

SAMPRE NUTRITIONS LIMITED



02.10.2019

To
The Department of Corporate Services,
BSE Limited
P J Towers, Dalal Street,
Mumbai – 400 001

Dear Sir,

SUB: Submission of Annual Report for the financial year ended 31st March, 2019 - Reg

Script Code: 530617

With reference to above cited subject, please find enclosed Annual Report for the Financial Year 2018-19 pursuant to Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

This is for you kind information and necessary records.

Thanking you.

Yours Truly,
For **SAMPRE NUTRITIONS LIMITED**


B K GURBANI
Managing Director



BOARD OF DIRECTORS

SRI BRAHMA GURBANI	:	Managing Director
SRI VISHAL RATAN GURBANI	:	Vice - President & Whole time Director
SRI BANALA JAYAPRAKASH REDDY	:	Independent Director
SMT UMRA SINGH SIROHI	:	Independent Director
SRI VIMAL SURESH	:	Independent Director
SMT MEERA BRAHMA GURBANI	:	Non-Executive Director (upto 29.09.2018)

SRI VAMSHI SRINIVAS VEMPATI	:	Chief Financial Officer
SMT MONALISA PATNI	:	Company Secretary

<u>AUDITORS</u>	:	M/s. RRK & Associates Chartered Accountants #A04, IFF The Annexe, Near Hitech City Rly Station 13th Phase, KPHB, Hyd-500 085
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<u>BANKERS</u>	:	The South India Bank Ltd, Secunderabad
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<u>REGISTERED OFFICE</u>	:	Plot No. 133, Industrial Estate, Medchal – 501 401, Telangana, India Phone: 08418 - 222427/28 E-Mail: gurbani@gurbanigroup.in Website: www.sampreltd.com
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<u>REGISTRAR & SHARE TRANSFER AGENTS</u>	:	M/s. Big Share Services Pvt. Ltd. 306, 3rd Floor, Right Wing, Amrutha Ville, Opp. Yashoda Hospital, Raj Bhavan Road Somajiguda, Hyderabad – 82. Ph : 040-40144582 Email: bsshyd1@bigshareonline.com
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<u>LISTED AT</u>	:	The BSE Limited
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BOARD COMMITTEES:

Audit Committee:	:	Mrs. Umra Singh Sirohi (Chairperson) Mr. Vishal Ratan Gurbani Mr. Vimal Suresh Mr. Banala Jayaprakash Reddy (upto 14.02.2019) Mrs. Meera Gurbani (upto 29.09.2018)
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Nomination and Remuneration Committee	:	Mrs. Umra Singh Sirohi (Chairperson) Mr. Banala Jayaprakash Reddy Mr. Vimal Suresh Mrs. Meera Gurbani (upto 29.09.2018)
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Stakeholders Relationship Committee	:	Mrs. Umra Singh Sirohi (Chairperson) Mr. Vishal Ratan Gurbani Mr. Banala Jayaprakash Reddy (upto 14.02.2019) Mrs. Meera Gurbani (upto 29.09.2018)
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NOTICE

Notice is hereby given that the **Twenty Eighth Annual General Meeting** of the Members of the Company will be held on **SATURDAY, 28TH SEPTEMBER, 2019 at 10.30 AM** at Lions Club Conference Hall, LIC Building, 03rd Floor, Paradise Circle, Secunderabad – 500 003 to transact the following items of business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended **31st March, 2019** along with the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Brahma Gurbani, who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint Auditors to hold the office from the conclusion of this AGM, for a period of five(5) years, until the conclusion of Thirty Third Annual General Meeting to be held in the Year 2024 and to fix their remuneration for the financial year 2019-20.

SPECIAL BUSINESS:

4. **TO RE-APPOINT MR. BRAHMA GURBANI AS MANAGING DIRECTOR OF THE COMPANY:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **ORDINARY RESOLUTION:**

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder, if any, consent of the Company be and is hereby accorded for appointment of Mr. Brahma Gurbani (DIN: 00318180) as Managing Director of the Company, for a period of 5 (Five) years with effective from 01st September, 2019 at a remuneration of not exceeding 24,00,000 (Rupees Twenty Four Lakhs only) per annum, as recommended by the Nomination and Remuneration Committee of the Company, with such yearly increment on time scale basis as may be decided by the board from time to time, provided that total remuneration payable does not exceed the limits specified under Section 197 read with Schedule V of the Act.”

“FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby also authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment of Mr. Brahma Gurbani, Managing Director including the components of the above mentioned remuneration payable to her subject to provisions of the Act.”

5. **TO RE-APPOINT MR. BANALA JAYAPRAKASH REDDY AS INDEPENDENT DIRECTOR OF THE COMPANY:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 & Rules made there under read with Schedule IV to the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Articles of Association of the company, Mr. Banala Jayaprakash Reddy (DIN:

00407438), who was appointed as a Non-Executive Independent Director of the Company to hold the office upto 26th September 2019 and who being eligible for re-appointment as an Independent Director, has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations be and is hereby re-appointed as Independent Director to hold office for a second term of five consecutive years commencing from 27th September, 2019 to 26th September, 2024.”

6. **TO RE-APPOINTMENT MRS. UMRA SINGH SIROHI AS INDEPENDENT DIRECTOR OF THE COMPANY:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **SPECIAL RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 & Rules made there under read with Schedule IV to the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Articles of Association of the company, Mrs. Umra Singh Sirohi (DIN: 02622284), who was appointed as a Non-Executive Independent Director of the Company to hold the office upto 26th September 2019 and who being eligible for re-appointment as an Independent Director, has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations be and is hereby re-appointed as Independent Director to hold office for a second term of five consecutive years commencing from 27th September, 2019 to 26th September, 2024.”

7. **TO APPOINT MR. VIMAL SURESH AS AN INDEPENDENT DIRECTOR ON THE BOARD:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to provisions of the Section 152 and other applicable provisions of the Companies Act, 2013, and Articles of Association, Mr. Vimal Suresh (DIN: 08361739) who was co-opted as an Additional Director of the Company under Section 161 of the Companies Act, 2013 by the Board at their meeting held on 14th February, 2019 and who holds office as such upto the date of this Annual General Meeting be and is hereby appointed as Director of the Company, not liable to retire by rotation.”

“**FURTHER RESOLVED THAT** appointment of Mr. Vimal Suresh (DIN: 08361739), as Independent Director of the company, pursuant to provisions of section 149 (6) of the Act read with Schedule IV to the Act and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, for period of 5 years (i.e) from 14th February, 2019 to 13th February, 2024, be and is hereby ratified.”

By Order of the Board
For **SAMPRE NUTRITIONS LIMITED**

Place : Medchal
Date : 14.08.2019

Sd/-
BRAHMA GURBANI
Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than 50 members and holding in aggregate not more than 10% of the total Share Capital of the Company. Members holding more than 10% ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member.

Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.

The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy form is annexed to this report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business in Item No. 4 to 7 is annexed hereto.

Additional information pursuant to Regulation 36 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 in respect of Directors seeking re-appointment at the AGM and directors liable to retire by rotation and seeking re-election is contained in the Statement annexed to Notice. The Directors have furnished the requisite consents/declarations for their appointment/re-appointment as per Companies Act, 2013 and rules thereunder.

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.

4. The Register of Contracts or Arrangements in which 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.

5. The Register of Members and Share Transfer Books of the Company will be remain closed from **Wednesday, 25th September, 2019 to Saturday, 28th September, 2019** (both days inclusive).

6. Members are requested to quote ledger folio number in all their correspondence to avoid delay in communication. Members are advised to consolidate their ledger folios where they are holding shares in different folios in the same name.

7. In terms of Sections 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including Financial statements, Board Report, etc by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their email ids with their respective depository participants or with the share transfer agent of the Company.

