

# ANNUAL REPORT

2015-2016



**THE BELSUND SUGAR &  
INDUSTRIES LIMITED**

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# THE BELSUND SUGAR & INDUSTRIES LIMITED

(CIN : L15421WB1932PLC007463)

## ANNUAL REPORT 2015-2016

<b>Directors</b>	: Shri O. P. Dhanuka - Chairman Shri P. J. Bhide Shri S. Prasad Smt. Sulekha Dutta
<b>Auditors</b>	: K. N. Gutgutia & Co. Chartered Accountants Kolkata
<b>Banker</b>	: Bank of India
<b>Registered Office</b>	: 14, Netaji Subhas Road 2nd Floor Kolkata - 700 001
<b>Registrars</b>	: S. K. Infosolutions Pvt. Ltd. 34/1A, Sudhir Chatterjee Street Kolkata - 700 006 Phone : 2219 4815
<b>Shares Listed at</b>	: The Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata - 700 001

## NOTICE

Notice is hereby given that the Annual General Meeting of the Members of THE BELSUND SUGAR & INDUSTRIES LIMITED will be held on Saturday 24th of September, 2016 at 11.00 a.m. at Conference Room, Bhartiya Bhasa Parishad, 36A, Shakespeare Sarani, Kolkata – 700 017, to transact the following business:

### ORDINARY BUSINESS :

**Item No.1 : Adoption of financial statements**

To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016 together with the Reports of the Board of Directors and the Auditors thereon.

**Item No.2 : Appointment of Director**

To appoint a Director in place of Mr. O. P. Dhanuka (DIN: 00049947) who retires by rotation and being eligible, seeks re-appointment.

**Item No.3 : Appointment of Auditors**

To appoint Auditors and fix their remuneration and in this regard 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 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s K.N.Gutgutia & Co., Chartered Accountants (ICAI Firm Registration No. 304153E), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting at such remuneration as shall be fixed by the Board of Directors of the Company.”

### SPECIAL BUSINESS :

**Item No.4 : Appointment of Mrs. Sulekha Dutta as an independent Director**

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 sections 149,152, Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules framed there under Mrs. Sulekha Dutta (DIN : 07114240), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 20th February,2016 and who holds office till the date of the Annual General Meeting of the Company, in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act,2013 signifying his intention to propose Mrs. Sulekha Dutta as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period up to 30th March, 2021, not liable to retire by rotation.”

By Order of the Board of Directors

Registered Office :  
14, Netaji Subhas Road  
Kolkata - 700 001  
Dated : 13th August, 2016

O. P. Dhanuka  
Chairman

**NOTES :**

1. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.
2. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
3. The Register of Members and Transfer Books of the Company will be closed from 22nd September, 2016 to 24th September, 2016, both days inclusive.
4. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, S. K. Infosolutions Pvt. Ltd (SKIPL) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to SKIPL.
5. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
6. Members seeking any information with regard to the Accounts, are requested to write to the Company at least 7 days in advance of AGM date to enable the Management to keep the information ready at the meeting.
7. The company has not declared any dividend during last 7 years as such the provision of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amount lying with companies) Rules, 2012 is not applicable. There is no dividend which remained unclaimed /unencashed over a period of 7 years.
8. Voting Right by electronic means
  - I. In compliance with the provisions of section 108 of the Companies Act, 2013 and the Rules framed thereunder and clause 35B of the Listing Agreement, the company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the above Annual General Meeting (AGM) by electronic means and business may be transacted through e-Voting Services. The Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by NSDL, on all resolutions set forth in this Notice.
  - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
  - III. The members who have cast their vote by remote e-voting prior to AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - IV. The instructions for e-voting are as under :
    - A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories) :**
      - i. Open the e-mail and also open PDF file namely "BSIL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
      - ii. Open the internet browser and type the following URL:<https://www.evoting.nsdl.com>.
      - iii. Click on Shareholder – Login.
      - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
      - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
      - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
      - vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
      - viii. Select "EVEN" (E-Voting Event Number) of The Belsund Sugar & Industries Limited. Now you are ready for e-voting as Cast Vote page opens.
      - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
      - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
      - xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.

- xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [hmchoraria@gmail.com](mailto:hmchoraria@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

**B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories) :**

- i. Initial password is provided as below/ at the bottom of the Attendance Slip for the AGM:

**EVEN (E-Voting Event Number)      USER ID      PASSWORD/PIN**

- ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

**C. Other Instructions :**

- i. The e-voting period commences on 21st September, 2016 (9.00 a.m. IST) and ends on 23rd September, 2016 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date of 17th September 2016() may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on cut-off date. In case of joint holders, only one of the joint holders may cast his vote.
- iii. Mr. H.M.Choraria, Practicing Company Secretary (Membership No. FCS 2398), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- iv. The Scrutinizer shall, after conclusion of voting at AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, not later than three days after conclusion of AGM to the Chairman or person authorized by him in writing , who shall countersign the same and declare the result of voting forthwith.
- v. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.belsundsugar.com](http://www.belsundsugar.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and communicated to the Stock Exchange , where the shares of the Company are listed. Subject to receipt of requisite nos. of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of AGM.
- vi. All documents referred to in the accompanying Notice and the Explanatory Statements shall be open for inspection at the Registered Office of the company during normal business hours on all working days except Saturday.

**Details of Director Seeking Appointment/Re-appointment at the Annual General Meeting**

Particulars	Mr. O. P. Dhanuka	Mrs. Sulekha Dutta
Date of Birth	26th January, 1950	21st May, 1974
Date of appointment	23rd October, 1990	20th February, 2016
Qualifications	MBA	ACS, LLB
Expertise in specific functional areas	Vast knowledge of Industrial and Corporate Management	Corporate Compliance
Directorships held in other companies (excluding foreign companies)	Riga Sugar Co. Ltd. Paramount Stock & Share Broking Services Ltd. DG Vitta Vinimay & Properties Ltd. Dhaulana Sugar Industries Ltd. Indian Chamber of Commerce, Calcutta	Riga Sugar Co. Ltd. Khaitan (India) Ltd.
Memberships / Chairmanships of committees of other companies (includes only Audit Committee and Shareholders / Investors Grievance Committee)	None	None
Number of shares held in the Company	3022	Nil

## EXPLANATORY STATEMENT

### (Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 5 of the accompanying Notice:

#### Item No 4 :

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mrs Sulekha Dutta as an Additional Director of the Company, who holds office upto the date of the forthcoming AGM of the Company.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs Sulekha Dutta for the office of Director of the Company.

Mrs Sulekha Dutta is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Company has received a declaration from Mrs Sulekha Dutta that she meets with the criteria of independence as prescribed both under subsection (6) of Section 149 of the Act and in terms of Regulation 16 of the SEBI (LODR) Regulations, 2015. In the opinion of the Board, Mrs Sulekha Dutta fulfills the conditions for her appointment as an Independent Director as specified in the Act and in the Listing Agreement. Mrs Sulekha Dutta is independent of the management.

Brief resume of Mrs Sulekha Dutta, nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter se as stipulated in terms of Regulation 16 of the SEBI (LODR) Regulations, 2015 of the Listing Agreement is annexed to the Notice.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of shareholders.

Keeping in view her vast expertise and knowledge, it will be in the interest of the Company that Mrs. Sulekha Dutta is appointed as an Independent Director.

Copy of the draft letter for appointment of Mrs. Sulekha Dutta as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

Mrs. Sulekha Dutta does not hold any shares in the Company.

