

*22<sup>nd</sup>*  
*Annual Report*  
*2015-16*

***SPECTRUM FOODS LIMITED***  
***L-5, B - II, KRISHNA MARG, C-SCHEME, JAIPUR - 302001***

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## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Mr. Girdhar Gopal Saboo  
Director (Executive)

Mr. Atul Kharbanda  
Director (Non-Executive)

Mr. Vijay Kumar  
Director (Non-Executive)

Mr. Sanjay Sarna  
Director (Non-Executive)

Mrs. Archana Saboo  
Director (Non-Executive)

Mr. Kailash Sharma  
Chief Financial Officer

Mr. V.P Gagrani  
Compliance Officer

#### **Statutory Auditor**

N. Kataria & Associates  
Chartered Accountants  
710, Paris Point  
Collectorate Circle,  
Bani Park, Jaipur-302016

#### **Corporate Advisors**

Naredi Vinod & Associates  
Company Secretaries,  
Plot No. 56, Rameshwar Dham,  
Near Kedia Place, Murlipura,  
Jaipur- 302013 Rajasthan

#### **Registered Office**

L-5, B-II, Krishna Marg,  
C-Scheme, Jaipur-302001  
(Rajasthan)

#### **Bankers**

State Bank of India  
HDFC Bank Limited

#### **Registrar & Share Transfer Agent**

Beetal Financial & Computer Services Pvt. Ltd.  
Beetal House, 3<sup>rd</sup> Floor, 99, Madangir,  
Behind Local Shopping Centre  
Near Dada Harsukhdas Mandir, New Delhi-62  
Tel: 011 2996 1281/82  
Fax: 011 2996 1284

#### **Important Communication to members**

The ministry of Corporate Affairs 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 can be sent by e-mail to its members. To support this Green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to 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 register their e-mail addresses with the Company.

## NOTICE OF 22<sup>nd</sup> ANNUAL GENERAL MEETING

Notice is hereby given that 22<sup>ND</sup> Annual General Meeting of the members of Spectrum Foods Limited, will be held on Friday, 30<sup>th</sup> day of September, 2016 at 3:00 P.M. at L-5, B - II, Krishna Marg, C-Scheme, Jaipur-302001, Rajasthan, to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements of the Company as on 31<sup>st</sup> March, 2016 including any explanatory note annexed to, or forming part of the aforementioned documents, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint M/s N. Kataria & Associates, Chartered Accountants, the retiring Auditors of the Company, and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution is an **ordinary resolution**:

**"RESOLVED THAT** pursuant to the Section 139(2), 142(1) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2016 and other applicable rules, if any, M/s N. Kataria & Associates ( ICAI Firm Registration Number: 014941C) , Chartered Accountants, be and is hereby appointed by the members of the Company who shall hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the company at such remuneration as may be determined by the Board of Directors of the Company."

### **SPECIAL BUSINESS**

3. To appoint Mr. Girdhar Saboo [DIN:00364750] as Managing Director of the company:

To Consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

**"RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded to the appointment of Mr. Girdhar Saboo [DIN:00364750] as Managing Director of the Company for a period of five years with effect from 1st October, 2016 as well as the payment of salary, commission and perquisites (hereinafter referred to as "remuneration"), upon the terms and conditions as detailed in the explanatory statement attached hereto.

**"RESOLVED FURTHER THAT** the remuneration payable to Mr. Girdhar Saboo, shall not exceed the overall ceiling of the total managerial remuneration as provided under Schedule- V of the Companies Act, 2013 or such other limits as may be prescribed from time to time."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution."

