

SSDN



# SAMPRE NUTRITIONS LTD

TWENTY SIXTH ANNUAL REPORT  
2016-2017

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

<b>SRI B K GURBANI</b>	:	Chairman and Managing Director
<b>SMT MEERA BRAHMA GURBANI</b>	:	Non-Executive Director
<b>SRI BANALA JAYAPRAKASH REDDY</b>	:	Independent Director
<b>SMT UMRA SINGH SIROHI</b>	:	Independent Director
<b>SRI VISHAL RATAN GURBANI</b> (w.e.f 21.08.2017)	:	Vice President (Additional Director)
<b>SRI VAMSHI SRINIVAS VEMPATI</b>	:	Chief Financial Officer

<b><u>AUDITORS</u></b>	:	<b>M/s. RRK &amp; Associates</b> Chartered Accountants #A04, IFF The Annexe, Near Hitech City Rly Station 13th Phase, KPHB Hyderabad – 500 085
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<b><u>BANKERS</u></b>	:	The Cosmos Co-Op Bank Ltd Secunderabad
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<b><u>REGISTERED OFFICE</u></b>	:	Plot No. 133, Industrial Estate, Medchal – 501 401, Telangana, India Phone: 08418 - 222427/28 Fax: 08418 - 222429 E-Mail: gurbani@gurbanigroup.in Website: <a href="http://www.sampreltd.com">www.sampreltd.com</a>
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<b><u>REGISTRAR &amp; SHARE TRANSFER AGENTS</u></b>	:	<b>M/s. Big Share Services Pvt. Ltd.</b> 306, 3rd Floor, Right Wing, Amrutha Ville, Opp. Yashoda Hospital, Raj Bhavan Road Somajiguda, Hyderabad – 82. Ph : 040-40144582 Email: bsshyd1@bigshareonline.com
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<b><u>LISTED AT</u></b>	:	The BSE Limited
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### **BOARD COMMITTEES:**

<b>Audit Committee:</b>	:	Mr. Banala Jayaprakash Reddy (Chairman) Mrs. Umra Singh Sirohi Mrs. Meera Gurbani
<b>Nomination and Remuneration Committee</b>	:	Mr. Banala Jayaprakash Reddy (Chairman) Mrs. Umra Singh Sirohi Mrs. Meera Gurbani
<b>Stakeholders Relationship Committee:</b>	:	Mrs. Meera Gurbani (Chairman) Mr. Banala Jayaprakash Reddy

## **NOTICE**

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Members of the Company will be held on **Tuesday, 26<sup>th</sup> September, 2017 at 10:30 A.M.** at Lions Club Conference Hall, LIC Building, 01<sup>st</sup> Floor, Paradise Circle, Secunderabad – 500 003 to transact the following items of business:

### **ORDINARY BUSINESS:**

1. Adoption of Financial Statements:

To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2017 along with the Reports of the Board of Directors' and Auditors' thereon.

2. To appoint a Director in place of Mrs. Meera Gurbani who retires by rotation and being eligible, offers herself for re-appointment.

3. Ratification of Appointment of Auditors:

To ratify the appointment of Auditors of the Company, who were appointed at the Twenty Third Annual General Meeting to hold office for a period of five years till the conclusion of the Annual General Meeting of the company to be held in the Financial year 2019 and to authorize the Board of Directors to fix their remuneration.

### **SPECIAL BUSINESS**

**4. TO APPOINT MR. VISHAL RATAN GURBANIS DIRECTOR OF THE COMPANY:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to Sections 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, **Mr. Vishal Ratan Gurbani** (DIN: 07738685), who was appointed as Additional Director by the Board in their meeting held on 21<sup>st</sup> August, 2017 under Section 161 of Companies Act, 2013 and who holds office up to date of this Annual General Meeting and in respect of whom the 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 Directorship, be and is hereby appointed as Director of the Company, liable to retire by rotation."

**5. TO RATIFY APPOINTMENT & REMUNERATION OF MR. VISHAL RATAN GURBANI AS WHOLE-TIME DIRECTOR OF THE COMPANY:**

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V and all other applicable provisions of the Companies Act, 2013, if any, consent of the members of the Company be and is hereby accorded for appointment of Mr. Vishal Ratan Gurbani (DIN: 07738685) as Whole time Director and designated as Vice President of the Company, for a period of 5 (Five) years with effect from 21.08.2017 at a remuneration of 9,00,000 (Rupees Nine Lakhs only) per annum, as recommended by Nomination and Remuneration committee, with such yearly increment on time scale basis as may be decided by the board from time to time, provided that such remuneration does not exceed the limits specified under Section 197 read with Schedule V of the Act."

“FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby also authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment, including the components of the above mentioned remuneration payable to him subject to provisions of the Act.”

By Order of the Board  
For **SAMPRE NUTRITIONS LIMITED**

Place : Medchal  
Date : 21.08.2017

Sd/-  
**B K GURBANI**  
Chairman and Managing Director  
DIN: 00318180

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than 50 members and holding in aggregate not more than 10% of the total Share Capital of the Company. Members holding more than 10% ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member.

Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.

The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy form is annexed to this report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

2. An Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013 is forming part of this Notice.
3. Additional information pursuant to Regulation 36 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 in respect of Directors seeking appointment/re-appointment at the AGM and directors liable to retire by rotation and seeking re-election is contained in the Statement annexed to Notice. The Directors have furnished the requisite consents/declarations for their appointment/re-appointment as per Companies Act, 2013 and rules thereunder.
4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
5. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
6. The Register of Members and Share Transfer Books of the Company will be remain closed from **Thursday, 21<sup>st</sup> September, 2017 to Tuesday, 26<sup>th</sup> September, 2017** (both days inclusive)
7. Members are requested to quote ledger folio number in all their correspondence to avoid delay in communication. Members are advised to consolidate their ledger folios where they are holding shares in different folios in the same name.
8. In terms of Sections 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including Financial statements, Board Report, etc by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their email ids with their respective depository participants or with the share transfer agent of the Company.
9. To promote green initiative, members are requested to register their e-mail addresses through their Depository Participants for receiving the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.

10. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form. Therefore, it shall be mandatory for the transferee(s) to furnish a copy of the PAN card to M/s. Big Share Services Pvt Ltd for registration of such transfers. Members/Investors are therefore requested to make note of the same and submit their PAN card copy to M/s. Big Share Services Pvt Ltd.
11. Members who are still holding shares in physical form are advised to dematerialize their shareholding to avail of the benefits of dematerialization which include easy liquidity since trading is permitted only in dematerialized form, electronic transfer, savings in stamp duty, prevention of forgery, etc.
12. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9:00 A.M. to 5:00 P.M.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company.
13. Members/Proxies should bring the duly filled Attendance slip enclosed herewith to attend the Meeting.
14. **Voting through electronic means:**
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their right to vote at the 26<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-voting platform provided by Central Depository Services (India) Limited (CDSL). The facility of voting through ballot paper will also be made available at the AGM and member attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Member who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The Instructions for e-voting are annexed to the Notice.

**The instructions for e-voting are as under:**

- a. Use the following URL for e-voting: CDSL website: <https://www.evotingindia.com>.
- b. Shareholders of the Company holding shares either in physical form or in dematerialized form, as on **16<sup>th</sup> September, 2017** may cast their vote electronically.
- c. Click on Shareholders.
- d. The shareholders can login to the e-Voting system using their user-id (i.e. demat account number), PAN and Date of Birth (DOB) or Bank account number mentioned for the said demat account or folio.
- e. 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.
- f. Next enter the Image Verification as displayed and Click on Login.

- g. Follow the steps given below:

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

- h. After entering these details appropriately, click on “SUBMIT” tab.
- i. 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.
- j. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- k. Click on the EVSN for **Sampre Nutritions Limited** on which you choose to vote.
- l. 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.
- m. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- n. 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.
- o. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- p. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- q. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- r. 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.

**s. 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 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 favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- t. The Portal will be open for voting from 9 A.M. on **Friday, 22<sup>nd</sup> September, 2017 to 5 P.M. on Monday 25<sup>th</sup> September, 2017.**
- 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.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- II. The Company has appointed Mr. Vasanth Kumar Bajaj, Practicing Company Secretary, as the Scrutinizer who will collate the electronic voting process in a fair and transparent manner.
- III. The Scrutinizer, after scrutinizing the votes cast at the meeting (Insta Poll) and through remote e-voting, will, not later than forty eight hours of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company and on the website of CDSL. The results shall simultaneously be communicated to the Stock Exchanges.
- IV. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. September 26, 2017.

**EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013:**

**Item No. 4:**

The Board of Directors at their meeting held on 21st August, 2017 co-opted Mr. Vishal Ratan Gurbani as Additional Director on the Board under Section 161 of Companies Act, 2013 and he shall hold office up to the date of ensuing AGM. Further company is in receipt of notice U/s 160 of the act proposing his candidature alongwith requisite deposit for appointment as director of the company, liable to retire by rotation.

The Resolution is commended for approval of the members. Except the director concerned and Mr. B K Gurbani and Ms. Meera Gurbani, none of the other Directors are in any way concerned or interested in the said resolution.

