mature judgment
- \* Demonstrated intelligence, maturity, wisdom and independent Judgment
- \* Self-confidence to contribute to board deliberations, and stature such that other board members will respect his or her view
- \* The willingness and commitment to devote the extensive time necessary to fulfill his/her duties
- \* The ability to communicate effectively and collaborate with other board members to contribute effectively to the diversity of perspectives that enhances Board and Committee deliberations, including a willingness to listen and respect the views of others
- \* The skills, knowledge and expertise relevant to the Company's business, with extensive experience at a senior leadership level in a comparable company or organization, including, but not limited to relevant experience in manufacturing, international operations, public service, finance, accounting, strategic planning, supply chain, technology and marketing
- \* Participation and contribution by a Director
- \* Commitment, including guidance provided to the Senior Management outside of Board/ Committee Meetings

**5. Remuneration of Directors:**

❖ **Pecuniary Relationship of Non-Executive Directors:**

- \* The Company has no pecuniary relationship or transaction with its Non-Executive & Independent Directors.

❖ **Disclosures with respect to remuneration:**

- \* The Company pays remuneration to Shri Jayesh C. Patel, Managing Director of the Company by way of salary, perquisites and allowances. The Salary is paid within the ceiling prescribed under the applicable provisions of the Companies Act, 2013 and as approved by the shareholders of the Company, if required. Shri Jayesh C. Patel re-appointed as Managing Director for a period of three years w.e.f. October 1, 2014 to September 30, 2017.
- \* The details of remuneration paid to the Managing Director during the financial year 2015-16 are as under:

Particulars	Remuneration paid during the year (₹ In lakhs)
Salary, Bonus and allowances	15.00
Contribution to Provident fund	1.16
Total	16.16

**6. Stakeholders Relationship Committee (Formerly known as Shareholders' / Investors' Grievance Committee):**

The Company had constituted a Stakeholder Relationship Committee in accordance with the section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and thereafter it was reconstituted as and when required.

At Present, the Committee comprises of Shri Mukesh N. Patel, Shri Jayesh C. Patel and Shri Ditin N. Patel. Shri Mukesh N. Patel is a Chairman of the Committee.

Shri Mehul K. Vyas, Company Secretary, is the Compliance Officer of the Company.

**Meeting and the Attendance during the year 2015-16:**

**Twenty One (21)** Stakeholders Relationship Committee meeting were held during the year 2015-16. The dates of meetings disclosed in Annual return. The details of attendance at the Stakeholders Relationship Committee meetings are as under:

Name of Director	Number of Meetings held during his tenure	Number of Meetings Attended	% of Total Meetings Attended
Shri Mukesh N. Patel	21	21	100
Shri Jayesh C. Patel	21	21	100
Shri Ditin N. Patel <sup>#</sup>	9	9	100
Shri Alkesh B. Patel <sup>*</sup>	12	10	83.33

<sup>#</sup> Appointed w.e.f. October 01, 2015

<sup>\*</sup> Resigned w.e.f. October 01, 2015

❖ **Details of Shareholders' Complaints Received:**

During the financial year 2015-16, the Company has not received any complaints. There are no complaints outstanding as at March 31, 2016.

**7. CSR Committee:**

Presently, the Corporate Social Responsibility ("CSR") Committee comprises Shri Mukesh N. Patel (Chairman), Shri Jayesh C. Patel and Shri Ditin N. Patel which is constituted as required under the Companies Act, 2013, to:

- formulate and recommend to the Board, a CSR Policy indicating therein CSR activities to be undertaken by the company;
- recommend the amount of expenditure to be incurred on CSR activities;
- monitor the CSR Policy of the Company from time to time and institute a transparent monitoring mechanism for implementation of the CSR projects/programs/activities undertaken by the Company; and
- Such other functions as the Board may deem fit, in accordance with the Section 135 of the Companies Act, 2013 (the 'Act') and Schedule VII of the Act and rules thereof as applicable from time to time.

**8. Separate meeting of Independent Directors:**

During the year under review, a separate meeting of Independent Directors, without the attendance of Non-Independent Directors and members of the management, was held on March 09, 2016 as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

**9. Compliance Certificate of the Auditors:**

The Certificate from the Auditors of the Company, M/s. S. D. Mehta & Co., Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under Regulation 34(3) read with Part E of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, is attached to the Boards' Report forming part of the Annual Report.

**10. Details of General Meetings:**

❖ **Annual General Meeting:**

During the preceding three years, the Company's Annual General Meetings were held at 4<sup>th</sup> Floor, Heritage, Nr. The Grand Bhagwati, Sarkhej – Gandhinagar Highway, Ahmedabad – 380 054.

The date and time of Annual General Meetings held during last three years, and the special resolution(s) passed thereat, are as follows:

Financial Year	Date	Time	Special Resolution Passed
2014-15	September 30, 2015	11.30 AM	No Special Resolution was passed in the meeting
2013-14	September 30, 2014	11.45 AM	<ol style="list-style-type: none"> <li>1. Power to borrow money not exceeding ₹1000 crores.</li> <li>2. To approve the related party contracts/ arrangements / transactions with M/s. Vimal Dairy Limited, a subsidiary company.</li> <li>3. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013</li> </ol>
2012-13	September 30, 2013	11.30 AM	No Special Resolution was passed in the meeting.

❖ **Extra Ordinary General Meeting:**

During the last three years, no Extra Ordinary General Meeting (EGM) was held.

❖ **Postal Ballot:**

During the year 2015-2016, No Resolution has been passed through the Postal Ballot.



### 11. Means of Communication:

- ❖ The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after these are approved by the Board.
- ❖ The results are published in the Economics Times, Business Standard, Prabhat and other newspapers and also published on the Company's website [www.vimaloil.com](http://www.vimaloil.com).
- ❖ No presentation has been made to Institutional Investors or to Analysts.

### 12. Disclosures:

- ❖ Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, Directors and/or management, their subsidiaries or relatives etc. that may have potential conflict with the interest of Company at large: Transactions with related parties are disclosed in detail in Note No. 25.2 in "Notes forming part of the Accounts" annexed to the financial statements for the year. There were no related party transactions having potential conflict with the interest of the Company at large.
- ❖ Code of Conduct: The Board has laid down a Code of Conduct for all the Board Members and Senior Management of the Company. The Code of Conduct has been posted on the website of the Company i.e. [www.vimaloil.com](http://www.vimaloil.com).
- ❖ CEO Certificate: The Managing Director of the Company has furnished the requisite certificate to the Board of Directors under Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.
- ❖ Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority (ies), on any matter related to capital markets, during the last three years: BSE Limited and National Stock Exchange of India Limited had imposed penalty of ₹ 6,742/- and ₹ 6,000/- for late filing of Annual Report under Clause 31 of the Listing Agreement and ₹ 62,700/- and 55,000/- for late filing of Financial Results For the Quarter ended on June, 2015 under Clause 41 of the Listing Agreement.
- ❖ Whistle Blower Policy/ Vigil mechanism: The Company has adopted a Whistle-Blower Policy/ Vigil mechanism, which provides a formal mechanism for all employees of the Company to make protected disclosures to the Management about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. No employee of the Company has been denied access to the Audit Committee.
- ❖ The policy for determining 'Material' Subsidiaries can be accessed at [http://www.vimaloil.com/pdf/Codes%20and%20Policies/Policy\\_for\\_determining\\_Material\\_Subsiidiaries.pdf](http://www.vimaloil.com/pdf/Codes%20and%20Policies/Policy_for_determining_Material_Subsiidiaries.pdf).
- ❖ The policy on dealing with related party transactions can be accessed from the website: <http://www.vimaloil.com/pdf/Codes%20and%20Policies/Related%20Party%20Policy.pdf>

### 13. General Shareholder Information:

#### I. Date, Time and Venue of AGM

September 30, 2016 at 11:30 A.M.

4<sup>th</sup> Floor, Heritage, Near The Grand Bhagwati, Sarkhej-Gandhinagar Highway, Ahmedabad – 380 054

#### II. Financial Year

April 1 to March, 31

#### III. Financial results (Tentative)

June 30, 2016

September 30, 2016

December 31, 2016

March 31, 2017

Second week of August 2016

Second week of November 2016

Second week of February 2017

Fourth week of May 2017

**IV. Details regarding dividend paid during the last 7 years:**

Year	Rate (%)	Book Closure Date	AGM Date	Payment Date
2008-09	12(₹1.20 per Equity Share)	September 22, 2009 to September 30, 2009	September 30, 2009	October 05, 2009
2009-10	15(₹ 1.50 per Equity Shares)	September 21, 2010 to September 30, 2010	September 30, 2010	October 04, 2010
2010-11	15(₹ 1.50 per Equity Shares)	September 21, 2011 to September 30, 2011	September 30, 2011	October 05, 2011
2011-12	12(₹1.20 per Equity Share)	September 21, 2012 to September 29, 2012	September 29, 2012	October 04, 2012
2012-13	12(₹1.20 per Equity Share)	September 21, 2013 to September 30, 2013	September 30, 2013	October 03, 2013
2013-14	12(₹1.20 per Equity share)	From September 22, 2014 to September 30, 2014	September 30, 2014	October 04, 2014

**V. Listing of Equity Shares on Stock Exchange:**

Stock Exchanges	Address	Telephone No.
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	022-2272 1233 022-2272 1234
National Stock Exchange of India Limited (NSE)	Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E) Mumbai - 400 051	022- 26598100 - 8114

For the year 2015-16, the Company has paid annual listing fee to BSE and NSE.

**VI. Stock Code:**

Name of Exchange	Stock Code
BSE Limited	519373
National Stock Exchange of India Limited	VIMALOIL
Demat ISIN Number in NSDL & CDSL	INE067D01015

**VII. Transfer of unpaid/unclaimed amounts to Investor Education and Protection Fund:**

Pursuant to section 125 of the Companies Act, 2013, unclaimed dividend for the financial year 2007-08 have been transferred to the IEPF established by the Central Government and no claim shall lie with the Company in respect of the unclaimed dividend transferred to IEPF for the financial year 2007-2008.

**VIII. Location of the Depositories:**

Stock Exchanges	Address	Website
National Securities Depository Ltd.	4 <sup>th</sup> & 5 <sup>th</sup> Floor, 'A' Wing, Trade World, Kamala Mills Compound, Lower Parel, Mumbai - 400 013	<a href="http://www.nsdl.co.in">www.nsdl.co.in</a>
Central Depository Services (India) Limited	17 <sup>th</sup> Floor, P J Towers, Dalal Street, Mumbai - 400001	<a href="http://www.cdslindia.com">www.cdslindia.com</a>

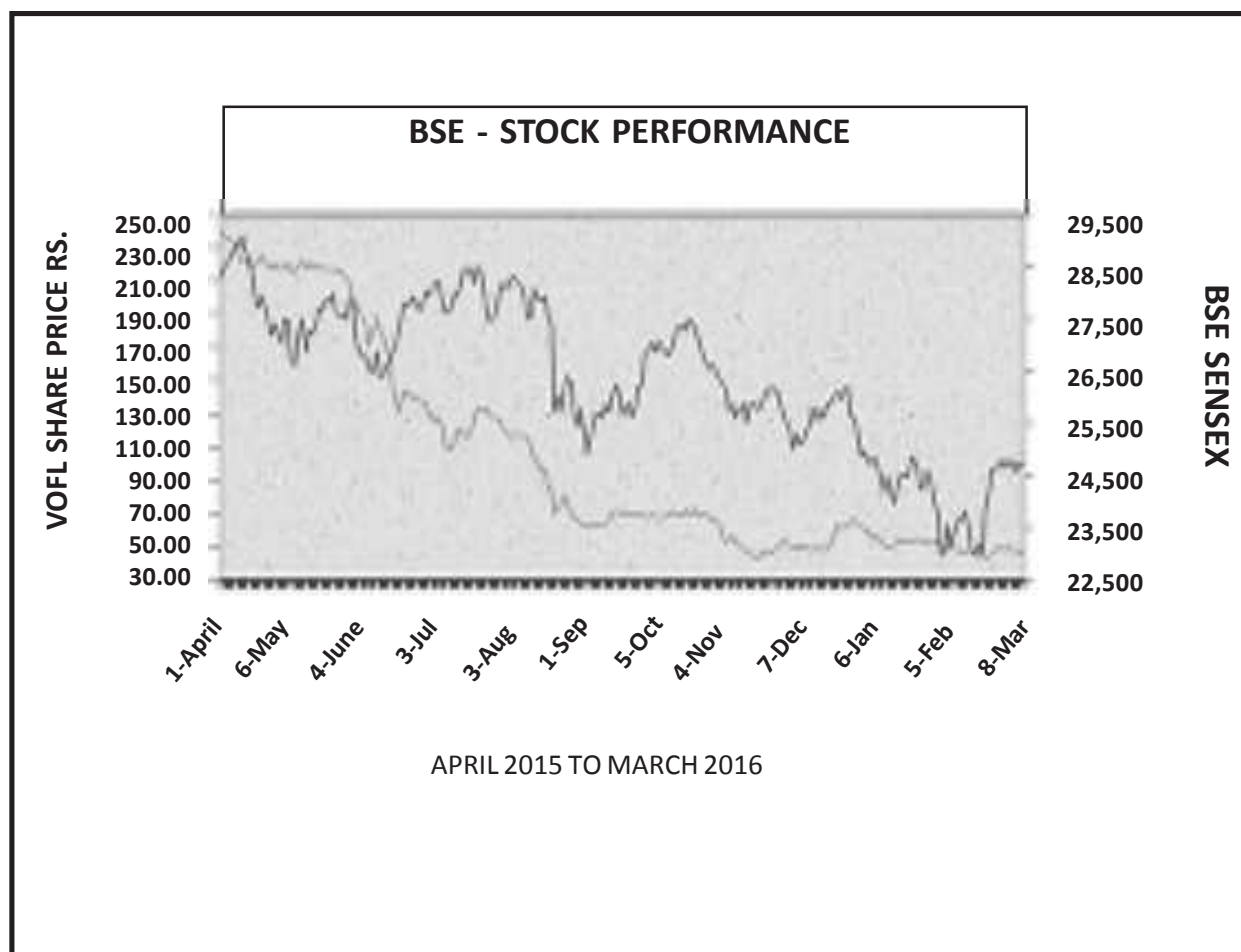
**IX. Stock Market Data:**

**BSE & NSE Stock Market Price Data for the year 2015-16:**

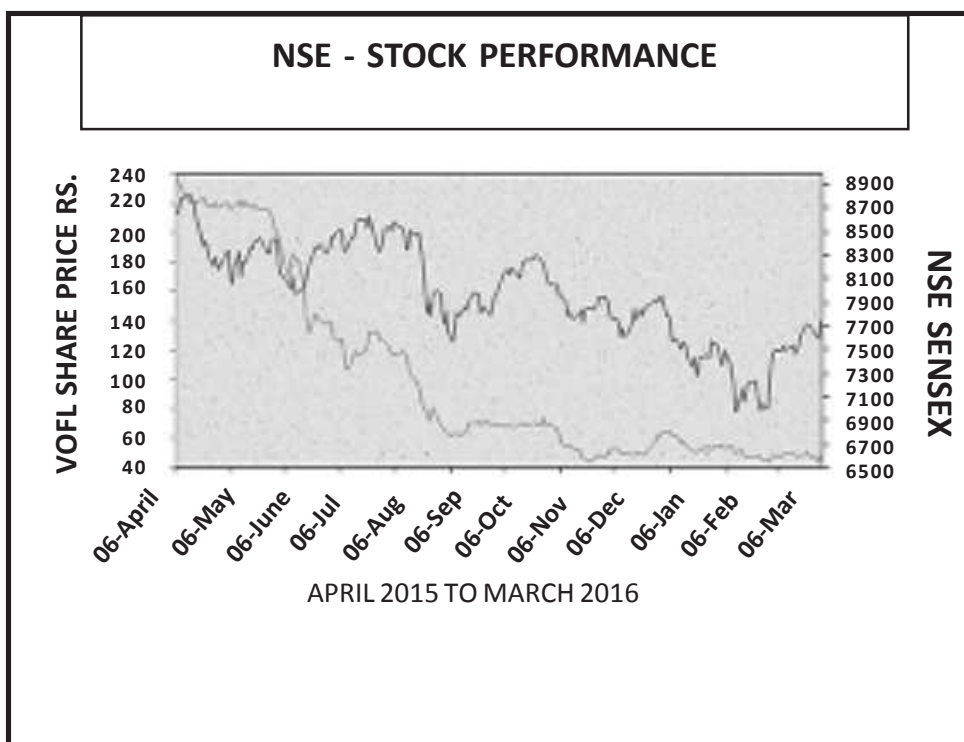
Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No.)	High (₹)	Low (₹)	Volume (No.)
Apr-15	250.00	216.00	1,07,484	245.00	214.00	2,65,433
May-15	229.00	209.00	1,07,200	259.75	210.00	2,60,693
Jun-15	210.70	128.00	2,22,925	211.00	126.50	5,27,505
Jul-15	140.00	104.00	3,24,835	143.00	104.50	5,45,776
Aug-15	126.60	68.00	2,62,396	126.50	66.35	4,32,158
Sep-15	76.00	60.00	1,79,855	75.95	58.20	3,37,903
Oct-15	82.95	66.20	3,98,506	82.90	66.45	4,79,165
Nov-15	69.40	42.70	1,70,385	69.45	42.60	2,98,866
Dec-15	64.75	45.10	1,69,957	63.80	46.00	2,34,924
Jan-16	67.90	47.55	1,07,709	68.00	48.00	2,10,340
Feb-16	55.60	42.45	59,607	57.00	42.50	86,474
Mar-16	53.00	40.05	5,57,665	53.00	40.50	8,39,033

**X. Stock Performance:**

Performance of share price of VIMAL OIL & FOODS LIMITED in comparison to BSE Sensex for the year 2015 -16 is as under:



Performance of share price of VIMAL OIL & FOODS LIMITED in comparison to NSE Nifty for the year 2015 -16 is as under:



#### **XI. Registrar & Share Transfer Agent:**

The Company has appointed **M/s. Link Intime India Private Limited** as the Registrar and Share Transfer Agent for Demat shares w.e.f March 16, 2001 having their Registered Office at:

C-13 Pannalal Silk Mills Compound  
L. B. S. Marg handup (W)  
Mumbai – 400 078  
Phone No. 022-2592 3837  
Fax No. 022- 2567 2693  
E-mail: [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)

**M/s. Link Intime India Private Limited** have also been appointed as a common agency for share registry work in terms of both physical and electronic vide SEBI circular no. D&CC/FITTC/CIR-15/2002 dated December 27, 2002 w.e.f February 1, 2003 having their Office at:

**M/s Link Intime India Private Limited**  
Unit No 303, 3<sup>rd</sup> Floor Shoppers Plaza-V  
Opp. Municipal Market  
Behind Shoppers Plaza-II Off. C.G. Road  
Ahmedabad - 380 009  
Phone No. 079-2646 5179  
E-mail: [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)

#### **XII. Share Transfer System:**

Trading in Equity Shares of the Company is permitted only in dematerialized form w.e.f. March 23, 2001 as per circular issued by the Securities and Exchange Board of India (SEBI).