None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice. Mrs Sulekha Dutta is not related to any director of the Company.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.

By Order of the Board of Directors

Registered Office :  
14, Netaji Subhas Road  
Kolkata - 700 001  
Dated : 13th August, 2016

O. P. Dhanuka  
Chairman

## DIRECTORS' REPORT

To  
THE SHAREHOLDERS

Your Directors have pleasure in presenting their Report and audited Accounts of the Company for the financial year ended 31st March, 2016.

### FINANCIAL & OPERATIONAL RESULTS

(Rs. in Lacs)

#### FINANCIAL RESULTS

	<u>Financial Year</u> <u>31st March, 2016</u>	<u>Financial Year</u> <u>31st March, 2015</u>
(a) Total Revenue	133.69	105.16
(b) Operating Profit Before Finance Cost & Depreciation	125.70	95.71
(c) Finance Cost	72.68	78.98
(d) Cash Accruals	53.02	16.73
(e) Depreciation & Amortization	–	0.45
(f) Profit (Loss) before extraordinary items	53.02	16.28
(g) Extraordinary Item of Exp.	–	–
(h) Profit (Loss) Before Tax	53.02	16.28
(i) Provision for Tax		
– Current Tax	5.66	–
– Deferred Tax	12.13	(5.95)
– Income Tax of earlier year	0.12	0.74
(j) Profit (Loss) After Tax	35.10	21.49
(k) Balance Brought Forward from last year	174.84	153.35
(l) Profit (Loss) Carried Forward to Balance Sheet	209.80	174.84

#### DIVIDEND :

In view of insufficient profit and future requirement of fund the company is unable to pay Dividend.

#### OPERATIONAL RESULTS :

The company carried out cane plantation activities during the year on leased land in Bihar. The company also earned interest on Loan given.

#### FUTURE PROSPECTS/OUTLOOK :

##### Audit Committee :

The Audit Committee comprises Mr. P. J. Bhide, as its Chairman with Mr. S. Prasad and Mr. J. K. Pachisia (ceased on 20.02.2016) as its member. All recommendations of the Audit Committee were accepted by the Board.

#### Information pursuant to Section 134 of the Companies Act, 2013

a. Extract of the annual return as provided under Section 92(3) of Companies Act, 2013 is enclosed – **Annexure - I**

- b. Nine meetings of the Board of Directors of the Company were held during the year on 29.05.2015, 08.08.2015, 17.10.2015, 30.10.2015, 09.11.2015, 10.12.2015, 22.01.2016, 11.02.2016 and 20.02.2016.
- c. All the Independent Directors of the company have furnished declarations that they satisfy the requirement of Section 149 (6) of the Companies Act, 2013.
- d. Relevant extracts of the Company's policy on directors appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided in section 178(3) of Companies Act, 2013 is enclosed – **Annexure II**. We affirm that the remuneration paid to the Directors is as per terms laid out in the Nomination and Remuneration Policy of the company.
- e. There is no qualification, reservation or adverse remark or disclaimer made by the auditor in his report and by Company Secretary in practice in the secretarial audit report and hence no explanations or comments by the Board are required.
- f. The details of Loans, Guarantees and Investment covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements and also enclosed as **Annexure-III**.
- g. There has been no materially significant related party transactions made by the company with the promoters, the directors, the key managerial personnel which may be in conflict with the interest of the company at large. The company has formulated a policy on related Party Transactions and also on dealing with Related Party Transactions. The policy is disclosed on the website of the company ([www.belsundsugar.com](http://www.belsundsugar.com)). All related party transactions as placed before the Audit Committee has also received approval from the Board. Your Directors draw attention of the members the Note No. 21 to the financial statement which set out Related Party Disclosures.
- h. The company has not carried out any measures for conservation of energy and technology absorption. During the year there was no foreign exchange earning and outgo.
- i. The company has laid down policy on risk assessment and minimization procedures and the same is periodically reviewed by the Board. The Policy facilitates in identification of risk at appropriate time and ensure necessary steps to be taken to mitigate the risk. Brief details of risks and concerns are given in this Board Report.
- j. The Annual Report on CSR activities is not annexed herewith due to non- applicability of relevant provisions to the company due to insufficient profits.
- k. In compliance with the Companies Act, 2013 and clause 49 of the Listing Agreement, the Board adopted mechanism for evaluating its performance as well as that of its Committee and Individual directors, including the Chairman of the Board.

The evaluation of Independent was carried out by the entire Board and that of the chairman and Non-Independent directors were carried out by the Independent directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its committee with the company.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :**

Your Company has adequate systems and internal control procedures to safeguard the assets of the company and to ensure maintenance of proper accounting records. There is also an Internal Audit System in place which reviews the key business and controls and also test checks on routine transactions and reports deviations.

#### **FIXED DEPOSITS :**

The company has neither accepted nor renewed any deposit from public within the meaning of section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 during the year under the review.

#### **AUDITORS :**

##### **(a) Statutory Auditors**

The observation of Statutory Auditors in their report, read with the relevant notes to accounts are self explanatory and therefore, do not require any further explanation.



M/s. K.N. Gutgutia & Co., Chartered Accountants (ICAI Registration No. 304153E) , Kolkata, Statutory Auditors of the Company, retire and being eligible offer themselves for re-appointment.

**(b) Secretarial Auditor and Secretarial Audit Report**

In pursuance of section 204 of the Companies Act, 2013 M/s H.M. Choraria & co., Company Secretaries were appointed as secretarial Auditors to carry out Secretarial Audit for the financial year 2015-16. Their report is annexed to this report as Annexure-IV.

**DIRECTORS :**

Mr. O. P. Dhanuka, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

Mrs. Sulekha Dutta was appointed as additional director of the company in the category of Independent Director by the Board in its meeting held on 20th February, 2016. She shall hold office upto the date of ensuing Annual General Meeting of the company and will be eligible for reappointment as Independent Director. The company received notice from a shareholder proposing Mrs. Sulekha Dutta for appointment as Independent Director.

All Independent Directors have given declaration that they meet the criteria of Independence as laid down under section 149 (6) of the Companies Act, 2013 and Regulation 16 of the Listing Regulations.

Mr. J.K. Pachisia ceased to be Director of the company with effect from 20th February , 2016 due to resignation. The Board placed on its record of appreciation for the services and advise made by Mr. Pachisia as Director.

The information about the directors appointment is mentioned in the Notice of Annual General Meeting.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Your Directors state that :-

- (i) in preparation of the annual accounts for the year ended 31st March, 2016 , the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and of the profit of the company as 31st March, 2016;
- (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 'going concern' basis;
- (v) the Directors have laid down internal financial controls to be followed by the company and such internal financial controls are adequate and are operating effectively; and
- (vi) directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**PERSONNEL :**

The particulars of employee as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given as separate annexure attached hereto and forms part of this report as **Annexure - V**

**CORPORATE GOVERNANCE :**

The Corporate Governance is not applicable to the company because of small size.

**KEY MANAGERIAL PERSONNELS :**

Mr. O.P.Dhanuka, Chairman is Key Managerial Person. There is no major activities in the company and only one permanent employee.

**Significant & material orders passed by the regulators**

During the year under review, no significant and materials orders were passed by the Regulators or courts or Tribunals impacting the going concern status add the Company's operations.

**Material changes and commitments affecting the financial position of the company after 31st March, 2016**

None

**LISTING OF EQUITY SHARES :**

The Shares of the Company is listed on the Stock Exchange of Calcutta. The Company has been **regularly paying** the Listing Fees to the Stock Exchange.

