

**Raj Agro Mills Limited**  
**27th Annual Report**  
**2016-17**

# RAJ AGRO MILLS LIMITED Annual Report 2017

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

## BOARD OF DIRECTORS:

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

## COMPANY SECRETARY

Ms. Harleen Kaur

## CHIEF FINANCIAL OFFICER

Mr. Rupinder Singh

## STATUTORY AUDITORS

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

## BANKERS

HDFC Bank  
Mall Road, Ludhiana - (Pb.)

## SHARE TRANSFER AGENT

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

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

# RAJ AGRO MILLS LIMITED Annual Report 2017

## NOTICE

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

### ORDINARY BUSINESS:

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

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

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

Date: 10.08.2017

Place: Ludhiana

### **NOTES:**

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

# RAJ AGRO MILLS LIMITED Annual Report 2017

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

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

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>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).</li> </ul>

# RAJ AGRO MILLS LIMITED Annual Report 2017

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- j. After entering these details appropriately, click on "SUBMIT" tab.
- k. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- l. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- m. Click on the EVSN for the relevant <RAJ AGRO MILLS LIMITED> on which you choose to vote.
- n. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- o. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- p. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- q. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- r. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- s. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- t. Note for Non Individual Shareholders and Custodians
  - Non Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- u. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- v. Members holding equity shares in electronic form and proxies thereof are requested to bring their DP ID and client ID for identification.
- w. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. Them-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

# RAJ AGRO MILLS LIMITED Annual Report 2017

## DIRECTORS' REPORT TO THE MEMBERS

### Dear Members,

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

### **FINANCIAL RESULTS**

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

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

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

### **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

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

### **INFORMATION ON STATE OF COMPANY'S AFFAIR**

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

### **DIVIDEND**

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

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

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

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

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

### **CHANGES IN SHARE CAPITAL**

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

### **CHANGES IN DIRECTORS**

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

### **PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186**

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

# RAJ AGRO MILLS LIMITED Annual Report 2017

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## **AUDITOR'S**

### **Statutory Auditors**

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

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

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

### **Statutory Auditor's Report**

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

### **Cost Audit**

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

### **Secretarial Auditors**

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

### **Internal Auditors**

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

### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

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

### **RELATED PARTY TRANSACTIONS**

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

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

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

# RAJ AGRO MILLS LIMITED Annual Report 2017

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

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

## **EXTRACT OF ANNUAL RETURN**

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

## **DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

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

## **DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

## **DECLARATION BY INDEPENDENT DIRECTORS**

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

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

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

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

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

## **NUMBER OF MEETINGS**

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

## **RISK MANAGEMENT POLICY**

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

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

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

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

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

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



# RAJ AGRO MILLS LIMITED Annual Report 2017

## **AUDIT COMMITTEE**

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

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

## **VIGIL MECHANISM**

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

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

## **SECRETARIAL AUDIT REPORT**

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

## **DIRECTORS RESPONSIBILITY STATEMENT**

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

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

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

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

## **CORPORATE GOVERNANCE REPORT**

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

# RAJ AGRO MILLS LIMITED Annual Report 2017

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## **GENERAL DISCLOSURE**

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

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

## **ACKNOWLEDGEMENTS**

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

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

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

### **FOR AND ON BEHALF OF THE BOARD**

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

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

**Place: Ludhiana**  
**Date : 29.05.2017**