The transfer of shares in physical form is processed and completed by M/s. Link Intime India Private Limited, Registrar & Share Transfer Agent within the statutory stipulated period. In case where shares are held in electronic form the transfers are processed by NSDL/CDSL through the Depository Participants and Registrar.



**XIII. Distribution of Shareholding (as on March 31, 2016):**

No. of Equity Shares Held	No. of Shareholders	% of Shareholders	Total No. of Shares Held	% of Shareholding
1-500	2726	86.54	373807	2.49
501-1000	184	5.84	155079	1.03
1001-2000	96	3.05	147950	0.99
2001-3000	32	1.01	82775	0.55
3001-4000	17	0.54	61005	0.41
4001-5000	12	0.38	58176	0.39
5001-10000	20	0.64	146497	0.97
10001 & Above	63	2.00	13994711	93.17
<b>Total</b>	<b>3150</b>	<b>100.00</b>	<b>15020000</b>	<b>100.00</b>

**XIV. Dematerialization:**

The Company's equity shares are compulsorily traded in dematerialized form for all the investors with effect from March 23, 2001.

14664075 out of 15020000 Equity Shares (97.63% of the total Equity Share Capital) have been dematerialized up to March 31, 2016.

**XV. Electronic Service of Documents to the Registered Email Address of Members:**

The Company has been continuously supporting the "Green Initiatives" taken by the Ministry of Corporate Affairs, Government of India (MCA) and the Securities and Exchange Board of India (SEBI). Accordingly, in respect of Members / Members who have registered their email addresses, the Company have been dispatching documents vide electronic form since last three years.

In accordance with Rule 18 of the Companies (Management and Administration) Rules, 2014 notified under the Companies Act, 2013, the Company may give/send Notice of the General Meetings through electronic mode.

As such, the Company sends documents to its Members like General Meeting Notices (including AGM), Annual Reports comprising Audited Financial Statements, Directors' Report, Auditors' Report and any other future communication (hereinafter referred to as "documents") in electronic form, in lieu of physical form, to all those members, whose email addresses are registered with Depository Participant (DP)/Registrars & Share Transfer Agents (RTA) (hereinafter called as "registered email address") and made available to us, which has been deemed to be the member's registered email address for serving the aforesaid documents.

To enable the servicing of documents electronically to the registered email address, we request the members to keep their email addresses validated/ updated from time to time. We wish to reiterate that Members holding shares in electronic form are requested to please inform any changes in their registered e-mail address to their DP from time to time and Members holding shares in physical form have to write to our RTA, **M/s Link Intime India Private Limited** at their specified address in attached format, so as to update their registered email address from time to time.

Further, for convenience of the Members, the Annual Report of the Company will also be made available on the Company's website [www.vimaloil.com](http://www.vimaloil.com). Members are also requested to take note that they will be entitled to be furnished, free of cost, the aforesaid documents, upon receipt of requisition from the member, any time, as a member of the Company.

**XVI. Details on use of public fund obtained in the last three years:**

On January 9, 2014, the Company allotted 36,00,000 Equity Shares of ₹ 10/- each at the premium of ₹ 95/- aggregating to ₹ 37,80,00,000/- to the Promoter and Non Promoter on the preferential basis. The entire amount was utilized towards the long-term working capital requirements.

**XVII. Outstanding GDRs / ADRs / Warrants & Convertible Bonds conversion date and likely impact on the equity:**

The Company has not issued any GDRs / ADRs / Warrants during the year under report.



**XVIII. Plant Locations:**

At: Village Hanumant Heduva  
Nr. Palavasna Railway Crossing  
Highway Mehsana – 384 002

**XIX. Investor Correspondence:**

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address and any other query relating to shares of the Company please write to:

**M/s. Link Intime India Private Limited**

Unit No 303, 3<sup>rd</sup> Floor Shoppers Plaza-V  
Opp. Municipal Market  
Behind Shoppers Plaza-II Off. C.G. Road  
Ahmedabad - 380 009  
Phone No. 079-2646 5179  
E-mail: [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)

**For any other general matters or in case of any difficulties / grievances please write to:**

Shri Mehulkumar K. Vyas  
Company Secretary &  
Compliance Officer

**Vimal Oil & Foods Limited**

4<sup>th</sup> Floor Heritage Near The Grand Bhagwati  
Sarkhej-Gandhinagar Highway  
Ahmedabad - 380 054  
Phone No (079) 26841851 / 52 / 53 / 54  
Fax No. (079) 26841850  
E-mail Address: [secretarial@vimalgroup.com](mailto:secretarial@vimalgroup.com)  
[sec.vimal@yahoo.co.in](mailto:sec.vimal@yahoo.co.in)



## **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

### **ECONOMY OVERVIEW**

Since last 2 years, the crude oil prices have decreased by 50 % (approx) and due to that edible oil price in International Market have also come down by 40 % (approx). As the edible oil which going bio-diesel was reduced due to reduction in crude oil prices.

Even, the Indian Rupee has also depreciated against US Dollar which touches highest level of ₹ 68.61 per US Dollar which also has affected the import prices especially edible oil price. As we import around 100 Lakh Ton edible in country which is very substantial part of our country's import bill.

In Indonesia & Malaysia, their government has started increasing export taxes of crude, palm, while keeping 0 (zero) tax on refined products due to that this country are exporting crude oil & refined oil at same price due to that our local refiner are facing lot of problems indespition which ultimately affect on their profitable if this scenario will continue and if Indian government will not increase duty difference between crude and refine product and whole inductor go in red very soon.

### **SEGMENT ANALYSIS AND REVIEW**

The sales including other income for the year under reviewed was ₹ 172446.26 lakhs as against ₹ 303484.70 lakhs for the previous financial year.

#### **Integrated Oil Division**

The Sales of oil division of the Company has decreased by 43% compared to previous year.

#### **Wind Mill Division**

The Company has installed three windmills having capacity of 1.425 MW. The segment result of this division has decreased from ₹ 53.92 lakhs to ₹ 47.84 lakhs.

### **SNACKS INDUSTRY**

Salty snacks are the fastest growing category. Some 300 types of savouries sell here and the overall snack product market (inclusive of sweetmeats). This is good news for the corporate sector, given that the past few years have seen a perceptible shift towards the branded sector at the cost of the unbranded segment.

### **SUBSIDIARIES**

At present, M/s. Brinda Exports Limited is Wholly-owned Subsidiary of the Company w.e.f. August 27, 2015.

The turnover of M/s. Brinda Exports Limited for the year under review was ₹ 28770.98 Lakhs. The Profit before tax for the year under review is ₹ 5.60 Lakhs and the profit after tax for the year under review is ₹ 3.87 Lakhs.

During the financial year 2015-16, the Board of Directors reviewed the affairs of the subsidiaries. In accordance with Section 129 of the Companies Act, 2013, the Company has prepared consolidated Financial Statement of the Company as on March 31, 2016, which forms part of this Annual Report.

### **FUTURE OUTLOOK**

The Government of India is taking various steps to boost the infrastructure development in the country. Looking at the huge potential for growth in the infrastructure sector, your company sees a good outlook for the coming years and the Company will benefit from the same.

### **STRENGTHS AND OPPORTUNITIES**

In the light of the financial turmoil in the developed countries and subsequent impact in India and more specifically in the Commodity prices your Company has taken steps to strengthen its position and seek out opportunities in adversity. The approach has been on containing costs and growing brands. The Company has been taking measures to keep its brands relevant to the customers and also ensuring that they remain competitively priced. It is also exploring all possible avenues to reduce costs of inputs and raw materials without compromising on the quality of the product.

### **THREATS & CHALLENGES**

For the edible oils industry, the biggest challenges being faced are now are policy related. As edible oils are not governed by the anti-dumping regulation and with consumption far superseding domestic production, imports are a necessity in this industry. As a result of which margins of edible oil manufacturers and refiners are quite low. Your company is taking necessary steps to address this issue.

Business segments like dairy products and snack foods are highly competitive with several larger multi-national companies now present in India with world renowned brands. Competing for a piece of the pie will be an uphill battle, but it is one your company is well geared to take on.

#### **RENEWABLE ENERGY**

Windmills have always been considered a clean and green means of generating power. So as their contribution towards environmental conservation, the company installed them in the coastal area of Gujarat, way back in 1996. As fuel generally accounts for a major chunk of Production costs, this also made sound business sense, by acting as a shield against ever spiraling fuel prices and helping an environment. The company has installed three Windmills.

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

There are adequate Internal Control Systems for financial reporting and time bound compliance of applicable laws and regulations. An independent firm of Chartered Accountants is carrying out internal audit of the books of accounts of the Company on a quarterly basis. The Audit Committee also reviews from time to time, adequacy and effectiveness of these internal control systems.

#### **TRANSPARENCY IN SHARING INFORMATION**

Transparency refers to sharing information and acting in an open manner. Processes and information are directly accessible to those concerned with them, and enough information is provided to understand and monitor them. Your Company believes in total transparency in sharing information about the business operations with all its stakeholders. Your Company strives to provide maximum possible information about its business operations with all its stakeholders. Your Company strives to provide maximum possible information in this report to keep stakeholders updated about the business performance.

#### **RISK & CONCERN**

The Company is exposed to external business risk, internal risk and financial risk. External business risks arise out of variations in prices of raw-material (crude oil) etc. Internal risks basically cover operational efficiency and ability to withstand competition. Financial risks are basically in the nature of interest rate variations.

#### **FINANCIAL PERFORMANCE**

An Overview of the financial performance is given in the Boards' Report. The Audit Committee constituted by the Board of Directors periodically reviews the financial performance and reporting systems.

#### **HUMAN RESOURCES**

At Vimal Oil & Foods Ltd., equal importance is given to the development of the company's human resource. VOFL has always recruited the best talent available in the industry – people with years of expertise and experience behind them. Moreover, frequent in-house training sessions are conducted in all departments – be it Production or Accounts or Sales & Marketing – to not just increase their knowledge base but also improve their skills. This self-reliance not only boosts morale and confidence, but also contributes towards a healthier bottom.

#### **CAUTIONARY STATEMENT**

Statement in this Management Discussion and Analysis Report detailing the Company's objective, projections about the future, estimates, expectations or predictions including, but not limited to, statements about the Company's strategy for growth, market position and expenditures may be "forward- looking statements" within the meaning of applicable securities laws and regulations.

Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand / supply and price conditions in the domestic markets in which the Company operates, Changes in the Government regulations, tax laws and other statutes or other incidental factors.

**On behalf of Board of Directors**  
*For, Vimal Oil & Foods Limited*

**Place:** Ahmedabad  
**Date:** May 26, 2016

**Jayesh C. Patel**  
**Chairman & Managing Director**



## **DECLARATION**

As provided under Regulation 34(3) read with Part E of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 with the Stock Exchanges, all Board Members and Senior Management Personnel have affirmed compliance with Vimal Oil & Foods Limited Code of Business Conduct and Ethics for the year ended 31<sup>st</sup> March, 2016.

**For, Vimal Oil & Foods Limited**

**Place:** Ahmedabad  
**Date:** May 26, 2016

**Jayesh C. Patel**  
**Chairman & Managing Director**

## **CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members  
Vimal Oil & Foods Limited  
Ahmedabad

We have examined the compliance of conditions of Corporate Governance by Vimal Oil & Foods Limited for the year ended on March 31, 2016 as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

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

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

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

**For, S.D. Mehta & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 137193W**

**Place:** Ahmedabad  
**Date:** May 10, 2016

**Shaishav Mehta**  
**Partner**  
**M. No. 032891**

## **Independent Auditors' Report 2015-2016**

To the Members of,  
Vimal Oil & Foods Limited

### **1. Report on the Financial Statements**

We have audited the accompanying financial statements of **Vimal Oil & Foods Limited** which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in the section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial 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 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.

### **3. Auditor's Responsibility**

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

We have taken into account the provisions of the Act, 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 control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedure 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 control 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 presentations 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 standalone financial statements.

### **4. Opinion**

In our opinion and to the best of our information and according to the explanations given to us *and subject to Note no. 24.4 (Non provision of Doubtful Trade Receivables), Note no. 26 (Non provision of Interest) and Note no. 27 (Purchase belonging to preceding year)*, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India; of the state of the affairs of the company as at 31<sup>st</sup> March 2016, and its profits and cash flows for the year ended on that date.

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

- i. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section (11) of section 143 of the Companies Act, 2013 we give in the "**Annexure-A**" a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.



- ii. As required by section 143(3) of the Act, we report that:
- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”; and
  - g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and accordance to the explanation given to us:
    - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements — **Refer note 24.2** to financial statements;
    - 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 — **Refer note 24.6** to financial statements.

**For, S. D. Mehta & Co.**  
**Chartered Accountants**  
**(Registration No. 137193W)**

**Place : Ahmedabad**  
**Date: 10<sup>th</sup> May, 2016**

**Shaishav Mehta**  
**Partner**  
**Membership No.: 032891**

## Annexure-A to Independent Auditors' Report

Referred to in Paragraph 5(i) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.

**1. In respect of Fixed Assets:**

- a. The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.
- b. All the Fixed Assets of the Company have been physically verified by the management at reasonable period during the year and no material discrepancies have been noticed on such verification.
- c. Title Deeds of immovable properties are held in the name of company.

**2. In respect of Inventories:**

- a. As explained to us, Inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b. As per information given to us, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c. In our opinion and according to the information and explanations given to us by the management, the Company has generally maintained & verified all records of its inventories and no material discrepancies were noticed on physical verification.

3. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

4. The company has not given guarantees or provided security requiring compliance under section 185 or 186 of the act. However, company has made investments in Brinda Exports Ltd. making it a wholly owned subsidiary where in the company has complied with the provisions of section 186 of the act.

5. During the year, the company has not accepted any deposits from public.

6. We have broadly reviewed the cost records maintained by the company pursuant to section 148 (1) of the Companies Act, 2013. We have broadly reviewed the books of accounts maintained by the company and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not, made a detailed examination of the records with a view to determine whether they are accurate or complete.

**7. In respect of Statutory Dues:**

- a. According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no undisputed dues, payable in respect of above as at 31st March, 2016 for a period of more than six months from the date on which they became payable.
- b. According to the information and explanations given to us and on the basis of our examination of books of account and record, the details of aforesaid statutory dues as at March 31, 2016 which have not been deposited with the appropriate authorities on account of any dispute, are given below:

Name of Statute	Nature of dues	Amount (₹)	Accounting Period to which the amount relates	Forum where dispute is pending
Gujarat Sales Tax Act, 1961 and Central Sales Tax Act, 1956	Sales Tax and CST	211.72 Lacs	2001-02 to 2003-04	Appellate Authority
Rajasthan Sales tax Act, 1994	Sales Tax	139.48 Lacs	2002-03	Appellate Authority
Income Tax Act, 1961	Income Tax	53.83 Lacs	1999-00	Appellate Authority
Income Tax Act, 1961	Income Tax	27.72 Lacs	2006-07	Appellate Authority
Income Tax Act, 1961	Income Tax	36.9 Lacs	2007-08	Appellate Authority
Income Tax Act, 1961	Income Tax	3.97 Lacs	2008-09	Appellate Authority
Income Tax Act, 1961	Income Tax	0.05 Lacs	2011-12	Appellate Authority
Income Tax Act, 1961	Income Tax	0.18Lacs	2013-14	Appellate Authority



- c. During the year, the amount required to be transferred to investor's education and protection fund has been so transferred.
8. In our opinion and according to the information and explanation given to us, the Company has defaulted in repayment of dues to banks as detailed below.

Sr. No.	Name of Bank	Amount of default for repayment(₹ In Lacs)
1	Bank of India	14359.57
2	Bank of Baroda	13891.10
3	Dena Bank	11421.75
4	Andhra Bank	8181.32

9. In our opinion and on the basis of information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
10. To the best of our knowledge and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.
11. The managerial remuneration has been paid and provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the companies act, 2013.
12. The company is not a Nidhi company. As such The Nidhi rules, 2014 are not applicable.
13. All transactions with the related parties are in compliance with the sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by applicable accounting standards.
14. The company has not made any preferential allotment or Private placement of shares of fully or partly convertible debentures during the year under review.
15. The company has not entered into any non cash transactions with directors or persons connected with it.
16. The company is not required to be registered u/s. 45-IA of the Reserve Bank of India Act, 1934.