**ANNEXURES FORMING PART OF THIS REPORT OF THE DIRECTORS :**

The Annexure referred to in this report and other information which are required to be disclosed are annexed herewith and forms a part of this report of the Directors :-

<b>Annexure</b>	<b>Particulars</b>
I	Extract of the Annual Return as peer form MGT-9
II	Policy on selection of Directors appointment and remuneration
III	Details of Loan, Guarantees and Investment
IV	Secretarial Audit Report
V	Particulars of Employees

**APPRECIATION :**

Your Directors express their appreciation for the support and contribution by all concerned.

Kolkata  
Dated : 30th May, 2016

For and on behalf of the Board,

O.P. Dhanuka  
Chairman

**Annexure I to the Directors Report**  
**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2016**

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS :**

1.	CIN	L15421WB1932PLC007463
2.	Registration Date	19th September, 1932
3.	Name of the Company	The Belsund Sugar & Industries Ltd.
4.	Category/Sub-category of the Company	Public Company/Limited by shares
5.	Address of the Registered office & contact details	14, Netaji Subhas Road, 2nd Floor, Kolkata-700001 Phone : 2231 3414/15/16
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	S.K. Info Solutions Pvt. Ltd. 34/1A, Sudhir Chatterjee Street, Kolkata-700 006 Phone : 033 2219 4815

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	General Commission Agent & Investment in Group Co.	-	-

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Sl. No.	Name and address of company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Application section
1.	Riga Sugar Co. Ltd. 14, Netaji Subhas Road Kolkata - 700 001	L15421WB1980PLC032970	Associate	21.02	2(6)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****(A) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 March 2015]				No. of Shares held at the end of the year [As on 31 March 2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1. Indian</b>									
a) Individual/ HUF	2,300	1,76,653	1,78,953	22.95	2,300	1,76,653	1,78,953	22.95	N.A.
b) Central Govt	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.	N.A.
c) State Govt(s)	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.	N.A.
d) Bodies Corp.	1,92,500	57,217	2,49,717	32.03	1,92,500	57,217	2,49,717	32.03	N.A.
e) Banks / FI	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.	N.A.
f) Any other	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.	N.A.
<b>Total shareholding of Promoter (A)</b>	<b>1,94,800</b>	<b>2,33,870</b>	<b>4,28,670</b>	<b>54.98</b>	<b>1,94,800</b>	<b>2,33,870</b>	<b>4,28,670</b>	<b>54.98</b>	<b>N.A.</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.	N.A.
b) Banks / FI	1,43,660	415	1,44,075	18.49	1,43,660	415	1,44,075	18.49	N.A.
c) Central Govt	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.	N.A.
d) State Govt(s)	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.	N.A.
e) Venture Capital Funds	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.	N.A.
f) Insurance Companies	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.	N.A.
g) FIs	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.	N.A.
h) Foreign Venture Capital Funds	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.	N.A.
i) Others (specify)	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.	N.A.
<b>Sub-total (B)(1)</b>	<b>1,43,660</b>	<b>415</b>	<b>1,44,075</b>	<b>18.49</b>	<b>1,43,660</b>	<b>415</b>	<b>1,44,075</b>	<b>18.49</b>	<b>N.A.</b>

## Category-wise Share Holding (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 March 2015]				No. of Shares held at the end of the year [As on 31 March 2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	740	1,14,851	1,15,591	14.83	740	1,14,851	1,15,591	14.83	N.A.
ii) Overseas	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.	N.A.
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	4,196	86,928	91,124	11.68	4,196	86,928	91,124	11.68	N.A.
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.	N.A.
<b>c) Others (specify)</b>									
Non Resident Indians	Nil	40	40	0.01	Nil	40	40	0.01	N.A.
Overseas Corporate Bodies	Nil	100	100	0.01	Nil	100	100	0.01	N.A.
Foreign Nationals	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.	N.A.
Clearing Members	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.	N.A.
Trusts	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.	N.A.
Foreign Bodies-DR	Nil	Nil	Nil	N.A.	Nil	Nil	Nil	N.A.	N.A.
<b>Sub-total (B)(2)</b>	<b>4,936</b>	<b>2,01,919</b>	<b>2,06,855</b>	<b>26.53</b>	<b>4,936</b>	<b>2,01,919</b>	<b>2,06,855</b>	<b>26.53</b>	<b>N.A.</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1,48,596</b>	<b>2,02,334</b>	<b>3,50,930</b>	<b>45.02</b>	<b>1,48,596</b>	<b>2,02,334</b>	<b>3,50,930</b>	<b>45.02</b>	<b>N.A.</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>N.A.</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>N.A.</b>	<b>N.A.</b>
<b>Grand Total (A+B+C)</b>	<b>3,43,396</b>	<b>4,36,204</b>	<b>7,79,600</b>	<b>100.00</b>	<b>3,43,396</b>	<b>4,36,204</b>	<b>7,79,600</b>	<b>100.00</b>	<b>N.A.</b>

**B) Shareholding of Promoter -**

S.N.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Meera Dhanuka	9,851	1.26	Nil	9,851	1.26	Nil	Nil
2	O.P.Dhanuka	29,722	3.82	Nil	29,722	3.82	Nil	Nil
3	Garima Tibrawalla	26,650	3.41	Nil	26,650	3.41	Nil	Nil
4.	Tripti Saraff	32,030	4.11	Nil	32,030	4.11	Nil	Nil
5	P.L.Dhanuka	18,520	2.38	Nil	18,520	2.38	Nil	Nil
6	Shruti Jatia	62,180	7.97	Nil	62,180	7.97	Nil	Nil
7	Garima Investment & Trading Ltd.	669	0.09	Nil	669	0.09	Nil	Nil
8	Paramount Stock & Share Broking Services Ltd.	2,348	0.30	Nil	2,348	0.30	Nil	Nil
9	Garima Leasing Co. Ltd.	95,000	12.18	Nil	95,000	12.18	Nil	Nil
10	O. P. Vanyjya Ltd.	1,51,700	19.46	Nil	1,51,700	19.46	Nil	Nil
	<b>Total</b>	<b>4,28,670</b>	<b>54.98</b>	<b>Nil</b>	<b>4,28,670</b>	<b>54.98</b>	<b>Nil</b>	<b>Nil</b>

**C) Change in Promoters' Shareholding (please specify, if there is no change)**

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	4,28,670	54.98	4,28,670	54.98
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	Nil	N.A.	Nil	N.A.
At the end of the year	<b>4,28,670</b>	<b>54.98</b>	<b>4,28,670</b>	<b>54.98</b>