Date: 05.09.2016  
Place: Jaipur

BY ORDER OF THE BOARD

(Sanjay Sarna)  
Director

**NOTES:**

**A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

1. The register of Members and Share Transfer Books of the Company will remain closed from 24<sup>th</sup> September, 2016 to 30<sup>th</sup> September, 2016 (both days inclusive).
2. Non-Resident Indian Shareholders are requested to inform M/s Beetal Financial & Computer Services (P) Ltd., the Registrar and Share Transfer Agent of the Company immediately about:
  - (a) The change in the Residential status on return to India for permanent settlement.
  - (b) The particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank, if not furnished earlier.
3. Members requiring information on the accounts are requested to write to the Company at least 7 (Seven) days before the date of the meeting to enable the Company to furnish the information.
4. Members are requested to:
  - I) Intimate change in their Registered Addresses, if any, in respect of Equity Shares held in electronic form (Dematerialized form) to their Depository Participant(s).
  - II) Intimate the Registrar & Share Transfer Agent about any change in their Registered Addresses in respect of equity shares held in physical form.
  - III) Quote the registered folio number / DP-ID and CL-ID in all future correspondence.
  - IV) To address their grievances to the Company Secretary if any, at the Registered Office of the Company.
5. Members are requested to please bring their copies of Annual Report at the meeting.
6. Members and Proxies attending the meeting should bring the attendance slip duly filled in for attending the meeting.
7. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business mentioned under item no. 3 of the Notice is annexed hereto.
8. Members are informed that in case of Joint holders attending the meeting, only the joint holder higher in the order of the names will be entitled to vote.
9. Corporate members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
10. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2016, the Company is pleased to provide members facility to exercise their right to vote at the 22<sup>nd</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):
11. **The instructions for members for voting electronically are as under:-**
  - A. The voting period begins on 27<sup>th</sup> Sept., 2016 at 10:00 A.M and ends on 29<sup>th</sup> Sept., 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 (record date) of 23<sup>rd</sup> Sept., 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - B. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - C. The shareholders should Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - D. Click on "Shareholders" tab.
  - E. Now, select the "Spectrum Foods Limited" from the drop down menu and click on "SUBMIT"
  - F. Now Enter your User ID
  - G. For CDSL: 16 digits beneficiary ID,
  - H. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - I. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - J. Next enter the Image Verification as displayed and click on Login.
  - K. 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.
  - L. If you are a first time user follow the steps given below:

<b>PAN*</b>	<b>For Members holding shares in Demat Form and Physical Form</b> <b>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</b> <ul style="list-style-type: none"> <li>• <b>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name in Capital Letter followed by 8 digits sequence no in the PAN field.</b></li> <li>• <b>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</b></li> </ul>
<b>Dividend Bank Details# OR Date of Birth(DOB)</b>	<b>Enter the Dividend Bank Details or Date of Birth ( in dd/mm/yy format ) as recorded in your demat account or in the company records in order to login.</b>  <b>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 mention in instruction (vi).</b>

- After entering these details appropriately, click on "SUBMIT" tab.
- 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.
- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN (Electronic Voting Sequence Number) of "Spectrum Foods Limited" to vote.
- 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.
- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions.
- 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.
- You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code (Image Verification Code) and click on Forgot Password & enter the details as prompted by the system.

