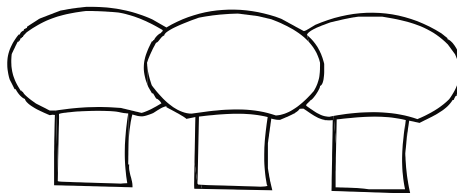




25th
ANNUAL REPORT
2016-2017



SAPTARISHI AGRO INDUSTRIES LIMITED

[CIN: L15499TN1992PLC022192]

NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the Members of Saptarishi Agro Industries Limited will be held on 28th September, 2017 AT 11.30 AM at Padalam Sugar Factory Road, Pazhayanoor Post, Kancheepuram District, Tamil Nadu - 603 308 to transact the following Businesses:

Ordinary Business:

1. To receive, consider and adopt Audited Balance Sheet as at March 31, 2017, the Statement of Profit and Loss for the year ended on that date and Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. B. Rose (**DIN 07010850**), who retires by rotation and being eligible offers himself for re-appointment.
3. **To appoint Statutory Auditor:**

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 Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s. Mayur Shah and Associates, Chartered Accountants (Firm Registration No.: 106125W) be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the held 31st Annual General Meeting of the Company at such remuneration (including fees for Certification) and reimbursement of out of pocket expenses for the purpose of audit as may be approved by the Audit Committee / Board of Directors of the Company.”

Special Business:

4. **Appointment of Mr. Rushabh Patel (DIN 02721107) as a Director & Managing Director:**

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

“RESOLVED THAT Mr. Rushabh Patel (DIN 02721107), who was appointed as an Additional Director with effect from June 9, 2016 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and Article of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a member in writing, under Section 160 of the Companies Act, 2013 along with requisite deposit, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company.

“RESOLVED FURTHER THAT in accordance with the provisions of Sections 196, 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), subject to the approval of the Company, and also subject to the approval of the Central Government, if required, the Board hereby accords its approval to the appointment of Mr. Rushabh Patel (DIN: 02721107), as Director in Managing Director of the Company for a period of 3 (three) years w.e.f. 11th August, 2017 the terms and conditions of the said appointment and /or remuneration so as the total remuneration payable to him shall not exceed the limits specified in Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof, for the time being in force and as agreed by and between the Board of Directors and Mr. Rushabh Patel.

RESOLVED FURTHER THAT notwithstanding anything contained to the contrary in the Companies Act, 2013, wherein any financial year the Company has no profits or has inadequate profit, Mr. Rushabh Patel will be paid minimum remuneration as approved by the Company or such remuneration as may be approved by the Board within the ceiling prescribed under Schedule V of the Companies Act, 2013 or any modification or re-enactment thereof at relevant time.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorized to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Mr. Rushabh Patel within such prescribed limit or ceiling and as agreed by and between the Company and Mr. Rushabh Patel without any further reference to the Company in the General Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company or a Committee thereof, if any, specifically authorized by the Board of Directors for this purpose be and is hereby authorized to take such steps as may be necessary to give effect to this Resolution.”

5. Appointment of Mr. Krunal Ravjibhai Patel (DIN 02517567) as a Director:

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

“RESOLVED THAT Mr. Krunal Ravjibhai Patel (DIN 02517567), who was appointed as an Additional Director with effect from August 2, 2017 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and Article of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a member in writing, under Section 160 of the Companies Act, 2013 along with requisite deposit, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company.

6. Appointment of Mr. Ravjibhai Nagarbhair Patel (DIN 00310385) as a Director:

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

“RESOLVED THAT Mr. Ravjibhai Nagarbhair Patel (DIN 00310385), who was appointed as an Additional Director with effect from August 2, 2017 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and Article of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a member in writing, under Section 160 of the Companies Act, 2013 along with requisite deposit, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company.

By order of the Board of Directors

Date : August 11, 2017

Place : Delhi

Regd. Office:

Padalam Sugar Factory Road,

Pazhayanoor Post,

Kancheepuram District,

Tamil Nadu - 603 308

CIN - L15499TN1992PLC022192

Krunal Patel
Chairperson
(DIN 02517567)

NOTES:

1. The Explanatory Statement pursuant to Section 102(2) of the Companies Act, 2013 in respect of Item No. 4, 5, and 6 of the notice is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), of the person seeking appointment and re-appointment as Director under Item No. 2, 4, 5, and 6 of the Notice, are also annexed.
2. Member entitled to attend and vote at the annual general meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company 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.