**D) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :**

Sl. No.	Name - Top 10 Shareholders	Shareholding at the beginning of the year 2015		Cumulative Shareholding during the year 2016	
		No. of Share	% of total shares of the company	No. of Share	% of total shares of the company
1	<b>Life Insurance Corporation of India</b> At the beginning of the year As at 31.03.2015	1,43,660	18.43	1,43,660	18.43
2	<b>Kejriwal Investment Co. Pvt. Ltd.</b> At the beginning of the year As at 31.03.2015	1,12,327	14.4	1,12,327	14.4
3	<b>Behram Jamshedji Aibara</b> At the beginning of the year As at 31.03.2015	1,800	0.23	1,800	0.23
4	<b>Uma Shankar Bajoria</b> At the beginning of the year As at 31.03.2015	1,400	0.17	1,400	0.17
5	<b>Sajan Kumar Pasari</b> At the beginning of the year As at 31.03.2015	1,300	0.16	1,300	0.16
6	<b>Mahendra Girdharilal Wadhawani</b> At the beginning of the year As at 31.03.2015	1,270	0.16	1,270	0.16
7	<b>Jitendra Harjivandas</b> At the beginning of the year As at 31.03.2015	1,170	0.15	1,170	0.15
8	<b>Jal Rusi Olia</b> At the beginning of the year As at 31.03.2015	1,000	0.12	1,000	0.12
9	<b>Pratap Joshi</b> At the beginning of the year As at 31.03.2015	1,000	0.12	1,000	0.12
10	<b>Hari Prasad Agarwal</b> At the beginning of the year As at 31.03.2015	1,000	0.12	1,000	0.12

**E) Shareholding of Directors and Key Managerial Personnel :**

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Mr. O. P. Dhanuka, Director &amp; KMP</b>				
	At the beginning of the year	29,722	3.82		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.) :	-	-	-	-
	At the end of the year	-	-	29,722	3.82
<b>2</b>	<b>Mr. S. Prasad, Director</b>				
	At the beginning of the year	100	0.01		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.) :	-	-	-	-
	At the end of the year	-	-	100	0.01
<b>3</b>	<b>Mr. J. K. Pachisia, Director (Ceased on 20.02.16)</b>				
	At the beginning of the year	100	0.01		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.) :	-	-	-	-
	At the end of the year	-	-	100	0.01



**V) INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	–	6,23,55,313	–	6,23,55,313
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	1,77,26,709	–	1,77,26,709
<b>Total (i+ii+iii)</b>	–	<b>8,00,82,021</b>	–	<b>8,00,82,021</b>
<b>Change in Indebtedness during the financial year</b>	–	–	–	–
* Addition	–	55,72,996	–	55,72,996
* Reduction	–	2,51,11,709	–	2,51,11,709
<b>Net Change</b>	–	<b>(1,95,38,713)</b>	–	<b>(1,95,38,713)</b>
<b>Indebtedness at the end of the financial year</b>	–	–	–	–
i) Principal Amount	–	5,90,70,312	–	5,90,70,312
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	14,72,996	–	14,72,996
<b>Total (i+ii+iii)</b>	–	<b>6,05,43,308</b>	–	<b>6,05,43,308</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL -****A.** Remuneration to Managing Director, Whole-time Directors and/or Manager :

SN.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	–	–
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	–	–
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	–	–
2	Stock Option	–	–
3	Sweat Equity	–	–
4	Commission – - as % of profit - others, specify...	–	–
5	Others, please specify	–	–
	Total (A)	–	–
	Ceiling as per the Act	–	–

**B. REMUNERATION TO OTHER DIRECTORS -**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. O.P.Dhanuka	Mr. P.J.Bhide	Mr. S.Prasad	Mr. J.K. Pachisia	
1	Independent Directors					
	Fee for attending board meetings		3000/-			3,000/-
	Commission					
	Others, please specify					
	<b>Total (1)</b>					
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	5,000/-		5,000/-	5,000/-	15,000/-
	Commission					
	Others, please specify					
	<b>Total (2)</b>	5,000/-		5,000/-	5,000/-	15,000/-
	<b>Total (B)=(1+2)</b>	5,000/-	3,000/-	5,000/-	5,000/-	18,000/-
	Total Managerial Remuneration	5,000/-	3,000/-	5,000/-	5,000/-	18,000/-
	Overall Ceiling as per the Act	In terms of the provisions of the Companies Act, 2013, the remuneration paid is well within the limit.				

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

SN.	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Mr. O.P.Dhanuka, Director	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	—	—
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	—	—
2	Stock Option	—	—
3	Sweat Equity	—	—
4	Commission - as % of profit - others, specify...	—	—
5	Others, please specify	5,000/-	5,000/-
	<b>Total</b>	<b>5,000/-</b>	<b>5,000/-</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :**

No penalties /punishment/compounding of offences were levied under the Companies Act, 2013.

## Annexure II to the Directors Report

### POLICY ON DIRECTORS, KMP AND SENIOR MANAGEMENT PERSONNEL APPOINTMENT AND REMUNERATION

The objectives of this Policy include the following :

- to lay down criteria for identifying persons who are qualified to become Directors;
- to formulate criteria for determining qualification, positive attributes and independence of a Director;
- to determine the composition and level of remuneration, including reward linked with the performance, which is reasonable and sufficient to attract, retain and motivate Directors and KMP, to work towards the long term growth and success of the Company ;
- to frame guidelines on the diversity of the Board;

#### DEFINITIONS

Unless the context requires otherwise, the following terms shall have the following meanings :

“Director” means a Director of the Company.

“Key Managerial Personnel” or “KMP” means -

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Whole-time director;
- (iii) the Chief Financial Officer;
- (iv) the Company Secretary; and
- (v) such other officer as may be prescribed under the applicable law.

#### Criteria for identifying persons who are qualified to be appointed as a Director of the Company:

Section 164 of the Companies Act, 2013 (“Act”) provides for the disqualifications for appointment of any person to become Director of any company. Any person who in the opinion of the Board of Directors (“Board”) is not disqualified to become a Director, and in the opinion of the Board, possesses the ability, integrity and relevant expertise and experience, can be appointed as Director of the Company.

#### Independent Directors

For appointing any person as an Independent Director he/she should possess qualifications as mentioned in (A) the Act and the Rules made thereunder (including but not limited to Section 149 of the Act and Rule 5 of The Companies (Appointment and Qualification of Directors) Rules, 2014); and (B) the Listing Agreement.

#### Evaluation of Directors :

In terms of Section 149 of the Act read with Schedule IV of the said Act the Independent Directors shall at its separate meeting review the performance of non- independent Directors based on the parameters that are considered relevant by the Independent Directors.

The Board as a whole shall evaluate the performance of Independent Directors. During such evaluation the Director being evaluated shall be excluded from the meeting.

#### Evaluation of KMP and Senior Management Personnel :

Criteria for evaluating performance of KMP (other than Directors) and Senior Management Personnel shall be as per the internal guidelines of the Company on performance management and development.

#### Criteria for evaluating performance of Other Employees :

The human resources department of the Company shall evaluate the performance of Other Employees. In this regard, the human resources department shall decide upon the criteria for evaluating performance of Other Employees.

**REMUNERATION OF DIRECTORS AND KMP :**

The remuneration/ compensation etc. to Managing Director / Whole-time Director and remuneration of KMP will be determined by the Committee and recommended to the Board for approval. Remuneration/commission to Directors (including Independent Directors) as per the statutory provisions of the Act and the rules made thereunder for the time being in force within limits approved by shareholders, shall be decided by the Board.

Increments to the existing remuneration/ compensation structure payable to Managing Director / Wholetime Directors and KMP may be recommended by the Committee to the Board which should be within the slabs if any, approved by the shareholders in the case of Directors.

**Sitting Fees :**

Non-Executive Directors including Independent Directors may receive remuneration by way of fees for attending meetings of Board or its committee within limits prescribed by the Central Govt.

**Remuneration to Senior Management Personnel :**

The Committee has delegated its powers under this Policy with respect to Senior Management Personnel (other than their appointment) and other employees to the Whole time Director of the Company and the Whole-time Director shall be entitled to take decisions with respect to remuneration of Senior Management Personnel and other employees their extension after attainment of applicable retirement age/employee welfare measure including provision of loans (with or without interest as per statutory provisions) through wage settlements or company rules/regulations or otherwise.

