



VEGETABLE PRODUCTS LIMITED

Annual Report 2017-18

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CORPORATE INFORMATION'S

Board of Director(s)

Tanmoy Mondal
Pradeep Kumar Daga
Kirti Sharma
Arun Chakraborty
Sudarson Kayori
Rathindra Nath Ghosh

Managing Director & CEO
Non-Executive Director
Non-Executive Woman Director
Independent Director
Independent Director
Independent director

Company Secretary & CFO

Shivani Khanna

Company Secretary cum
Compliance Officer
Chief Financial Officer

Utpal Dey

Registered Office

Subol Dutt Building
13, Brabourne Road, 6th Floor,
Kolkata - 700 001, (W.B.), India
Ph. Nos.: +91 33 2231 5686 / 5687
E-Mail : vpl1953@yahoo.com

Principal Bankers

HDFC Bank Ltd.
Kotak Mahindra Bank

Statutory Auditors

M/s. Maroti & Associates
9/12, Lalbazar Street, Block - "E"
3rd Floor, Room No. 2,
Kolkata - 700 001
Tel.: +91 33 2231 9391 / 9392
Fax.: +91 33 2243 8371
E-Mail : mkmaroti@gmail.com

Registrar & Share Transfer Agent

M/s. ABS Consultant Pvt. Ltd.
"Stephen House", 6th Floor,
Room No. 99, 4, B. B. D. Bag (E),
Kolkata - 700 001
Tel.: +91 33 2243 0153
E-Mail : absconsultant@vsnl.net

CIN

L01122WB1953PLC021090

Website

www.vegetableindia.com

Audit Committee

Chairman	Arun Chakraborty
Member	Tanmoy Mondal
Member	Sudarson Kayori

Stakeholders' Relationship Committee

Chairman	Sudarson Kayori
Member	Arun Chakraborty
Member	Rathindra Nath Ghosh

Nomination & Remuneration Committee

Chairman	Arun Chakraborty
Member	Sudarson Kayori
Member	Rathindra Nath Ghosh

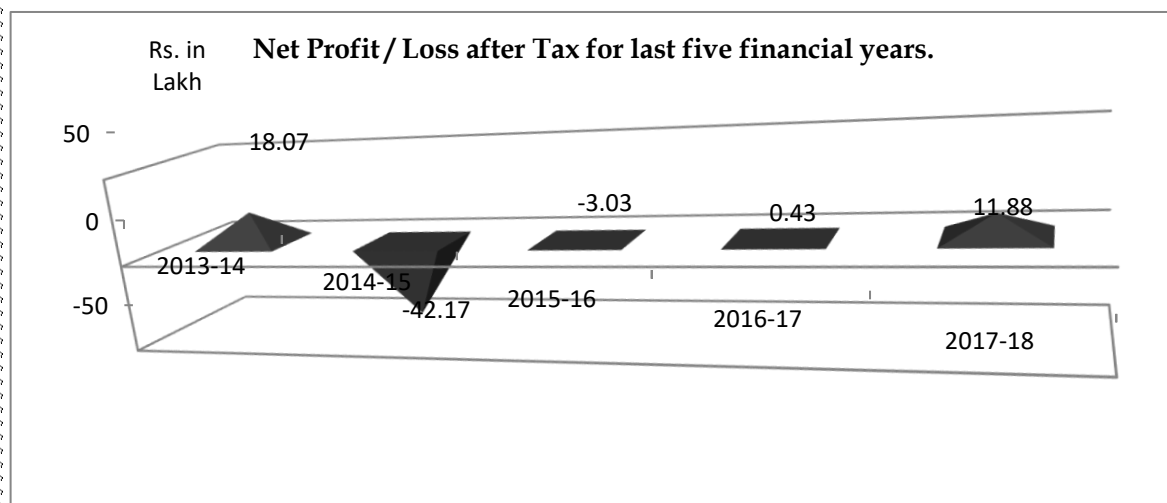
DIRECTOR'S REPORT TO THE MEMBERS

Dear Shareholders,

We are presenting the **64th Annual Report** of the Company along with the Standalone Audited Statement of Accounts for the year ended on **31st March, 2018**. The financial results for the year are given below.

