

32nd
ANNUAL REPORT
2013-2014

SAGAR SOYA PRODUCTS LIMITED
(L15141MP1982PLC002060)

SAGAR SOYA PRODUCTS LIMITED ANNUAL REPORT 2013-2014

BOARD OF DIRECTORS

Mr. Arvindbhai C Patel (DIN: 00024070)	: Chairman & CEO
Mr. Gaurav D Patel (DIN: 00024080)	: Managing Director & CEO
Mr. Chandrakant Patel (DIN: 02590157)	: Independent Non-Executive Director
Mr. Arun Kumar Sharma (DIN: 00369461)	: Independent Non-Executive Director
Mrs. Renu Singh (DIN: 00860777) (Appointed w.e.f – 1st June, 2014)	: Additional Independent Non-Executive Director

REGISTERED OFFICE	: C.J. Complex, Mahatama Gandhi Road Sagar – 470002, Madhya Pradesh
AUDITORS	: O. T. Gandhi & Co., Chartered Accountants,
BANKERS	: HDFC Ltd, Parkota Ward, Sagar State Bank of India, M.G. Road Branch, Sagar Bank of Baroda, Sagar Branch
SHARES LISTED AT	: The Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Madhya Pradesh Stock Exchange Limited, 201, 'Palika Plaza', Phase-II, M.T.H. Compound, Indore - (MP) 452 001 The Ahmedabad Stock Exchange Limited, Kamdhenu Complex, Opp Shahajanand College, Panjara Pole, Ahmedabad – 380 015

32nd ANNUAL GENERAL MEETING	
Date	: 26 th September, 2014
Day	: Friday
Time	: 1.00 p.m.
Place	: C.J. Complex, Mahatama Gandhi Road Sagar – 470002, Madhya Pradesh

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 32nd ANNUAL GENERAL MEETING OF THE MEMBERS OF SAGAR SOYA PRODUCTS LIMITED WILL BE HELD ON FRIDAY THE 26TH DAY OF SEPTEMBER, 2014 AT 1.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT C.J. COMPLEX, MAHATAMA GANDHI ROAD, SAGAR – 470002, MADHYA PRADESH, TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS:

- To receive, consider and adopt the audited Balance sheet as at 31st March, 2014, statement of Profit & Loss & Cash flow Statement accounts for the year ended 31st March 2014 along with notes and schedules thereon as on that date and the reports of Directors and Auditors thereon.
- To appoint a Director in Place of Mr Arvindbhai Patel, Director (Holding DIN 00024070) of the Company who retires by rotation and being eligible offers himself for re-appointment.
- To Consider and if thought fit , to pass, with or without modification, the following resolution as an **Ordinary Resolution**
“RESOLVED THAT M/s. O.T.Gandhi & Co., Chartered Accountants, Indore registered with the Institute of Chartered Accountants of India vide Firm Registration No 001120C be and is hereby appointed as a Statutory Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of Thirty Fifth Annual General Meeting to be held in the year 2017, subject to ratification of their appointment at every Annual General Meeting to audit the accounts of the Company, including the audit of Cash Flow statements, on a remuneration plus service tax and out of pocket expenses to be mutually decided by the Board in consultation with the Statutory Auditors of the Company.”

SPECIAL BUSINESS:

- To Consider and if thought fit , to pass, with or without modification, the following resolution as an **Ordinary Resolution** :
“RESOLVED THAT Mrs. Renu Singh (holding DIN 00860777) who was appointed as an Additional Director on 1st June, 2014 by the Board of Directors of the Company pursuant to Section 161 of the Companies Act, 2013 read with Companies (Appointment of Qualification of Directors) Rules, 2014 be and is hereby appointed as Director on the Board of the Company.
“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149,150,152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications(s) or re- enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Clause 49 of the Listing Agreement **Mrs. Renu Singh (holding DIN 00860777)** in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a period of five years commencing from 1st June, 2014 to 31st May, 2019.
RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to sign, execute, file and paper, document, deed or writing and to do all such acts, deeds and things as may be required for effecting aforementioned resolution including but not limiting to file and submit the necessary e-forms with Registrar of the Companies, Gwalior and also to inform other regulatory authority for such

- appointment being made by the Company as required.”
- To Consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:
“RESOLVED THAT pursuant to the provisions of Sections 149,150,152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications(s) or re- enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Clause 49 of the Listing Agreement **Mr. Chandrakant Patel (holding DIN 02590157)** Director of the Company who retires by rotation at the Annual general Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a period of five consecutive years from 1st April, 2014 to 31st March 2019.
 - To Consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:
“RESOLVED THAT pursuant to the provisions of Sections 149,150,152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications(s) or re- enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Clause 49 of the Listing Agreement **Mr. Arun Kumar Sharma (holding DIN 0039461)** Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a period of five consecutive years from 1st April, 2014 to 31st March 2019.
 - To Consider and if thought fit , to pass, with or without modification, the following resolution as a **Special Resolution**:
“RESOLVED THAT in supersession of the earlier resolutions passed and pursuant to the provisions of section 180 (1) (a) (corresponding to Section 293(1)(a) of the Companies Act, 1956) and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or any amendments or any substitution or re-enactment thereof for the time being in force and all other applicable Acts, laws, rules, regulations and guidelines for the time being in force; and subject to the approvals, consents, permissions and sanctions as may be necessary from the authorities concerned and subject to such terms and conditions as may be imposed by them, consent be and is hereby accorded to the Board of Directors of the Company, to lease or mortgage, charge or create any security on the whole or substantially the whole of the undertaking of the Company including moveable or immoveable properties and assets of the Company, to secure the repayment of term loan/financial assistance obtained/ to be obtained for business purpose for an amount which shall not at any time exceed Rs. 100 Crores (Rupees Hundred Crores Only) for availing credit facilities from various Financial Institutions, Banks and / or Bodies Corporate for the Company.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to vary and/or alter the terms and conditions of the security

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aforesaid in consultation with the financial institutions/banks/other lenders and mortgages as may be necessary.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to prepare, finalize and execute in favour of the said financial institution/banks/other lenders the documents, writing and such other agreements, as may be necessary for creating mortgages and/or charges as aforesaid and to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf.”

8. To Consider and if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

“**RESOLVED** that in supersession of the earlier resolutions passed, the consent of the Company be and is hereby accorded in terms of Section 180 (1) (c) (corresponding to Section 293(1)(d) of the Companies Act, 1956) and other applicable provisions, if any, of the Companies Act, 2013 to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof) for borrowing from time to time any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 100 Crores (Rupees Hundred Crores Only).

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board of Directors of the Company be and are hereby severally authorised to take all such actions and to give all such directions and to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf.”

By Order Of the Board
FOR SAGAR SOYA PRODUCTS LIMITED
Date : 14TH August, 2014 GAURAV PATEL
Place : Sagar **Managing Director**
DIN: 00024080

NOTES:

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.**
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
3. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company
4. The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting of the Company
5. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.
6. Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting and also their copy of the Annual Report
7. The Register of Members and Share Transfer Register in respect of equity shares of the Company will remain closed from **Thursday, the 18th Day of September, 2014 to Friday, the 26th September, 2014** (both days inclusive)
8. As a measure of economy, copies of the Annual Reports and Accounts will not be distributed at the Meeting. Members are therefore, requested to bring their copies to the meeting.
9. In furtherance of Green Initiative in Corporate Governance by Ministry of Corporate Affairs, the Shareholders are requested to register their email id with the Company or with the Registrar and Transfer Agents.
10. Members/Proxies are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
11. Members who are holding shares in identical order or names in more than one folio are requested to write to the company to enable the company to consolidate their holdings in one folio.
12. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updation of Savings Bank Account details to their respective Depository Participants.
13. In terms of section 205A Companies Act, 1956, any dividend remaining unpaid for a period of seven years from the due date of payment is required to be transferred to Investor Education and Protection Fund. Members who have not encashed their dividend warrants are requested to write to the Registrars and Share Transfer Agents. The details of dividend unclaimed are uploaded on the Company’s website at www.sagarsoyaproducts.com for shareholders information.
14. Electronic copy of the Notice of the 32nd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 32nd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
15. Members may also note that the Notice of the 32nd Annual General Meeting and the Annual Report for 2014 will also be available on the Company’s website www.sagarsoyaproducts.com for their download. The physical copies of the aforesaid documents will also be available at the Company’s Registered Office in Sagar for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company’s investor email id: compliance.ssp@gmail.com.
15. Voting through electronic means :
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 32nd Annual General Meeting (AGM) by electronic means and the business

may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL):

In case of members receiving e-mail:

- (i) The voting period begins on Saturday, 20th September, 2014 at 9.00 am and ends on Monday, 22nd September, 2014 till 6.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 8th August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Open e-mail
- (iii) Log on to the e-voting website www.evotingindia.com
- (iv) Click on "Shareholders" tab.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
	<ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut-off date in the Dividend Bank details field.

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the

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system for the scrutinizer to verify the same.

- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cDSLindia.com.

In case of members receiving the physical copy:

Please follow all steps from sr. no. (ii) To sr. no. (xix) Above to cast vote.

Other Instructions

- (A) The voting period begins on 20th September, 2014 at 9.00 a.m and ends on 22nd September, 2014 at 6.00 p.m During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 8th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cDSLindia.com.
- (C) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.CDSL.com
- (D) If you are already registered with CDSL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- (E) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (F) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 8th August, 2014
- (G) Mr. Hemant Shetye, Partner of M/s HS Associates, Practicing Company Secretaries (Membership No. FCS 2827) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent Manner.
- (H) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company
- (I) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.sagarsoyaproducts.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.
- (J) Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Hemant Shetye, Partner of HS Associates, Practicing Company

Secretaries, at the Registered office of the Company not later than 22nd September, 2014 (6.00 pm IST)

- (K) Ballot Form received after this date will be treated invalid.
- (L) A member can opt only for one mode of voting i.e either through e-voting or by Ballot. If a Member casts vote by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

16. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 6.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.
17. The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing companies to dispatch documents to the shareholders through electronic mode. Considering the above theme, your company had decided to send Annual Report through electronic mode.

