



VIJAYA SHRIMP FARMS AND EXPORTS LIMITED

Report **12th** nction.com

ANNUAL REPORT

2003 - 2004



BOARD OF DIRECTORS :

Sri C.R.Sen Gupta

Sri B.N. Murthy

Sri G.S. Rama Chandra Rao

Sri G. Venkateswara Rao

Sri M. Ravindra

Chairman

Managing Director

Director

Director

Director

REGISTERED OFFICE :

Akalapatur Village,

Chillakur Mandal,

Nellore District,

Andhra Pradesh.

CORPORATE OFFICE :

H.No. 11-4-646, C-206,

Vijaya Hills, A.C, Guards,

Lakdikapool, Hyderabad - 500 004.

AUDITORS :

M/s. A.M. Reddy & Co.,

Chartered Accountants,

Masab Tank,

Hyderabad.

BANKERS :

State Bank of Hyderabad

The South India Bank Limited



NOTICE

Notice is hereby given that the 12th Annual General Meeting of the Members of the Company will be held at the Registered Office of the Company situated at Ankalapatur Village, Chillakur Mandal, Nellore District of Andhra Pradesh on 30th September, 2004 at 11.00 a.m. to transact the following business.

ORDINARY BUSINESS :

1. To receive, consider and adopt the Profit & Loss Account for the year ended 31st March, 2004 and the Balance Sheet as on that date together with the Reports of Director's and Auditor's thereon.
2. To appoint a Director in place of M. Ravindra, who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit to pass with or without modifications the following resolution as an ordinary resolution.

"RESOLVED That M/s. A.M. Reddy & Company, Chartered Accountants be and are hereby appointed as Auditors of the company from the conclusion of this Annual General Meeting at such remuneration to be determined by the Board of Directors of the Company in addition to payment for other service and reimbursement of out pocket expenses.

By order of the Board

Place : Hyderabad
Date : 20-08-2004

(B. N. MURTH)
Managing Director

NOTES :

1. A member entitled to attend and vote is also entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member.
2. The proxies form duly completed and signed should be deposited at the registered office of the Company atleast 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer books of the Company will remain closed from 25th September, 2004 upto 30th September 2004.
4. Members are requested :
 - I. To notify immediately any change in their addresses to the company at its Registered Office.
 - II. To bring along with them a copy of the Annual Report being sent.



DIRECTORS REPORT

To
The Share holders

Your Directors have pleasure in presenting herewith the 12th Annual Report of your Company together with the audited Accounts for the year ended 31st March 2004.

1. FINANCIAL RESULTS :

	Amount Rs. in lacs.	
	2003-04	2002-03
Gross Income	8.57	7.21
Total Expenditure before		
Interest & Depreciation	3.50	3.30
Interest debited	229.17	194.18
Depreciation provided	27.53	27.61
Preliminary & Pre-Operative		
Expenses written off		
Loss Carried Balance Sheet	1705.61	1453.97

2. OPERATIONS :

During the year 2003-2004 the Company has gone for crop holiday. Both Hatchery and Farming are kept shut down during the year.

As you know that we have approached financial institutions for one time settlement of loans. Our company paid towards one time settlement partial payment to SIB. Since the negotiations are not fruitful, the financial institutions approached to Debt Recovery Tribunal and we have approached legal personnel in the matter.

3. DIRECTORS :

In accordance with the provisions of the Companies Act, 1956, Sri M. Ravindra who retires by rotation and being eligible offer themselves for reappointment.

4. AUDITORS :

The Auditors M/s. A.M. Reddy & Co., Chartered Accountants, present auditors of the Company retire at the conclusion of the ensuing Annual General Meeting. They have signified their willingness to accept reappointment and have further confirmed their eligibility under section 224 (I-B) of the Companies Act, 1956.

5. PUBLIC DEPOSITS :

Your Company has not accepted public deposits and hence the provisions of Sec. 58A of the Companies Act, 1956 are not applicable to the Company.

