

29th ANNUAL REPORT 2017-18

**SURYO FOODS
&
INDUSTRIES LIMITED**

Regd Office Address:

Dinalipi Bhawan, A-54/1 & A-55/1, Baramunda, Bhubaneswar, Odisha-751003
CIN: L05004OR1989PLC002264, Website: www.suryofoods.com

SURYO FOODS & INDUSTRIES LIMITED

CONTENTS OF THE ANNUAL REPORT

Sl. No.	Particulars	Page No.
1.	Brief Synopsis of the Company	2-2
2.	Notice of Annual General Meeting	3-17
3.	Directors' Report	18-24
4.	Annexure to Director's Report	25-54
5.	Management Discussion & Analysis Report	55-56
6.	Auditors' Report	57-63
7.	Annual Account	64-92
8.	Forms: Proxy Polling Paper Attendance Slips Mandatory Updation of PAN and BANK Details Important and Urgent information	93-99
9.	MAP	100-100

29th Annual General Meeting on Wednesday, 26th September, 2018 at
11.00 A.M. at Dinalipi Bhawan, A-54/1 & A-55/1, Baramunda,
Bhubaneswar, Odisha -751003, the Registered Office of the Company.

Board of Directors:	
1. Mr. Amarendra Dash	Chairman & Managing Director (Executive & Promoter)
2. Mrs. Annapurna Dash	Director (Non Executive & Non Independent)
3. Mr. Ajay Kumar Dash	Director (Non Executive & Non Independent)
4. Mr. Bata Krishna Tripathy	Director (Non Executive & Independent)
5. Mr. Rama Kant Rath	Director (Non Executive & Independent)
6. Mr. Rajendra Nath Mishra	Director (Non Executive & Independent)
Chief Financial Officer	Mr. Sandeep Kumar Mishra
Company Secretary	Mr. Santanu Kumar Gantayat
Statutory Auditors:	M/s. Sanjit Mohanty & Co Chartered Accountants Plot No. 17, 02nd Floor, District Centre, Chandrasekharapur, Bhubaneswar, Odisha -751066
Internal Auditors:	M/s. AASA & Associates Chartered Accountants Plot No. 1149, Govind Prasad, Bomikhal, Bhubaneswar, Odisha - 751010
Secretarial Auditor:	M/s. Saroj Ray & Associates Company Secretaries N/6-215, Ground Floor, IRC Village, Bhubaneswar, Odisha -751015
Banker	Andhra Bank Axis Bank IDBI Bank HDFC Bank Kotal Mahindra Bank
Share Transfer Agent:	M/s Niche Technologies Pvt Ltd. D-511, Bagree Market 5th Floor, 71 BRB Basu Road Kolokta, West Bengal -700021.
Registered Office:	Dinalipi Bhawan, A-54/1 & A-55/1, Nayapalli, Bhubaneswar, Odisha – 751003
Stock Exchange	Bombay Stock Exchange
CIN	Lo5004OR1989PLC002264
ISIN	INE565E01016

NOTICE

Notice is hereby given that the **Twenty Ninth Annual General Meeting (AGM)** of the members of the Company will be held on **Wednesday, 26th September, 2018 at 11.00 a.m.** at Dinalipi Bhawan, A-54/1 & A-55/1, Nayapalli, Bhubaneswar, Odisha-751003, at the Registered Office of the Company, to transact the following business:

ORDINARY BUSINESS:

Item No.1- Adoption of Financial Statements

To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2018 along with the reports of the Auditors and Board of Directors thereon.

Item No. 2- To re-Appointment Mrs. Annapurna Dash (DIN: 00586755) as the Director of the Company, Liable to Retire by Rotation:

To re-appoint Mrs. Annapurna Dash (DIN: 00586755) as the Director of the Company, who retires by rotation and being eligible and offers herself for re-appointment.

Explanation: Under the terms of their appointment, our Non-Executive director Mrs. Annapurna Dash is subject to retirement by rotation. Last year Mr. Ajay Kumar Dash was subject to retirement by rotation and was re-appointed by shareholders. To the extent that Mrs. Annapurna Dash is required to retire by rotation, she would need to be re-appointed as a Non-Executive director.

Therefore shareholders are requested to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary resolution**.

“RESOLVED THAT pursuant to provision of section 152 and other applicable provision, if any, of the Companies Act, 2013, the approval of the members of the company be and is hereby accorded for the re-appointment of Mrs. Annapurna Dash (DIN: 00586755) as a Non-Executive Director to the extent that she is required to retire by rotation.”

Item No. 3- To re-appoint M/s. Sanjit Mohanty & Co, Chartered Accountants, as the Statutory Auditors of the Company and to fix their remuneration:

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, 142 and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Sanjit Mohanty & Co., Chartered Accountants, Bhubaneswar (Firm Registration No. 328858E), be and is hereby re-appointed as Statutory Auditors of the Company for a period of one year, to hold the office from the conclusion of this Annual General Meeting (‘AGM’) to the conclusion of the Next Annual General Meeting (‘AGM’) of the Company, on such a remuneration & allowances, as may be fixed by the Board of Directors of the Company, based on the recommendation of Audit Committee.”

SPECIAL BUSINESS:**Item No. 4- To Consider continuation of Mr. Amarendra Dash as a Managing Director of the Company, upon attaining the age of 70 years:**

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

“**RESOLVED THAT** pursuant to the provisions of Section 196(3) read with 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(s) thereof, for the time being in force), consent of the members of the Company be and is hereby accorded for continuation of holding of Office of Managing Director by Mr. Amarendra Dash (DIN: 00583036) upon attaining the age of 70 (Seventy) years on April 26, 2019 upto the expiry of his present term of office, on the existing terms and conditions as mentioned in the agreement duly approved through a special resolution passed on September 26, 2015 by the shareholder.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Item No. 5- To Re-appoint Mr. Ramakant Rath as an independent director of the Company for another term of five year:

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Ramakant Rath (DIN: 01277251), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for another term of five consecutive years with effect from 1st April, 2019 to 31st March, 2024 and the term shall not be subject to retirement by rotation.”