**Item No. 5:**

The Board of Directors at their meeting held on 21st August, 2017 appointed Mr. Vishal Ratan Gurbani as a Whole-time Director of the Company with effect from 21.08.2017 for a period of five years with effect from the said date and designated him as Vice-President of the Company.

Pursuant to Section 196,197 of the Companies Act, 2013, the terms and conditions of appointment of Whole- Time Director and remuneration payable are required to be approved by the members in the General Meeting. Further In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of office, the payment of remuneration shall be governed by the limits prescribed under section II of part II of Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof, for the time being in force.

The approval of the members is being sought to the terms, conditions and stipulations for the appointment of Mr. Vishal Ratan Gurbani as the Whole time Director at a remuneration of Rs. 9,00,000 (Rupees Nine Lakhs Only) per annum, as recommended by Nomination and Remuneration Committee, with such yearly increment on time-scale basis as may be decided by the Board from time to time. The aggregate of the salary and perquisites in any financial year shall not exceed the limits prescribed from time to time under sections 197 read with Schedule V and other applicable provisions of the Companies Act, 2013.

## Statement pursuant to Schedule-V of the Companies Act, 2013

<b>I. General Information</b>															
Nature of industry	Sampre Nutritions Limited is engaged in the manufacture of complete range of confectionery, eclairs, candies, toffees, powder and centre filled products.														
Date or expected date of commencement of commercial production	The Company was incorporated in the year 1991 and is already in commercial production for long.														
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable.														
Financial performance based on given indicators	The details of financial performance of the Company for the years 2015-16 and 2016-17 are provided in the Annual Report 2017 which accompanies this Notice.														
Foreign investments or collaborations, if any	Nil.														
<b>II. Information about the appointee</b>															
Background details	Mr. Vishal Ratan Gurbani holds Masters degree in Business Administration.														
Past remuneration	Rs. 9 Lakhs Per Annum														
Recognition or awards	He joined Gurbani Group during the year 2010 as Manager - Administration. Under his Guidance, M/s. Sampre Nutritions Ltd has successfully developed new products for in- house and for other Multi National Companies such as M/s. Dharampal Satyapal Ltd, M/s. Alkem Labs Ltd and M/s. Patanjali Ayurved Ltd etc.,														
Job profile and her suitability	He is responsible for supervision and functioning including activities of Purchase/ Banking and Other Commercial Activities of the Company, handling day to day affairs, regularly reporting to the Board on the activities.														
Remuneration proposed	<p>The proposed remuneration of Rs. 9.00 Lakhs per Annum, comprise of</p> <table border="1"> <thead> <tr> <th colspan="2">Amount in Rupees</th></tr> </thead> <tbody> <tr> <td>Monthly basic salary</td><td>37,500</td></tr> <tr> <td>HRA</td><td>15,000</td></tr> <tr> <td>LTA</td><td>5,000</td></tr> <tr> <td>Medical</td><td>1,250</td></tr> <tr> <td>Conveyance</td><td>1,600</td></tr> <tr> <td>Other Allowances</td><td>14,650</td></tr> </tbody> </table> <p>It is fully justifiable and profile with respects to comparable to that prevailing in the industry, keeping in view the profile and the position of confectionery industry and size of the Company.</p>	Amount in Rupees		Monthly basic salary	37,500	HRA	15,000	LTA	5,000	Medical	1,250	Conveyance	1,600	Other Allowances	14,650
Amount in Rupees															
Monthly basic salary	37,500														
HRA	15,000														
LTA	5,000														
Medical	1,250														
Conveyance	1,600														
Other Allowances	14,650														
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Mr. Vishal Gurbani is son of Brother of Mr. B K Gurbani, Managing Director of the Company														
<b>III. Other Information</b>															
Reasons of loss or inadequate profits	The chocolate confectionery segment is dominated by a large number of MNCs and organized confectionery manufacturers. Company is mainly engaged in Contract manufacturing of confectionery products and margins are less in contract manufacturing compared to selling of products on its own, but marketing own product in the market dominated by MNCs requires to spend on marketing and withstand fierce competition from them.														
Steps taken or proposed to be taken for improvement	<p>The Company is taking all efforts to improve efficiency in manufacturing and save cost wherever possible and also increasing production capacity to increase revenue.</p> <p>Further company continues to focus on product innovations, upholding of its high quality standards, increase in its capability to market its own products.</p>														
Expected increase in productivity and profits in measurable terms	The management has adopted focused and aggressive business strategies in all spheres of functions to improve the sales own product and profitability of the Company. Considering the present business scenario, the Company is expecting increase in revenue and profitability. The Management is confident of keeping a higher growth ratio in the period to come.														