8. To promote green initiative, members are requested to register their e-mail addresses through their Depository Participants for receiving the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.
9. The members are requested to address all their communications to M/s. Big Share Services Pvt Ltd, Hyderabad, the common agency to handle electronic connectivity and the shares in physical mode or at the Corporate Office of the Company for prompt redressal.
10. Members who are still holding shares in physical form are advised to dematerialize their shareholding to avail of the benefits of dematerialization which include easy liquidity since trading is permitted only in dematerialized form, electronic transfer, savings in stamp duty, prevention of forgery, etc.
11. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9:00 A.M. to 5:00 P.M.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company.
12. Members/Proxies should bring the duly filled Attendance slip enclosed herewith to attend the Meeting.
13. **Voting through electronic means:**
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their right to vote at the 28th Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-voting platform provided by Central Depository Services (India) Limited (CDSL). The facility of voting through ballot paper will also be made available at the AGM and member attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Member who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The Instructions for e-voting are annexed to the Notice.

The instructions for e-voting are as under:

- a. Use the following URL for e-voting: CDSL website: <https://www.evotingindia.com>.
- b. Shareholders of the Company holding shares either in physical form or in dematerialized form, as on **20th September, 2019** may cast their vote electronically.
- c. Click on Shareholders.
- d. The shareholders can login to the e-Voting system using their user-id (i.e. demat account number), PAN and Date of Birth (DOB) or Bank account number mentioned for the said demat account or folio.
- e. Now Enter your User ID

For CDSL: 16 digits beneficiary ID,

For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

Members holding shares in Physical Form should enter Folio Number registered with the Company.

f. Next enter the Image Verification as displayed and Click on Login.

g. Follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)-</p> <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 8 digits of the sequence number in the PAN field.● In case the sequence 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 sequence number 1 then enter RA00000001 in the PAN field.
Bank Account or Date of Birth (DOB)	<p>Enter the Bank Account or Date of Birth (DD/MM/YYYY format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none">● If both the details are not recorded with the depository or company please enter the member id / folio number in the Bank details field as mentioned in instructions (d).

h. After entering these details appropriately, click on "SUBMIT" tab.

i. Members holding shares in physical form will then directly reach 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.

j. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

k. Click on the EVSN for **Sampre Nutritions Limited** on which you choose to vote.

l. 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.

m. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

n. 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.

- o. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- p. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- q. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- r. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- s. **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 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 linked in the login 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 system for the scrutinizer to verify the same.
- t. The Portal will be open for voting from 9 A.M. on **Wednesday, 25th September, 2019 to 5 P.M. on Friday, 27th September, 2019.**
- u. 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.
- II. The Company has appointed Mr. Vasanth Kumar Bajaj, Practicing Company Secretary, as the Scrutinizer who will collate the electronic voting process in a fair and transparent manner.
- III. The Scrutinizer, after scrutinizing the votes cast at the meeting (Insta Poll) and through remote e-voting, will, not later than forty eight hours of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company and on the website of CDSL. The results shall simultaneously be communicated to the Stock Exchanges.
- IV. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. September 28th, 2019.

EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

ITEM NO. 4:

The Members of the Company at the AGM held on 27th September, 2014 had approved the appointment of Mr. Brahma Gurbani as Managing Director, for a period of Five years with effect from 1st September, 2014. Accordingly, Mr. Brahma Gurbani will complete his present term on 31st August, 2019.

The Board of Directors at their meeting held on 29th May, 2019 re-appointed Mr. Brahma Gurbani as a Managing Director of the Company with effect from 1st September, 2019 for a period of five years with effect from the said date subject to approval of shareholders.

The approval of the members is being sought to the terms, conditions and stipulations for the appointment of Mr. Brahma Gurbani as the Managing Director and the remuneration payable at Salary of Rs. 24,00,000/- (Rupees Twenty Four Lakhs Only) subject to review by the board on time scale basis. The aggregate of the salary and perquisites in any financial year shall not exceed the limits prescribed from time to time under sections 197 read with Schedule V and other applicable provisions of the Companies Act, 2013.

Minimum Remuneration

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of office, the payment of remuneration shall be governed by the limits prescribed under section II of part II of Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof, for the time being in force.

Statement pursuant to Schedule-V of the Companies Act, 2013 (Schedule XIII of the Companies Act, 1956):

I. GENERAL INFORMATION:

Nature of Industry:

Sampre Nutritions Limited is engaged in the manufacture of sugar boiled range of confectionery, eclairs, candies, toffees, powder and centre filled products.