**(k) Note for Non-Individual Shareholders & 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.
- They should submit 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 should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (l) 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).
12. The voting period begins on September 27, 2016 at 10:00 A: M. and ends on 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 (record date) of September 23, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  13. The e-voting period ends on September 29, 2016 at 5:00 P.M. In case you have any queries or issues regarding e-voting, please contact [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  14. The Company has appointed Mr. Vinod Naredi, Company Secretary in whole time practice as Scrutinizer, for conducting the process in a fair and transparent manner.
  15. Voting rights will be reckoned on the paid-up value of the shares registered in the name(s) of the public shareholder(s) on the cut-off date i.e. September 23, 2016.
  16. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
  17. The Scrutinizer will submit his report addressed to the Board of Directors of the Company, Mr. Sanjay Sarna, the Chairman appointed by the Company in this regard or to any other person duly authorized in this behalf by the Chairman, after completion of scrutiny of including e-voting in a fair and transparent manner. The results of the will be announced by the Chairman appointed by the Company in this regard or by the Person authorized in this behalf by the Chairman on the date of AGM September 30, 2016 at 3:00 P.M. at the Registered Office of the Company and will also be published in newspapers and communicated to the Stock Exchanges where the Company's shares are listed.
  18. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
  19. As per the provision of Listing Regulations, particulars of Directors to be appointed / re- appointed at the 23rd Annual General Meeting are given separately in the notice.
  20. Notice of Annual General Meeting will be sent to those shareholders /beneficial owners, whose name will appear in the register of members/list of beneficiaries received from the depositories as on 26<sup>th</sup> day of August, 2016.
  21. The investors may contact the Company Secretary for redressed of their grievances/queries. For this purpose, they may either write to him at the Registered office address or e-mail their grievances/queries to the Company Secretary at the following e-mail address: [account@suryasalt.com](mailto:account@suryasalt.com)
  22. Queries on account and operations may please be sent to the Company, 7 days in advance of the Annual General Meeting so that the answers may be made available at the meeting.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF COMPANIES ACT, 2013**

**Item no. 3:**

The Nomination and Remuneration Committee, Audit Committee and Board of Directors in their meeting held on 01<sup>st</sup> September, 2016 recommended to appoint Mr. Girdhar Saboo as Managing Director of the company who is presently serving the organization as an Executive Director since the commencement of business of the company. He is currently drawing salary of Rs. 1,00,000/- per month and will continue to receive the same salary which may be revised from time to time subject to the compliance of provisions of provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and recommendation of Nomination and Remuneration Committee and Audit Committee.

Mr. Girdhar Gopal Saboo is a promoter and Executive Director of the company and experienced in the field of manufacturing products. He holds a degree in Chemical Engineering from Mayo College, Ajmer (Rajasthan). He has a excellent grasp and thorough knowledge and experience of not only engineering and technology but also of General management. His knowledge of various aspects relating to the company's affairs and long business experience, which makes him eligible to be appointed as Managing director of the Company.

**Following are the details of the annual salary (payable monthly) proposed to be paid:**

Mr. Girdhar Gopal Saboo, Managing Director: - Consolidated Salary including Perquisites and allowances, etc- Rs. 12, 00,000/- (Rupees Twelve Lakhs only).

He shall be entitled to receive the following:-

- a) Gratuity as per the rules of the Company, but not exceeding half a month's salary for each completed year of service.
- b) Encashment of leave at the end of tenure.
- c) Provision of car for use on Company's business
- d) Free landline telephone facility at residence along with free mobile telephone facility. Long distance personal calls to be recovered by the Company.
- e) He shall also be entitled to reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company.

**INFORMATION ABOUT THE APPOINTEE:**

<b>Background Details</b>	Mr. Girdhar Gopal Saboo is a Graduate in Chemical Engineering, who is a dynamic, ambitious and very aggressive young entrepreneur, is at the helm of affairs of SSCL as its Managing Director, In fact, the Company is his own brain wave.
<b>Past Remuneration.</b>	Rs. <b>1,00,000/-</b> Per Month
<b>Recognition of Awards</b>	N.A.
<b>Job Profile and his suitability</b>	Mr. Girdhar Gopal Saboo ex-alumni of Mayo College, Ajmer and Chemical Engineering Graduate is a dynamic, ambitious and very aggressive young entrepreneur is at the helm of affairs of SSCL as its CMD.
<b>Pecuniary Relationship Directly/ Indirectly with the Company</b>	N.A.



**GENERAL INFORMATION OF THE COMPANY:**

<b>Nature of Industry</b>	Salt and Spices Manufacturing Industry FMCG
<b>Year of Commencement of Commercial Production</b>	1994
<b>Financial Performance</b>	Rs. 5,43,11,549
<b>Export Performance</b>	Nil
<b>Foreign Investment</b>	Nil

**OTHER INFORMATION:**

**1) Reasons for Losses:**

The sale of Company's Food grade salt has declined during the year under purview hence company has incurred losses.