Item No. 6- To Re-appoint Mr. Bata Krishna Tripathy as an independent director of the Company for another term of five year:

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time

being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Bata Krishna Tripathy (DIN: 01752812), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for another term of five consecutive years with effect from 1st April, 2019 to 31st March, 2024 and the term shall not be subject to retirement by rotation.”

Item No. 7- To Re-appoint Mr. Rajendra Nath Mishra as an independent director of the Company for another term of five year:

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Rajendra Nath Mishra (DIN: 01277767), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for another term of five consecutive years with effect from 09th August, 2019 to 08th August, 2024 and the term shall not be subject to retirement by rotation.”

Date: 10.08.2018

Place: Bhubaneswar

By Order of the Board

For: Suryo Foods & Industries Limited

Sd/-

**Santanu Kumar Gantayat
Company Secretary & Compliance Officer**

NOTES:

1. The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 relating to special business to be transacted at the meeting annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered Office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by the member organization. A person can act as a proxy on behalf of Members not exceeding fifty (50) 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 a Member.
3. Corporate Members intending to send their authorized representatives to attend the meeting in terms of Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the Meeting.
4. The instrument appointing a proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed.
5. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three (3) days of notice in writing is given to the Company.
6. Members/proxies/authorized representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialized form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
7. Route-map to the venue of the meeting is provided at the end of the Annual Report
8. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. The Register of Members and Transfer Books of the Company will remain be closed from Thursday 20th September, 2018 to Wednesday 26th September, 2018, both days inclusive.
10. Members who hold shares in single name are advised to make nomination in respect of their shareholding in the Company.
11. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Company's Registrars and Transfer Agents, M/s. Niche Technologies Pvt. Ltd, for consolidation into a single folio.

12. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, NECS, mandates, nominations, power of attorney, change of address/name, PAN details, email ID etc. to their Depository Participant only and not to the Company's Registrars and Share Transfer Agents. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrars and Share Transfer Agents to provide efficient and better service to the Members.
13. In line with Securities and Exchange Board of India (SEBI) directives, the Company is required to update bank details of the shareholders to enable usage of the electronic mode of remittance such as ECS [LECS (Local ECS) / RECS (Regional ECS) / NECS (National ECS)], NEFT for distributing dividends and other cash benefits to its shareholders. Further in cases where either the bank details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code), etc. that are required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the bank, the Company would use physical payment instruments for making payments to their investors and shall mandatorily print the bank account details of the investors on such payment instruments. Payment of dividend and other cash benefits through electronic mode has many advantages like prompt credit, elimination of fraudulent encashment, no loss or delay in transit. We request you to spare a few minutes of your valuable time in updating your bank details as under:
 - In case your holding is in dematerialized form, please instruct your Depository Participant to update your bank details in your demat account.
 - In case your holding is in physical form, please inform the Company's Registrars and Share Transfer Agents along with a photocopy of a blank cancelled cheque of your bank account.

In case you do not avail of the said electronic mode for payments, the Company will print the bank details provided by you on the payment instrument.
14. SEBI has mandated the submission of Permanent Account Number (PAN) for participating in the securities market, deletion of name of deceased holder, transmission/transposition of shares. Members are requested to submit the PAN details to their Depository Participant in case of holdings in dematerialized form and to the Company's Registrars and Transfer Agents, mentioning your correct reference folio number in case of holdings in physical form.
15. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, NECS, mandates, nominations, power of attorney, change of address/name, PAN details, email ID etc. to their Depository Participant only and not to the Company's Registrars and Transfer Agents. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrars and Transfer Agents to provide efficient and better service to the Members.
16. Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the Meeting.

17. Members who still have their holdings in physical form are requested to convert them into dematerialized form **(under ISIN No. INE565E01016)** at the earliest with NSDL & CDSL.
- [Note: with effect from 05th December, 2018, Shares which are lodged for transfer shall be in dematerialized form only.]*
18. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their attendance slip along with a copy of Annual Report to the Meeting.
19. To support the 'Green Initiative', an Abridged Annual Report is being sent to the Members. In respect of Members whose e-mail ids are registered with the Company/the Depositories, the Annual Report is sent in electronic mode. The Members who have not registered their e-mail ID are requested to register the same with Company's Registrars and Transfer Agents/Depositories. The Members who are desirous of receiving the full Annual Report may write to the Company's Registrar/Company for a copy of the same.
20. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and as per the Regulation 44 of the Securities & Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice.
21. The results shall be declared on or after the Annual General Meeting of the Company and shall be deemed to be passed on the date of Annual General Meeting. The results along with the Scrutinizer's Report shall be placed on the website of the Company (www.suryofoods.com) within 2 days of passing of the resolutions at the Annual General Meeting of the Company and shall be communicated to Bombay Stock Exchange.

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

22. VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and as per the Regulation 44 of the Securities & Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM

(“remote e-voting”) will be provided by Central Depository Services (India) Limited (CDSL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

III. The process and manner for remote e-voting are as under:

- (i) The remote e-voting period will commence on 23rd September, 2018 (10.00 am) and will be ended on 25th September, 2018 (05.00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19th September, 2018 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- (iii) Click on “Shareholders” tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (v) 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 and voted on an earlier voting of any company, then your existing password is to be used.

- (vi) 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) 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.</p> <ul style="list-style-type: none"> • In case the sequence number is less than 8 digits enter the applicable number of o's before the number after the first two