By Order Of the Board
FOR SAGAR SOYA PRODUCTS LIMITED

Date : 14TH August, 2014
Place : Sagar

GAURAV PATEL
Managing Director
DIN: 00024080

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (CORRESPONDING TO SECTION 173(2) OF THE COMPANIES ACT, 1956)

Item No.4

Mrs. Renu Singh was appointed as an Additional Director by the Board of Directors of the Company with effect from 1st June, 2014.

By virtue of provisions of Section 161 of the Companies Act, 2013 read with Companies (Appointment of Qualification of Directors) Rules, 2014, she would hold office only up to the date of ensuing Annual General Meeting of the Company.

Similarly by virtue of Section Section 149(1), 150,152, Schedule IV and all other applicable provisions of Companies Act, 2013, The Companies (Appointment and Qualification of Directors) Rules, 2014, Clause 49 of the Listing Agreement, and any other applicable law for the time being in force Mrs. Renu Singh is proposed to be appointed as Independent Director for a period of five years commencing from 1st June, 2014 to 31st May, 2019. By her appointment as Director, the Company would also fulfil the requirement of appointment of Women Director as required by the extant provisions of Companies Act, 2013.

The resolution for appointing her as an Independent Director of the Company is put forward to you to be passed as an **Ordinary Resolution**.

Except Mrs. Renu Singh being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 5

Mr. Chandrakant Patel is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in the year 1984. Mr. Chandrakant Patel is Chairman of the Audit Committee, Stakeholders

Relationship Committee and Nomination and Remuneration Committee of the Board of Directors of the Company.

Mr. Chandrakant Patel is not a Director of any other Company. He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. Chandrakant Patel retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Mr. Chandrakant Patel being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing candidature of Mr. Chandrakant Patel Director of the Company.

In the opinion of the Board, Mr. Chandrakant Patel fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Chandrakant Patel as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working days.

The Board considers that his Continued Association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Chandrakant Patel as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Chandrakant Patel as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Chandrakant Patel being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 6

Mr. Arun Kumar Sharma is a Non-Executive Independent Director of the Company. He joined the Board of the Company in the year 2012. Mr. Arun Kumar Sharma is member of the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee of the Board of Directors of the Company.

Mr. Arun Kumar Sharma holds Bachelor Degree in Commerce and is a Law Graduate. He is also a Fellow member of Institute of Chartered Accountants of India and has experience of more than two decades in various Banking, financial and Manufacturing Sector.

Mr. Arun Kumar Sharma also a Director in Five (5) other Public Limited Companies as on March 31, 2014. He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. Arun Kumar Sharma is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act 2013, Mr. Arun Kumar Sharma being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2019. A notice has been received from a member proposing candidature of Mr. Arun Kumar Sharma Director of the Company.

In the opinion of the Board, Mr. Arun Kumar Sharma fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent

of the management. Copy of the draft letter for appointment of Mr. Arun Kumar Sharma as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working days.

The Board considers that his Continued Association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Arun Kumar Sharma as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Arun Kumar Sharma as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Arun Kumar Sharma being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 7 and 8

The Company proposes to raise terms loans/financial assistance in near future in view of the meeting its working capital needs. The borrowings of loans from the Banks / Financial Institutions will require the Company to create mortgage/charge on the whole or substantially the whole of the undertakings of the Company for the purpose of securing financial assistance.

Therefore, pursuant to the provisions of Section 180 of the Companies Act, 2013; shareholders' approval is required by way of special resolution in general meeting. Section 180(1)(c) of the Companies Act, 2013 provides, inter-alia, that the Board of Directors of the Company shall not without the consent of shareholders in the General Meeting borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loan obtained from the bankers of the Company in the ordinary course of business) exceeding the aggregate of paid-up capital and free reserves of the Company. It is expected that the ceiling may be exceeded after the acceptance of loans/ financial assistance and therefore, your Directors place before you the proposal to increase the maximum borrowing limits to Rs. 100 Crores (Rupees Hundred Crores) at any point of time for your approval.

Section 180(1)(a) of the Companies Act, 2013 provides, inter-alia, that the Board of Directors of the Company shall not, without the consent of shareholders in the General Meeting, lease, mortgage or create any security on the assets of the Company. Since the mortgage of the Company's immovable and movable properties may be regarded as disposal of Company's properties/ undertakings, consent of the Members is being sought for the purpose.

The Board of Directors accordingly recommends the Resolutions set out at Item Nos. 7 and 8 of the accompanying Notice for the approval of the Members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in aforementioned resolution(s).

By Order Of the Board
FOR SAGAR SOYA PRODUCTS LIMITED

Date : 14TH August, 2014
Place : Sagar

GAURAV PATEL
Managing Director
DIN: 00024080

SAGAR SOYA PRODUCTS LTD.

DIRECTORS' REPORT TO THE SHAREHOLDERS

To,
The Members
Sagar Soya Products Limited

Your Directors have great pleasure in presenting **32nd ANNUAL REPORT** along with the Audited Balance Sheet and Profit And Loss Account, for the year ended 31st March, 2014.

1. FINANCIAL RESULTS

The financial Results are briefly indicated below:

PARTICULARS	YEAR ENDED	
	31.03.2014	31.03.2013
Total Income	81,46,845.15	48,21,790.40
Total Expenditure	12,281,710.19	38,86,765.00
Profit/(Loss) before Taxation	(51,26,147.40)	(9,23,920.60)
Profit/(Loss) after Taxation	(51,26,147.40)	(9,23,920.60)
Profit/(Loss) Brought Forward	(125,613,341.34)	(124,689,420.74)
Balance carried to Balance Sheet	(130739488.74)	(125613341.34)

2. REVIEW OF OPERATIONS

The Company has incurred losses of **Rs. 51,26,147.40/-** during the financial year as compared to Rs. 923920.60 during the last year. The increase in losses is due to writing off of Bad Debts. Your Directors expects to achieve better performance in the future and are taking maximum efforts to control the costs and optimize the results in the coming years.

3. DIVIDEND

In view of losses your Directors do not recommend any dividend as such.

4. DEPOSITS

The company has not accepted any deposits from the Public therefore provisions of Section 58A and Companies (Acceptance of Deposits) Rules 1975 are not applicable to the Company.

5. PARTICULARS OF EMPLOYEES

There were no employees during the whole or part of the year who were in receipt of remuneration in excess of limits as set out in terms of the provisions of section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975 as amended.

6. DIRECTORS

Mrs. Renu Singh was inducted as an Additional Director on the Board of the Company on 1st June, 2014 in order to comply with the provisions of Section 149 of the Companies Act, 2013 requiring a listed Company to have a woman Director. Your Directors recommend her appointment in ensuing Annual General Meeting.

Mr. Chandrakant Patel, Independent Director of the Company was liable to retire by rotation in this Annual General Meeting. However pursuant to provisions of Section 149, Section 150, Section 152 read with Schedule IV of the Companies Act, 2013 Mr. Chandrakant Patel is appointed as an Independent Director for the period of five consecutive years from 1st April, 2014 to 31st March, 2019. The resolution for his appointment is put forward for your approval.

Likewise the term of office of Mr. Arun Kumar Sharma is liable to be determined by retirement of Director by rotation pursuant to provisions of Companies Act, 1956. However pursuant to provisions of Section 149, Section 150, Section 152 read with Schedule IV of the Companies Act, 2013 Mr. Arun Kumar Sharma is appointed as an Independent Director for the period of five consecutive years from 1st April, 2014 to 31st March, 2019. The resolution for his appointment is put forward for your approval.

The Company has received notice in writing from member along with requisite fee proposing candidature of Mrs. Renu Singh, Mr. Chandrakant Patel and Mr. Arun Kumar Sharma as Independent Director(s) of the Company. Your Directors recommend their appointment in ensuing Annual General Meeting.

7. REGISTERED OFFICE:

The Company has filed an application with the Regional Director, North Western Region of the Ministry of Corporate Affairs to shift the registered office of the Company from the State of Madhya Pradesh to the State of Maharashtra. The Company has not yet received approval to shift the registered office of the Company.

8. FORFEITURE OF SHARES:

The Board of Directors have forfeited 8,45,030 Partly Paid up Equity Shares of Rs.10/- with effect from 31st March, 2014 on account of failure to pay the balance allotment money due at the rate of Rs. 5/- per Equity Share. The detailed list of Shares which have been forfeited are available on Company's website www.sagarsoyaproducts.com.

9. SUBSIDIARIES:

Since the Company has no subsidiaries, provision of section 212 of the Companies Act, 1956 is not applicable.

10. DIRECTOR'S RESPONSIBILITY STATEMENT

The Board of Directors hereby confirms:

- i. That in the preparation of the Annual Accounts, 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 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 at the end of the financial year and of the Profit or Loss of the Company for that period.
- iii. That the Directors have taken proper and sufficient care for the maintenances of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors have prepared the Annual accounts on a going concern basis.

11. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Information in accordance with the provisions of Section 217 (1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in the Annexure and marked as 'Annexure A' forming part of this report.

12. FOREIGN EXCHANGE EARNINGS AND OUTGO.

During the year under review, besides the transactions reported elsewhere, there were no other Foreign Exchange transactions.

13. AUDITORS

M/s O.T Gandhi & Co., Chartered Accountant, Indore bearing ICAI Firm Registration No as 001120C are proposed to be appointed as Auditors of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the Thirty Fifth Annual General Meeting of the Company held thereafter, subject to ratification of the appointment by the members at every Annual General Meeting held after the ensuing Annual General Meeting.

