



Veritas (India) Limited

"A business that consistently
enriches lives is a wealthy business"

- Groupe Veritas

30th Annual Report

2014 - 2015

VERITAS (INDIA) LIMITED

BOARD OF DIRECTORS

Mr. Nitin Kumar Didwania
Ms. Alpa Parekh
Mr. Saurabh Sanghvi
Mr. Ratan Moondra
(Resigned w.e.f. May 1, 2015)
Justice S. S. Parkar (Retd.)

Chief Financial Officer

Mr. Rajaram Shanbhag

Company Secretary

Mr. Mukesh Tank

Registered Office

701, Embassy Centre,
Nariman Point,
Mumbai- 400 021
Tel no. 022-22824444
Fax no. 022-22824440
E-mail: corp@veritasindia.net
Mukesh.t@ veritasindia.net

Corporate Identity Number

L23209MH1985PLC035702

Auditors

M/s. Shabbir S. Bagasrawala,
Chartered Accountants

Bankers

Punjab National Bank
Axis Bank Ltd

Registrars & Share Transfer Agents

M/s. Universal Capital Securities Pvt. Ltd.
21, Shakil Niwas,
Opp. Satya Saibaba Temple,
Mahakali Caves Road,
Andheri (East),
Mumbai – 400 093.

Tel No. 022-28207203
Fax No. 022-28207207

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VERITAS (INDIA) LIMITED

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting their Thirtieth Annual Report together with the Audited Accounts of the Company for the Year ended March 31, 2015.

FINANCIAL RESULTS

The financial performance of the Company, for the year ended 31st March, 2015 is summarized below:

(Amt in Crores)

Particulars	Standalone		Consolidated	
	2014-2015	2013-2014	2014-2015	2013-2014
Total Revenue	513.80	407.39	1,502.75	1,205.49
Profit before Tax	10.89	8.70	50.18	32.64
Less: Provision for Taxation				
- Current Tax	(2.30)	(1.67)	(2.33)	(1.69)
- Deferred Tax	0.18	0.14	0.18	0.13
- Current Tax Expense related to prior Years.	0.00	(0.05)	0.00	0.05
Profit after Tax	8.77	7.12	48.03	31.04
Add: Balance in Profit & Loss Account brought forward.	21.73	14.73	93.91	62.99
Add: Credit for Tax on Dividend	0.02	0.02	0.02	0.02
Less: Loss on disposal of subsidiary	0.00	0.00	(37.20)	0.00
Less: Trf to Capital reserve on merger	0.00	0.00	(0.20)	0.00
Profit available for Appropriation	30.52	21.87	104.56	94.05
Less:				
- Proposed Dividend	0.12	0.12	0.12	0.12
- Dividend Distribution Tax	0.02	0.02	0.02	0.02
Balance transferred to Balance Sheet	30.37	21.73	104.41	93.91

RESULTS OF OPERATION

The following are the figures and comparison of the operation of the Company:-

- Standalone revenue from operations increased by 25.63% to Rs. 5,059,501,414/- as compared to previous year of Rs. 4,027,274,336/-.
- Consolidated revenue from operation increased by 25.01% to Rs. 15,027,351,443/- as compared to previous year of Rs. 12,021,063,857/-.
- Standalone Profit after Tax increased by 23.18% to Rs. 87,683,506/- as compared to previous year of Rs. 71,182,927/-.
- Consolidated Profit after Tax increased by 54.76% to Rs. 480,332,407/- as compared to previous year of Rs. 310,379,359/-.

DIVIDEND

Your Directors have recommended a dividend of 5 (Five) paise per Equity Share of Re. 1/- each for the Financial Year ended 31st March, 2015. The Dividend is payable subject to the approval of the Shareholders at the ensuing Annual General Meeting of the Company.

The dividend will be paid to members whose names appear in the Register of Members as on the book closure date; in respect of shares held in dematerialized form, it will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited, as beneficial owners as on that date.

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The dividend payout for the year under review has been formulated in accordance with shareholders' aspirations and the Company's policy to pay sustainable dividend linked to long term growth objectives of the Company to be met by internal cash accruals.

SHARE CAPITAL

The paid up Equity Share Capital as at March 31, 2015 stood at Rs. 24,210,000/- (Rupees Two Crores Forty Two Lacs and Ten Thousand Only). During the year under review, the Company has not issued with differential voting rights nor has granted any stock options or sweat equity.