**For, S. D. Mehta & Co.**  
**Chartered Accountants**  
**(Registration No. 137193W)**

**Place : Ahmedabad**  
**Date: 10<sup>th</sup> May, 2016**

**Shaishav D. Mehta**  
**Partner**  
**Membership No.: 032891**



## **Annexure-B to Independent Auditors' Report**

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

We have audited the internal financial controls over financial reporting of Vimal Oil & Foods Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

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

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

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

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

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

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

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



**Opinion**

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

**For, S. D. Mehta & Co.**  
**Chartered Accountants**  
**Firm's Registration Number: 137193W**

**Place : Ahmedabad**  
**Date: 10<sup>th</sup> May, 2016**

**Shaishav Mehta**  
**Partner**  
**Membership Number: 032891**

**VIMAL OIL & FOODS LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2016**

(₹ in lacs)

Particulars	Note No	As At 31/ 03/ 2016	As At 31/ 03/ 2016	As At 31/ 03/ 2015	As At 31/ 03/ 2015
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholders' Funds</b>					
(a) Share Capital	1	3002.00		3002.00	
(b) Reserves and Surplus	2	(10707.19)	(7705.19)	13278.16	16280.16
<b>(2) Non-Current Liabilities</b>					
(a) Long-term borrowings	3	53.52		519.48	
(b) Deferred tax liabilities (Net)	4	328.67	382.19	467.95	987.44
<b>(3) Current Liabilities</b>					
(a) Short-term borrowings	5	53471.46		17057.37	
(b) Trade payables	6	20565.93		57334.11	
(c) Other current liabilities	7	345.49		393.09	
(d) Short Term Provisions	8	93.58		1167.22	
			74476.46		75951.79
<b>Total</b>			<b>67153.45</b>		<b>93219.38</b>
<b>II. Assets</b>					
<b>(1) Non-current assets</b>					
(a) Fixed assets	9				
Tangible assets		2796.88		3283.98	
(b) Non Current Investments	10	7.74		1248.10	
(c) Long term loans and advances	11	550.37	3354.99	542.68	5074.75
<b>(2) Current assets</b>					
(a) Inventories	12	14086.70		32199.59	
(b) Trade receivables	13	45475.65		47184.70	
(c) Cash and Bank Balances	14	1813.26		7514.13	
(d) Short-term loans and advances	15	2422.87	63798.46	1246.21	88144.63
<b>Total</b>			<b>67153.45</b>		<b>93219.38</b>
Significant Accounting Policies					
Notes to Financial Statements	1 to 27				

As per our report of even date attached herewith.

**FOR, S. D. MEHTA & CO.**  
Chartered Accountants  
FRN: 137193W

Shaishav D. Mehta  
Partner  
M.No. 032891

Place: Ahmedabad  
Date: 10<sup>th</sup> May, 2016

**FOR AND ON BEHALF OF THE BOARD OF**  
**VIMAL OIL & FOODS LIMITED**

Jayesh C. Patel  
Chairman & Managing Director  
DIN: 00027767

Mehul K. Vyas  
Company Secretary  
Place: Ahmedabad  
Date: 10<sup>th</sup> May, 2016

Mukesh N Patel  
Director  
DIN: 00498451

Jitendra Patel  
CFO

## VIMAL OIL & FOODS LIMITED

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lacs)

Particulars	Note No	2015-16	2014-15
<b>I. INCOME</b>			
Revenue from operations	16	172,781.79	303,865.49
Less: Excise Duty		(361.97)	(398.09)
<b>Net Revenue from operations</b>		<b>172,419.83</b>	<b>303,467.41</b>
Other Income	17	28.43	17.29
<b>Total Revenue</b>		<b>172,448.26</b>	<b>303,484.70</b>
<b>II. EXPENDITURE:</b>			
Cost of Materials Consumed	18	123,052.68	223,057.27
Purchase of Stock -in-Trade		37,495.95	69,357.63
Changes in Inventories of Finished goods, Work-in-Progress and by products	19	16,578.19	(14,878.40)
Employee Benefits Expense	20	621.64	695.64
Finance Costs	21	5,517.84	6,321.69
Depreciation and Amortization Expense	9	696.39	744.69
Other Expenses	22	13,321.50	15,633.51
<b>Total Expenses</b>		<b>197,284.18</b>	<b>300,932.03</b>
<b>III. Profit Before Exceptional Items &amp; Tax</b>	(I-II)	<b>(24,835.92)</b>	<b>2,552.67</b>
Profit from sale of Shares of Vimal Dairy Ltd.		312.00	0.00
<b>IV. Profit Before Tax</b>		<b>(24,523.92)</b>	<b>2,552.67</b>
<b>V. Tax Expenses</b>			
- Current tax		0.00	745.00
- Deferred tax		(139.28)	(91.99)
- Income tax for earlier years		0.00	94.66
<b>VI. Profit for the year</b>		<b>(24,384.64)</b>	<b>1,805.00</b>
<b>Earning per equity share of face value of ₹ 10 each</b>			
Basic & Diluted (In ₹)	23	(162.35)	12.02
Significant Accounting Policies			
Notes to Financial Statements	1 to 27		

As per our report of even date attached herewith.

**FOR, S. D. MEHTA & CO.**  
Chartered Accountants  
FRN: 137193W

**Shaishav D. Mehta**  
Partner  
M.No. 032891

Place: Ahmedabad  
Date: 10<sup>th</sup> May, 2016

**FOR AND ON BEHALF OF THE BOARD OF**  
**VIMAL OIL & FOODS LIMITED**

**Jayesh C. Patel**  
Chairman & Managing Director  
DIN: 00027767

**Mehul K. Vyas**  
Company Secretary  
Place: Ahmedabad  
Date: 10<sup>th</sup> May, 2016

**Mukesh N Patel**  
Director  
DIN: 00498451

**Jitendra Patel**  
CFO

**VIMAL OIL & FOODS LTD.**  
**CASH FLOW STATEMENT FOR THE YEAR 2015-16**

(₹ in lacs)

PARTICULAR	FY 2015-16	FY 2014-15
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Taxes & Extra-Ordinary Items	(24523.92)	2552.68
Adjustments for :		
Depreciation	696.39	744.69
Interest & Other Financial Charges	5517.84	6370.84
Profit on Sale of VDL Shares	(312.00)	0.00
Profit on sale of assets	(0.25)	0.00
Loss on sale of assets	1.93	0.00
Prior period Items	0.00	0.96
Dividend Income	(0.01)	0.00
	5903.89	7116.49
<b>Operating Profit before Working Capital Changes</b>	<b>(18620.03)</b>	<b>9669.17</b>
(Increase) / Decrease in Inventory	18112.89	(11121.67)
(Increase) / Decrease in Trade Receivables	1709.06	(7611.90)
(Increase) / Decrease in Short term loans & advances	2995.05	346.85
(Increase) / Decrease in Long term loans & advances	(8.04)	253.20
Increase / (Decrease) in Trade Payables	(36768.74)	18761.17
Increase / (Decrease) in Other Current Liabilities	49.29	178.18
Increase / (Decrease) in Short Term Provisions	20.70	26.12
	(13889.79)	831.96
<b>Cash Generated from Operation</b>	<b>(32509.82)</b>	<b>10501.13</b>
Direct Taxes Paid	(136.86)	(1051.66)
<b>Net Cash from Operating Activities</b>	<b>(32646.68)</b>	<b>9449.47</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets & Capital WIP	(212.27)	(247.13)
Sale of fixed Assets	1.30	0.00
Sale of Investment	1560.00	0.00
Dividend Received	0.01	0.00
Purchase of Investment	(7.64)	(0.10)
<b>Net Cash (used in) / from Investing Activities</b>	<b>1341.40</b>	<b>(247.23)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Share Capital Received	0.00	0.00
Share Premium Recived	0.00	0.00
Proceeds from/ (Repayment of) Borrowings	35851.23	(1551.73)
Dividend Paid (with Tax)	0.00	(290.24)
Interest Paid (Net)	(5517.00)	(6370.84)
<b>Net Cash (used in) / from Financing Activities</b>	<b>30334.24</b>	<b>(8212.81)</b>
<b>Net Increase/(decrease) in Cash and Cash Equivalents</b>	<b>(971.04)</b>	<b>989.43</b>
<b>Opening Balance of Cash &amp; Cash Equivalents</b>	<b>1117.87</b>	<b>128.44</b>
<b>Closing Balance of Cash &amp; Cash Equivalents</b>	<b>146.84</b>	<b>1117.87</b>
<b>Cash &amp; Cash Equivalents comprises of: (Referring note 14)</b>		
Cash on hand	33.51	37.43
Balance with banks	113.33	1080.44
<b>Total</b>	<b>146.84</b>	<b>1117.87</b>

As per our report of even date attached herewith.

FOR, S. D. MEHTA & CO.

Chartered Accountants

FRN: 137193W

Shaishav D. Mehta  
Partner

M.No. 032891

Place: Ahmedabad

Date: 10<sup>th</sup> May, 2016

FOR AND ON BEHALF OF THE BOARD OF  
VIMAL OIL & FOODS LIMITED

Jayesh C. Patel  
Chairman & Managing Director  
DIN: 00027767

Mukesh N Patel  
Director  
DIN: 00498451

Mehul K. Vyas  
Company Secretary  
Place: Ahmedabad  
Date: 10<sup>th</sup> May, 2016

Jitendra Patel  
CFO



## **SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2016**

### **SIGNIFICANT ACCOUNTING POLICIES**

#### **A) Basis For Preparation of Financial Statement**

Although the Net Worth of the company has wholly been eroded and current liabilities are more than current assets as at the date of financial statement, financial statements of the company have been prepared on a "Going Concern" basis as the company has been able to manage its operational activities and has also been able to continue its manufacturing and sales activities. However, the improvement in financial condition of the company would depend upon overall improvement in economic scenario in general and in Edible Oil Segment Market scenario in particular.

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India, including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian Rupees rounded off to the nearest rupees in lakhs, unless wherever specifically mentioned otherwise.

#### **(B) Use of Estimates**

The preparation of financial statement in conformity with Generally Accepted Accounting Principles require management to make estimate and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of financial statement. Actual result could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

#### **(C) Revenue Recognition**

- (a) Revenue from sale of goods to domestic customers are recognized on dispatch of goods from the factory. Revenue from sale of goods to overseas customers are recognized on the goods being shipped on board. Sales are recorded at invoice value net of local sales tax and sales return.
- (b) Other Income is recognized on accrual basis except when realization of such income is uncertain.
- (c) Interest on Investments and Fixed Deposits kept with Banks are booked on a time proportion basis for the year-end taking into account the amounts invested and rate of interest.

#### **(D) Fixed Assets**

Fixed assets are shown at their historical cost less depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

#### **(E) Depreciation**

Depreciation is provided on straight-line method at the rates and in the manner specified in Schedule II of the Companies Act, 2013.

#### **(F) Investment**

Investment in shares of wholly owned subsidiary M/s. Brinda Exports Limited are stated at cost and are unquoted.

#### **(G) Export Incentives**

Company is entitled for draw back as export incentive and the same are taken into books on the accrual basis.

#### **(H) Valuation of Inventories**

Items of inventories are measured at lower of cost and net realizable value except in case of by-products, which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

Cost of raw materials, process chemicals, stores and spares, packing materials, trading and other products are determined on weighted average basis.

**(I) Earnings Per Share**

Basic earnings per share are calculated by dividing profit for the year attributable to the equity shareholder by weighted average number of equity shares outstanding during the year. The diluted EPS is the same as basic EPS.

**(J) Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized in respect of obligations where, based on the evidence available, their existence at the balance sheet date is considered probable.

Contingent liabilities are shown by way of notes to the accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.

Any contingent asset is not recognized in the Accounts.

**(K) Retirement Benefits**

**(i) Short Term Benefit:**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the service rendered by employee is recognized during the period when the employee render the service.

**(ii) Post Employment Benefits:**

Contribution to defined contribution scheme such as Provident Fund etc is charged to the profit & Loss Account as incurred. The company also provides for post employment benefits in the form of their share of Provident Fund and Gratuity is provided for based on valuations as at the balance sheet date, made by independent agency.

**(L) Income Tax**

Income taxes comprises of current & deferred taxes. Current taxes are measured at the amount expected to be paid to the income tax authorities in accordance with the Income Tax Act, 1961. Deferred income tax reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**(M) Foreign Currency Transactions**

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- (b) Monetary items denominated in foreign currencies at the year-end are restated at year-end rates. In case of items, which are covered by forward exchange contracts, the difference between the year-end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.

**(N) Forward Contracts in Foreign Currency**

The company uses foreign exchange forward contracts to hedge its exposure to movements in foreign exchange rates. The use of this foreign exchange forward reduces the risk or cost to the company. The company does not use this for trading or speculation purposes. Forward contracts are fair valued at the reporting date. The resultant gain or loss from these transactions is recognized in the statement of profit and loss.

**(O) Borrowing Costs**

Borrowing costs whether specific or general, utilized for acquisition, construction or production of qualifying assets are capitalized as part of cost of such assets till the activities necessary for its intended use are complete. General borrowing costs are capitalized at the weighted average of such borrowings outstanding during the year. All other borrowing costs are charged in statement of Profit & Loss of the year in which incurred.

**(P) Contingencies and Events Occurring after the Balance Sheet Date**

All contingencies and events occurring after the Balance Sheet date, which have a material effect on the financial position of the Company, are considered for preparing the financial statements.

(₹ in Lacs)

## Notes on Financial Statements for the Year ended March 31, 2016

<b>NOTE : 1 SHARE CAPITAL</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
<b>AUTHORISED SHARE CAPITAL :</b>		
18000000 Equity Shares of ₹ 10/- each (18000000)	1800.00	1800.00
15000000 Preference Shares of ₹ 10/-each (15000000)	1500.00	1500.00
	<b>3,300.00</b>	<b>3,300.00</b>
<b>ISSUED ,SUBSCRIBED &amp; PAID UP CAPITAL :</b>		
15020000 Equity Shares of ₹ 10 each fully paid up (15020000)	1502.00	1502.00
5000000 6% Preference shares of ₹ 10/- each Fully paid up (P.Y. 5000000)	500.00	500.00
10000000 8% Preference shares of ₹ 10/- each Fully paid up (P.Y. 10000000)	1,000.00	1,000.00
	<b>3002.00</b>	<b>3002.00</b>
<b>TOTAL</b>	<b>3002.00</b>	<b>3002.00</b>

### 1.1 (i) The details of shareholders holding more than 5% of Equity shares

<b>Sr No.</b>	<b>Name of Share holder</b>	<b>As at 31/ 03/ 2016</b>		<b>As at 31/ 03/ 2015</b>	
		<b>No. of Share</b>	<b>% Held</b>	<b>No. of Share</b>	<b>% Held</b>
1	Jayesh C. Patel	3196300	21.28	3196300	21.28
2	Chandubhai I. Patel	2885100	19.21	2885100	19.21
3	Pradip C. Patel	2770300	18.44	2770300	18.44

Includes shares held in individual name only

### (ii) The details of shareholders holding more than 5% of Preference shares 8% Preference Shares

<b>Sr No.</b>	<b>Name of Share holder</b>	<b>As at 31/ 03/ 2016</b>		<b>As at 31/ 03/ 2015</b>	
		<b>No. of Share</b>	<b>% Held</b>	<b>No. of Share</b>	<b>% Held</b>
1	Jayesh C. Patel	6000000	60.00	6000000	60.00
2	Chandubhai I. Patel	4000000	40.00	4000000	40.00

### 6% Preference Shares

<b>Sr No.</b>	<b>Name of Share holder</b>	<b>As at 31/ 03/ 2016</b>		<b>As at 31/ 03/ 2015</b>	
		<b>No. of Share</b>	<b>% Held</b>	<b>No. of Share</b>	<b>% Held</b>
1	Chandubhai I. Patel	3500000	70.00	3500000	70.00
2	Jayesh C. Patel	1500000	30.00	1500000	30.00

### 1.2 The reconciliation of the number of shares outstanding is set out below.

<b>Particulars</b>	<b>As at 31/ 03/ 2016 No. of Shares</b>	<b>As at 31/ 03/ 2015 No. of Shares</b>
Equity shares at the beginning of the year	15020000	15020000
Add: Shares issued during the year	0	0
<b>A.Equity shares at the end of the year</b>	<b>15020000</b>	<b>15020000</b>
Preference shares at the beginning of the year	15000000	15000000
Add: Shares issued during the year	0	0
<b>B.Preference shares at the end of the year</b>	<b>15000000</b>	<b>15000000</b>



(₹ in Lacs)

## Notes on Financial Statements for the Year ended March 31, 2016

### 1.3 Terms /rights attached to equity share and preference share

- (i) **Equity** : The company has equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to have one vote per share.
- In the event of liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of shares held by the shareholders.
- (ii) **Preference**: The company has (a) 6% Non cumulative Redeemable preference shares and (b) 8% Non cumulative Redeemable preference shares having par value of ₹ 10 per share. The holders of preference share are entitled to enjoy the rights of not only receiving the dividend at fixed rate but also receiving the capital on winding up.