6. PERSONNEL :

Particulars of employees in terms of Sec. 217 (2A) of the Companies Act, 1956 are not furnished as there are no employees drawing the stipulated remuneration.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

a) Conservation of Energy :

The Company's operations do not involve a high level of energy consumption and there are no major areas where energy conservation measures could be undertaken. However efforts have been made to peg the energy costs through improved operational methods.

b) Technology absorption :

The Company operated with complete indigenous technology and the same shall be updated to improve the quality of the products and production efficiency.



c) Foreign Exchange out go and In flow :

	Amount Rs.
Value of Imports on C I F Basis	
◆ Feed	--
◆ Plant and Machinery	--
◆ Expenditure in Foreign Currency	--
◆ Travelling Expenditure	--
◆ Foreign Exchange earnings	--

STATUTORY DISCLOSURES :

**8. DIRECTORS RESPONSIBILITY STATEMENT
AS PER SECTION-217 (2AA) OF THE
COMPANIES ACT, 1956**

Pursuant to the requirement Under Section 217 (2AA) of the companies Act, 1956 with respect to director's Responsibility Statement, it is hereby confirmed

(i) That in the preparation of the accounts for the financial year ended 31st March, 2004, the applicable accounting standards have been followed along with proper explanation relating to material departures:

(ii) That the directors have selected such accounting policies and applied them consistently and made judgements 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 of the profit or loss of the company for the year under review.

(iii) That the directors have taken proper and sufficient care for the maintenance of adequate records in accordance with the provisions of the companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities:

(iv) That the directors have prepared the accounts for the financial year ended 31st March, 2004 on a going concern basis.

9. CORPORATE GOVERNANCE :

The report on Corporate Governance in accordance with Clause No : 49 of the Listing Agreement with Stock Exchanges is attached to this report vide Annexure.

10. ACKNOWLEDGMENTS :

Your Directors place on record their appreciation for the dedicated services rendered by the employees at all levels in realizing the objectives of the company. The Board of directors also place on record their appreciation for whole hearted and sincere support and co-operation extended to the company by different agencies in particular the Government of India, Government of Andha Pradesh Industrial Development Corporation Limited, The Marine Products Export Development Authority, State Bank of Hyderabad and the South Indian Bank Limited.

FOR AND ON BEHALF OF THE BOARD

(B.N. MURTHY)
MANAGING DIRECTOR

Place : Hyderabad
Date : 20-08-2004



CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Code of Governance :

The Company's Philosophy on Corporate Governance is to attain the highest levels of transparency, accountability, and integrity. This objective extends, not merely to meet with statutory requirements but also to go beyond them by-putting into place procedures and systems, which are in accordance with best practices for governance, Corporate Governance at Vijaya means being responsive to aspirations of all the stakeholders - customers, suppliers, lenders, employees, the shareholders and expectations of the society. The Board of Directors supports the broad principles Corporate Governance and lays strong emphasis on its trusteeship role to align and direct the actions of the organization to achieve its avowed objectives of transparency, accountability, and integrity. Given below is the report on Corporate Governance at Vijaya Shrimp,

2. Board of Directors :

Composition of the Board :

The Board has 5 Directors, comprising of 1 executive Director, viz. 1 Managing Director and 4 Non-Executive Directors. All Non-Executive and independent Directors who are leading professionals from varied fields who bring in independent judgement to the Board's discussions and deliberations.

Sl. No.	Name of the Director	Executive / Non Executive / Independent	No. of Board Committees of Which Member / Chairman
1.	B. Narayana Murthy	Managing Director	NIL
2.	G.S. Ramachandra Rao	Non-Executive - Independent	NIL
3.	M. Ravindra	Non-Executive - Independent	NIL
4.	G. Venkateswara Rao	Non-Executive - Independent	NIL
5.	C.R. Sen Gupta	Non-Executive - Independent	NIL

3 Board Agenda :

The annual calendar of Board and Committee Meetings is agreed upon at the beginning of each year. Meetings are governed by a structured Agenda and a Board member may bring up any matter for consideration of the meeting in consultation with the Chairman, Agenda papers are generally circulated to the Board members at least 4-5 working days in advance. Detailed presentations are made at the meeting on all major issues to enable the Board to take informed decisions. An indicative list of the information placed before the Board during the year is as under :

- * Quarterly, Half yearly and Annual Results
- * Legal proceedings involving the company
- * Minutes of meetings of Audit Committee, Investors Grievance Committee
- * Materially important show cause notices, non-compliance's if any etc.,
- * Review of One Time settlement offer the Bankers
- * Other relevant information pertaining to the company including information detailed in Clause No. 49 of the Listing Agreement.