3. The instrument appointing the proxy must be deposited at the company's registered office, duly completed and signed, not less than forty-eight hours before the commencement of the annual general meeting.
4. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or M/S Cameo Corporate Services Ltd for assistance in this regard. In case shares held in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP).
5. Members, Proxies and Authorized Representatives are requested to bring their copy of Annual Report at the Meeting.
6. The Register of Members and Share Transfer Books of the Company will be closed from September 21, 2017 to September 28, 2017 (both days inclusive) for the purpose of Annual General Meeting.
7. Pursuant to the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members holding shares in physical form may submit the same to M/s Cameo Corporate Services Ltd, Registrar and Transfer Agent. Members holding shares in electronic form may submit the same to their respective depository participant.
8. Register of Directors and Key Managerial Personnel of the Company and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
9. The Register of Contracts and Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
10. The Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2016-17 will also be available on the Company's website viz. <http://www.saptarishiagro.com/>.
11. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
12. The board of directors has appointed Mr. Chirag Shah of M/s. Chirag Shah & Associates, Practicing Company Secretaries (Membership No. FCS 5545) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process as well as the voting through Poll Paper at the AGM, in a fair and transparent manner.
13. MR B Rose director retire by rotation and, being eligible, offer himself for re-appointment at the Annual General Meeting and Mr. Krunal Patel, Mr. Rushabh Patel and Mr. Ravjibhai Patel whose brief resumes are director is Annexed herewith.
14. A Route map showing directions to reach the venue of the 25th Annual General Meeting is Annexed to the notice of this annual report as per the requirement of the Secretarial Standards -2 on "General Meeting"
15. The Procedure and instructions for remote e-voting are as under:
 1. The voting period begins on September 25, 2017 at 9.00 AM and ends on September 27, 2017 at 5.00 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 21, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

2. Log on to the e-voting website www.evotingindia.com
3. Click on **“Shareholders”** to cast your votes.
4. Now, fill up the following details in the appropriate boxes.

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 the Folio Number registered with the Company.

5. 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 then your existing password is to be used.

6. 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> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/ mail) in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in 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"> • If both 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 (iv).

7. After entering these details appropriately, click on **“SUBMIT”** tab.
8. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach **‘Password Creation’** menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN of the Company i.e. **170822085**
11. 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 and click on Submit.
12. Click on the **“RESOLUTIONS FILE LINK”** if you wish to view the entire Resolution details.
13. 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. Once you **“CONFIRM”** your vote on the resolution, you will not be allowed to modify your vote.

14. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
15. If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
16. 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.
17. Instructions 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 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.
 - 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 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.
18. The results declared along with the Scrutinizer's Report shall be placed on the Company's Website <http://www.saptarishiagro.com/> and on the website of CDSL i.e www.cdslindia.com within three days of passing of Resolutions at the 25th Annual General Meeting and shall also be communicated to the Stock Exchanges where the Shares of the Company are listed.
19. 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

Contact Details:

Company : Saptarishi Agro Industries Limited
Regd. Office : Padalam Sugar Factory Road, Pazhayanoor Post, Kancheepuram District , Chennai, Tamil Nadu, 600308
CIN : L15499TN1992PLC022192
E-mail ID : <http://www.saptarishiagro.com/>
E-voting Agency : Central Depository Services (India) Limited
E-mail ID : helpdesk.evoting@cdslindia.com
Phone : 022-22723333/8588
Scrutinizer : CS Chirag Shah, Practicing Company Secretary
E-mail ID : pcschirag@gmail.com

EXPLANATORY STATEMENT

Pursuant to Section 102 (1) of the Companies Act, 2013

Item No. 4

Mr. Rushabh Patel (DIN: 02721107) was appointed as an Additional Director of the Company w.e.f. August 2, 2017 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 Mr. Rushabh Patel (DIN: 02721107) holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the Company proposing his candidature for appointment as Managing Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

The Board feels that presence of Mr. Rushabh Patel on the Board is desirable and would be beneficial to the Company and hence recommends resolution No. 4 for adoption. Mr. Rushabh Patel is deemed to be interested in the said resolution as it relates to his appointment. Mr. Krunal Patel and Mr. Ravjibhai Patel, being immediate relative of Mr. Rushabh Patel, is interested and concerned in the resolution for his appointment as Managing Director. None of the other Director and Key Managerial Personnel of the Company or their relatives is, in any way concerned or interested in the said resolution. The Board recommends resolutions under Item No. 4 to be passed as an ordinary resolution.