As required under Section 139 of the Companies Act, 2013, the Company has obtained a written consent from M/s O.T Gandhi & Co, to such appointment and also a certificate to the effect that their appointment, if made, would be in accordance with Section 139(1) of the Companies Act, 2013 and the rules made there under, as may be applicable.

14. INTERNAL AUDITORS

The company has appointed M/s Ajit Jain & Co., Chartered Accountants, Indore, as internal auditor of the company for financial year 2014-15.

15. SECRETARIAL AUDITORS

The Company has appointed M/s HS Associates as Secretarial Auditor of the Company to carry out the Secretarial Audit for the Financial Year 2014 -2015 and to issue Secretarial Audit Report as per the prescribed format under rules in terms of Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

16. AUDITORS REPORT:

Since the explanation given in the Auditor's Report are self explanatory, no further comments by the Board of Directors is provided as such.

17. COMMITTEES OF THE BOARD

Pursuant to Section 292A of the Companies Act, 1956 and clause 49 of Listing Agreement the Company has formed Audit Committee. Besides this the Company has also formed Shareholder / Investor Grievance Committee to redress investors' complaint, if any.

18. CORPORATE GOVERNANCE REPORT

The Company has obtained Corporate Governance Report from **HS Associates, Company Secretaries** and is annexed hereto and forming part to this Report. A separate section of Corporate Governance as complied by the Company is annexed hereto marked as Annexure B and forming part of this report.

19. ACKNOWLEDGEMENTS

Your Company wishes to sincerely thank all the customers, commercial banks, financial institution, creditors etc. for their continuing support and co-operation.

Your Directors express their appreciation for the dedicated and sincere services rendered by the employees of the company and also sincerely thank the shareholders for the confidence reposed by them in the company and from the continued support and co-operation extended by them.

By Order of the Board
For **SAGAR SOYA PRODUCTS LIMITED**
ARVIND PATEL
Chairman
DIN: 00024070

Date : 14TH August, 2014
Place : Sagar

SAGAR SOYA PRODUCTS LTD.

ANNEXURE-"A" to the Report of Board of Directors

- A. Conservation of Energy
- Company is using power connection obtained from MPEB. However your company has taken steps like optimization of outputs, controlling idle running of machine etc. to conserve the energy consumption.
 - Additional investments and proposal, if any being implemented for reduction of consumption of energy are not proposed at this stage, as it is not feasible economically.
 - Impact of above measures:
There has been reduction in the cost of production as batches of production could be undertaken in shorter period.
 - Total energy consumption per unit of production as per Form-A is given hereunder.
- B. Form-B regarding Research and development and technology absorption is not enclosed due to the fact that there is at present no scope for R&D and absorbing any new technology in view of type of product which is accepted by the customers. However, your company shall certainly go for it in future if any new development in technology takes place.
- C. Foreign exchange earning and outgo:
There were no Foreign Exchange Earnings or outgo during the financial year ended March 31, 2014

Date : 14TH August, 2014
Place : Sagar

By Order of the Board
For SAGAR SOYA PRODUCTS LIMITED
ARVIND PATEL
Chairman
DIN: 00024070

ANNEXURE FORM-A (See rule 2)

Disclosure of particulars with respect to conservation of energy

A. Power & Fuel Consumption

		<u>Current Year</u>	<u>Previous Year</u>
a	<u>Electricity</u>		
	Purchased Units	-	-
	Total Amount	-	-
b	<u>Diesel</u> :		
	Units	1100 Ltrs	-
	Amount	42196	-
c	<u>Hexagane</u> :		
	Units	62874 Ltrs	-
	Amount	2827254	-
d	<u>Gas</u> :		
	Units	-	-
	Total Amount	-	-
	Rate/Unit	-	-
e	<u>Coal</u> :		
	Quantity(MT)	71.40 MT	-
	Total cost	4051.72	-
	Amount	289293	-
f	<u>Furnace oil</u> :		
	Quantity	-	-
	Total cost	-	-
	Average rate	-	-
g	<u>Others/internal generation</u> :		
	Total cost	-	-
	Cost /unit	-	-

Date : 14TH August, 2014
Place : Sagar

By Order of the Board
For SAGAR SOYA PRODUCTS LIMITED
ARVIND PATEL
Chairman
DIN: 00024070

ANNEXURE B TO THE DIRECTORS REPORT

COMPANY'S PHILOSOPHY:

The Corporate Governance code as introduced by Security and Exchange Board of India (SEBI) in pursuance of clause 49 of Listing Agreement is became applicable to the company by December 2005. The same has been implemented by the Company from December 2005.

The Company believes in maximum utilization of resources at minimum cost and attaining maximum long-term shareholders value.

BOARD OF DIRECTORS:

The Board of the Company comprises of 4 (Four) Directors as on March 31, 2014 out of which 2 (Two) Directors are Executive Directors and 2 (Two) are Independent Non-Executive Directors of the Company. There is no nominee or Institutional Directors in the Company.

None of Directors has pecuniary or Business relationship with the Company other than as mentioned elsewhere in Annual Report. No Director of the Company is either member in more than 10 (Ten) committees and/or Chairman of more than 5 (Five) committees across all Companies in which he is Director.

During the year, there were in total **Seven (7)** Board Meetings were held. The time gap between the two meetings was not more than 4 months. All the information required to be furnished to the Board was made available to them along with detailed Agenda notes. The dates on which the Board Meeting was held are as follows:

30th May, 2013; 14th August, 2013; 14th November, 2013; 18th November, 2013, 25th November, 2013, 14th February, 2014 and 28th March 2014

The following table gives the attendance of the Directors at Board Meetings of the Company and also other Directorship in other Companies and Chairmanship/Membership in Board Committees of public limited companies as on March 31, 2014:

Sr. No.	Name of Director	Category	No. of Board meetings Attended	Attendance at Last AGM	No. Of Other Directorship	No. of Other Committee membership in other Companies
1.	Mr. Arvindbhai C Patel	Chairman	7	Yes	3	Nil
2.	Mr. Gaurav D Patel	Managing Director	7	Yes	NIL	Nil
3.	Mr. Chandrakant Patel	Independent Non Executive Director	7	Yes	NIL	Nil
4.	Mr. Arun Kumar Sharma	Independent Non Executive Director	7	Yes	5	3

None of the Non-executive Directors are paid any remuneration as defined as per the provisions of Companies Act, 1956.

- a. Appointment of Mr. Arvind Patel, Director retiring by rotation and being eligible, offer himself for appointment.
- Name of Director : Mr. Arvind Patel
Age : 65
Qualification : Bachelor of Arts
Expertise in functional Area : In charge of handling overall affairs of the Company.
Directorship in other Indian Public Limited Companies and other firms as on 31st March, 2014. : Chhotabhai Jethabhai Patel Tobacco Products Co Ltd
Ceejay Tobacco Limited
Ceejay Realty Private Limited
- Shareholdings : Nil
- b. Appointment of Mrs. Renu Singh as Director and Independent Director of the Company.
- Name of Director : Mrs. Renu Singh
Age : 37 Years
Qualification : Bachelor in Arts
Expertise in functional Area : Office Administration and Management
Directorship in other Indian Public Limited Companies and other firms as on 31st March, 2014. : Optimates Textiles Industries Limited
Manya Traders Private Limited
Mahananda Enterprise Limited
- Shareholdings : Nil
- c. Appointment of Mr. Chandrakant Patel as Independent Director of the Company.
- Name of Director : Mr. Chandrakant Patel
Age : 61
Qualification : Undergraduate
Expertise in functional Area : Marketing & Procurement of Commodity Items
Directorship in other Indian Public Limited Companies and other firms as on 31st March, 2014. : Nil
Shareholdings : Nil

SAGAR SOYA PRODUCTS LTD.

d. Appointment of Mr. Arun Kumar Sharma as Independent Director of the Company.

Name of Director	: Mr. Arun Kumar Sharma
Age	: 51
Qualification	: B. Com (Hons), FCA and LLB
Expertise in functional Area	: Experience for more than two decades in finance
Directorship in other Indian Public Limited Companies and other firms as on 31st March, 2014.	: Cistro Telelink Limited Indilite Engineering Limited (Formerly known as Rockland Thermionics Limited) Blue Pearl Texspin Limited Vipra Securities and Financial Services Limited. Partner in Agarwal Sangneria & Co. (Chartered Accountants) Aadri Infin Limited.
Shareholdings	: Nil

COMMITTEES OF THE BOARD:

A. Audit Committee

Pursuant to the provisions of section 292(A) of the Companies Act, 1956 & Clause 49 of Listing Agreement, an Audit Committee comprising of 3 Directors as members and two – third of whom being Non -Executive Directors has been constituted as under:

Mr. Chandrakant Patel	Chairman
Mr. Arvindbhai C Patel	Member
Mr. Arun Kumar Sharma	Member

During the year, there were in total 4 (Four) Audit Committee Meetings were held on **30th May, 2013; 14th August, 2013; 14th November, 2013 and 14th February, 2014**

The following table gives the attendance of the members at Audit Committee Meetings of the Board of Directors of the Company:

Name of the Member	Status	No. of Meeting held	No. of Meetings attended
Mr. Chandrakant Patel	Chairman	4	4
Mr. Arvindbhai C Patel	Member	4	4
Mr. Arun Kumar Sharma	Member	4	4

B. Shareholders/Investors Grievance Committee

The Shareholders/Investors Grievance Committee comprises of **3 (Three)** Members, majority of whom are Non Executive Directors. As required by clause 49 of Listing Agreement, the Chairman of the Shareholder/ Committee is Independent, Non Executive Director. The composition of the Shareholders/Investors Grievance Committee as on 31st March, 2014 is as follows:

Mr. Chandrakant Patel	Chairman
Mr. Arun Kumar Sharma	Member
Mr. Arvindbhai C Patel	Member

During the year, there were in total 4 (Four) Shareholders/Investors Grievance Committee Meetings were held on **30th May, 2013; 14th August, 2013; 14th November, 2013 and 14th February, 2014** .