Meeting And Attendance :

During the year, the Board of Directors met 5 times on 30th April, 2003, 31st July, 2003, 31st August, 2003, 31st October, 2003 and 31st January, 2004 and the gap between two Board Meetings was within the maximum time gap of 4 months prescribed in Clause 49 of the Listing Agreement.

The Attendance of Directors at these Board Meetings and the last Annual General Meeting was under :

Sl. No.	Name of Director	No. of Board Meetings held During the period When the Director was on the Board	No. of Board meetings attended	Whether present at the previous AGM
1.	B. Narayana Murthy	5	5	Yes
2.	C.R. Sen Gupta	5	-	No
3.	G. Venkateswara Rao	5	4	Yes
4.	G.S. Ramachandra Rao	5	4	Yes
5.	M. Ravindra	5	3	Yes

4 Committees of the Board :

The Board of Directors has constituted 2 committees of the Board

Audit Committee

Investors Grievance Committee

The Board determines the terms of reference of these committees from time to time. Meetings of these Committees are convened by the respective committee chairman/company secretary. At each Board meeting, minutes of these committees are placed before the Directors for their perusal and noting.

a. Audit Committee :

The Audit Committee of the company comprises of 3 members, all of whom are Non-Executive Independent Directors. The Committee members are professionals having requisite experience in the fields of Finance and Accounts, Banking and Management.

The Audit Committee met 5 times during the year. The Director and Chief Financial Officer and representatives of Statutory Auditors are invitees to Audit Committee meetings.

Role : The terms of reference of the Audit Committee are as under :

- a. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.



- b. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- c. Reviewing with management the annual financial statements before submission to the board, focusing primarily on :
 - * Any changes in accounting policies and practices
 - * Major accounting entries based on exercise of judgement by Management.
 - * Qualifications in draft audit report.
 - * Significant adjustments arising out of audit.
 - * The going concern assumption.
 - * Compliance with accounting standards.
 - * Compliance with Stock Exchange and legal requirements concerning financial statements.
 - * Any related party transaction i.e., transaction of the company of material nature, with promoters or the management, their subsidiaries or relative etc., that may have potential conflict with the interests of company at large.
- d. Reviewing with the management, external auditors, the adequacy of internal control systems.
- e. Reviewing the company's financial and risk management policies.
- f. Seek external assistance of professionals, lawyers, accountants etc., whenever necessary.
- g. To look into any other matter which may be referred to it by the Board.
- h. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

Composition and other details :

Mr. C.R. Sen Gupta	-	Independent and Non-Executive Director
Mr. G.S. Ramachandra Rao	-	Independent and Non-Executive Director
Mr. M. Ravindra	-	Independent and Non-Executive Director

b. Investor's Grievance Committee :

The Investor's Grievance Committee has 3 members comprising one Non-Executive Director and 2 Independent and Nonexecutive Directors acts as Chairperson of the Committee.

Role : The terms of reference of the Investor's Grievance Committee are as under :

- * To specifically look into the redressal of Investor's Grievance pertaining to :
- * Transfer of Shares and debentures.
- * Dividends, Interests and redemption proceeds of debenture.
- * Replacement of lost, stolen, mutilated share certificates.
- * Non-receipt of rights, bonus, split share certificates.

Composition :

Mr. C.R. Sen Gupta	-	Independent and Non-Executive Director
Mr. G.S. Ramachandra Rao	-	Independent and Non-Executive Director
Mr. M. Ravindra	-	Independent and Non-Executive Director