As on March 31, 2015 none of the Directors of the Company holds instruments convertible into equity shares of the Company.

CONSOLIDATED FINANCIAL STATEMENT

The Consolidated financial statement of the Company are prepared in accordance with the Companies Act, 2013 and Accounting Standard (AS) - 21 on Consolidated Financial Statements read with AS - 23 on Accounting for Investments in Associates and AS - 27 on Financial Reporting of Interests in Joint Ventures, the audited consolidated financial statement forms part of this Annual Report.

SUBSIDIARIES

During the year under review the scheme of Amalgamation was sanctioned by the Honorable High Court of Bombay between the two wholly owned subsidiaries of your Company M/s Veritas Agro Venture Private Limited (Transferor Company) and M/s Vidhata Farming Private Limited.

As on 31st March 2015, Your Company own following wholly owned overseas and domestic subsidiaries companies:

M/s. Veritas Global PTE Limited, incorporated in Singapore

M/s. Veritas International FZE, incorporated in Dubai, UAE

M/s. Kudrat Farming Private Limited, incorporated in India

M/s. Dharni Farming Private Limited, incorporated in India

M/s. Veritas Agro Ventures Private Limited, incorporated in India

M/s. GV Investment Finance Company Limited, incorporated in Mauritius

M/s. Hazel International FZE, incorporated in Sharjah, UAE

During the year, the Board of Directors reviewed the affairs of the subsidiaries. The consolidated financial statements of the Company and all its subsidiaries, which form part of the Annual Report is prepared in accordance with the provisions of section 129(3) of the Companies Act, 2013. Further, a statement containing the salient features of the financial statement of the subsidiaries in the prescribed format AOC-1 is appended as Annexure 1 to the Board's report. The statement also provides the details of performance, financial positions of each of the subsidiaries.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on the website of the Company. Further these documents will also be available for inspection during business hours at the registered office of the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange in India, is presented in a separate section forming part of the Annual Report.

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CORPORATE GOVERNANCE

The Corporate Governance Report forms an integral part of this Annual report. The Certificate from Auditors of the Company, certifying compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement, is annexed to the Report on Corporate Governance.

RELATED PARTY TRANSACTIONS

All related party transactions entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Agreement. There were no materially significant related party transactions made by the Company during the year that would have required members approval under Clause 49 of the Listing Agreement. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board has been adopted by the Company and uploaded on the Company's website.

The details of the transactions with related parties are provided in the accompanying financial statements.

DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Nitin Kumar Didwania, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Section 149 (10) of the Companies Act, 2013, provides for the appointment of independent directors. The said section provides that independent directors shall hold office for a term of up to five consecutive years on the Board of a Company; and shall be eligible for re-appointment on passing a special resolution by the shareholders of the Company. Accordingly, all the independent directors were appointed by the shareholders at the Twenty Ninth Annual General Meeting held on September 26, 2014. Further, according to Section 149 (11), no independent director shall be eligible for appointment for more than two consecutive terms of five years. Section 149 (13) states that the provisions of retirement by rotation as defined in Sections 152 (6) and (7) of the Act shall not apply to such independent directors.

None of the independent directors will retire at the ensuing Annual General Meeting.

Mr. Ratan Moondra has expressed his desire to resign from the post of director of the Company with effect from May 1, 2015. The Board has considered his resignation at the Board Meeting held on August 13, 2015 and places on record its appreciation for the services rendered by Mr. Ratan Moondra during his tenure with the Company.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and clause 49 of the listing agreement Nomination and Remuneration Committee has laid down the evaluation criteria for performance evaluation of Directors and committees of the Directors. The evaluation of all the Directors, the

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Board as a whole and Committees of the Directors was conducted based on the criteria and framework adopted by the Board.

A comprehensive questionnaire was prepared after taking into consideration the following points:

- Contribution to and monitor corporate governance practices of the Company.
- Participation in long-term strategic planning of the Company.
- Commitment to the fulfillment of a director's obligations and fiduciary responsibilities;

The Board approved the evaluation results as collated by the nominating and remuneration committee.