NOTE : 2 RESERVES & SURPLUS	As at 31/ 03/ 2016		As at 31/ 03/ 2015	
<b>Security Premium Reserve</b>				
As Per Last Balance Sheet	6308.10		6308.10	
Add: On issue of shares	<u>0.00</u>		<u>0.00</u>	
	6308.10		6308.10	
<b>General Reserve</b>				
As per last Balance Sheet	1,148.58		1073.58	
Add : Transferred from Profit & Loss Account	<u>0.00</u>		<u>75.00</u>	
	1,148.58		1,148.58	
<b>Profit &amp; Loss Account</b>				
As per last Balance Sheet	5,821.48		4496.50	
Add/Less:				
Adjustment related to fixed assets#	0.00		55.69	
Short / Excess Provision for Income tax	49.96		0.00	
<b>Add: During the year profit/(Loss)</b>	(24384.64)		1805.00	
Less: Adjustment on account of Dividend (Reversal)	290.24		0.00	
Adjustment on account of Tax on Dividend (Reversal)	59.09		0.00	
<b>Add/Less: Appropriations</b>				
Transfer to General Reserve	0.00		75.00	
Proposed Dividend	0.00		290.24	
Dividend per share Nil (Previous year ₹ 1.20/-)				
Tax on Dividend	<u>0.00</u>	(18,163.87)	<u>59.09</u>	5821.48
<b>TOTAL</b>		<u>(10,707.19)</u>		<u>13,278.16</u>

#Refer note 9 on notes to Fixed Assets

NOTE : 3 LONG TERM BORROWINGS	As at 31/ 03/ 2016		As at 31/ 03/ 2015	
	Non Current	Current	Non Current	Current
<b>A) Secured Loans</b>				
<b>A) Secured Loans</b>				
<b>Rupee Vehicle Loan</b>				
Kotak Mahindra Bank Ltd.*	0.00	0.00	0.00	75.00
Yes Bank Ltd#	0.00	2.53	2.53	9.86
HDFC Bank Ltd@	0.00	0.00	0.00	16.37
ICICI Bank Ltd.\$	52.02	19.06	71.08	17.26
Secured against hypothecation of vehicles				
*Terms:12 Monthly Instalments & ROI @ 14.50% p.a.				
#Terms:15 Monthly Instalments & ROI @ 10.50% p.a.				
@Terms:10 Monthly Instalments & ROI @ 9.039% p.a.				
\$ Terms:52 Monthly Instalments & ROI @ 10.00% p.a.				
	<u>52.02</u>	<u>21.59</u>	<u>73.62</u>	<u>118.49</u>



## Notes on Financial Statements for the Year ended March 31, 2016

NOTE : 3 LONG TERM BORROWINGS	As at 31/ 03/ 2016		As at 31/ 03/ 2015	
	Non Current	Current	Non Current	Current
<b>B) Unsecured Loans</b>				
From Promoters & their Relatives	0.00	0	444.37	0.00
Dealers/Distributors Deposit	1.50	0	1.50	0.00
	1.50	0.00	445.87	0.00
<b>TOTAL</b>	<b>53.52</b>	<b>21.59</b>	<b>519.48</b>	<b>118.49</b>

Maturity Profile of Secured Loans are as set out below:

	Maturity Profile			
	6-11 years	2-5 years	1 year	Total
Vehicle Loans - From banks	0	52.02	21.59	73.61

NOTE : 4 DEFERRED TAX LIABILITY	As at 31/ 03/ 2016		As at 31/ 03/ 2015	
<b>Deferred Tax Liability</b>				
Related to Fixed Assets		328.67		467.95
<b>TOTAL</b>		<b>328.67</b>		<b>467.95</b>

NOTE :5 SHORT TERM BORROWINGS	As at 31/ 03/ 2016		As at 31/ 03/ 2015	
<b>Secured</b>				
<b>Working Capital Loans</b>				
<b>From Banks</b>				
(i) Bank of India	14359.57		5027.71	
(ii) Bank of Baroda	13891.10		4975.26	
(iii) Dena Bank	11421.75		2099.46	
(iv) IDBI Bank Ltd	3946.18		297.89	
(v) Punjab National Bank	157.60		995.46	
(vi) Andhra Bank	8181.32		1696.92	
(v) Indian Overseas Bank	396.62		390.97	
(vi) Syndicate Bank	1195.30		1192.00	
(vii) Union Bank of India	(77.98)		381.71	
<b>TOTAL</b>		<b>53,471.46</b>		<b>17,057.37</b>

Secured by hypothecation of present and future stock of raw materials, stock in process, finished goods, stores & spares, packing materials, by products, book debts, outstanding monies, receivables.

Secured by equitable mortgage over land & Building situated at Village: Heduva Hanumant, Mehsana and at Kalyanpur, Jamnagar and personal guarantee of Managing Director and promoters and secured by equitable mortgage over office building situated at 4th Floor, Heritage, Ahmedabad owned by Akshar Advisors Pvt. Ltd. and its corporate guarantee.

Terms: Repayable on Demand

NOTE :6 TRADE PAYABLE	As at 31/ 03/ 2016		As at 31/ 03/ 2015	
<b>Trade payables</b>				
-For Goods		19604.56		56550.19
-For Expenses		961.37		783.92
<b>TOTAL</b>		<b>20565.93</b>		<b>57334.11</b>

(₹ in Lacs)

## Notes on Financial Statements for the Year ended March 31, 2016

<b>NOTE : 7 OTHER CURRENT LIABILITIES</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
Current maturities of long term debt & vehicle loan#	21.59	118.49
Unclaimed Dividend	10.34	11.72
Sundry Creditors for Capital Goods	40.49	8.13
Other payables *	273.07	254.76
<b>TOTAL</b>	<b>345.49</b>	<b>393.09</b>

# Refer note 3

\* Includes Statutory Dues

<b>NOTE : 8 SHORT TERM PROVISIONS</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
For Expenditure	93.58	72.89
For Tax	0.00	745.00
Proposed Dividend	0.00	290.24
Dividend Distribution Tax	0.00	59.09
<b>TOTAL</b>	<b>93.58</b>	<b>1167.22</b>

### NOTE : 9 - FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31.3.2015	Additions	Adjustments / Deductions	As at 31.3.2016	As at 31.3.2015	For the Year	Adjustment /Deductions	As at 31.3.2016	As at 31.3.2016	As at 31.3.2015
<b>Tangible Assets :</b>										
Land	24.13	0.00	0.00	24.13	-	-	-	-	24.13	24.13
Land Site Development	17.02	0.00	0.00	17.02	-	-	-	-	17.02	17.02
Road Construction	105.62	0.66	0.00	106.28	48.11	20.27	-	68.38	37.90	57.51
Factory Building	592.22	7.39	0.00	599.60	246.15	17.62	-	263.77	335.83	346.06
Office & Other Buildings	418.01	18.99	0.00	437.00	29.68	14.61	-	44.28	392.72	388.33
Plant & Machinery	4530.48	139.16	0.00	4,669.64	2,498.37	548.20	-	3,046.57	1,623.07	2,032.11
Lab. Equipment	12.76	0.00	0.00	12.76	10.54	0.24	-	10.78	1.98	2.22
Electrification	103.46	0.12	0.00	103.58	46.97	10.41	-	57.38	46.20	56.49
Computer	68.73	1.18	0.00	69.91	58.05	3.25	-	61.30	8.61	10.68
Furniture & Fixture	133.70	1.50	0.00	135.20	89.27	19.37	-	108.64	26.56	44.43
Office Equipment	94.38	1.76	0.00	96.15	63.27	7.87	-	71.13	25.02	31.12
Vehicle (HMV)	97.23	33.74	0.00	130.97	39.35	13.44	-	52.79	78.19	57.88
Vehicle (LMV)	344.79	7.76	10.62	341.94	128.81	41.11	7.64	162.29	179.65	215.98
<b>Total Tangible Asset</b>	<b>6,542.55</b>	<b>212.27</b>	<b>10.62</b>	<b>6,744.20</b>	<b>3,258.57</b>	<b>696.39</b>	<b>7.64</b>	<b>3,947.32</b>	<b>2,796.88</b>	<b>3,283.98</b>
Previous Year	6295.42	247.13	-	6542.55	2429.52	744.69	84.36	3258.57	3283.98	3865.90

Note: During the financial year 2014-15, the Company has adopted estimated useful life of fixed assets as stipulated by Schedule II to the Companies Act, 2013. Accordingly, depreciation of ₹ 55.69 lakhs ( Net of deferred Tax of ₹ 30.80 lakhs) on account of assets whose useful life is already exhausted on April 01, 2014 has been adjusted against Surplus in the statement of Profit and Loss for the year 2014-15.

<b>NOTE : 10 NON CURRENT INVESTMENTS</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
<b>Investment in Subsidiary</b>		
Non Trade Investments		
(i) Investment in Equity Instruments (Unquoted)		
Vimal Dairy Limited of ₹ 10/- each	0.00	1,248.00
31,20,000 shares (P.Y. 31,20,000)		
(ii) Investment in Equity Instruments (Unquoted)		
Brinda Exports Ltd. of ₹ 10/- each 66,400 shares	7.64	0.00
<b>Other Investment</b>		
The Mehsana Urban Cooperative Bank Ltd	0.10	0.10
400 shares of ₹ 25 Each		
<b>TOTAL</b>	<b>7.74</b>	<b>1248.10</b>

## Notes on Financial Statements for the Year ended March 31, 2016

(₹ in Lacs)

<b>NOTE : 11 LONG-TERM LOANS &amp; ADVANCES</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
(Unsecured and Considered good)		
Deposits	68.30	68.30
Loans and Advances to Others	71.17	61.26
Balance with Revenue Authorities	406.50	406.50
Miscellaneous Expenditure to the extent not written off	4.40	6.61
<b>TOTAL</b>	<b><u>550.37</u></b>	<b><u>542.68</u></b>
<b>NOTE : 12 INVENTORIES</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
Raw Material	4,525.91	6,128.38
Stock in process	56.40	302.70
Finished Goods	8,473.34	24,818.36
Packing Material	654.43	704.12
Stores & Spares	307.20	189.74
By Product	69.41	56.28
<b>TOTAL</b>	<b><u>14,086.70</u></b>	<b><u>32,199.59</u></b>
<b>NOTE :13 TRADE RECEIVABLE</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
(Unsecured)		
Over six Months : Considered Good	19858.33	95.42
Considered Doubtful	19675.43	0.00
less then Six months	5941.89	47089.28
<b>TOTAL</b>	<b><u>45,475.65</u></b>	<b><u>47,184.70</u></b>
<b>NOTE:14 CASH &amp; BANK BALANCES</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
<b>Cash &amp; Cash Equivalents</b>		
Cash on hand	33.51	37.43
<b>Bank Balance</b>		
In Current Accounts#	113.33	1,080.44
In Fixed Deposits ##*	1666.42	6396.26
<b>TOTAL</b>	<b><u>1,813.26</u></b>	<b><u>7,514.13</u></b>
# Includes unclaimed dividend of ₹ 10.34 lacs (Previous year ₹ 11.72 lacs)		
*includes deposits given as margin money to various banks		
##Includes Deposits of ₹ 252.90 lacs (Previous Year ₹ 1443.64 lacs) with maturity of more than 12 months.		
<b>NOTE :15 SHORT TERM LOANS &amp; ADVANCES</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
<b>Unsecured Advances</b>		
Balance with Custom, Central Excise & Income tax authorities	178.05	725.90
Advances to suppliers	1,995.57	237.01
Others*	249.25	283.29
	<b><u>2,422.87</u></b>	<b><u>1,246.21</u></b>

\*Includes, prepaid expenses, Interest/ other income receivable, advances to staffs and others

(₹ in Lacs)

## Notes on Financial Statements for the Year ended March 31, 2016

NOTE : 16 REVENUE FROM OPERATIONS	As at 31/ 03/ 2016		As at 31/ 03/ 2015	
Sale of Products	172351.06		303371.52	
Other Operating Revenues	430.74		493.97	
<b>TOTAL</b>		<b>172,781.79</b>		<b>303,865.49</b>
<b>Note 16.1 Sale of Products</b>				
Domestic Sales	170354.20		298762.69	
Exports - Direct	333.20		1768.62	
Exports - Indirect	1663.66		2840.21	
		<b>172,351.06</b>		<b>303,371.52</b>
NOTE : 17 OTHER INCOME	As at 31/ 03/ 2016		As at 31/ 03/ 2015	
Export Incentives		3.24		17.29
Others		25.20		0.00
<b>TOTAL</b>		<b>28.43</b>		<b>17.29</b>
NOTE : 18 COST OF MATERIAL CONSUMED	As at 31/ 03/ 2016		As at 31/ 03/ 2015	
<b>Raw Material Consumed</b>				
Opening Stock	6128.38		10044.06	
Purchases(Incl. cost of purchase)	121450.21		219141.59	
	127578.59		229185.65	
Less : Closing Stock	4525.91		6128.38	
<b>Raw Material Consumed</b>	<b>TOTAL</b>	<b>123052.68</b>		<b>223057.27</b>
NOTE : 18.1 Details of Major items of Raw Material Consumption	Amount		Amount	
Edible Oil		106820.01		194896.41
Rapeseeds & Oil Cake		6090.95		12378.77
Others		9319.36		15010.67
Purchase cost		822.36		771.42
<b>TOTAL</b>		<b>123052.68</b>		<b>223057.27</b>
NOTE : 18.2 Details of Imported and Indigenous Raw Material Consumption and %	Amount	Percentage	Amount	Percentage
Imported	31489.10	25.59%	24581.08	11.02%
Indigenous	91563.57	74.41%	198476.19	88.98%
<b>TOTAL</b>	<b>123052.68</b>	<b>100.00%</b>	<b>223057.27</b>	<b>100.00%</b>
NOTE : 19 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND BY PRODUCTS	As at 31/ 03/ 2016		As at 31/ 03/ 2015	
<b>Inventories (at close)</b>				
Finished Goods	8473.34		24818.36	
Stock in process	56.40		302.70	
By products	69.41		56.28	
		8599.16		25177.35
<b>Inventories (at commencement)</b>				
Finished Goods	24818.36		10055.77	
Stock in process	302.70		169.35	
By products	56.28		73.83	
		25,177.35		10,298.95
<b>TOTAL</b>		<b>16,578.19</b>		<b>(14,878.40)</b>

## Notes on Financial Statements for the Year ended March 31, 2016

<b>NOTE : 20 EMPLOYEE BENEFITS EXPENSE</b>			<b>As at 31/ 03/ 2016</b>		<b>As at 31/ 03/ 2015</b>	
Salaries & Wages				532.86		531.59
Contribution to Provident & Other funds				37.14		22.88
Bonus				14.25		19.52
Staff Welfare Expenses				37.40		121.65
<b>TOTAL</b>				<b>621.64</b>		<b>695.64</b>
<b>NOTE : 21 FINANCE COST</b>			<b>As at 31/ 03/ 2016</b>		<b>As at 31/ 03/ 2015</b>	
<b>Interest on:</b>						
on Working Capital				4296.24		6554.52
on Term Loans				14.99		17.08
Interest to Others				10.30		34.68
Less: Interest Earned				(437.12)		(1,621.30)
<b>Interest Expenses</b>				<b>3,884.41</b>		<b>4,984.99</b>
Bank and other Financial Charges				710.66		1385.85
Exchange Rate Difference				922.77		(49.15)
<b>TOTAL</b>				<b>5,517.84</b>		<b>6,321.69</b>
<b>NOTE : 22 OTHER EXPENSES</b>			<b>As at 31/ 03/ 2016</b>		<b>As at 31/ 03/ 2015</b>	
<b><u>Manufacturing Expenses:</u></b>						
<b>Consumption of packing materials</b>						
	<b>2015-16 ( %)</b>	<b>2014-15 ( %)</b>				
- Imported	0.00%	0.00%	0.00		0.00	
- Indigenous	100.00%	100.00%	7196.57	7196.57	8,291.93	8,291.93
<b>Consumption of stores, Spares &amp; Tools:</b>						
	<b>2015-16 ( %)</b>	<b>2014-15 ( %)</b>				
- Imported	0.00%	0.00%	0.00		0.00	
- Indigenous	100.00%	100.00%	872.08	872.08	804.78	804.78
Job-work Charges				1150.73		1433.00
Power & Fuel				1,441.59		2182.15
Repairs & Maintenance				58.43		240.09
Other Manufacturing Expenses				89.88		86.98
<b><u>Administrative Expenses</u></b>						
<b>Payment to Auditor</b>						
(a) As Auditor						
Statutory Audit Fees			5.00		4.00	
Tax Audit Fees			0.75		1.75	
(b) For Company law matters			0.00		1.00	
(c) For Certification & others			0.70	6.45	1.68	8.43
Insurance Charges				211.85		291.28
Legal , Professional & Consultancy Expenses				141.76		98.63
Rates and Taxes				18.70		17.99
Office & Godown Rents				13.67		10.67
Other Administrative Expenses				122.03		191.60
<b><u>Selling &amp; Distribution Expenses</u></b>						
Advertisement expenses				258.14		243.38
Freight expenses				1332.13		655.12
Export Exchange Rate Difference				1.80		(1.48)
Other selling and distribution expenses				403.77		1078.95
Loss on sale of Vehicle				1.93		0
<b>TOTAL</b>				<b>13,321.50</b>		<b>15,633.51</b>

(₹ in Lacs)

## Notes on Financial Statements for the Year ended March 31, 2016

<b>NOTE : 23 EARNING PER SHARE</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
i) Net profit after tax as per statement of profit and loss attributable to Equity Shareholders (₹ in Lakhs)	(24,384.64)	1,805.00
ii) Weighted Average number of equity shares used as denominator for calculating EPS	15020000	15020000
iii) Basic & Diluted Earning per share (₹)	(162.35)	12.02
iv) Face value per equity share (₹)	10.00	10.00

(Continued on next page)

(₹ in Lacs)

## Notes on Financial Statements for the Year ended March 31, 2016

### 24. Other Information to the Financial Statements

**24.1** The Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification/ disclosures.

### 24.2 Contingent Liabilities

Particulars	2015-2016 (₹ in Lacs)	2014-2015 (₹ in Lacs)
Bank guarantee given in favor of GAIL	78.16	6.50
Liability in respect of Letter of credit against which goods not received up to 31 <sup>st</sup> March, 2016	-	4368.56
Sales Tax Demand under Sales Tax Laws for the accounting year 2001-02, 2002-03, 2003-04 - (Note i)	618.22	618.22
Sales Tax Demand under Rajasthan Sales Tax Act, 1994 for the year 2002-03 - (Note i)	139.48	139.48
Demand under Income Tax Act, 1961 for the accounting year 1999-00	53.83	53.83
Demand under Income Tax Act, 1961 for the accounting year 2006-07	27.72	27.72
Demand under Income Tax Act, 1961 for the accounting year 2007-08	36.90	17.93
Demand under Income Tax Act, 1961 for the accounting year 2008-09	3.97	3.97
Demand under Income Tax Act, 1961 for the accounting year 2009-10	-	4.44
Demand under Income Tax Act, 1961 for the accounting year 2011-12	0.05	-
Demand under Income Tax Act, 1961 for the accounting year 2013-14	0.18	-
Corporate Bank Guarantee Given in favour of Gayatri Enterprise	-	1000.00

**Note:** As against the same, the company has paid under protest of ₹406.50 Lacs and shown as Long Term Loans and Advances.