SUMMARISED FINANCIAL RESULTS :

Particulars	Rs. in Lakh	
	Year ended 31st March, 2018	Year ended 31st March, 2017
Sales & Other Income	42.02	43.53
Profit before Interest, Depreciation & Exceptional Items	20.98	9.88
Interest	(6.91)	(6.91)
Depreciation	(2.13)	(2.35)
Exceptional Items	0.00	0.00
Profit / (Loss) before Tax	11.94	0.62
Provision for Tax	(2.28)	0.00
Deferred Tax	(0.06)	(0.19)
MAT Tax Credit Availed	2.28	0.00
Profit after Tax	11.88	0.43
Add : Balance Brought forward from previous year	(480.33)	(480.76)
Appropriations		
Dividend on Preference Share	0.00	0.00
Tax on distributed preference dividend	0.00	0.00
Sales Tax Paid for Earlier Year	0.00	0.00
Balance carried to Balance Sheet	(468.46)	(480.33)



REVIEW OF OPERATIONS & PROSPECTS :

Your Company has recorded a profit of Rs. 11.88 Lakh during the year under review as compared to profit of Rs. 0.43 Lakh incurred in the previous year. The company's turnover during the year has nil because of discontinuance of production since July, 2011. In spite of this the company could achieve this growth because of continuous effort in other area of business. However, looking to the present scenario, your directors could not foresee a glimpse of bright future. Your directors are putting their full efforts to bring the company in a sustainable position in this competitive market through all possible measures. Your directors bring new projects in the area of agriculture business and Construction Company to boost the turnover and profit of the company in the future scenario. The required approvals to start the new projects is still pending from the various departments, whereas your directors are waiting for approvals to start the new projects. We set hope that once we get the approvals from the department the new projects shall be started accordingly.

Your Company is making all out endeavor to rise to the market expectations to protect and achieve enhanced value for all its stakeholders i.e. shareholders, employees, consumers and society in general.

DIVIDEND :

Your directors regret their inability to recommend any dividend to equity shareholders for the year 2017-18.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND :

Since there was no unpaid/unclaimed Dividend declared and paid in previous year, the provisions of Section 125 of the Companies Act, 2013 is not applicable to the Company.

SHARE CAPITAL :

The Company's paid-up equity share capital as on March 31, 2018 was Rs. 1092 lakhs.

DIRECTORS :

Pursuant to the provisions of section 149 of the Act, Mr. Arun Chakraborty (DIN: 00140430), Mr. Rathindra Nath Ghosh (DIN:00152267) and Mr. Sudarson Kayori (DIN:00165816) were appointed as independent directors of the Company. They have submitted a declaration that each of them meets the criteria of independence as provided in section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

Approval of members is being sought for re-appointment of Mr. Tanmoy Mondal (DIN: 06391885) for the term of consecutive five years effective from 14th day of May, 2019 up to 13th day of May, 2024 as set out in explanatory statement annexed to the notice convening this Meeting.

Director Ms. Kirti Sharma (DIN: 07434779) retire by rotation and, being eligible, offer herself for re appointment.

The members are requested to refer to the Notice of the Annual General Meeting and the Explanatory Statement for details of the qualifications and experience of the Directors proposed to be appointed.

Pursuant to the provisions of section 203 of the Act, the key managerial personnel of the Company are - Mr. Tanmoy Mondal (DIN 06391885), Chief Executive Officer and Managing Director, Mr. Utpal Dey, Chief Financial Officer and Mrs. Shivani Khanna (ICSI Membership No. A33730), Company Secretary. There has been no change in the key managerial personnel during the year.

ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS :

Pursuant to the provisions of the Companies Act, 2013 and SEBI Regulations, the Board has carried out the annual performance evaluation of its own performance, of the Directors individually, as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee and other Committees of the Board. At the meeting of the Board, all the relevant factors that are material for evaluating the performance of individual Directors, the Board and its various Committees, were discussed in detail. The performance evaluation of the independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and non-independent Directors was also carried out by the Independent Directors at their separate meeting. The Directors expressed their satisfaction with the evaluation process.