FAMILIARIZATION PROGRAMME FOR DIRECTORS

The Management of your Company believes that a well informed Board can contribute significantly and effectively discharge its role of trusteeship in a manner that fulfils stakeholders' aspirations and societal expectations. In pursuit of this, the Directors of your company are regularly updated on the changes / developments taking place in statutes / legislations and economic environment, to enable them to take well informed and timely decisions.

The details of the familiarization programme may be accessed on the Company's website.

MEETINGS OF THE BOARD

During the year under review six meetings of the Board of Directors were held. For further details, please refer report on Corporate Governance of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 134(3)(C) OF THE COMPANIES ACT, 2013

Your Directors state that:

- (a) In the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards have been followed and there are no material departures from the same;
- (b) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the annual accounts on a 'going concern' basis;
- (e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

As on March 31, 2015, the Board consists of five members, one of whom is whole-time director, one is non-executive director and three are independent directors. The Board periodically evaluates the need for change in its composition and size.

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters

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provided under Sub section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is appended as Annexure II to the *Board's report*.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as Annexure III to the Board's report.

STATUTORY AUDITORS

The existing Auditor Mr. Shabbir S Bagasrawala having Membership No.039865 has expressed his inability to continue as Statutory Auditor of the Company. Further a letter has been received from the member of the Company proposing to appoint M/s. Shabbir & Rita Associates LLP, Chartered Accountants, Mumbai, (Firm Registration No. 109420W) as the Statutory Auditor of the Company for the Financial Year 2015-16. M/s. Shabbir & Rita Associates LLP being eligible has offered themselves for appointment. The Company has received the letter from M/s. Shabbir & Rita Associates LLP stating that their appointment, if made, would be within the prescribed limit under section 141(3)(g) of the Companies Act, 2013 and they are qualified for appointment.

Your Directors propose to appoint M/s Shabbir & Rita Associates LLP, Chartered Accounts, Mumbai as the statutory auditors of the Company at the ensuing Annual General Meeting.

SECRETARIAL AUDITOR

The Board has appointed M/s. Mansi Damania & Associates, a Practising Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as Annexure IV to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required under the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms the part of the Director's Report for the year ended March 31, 2015. The same is prepared in separate Annexure V to this report.

Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

None of the employees listed in the said Annexure is a relative of any Director of the Company. None of the employees hold (by himself or along with his spouse and dependent children) more than two percent of the equity shares of the Company.

GENERAL DISCLOSURES

No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Public Deposits - Details relating to deposits covered under Chapter V of the Act.
2. There were no cases of fraud and mismanagement reported under Vigil Mechanism established by the Company.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

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4. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company is a trading company, hence the information regarding compliance of Section 134 (3) (m) of the Companies Act, 2013 ready with the Companies (Accounts) Rules 2014 are not applicable to the Company.

However your Directors have taken proper care to conserve the energy during the year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
EARNINGS		
Dividend	11,845,318	12,631,908
FOB Value of Exports – Traded Goods	362,897,177	NIL
TOTAL	374,742,495	12,631,908
OUTGO		
CIF Value of Imports - Traded Goods	179,420,220	NIL
TOTAL	179,420,220	NIL

The Company has taken various initiatives for development of export markets for sale of various products in the International market to increase its foreign exchange earnings.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to the guidelines prescribed under Section 135 of the Companies Act, 2013 your Board of Directors has constituted a Committee called as CSR Committee. The CSR Committee comprises of Mr. Nitin Kumar Didwania, Non-Executive Director, Mr. Saurabh Sanghvi, Executive Director and Ms. Alpa Parekh, Non-Executive & Independent Director. The Committee has been entrusted with the responsibility for recommending to the Board about the implementing the CSR activities.

The Company is in process of registering a Trust which will be responsible for formulating and implementing CSR policy applicable for the entire group. The Trust will be responsible for identifying projects and cause as per the provisions of the Companies Act, 2013 and spend the CSR amount.

GREEN INITIATIVES

Electronic copies of the Annual Report 2014-15 and Notice of the 30th Annual General Meeting are sent to all members whose email addresses are registered with the Company / Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report 2015 and the Notice of the 30th Annual General Meeting are sent in the permitted mode. Members requiring physical copies can send a request to the Company.