The following table gives the attendance of the members at Shareholders/Investors Grievance Committee Meetings of the Board of Directors of the Company:

Name of the Member	Status	No. of Meeting held	No. of Meetings attended
Mr. Chandrakant Patel	Chairman	4	4
Mr. Arvindbhai C Patel	Member	4	4
Mr. Arun Kumar Sharma	Member	4	4

GENERAL BODY MEETINGS:

Details of last 3 (**Three**) Annual General Meetings are given below:

Financial Year	Date	Time	Venue	Special Resolution(s)
2012-2013	30.09.13	1.00 p.m	Registered Office	Yes
2011-2012	28.09.12	1.00 p.m	Registered Office	Yes
2010-2011	30.09.11	1.00 p.m	Registered Office	No

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Of the above, No special resolutions were put through postal ballot as all the above special resolutions were voted unanimously by show of hands.

However the Company has passed special resolution for shifting the registered office of the Company from the State of Madhya Pradesh to the State of Maharashtra. The Company has filed required application for shifting registered office to the Regional Director, North Western Region and is in process of obtaining approval for the same.

DISCLOSURES:

During the year under review, besides the transactions reported elsewhere, there were no other related party transactions of material nature with the promoters, Directors, the management or their subsidiaries or relatives during the year that may have potential conflict with the interest of the company at large.

MEANS OF COMMUNICATION:

The yearly/quarterly results were duly approved by the Board of Directors of the Company; however some of them could not be submitted to BSE within the stipulated time. The Company also developed its website named as www.sagarsoyaproducts.com.

No presentation was made during the year either to Institutional Investors or to the analysts.

Management Discussion & Analysis Report is attached herewith forming part of the Annual Report.

GENERAL SHAREHOLDERS INFORMATION:

- i. The Annual General Meeting is scheduled to be held on Friday, the 26th September, 2014 at 1.00 p.m. at the Regd. Office of the Company.
- ii. The Financial year of the company is from April to March. The financial calendar is as per following.

First quarter results (30 th June)	By Mid August
Mailing of Annual Reports	By First Week of September
Annual General Meeting	26 th September, 2014
Second quarter results (30 th September)	By Mid November
Third quarter results (31 st December)	By Mid February
Fourth quarter / Annual Results	By End of May
- iii. Book Closure dates are from **Thursday, the 18th September, 2014 to Friday, the 26th September, 2014** (both days inclusive).
- iv. The Board of Directors has not proposed any dividend for the current financial year.
- v. The company's shares are listed at Bombay Stock Exchange, Ahmedabad Stock Exchange and Madhya Pradesh Stock Exchange.
- vi. The Stock Exchange, Mumbai
Security in Physical Form No. BSE- 507663
Electronic Form No. **INE131001016**
Scrip Name: SAGRSOY-B

The Ahmedabad Stock Exchange,
Security in Physical Form ASE - 51110
Electronic Form No. Nil
Scrip Name: SAGAR SOYA PRODUCTS LTD.

The Madhya Pradesh Stock Exchange
Security in Physical Form No. 1363
Electronic Form No. Nil
Scrip Name: SAGAR SOYA PRODUCTS LTD.
- vii. Market price data:

The Market Price Data for of the scrip during the financial year 2013-14 is given hereunder

Month	BSE		Volume (No. of shares Traded)
	High	Low	
June 2013	99.75	94.80	1150
September 2013	90.10	63.05	400
October 2013	59.90	35.45	600
November 2013	34.75	33.45	200
January 2014	31.80	26.00	250
February 2014	24.75	16.55	450
March 2014	15.75	8.75	1000

SAGAR SOYA PRODUCTS LTD.

viii. Share Transfer System

The Company has appointed **M/s Purva Sharegistry (India) Private Limited** as its Registrar and Transfer Agent. The Shareholders can directly communicate with them for requesting transfer of shares or any other like purposes. The address for communication is given hereunder:

M/s Purva Sharegistry (India) Private Limited

9, Shiv Shakti Industrial Estate,
Sitaram Mills Compound, J R Boricha Marg,
Opp Kasturba Hospital, Lower Parel (East), Mumbai 400011
Tel: 23016761
Email: busicomp@vsnl.com

ix. Dematerialization of securities

The Company entered in tripartite agreement for dematerializing its shares with CDSL during the financial year. Consequent to the same the Company was allotted ISIN No. as **INE131001016**.

As on 31st March, 2014, 2.80% of the Company's total share capital representing 187300 Equity Shares are in dematerialized form and balance of 97.20% of total Share Capital representing 6509419 Equity Shares are in physical form.

The details of same as on 31st March, 2014 is given hereunder:

Type	No. of Shares held	% Shareholding
<u>Dematerialized Shares</u>		
With CDSL	187300	2.80 %
With NSDL	Nil	Nil
Total Demat Shares	187300	2.80%
Total Physical Shares	6509419	97.20%

The Board of Directors have forfeited 8,45,030 Partly Paid up Equity Shares of Rs.10/- with effect from 31st March, 2014 on account of failure to pay the balance allotment money due at the rate of Rs. 5/- per Equity Share.

x. Company has not issued either ESOP or any GDRs/ADRs/Warrants/Convertible instrument.

xi. Distribution of Shareholding as on 31st March, 2014:

No. of shares	No. of Share-holders	% of Share-holders	Share-holding(Rs.)	% of Share-holding
Up to 5000	11662	81.91	24423270	36.47
5001 – 10000	1626	11.42	11394260	17.01
10001 – 20000	696	4.89	9351330	13.96
20001 – 30000	99	0.70	2524230	3.77
30001 – 40000	77	0.54	2783000	4.16
40001 – 50000	28	0.20	1227500	1.83
50001– 100000	22	0.15	1539750	2.30
100001 & above	27	0.19	13723850	20.49
TOTAL	14237	100.00	66967190	100.00

xii. Address for correspondence:

Shareholders of the company can send correspondence at the Regd. office of the company situated at following address:

C.J. Complex, Mahatama Gandhi Road, Sagar – 470002, Madhya Pradesh

**CERTIFICATE ON CORPORATE GOVERNANCE BY
PRACTICING COMPANY SECRETARY**

To,
The Shareholders,
SAGAR SOYA PRODUCTS LIMITED
C.J. Complex,
Mahatama Gandhi Road
Sagar – 470002
Madhya Pradesh

We have reviewed the implementation of Corporate Governance produced by the company during the year ended on 31st March, 2014 with the relevant records and documents maintained by the company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The Compliance of the conditions of the Corporate Governance is the responsibility of the Management. Our examination is neither an audit nor an expression of opinion on the financial statements of the company.

On the basis of the above and according to the information and explanations given to us, in our opinion, the Company has complied with Clauses 49 of the Listing Agreement.

We further state that our examination of such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **HS Associates,**
Company Secretaries

DATE: 14th August, 2014
PLACE: Mumbai

SD/-
Hemant Shetye
Partner
FCS: 2827
COP: 1483

SAGAR SOYA PRODUCTS LTD.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A) INDUSTRY STRUCTURE AND DEVELOPMENT:

The Industry is showing some improvement & your Directors are expecting better Industrial Development in the coming years.

B) SEGMENTWISE PERFORMANCE:

The Company is manufacturing Soya and Soya Products and this may be considered as the only segment. Therefore the requirement of segment wise reporting is not applicable.

C) OPPORTUNITIES / OUTLOOK:

The company is taking maximum efforts to capitalize on business opportunities & further expect a better outlook in the coming years.

D) THREATS:

The major threats for the company are competition from the Govt. Policies.

E) RISKS AND CONCERNS:

Your company is taking adequate measures to safeguard against Risks & Concerns.

F) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

Your Company has been maintaining an adequate internal control system commensurate with the size & nature of its business.

G) HUMAN RESOURCES POLICIES:

Your company considers its human resources as its most valuable assets, among all other assets of the Company. It has been the policy of the company to actuate the talent by providing opportunities to develop themselves within the organization. The company continued to have maintained very cordial & harmonious relations with its employees.

H) CAUTIONARY STATEMENT:

Due to unfavorable market conditions your company is facing profitability problems however, your management is making optimum efforts to minimize the overheads & cost reduction.

By Order Of The Board
For **SAGAR SOYA PRODUCTS LIMITED**

Sd/-

DATE : **14th August, 2014**
PLACE: Sagar

ARVIND PATEL
CHAIRMAN
Din: 00024070

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

In terms of the requirements of the Clause 49 of the listing Agreement, Code of Conduct as approved by the Board of Directors of the Company, all the members of the Board and the senior management personnel had affirmed compliance with the Code for the period 31st March, 2014

By Order of the Board
SAGAR SOYA PRODUCTS LIMITED
Sd/-
GAURAV PATEL
MANAGING DIRECTOR

DATE : 14th August, 2014
PLACE : Sagar

CEO/CFO Certificate

To,
The Board of Directors,
Sagar Soya Products Limited
C.J. Complex,
Mahatama Gandhi Road
Sagar – 470002
Madhya Pradesh

We, Mr. Gaurav Patel, CEO and Mr. Arvindbhai Patel, CFO of the Company does hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee
 - i. Significant changes in internal control during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we are become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

FOR SAGAR SOYA PRODUCTS LTD FOR SAGAR SOYA PRODUCTS LTD

DATE : 14th August, 2014
PLACE : Sagar

Sd/-
Mr. Gaurav Patel
(CEO)

Sd/-
Mr. Arvindbhai Patel
(CFO)

SAGAR SOYA PRODUCTS LTD.

INDEPENDENT AUDITOR'S REPORT

To
The Members of
M/s SAGAR SOYA PRODUCTS LTD.
SAGAR.