**Remuneration to Other Employees :**

The human resources department of the Company with Managing Director's approval, will determine from time to time the remuneration payable to Other Employees. The powers of the Committee in this regard have been delegated to the human resources department of the Company.

**BOARD DIVERSITY :**

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. The Company while appointing may consider the following criteria; i.e. appoint those persons who possess relevant experience, integrity, understanding, knowledge or other skill sets that may be considered by the Board as relevant in its absolute discretion, for the business of the Company etc. The Board shall have the optimum combination of Directors of different genders, from different areas, fields, backgrounds and skill sets as maybe deemed absolutely necessary. The Board shall have members who have accounting or related financial management expertise and are financially literate.

**Annexure III to the Directors Report**

Particulars of Loans, Guarantees and Investment under section 186 of the Companies Act, 2013

Name of Entity	Nature of Relationship	Amount (Rs. in Lacs)	Particular of Loan, Guarantee and Investment
Bankers of Riga Sugar Co. Ltd where the company hold 21.02% shares in the capacity as promoters.	Associate	13,601.00	Guarantees given to Banks on behalf of Riga Sugar Co. Ltd. toward their borrowings.
Riga Sugar Company Limited	Associate	1,594.00	Loan given
Continental Fiscal Management Ltd.	None	270.73	Loan given including interest

**Annexure IV to the Directors Report****Form- MR-3****Secretarial Audit Report****(For the financial year ended 31st March, 2016)**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
The Belsund Sugar & Industries Limited  
14, Netaji Subhas Road  
Kolkata - 700 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **The Belsund Sugar & Industries Ltd.** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by The Belsund Sugar & Industries Limited ("**The Company**") for the financial year ended on 31st March, 2016 according to the provisions of :

- I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') to the extent applicable to the Company :-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ; Not applicable
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not applicable

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable
- i. The Securities and Exchange Board of India (Listing obligation and Disclosure Requirement) Regulations 2015.

VI. Laws specifically applicable to the industry to which the company specifically belongs, as identified by the management - None.

We have also examined compliance with the applicable clauses of the following :

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above, save and except the following observations and some e-forms are in process of filling as reported to us :

- (a) The Company has appointed an woman director on 20.02.2016 and the e-form in respect to that is in process of filling
- (b) In view only one clerical staff in the company during the year, poor financial condition and no volumous business activities of the company neither the company is in position to recruit nor any credible person is willing to join the Company as whole timer CEO, Company Secretary and CFO (KMP) under section 203 and Internal Auditors under section 139 of the Companies Act, 2013.
- (c) In view of poor financial condition of the company and no volumous business activities, the Company has not filed and published the quarterly results of the Company pursuant to the requirement of the Listing Agreement and SEBI (LODR) Regulation 2015, during the year under review.

Reliance has been put on compliance system prevailing in the company and legal compliance certificates received from Director as regards compliance of Laws specifically applicable to the industry to which the company specifically belongs :

**We further report that :-**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes maintained by the company for the Board/Committee and Shareholders, we noticed that all decisions were approved by the respective Board/Committee and shareholders without any dissent note.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For H.M. Choraria  
Company Secretaries

(H.M.Choraria)  
Proprietor  
FCS 2398  
CP No. 1499

Place: Kolkata  
Date : 30th May, 2016

### Annexure V to the Directors Report

**A) Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014**

- (i) The percentage increase in remuneration of each Director during the Financial Year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial Year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under :-

Sl. No.	Name of Directors (KMP) and Designation	Remuneration of Director /KMP for the Financial Year 2015-16 (Rs. in Lac)	% increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each of Director to median remuneration of employees	Comparison of the remuneration of the KMP against the performance of the Company.
1.	Mr. Om Prakash Dhanuka, Chairman, KMP	5,000	NA	NA	NA
2.	Mr. P. J. Bhide, Director	3,000	NA	NA	
3.	Mr. J. K. Pachisia, Director	5,000	NA	NA	
4.	Mr. S. Prasad, Director	5,000	NA	NA	
5.	Mrs. Sulekha Dutta	NIL	NA	NA	

Note : The above remuneration is sitting fee paid to Directors.

- ii) There was only one permanent employee during the year, thus requirement of median remuneration, performance comparison is not warranted.
- iii) Variations in the Market capitalization of the Company: There is no trading on Calcutta Stock Exchange for last more than 15 years.
- iv) EPS of the Company as at 31.03.2015 and 31.03.2016 was 2.76 and 4.48. However Price earning ratio is not applicable due to non-trading of share.
- v) Percentage increase over/decrease in the Market quotations of the shares of the Company as compared to the rate at which the Company had come out with last public offer in the year :- No trading for last 15 years.
- vi) The Non-executive Directors were paid sitting fee of Rs. 500/- for attending the each Board Meeting. No sitting fee was paid for attending committee meetings.
- vii) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - NA and
- viii) It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

**B) Statement of Particulars of Employees as required under section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014**

Name	Designation, Nature of duties	Remuneration (Rs.)	Qualification and experience (years)	Age (Years)	Date of commencement of employment	Last employer, designation
N.A.	N.A.	NIL	N.A.	N.A.	N.A.	N.A.

**INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF  
THE BELSUND SUGAR & INDUSTRIES LIMITED

**Report on the Financial Statements :**

We have audited the accompanying financial statements of **THE BELSUND SUGAR & INDUSTRIES LIMITED** ("the company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements :**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility :**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion :**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016 and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements :**

1. As required by the Companies (Auditors Report) Order, 2016 (the Order) issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the Annexure-A a statement on the matters specified in the paragraphs 3 and 4 of the order, to the extent applicable.



2. As required by Section 143 (3) of the Act, we report that :
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls , please refer to our separate report in **Annexure-B** ; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :-
    - (i) The Company has no any pending litigations on its financial position in its financial statements
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For K. N. GUTGUTIA & CO.  
Chartered Accountants  
(ICAI Firm Registration No. 304153E)

CA.SUBHASISH PORE  
Partner  
Membership No. 55862

Place : Kolkata  
Dated : 30th May, 2016

**ANNEXURE TO AUDITORS' REPORT**  
**"ANNEXURE A"**

- (i) (a) The company is maintaining proper records showing full particulars including Quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification. No substantial part of fixed assets has been disposed off during the year.
- (ii) (a) The physical verification of Inventory has been conducted at reasonable interval by the management.
- (b) The procedure of physical verification inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventories and no material discrepancies were noticed on physical verification.
- (iii) The company has granted loans, secured or unsecured, to companies covered in the register maintained under section 189 of the Companies Act which is payable on demand.
  - (a) The receipt of the principal amount and interest are also regular; and
  - (b) There is no overdue amount of more than 90 days.
- (iv) There is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. There are no major weaknesses in internal control system;
- (v) The company has not accepted deposits from the public;
- (vi) Maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Act.
- (vii) (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities; No undisputed amount payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears as at 31st March, 2016 for a period of more than six months from the date they become payable.
- (b) There is no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- (c) The amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time;
- (viii) The company has no accumulated losses at the end of the financial year and has incurred cash profit during the current financial year but cash loss in the immediately preceding financial year;
- (ix) The company has not defaulted in repayment of dues to the bank.
- (x) The company has given guarantee for loans taken by Riga sugar company Limited from bank as shown in **Note No. 22** of financial statements and the terms and conditions thereof are not prejudicial to the interest of the company;
- (xi) There was no term loan raised by the company;
- (xii) According to information and explanations given to us, no instance of material fraud on or by the company has been noticed or reported during the course of our audit.