Item No. 5

Mr. Krunal Ravjibhai Patel (DIN 02517567) was appointed as an Additional Director of the Company w.e.f. August 2, 2017 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 Mr. Krunal Ravjibhai Patel holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the Company proposing his candidature for appointment as Whole-time Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

The Board feels that presence of Mr. Krunal Ravjibhai Patel on the Board is desirable and would be beneficial to the Company and hence recommends resolution No. 5 for adoption. Mr. Krunal Ravjibhai Patel is deemed to be interested in the said resolution as it relates to his appointment. Mr. Rushabh Patel and Mr. Ravjibhai Patel, being immediate relative of Mr. Krunal Patel, are interested and concerned in the resolution for his appointment as Director. None of the other Director and Key Managerial Personnel of the Company or their relatives is, in any way concerned or interested in the said resolution. The Board recommends resolutions under Item No. 5 to be passed as an ordinary resolution.

Item No. 6

Mr. Ravjibhai Nagarbhai Patel (DIN 00310385) was appointed as an Additional Director of the Company w.e.f. August 2, 2017 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 Mr. Ravjibhai Nagarbhai Patel holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the Company proposing his candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

The Board feels that presence of Mr. Ravjibhai Nagarbhai Patel on the Board is desirable and would be beneficial to the Company and hence recommends resolution No. 6 for adoption. Mr. Ravjibhai Nagarbhai Patel is deemed to be interested in the said resolution as it relates to his appointment. Mr. Rushabh Patel and Mr. Krunal Patel, being immediate relative of Mr. Ravjibhai Patel, are interested and concerned in the resolution for his appointment as Director. None of the other Director and Key Managerial Personnel of the Company or their relatives is, in any way concerned or interested in the said resolution. The Board recommends resolutions under Item No. 6 to be passed as an ordinary resolution.

By order of the Board of Directors

Date : August 11, 2017

Place : Delhi

Regd. Office:

Padalam Sugar Factory Road,

Pazhayanoor Post,

Kancheepuram District,

Tamil Nadu - 603 308

CIN - L15499TN1992PLC022192

Krunal Patel
Chairperson
(DIN 02517567)

SAPTARISHI AGRO INDUSTRIES LIMITED

Details of Director seeking Appointment and re-appointment at the ensuing Annual General meeting

Name	Mr. Ravjibhai Nagarbhai Patel	Mr. Krunal Ravjibhai Patel
Directors Identification Number (DIN)	00310385	02517567
Age	59 Years	33 Years
Qualification	11th pass from Gujarat Secondary and Higher Secondary Education Board.	Bachelor of Business Management from Bangalore University
Expertise in Specific Area	25 years of experience in business of food park projects, trading of agricultural commodities and real estate	10 years of experience in the field of finance, marketing and purchase
Date of first Appointment on the Board of the Company	02/08/2017	02/08/2017
List of Directorship held in other companies	1. CALIBRE REHABS PRIVATE LIMITED 2. FANIDHAR AGRICULTURE AND RESEARCH FOUNDATION 3. ADINATH POLYFILLS PVT LTD 4. JUBILEE TRADELINKS PRIVATE LIMITED	1. CALIBRE REHABS PRIVATE LIMITED 2. FANIDHAR AGROTECH PRIVATE LIMITED 3. FANIDHAR AGRICULTURE AND RESEARCH FOUNDATION 4. FANIDHAR CONSTRUCTIONS & DEVELOPERS PRIVATE LIMITED 5. FANIDHAR MEGA FOOD PARK PRIVATE LIMITED 6. FANIDHAR ENTERPRISES PRIVATE LIMITED 7. FANIDHAR FINANCIAL SERVICES PRIVATE LIMITED
Membership/Chairmanships of Audit and stake holders relationship committees	NIL	NIL