For and on Behalf of the Board of Directors

PLACE: Mumbai
DATE: 13th August 2015

Sd/-
(Nitin Kumar Didwania)
CHAIRMAN & DIRECTOR
DIN: 00210289

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Annexure 1

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sr. No.	Name of the subsidiary Company	Reporting Period	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision For Taxation	Profit After Taxation	Proposed Dividend	% of Shareholding
Wholly Owned Subsidiary														
1	Veritas Global PTE Limited	31-Mar-15	USD	77	310,090	562,910	452,743	-	11,889,130	44,792	2,681	42,111	-	
			INR	3,472	6,960,223	35,232,531	28,268,886	-	726,901,416	2,916,395	274,996	2,641,399	-	100
2	Veritas International FZE	31-Mar-15	USD	272,109	12,104,309	37,861,733	25,485,315	-	151,081,897	8,290,305	-	8,290,305	-	
			INR	14,911,473	759,816,411	2,369,765,834	1,595,037,950	-	9,237,167,178	495,023,872	-	495,023,872	-	100
3	Hazel International FZE	31-Mar-15	USD	9,524	-	24,770,565	24,761,039	-	-	-	-	-	-	
			INR	596,095	-	1,550,389,487	1,549,793,392	-	-	-	-	-	-	100
4	Kudrat Farming Private Limited	31-Mar-15	INR	100,000	(74,950)	182,865	157,855	100,000	-	(23,847)	-	(23,847)	-	100
5	Dharm Farming Private Limited	31-Mar-15	INR	100,000	(70,092)	79,375	49,467	-	-	(17,094)	-	(17,094)	-	100
Step Down Subsidiary														
6	Veritas Agro Ventures Private Limited	31-Mar-15	INR	100,000	8,346,504,600	8,497,728,968	151,124,368	601,600	3,801,435	1,935,300	(48,050)	1,983,350	-	Refer Note 3
7	GV Investment Finance Company Limited	31-Mar-15	USD	10,000	(9,486)	2,884	2,370	-	-	(9,486)	-	(9,486)	-	
			INR	601,600	(569,405)	180,483	148,288	-	-	(579,951)	-	(579,951)	-	Refer Note 4

Notes:

The following information shall be furnished at the end of the statement:

1. Names of the subsidiaries which are yet to commence operations.

Kudrat Farming Private Limited

Dharm Farming Private Limited

Hazel International FZE

GV Investment Finance Company Limited

2. Name of the subsidiaries which have been liquidated or sold during the year. - Veritas FZE

3. Veritas Agro Ventures Private Limited is a wholly owned subsidiary of Kudrat Farming Private Limited

4. GV Investment Finance Company Limited is a wholly owned subsidiary of Veritas Agro Ventures Private Limited.

Part B of Form AOC-1 is not applicable to the Company as the Company does not have any Associate Company and Joint Venture

Place: Mumbai

Date: May 30, 2015

For Veritas (India) Limited

Sd/-

Nitin Kumar Didwania

Director

Sd/-

Rajaram Shanbhag

Chief Financial Officer

Sd/-

Alpa Parekh

Director

Sd/-

Mukesh Tank

Company Secretary

VERITAS (INDIA) LIMITED

NOMINATION AND REMUNERATION POLICY (Annexure II)

Introduction

Veritas (India) Limited policy on the appointment and remuneration of Directors, Key Managerial Personnel and all other employees provides a framework based on which the Human Resources Management aligns their recruitment plans for the growth of the Company. The nomination and remuneration policy is provided herewith pursuant to Section 178(4) of the Companies Act and Clause 49(IV)(B)(4) of the Listing Agreement. In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law. The policy is also available on the website of the Company.

Criteria of selection of Non Executive & Independent Directors

The Non Executive Directors of the Company shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of trading, manufacturing, marketing, finance, taxation, law, governance administration, and general management.

In case of appointment of Independent Directors, the Nomination and Remuneration Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

Board diversity

The Nomination and Remuneration Committee recognizes and embraces the importance of a diverse board for the success of the organization. It is the strong belief of the Company that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help the Company to retain its competitive advantage. The Appointment of all the Directors, Key Managerial Personnel shall be done keeping in view the objective of diversity in the organization.

Attributes / Criteria required for Directors and KMP's

The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Directors and KMP's.

- i. Leadership and visionary qualities;
- ii. Qualification, expertise and experience in their respective fields;
- iii. Personal, Professional or business standing;
- iv. Diversity of the Board.

In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration to Non Executive & Independent Directors

The Non Executive & Independent Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board meetings and commission within the regulatory limits.

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