For K. N. GUTGUTIA & CO.  
Chartered Accountants  
(ICAI Firm Registration No. 304153E)

CA.SUBHASISH PORE  
Partner  
Membership No. 55862

Place : Kolkata  
Dated : 30th May, 2016

**“ANNEXURE B”**

As referred to **our Report of Even Date in Para 2(f) of Report on Other Legal & Regulatory Requirements.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the Internal Financial Controls over financial reporting of The Belsund Sugar & Industries Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls :**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (“the Act”).

**Auditors’ Responsibility :**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting :**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that :

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
  - (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company;
- and

- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting :**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion :**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For K. N. GUTGUTIA & CO.  
Chartered Accountants  
(ICAI Firm Registration No. 304153E)

CA.SUBHASISH PORE  
Partner  
Membership No. 55862

Place : Kolkata  
Dated : 30th May, 2016

## BALANCE SHEET AS AT 31ST MARCH, 2016

	Note No.	As at 31.03.2016 ₹	As at 31.03.2015 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>1) Shareholders' Funds</b>			
a) Share Capital	2	7,796,025	7,796,025
b) Reserve and Surplus	3	35,644,819	32,148,931
c) Money Received against share warrants		—	—
		<b>43,440,844</b>	<b>39,944,956</b>
<b>2) Share Application Money pending allotment</b>		—	—
<b>3) Non-current Liabilities</b>		—	—
<b>4) Current Liabilities</b>			
a) Short Term Borrowings	4	60,543,308	80,082,021
b) Other Current Liabilities	5	332,416,752	309,353,683
c) Short - Term Provisions	6	580,954	—
		393,541,014	<b>389,435,704</b>
<b>TOTAL</b>		<b>436,981,858</b>	<b>429,380,660</b>
<b>II. ASSETS</b>			
<b>(1) Non-current Assets</b>			
a) Fixed Assets			
Tangible	7	578,294	578,294
b) Non-current Investments	8	61,122,119	44,022,119
c) Deferred Tax Assets (Net)	9	3,816,996	5,030,173
		<b>65,517,409</b>	<b>49,630,586</b>
<b>(2) Current Assets</b>			
a) Current investments	10	8,482	8,482
b) Inventories	11	412,267	412,267
c) Cash and Cash equivalents	12	6,359,344	1,729,156
d) Short - term loans and advances	13	363,111,141	376,507,292
e) Other current assets	14	1,573,215	1,092,877
		<b>371,464,449</b>	<b>379,750,074</b>
<b>TOTAL</b>		<b>436,981,858</b>	<b>429,380,660</b>

Significant Accounting Policies

1

Notes on Financial Statement

2 to 23

In terms of our Report of even date attached herewith.

For K.N.GUTGUTIA &amp; CO.

CHARTERED ACCOUNTANTS

(ICAI Firm Registration No. 304153E)

(CA SUBHASISH PORE)

PARTNER

Membership No. 55862

6C, Middleton Street, Kolkata-700 071

Dated : 30th May, 2016

O. P. Dhanuka  
(Director)S. Prasad  
(Director)

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Note No.	As at 31.03.2016 ₹	As at 31.03.2015 ₹
<b>INCOME</b>			
Revenue from operations	–	–	
Other Income	15	13,369,329	10,516,449
<b>TOTAL</b>		<b>13,369,329</b>	<b>10,516,449</b>
<b>EXPENDITURE</b>			
Employee benefits expense	16	159,260	153,985
Finance costs	17	7,268,438	7,898,429
Depreciation and amortization expenses	18	–	44,774
Other Expenses	19	639,232	791,451
<b>TOTAL</b>		<b>8,066,930</b>	<b>8,888,639</b>
Profit (Loss) before tax		<b>5,302,399</b>	<b>1,627,810</b>
<b>TAX EXPENSES :</b>			
(1) Current tax		580,954	–
(2) Income tax for earlier years		12,380	74,020
(3) Deferred tax		1,213,177	(595,303)
Net Profit (Loss) for the period		<b>3,495,888</b>	<b>2,149,093</b>
Earning per equity share (Rs.) :			
(1) Basic & Diluted	20	4.48	2.76
Significant Accounting Policies	1		
Notes on Financial Statement	2 to 23		

In terms of our Report of even date attached herewith.

For K.N.GUTGUTIA & CO.  
 CHARTERED ACCOUNTANTS  
 (ICAI Firm Registration No. 304153E)  
 (CA SUBHASISH PORE)  
 PARTNER  
 Membership No. 55862  
 6C, Middleton Street, Kolkata-700 071  
 Dated : 30th May, 2016

**O. P. Dhanuka**  
 (Director)

**S. Prasad**  
 (Director)

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	Financial Year ended 31.03.2016 (Rs. in Lacs)	Financial Year ended 31.03.2015 (Rs. in Lacs)
<b>A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit(loss) before tax and extraordinary items	53.02	16.28
Adjustment for :		
Depreciation	–	0.45
Liability no longer require written back	–	–
Prior period expenses written off	–	–
Sundry balances written off	–	0.23
Interest Charges	72.68	–
Interest Income	(86.74)	(59.36)
Dividend Income	(0.02)	–
Profit / (Loss) on sale of Investment	–	–
Profit / (loss) on sale of Fixed Assets	–	–
<b>Operating Profit before Working Capital Changes</b>	<b>38.94</b>	<b>(42.40)</b>
Adjustments For :		
Trade and other Receivables	211.80	(483.42)
Inventories	–	–
Other Current Liabilities	230.63	554.91
<b>Cash Generated from Operating Activities</b>	<b>481.37</b>	<b>(29.09)</b>
Interest paid	(72.68)	–
Income Tax (payment) refund (Net)	(4.93)	0.96
<b>Net Cash from Operating Activities</b>	<b>403.76</b>	<b>(30.05)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchased /Sale of Fixed Assets	–	–
Purchase/Sale of Investment	(171.00)	(57.00)
Dividend received	0.02	–
Interest Received	8.91	6.64
Profit (Loss) on Investment	–	–
Profit on Sale of Fixed Assets	–	–
<b>Net Cash used in Investing Activities</b>	<b>(162.07)</b>	<b>(50.36)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from short Term Borrowing/Repayment	(195.39)	35.72
Dividend paid	–	–
<b>Net Cash used in Financing Activities</b>	<b>(195.39)</b>	<b>35.72</b>
Net Increase/Decrease in Cash and cash equivalent (A+B+C)	46.30	15.41
OPENING BALANCE OF CASH & CASH EQUIVALENTS	17.29	1.88
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	<b>63.59</b>	<b>17.29</b>

In terms of our report on Balance Sheet of even date attached herewith

For K.N. Gutgutia & Co.  
Chartered Accountants  
(ICAI Firm Registration No. 304153E)

(CA SUBHASISH PORE)  
PARTNER

Membership No. 55862  
6C, Middleton Street, Kolkata- 700 071

Dated : 30th May, 2016

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS****1. SIGNIFICANT ACCOUNTING POLICIES :****a. BASIS OF PREPARATION OF FINANCIAL STATEMENTS :**

The Financial Statements are prepared on the basis of historical cost and governing statutes of India unless otherwise stated.