Report on the Financial Statement

We have audited the accompanying financial statements of **M/s Sagar Soya Products Limited** which comprise the Balance Sheet as at March 31, 2014, and the statement of Profit & Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statement

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of Profit & Loss Account, of the loss of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and regulatory Requirements

1. As required by required by the Companies (Auditor's Report) Order,2003 ("the Order") issued by Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraph 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our Audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of Accounts;
 - (d) In our opinion, Balance Sheet, Statement of Profit and Loss Account and Cash Flow Statement comply with the accounting standards referred to in Sub-Section 3(C) of sec-211 of Companies Act,1956; and

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- (e) On the basis of written representation received from the directors as on March 31, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014 from being appointed as the directors in terms of sec-274(1) (g) of the Companies Act, 1956;

For O.T.GANDHI & CO

Chartered Accountants

Firm Registration Number: 001120C

Sd/-

SAMEEP GANDHI

Partner

M.NO.411107

PLACE : INDORE

DATED : 30th May, 2014

ANNEXURE TO THE INDEPENDENT AUDITORS REPORT

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirement" of our report of even date

1. Having regard to the nature of the Company's business/activities/results during the year, clauses (xii), (xiii), (xiv) of paragraph 4 of the Order are not applicable to the Company.
2. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The fixed assets have been physically verified by the management during the year. We are informed that no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.
(c) No substantial part of fixed assets has been disposed off during the year.
3. (a) The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion the frequency of verification is reasonable.
(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
(c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material.
4. (a) The Company has taken loans from nine persons covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 539.38 lakhs and the year ended Balance Sheet of the loans taken from such persons was Rs. 507.38 lakhs. The Company has not granted any loans to the Companies firms or other parties listed in the register maintained u/s 301 of the Companies Act, 1956.
(b) In our opinion the other terms and conditions on which loan has been taken from the Companies listed in the register maintained u/s 301 of the Companies Act, 1956 are not prima facie, prejudicial to the Interest of the Company.
(c) The company is regular in repaying the principal amount as stipulated.
(d) There is no overdue amount in respect of loans taken from a company listed in the register maintained under section 301 of the Companies Act, 1956.
5. According to the information and explanations given to us, the company has not done any transaction with regard to the purchase of inventory, fixed assets and with regard to the sale of goods.
6. According to the information and explanation given to us, the company has not done any transaction which needs to be entered into a register in pursuance of section 301 of the companies Act, 1956.
7. In our opinion and according to information and explanation given to us the company has not accepted any deposit from the public within the meaning of section 58A and 58AA of the Companies Act, 1956 during the period.
8. In our opinion, the Company doesn't have system of internal audit commensurate with its size and nature of its business;
9. According to the information and explanations given to us, we are of the opinion that no cost records maintenance has been prescribed by the Central Govt. under section 209 (1) (b) of the Companies Act, 1956.
10. (a) According to the information and explanations given to us there is no undisputed amount payable in respect of income tax, wealth tax, custom duty, excise duty, and cess were in arrears, as at the last day of the

SAGAR SOYA PRODUCTS LTD.

financial year concerned for a period of more than six months from the date they become payable expect reported in forgoing Para.

- (b) According to the information and explanations given to us, the disputed amount payable, which has not been deposited on account of any dispute are as under:

S. No.	Name of the Statute	Year	Nature of Dues	Forum where dispute is pending	Amount ()
1	Sales-tax Act	2000-01	Sales-tax / Commercial Tax / Entry-tax	Supreme Court /	5756471/-

11. The company has accumulated lossess at the end of the financial year which is more than fifty percent of its net worth and has incurred cash loss during the financial year covered by our audit & In the immediately preceding financial year also.
12. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to the financial institution and banks.
13. According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from the banks and financial institutions.
14. In our opinion, the term loans have been applied for the purpose for which they were obtained.
15. According to the information and explanation given to us and on an overall examination of the Books of Accounts and Balance Sheet of the company, we report that funds raised on short-term basis have not been used for long term investment. No long-term funds have been used to finance short-term assets.
16. The company has not made any preferential allotment of shares to the parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
17. The company has not issued debentures to the raise the funds.
18. The company has not raised any funds by Public Issue during the year.
19. According to the information and explanations given to us, we report that there is no fraud on or by the company has been noticed or reported during the course of our audit.

For O.T.GANDHI & CO

Chartered Accountants

Firm Registration Number: 001120C

Sd/-

SAMEEP GANDHI

Partner

M.NO.411107

PLACE : INDORE

DATED : 30th May, 2014

BALANCE SHEET AS AT 31st MARCH 2014

	Notes	31 March 2014 In `	31 March 2013 In `
Equity and Liabilities			
Shareholders' funds			
(a) Share capital	2	58,516,890.00	60,291,515.00
(b) Reserves and surplus	3	(58,871,358.74)	(62,871,411.34)
		(354,468.74)	(2,579,896.34)
Non-current liabilities			
Unsecured Loans	4	50,738,352.50	53,938,352.50
Current liabilities			
(a) Other current liabilities	5	4,070,984.00	7,956,304.99
(b) Short-term provisions		-	-
TOTAL		<u>54,454,867.76</u>	<u>59,314,761.15</u>
Assets			
Non-current assets			
(a) Fixed assets			
(i) Tangible assets	6	25,370,739.27	26,352,644.27
(b) Investments	7	8,264,911.75	5,940,596.60
(c) Advance for Capital Goods		1,010,000.00	1,010,000.00
		34,645,651.02	33,303,240.87
Current assets			
(a) Inventories	8	655,000.00	4,765,577.00
(b) Trade receivables	9	10,368,628.40	15,397,517.97
(c) Cash and cash equivalents	10	5,399,532.34	1,981,831.69
(d) Loans and Advances	11	3,090,617.00	3,335,836.62
(e) Income Tax T.D.S.		295,439.00	530,757.00
		19,809,216.74	26,011,520.28
TOTAL		<u>54,454,867.76</u>	<u>59,314,761.15</u>
Significant accounting policies and notes to accounts	1-18		

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR O.T. GANDHI & CO.
 CHARTERED ACCOUNTANTS
 FRN: 001120C

SAMEEP GANDHI
 PARTNER
 M.NO. 411107

PLACE : INDORE (M.P.)
 DATED : 30th May, 2014

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-
(CHANDRAKANT PATEL) Director

Sd/-
(GAURAV D. PATEL) Director

SAGAR SOYA PRODUCTS LTD.**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014**

Particulars	Notes	31 March 2014 In `	31 March 2013 In `
Income			
Revenue From Operations		-	-
Other income	13	<u>8,146,845.15</u>	<u>4,821,790.40</u>
Total Revenue (I)		<u>8,146,845.15</u>	<u>4,821,790.40</u>
Expenses			
(Increase)/Decrease in Finished Goods Jobwork	14	4,110,577.00	-
Employee benefits expense	15	780,385.00	359,979.00
Other expenses	16	<u>7,390,748.19</u>	<u>3,526,786.00</u>
Total (II)		<u>12,281,710.19</u>	<u>3,886,765.00</u>
Earnings before interest, tax, depreciation and amortisation (EBITDA) (I)-(II)		(4,134,865.04)	935,025.40
Finance costs	17	9,377.36	5,120.00
Depreciation expense	18	<u>981,905.00</u>	<u>1,853,826.00</u>
Profit before tax		(5,126,147.40)	(923,920.60)
Tax expense			
(1) Current tax		-	-
(2) Deferred tax		-	-
Total Tax Expense		-	-
Profit for the period		<u>(5,126,147.40)</u>	<u>(923,920.60)</u>
Earnings per equity share	19	-0.88	-0.14
Significant accounting policies and notes to accounts	1-19		

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR O.T. GANDHI & CO.
CHARTERED ACCOUNTANTS
FRN: 001120C**SAMEEP GANDHI**
PARTNER
M.NO. 411107PLACE : INDORE (M.P.)
DATED : 30th May, 2014

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-
(CHANDRAKANT PATEL) Director**Sd/-**
(GAURAV D. PATEL) Director