**24.3** In the opinion of the Board and to the best of their knowledge and belief, the value on realization of the current assets, loans and advances in the ordinary course of the business shall not be less than the amount stated in the Balance Sheet except for an amount of ₹ 196.75 crore of Trade receivable considered doubtful for recovery. The balance of trade receivable and trade payables are subject to confirmation, reconciliation and consequential adjustments, if any

### 24.4 Non-Provision for Doubtful Trade Receivables:

No Provision has been made in respect of an amount of ₹ 196.75 crore of Trade Receivable considered doubtful for recovery. To that extent, losses of the company are understated and current assets of the company are overstated.

### 24.5 Micro and Small Scale Business Enterprises:

The Company has not received information from the Suppliers regarding their status under The Micro, Small & Medium Enterprises Development Act, 2006. Hence, disclosures, if any relating to amounts unpaid as at the balance sheet date together with interest paid or payable as per the requirement under the said Act, have not been made.

**24.6** There are no amounts due and outstanding to be credited to Investor Education and Protection Fund. The company has transferred ₹ 1,33,371/- in relation to year 2007-08, to the Investor Education & Protection Fund during the year.

**24.7** As per clause 32 of the listing agreement, the disclosure related to Loans to Subsidiary

Particulars	2015-2016 (₹ In Lacs)	2014-2015 (₹ In Lacs)
Subsidiary Company : Brinda Exports Limited	NIL	NIL
Maximum Amount due during the year	NIL	NIL



(₹ in Lacs)

## Notes on Financial Statements for the Year ended March 31, 2016

### 24.8 Earnings / Expenditure In Foreign Currency

Particulars	2015-2016 (₹ In lacs)	2014-2015 (₹ In lacs)
FOB Value of Exports	323.94	1768.62
For Goods Purchase	29190.41	28614.07
For Interest Expenses	129.24	109.28

### 24.9 CIF Value of Imports

Particulars	2015-2016 (₹ In lacs)	2014-2015 (₹ In lacs)
CIF Value of Imported Raw Materials	29190.41	28614.07

**24.10** As per provisions of the Companies Act, 2013, the company is required to spend 2% of the average net profits of the three immediately preceding financial years on CSR as per the provisions of section 135 of the Companies Act, 2013. The company has not spent any amount towards CSR expenses during the year.

**24.11** In view of the erosion of 100% net worth of the Company by current year's losses as on 31st March 2016, the Company has become Sick Industrial Company under the provisions of Section 3(1)(o) of the Sick Industrial Companies (special provisions) Act, 1985 (SICA 1985). Accordingly the Company has to file 'reference' in prescribed 'Form A' to the Hon'ble Board for Industrial & Financial Reconstruction (BIFR) to comply with the provisions of Section 15(1) of the SICA 1985 within 60 days from the date of forming such opinion by the Board of Directors, The management is in process of compliance of the same.

### 25 Disclosure under Accounting standard

#### 25.1 Disclosure as per Accounting Standard - 15 (Revised) Employee Benefits

##### Defined Contribution Plan

The company provides retirement benefit in form of provident fund, gratuity and leave encashment. Provident fund contribution made to "Government Administered Provident Fund" are treated as Defined Contribution Plan, since the company has no further obligation beyond its monthly contribution,

Contribution to Recognized Provident Fund and charged off during the year, is as under:

Employer's Contribution to Provident Fund ₹ 16.86 Lacs (Previous year ₹ 14.26 Lacs)

##### Defined Benefit Plan

The company has defined benefit plans for gratuity to eligible employees, contributions for which are made to Life Insurance Corporation of India, who invest the funds as per IRDA guidelines. The details of these defined plans recognized in the financial statements are as under:

##### General Description of the Plan

The company operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payments to vested employees at retirement, death, incapacitation of termination of employment, of an amount based on the respective employees salary and the tenure of employment.

##### Status of gratuity plan as required under AS 15(Revised)

##### Reconciliation of opening and closing balance of Defined Benefits Obligations

Particulars	2015-2016 (₹ in Lacs.)	2014-2015 (₹ in Lacs.)
Opening balance	18.72	38.19
Amount credited towards the fund	20.14	5.81
Amount paid as claim	(5.67)	(27.71)
Miscellaneous charges	(0.14)	-
Interest credited for the year	1.59	2.43
Defined Benefit obligation at year end	<b>34.64</b>	<b>18.72</b>



## Notes on Financial Statements for the Year ended March 31, 2016

### 25.2 Related Party Disclosures As Per Accounting Standard - 18

Names of related parties and description of relationship from/ to which following transactions were entered during the year:

Sr. No.	Name	Relationship	Manner
<b>(A)</b>			
1	Jayeshbhai Patel	Managing Director	Key Managerial Person & person exercising more than 20% voting power.
2	Jigishaben Patel	Relative of Key Managerial Person	Relative as Sister in Law of Jayeshbhai Patel, the Director of the company
3	Pradipbhai Patel	Relative of Key Managerial Person	Relative as Brother of Jayeshbhai Patel, the Director of the company
4	Jitendra Patel	KMP	Chief Financial Officer of the Company
5	Fagesh Soni	KMP	Company Secretary of the company (Upto September, 30 2015)
6	Mehul K. Vyas	KMP	Company Secretary of the company. (From February 14, 2016)
<b>(B)</b>			
1	Vimal Dairy Limited	Subsidiary Company	52% holding of equity shares up to 26 <sup>th</sup> June, 2015
2	Brinda Exports Limited	Wholly Owned Subsidiary Company	Acquired 100% holding of Equity Shares with effect from 27 <sup>th</sup> August, 2015

#### Transactions with related parties & Balance Outstanding as at the year end

Sr. No.	Nature of Transaction	2015-2016 (₹ in Lakhs)	2014-2015 (₹ in Lakhs)
<b>In relation to (A) Above</b>			
1	<b>Managerial Remuneration</b> : Jayeshbhai Patel	16.16	16.16
2	<b>Remuneration to KMP</b> : Jitendra Patel	6.86	4.41
	Fagesh Soni	2.44	4.21
	Mehulkumar K. Vyas	0.42	0.00
3	<b>Interest expenses</b> : Jigishaben Patel	5.04	25.30
4	<b>Rent Expenses</b> : Pradipbhai Patel	15.07	10.51
5	<b>Loan Repaid</b> : Jigishaben Patel	444.37	0.00
<b>Outstanding Balance</b>		<b>As at 31.03.2016</b> (₹ in Lacs)	<b>As at 31.03.2015</b> (₹ in Lacs)
6	<b>Loans Received</b> : Jigishaben Patel	0.00	444.37
<b>In Relation to (B) above Vimal Dairy Limited</b>			
		<b>For the year</b> <b>2015-16</b>	<b>For the year</b> <b>2014-15</b>
1	Purchase of Goods	47.14	340.81
2	Sale & Job Work Income	169.83	794.42
<b>Outstanding Balance</b>		<b>As at 31.03.2016</b> -	<b>As at 31.03.2015</b> (₹ in lacs)
3	Debtors	Ceased to be a related party with effect from 26 <sup>th</sup> June, 2015	32.71
4	Creditors		71.38
5	Investment		1248.00
<b>In Relation to (B) above Brinda Exports Limited</b>			
		<b>For the year</b> <b>2015-16</b> (₹ in Lacs)	<b>For the year</b> <b>2014-15</b> (₹ in Lacs)
1	Purchase of Goods	281.20	0.00
2	Sale of goods	28649.14	0.00
<b>Outstanding Balance</b>		<b>As at 31.03.2016</b> (₹ in Lacs)	<b>As at 31.03.2015</b> (₹ in Lacs)
3	Debtors	3563.02	N.A
4	Creditors	0.00	N.A
5	Investment	7.64	N.A

### 25.3 Segment Information as per Accounting Standard– 17 on Segment Reporting

The company has identified three business segments viz. Integrated Oil Division, Powder Plant and Wind Mill. Segments have been identified and reported taking into account the nature of products, the differing risks and returns, the organizational structure and internal business reporting system.

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment.

Segment Assets and segment Liabilities represent Assets and Liabilities of Respective Segments.

#### INFORMATION ABOUT PRIMARY BUSINESS SEGMENTS

( ₹ in lacs)

	Integrate Oil Division		Powder Plant		Wind Mill		Total	
Particulars	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>Segment Revenue</b>								
Sales & Operating Income	172317.41	303000.94	306.71	362.88	107.72	103.59	172731.83	303467.41
Other Income	28.43	17.29	0.00	0.00	0.00	0.00	28.43	17.29
<b>Total Revenue</b>	<b>172345.84</b>	<b>303018.23</b>	<b>306.71</b>	<b>362.88</b>	<b>107.72</b>	<b>103.59</b>	<b>172760.26</b>	<b>303484.70</b>
<b>Segment results before interest &amp; tax</b>	<b>(19348.79)</b>	<b>8763.88</b>	<b>282.84</b>	<b>105.71</b>	<b>59.87</b>	<b>53.92</b>	<b>(19006.08)</b>	<b>8923.51</b>
Interest Expense (Net)	0.00	0.00	0.00	0.00	0.00	0.00	5517.84	6370.84
Income Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	839.66
Deferred Tax	0.00	0.00	0.00	0.00	0.00	0.00	(139.28)	(91.98)
Profit After Tax	0.00	0.00	0.00	0.00	0.00	0.00	<b>(24384.64)</b>	<b>1804.99</b>
<b>Other Information</b>								
Segment Assets	66674.89	92714.15	52.11	52.11	426.46	453.12	67153.45	93219.38
Unallocated Corporate Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Assets</b>	<b>66674.89</b>	<b>92714.15</b>	<b>52.11</b>	<b>52.11</b>	<b>426.46</b>	<b>453.12</b>	<b>67153.45</b>	<b>93219.38</b>
Segment Liabilities	74529.98	75493.22	0.00	0.00	0.00	0.00	74529.98	75493.22
Unallocated Corporate Liabilities								
<b>Total Liabilities</b>	<b>74529.98</b>	<b>75493.22</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>74529.98</b>	<b>75493.22</b>
<b>Other Information</b>								
Capital Employed	<b>(7855.09)</b>	<b>17220.93</b>	<b>52.11</b>	<b>52.11</b>	<b>426.46</b>	<b>453.12</b>	<b>(7376.52)</b>	<b>17726.16</b>
Capital Expenditure	212.27	245.15	0.00	1.98	0.00	0.00	212.27	247.13
Depreciation	669.72	715.57	0.00	2.47	26.67	26.65	696.39	744.69

### 26. Non-provision of interest

The company has not provided interest on various credit facilities obtained from Dena bank, Bank of India, Bank of Baroda and Andhra Bank, from the date the concerned banks classified the credit facility as NPA. The amount of interest not provided for is ₹ 18.42 crores (Approx). To that extent losses of the company and liability of bank facilities are understated. The extent of exact amount is under determination and reconciliation with the banks.

### 27. Purchases belonging to preceding year

Purchases of raw materials amounting to ₹ 15.37 crores belonging to the preceding year (i.e. F.Y. 2014-15) have been debited in the Profit and Loss statement of the year under report. To that extent losses of the year under report are over stated.

**FOR, S. D. MEHTA & CO.**  
Chartered Accountants  
FRN: 137193W

**Shaishav D. Mehta**  
Partner  
M.No. 032891

Place: Ahmedabad  
Date: 10<sup>th</sup> May, 2016

**FOR AND ON BEHALF OF THE BOARD OF**  
**VIMAL OIL & FOODS LIMITED**

**Jayesh C. Patel**  
Chairman & Managing Director  
DIN: 00027767

**Mukesh N Patel**  
Director  
DIN: 00498451

**Mehul K. Vyas**  
Company Secretary  
Place: Ahmedabad  
Date: 10<sup>th</sup> May, 2016

**Jitendra Patel**  
CFO



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# CONSOLIDATED FINANCIAL STATEMENTS

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## Independent Auditors' Report 2015-2016

To the Members of  
Vimal Oil & Foods Limited

### 1. REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the attached Consolidated Balance Sheet of **VIMAL OIL & FOODS LIMITED** ("the Company") and its subsidiaries **BRINDA EXPORTS LIMITED & VIMAL DAIRY LIMITED** (up to 26<sup>th</sup> June, 2015) (the Company and its subsidiary constitute "the Group") as at 31st March, 2016, the Consolidated Statement of Profit and Loss of the group, the Consolidated Cash Flow Statement for the year then ended and the summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### 2. MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### 3. AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company has an adequate internal financial controls system over financial reporting in place 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

### 4. OPINION

In our opinion and to the best of our information and according to the explanations given to us *and subject to Note no. 25.3 (Non provision of Doubtful Trade Receivables), Note no. 27 (Non provision of Interest) and Note no. 28 (Purchase belonging to preceding year)*, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India; of the state of the affairs of the company as at 31<sup>st</sup> March 2016, and its profits and cash flows for the year ended on that date.

## 5. REPORT ON OTHER LEGAL & REGULATORY REQUIREMENTS

- I. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the subsidiary company, none of the directors of the Group companies is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure A”; and
  - (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated Financial position of the Group – Refer Note 25.1 to the consolidated financial statements;
    - (ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company — Refer note 25.5 to financial statements.

For, **S. D. Mehta & Co.**  
Chartered Accountants  
(Registration No. 137193W)

**Shaishav D. Mehta**  
Partner  
Membership No.: 032891

Place : Ahmedabad  
Date: 10<sup>th</sup> May, 2016



## **Annexure-A to Independent Auditors' Report**

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

We have audited the internal financial controls over financial reporting of Consolidated Financial Statement as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

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

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

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

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

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

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

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



**Opinion**

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

For, **S. D. Mehta & Co.**  
Chartered Accountants  
Firm's Registration Number: 137193W

Place : Ahmedabad  
Date: 10<sup>th</sup> May, 2016

**Shaishav Mehta**  
Partner  
Membership Number: 032891

**VIMAL OIL & FOODS LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016**

(₹ in lacs)

Particulars	Note No	As At 31/ 03/ 2016	As At 31/ 03/ 2016	As At 31/ 03/ 2015	As At 31/ 03/ 2015
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholders' Funds</b>					
(a) Share Capital	1	3002.00		2980.00	
(b) Reserves and Surplus	2	(10704.22)		13635.49	
			(7702.22)		16615.49
Minority Interest			0.00		1462.49
<b>(2) Non-Current Liabilities</b>					
(a) Long-term borrowings	3	53.52		853.73	
(b) Deferred tax liabilities (Net)	4	328.67		617.71	
			382.19		1471.44
<b>(3) Current Liabilities</b>					
(a) Short-term borrowings	5	53471.46		21178.58	
(b) Trade payables	6	18857.21		57670.92	
(c) Other current liabilities	7	350.07		642.60	
(d) Short Term provisions	8	95.31		1309.41	
			72774.05		80801.51
<b>Total</b>			<b>65454.02</b>		<b>100350.93</b>
<b>II. Assets</b>					
<b>(1) Non-current assets</b>					
(a) Fixed assets	9				
Tangible assets		2796.88		5211.96	
Capital Work in Progress		0.00		155.73	
(b) Goodwill on Consolidation		0.00		524.59	
(c) Investment	10	0.60		76.00	
(d) Long term loans and advances	11	716.04		691.84	
			<b>3513.51</b>		<b>6660.12</b>
<b>(2) Current assets</b>					
(a) Inventories	12	14276.91		36563.23	
(b) Trade receivables	13	41960.92		47864.53	
(c) Cash and cash equivalents	14	2438.48		7603.36	
(d) Short-term loans and advances	15	3264.20		1659.69	
			<b>61940.51</b>		<b>93690.81</b>
<b>Total</b>			<b>65454.02</b>		<b>100350.93</b>
Significant Accounting Policies & Notes to Financial Statements	1 to 28				

As per our report of even date attached herewith.  
**FOR, S. D. MEHTA & CO.**  
Chartered Accountants  
FRN: 137193W

Shaishav D. Mehta  
Partner  
M.No. 032891

Place: Ahmedabad  
Date: 10<sup>th</sup> May, 2016

**FOR AND ON BEHALF OF THE BOARD OF  
VIMAL OIL & FOODS LIMITED**

Jayesh C. Patel  
Chairman & Managing Director  
DIN: 00027767

Mukesh N Patel  
Director  
DIN: 00498451

Mehul K. Vyas  
Company Secretary  
Place: Ahmedabad  
Date: 10<sup>th</sup> May, 2016