COMMITTEES OF THE BOARD :

Currently, the Board has three committees: the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship Committee. During the year 4 (Four) Audit Committee Meetings, 4 (Four) Nomination & Remuneration Committee Meetings and 6 (Six) Stakeholders' Relationship Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

NOMINATION & REMUNERATION POLICY :

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

NO. OF BOARD MEETINGS :

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year 14 (Fourteen) Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

VIGIL MECHANISM / WHISTLE BLOWER POLICY :

The Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The vigil mechanism ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. The Chairman of Audit and Chairman of the Board looks into the complaints raised.

AUDITORS :

Pursuant to the provisions of section 139 of the Act and the rules framed thereafter, M/s. Maroti & Associates, Chartered Accountants (Firm registration Number 322770E), were appointed as statutory auditors of the Company from the conclusion of the 63rd Annual General Meeting (AGM) of the Company held on September 19, 2017 till the conclusion of the 68th Annual General Meeting (AGM) of the Company.

AUDITOR'S REPORT

The Auditor's Report to the Shareholders does not contain any reservation, qualification or adverse remarks.

SECRETARIAL AUDIT

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s. P. D. Rao & Associates, Company Secretaries in practice (C.P. No. 14385 & Membership Number A38387) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year ended 31st March, 2018 is annexed herewith as "Annexure 1" to this report.

COST AUDITOR

Appointment of Cost Auditor pursuant to section 148 of the Companies Act, 2013 is not applicable to the company. Hence Cost Auditor has not been appointed for the financial year 2017-2018.

CASH FLOW STATEMENT

In accordance with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Cash Flow statement duly verified by the Auditors is annexed herewith.

FINANCE

Cash and cash equivalents as at March 31, 2018 was Rs. 581.95 lakhs. The Company continues to focus on judicious management of its working capital, receivables and other working capital parameters were kept under strict check through continuous monitoring.

◀ MATERIAL CHANGES AND COMMITMENT :

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year and the date of this report.

◀ RISK MANAGEMENT :

Although the company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion. The Board members were informed about risk assessment and after which the Board formally adopted and implemented the necessary steps for monitoring the risk management plan for the company.

◀ DEPOSITS

During the year under reference, the Company has not accepted any deposits from the public and as such, within the meaning of Section 73 and 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

◀ LOANS, GURANTEES AND INVESTMENTS

The provision of section 186 of the Co. Act, 2013 and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), are not applicable, as the Company has not given any loans or guarantees during the year. The details of investments, if any, made by the Company is given in the notes of the financial statements.

◀ RELATED PARTY TRANSACTIONS

All transactions entered into with related parties as defined under the Companies Act, 2013 during the financial year, were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year, which were in conflict with the interest of the Company and hence, enclosing of Form AOC-2 is not required. Suitable disclosure as required by the Accounting Standard (AS18) has been made in the notes to the Financial Statements. The policy is available on the website of the company (<http://www.vegetableindia.com/cc/rpt.pdf>).

◀ SUBSIDIARY COMPANIES

The Company does not have any subsidiary, hence the compliance of provisions of section 129(3) of the Companies Act, 2013 are not applicable.

◀ DIRECTORS'S RESPONSIBILITY STATEMENTS

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in the preparation of the annual accounts for the year ended on 31st March, 2018 and state that :

- i) in the preparation of the annual accounts for the year ended 31st March, 2018, the applicable accounting standards have been followed along with the proper explanation relating to material departure, if any.
- ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the profit or loss of the Company for the year under review.
- iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) the directors have prepared the annual accounts on a going concern basis.
- v) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The current policy of the Company is to have an appropriate mix of executive and independent directors to maintain independence of the Board, and separate its function of governance and management. The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Company's policy on directors' appointment and remuneration and other matters provided in section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of this report.

PARTICULARS OF EMPLOYEES :

During the period under review, no employee of the Company drew remuneration in excess of the limits specified under the provisions of Section 197(12) of the Companies Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence no disclosure is required to be made in the Annual Report.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT :

Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange and requirements under the Companies Act, 2013, the Report on Corporate Governance together with Statutory Auditors view and management discussion & analysis report regarding compliance of the SEBI code of Corporate Governance is annexed herewith.

PRESERVATION OF DOCUMENTS :

All the documents as required under the Act, has been properly kept at the registered office of the Company.