Notes to financial statements for the year ended 31 March 2014

1. **Significant accounting policies** : The following disclosure of accounting policies is made in pursuance of the Recommendations of the Accounting Standards Boards of the Institute of Chartered Accountants of India on "Disclosures of Accounting Policies".
- 1.1 **General**
- The accounts are prepared on the historical cost basis and on the accounting Principles of going concern.
 - Accounting policies not specifically referred to otherwise are consistent in consonance with generally accepted accounting principles.
- 1.2 **Revenue Recognition** : Expenses and incomes considerable payable and Receivable respectively are accounted on accrual basis except dividend income and telephone expenses, which are accounted for on cash basis.
- 1.3 **Inflation** : Assets and Liabilities are recorded at historical cost. These costs are not adjusted to reflect the changes in the purchasing power of money.
- 1.4 **Valuation of Inventories** : Raw materials, stores and spares are valued at cost or a net realizable value whichever is lower; cost is arrived at an average price method basis after considering all incidental expenses and provisions for wastages etc.
- 1.5 **Investment** : Long Term Investments are stated at Cost. When there is a decline in the value of any investment, which is not considered to be temporary, then the same is provided for by crediting the value of the investment and charging the same to Profit & Loss Account.
- 1.6 **Depreciation** : Depreciation on fixed assets is provided on straight-line method on pro rata basis, in accordance with the provisions of schedule XIV of the Companies Act, 1956. During the year company has charged depreciation on the basis of number of days asset is being used for Processing purpose.
- 1.7 **Retirement Benefit** : No Gratuity expenses accounted for during the year.
- 1.8 **Treatment of Contingent Liabilities** : Contingent Liabilities are not provided for and are disclosed in notes to accounts.
Contingent liabilities not provided for
- Contingent liabilities on Account of Income tax are not ascertainable.
 - Contingent liabilities on Account of Sales tax if any are not ascertainable by us.
 - Contingent liabilities on Account of capital goods if any are not ascertainable by us.
 - Contingent liabilities on Account of fiscal status if any are not ascertainable by us.
- Demand Appeal and Litigations** : Demand raised by Sales-tax department of Rs. 1790261/- against Entry-tax Rs. 3156994/- against M.P. Commercial Tax, Provident Fund Demand of Rs. 3,15,231/- (demand of provident fund of ' 4,80,000 has been paid by the company during this financial year) is under appeal before the respective authorities and pending for disposal. For which no liability has been created as the management is confident to get the relief for the same hence no provision has been made.
- 1.9 **Based on the legal advice** : No provision for taxation has been provided in view of carried forward losses of the company.
- 1.10
- The Company does not possess information as to which of its suppliers are Ancillary industrial undertaking / small scale industrial undertaking holding permanent registration certificate issued by the Directorate of Industries of State or Union Territory, consequently the liability, if any, of interest which would be payable under "The Interest on Delayed payments to small scale and Ancillary industrial Undertaking Act, 1992 cannot be ascertained. However, the Company has not received any claims in respect of Interest.
 - As stated in note (a) above the company does not possess information as to which of suppliers are small-scale industrial undertakings. Accordingly the information regarding total outstanding dues to small scale Industrial Undertakings as at the end of the year and that regarding the names of small scale Industrial to whom the company owes more than Rs. 1.00 lacs and outstanding for more than 30 days not been complied and hence not disclosed by the company.
- 1.12 **The company has involvement in certain parties as under:**
- Trade Receivables include Rs. 1,03,68,628.00 under litigation.
 - In view of the management there is reasonable certainty that amount of other debts which is capable of recovery, However due to suspension of manufacturing and other activities debts has become long overdue and could not be realized confirm by the respective parties. However efforts for realization of this debt continue.
- 1.12 **Segment information** : The Company deals in single business segment i.e. of Soyabean. Hence AS-17 on Segment Reporting is not applicable to the Company.
- 1.13 In the opinion of the management and to the best of their knowledge and belief, the aggregate value of the current assets, loans and advances have their value on realization in ordinary course of business, at least equal to the value at which they are stated in the balance sheet.
- 1.14 Balance under the main heads, Current Liabilities, Sundry Debtors and Loans and Advances (including balance with Government and other authorities), unsecured loans and others are subject to confirmation / reconciliation by the respective parties. Adjustments, if any will be accounted for as and when reconciled / confirmed.
- 1.15 Director's remuneration has not been charged in view of losses.
- 1.16 **Taxes on Income** : As per AS-22, deferred tax asset can be recognized and carried forward only to the extent that there is virtual certainty that sufficient taxable income would be available in future, as there is no virtual certainty that sufficient taxable income will be available in future against which such deferred tax asset can be realized hence deferred tax asset have not been recognized.
- 1.17 **Related party disclosure : Names of related parties and related party relationship**
- Related parties having control and significant influence**
- | | |
|------------------------------|---|
| Names of Related Parties | Relationship |
| Gaurav Bhai Patel | Key Management Personnel (KMP) |
| Arvind bhai Patel | Key Management Personnel (KMP) |
| Dakshaben Patel | Relative of KMP |
| Dineshbhai T.Patel (H.U.F.) | Relative of KMP |
| Divya Grain co. | Relative of KMP |
| Gainex Products | Relative of KMP |
| Meghana Patel | Relative of KMP |
| Naina Ben Patel | Relative of KMP |
| Shiv Trading co. | Relative of KMP |
| Arvind Foods Ltd. | KMP having significant influence over the co. |

SAGAR SOYA PRODUCTS LTD.
NOTES FORMING PART OF BALANCE SHEET
NOTE - 2 : SHARE CAPITAL

Share Capital	31 March 2014		31 March 2013	
	Number	In `	Number	In `
Authorised				
Equity Shares of ` 10/- each	10,000,000.00	100,000,000.00	10,000,000.00	100,000,000.00
Issued				
58,51,689 Equity Shares of 10/- each	5,851,689.00	58,516,890.00	6,696,719.00	66,967,190.00
Subscribed & fully Paid up				
Equity Shares of ` 10/- each	5,851,689.00	58,516,890.00	6,696,719.00	66,967,190.00
(Of the above 1161370 Equity Shares have been issued as Bonous Shares, by way of capitalisation of part of Share Premium Account.)				
Less: Calls in Arrears		-		(6,675,675.00)
Total	<u>5,851,689.00</u>	<u>58,516,890.00</u>	<u>6,696,719.00</u>	<u>60,291,515.00</u>

Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Particulars	Equity Shares			
	31 March 2014		31 March 2013	
	Number	In `	Number	In `
Shares outstanding at the beginning of the year	6,696,719.00	66,967,190.00	6,696,719.00	66,967,190.00
Shares Issued during the year	-	-	-	-
Shares Forfeited During the year	845,030.00	8,450,300.00	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<u>5,851,689.00</u>	<u>58,516,890.00</u>	<u>6,696,719.00</u>	<u>66,967,190.00</u>

Name of Shareholder	Equity Shares			
	31 March 2014		31 March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Arvind Foods Pvt. Ltd.	464610	7.94	464610	6.94
Total	<u>464610</u>	<u>7.94</u>	<u>464610</u>	<u>6.94</u>
			31 March 2014 In `	31 March 2013 In `

NOTE - 3 : RESERVE & SURPLUS

Securities Premium		
As per last Balance Sheet	62,741,930.00	62,741,930.00
Addition during the year	4,901,050.00	-
Sub-total	<u>67,642,980.00</u>	<u>62,741,930.00</u>
Surplus Balance in the Statement of Profit & Loss		
As per last Balance Sheet	(125,613,341.34)	(124,689,420.74)
Addition during the year	(5,126,147.40)	(923,920.60)
Capital Reserve	4,225,150.00	-
Allocations & Appropriations	-	-
Transfer to Reserves		
Sub-total	<u>(126,514,338.74)</u>	<u>(125,613,341.34)</u>
Total	<u>(58,871,358.74)</u>	<u>(62,871,411.34)</u>

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	31 March 2014 In `	31 March 2013 In `
NOTE- 4 : UNSECURED LOANS		
Arvind Bhai Patel	4,610,000.00	4,610,000.00
Dakshaben Patel, Sagar	7,002,500.00	7,002,500.00
Dineshbhai T. Patel (H.U.F.), Sagar	4,176,045.00	4,176,045.00
Divya Grain Co., Sagar	6,591,943.00	6,591,943.00
Gainex Product, Sagar	5,000,000.00	5,000,000.00
Gaurav Bhai Patel	2,830,000.00	2,830,000.00
Meghana Patel	2,450,000.00	2,450,000.00
Naina Ben Patel	14,777,864.50	14,777,864.50
Shiv Trading Co., Sagar	3,300,000.00	6,500,000.00
Total	50,738,352.50	53,938,352.50

NOTE- 5 : OTHER CURRENT LIABILITIES (FOR EXPENSES)

Amar Broker, Sagar	-	19,511.00
Amit Broker, Sagar	-	1,086.00
Balaji Trading Corporation, Sagar	-	10,750.00
Gupta Coal India Ltd., Bhopal	-	13,438.00
Industrial Fules & Chemicals Co., Nagpur	-	919,942.00
Katare Electro System Pvt., Gwalior	-	6,779.00
Kesharwani & Co., Sagar	-	12,194.00
Laci Impect, Indore	-	20,633.00
Nagpal Coal Traders, Gwalior	-	108,090.00
Nema Traders, Bhopal	-	65,678.00
O.T. Gandhi & Co., Indore	208,555.00	188,555.00
Pritibha Malaiya, Sagar	-	36,000.00
Ramesh Kumar Kabirbanthi, Sagar	-	11,158.82
S.S. Mercantile, Indore	-	12,939.00
Sagar Shri Canvassers, Sagar	-	42,737.00
Saheb Industries Delhi	-	207,040.00
Sanjay Trading Co., Katni	-	1,167,189.55
Santosh Kumar Kabirpanthi, Sagar	-	20,982.00
Sekhar Trading Co., Jablapur	-	4,990.00
Shri Arihant Canvassers, Damoh	-	50,523.00
Sonia Dyes & Pigments, Ujjain	-	13,797.62
Swatantra Brothers, Damoh	-	8,802.00
Subhash Yadav, Sagar	-	1,675.00
Classic Filaments Ltd., Mumbai	794,860.00	1,544,860.00
Gajraja Soya Extraction Pvt. Ltd.,	2,790,589.00	2,457,897.00
MPPKVCO LTD,	265,440.00	990,756.00
Sharma Electrical	-	10,000.00
Vinayraj Enterprises,	-	3,000.00
Employee Provident Payable	4,960.00	5,302.00
H.S. Associates, Mumbai	6,580.00	-
Total	4,070,984.00	7,956,304.99

Note- 6 : Fixed Assets

(In `)													
S. No.	Particulars	Gross Block				Total As On 31.03.14	Depreciation			Net Block		Net Carrying Amount As On 31.03.14	Net Carrying Amount
		Cost As On 01.04.13	Additions During The Year	Sale / Disposal During The Year	Rate of Depreciation		Upto 01.04.13	For The Year	Adjust-ment	Upto 31.03.14	Net		
1	Leasehold-Land	276,000.00	-	-	0.00 %	276,000.00	-	-	-	-	276,000.00	276,000.00	
2	Buildings	11,749,257.00	-	-	3.34 %	11,749,257.00	7,219,123.00	392,425.00	-	7,611,548.00	4,137,709.00	4,530,134.00	
3	Plant & Equipment(M/c)	71,128,488.27	-	-	4.75 %	71,128,488.27	49,907,701.00	536,874.00	-	50,444,575.00	20,683,913.27	21,220,787.27	
4	Furniture & Fixtures	335,919.00	-	-	6.33 %	335,919.00	335,919.00	-	-	335,919.00	-	-	
5	Office Equipment	1,107,498.00	-	-	4.75 %	1,107,498.00	781,775.00	52,606.00	-	834,381.00	273,117.00	325,723.00	
6	Vehicle	1,474,052.00	-	-	11.31 %	1,474,052.00	1,474,052.00	-	-	1,474,052.00	-	-	
7	Fire Fighting Equipment	15,087.00	-	-	100.00 %	15,087.00	15,087.00	-	-	15,087.00	-	-	
8	Laboratory Equip.	188,025.00	-	-	4.75 %	188,025.00	188,025.00	-	-	188,025.00	-	-	
9	Cycle	715.00	-	-	100.00 %	715.00	715.00	-	-	715.00	-	-	
	Total	86,275,041.27	-	-	-	86,275,041.27	59,922,397.00	981,905.00	-	25,370,739.27	26,352,644.27	-	
	Previous Year	85,816,612.27	458,429	-	-	86,275,041.27	58,068,571.00	1,853,826.00	-	59,922,397.00	26,352,644.27	27,748,041.27	

SAGAR SOYA PRODUCTS LTD.