**b. FIXED ASSETS :**

Fixed Assets are stated at their original cost which comprises of purchase price and any attributable cost of bringing such assets to working condition for their intended use and relative borrowing costs.

**c. DEPRECIATION :**

Depreciation is provided on all depreciable assets on the basis of useful lives specified in Schedule III to the Companies Act, 2013 (hereinafter referred to as 'The Act').

**d. INVESTMENTS :**

Investments are stated at cost. Temporary diminution in the value of such investments (Scrip-wise) is not provided for.

**e. VALUATION OF INVENTORIES :**

Raw Materials are valued at net of Cost or net releasable value which ever is lower.

Stores and Spare Parts are valued at net of Cost or net releasable value which ever is lower.

Standing Agriculture Crop and Agricultural Stocks are valued at estimated realizable value based on market price.

**f. CONTINGENT LIABILITIES :**

These are not provided for and are disclosed by way of Notes.

**g. INCOME TAX :**

Provision is made for Income Tax annually based on the tax liability computed after considering tax allowances and exemptions. Deferred Income Tax is recognized on all timing differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and written down to the extent that it is no longer reasonably certain that sufficient future taxable profit will be available against which such deferred tax assets can be realized.



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
<b>2. SHARE CAPITAL</b>		
<b>Authorised Share Capital :</b>		
10,00,000 Ordinary Shares of Rs 10/- each	10,000,000	10,000,000
10,00,000	<b>10,000,000</b>	<b>10,000,000</b>
<b>Issued, Subscribed and Paid up :</b>		
7,79,600 Ordinary Shares of Rs. 10/- each Fully paid up (7,796,00)	7,796,000	7,796,000
Add : Forfeited Shares	25	25
	<b>7,796,025</b>	<b>7,796,025</b>

### 2.1 The details of Shareholders holding more than 5 % of share capital :

Name of the Shareholder	As on 31.03.2016		As on 31.03.2015	
	No. of Shares	% of holding	No. of Shares	% of holding
Life Insurance Corp of India Ltd	143660	18.43	143660	18.43
Kejriwal Investment Co (P) Ltd	112327	14.41	112327	14.41
O. P. Vanyjya Ltd	151700	19.46	151700	19.46
Garima Leasing Co. Ltd.	95000	12.18	95000	12.18
Mrs. Shruti Jatia	62180	7.97	62180	7.97

### 2.2 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31.03.2016	As at 31.03.2015
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	779,600	779,600
Issued (Nil / Nil)	-	-
Redeem/ buyback	-	-
Forfeited Shares	25	25
Equity Shares at the end of the year	<b>779,625</b>	<b>779,625</b>

**2.3** The company has issued only equity shares and no special right, preference attached to any class of shares.

**2.4** There is no holding or subsidiary company of the company.

**2.5** During the last 5 years immediately preceding the balances sheet date no shares were allotted as fully paid pursuant to contract without payment, no bonus shares were issued and no shares were brought back.

**2.6** There is no outstanding security convertible into equity/preference shares.

**2.7** There is no unpaid call.

<b>2.8</b> Amount of forfeited equity shares (25 equity shares of Rs. 10 each on which Rs. 1 paid up)	25	25
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## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
<b>3. RESERVES AND SURPLUS</b>		
a) Capital Reserve	1,726,319	1,726,319
b) General Reserve	1,244,535	1,244,535
c) Share Premium Account	11,693,850	11,693,850
d) Surplus as per Profit and Loss Account		
Opening	17,484,227	15,335,134
Net profit (Loss) for the period	3,495,888	2,149,093
<b>Total</b>	<b>20,980,115</b>	<b>17,484,227</b>
Appropriations :	-	-
Balance Carried Forward	<b>20,980,115</b>	<b>17,484,227</b>
<b>TOTAL (a+b+c+d)</b>	<b>35,644,819</b>	<b>32,148,931</b>
<b>4. SHORT TERM BORROWINGS</b>		
<b>Secured</b>	-	-
<b>Unsecured</b>		
Inter - Corporate Loan	59,662,176	56,167,231
Loans & Advances from Related Party (Refer Note No. 21) (including interest payable)	881,132	23,914,790
<b>TOTAL</b>	<b>60,543,308</b>	<b>80,082,021</b>
<b>5. OTHER CURRENT LIABILITIES</b>		
Others payable	-	309,353,683
	-	<b>309,353,683</b>
<b>5.1 Details of Other Payables</b>		
Outstanding Expenses	61,635	13,963
Sundry Creditors	332,191,987	308,167,874
Stale Cheque	-	213,041
Income Tax Deducted at Source	163,130	958,805
<b>TOTAL</b>	<b>332,416,752</b>	<b>309,353,683</b>
<b>6. SHORT TERM PROVISIONS</b>		
Provision for Taxation	580,954	-
<b>TOTAL</b>	<b>580,954</b>	-

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

7. FIXED ASSETS											
DESCRIPTION	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK				
	As at 01.04.2015	Additions	Deductions/ Adjustments	As at 31.03.2016	As at 31.03.2015	For the year	Deductions/ Adjustments	As at 31.03.2016	As at 31.03.2015		
<b>TANGIBLE ASSETS :</b>											
<b>OWN ASSETS :</b>											
Land :											
Freehold	534,580	-	-	534,580	-	-	-	534,580	534,580		
Leasehold	43,714	-	-	43,714	-	-	-	43,714	43,714		
Buildings	-	-	-	-	-	-	-	-	-		
Plant & Machinery	179,407	-	-	179,407	179,407	-	-	179,407	-		
Furniture & Fixtures	215,199	-	-	215,199	215,199	-	-	215,199	-		
Sub Total	972,900	-	-	972,900	394,606	-	-	578,294	578,294		
<b>LEASED ASSETS :</b>											
Sub Total	-	-	-	-	-	-	-	-	-		
Total (A)	972,900	-	-	972,900	394,606	-	-	578,294	578,294		
<b>INTANGIBLE ASSETS :</b>											
Total (B)	-	-	-	-	-	-	-	-	-		
<b>TOTAL (A + B)</b>	<b>972,900</b>	<b>-</b>	<b>-</b>	<b>972,900</b>	<b>394,606</b>	<b>-</b>	<b>-</b>	<b>578,294</b>	<b>578,294</b>		
Previous Year	972,900	-	-	972,900	394,606	-	-	578,294	578,294		623,068