Jitendra Patel  
CFO

## VIMAL OIL & FOODS LIMITED

### CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(₹ in lacs)

Particulars	Note No	2015-16	2014-15
<b>I. INCOME</b>			
Revenue from operations	16	176,734.22	318,755.53
Less: Excise Duty		(361.97)	(398.09)
<b>Net Revenue from operations</b>		<b>176,372.25</b>	<b>318,357.44</b>
Other Income	17	81.74	36.92
<b>Total Revenue</b>		<b>176,453.99</b>	<b>318,394.36</b>
<b>II. EXPENDITURE:</b>			
Cost of Materials Consumed	18	96,490.99	233,945.77
Purchase of Stock -in-Trade		66,469.41	69,600.45
Changes in Inventories of Finished goods, Work-in-Progress and by products	19	16,895.52	(14,701.37)
Employee Benefits Expense	20	691.19	968.48
Finance Costs	21	5,689.25	6,805.78
Depreciation and Amortization Expense	9	772.00	1,053.16
Other Expenses	22	14,211.22	17,946.35
<b>Total Expenses</b>		<b>201,219.57</b>	<b>315,618.62</b>
<b>III. Profit Before Exceptional Items &amp; Tax</b>	(I-II)	<b>(24,765.58)</b>	<b>2,775.74</b>
Profit from sale of Shares of Vimal Dairy Ltd.		312.00	0.00
<b>IV. Profit Before Tax</b>		<b>(24,453.58)</b>	<b>2,775.74</b>
<b>V. Tax Expenses</b>			
- Current tax		1.73	841.50
- Deferred tax		(139.28)	(96.75)
- Income tax for earlier years		0.00	96.33
<b>VI. Profit for the year (before adjustment for Minority Interest)</b>		<b>(24,316.03)</b>	<b>1,934.66</b>
Add: Share of (profit) transferred to Minority Interest		0.00	(74.92)
<b>Profit for the Year (after adjustment for Minority Interest)</b>		<b>(24,316.03)</b>	<b>1,859.73</b>
<b>Earning Per Equity Share of face value of ₹ 10 each</b>			
Basic & Diluted (in ₹)	23	(161.89)	12.57
Significant Accounting Policies & Notes to Financial Statements	1 to 28		

As per our report of even date attached herewith.  
**FOR, S. D. MEHTA & CO.**  
Chartered Accountants  
FRN: 137193W

**Shaishav D. Mehta**  
Partner  
M.No. 032891

Place: Ahmedabad  
Date: 10<sup>th</sup> May, 2016

**FOR AND ON BEHALF OF THE BOARD OF  
VIMAL OIL & FOODS LIMITED**

**Jayesh C. Patel**  
Chairman & Managing Director  
DIN: 00027767

**Mukesh N Patel**  
Director  
DIN: 00498451

**Mehul K. Vyas**  
Company Secretary  
Place: Ahmedabad  
Date: 10<sup>th</sup> May, 2016

**Jitendra Patel**  
CFO



# VIMAL OIL & FOODS LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 2015-16

(₹ in lacs)

PARTICULAR		FY 2015-16	FY 2014-15
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before Taxes & Extra-Ordinary Items	(24518.32)	2775.74
	Adjustments for :		
	Depreciation	696.39	1053.16
	Interest & Other Financial Charges	5518.24	6805.78
	Dividend Income & Short term gains on investments	(0.09)	(2.67)
	Profit on Sale of VDL Shares	(312.00)	0.00
	Advertisement Expenditure Added back	0.00	25.83
	Profit on Sale of Assets	(0.25)	0.00
	Loss on Sale of Assets	2.04	0.90
	Prior period Items	0.00	0.96
	Subsidy written back	0.00	(2.75)
	Sundry Credit Balance Written Back	0.00	(2.21)
		5904.33	7879.00
	<b>Operating Profit before Working Capital Changes</b>	<b>(18613.99)</b>	<b>10654.74</b>
	(Increase) / Decrease in Inventory	17927.57	(10955.65)
	(Increase) / Decrease in Trade Receivables	1660.77	(7611.22)
	(Increase) / Decrease in Short term loans & advances	2153.72	39.05
	(Increase) / Decrease in Long term loans & advances	(173.25)	217.22
	Increase / (Decrease) in Trade Payables	(34914.37)	18489.14
	Increase / (Decrease) in Other Current Liabilities	53.87	122.89
	Increase / (Decrease) in Short Term Provisions	20.70	39.07
		(13270.99)	340.50
	<b>Cash Generated from Operation</b>	<b>(31884.98)</b>	<b>10995.24</b>
	Direct Taxes Paid	(136.86)	(1095.84)
	<b>Net Cash from Operating Activities</b>	<b>(32021.84)</b>	<b>9899.40</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets & Capital WIP	(212.27)	(591.82)
	Sale of Fixed Assets	1.32	3.86
	Sale of Investment	1560.00	0.00
	Purchase of Investment	(7.64)	(0.10)
	Dividend Income	0.09	2.67
	<b>Net Cash (used in) / from Investing Activities</b>	<b>1341.50</b>	<b>(585.39)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from/ (Repayment of) Borrowings	35851.23	(1173.86)
	Dividend Paid (with Tax)	0.00	(290.24)
	Interest Paid (Net)	(5517.40)	(6805.78)
	<b>Net Cash (used in) / from Financing Activities</b>	<b>30333.84</b>	<b>(8269.88)</b>
	<b>Net Increase/(decrease) in Cash and Cash Equivalents</b>	<b>(346.50)</b>	<b>1044.13</b>
	<b>Opening Balance of Cash &amp; Cash Equivalents</b>	<b>1118.56</b>	<b>162.97</b>
	<b>Closing Balance of Cash &amp; Cash Equivalents</b>	<b>772.06</b>	<b>1207.10</b>
	<b>Cash &amp; Cash Equivalents comprises of: (Referring note 14)</b>		
	Cash on hand	49.42	56.34
	Balance with banks	722.64	1150.76
	<b>Total</b>	<b>772.06</b>	<b>1207.10</b>

As per our report of even date attached herewith.

FOR, S. D. MEHTA &amp; CO.

Chartered Accountants

FRN: 137193W

Shaishav D. Mehta

Partner

M.No. 032891

Place: Ahmedabad

Date: 10<sup>th</sup> May, 2016FOR AND ON BEHALF OF THE BOARD OF  
VIMAL OIL & FOODS LIMITED

Jayesh C. Patel

Chairman &amp; Managing Director

DIN: 00027767

Mehul K. Vyas

Company Secretary

Place: Ahmedabad

Date: 10<sup>th</sup> May, 2016

Mukesh N Patel

Director

DIN: 00498451

Jitendra Patel

CFO

(₹ in Lacs)

## Notes on Financial Statements for the Year ended March 31, 2016

<b>NOTE : 1 SHARE CAPITAL</b>	<b>As at 31/ 03/2016</b>	<b>As at 31/ 03/2015</b>
<b>AUTHORISED SHARE CAPITAL :</b>		
18000000 Equity Shares of ₹10/- each (18000000)	1800.00	1800.00
15000000 Preference Shares of ₹ 10/-each (15000000)	1500.00 <b>3,300.00</b>	1500.00 <b>3,300.00</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL :</b>		
15020000 Equity Shares of ₹10 /-each fully paid up (15020000)	1502.00	1502.00
Less: Shares Held by Subsidiary	0.00	(22.00)
220000 Equity Shares of ₹10/- each fully paid up		
5000000 6% Preference shares of ₹10/- each fully paid up (5000000)	500.00	500.00
10000000 8% Preference share s of ₹10/- each fully paid up (10000000)	1,000.00	1,000.00
	<b>3002.00</b>	<b>2,980.00</b>
<b>TOTAL</b>	<b>3002.00</b>	<b>2,980.00</b>

### 1.1 (i) The details of shareholders holding more than 5% of Equity shares

Sr No.	Name of Share holder	As at 31/ 03/2016		As at 31/ 03/2015	
		No. of Share	% Held	No. of Share	% Held
1	Jayesh C. Patel	3196300	21.28	3196300	21.60
2	Chandubhai I. Patel	2885100	19.21	2885100	19.49
3	Pradip C. Patel	2770300	18.44	2770300	18.72

### (ii) The details of shareholders holding more than 5% of Preference shares 8% Preference Shares

Sr No.	Name of Share holder	As at 31/ 03/2016		As at 31/ 03/2015	
		No. of Share	% Held	No. of Share	% Held
1	Jayesh C. Patel	6000000	60.00	6000000	60.00
2	Chandubhai I. Patel	4000000	40.00	4000000	40.00
<b>6% Preference Shares</b>					
Sr No.	Name of Share holder	As at 31/ 03/2016		As at 31/ 03/2015	
		No. of Share	% Held	No. of Share	% Held
1	Chandubhai I. Patel	3500000	70.00	3500000	70.00
2	Jayesh C. Patel	1500000	30.00	1500000	30.00

(₹ in Lacs)

## Notes on Financial Statements for the Year ended March 31, 2016

### 1.2 The reconciliation of the number of shares outstanding is set out below.

Particulars	As at 31/ 03/2016 No. of Shares	As at 31/ 03/2015 No. of Shares
Equity shares at the beginning of the year	15020000	15020000
Add: Shares issued during the year	0	0
<b>A. Equity shares at the end of the year</b>	<b>15020000</b>	<b>15020000</b>
Preference shares at the beginning of the year	15000000	15000000
Add: Shares issued during the year	0	0
<b>B. Preference shares at the end of the year</b>	<b>15000000</b>	<b>15000000</b>

### 1.3 Terms /rights attached to equity share and preference share

**(i) Equity :** The company has equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to have one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

During the year ended 31 March 2016, the amount of per share dividend recognized as distribution to equity shareholders was ₹ NIL (31 March 2015: ₹ 1.20)

**(ii) Preference:** The company has (a) 6% Non cumulative Redeemable preference shares and (b) 8% Non cumulative Redeemable preference shares having par value of ₹ 10 per share. The holders of preference share are entitled to enjoy the rights of not only receiving the dividend at fixed rate but also receiving the capital on winding up.

NOTE : 2 RESERVES & SURPLUS	As at 31/ 03/2016	As at 31/ 03/2015
<b>Securities Premium Reserve</b>		
As per last balance sheet	6,308.10	6,799.48
Add: on issue of new share	<u>0.00</u>	<u>0.00</u>
	6,308.10	6,799.48
<b>Subsidy on Cold Storage From NABARD</b>		
As per last balance sheet	0.00	4.28
Less: Transfer to Revenue	<u>0.00</u>	<u>(2.75)</u>
	0.00	1.53
<b>General Reserve</b>		
As per last balance sheet	1,148.58	1,050.38
Add: on issue of new share	<u>0.00</u>	<u>75.00</u>
	1,148.58	1,125.38
<b>Profit and loss account</b>		
As per last balance sheet	5,821.48	4,333.52
Add : Opening Bal. of Brinda Exports Limited		
Add/Less: Adjustment for Fixed Assets #	0.00	59.82
Short Excess Provision for Income tax	49.96	
<b>Add: During the year profit/(Loss)</b>	(24,381.67)	1,859.73
Less: Adjustment on account of Dividend (Reversal)	290.24	
Adjustment on account of Tax on Dividend (Reversal)	59.09	
<b>Less: Appropriations</b>		
Transferred to General Reserve	0.00	75.00
Proposed Dividend	0.00	290.24
Tax on Dividend	<u>0.00</u>	<u>59.09</u>
	(18,160.91)	5,709.09
<b>TOTAL</b>	<b>(10,704.22)</b>	<b>13,635.49</b>

#Refer note 9 on notes to Fixed Assets

(₹ in Lacs)

## Notes on Financial Statements for the Year ended March 31, 2016

<b>NOTE : 3 LONG TERM BORROWINGS</b>		<b>As at 31/ 03/2016</b>		<b>As at 31/ 03/2015</b>	
		<b>Non Current</b>	<b>Current</b>	<b>Non Current</b>	<b>Current</b>
<b>A) Secured Loans</b>					
<b>From Bank</b>					
<b>Rupee Term Loan</b>					
Bank of India	0.00	0.00	0.00	195.00	
Secured against movable & immovable fixed assets of the company and collateral security of factory Land, Building, and Personal guarantee of Shri J. C. Patel & Shri C. I. Patel.					
Terms: 2 Quartely Balooning Instalments, ROI @ 13.20%					
<b>Rupee Vehicle Loan</b>					
Kotak Mahindra Bank Ltd. #	0.00	0.00	0.00	75.00	
Yes Bank Limited ##	0.00	2.53	2.53	9.86	
ICICI Bank Ltd. ###	0.00	0.00	81.2	19.77	
HDFC Bank Ltd *	52.02	19.06	0.00	16.37	
Secured against hypothecation of vehicles					
#Terms:12 Monthly Instalments & ROI @ 14.50% p.a.					
##Terms:15 Monthly Instalments & ROI @ 10.50% p.a.					
*Terms:10 Monthly Instalments & ROI @ 9.039% p.as.					
### Terms:51 Monthly EMI & ROI @ 10.49% p.a. and 52 Monthly Instalments & ROI @ 10.00% p.a.					
	<b>52.02</b>	<b>21.59</b>	<b>83.73</b>	<b>316.00</b>	
<b>B) Unsecured Loans</b>					
From Directors, Promoters & their Relatives	0.00	0.00	444.37	0.00	
Dealers/Distributors Deposit	1.50	0.00	325.63	0.00	
	<b>1.50</b>	<b>0.00</b>	<b>770.00</b>	<b>0.00</b>	
<b>TOTAL</b>	<b>53.52</b>	<b>21.59</b>	<b>853.73</b>	<b>316.00</b>	
<b>NOTE : 4 DEFERRED TAX LIABILITY (Net)</b>		<b>As at 31/ 03/2016</b>		<b>As at 31/ 03/2015</b>	
<b>Deferred Tax Liability</b>					
Related to Fixed Assets \$		328.67		617.71	
<b>TOTAL</b>		<b>328.67</b>		<b>617.71</b>	
\$ Referring note 9					

(₹ in Lacs)

## Notes on Financial Statements for the Year ended March 31, 2016

<b>NOTE :5 SHORT TERM BORROWINGS</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
<b>Secured</b>		
<b>Working Capital Loans</b>		
<b>From Banks</b>		
(i) Bank of India	14359.57	9148.92
(ii) Bank of Baroda	13891.10	4975.26
(iii) Dena Bank	11421.75	2099.46
(iv) IDBI Bank Ltd	3946.18	297.89
(v) Punjab National Bank	157.60	995.46
(vi) Andhra Bank	8181.32	1696.92
(v) Indian Overseas Bank	396.62	390.97
(vi) Syndicate Bank	1195.30	1192.00
(vii) Union Bank of India	-77.98	381.71
<b>TOTAL</b>	<b>53,471.46</b>	<b>21,178.58</b>
<p>Secured by hypothecation of present and future stock of raw materials, stock in process, finished goods, stores &amp; spares, packing materials, by products, book debts, outstanding monies, receivables.</p> <p>Secured by equitable mortgage over land &amp; Building situated at Village: Heduva Hanumant, Mehsana and at Kalyanpur, Jamnagar and personal guarantee of Managing Director and promoters and secured by equitable mortgage over office building situated at 4th Floor, Heritage, Ahmedabad owned by Akshar Advisors Pvt. Ltd. and its corporate guarantee.</p> <p>Terms: Repayable on Demand</p>		
<b>NOTE :6 TRADE PAYABLE</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
<b>Trade payables</b>		
-For Goods	17862.91	56849.20
-For Expenses	994.30	821.72
<b>TOTAL</b>	<b>18,857.21</b>	<b>57,670.92</b>
<b>NOTE :7 OTHER CURRENT LIABILITIES</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
Current maturities of long term debt & vehicle loan#	21.59	316.00
Unclaimed Dividend	10.34	11.72
Sundry Creditors for Capital Goods	40.49	28.70
Other payables *	277.65	286.18
<b>TOTAL</b>	<b>350.07</b>	<b>642.60</b>
<p># Refer note 3</p> <p>* Includes Statutory Dues &amp; Other Payable</p>		
<b>NOTE :8 SHORT TERM PROVISIONS</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
For Expenditure	93.58	169.54
For Tax	1.73	790.54
Proposed Dividend	0.00	290.24
Dividend Distribution Tax	0.00	59.09
<b>TOTAL</b>	<b>95.31</b>	<b>1309.41</b>



(₹ in Lacs)

## Notes on Financial Statements for the Year ended March 31, 2016

### NOTE : 9 - FIXED ASSETS

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
Particulars	Asat 31.3.2015	Additions	Adjustments / Deductions	Asat 31.3.2016	Asat 31.3.2015	For the Year	Adjustment /Deductions	Asat 31.3.2016	Asat 31.3.2016	Asat 31.3.2015
Tangible Assets :										
Land	24.13	0.00	0.00	24.13	-	-	-	-	24.13	24.13
Land Site Developement	17.02	0.00	0.00	17.02	-	-	-	-	17.02	17.02
Road Construction	105.62	0.66	0.00	106.28	48.11	20.27	-	68.38	37.90	57.51
Factory Building	592.22	7.39	0.00	599.60	246.15	17.62	-	263.77	335.83	346.06
Office & Other Buildings	418.01	18.99	0.00	437.00	29.68	14.61	-	44.28	392.72	388.33
Plant & Machinery	4530.48	139.16	0.00	4,669.64	2,498.37	548.20	-	3,046.57	1,623.07	2,032.11
Lab. Equipment	12.76	0.00	0.00	12.76	10.54	0.24	-	10.78	1.98	2.22
Electrification	103.46	0.12	0.00	103.58	46.97	10.41	-	57.38	46.20	56.49
Computer	68.73	1.18	0.00	69.91	58.05	3.25	-	61.30	8.61	10.68
Furniture & Fixture	133.70	1.50	0.00	135.20	89.27	19.37	-	108.64	26.56	44.43
Office Equipment	94.38	1.76	0.00	96.15	63.27	7.87	-	71.13	25.02	31.12
Vehicle (HMV)	97.23	33.74	0.00	130.97	39.35	13.44	-	52.79	78.19	57.88
Vehicle (LMV)	344.79	7.76	10.62	341.94	128.81	41.11	7.64	162.29	179.65	215.98
Total Tangible Asset	6,542.55	212.27	10.62	6,744.20	3,258.57	696.39	7.64	3,947.32	2,796.88	3,283.98
Previous Year	6295.42	247.13	-	6542.55	2429.52	744.69	84.36	3258.57	3283.98	3865.90

Note: During the financial year 2014-15, the Company has adopted estimated useful life of fixed assets as stipulated by Schedule II to the Companies Act, 2013. Accordingly, depreciation of ₹ 55.69 lakhs ( Net of deferred Tax of ₹ 30.80 lakhs) on account of assets whose useful life is already exhausted on April 01, 2014 has been adjusted against Surplus in the statement of Profit and Loss for the year 2014-15.