**2) Steps taken or proposed to be taken for improvement:**

The company has undertaken stringent cost actions. The management continuous to explore new avenues to increase revenue of the company through judicious investments in capabilities. Your company is planning to add more FMCG products so that it can increase its productivity and profit too.

**3) Expected increase in productivity and profits:**

The company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that the financial position of the company will improve further in near future.

**ANNEXURE TO THE NOTICE OF 22<sup>nd</sup> AGM**

Details of Directors seeking appointment/re-appointment in the Annual General Meeting to be held on 30th September, 2016, pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government are provided herein below::

<b>Name of Director</b>	Mr. Girdhar Gopal Saboo
<b>Date of Birth</b>	09/12/1967
<b>Date of Appointment</b>	01/10/2012
<b>Designation</b>	Director
<b>Qualifications</b>	Chemical Engineer
<b>Directorship held in other Public Limited Companies</b>	Saboo Sodium Chloro Ltd.
<b>Members/Chairmanship of Committees of other public Companies</b>	Saboo Sodium Chloro Ltd.

**Date: 05.09.2016**

**Place: Jaipur**

**BY ORDER OF THE BOARD**

**(Sanjay Sarna)  
Director**

## **BOARD'S REPORT**

**TO,  
THE MEMBERS,  
SPECTRUM FOODS LTD.,**

Your Directors are pleased to present the 22<sup>nd</sup> Annual Report and the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2016.

### **FINANCIAL RESULTS**

The financial results of the Company for the year ended 31<sup>st</sup> March, 2016 under report as compared to the previous year are summarized below:

<b>Particulars</b>	<b>Financial year ended 31<sup>st</sup> March, 2016</b>	<b>Financial year ended 31<sup>st</sup> March, 2015</b>
Total Income	5,43,11,549	2,20,82,869
Profit before depreciation and taxation	85,21,611	12,31,596
Depreciation	2,07,03,813	1,16,84,417
Profit before tax	(12,182,202)	(1,04,52,821)
Taxation (including Deferred Taxation and Short/Excess Provision for Earlier year)	0	5835
Profit (loss) after Tax	(12,182,202)	(1,04,46,986)

### **TURNOVER, PROFITS & FUTURE PROSPECTS**

The total income during the year under review was Rs. 5, 43,11,549 as against Rs. 2, 20, 82,869 in the previous year.

### **DIVIDEND**

In view of the financial position of the Company, the Directors do not recommend payment of any dividend for the year ended on 31<sup>st</sup> March, 2016.

### **ECONOMIC SCENARIO AND OUTLOOK**

The Indian economy witnessed another challenging year growing by 7.5% in real terms during the first nine months of 2015-16 representing a marginal improvement over 2014-15 (7.2%). However, there was a marked decline in Nominal GDP growth which stood at 8.1% for the period April 2015 to December 2015 compared to 11.4% for the corresponding period in the previous year. As per median estimates, based on the Survey of Professional Forecasters conducted by RBI, the Indian economy is likely to grow by 7.7% in 2016-17.

As per median estimates, based on the Survey of Professional Forecasters conducted by RBI, the Indian economy is likely to grow by 7.7% in 2016-17. The pace of growth is unlikely to witness significant acceleration in the short term in view of a weak global economic environment and muted growth in private investments given the relatively low levels of capacity utilisation and stretched corporate balance sheets.

### **CORPORATE SOCIAL RESPONSIBILITY**

Even though the provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company yet the Company has been, over the years, pursuing as part of its corporate philosophy, an unwritten CSR policy voluntarily which goes much beyond mere philanthropic gestures and integrates interest, welfare and aspirations of the community with those of the Company itself in an environment of partnership for inclusive development.

### **POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

The company's policy on Director's appointment and remuneration and other details provided in section 178(3) of the Act has been disclosed In Corporate Governance Report, which forms part of Directors Report.