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

			As at 31.03.2016 ₹	As at 31.03.2015 ₹	
<b>8.</b>	<b>NON -CURRENT INVESTMENT</b>				
	<b>(i) INVESTMENT IN EQUITY INSTRUMENTS</b>				
	<b>QUOTED</b>				
	Current Yr.	Previous Yr.			
	888,770	(888,770)	Hindustan Wire Products Ltd.	2,016,115	2,016,115
	89	(89)	Voltas Ltd.	3,090	3,090
	2,616,165	(1,116,165)	Riga Sugar Co. Ltd.	57,377,089	34,577,089
	4,500	(4,500)	TTG Indus Ltd.	447,075	447,075
	<b>TOTAL</b>			<b>59,843,369</b>	<b>37,043,369</b>
	<b>UNQUOTED</b>				
	250	(250)	Shares of Rs. 100/- each in Bihar State Financial Corporation	25,000	25,000
	125,000	(125,000)	Accent Industries Ltd.	1,250,000	1,250,000
	<b>TOTAL</b>			<b>1,275,000</b>	<b>1,275,000</b>
	<b>(ii) MONEY PAID AGAINST SHARE WARRANTS</b>				
	Current Yr.	Previous Yr.			
	–	1,500,000	Riga Sugar Company Limited	–	5,700,000
				<b>–</b>	<b>5,700,000</b>
	<b>(iii) INVESTMENTS IN DEBENTURES OR BONDS</b>				
	15		11% Redeemable Non-convertible Debentures of Rs. 100/- each of Voltas Ltd.	1,500	1,500
	15		12% Secured Redeemable Non-Convertible Debentures of Rs. 150/- each of Thirumalai Chemicals Ltd.	2,250	2,250
	<b>TOTAL</b>			<b>3,750</b>	<b>3,750</b>
	<b>TOTAL</b>			<b>61,122,119</b>	<b>44,022,119</b>
<b>8.1</b>	<b>Aggregate market value of quoted investments</b>			<b>33,776,927</b>	<b>12,391,558</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
<b>9. DEFERRED TAX</b>		
Deferred Tax Liability	-	-
<b>Deferred Tax Assets</b>		
Depreciation on Fixed Assets	16,867	18,741
Unabsorbed Business Losses carried forward in Income Tax	3,128,735	4,344,923
Unabsorbed Short Term Capital Loss carried forward in Income Tax	20,926	20,926
Unabsorbed Depreciation carried forward in Income Tax	46,274	41,389
MAT Credit	604,194	604,194
	<b>3,816,996</b>	<b>5,030,173</b>
Net Deferred tax Assets (Liability)	<b>3,816,996</b>	<b>5,030,173</b>
<b>9.1 Nature of evidence supporting the recognition of deferred tax assets in respect of unabsorbed depreciation and carry forward losses are as follows :-</b>		
(a) Unabsorbed depreciation - Till assessment year 2013-2014, as per income tax Assessment Order dated 11.03.2016 For assessment year 2014-15 to 2016-17 as per income tax return filed / to be filed.		
(b) Unabsorbed Business Loss - Till assessment year 2013- 2014, as per income tax Assessment order dated 11.03.2016 For assessment year 2014-15 to 2016-2017, claim of unabsorbed business loss as per income tax return filed / to be filed.		
<b>10. CURRENT INVESTMENTS</b>		
<b>(i) INVESTMENT IN EQUITY INSTRUMENTS</b>		
<b>QUOTED</b>		
1,155      (1,155)      Kakinada Fertilizers Ltd	8,482	8,482
<b>10.1 Aggregate market value of quoted investments</b>	<b>8,482</b>	<b>8,482</b>
<b>11. INVENTORIES</b>		
Stock Stores & Spare Parts	131,767	131,767
Stock and Standing Crops at Farm	280,500	280,500
<b>TOTAL</b>	<b>412,267</b>	<b>412,267</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
<b>12. CASH AND CASH EQUIVALENTS</b>		
Balance with Banks	6,299,577	1,666,013
Cash in Hand	59,767	63,143
<b>TOTAL</b>	<b>6,359,344</b>	<b>1,729,156</b>
<b>13. SHORT TERM LOAN AND ADVANCES UNSECURED &amp; CONSIDERED GOOD</b>		
(a) Loans & Advances to related parties (refer Note 21)	165,400,000	154,500,000
(b) Loans and Advances to others		
Security Deposits	28,750	28,750
Advances Recoverable	165,819,287	174,498,019
Inter-Corporate Loan	13,148,072	36,548,072
Interest receivable	18,715,032	10,932,451
<b>TOTAL</b>	<b>363,111,141</b>	<b>376,507,292</b>
<b>14. OTHER CURRENT ASSETS</b>		
Tax Deducted at source	1,573,215	1,092,877
<b>TOTAL</b>	<b>1,573,215</b>	<b>1,092,877</b>
<b>15. OTHER INCOME</b>		
Interest Income		
From Other - Non Operating income	8,673,675	5,936,311
<b>Dividend Income</b>		
From Current Investments	-	-
From Long Term Investments	2,003	-
<b>Net Gain / (Loss) on sale of Investments</b>		
From Current Investments		
Short Term Investment	-	-
Long Term Investment loss	-	-
Other Non Operating Income (Loss)	4,693,651	4,580,138
<b>TOTAL</b>	<b>13,369,329</b>	<b>10,516,449</b>
<b>15.1 Other Non Operating Income</b>		
Agriculture Income	2,253,573	4,580,138
Commission Income	2,440,078	-
Liabilities Written Back	-	-
Prior Period Expenses written off	-	-
<b>TOTAL</b>	<b>4,693,651</b>	<b>4,580,138</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	2015-16 ₹	2014-15 ₹
<b>16. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries & Wages	125,804	126,079
Contribution to Provident Fund	8,989	6,836
Staff Welfare Expenses	24,467	21,070
<b>TOTAL</b>	<b>159,260</b>	<b>153,985</b>
<b>17. FINANCE COST</b>		
Interest Expense	7,268,438	7,898,429
<b>TOTAL</b>	<b>7,268,438</b>	<b>7,898,429</b>
<b>18. DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation	–	44,774
<b>TOTAL</b>	<b>–</b>	<b>44,774</b>
<b>19. OTHER EXPENSES</b>		
Electricity Charges	26,090	25,500
Advertisement Expenses	19,876	8,776
Rent	–	–
Rates & Taxes	–	49,706
Legal Charges	–	–
Postage & Telegramme Expenses	49,735	6,012
Sundry Balance written off	–	23,499
General Charges	6,499	3,480
Stationery & Printing Charges	37,255	37,680
Subscription Charges	43,596	28,766
Telephone Charges	11,104	39,740
Professional Fees	80,752	78,170
Bank Charges	5,223	4,076
Auditors Remuneration	13,560	18,989
Office equipment and maintenance Exp.	–	1,000
Insurance	–	3,371
Loss on Transfer of Lease office	–	413,905
Charity & Donations	12,001	12,001
Filing Fees	5,308	18,240
Service Tax paid on commission	302,651	–
Conveyance, tour and travel expenses	5,189	–
<b>Directors' Remuneration :</b>		
Directors' Fee (incl. service tax)	20,393	18,540
<b>TOTAL</b>	<b>639,232</b>	<b>791,451</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	2015-16 ₹	2014-15 ₹
<b>19.1 Payments to the auditor :-</b>		
(i) Auditor remuneration (inclusive of Service Tax)	9,000	10,113
(ii) Taxation Matters	-	-
(iii) Company Law matter	-	-
(iv) Managerial Services	-	-
(v) Other Services	4,560	8,876
(vi) Reimbursement	-	-
	<b>13,560</b>	<b>18,989</b>
<b>20. EARNING PER SHARE (EPS)</b>		
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	3,495,888	2,149,093
ii) Weighted Average number of equity shares used as denominator for calculating EPS	779,600	779,600
iii) Basic & Diluted Earnings per share	<b>4.48</b>	<b>2.76</b>
iv) Face Value per equity share (Rs.)	<b>10</b>	<b>10</b>

**21. RELATED PARTY DISCLOSURES :-**

(in accordance with accounting standard -18 specified under Act)

<b>(I) Related parties Name</b>	<b>Relationship</b>
(a) Where control exists :	none
(b) Others with whom transactions have been taken place during the year Riga Sugar Company Limited DG Vitta Vinimay & Properties Ltd.	Associate Common significant influence and management
(c) Others holding 5% or more shares with whom no transactio taken place during the year Garima Leasing Co. Ltd. Mrs. Shruti Jatia	Promoters group Promoters group