### NOTE : 10 INVESTMENT

	As at 31/ 03/ 2016	As at 31/ 03/ 2015
<b>Non - Trade Invesements</b>		
<b>In Equity Shares - Unquoted, fully paid up</b>		
7,50,000 (P.Y. 7,50,000) Equity Shares of Swastik Ceracon Ltd. of ₹10 each	0.00	75.00
600 (P.Y. 600) Equity Shares of Shah Investor Home Ltd. of ₹ 10 each	0.00	0.90
<b>Other Investment</b>		
The Mehsana Urban Cooperative Bank Ltd	0.60	0.10
400 shares of ₹ 25/- Each		
<b>TOTAL</b>	<b>0.60</b>	<b>76.00</b>

### NOTE : 11 LONG-TERM LOANS & ADVANCES

	As at 31/ 03/ 2016	As at 31/ 03/ 2015
( Unsecured and Considered good)		
Deposits	233.80	153.87
Loans and Advances to Others	71.17	98.96
Balance with Revenue Authorities	406.66	406.61
Miscellaneous expenditure to the extent not written off	4.40	6.61
Deferred Revenue Expenditure	0.00	25.79
<b>TOTAL</b>	<b>716.04</b>	<b>691.84</b>

### NOTE : 12 INVENTORIES

	As at 31/ 03/ 2016	As at 31/ 03/ 2015
Raw Material	4525.91	6199.72
Stock in process	56.40	1172.69
Finished Goods & stock in trade	8663.55	28032.63
Packing Material	654.43	876.63
Stores & Spares	307.20	225.27
By Product	69.41	56.28
<b>TOTAL</b>	<b>14,276.91</b>	<b>36,563.23</b>

(₹ in Lacs)

## Notes on Financial Statements for the Year ended March 31, 2016

<b>NOTE :13 TRADE RECEIVABLE</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
(Unsecured)		
Over six Months : Considered Good	16295.31	95.42
Considered Doubtfull	19675.43	
Others	5990.18	47769.11
<b>TOTAL</b>	<b>41960.92</b>	<b>47,864.53</b>
<b>NOTE:14 CASH &amp; BANK BALANCES</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
<b>(a) Cash &amp; cash Equivalents</b>		
Cash on hand	49.42	56.34
<b>Banks Balance</b>		
In Current Account #	722.64	1150.76
<b>(a)</b>	<b>772.06</b>	<b>1207.10</b>
<b>(b) Other Bank Balance</b>		
In Fixed Deposits ## *	1666.42	6396.26
<b>(b)</b>	<b>1666.42</b>	<b>6396.26</b>
<b>TOTAL</b>	<b>2438.48</b>	<b>7,603.36</b>
# Includes unclaimed dividend of ₹ 10.34 lacs (Previous year ₹ 11.72 lacs)		
## includes deposits given as margin money to various banks		
*Includes Deposits of ₹ 252.90 lacs (Previous Year ₹ 1443.64 lacs) with maturity of more than 12 months.		
<b>NOTE :15 SHORT TERM LOANS &amp; ADVANCES</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
<b>Unsecured Advances</b>		
Balance with Custom, Central Excise & Income tax authorities	183.84	820.26
Advances to suppliers	2828.48	540.61
Others*	251.88	298.82
<b>TOTAL</b>	<b>3264.20</b>	<b>1,659.69</b>
*Includes prepaid expenses, Income receivables, advances to staffs and others		
<b>NOTE : 16 REVENUE FROM OPERATIONS</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
Sale of Products	176261.60	318410.27
Other Operating Revenues	472.62	345.25
<b>TOTAL</b>	<b>176,734.22</b>	<b>318,755.53</b>
<b>Note 16.1 Sale of Products</b>		
Domestic Sales	174,264.74	313801.44
Exports - Direct	333.20	1768.62
Exports - Indirect	1663.66	2840.21
<b>TOTAL</b>	<b>176,261.60</b>	<b>318410.27</b>
<b>NOTE :17 OTHER INCOME</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
Export Incentives	3.24	17.29
Dividend Income	0.08	2.67
Interest on FDR	50.73	0.00
Round Off	0.31	0.00
Others#	27.38	16.96
<b>TOTAL</b>	<b>81.74</b>	<b>36.92</b>
# includes profit on sale of assets & other incomes		

(₹ in Lacs)

## Notes on Financial Statements for the Year ended March 31, 2016

<b>NOTE:18 COST OF MATERIAL CONSUMED</b>		<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
<b>Raw Material Consumed</b>			
Opening Stock		6199.72	10103.61
Purchases(Incl. cost of purchase)		94871.52	230041.87
		101071.24	240145.48
Less : Closing Stock		4580.25	6199.72
<b>Raw Material Consumed</b>	<b>TOTAL</b>	<b>96490.99</b>	<b>233945.77</b>

<b>Note 18.1: Details of Major items of Raw Material Consumption</b>		<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
Edible Oil		78508.00	194896.41
Rapeseeds, Rapeseed oil & cake		5646.48	12378.77
Milk & Other raw materials		2194.79	11462.51
Others		9319.36	14485.81
Purchase cost		822.36	722.27
	<b>TOTAL</b>	<b>96490.99</b>	<b>233945.77</b>

### Details of Imported and Indigenous Raw Material Consumption and %

	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Imported	31489.10	32.63%	24531.93	10.49%
Indigenous	65001.89	67.37%	209413.84	89.51%
<b>TOTAL</b>	<b>96490.99</b>	<b>100.00%</b>	<b>233945.77</b>	<b>100.00%</b>

<b>NOTE:19 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND BY PRODUCTS</b>		<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
<b>Inventories (at close)</b>			
Finished Goods & Stock in trade		11275.43	28032.64
Stock in process		1034.46	1172.69
By products		69.41	56.28
		12379.31	29261.61
<b>Inventories (at commencement)</b>			
Finished Goods & Stock in trade		28045.85	13579.32
Stock in process		1172.69	907.09
By products		56.28	73.83
		29,274.82	14,560.24
<b>TOTAL</b>		<b>16,895.52</b>	<b>(14,701.37)</b>

<b>NOTE:20 EMPLOYEE BENEFITS EXPENSE</b>		<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
Salaries & Wages		569.74	661.98
Contribution to Provident & other funds		41.33	39.28
Bonus		19.25	40.06
Staff Welfare Expenses		37.87	124.31
Other Expenses for employees benefit		23.00	102.85
<b>TOTAL</b>		<b>691.19</b>	<b>968.48</b>

(₹ in Lacs)

## Notes on Financial Statements for the Year ended March 31, 2016

<b>NOTE:21 FINANCE COST</b>			<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
<b>Interest on:</b>				
on Working Capital			4474.96	7014.42
on Term Loans			14.99	17.08
Interest to Others			10.43	96.54
Less: Interest Earned			(447.36)	(1721.49)
<b>Interest Expenses</b>			<b>4,053.02</b>	<b>5,406.56</b>
Bank and other Financial Charges			713.46	1399.23
Exchange Rate Difference			922.77	-
<b>TOTAL</b>			<b>5,689.25</b>	<b>6,805.78</b>
<b>NOTE : 22 OTHER EXPENSES</b>			<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
<b>Manufacturing Expenses:</b>				
<b>Consumption of packing materials</b>				
	<b>2015-16 ( %)</b>	<b>2014-15 ( %)</b>		
- Imported	0.00%	0.00%	0.00	0.00
- Indigenous	100.00%	100.00%	7448.36	9050.76
<b>Consumption of stores, Spares &amp; Tools , Chemical</b>				
	<b>2015-16 ( %)</b>	<b>2014-15 ( %)</b>		
- Imported	0.00%	0.00%	0.00	0.00
- Indigenous	100.00%	100.00%	915.99	960.27
Job-work Charges			1150.73	1591.10
Labour hire charges			37.32	
Power & Fuel			1616.55	2696.56
Repairs & Maintenance			72.93	282.71
Other Manufacturing Expenses			91.72	97.05
<b>Administrative Expenses</b>				
Payment to Auditor				
(a) As Auditor				
Statutory Audit Fees			5.65	7.45
Tax Audit Fees			0.75	1.75
(b) For Company law matters			0.00	1.00
(c) For Certification & others			0.70	1.68
<b>TOTAL</b>			<b>7.10</b>	<b>11.88</b>
Insurance Charges			224.60	316.26
Legal , Professional & Consultancy Expenses			150.44	114.01
Rates and Taxes			18.70	17.99
Office & Godown Rents			21.82	10.67
Other Administrative Expenses			163.89	304.89
<b>Selling &amp; Distribution Expenses</b>				
Advertisement expenses			297.73	379.65
Freight expenses			1429.13	909.54
Exch Diff			1.80	(1.48)
Cash discount			69.73	0.00
Brokerage & Dalali			39.93	0.00
Other selling and distribution expenses			450.71	1204.48
Loss on sale of Vehicle			2.04	0.00
<b>TOTAL</b>			<b>14,211.22</b>	<b>17,946.35</b>

(₹ in Lacs)

## Notes on Financial Statements for the Year ended March 31, 2016

<b>NOTE:23 EARNING PER SHARE</b>	<b>As at 31/ 03/ 2016</b>	<b>As at 31/ 03/ 2015</b>
i) Net profit after tax(after adjusting Minority Interest) as per statement of profit and loss attributable to Equity Shareholders (₹ in Lakhs)	(24,316.03)	1,859.73
ii) Weighted Average number of equity shares used as denominator for calculating EPS	15020000	14800000
iii) Basic & Diluted Earning per share (₹)	(161.89)	12.57
iv) Face value per equity share (₹)	10.00	10.00

### NOTE:23 A EARNING PER SHARE

There are differences in opening balances as on 01-04-2015 as compared to the closing balances as on 31-03-2015 in respect of various items of consolidated balance sheet. These differences are due to fact that M/s. Vimal Dairy Ltd. has ceased to be subsidiary of M/s. Vimal Oil & Foods Ltd. w.e.f. 26-06-2015. As such, figures relating to Vimal dairy Ltd. have not been accounted for, while preparing consolidated balance sheet. Further, on account of figures of Vimal Dairy Limited not being reported while preparing consolidated balance sheet, the current year figures would not be comparable with previous year figures.

(Continued on next page)

## SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2016

Significant Accounting Policies, Additional Information to the Consolidated Financial Statements and Disclosures under Accounting Standards (Contd. from Consolidated Financial Statements):

### **24. Significant Accounting Policies**

#### **24.1 Basis of Accounting**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India, including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian Rupees rounded off to the nearest rupees in lakhs, unless wherever specifically mentioned otherwise.

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India, including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements are prepared in Indian Rupees rounded off to the nearest rupees in lakhs, unless wherever specifically mentioned otherwise.

#### **24.2 Principles of Consolidation**

The consolidated financial statements relate to Vimal Oil & Foods Limited ('the company') and its subsidiaries Vimal Dairy Limited (up to 26<sup>th</sup> June, 2015) and Brinda Exports Limited. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the company and its subsidiaries company are combined on a line-by-line basis by adding together the book values of the items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 – "Consolidated Financial Statements"
- b) M/s Vimal Dairy Limited ceased to be the subsidiary of Vimal Oil & Foods Limited from 26<sup>th</sup> June, 2015. As such, Balancesheet items of Vimal Dairy Limited have not been considered in the Consolidated Balancesheet as at 31<sup>st</sup> March, 2016. To that extent, figures of Balancesheet are not comparable with previous year figure's. However, all revenue and expenses of Vimal Dairy Limited up to 26<sup>th</sup> June, 2015 have been considered in Consolidated Profit and Loss account.
- c) The Profit on sale of Investments in Subsidiary have been considered as revenue in Consolidated Profit and Loss account.
- d) As Brinda Exports Limited is 100% Subsidiary of Vimal Oil & Foods Limited, adjustment on account of Minority Interest is not considered necessary.
- e) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

#### **24.3 Other significant accounting policies:**

(Continued from Standalone Financial Statements)

These are set out under "Significant Accounting Policies" as given in the Company's Standalone Financial Statements.

- #### **24.4**
- In view of the erosion of 100% net worth of the M/s. Vimal Oil & Foods Limited by current year's losses as on 31<sup>st</sup> March 2016, the Company has become Sick Industrial Company under Section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA 1985). Accordingly, the Company has to file 'reference' in prescribed 'Form A' to the Hon'ble Board for Industrial & Financial Reconstruction (BIFR) to comply with the provisions of Section 15(1) of the SICA 1985 within 60 days from the date of forming such opinion by the Board of Directors. The management is in process of compliance of the same.

#### **24.5 The subsidiary Companies considered in the consolidated financial statements is:**

Name of the company	Country of Incorporation	% of voting power held as at 31/ 03/2016	Reporting Date
Brinda Exports Limited	India	100%	31/ 03/2016
Vimal Dairy Limited	India	NIL	Ceased to be Subsidiary on 26 <sup>th</sup> June, 2015

## Notes on Financial Statements for the Year ended March 31, 2016

### 25. Additional Information to the financial statements

#### 25.1 Contingent liabilities

Particulars	2015-2016 (₹ in Lacs)	2014-2015 (₹ in Lacs)
Bank guarantee given in favor of GAIL	78.16	6.50
Liability in respect of Letter of credit against which goods not received up to 31 <sup>st</sup> March, 2015	-	4368.56
Sales Tax Demand under Sales Tax Laws for the accounting year 2001-02, 2002-03, 2003-04 - (Note i)	618.22	618.22
Sales Tax Demand under Rajasthan Sales Tax Act, 1994 for the year 2002-03 - (Note i)	139.48	139.48
Demand under Income Tax Act, 1961 for the accounting year 1999-00	53.83	53.83
Demand under Income Tax Act, 1961 for the accounting year 2006-07	27.72	27.72
Demand under Income Tax Act, 1961 for the accounting year 2007-08	36.90	17.93
Demand under Income Tax Act, 1961 for the accounting year 2008-09	3.97	5.11
Demand under Income Tax Act, 1961 for the accounting year 2009-10	-	5.06
Demand under Income Tax Act, 1961 for the accounting year 2011-12	0.05	2.00
Demand under Income Tax Act, 1961 for the accounting year 2013-14	0.18	-
Corporate Bank Guarantee Given in Favour of Gayatri Enterprise	-	1000.00

**Note:** As against the same, the company has paid under protest of ₹406.50 lacs and shown as Long Term Loans and Advances

**25.2** In the opinion of the Board and to the best of their knowledge and belief, the value on realization of the current assets, loans and advances in the ordinary course of the business shall not be less than the amount stated in the Balance Sheet except for an amount of ₹ 196.75 crore of Trade receivable considered doubtful for recovery. The balance of trade receivable and trade payables are subject to confirmation, reconciliation and consequential adjustments, if any

#### 25.3 Non-Provision for Doubtful Trade Receivables:

No Provision has been made in respect of an amount of ₹ 196.75 crore of Trade Receivable considered doubtful for recovery. To that extent, losses of the company are understated and current assets of the company are overstated.

#### 25.4 Micro, Small and Medium Enterprises

The management has initiated the process of identifying enterprises those have provided goods and services to the company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprise Development Act, 2006. Accordingly, none of the suppliers of the company are micro enterprises, small and medium enterprises under the Micro, Small and Medium Enterprise Development Act, 2006. Therefore, the disclosures under section 22 of the said act are not necessary.

**25.5** There are no amounts due and outstanding to be credited to Investor Education and Protection Fund. The holding company has transferred ₹ 1,33,371/- in relation to year 2007-08, to the Investor Education & Protection Fund during the year.

#### 25.6 Earnings / Expenditure In Foreign Currency

Particulars	2015-2016(₹ In lacs)	2014-2015(₹ In lacs)
FOB Value of Exports	323.94	1768.62
For Goods Purchase	29190.41	28614.07
For Interest Expenses	129.24	109.28

#### 25.7 CIF Value of Imports

Particulars	2015-2016(₹ In lacs)	2014-2015(₹ In lacs)
CIF Value of Imported Raw Materials	29190.41	28614.07

**25.8** The Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification/ disclosures.

## Notes on Financial Statements for the Year ended March 31, 2016

### 26. Disclosure under Accounting Standards.

#### 26.1 Related Party Disclosures as per Accounting Standard - 18

Names of related parties and description of relationship from/to which following transactions were entered during the year.