SAPTARISHI AGRO INDUSTRIES LIMITED

Name	Mr. Rushabh Ravjibhai Patel	Mr. B. Rose
Directors Identification Number (DIN)	02721107	07010850
Age	28	48
Qualification		LLB
Expertise in Specific Area	6 years of experience in the field of operations	More than 10 year experience in the field of Law
Date of first Appointment on the Board of the Company	02/08/2017	06/11/2015
List of Directorship held in other companies	1. CALIBRE REHABS PRIVATE LIMITED 2. FANIDHAR AGROTECH PRIVATE LIMITED 3. FANIDHAR AGRICULTURE AND RESEARCH FOUNDATION 4. FANIDHAR CONSTRUCTIONS & DEVELOPERS PRIVATE LIMITED 5. FANIDHAR MEGA FOOD PARK PRIVATE LIMITED 6. FANIDHAR ENTERPRISES PRIVATE LIMITED 7. FANIDHAR FINANCIAL SERVICES PRIVATE LIMITED	1. CANEX INTERNATIONAL PRIVATE LIMITED
Membership/Chairmanships of Audit and stake holders relationship committees	NIL	NIL

SAPTARISHI AGRO INDUSTRIES LIMITED
DIRECTORS' REPORT

To,
The Shareholders,
SAPTARISHI AGRO INDUSTRIES LIMITED.

The Directors are pleased to present the Annual Report on the affairs of the Company along with the Audited Financial Statements and Auditor's Report for the year ended on March 31, 2017.

1. Financial Highlights:

Highlights of Financial Results for the year are as under.

(Rs. in Lacs)

Sr. No.	Particulars	Standalone	
		March 31, 2017	March 31, 2016
1	Sales	774000	1240180
2	Operating & Other Income	1438195	731551
3	Total Revenue	2212195	1971731
4	Profit Before Interest, Depreciation, Exceptional Items and Taxes (EBIDTA)	283210	753195
5	Interest and Financial Cost	5108	4138
6	Depreciation and Amortization	3714790	3893833
7	Profit / (Loss) Before Taxation (PBT)	(4938366)	(4642890)
8	Tax Expenses	0	0
9	Profit / (Loss) After Taxation (PAT)	(4938366)	(4642890)

2. Issue of Equity Shares:

The Paid-up Equity Share Capital of the Company as on 31st March, 2017 is Rs. 34,03,99,420/- comprising of 3,40,39,942 shares of Rs. 10/- each. During the year under review, the Company has not issued any equity shares.

3. Material Changes affecting Financial Position of the Company:

The material change which has occurred between the end of financial year of the Company and the date of this report is as under:

During the period under review Open offer ("offer") has been made for acquisition of upto 85,63,265 (Eighty Five Lacs Sixty Three Thousand Two hundred and Sixty Five) equity share of Rs. 10/- each representing 25.17% of the total paid –up Equity Share Capital/Voting Capital, from the Equity Shareholder of the Company, by Mr. Ravjibhai Patel, Mr. Krunal Patel, Mr. Rushab Patel and Mrs. Indiraben Patel ("Acquires") under the provision of the Securities and Exchange Board of India (Substantial Acquisition of shares and takeovers) Regulation, 2011 and subsequent amendments thereto.

Open offer ("offer") has been made for acquisition of upto 85,63,265 (Eighty Five Lacs Sixty Three Thousand Two hundred and Sixty Five) and during the offer period 10,14,362 (ten lacs Fourteen thousand three hundred sixty two) Shares were actual tendered and same has been accepted, further The Acquires severally and jointly acquired the voting right and share Capital of Calibre rehabs Private limited ("CRPL") through the share Purchase Agreement dated January 16, 2017 resulted in the acquisition of owing 66.04% of the voting rights held by CRPL and Control over the Company.

4. Dividend:

Since there is no profit, your directors can not declare dividend for the F.Y. 16-17.

5. Transfer to General Reserves:

No amount is appropriated from Profit and Loss Account and transferred to any Reserve Account.