	31 March 2014 In `	31 March 2013 In `
NOTE 7 : INVESTMENTS		
In Government securities		
Unquoted National Saving Food Depit. (As Security Deposit)	26,500.00	26,500.00
Equity Shares		
(a) 91200 Shares of ` 10/- each of M/s Ceejay Finance Ltd., (received on Amalgamation with Heritage Packaging Ltd., Ahemadabad of Ceejay Finance Ltd.)	912,000.00	912,000.00
(b) 104400 Shares of ` 10/- each of M/s Ceejay Finance Ltd., Nadiad Reliance Liquid Fund (Note: Market value of the Investments AS ON 31.03.2007 has not been provided to us)	1,044,000.00	1,044,000.00
	6,282,411.75	3,958,096.60
Total	8,264,911.75	5,940,596.60
NOTE 8 : INVENTORIES		
Coal	-	289,293.00
Hexane	315,000.00	3,142,254.00
Deasel	-	42,196.00
Spare Parts	340,000.00	1,111,218.00
Chemicals	-	180,616.00
Total	655,000.00	4,765,577.00
NOTE 9 : TRADE RECEIVABLE		
More than six months	10,368,628.40	5,397,517.97
Less than six months	-	-
Total	10,368,628.40	5,397,517.97
NOTE 10 : CASH AND CASH EQUIVALENT		
Balances with banks		
Bank Of Baroda, Sagar	3,022,053.75	24,303.75
Canara Bank Overseas Branch, Mimbai	30,865.62	30,865.62
HDFC Bank Ltd., Sagar	248,644.43	362,665.23
SBI, Civil Line, Sagar	15,682.00	15,682.00
State Bank of Indore, Sagar	180,400.12	52,281.12
Union Bank of India, Bombay	46,745.95	46,745.95
Fixed Deposits	25,875.00	25,875.00
Cash on hand	1,829,265.47	1,423,413.02
Total	5,399,532.34	1,981,831.69
NOTE 11 : LOANS & ADVANCES		
Unsecured		
Advance Salary	30,000.00	120,422.45
Dr. Anil Khare, Sagar	-	482,000.00
Interest Accoured	-	3,253.17
Sita Ram Maheshwari & Co., Sagar	-	2,287.00
Purva Shargistry (india) Pvt. Ltd. Mumbai	4,719.00	-
Deposits (With Government & Others)		
Krishi Upaj Mandi Samiti, Sagar	41000.00	41000.00
M.P. Stock Exchange, Deposit, Sagar	1045233.00	1045233.00
Sales Tax Department, Sagar	4500.00	4500.00
Telephone & Telex (Deposit),Sagar	25665.00	25665.00
Krishi Upaj Mandi Samati, Sagar (Fdr Ubi)	15000.00	15000.00
M.P. Warehousing & Logistic Corp.Sagar	-	60076.00
Microtech Boiler P.Lvt	-	200,000.00
Mppkvv Deposit Sagar	1,924,500.00	1,336,400.00
Total	3,090,617.00	3,335,836.62
NOTE 12 : REVENUE FROM OPERATION		
Sales of Goods	-	-
Total	-	-

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	31 March 2014 In `	31 March 2013 In `
NOTE 13 : OTHER INCOME		
Interest Received	152,069.00	31,740.00
Dividend Income	594,443.15	182,692.40
Godown Rent	1,479.00	1,906,212.00
Processing Charges	7,398,854.00	2,701,146.00
Total	<u>8,146,845.15</u>	<u>4,821,790.40</u>
NOTE 14 : DETAILS OF CHANGES IN INVENTORY		
Finished Jobwork at the end of the year		
As at 31st March 2014	655,000.00	4,765,577.00
As at 31st March 2013	4,765,577.00	4,765,577.00
Increase/ decrease	<u>4,110,577.00</u>	<u>-</u>
NOTE 15 : EMPLOYEE BENEFITS EXPENSES		
(a) Salaries and incentives		
Factory Salary & Wages	213,291.00	302,145.00
Bonus & Gratuity	63,350.00	-
(b) Contributions to -		
(i) Provident Fund	503,744.00	45,220.00
(ii) E.S.I	-	-
(c) Staff welfare expenses	-	12,614.00
Total	<u>780,385.00</u>	<u>359,979.00</u>
NOTE 16 : OTHER EXPENSES		
Payments to the Auditor		
Auditor	20,000.00	20,000.00
Total	<u>20,000.00</u>	<u>20,000.00</u>
Other Expenses		
Factory Expenses	99,245.00	181,239.00
Lease Rent	4,000.00	4,000.00
Plant Maintainance	131,690.00	302,134.00
Fule & Power	-	450,000.00
Building Repair & Maintainance	130,129.00	101,446.00
Electricity Expenses	-	45,793.00
Cess & Taxes	527,655.00	183,693.00
Legal Expenses	23,600.00	14,850.00
Office Expenses	2,576.00	3,886.00
Postage Telegram & Telephone	6,597.00	4,355.00
Printing & Stationery	13,303.00	19,235.00
Telephone Exp.	6,514.00	5,732.00
Travelling & Convenance	28,046.00	11,290.00
Vehicle Expenses	32,873.00	37,906.00
Consalting Fees	-	20,000.00
Freight & Cartate	-	208,196.00
Loose Tools & Spare Parts	-	368,081.00
Reinstalement Fees	-	1,544,950.00
entry tax	-	-
Godown Rent	1,530.00	-
Bad Debtors written off	5,636,952.19	-
Income Tax (F.B.T)	530,757.00	-
Share Transfer & Registration Charges	195,281.00	-
Total	<u>7,370,748.19</u>	<u>3,506,786.00</u>
NOTE 17 : FINANCE COST		
Bank Charges	9,377.36	5,120.00
Total	<u>9,377.36</u>	<u>5,120.00</u>
NOTE-18 : EARNING PER SHARE		
Depreciation	981,905.00	1,853,826.00
	<u>981,905.00</u>	<u>1,853,826.00</u>
Profit attributable to equity shareholders	(5,126,147.40)	2,967,964.40
No. of shares	5,851,689.00	6,696,719.00
Earning Per Share-basic & Diluted	(0.88)	(0.08)

SAGAR SOYA PRODUCTS LTD.**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014**

	31 March 2014 In `	31 March 2013 In `
Cash Flow From Operating Activities		
Profit/(Loss) before tax & Extraordinary items	(5,126,147.40)	(923920.60)
Adjustments for:		
- Depreciation	981,905.00	1,853,826.00
- Interest Income	(152,069.00)	(31,740.00)
- Dividend	(594,443.15)	(182,692.40)
Operating profit before working capital changes	(4,890,754.55)	715,473.00
Changes in Working Capital :		
(Increase) /decrease in Inventories	4,110,577.00	-
(Increase) /decrease in TDS	235,318.00	(448,408.00)
(Increase)/decrease in Loans & Advance	245,219.62	(1,558,080.00)
(Increase)/decrease in Trade Receivables	5,028,889.57	-
Increase /(decrease) in Other current Liabilities	(3,885,320.99)	4,986,871.00
Net Cash flow from/(used in) Operating activities (A)	843,928.65	3,695,856.00
Cash Flow From Investing Activities		
Sale of Fixed Assets	-	(458,429.00)
Sale/(Purchase) of Investment	(2,324,315.15)	(2,896,468.40)
Dividend received	594,443.15	182,692.40
Interest Received	152,069.00	31,740.00
Net Cash flow from / (used in) Investing activities (B)	(1,577,803.00)	(3,140,465.00)
Cash Flows From Financing Activities		
Calls in arrears received	7,351,575.00	-
Repayment of loans during the year	(3,200,000.00)	-
Net cash flow from /(used in) in financing activities (C)	4,151,575.00	-
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	3,417,700.65	555,391.00
Cash & Cash equivalents at beginning of the year	1,981,831.69	1,426,440.69
Cash & Cash equivalents at the end of the year	5,399,532.34	1,981,831.69
Note : Previous year figures have been rearranged / regrouped wherever necessary		

For and on behalf of the Board of Directors
SAGAR SOYA PRODUCTS LTD.,

Place : Indore
Dated : 30th May, 2013

Sd/ Sd/-
Chandrakant Patel Gaurav D Patel

AUDITORS CERTIFICATE

We have verified the above Cash Flow Statement with the books and record maintained by Sagar Soya Products Ltd. and certify that, in our opinion and according to the information and explanations given to us, the above statement is in accordance therewith.