Sr.No.	Name	Relationship	Manner
(A)			
1	Jayeshbhai Patel	Managing Director	Key Managerial Person & person exercising more than 20% voting power.
2.	Jigishaben Patel	Relative of KMP	Relative as Sister in Law of Jayeshbhai Patel, the Director of the company
3	Pradipbhai Patel	Relative of KMP	Relative as brother of Jayeshbhai Patel, the Director of the company
4	Sonalben Patel	Relative of KMP	Relative as wife of Jayeshbhai Patel, the Director of the Company
5	Pooja V. Guru	Whole Time Director	Director of the company (Resigned as director with effect from 12 <sup>th</sup> August, 2015)
6	Jitendra Patel	KMP	Chief Financial Officer of the Company
7	Fagesh Soni	KMP	Company Secretary of the company (up to September 30, 2015)
8	Mehul K. Vyas	KMP	Company Secretary of the company. (From February 14, 2016)
(B)			
1	Vimal Dairy Limited	Subsidiary Company	52% holding of equity shares up to 26 <sup>th</sup> June, 2015
2	Brinda Exports Limited	Wholly Owned Subsidiary Company	Acquired 100% holding of Equity Shares with effect from 27 <sup>th</sup> August, 2015

#### Transactions with related parties & Balance Outstanding as at the year end

Sr. No.	Nature of Transaction	2015-16( ₹ In lacs)	2014-15( ₹ In lacs)
	<b>In Relation to(A) above</b>		
1	<b>Managerial Remuneration</b> Jayeshbhai Patel	16.16	16.16
2	<b>Remuneration to KMP</b> Jitendra Patel Fagesh Soni Mehulkumar K. Vyas Pooja V Guru	6.86 2.44 0.42 0.21	4.41 4.21 0.00 0.84
3	<b>Employees Benefits Expenses</b> (Relating to Vimal Dairy Limited upto 26 <sup>th</sup> June, 2015) Pradipbhai Patel Jigishaben Patel Sonalben Patel	3.28 0.94 0.94	13.35 3.81 3.81
4	<b>Finance Cost</b> Jigishaben Patel	5.04	25.30
5	<b>Rent Expenses</b> Pradipbhai Patel	15.07	10.51
6	<b>Loan Repaid</b> Jigishaben Patel	444.37	0.00
	<b>Outstanding Balance</b>	<b>As at 31.03.2016</b> (₹ In lacs)	<b>As at 31.03.2015</b> (₹ In lacs)
7	<b>Loans Received</b> Jigishaben Patel	0.00	444.37



## Notes on Financial Statements for the Year ended March 31, 2016

### 26.2 Disclosure as per Accounting Standard - 15 (Revised) Employee Benefits

#### Defined Contribution Plan

The company provides retirement benefit in form of provident fund, gratuity and leave encashment. Provident fund contribution made to "Government Administered Provident Fund" are treated as Defined Contribution Plan, since the company has no further obligation beyond its monthly contribution,

Contribution to Recognized and charged off the year, is as under:

Employer's Contribution to Provident Fund ₹ 16.86 Lacs (Previous year ₹ 27.32 lacs)

#### Defined Benefit Plan

The company has defined benefit plans for gratuity to eligible employees, contributions for which are made to Life Insurance Corporation of India, who invest the funds as per IRDA guidelines. The details of these defined plans recognized in the financial statements are as under:

#### General Description of the Plan

The company operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payments to vested employees at retirement, death, incapacitation of termination of employment, of an amount based on the respective employees salary and the tenure of employment.

#### Status of gratuity plan as required under AS 15(Revised)

Reconciliation of opening and closing balance of Running Account

Particulars	2015-2016(Rs in lacs.)	2014-2015(Rs in lacs.)
Opening balance	18.72*	62.77
Amount credited towards the fund	20.14	4.77
Amount paid as claim	(5.67)	(33.58)
Miscellaneous charges	(0.14)	0.00
Interest credited for the year	1.59	4.33
<b>Closing balance</b>	<b>34.64</b>	<b>38.29#</b>

#Includes balance of Vimal Dairy Ltd.

\*Excludes balance of Vimal Dairy Ltd.

### 26.3 Segment Information as per Accounting Standard– 17 on Segment Reportings

The company has identified four business segments viz. Integrated Oil Division, Powder Plant, Wind Mill and Dairy. Segments have been identified and reported taking into account the nature of products, the differing risks and returns, the organizational structure and internal business reporting system.

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment.

Segment Assets and Segment Liabilities represent assets and liabilities of respective segments.



Sr. No.	Particulars	For the year ended 31/ 03/ 2016 (₹ in lacs)	For the year ended 31/ 03/ 2015 (₹ in lacs)
1	<b>Segment Revenue</b>		
	a) Integrated Oil Division	176351.56	303018.23
	b) Powder Mfg. Division	306.71	362.88
	c) Wind Mill	107.72	103.59
	d) Dairy	NA	16044.89
	<b>TOTAL</b>	<b>176765.99</b>	<b>319529.59</b>
	Less: Inter Segment Revenue	0.00	1135.23
	<b>Net Sales/Income from Operations</b>	<b>176765.99</b>	<b>318394.36</b>
2	<b>Segment Results</b>		
	a) Integrated Oil Division	(19107.04)	8762.54
	b) Powder Mfg. Division	282.84	105.71
	c) Wind Mill	59.87	53.92
	d) Dairy	NA	659.34
	<b>TOTAL</b>	<b>(18764.33)</b>	<b>9581.51</b>
	Less: Interest	5689.25	6805.78
	<b>Total Profit Before Tax</b>	<b>(24453.58)</b>	<b>2775.73</b>
3	<b>Capital Employed (Segment Assets-Segment Liabilities)</b>		
	a) Integrated Oil Division	(7852.12)	16874.96
	b) Powder Mfg. Division	52.11	35.41
	c) Wind Mill	426.46	453.12
	d) Dairy	NA	1790.68
	<b>TOTAL</b>	<b>(7373.55)</b>	<b>19154.17</b>

Note: The company also exports its products but the disclosures as required under accounting standard 17 on geographical segment has not been provided as the total value of exports is less than 10% of the total revenue.

#### 26.4 Disclosure of Additional information pertaining to the Parent Company and subsidiary:

Name of the company	Net assets (Total Assets – Total Liabilities)		Share in profit & loss	
	As % of Consoli- dated Net Assets	Net Assets (₹ in Lacs)	As % of Consoli- dated Profit or Loss	Profit or Loss (₹ in Lacs)
<b>Parent Company</b> Vimal Oil & Foods Limited	100.00%	-7705.19	100.29%	-24384.64
<b>Indian Subsidiary</b> Brinda Exports Limited	Negligible	11.42	-0.02%	3.87
Vimal Dairy Limited (Ceased to be Subsidiary on 26 <sup>th</sup> June, 2015)	-	-	-0.27%	65.68

#### 27. Non-provision of interest

The company has not provided interest on various credit facilities obtained from Dena bank, Bank of India, Bank of Baroda and Andhra Bank, from the date the concerned banks classified the credit facility as NPA. The amount of interest not provided for is ₹ 18.42 crores (Approx). To that extent losses of the company and liability of bank facilities are understated. The extent of exact amount is under determination and reconciliation with the banks.

#### 28. Purchases belonging to preceding year

Purchases of raw materials amounting to ₹ 15.37 crores belonging to the preceding year (i.e. F.Y. 2014-15) have been debited in the Profit and Loss statement of the year under report. To that extent losses of the year under report are over stated.

**FOR, S. D. MEHTA & CO.**  
Chartered Accountants  
FRN: 137193W

**Shaishav D. Mehta**  
Partner  
M.No. 032891

Place: Ahmedabad  
Date: 10<sup>th</sup> May, 2016

**FOR AND ON BEHALF OF THE BOARD OF  
VIMAL OIL & FOODS LIMITED**

**Jayesh C. Patel**  
Chairman & Managing Director  
DIN: 00027767

**Mukesh N Patel**  
Director  
DIN: 00498451

**Mehul K. Vyas**  
Company Secretary  
Place: Ahmedabad  
Date: 10<sup>th</sup> May, 2016

**Jitendra Patel**  
CFO

## **FORM NO. MGT – 11: PROXY FORM**

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

CIN	: L15400GJ1992PLC017626
Name of the Company	: Vimal Oil & Foods Limited
Registered office	: 4th Floor, Heritage, Nr. The Grand Bhagwati, Sarkhej-Gandhinagar Highway, Ahmedabad – 380 054, Gujarat, INDIA

Member's name in Block Letters	
DP ID	
Client ID / Folio No.	
No. of Shares	
Registered Address	

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

1. Name	
Address	
E-mail id	
Signature	
	,or failing him
2. Name	
Address	
E-mail id	
Signature	
	,or failing him
3. Name	
Address	
E-mail id	
Signature	



as my/our proxy to attend and vote (on a poll) for me/us and on my/ our behalf the behalf at the Twenty Fourth Annual General Meeting of the Company to be held on **Friday, September 30, 2016 at 11: 30 A.M.** at the Registered Office of the Company and at any adjournment thereof such resolutions as are indicated below:

Resolution No.	Resolutions
<b>Ordinary Business</b>	
1	Ordinary Resolution for consideration and adoption of (a) the audited financial statement (standalone) of the Company for the financial year ended March 31, 2016, the Reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2016.
2	Ordinary Resolution for re-appointment of Shri Jayesh C. Patel (DIN 00027767) who retires by rotation at this Annual General meeting and being eligible, offers himself for re-appointment.
3	Ordinary Resolution for Ratification of Appointment of Auditors.
<b>Special Business</b>	
4	Ordinary Resolution for appointment of Shri Ditin N. Patel (DIN No. 06978984) as an Independent Director.
5	Ordinary Resolution for appointment of Smt. Mona J. Acharya (DIN No. 07316719) as Director.
6	Ordinary Resolution for approval of the remuneration payable to Cost Auditor, M/S. S. A. & associates for the financial year 2016-17.

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

Signature of Shareholder: \_\_\_\_\_

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

Affix  
Revenue  
Stamp

**NOTE :**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at 4th Floor, Heritage, Nr. The Grand Bhagwati, Sarkhej-Gandhinagar Highway, Ahmedabad – 380 054, Gujarat, INDIA, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions and Notes, please refer to the Notice of the 24<sup>th</sup> Annual General Meeting.
3. The Proxy need not to be a Member of the Company.
4. Please fill in full particulars
5. Company reserves the right to ask for identification of the proxy.

**E-COMMUNICATION REGISTRATION FORM**

To

Link Intime India Private Limited  
Unit No. 303, 3<sup>rd</sup> Floor, Shoppers Plaza-V,  
Opp. Municipal Market,  
Behind Shopper Plaza-II, C. G. Road,  
Ahmedabad-380009  
Gujarat

Dear Sir/Madam,

**RE: Green Initiative in Corporate Governance**

I agree to receive all shareholder communication from the Company in electronic mode.

Please register my e-mail id in your records for sending shareholder communication through e-mail.

Folio No. : \_\_\_\_\_

DP ID : \_\_\_\_\_

Client ID : \_\_\_\_\_

PAN : \_\_\_\_\_

Name of 1<sup>st</sup> Registered Holder : \_\_\_\_\_

Name of Joint Holder(s) : \_\_\_\_\_

Registered Address : \_\_\_\_\_

E-mail ID : \_\_\_\_\_

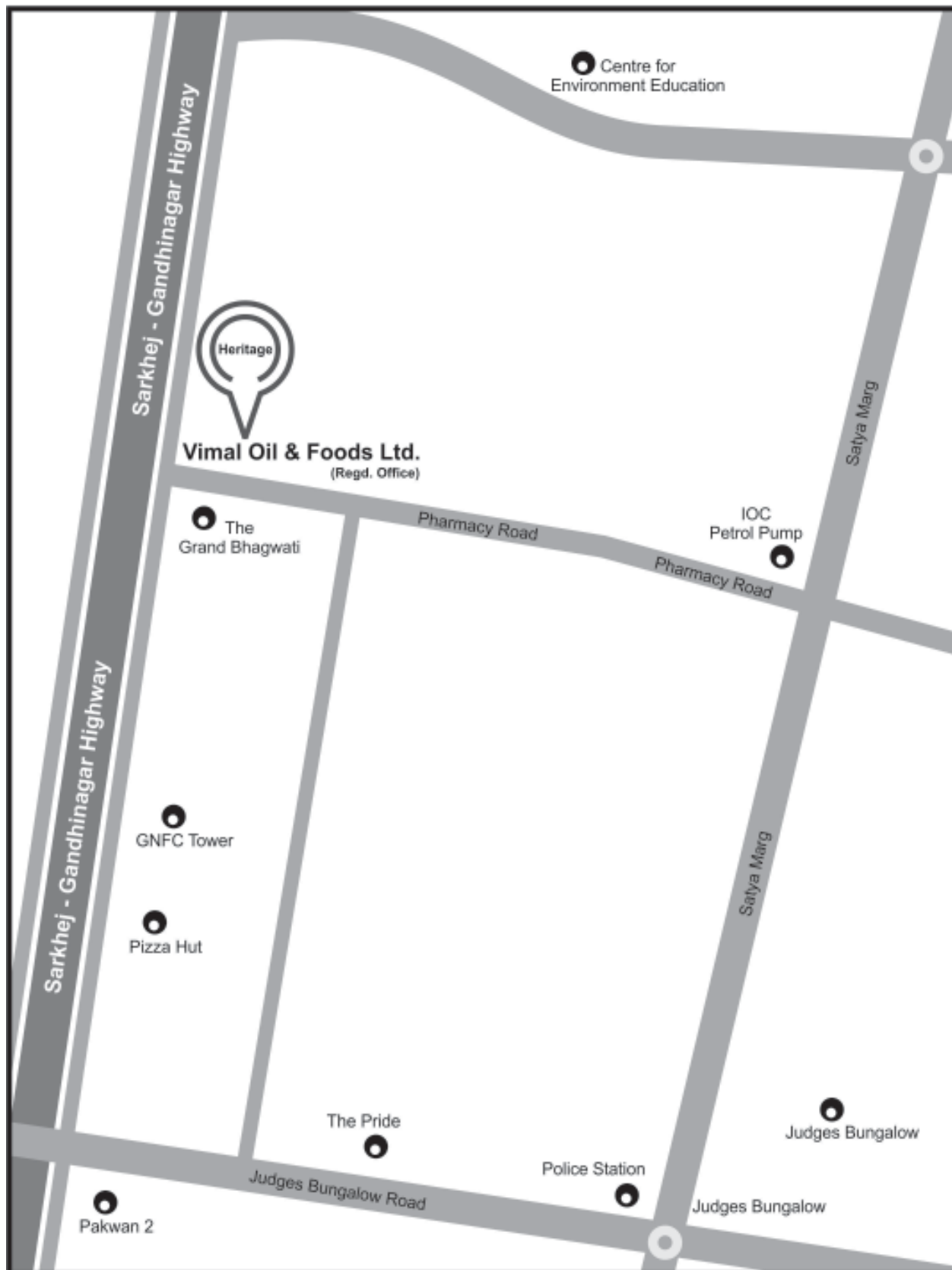
Date: \_\_\_\_\_ Signature of the first holder \_\_\_\_\_

**Important Notes:**

- 1) On registration, all the communication will be sent to the e-mail ID registered in the folio/DP ID & Client ID.
- 2) Shareholders are requested to keep Company informed as and when there is any change in the e-mail address. Unless the email id / address given above is changed by you by sending another communication in writing, the Company will continue to send the notices/documents to you on the above mentioned email ID.



## ROUTE MAP TO THE VENUE OF AGM





Cottonseed Oil • Sunflower Oil • Soyabean Oil • Groundnut Oil • Canola Oil  
Mustard Oil • Rice Bran Oil • Corn Oil • Vimal Lite • Veg Mayonnaise

BOOK - POST

To,

If Undelivered, Please Return To :



**Vimal Oil & Foods Ltd.**

ISO 22000:2005 Certified Co.

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**Regd. Office:** 4<sup>th</sup> Floor, Heritage, Nr. The Grand Bhagwati, Sarkhej-Gandhinagar Highway, Ahmedabad - 380 054.

**Ph.:** 079-26841851 / 52 / 53 / 54 **Fax.:** 079-26841850 **CIN:** L15400GJ1992PLC017626

**Website:** [www.vimaloil.com](http://www.vimaloil.com)





# VIMAL OIL & FOODS LIMITED

Regd. Office: 4<sup>th</sup> Floor, Heritage, Nr. The Grand Bhagwati, Sarkhej-Gandhinagar Highway, Ahmedabad – 380 054, Gujarat, INDIA. Ph.: 079-26841851-52-53-54, Fax: +91-79-26841850, CIN: L15400GJ1992PLC017626, E-mail: sec.vimal@yahoo.co.in, Website: www.vimaloil.com

## ATTENDANCE SLIP

Member's name in Block Letters

Registered Address

Folio No./ DP ID & Client ID

No. of Shares held

I/We hereby record my/our presence at the Twenty Forth Annual General Meeting of the Company to be held on Friday, September 30, 2016 at 11.30 A.M at the registered office of the Company at 4<sup>th</sup> Floor, Heritage, Nr. The Grand Bhagwati, Sarkhej-Gandhinagar Highway, Ahmedabad – 380 054, Gujarat, INDIA.

Signature of the Member/Proxy/Authorised Representative

NOTE: You are requested to sign and hand over this slip at the entrance.

The Electronic voting particulars are set out below:

EVS (Electronic Voting Sequence Number)		
USER ID		PASSWORD

Please refer Notice for instructions on e-voting.

E-voting facility is available during the following voting period:

Commencement of e-voting	End of E-voting
Tuesday, September 27, 2016 at 09:00 a.m.	Thursday, September 29, 2016 at 05:00 p.m.