As per our Report annexed
For O.T.GANDHI & CO
Chartered Accountants
By the hands of
Sd/-

PLACE : INDORE
DATED : 30th May, 2014

SAMEEP GANDHI
Partner
M.NO.411107

SAGAR SOYA PRODUCTS LIMITED
C.J. Complex, Mahatma Gandhi Road,
Sagar – 470002 Madhya Pradesh

32nd Annual General Meeting

I/We hereby record my /our presence at the 32nd Annual General Meeting of the Company at C.J. Complex, Mahatma Gandhi Road, Sagar – 470002, Madhya Pradesh on Friday, 26th September, 2014 at 1.00 P.M

Member's Folio
DP ID Client ID. No

Member's Folio /
DP ID Client ID.No

Member's/proxy Signature

Note:

1. Please complete the Folio/DP ID-Client ID NO. and name, sign this Attendance Slip and Handover at the Attendance Verification Counter at the Meeting Hall.
2. Electronic Copy of the Annual Report for FY -2013 -2014 and the Notice of All the Annual General Meeting along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this attendance slip.
3. Physical Copy of the Annual Report for 2013-2014 and the Notice of the Annual General Meeting along with the Attendance Slip and Proxy form is sent in the permitted mode(s) to all members whose email is not registered or who have requested for a hard copy

E-VOTING PARTICULARS

SAGAR SOYA PRODUCTS LIMITED
C.J. Complex, Mahatma Gandhi Road,
Sagar – 470002 Madhya Pradesh

ELECTRONIC VOTING PARTICULARS

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

Note : Please read instructions given at Note No. 15 of the Notice of the 32nd Annual General Meeting Carefully before Voting electronically.

SAGAR SOYA PRODUCTS LTD.

PROXY FORM

SAGAR SOYA PRODUCTS LIMITED
C.J. Complex, Mahatma Gandhi Road,
Sagar – 470002 Madhya Pradesh

Thirty Second Annual General Meeting – 26th September, 2014.

I/we being the member (s) of _____ shares of the above named company hereby appoint

- 1) Name: _____ Address _____
Email Id _____ Signature _____ or Failing him
- 2) Name: _____ Address _____
Email Id _____ Signature _____

As per my/our proxy to vote (On Poll) for me/us on my/our behalf at the Thirty Second Annual General Meeting of the Company to be held on Friday, 26th September, 2014 at 1.00 p.m. at **C.J. Complex, Mahatma Gandhi Road, Sagar - 470002, Madhya Pradesh** on and adjournment thereof.

Ordinary Business

1. **Ordinary Resolution** for adoption of Audited Financial Statements for the year ended 31st March, 2014.
2. **Ordinary Resolution** for Appointment of Director in place of Mr. Arvind Patel, Director (Holding DIN 00024070) who is retiring by rotation and being eligible, offers himself for re-appointment.
3. **Ordinary Resolution** for Appointment of M/s O.T.Gandhi & Co, Chartered Accountant as a statutory auditor of the Company and fixing their remuneration.

Special Business

4. **Ordinary Resolution** for Appointment of Mrs. Renu Singh as Director and Independent Director for five years commencing from 1st June, 2014 to 31st May, 2019
5. **Ordinary Resolution** for Appointment of Mr. Chandrakant Patel as an Independent Director of the Company for the period of 5 years with effect from 1st April, 2014 to 31st March, 2019
6. **Ordinary Resolution** for appointment of Mr. Arun Kumar Sharma as Independent Director of the Company for the period of 5 years with effect from 1st April, 2014 to 31st March, 2019
7. **Special Resolution** under Section 180(1) (a) to lease or mortgage, charge or create any security on the whole or substantially the whole of the undertaking of the Company including moveable or immoveable properties and assets of the Company, to secure the repayment of term loan/financial assistance obtained/to be obtained for business purpose for an amount not exceeding Rs. 100 Crores (Rupees Hundred Crores Only).
8. **Special Resolution** under Section 180(1) (c) of the Companies Act, 2013 for borrowing an amount not exceeding Rs. 100 Crores. (Rupees Hundred Crores Only).

Signed this _____ day of _____ 2014

Signed this _____ day of _____ 2014

Signature of the Shareholders _____

Affix
Signature
Revenue
Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
2. For the resolutions, explanatory statements and notes, please refer to the notice of 32nd Annual General Meeting.
3. * It is Optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolution, your proxy will be entitled to vote in the manner as he / she thinks appropriate
4. Please complete all details including details of member(s) in the above box before submission

32ND ANNUAL REPORT 2013-14

ASSENT/DISSENT FORM FOR VOTING ON AGM RESOLUTIONS
SAGAR SOYA PRODUCTS LIMITED
C.J.Complex, Mahatma Gandhi Road, Sagar -470002, Madhya Pradesh
Thirty Second Annual General Meeting – 26th September, 2014

1. Name(s) & Registered Address :
Of the sole / first named Member

2. Name(s) of the Joint-Holder(s) :
If any

3. i) Registered Folio No. :
ii) DP ID No & Client ID No.
[Applicable to Members Holding shares in dematerialized Form]

4. Number of Shares(s) held :

5. I/ W hereby exercise my/our vote in respect of the following resolutions to be passed for the business stated in the Notice of the Annual general Meeting dated 26th September, 2014, by conveying my/ our assent or dissent to the resolutions by placing tick (") mark in the appropriate box below:

Sr. No	Resolutions	Optional *1	
		For	Against
Ordinary Business			
1	Ordinary Resolution for adoption of Audited Financial Statements for the year ended 31st March, 2014.		
2	Ordinary Resolution for Appointment of Director in place of Mr. Arvind Patel, Director (Holding DIN 00024070) who is retiring by rotation and being eligible, offers himself for re-appointment.		
3	Ordinary Resolution for Appointment of M/s O.T. Gandhi & Co, Chartered Accountant as a statutory auditor of the Company and fixing their remuneration.		
Special Business			
4	Ordinary Resolution for Appointment of Mrs. Renu Singh as Director and Independent Director for five years commencing from 1st June, 2014 to 31st May, 2019		
5	Ordinary Resolution for Appointment of Mr. Chandrakant Patel as an Independent Director of the Company for the period of 5 years with effect from 1st April, 2014 to 31 st March, 2019		
6	Ordinary Resolution for appointment of Mr. Arun Kumar Sharma as Independent Director of the Company for the period of 5 years with effect from 1st April, 2014 to 31 st March, 2019		
7	Special Resolution under Section 180(1) (a) to lease or mortgage, charge or create any security on the whole or substantially the whole of the undertaking of the Company including moveable or immoveable properties and assets of the Company, to secure the repayment of term loan/financial assistance obtained/to be obtained for business purpose for an amount not exceeding Rs. 100 Crores (Rupees Hundred Crores Only).		
8	Special Resolution under Section 180(1) (c) of the Companies Act, 2013 for borrowing An amount not exceeding Rs. 100 Crores. (Rupees Hundred Crores Only).		

Place:
Date:

Signature of the Member
Or
Authorized Representative

- Notes: i) If you opt to cast your vote by e-voting, there is no need to fill up and sign this form.
ii) Last date for receipt of Assent/ Dissent Form: 22nd September, 2014 (6.00 pm IST)
iii) Please read the instructions printed overleaf carefully before exercising your vote.

General Instructions

1. Shareholders have option to vote either through e-voting i.e. electronic means or to convey assent/dissent. If a shareholder has opted for physical Assent/Dissent Form, then he/she should not vote by e-voting and vice versa. However, in case Shareholders cast their vote through physical assent/dissent form and e-voting, then vote cast through physical assent/dissent shall be considered, subject to the assent/dissent form being found to be valid and vote cast through e-voting shall be treated as invalid.
2. The notice of Annual General Meeting is dispatch/ e-mailed to the members whose names appear on the Register of Members as on 8th August, 2014 and voting rights shall be reckoned on the paid-up value of the shares registered in the name of the shareholders as on the said date.
3. Voting through physical assent/ dissent form cannot be exercised by a proxy. However, corporate and institutional shareholders shall be entitled to vote through their authorized representatives with proof of their authorization, as stated below.

Instructions for voting physically on Assent / Dissent Form

1. A member desiring to exercise vote by Assent/ Dissent should complete this Form (no other form or photocopy thereof is permitted) and send it to the Scrutinizer, at their cost to reach the Scrutinizer at the registered office of the Company on or before the close of working hours i.e 6.00 pm on 22nd September, 2014 All Forms received after this date will be strictly treated as if the reply from such Member has not been received.
2. This Form should be completed and signed by the Shareholder (as per the specimen signature registered with the Company/ Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Shareholder and in his absence, by the next named Shareholder.
3. In respect of shares held by corporate and institutional shareholders (companies, trusts, societies etc.) the completed Assent/ Dissent Form should be accompanied by a certified copy of the relevant Board Resolution/ appropriate authorization, with the specimen signature(s) of the authorized signatory(ies) duly attested.
4. The consent must be accorded by recording the assent in the column "FOR" or dissent in the column "AGAINST" by placing a tick mark (") in the appropriate column in the Form. The assent or dissent received in any other form shall not be considered valid.
5. Members are requested to fill the Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.
6. There will be one Assent/ Dissent Form for every folio / Client id irrespective of the number of joint holders.
7. A member may request for a duplicate Assent/ Dissent Form, if so required and the same duly completed should reach the Scrutinizer not later than the specified under instruction No.1 above.
8. Members are requested not to send any other paper along with the Assent / Dissent Form. They are also requested not to write anything in the Assent/ Dissent form except giving their assent or dissent and putting their signature. If nay such other paper is sent the same will be destroyed by the Scrutinizer.
9. The Scrutinizers decision on the validity of the Assent/ Dissent Form will be final and binding.
10. Incomplete, unsigned or incorrectly ticked Assent/ Dissent Forms will be rejected.

Book - Post

To

If undelivered, please return to
SAGAR SOYA PRODUCTS LIMITED
Regd. Office :
C.J. Complex, Mahatama Gandhi Road,
Sagar – 470002
Madhya Pradesh

Pratiksha Printers, A'bad. 9825262512