Date of Commencement of Commercial Production:

The Company was incorporated in the year 1991 and is already in commercial production for long.

Financial Performance of the Company:

(Rs In Lakhs)

PARTICULARS	2018-19
Income	
Revenue from operations	2868.04
Other Income	3.50
Total Income	2871.54
Expenditure	2847.41
Net profit before tax	24.13
Provision for taxation	1.02
Net Profit/(Loss) after tax	23.12

Foreign investments or Collaborations : NIL

II. INFORMATION ABOUT APPOINTEE :

Background details: Mr. Brahma Gurbani holds a degree in Bachelor of Commerce.

Recognition and Rewards:

He is Managing Director of the Company since 1992 and has experience more than 20 years in Management & Administration of Confectionery Industry and well versed in Management Control. He was President of ICMA & member of various trade bodies & associations. The testimony to his leadership is in fact that the company received the prestigious international Quality Award at International Quality Summit 2012, Newyork, USA, besides of lots of other prestigious awards from Prime Minister and President's office.

Job Profile:

He is responsible for overall supervision of the functioning of the company including Products, Procurement, Marketing, handling day to day affairs of the Company, regularly reporting to the Board on the activities of the Company.

Remuneration Proposed:

The proposed remuneration of 24,00,000/- (Rupees Twenty Four Lakhs Only), comprise of monthly basic salary and all other perquisites and is fully justifiable and profile with respects to comparable to that prevailing in the industry, keeping in view the profile and the position of Managing industry, size of the Company.

Pecuniary relationship: Mr. Brahma Gurbani is one of the Promoter and Mr. Vishal Ratan Gurbani is nephew of Mr. Brahma Gurbani.

III. DISCLOSURES:

The details of remunerations and other information is given in the Corporate Governance part of the Directors' Report.

None of the Directors are interested or concerned in the proposed resolution except Mr. Brahma Gurbani and Mr. Vishal Ratan Gurbani.

ITEM NO. 5:

Mr. Banala Jayaprakash Reddy (DIN: 00407438), is currently an Independent Director of the Company and the Member of the Audit Committee and Nomination and Remuneration Committee.

Mr. Banala Jayaprakash Reddy was appointed as an Independent Director of the Company for a term of five consecutive years from September 27, 2014 to hold office upto September 26, 2019. He is eligible for re-appointment for a second term on the Board of the Company as an Independent Director, not liable to retire by rotation, effective from 27th September, 2019, subject to the approval of the Members by a Special Resolution. Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors propose the re-appointment of Mr. Banala Jayaprakash Reddy as an Independent Director of the Company for another term.

Based on the performance evaluation of the Independent Directors and as per the recommendations of the Nomination and Remuneration Committee, given his background,

experience and contribution, the Board is of the opinion that Mr. Banala Jayaprakash Reddy continued association would be of immense benefit to the Company and it is therefore desirable to continue to avail his service as an Independent Director.

The Company has received a declaration from Mr. Banala Jayaprakash Reddy confirming that he meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Further, he is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. In the opinion of the Board, he fulfils the conditions specified in the Act and the Listing Regulations for re-appointment as an Independent Director and that he is independent of the Management.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution except director concerned.

ITEM NO. 6:

Ms. Umra Singh Sirohi (DIN: 02622284), is currently an Independent Director of the Company and the Chairperson of the Audit Committee, Nomination and Remuneration Coimmittee and Stakeholders' Relationship Committee.

Ms. Umra Singh Sirohi was appointed as an Independent Director of the Company for a term of five consecutive years from September 27, 2014 to hold office upto September 26, 2019. She is eligible for re-appointment for a second term on the Board of the Company as an Independent Director, not liable to retire by rotation, effective from 27th September, 2019, subject to the approval of the Members by a Special Resolution. Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors propose the re-appointment of Ms. Umra Singh Sirohi as an Independent Director of the Company for another term.

Based on the performance evaluation of the Independent Directors and as per the recommendations of the Nomination and Remuneration Committee, given her background, experience and contribution, the Board is of the opinion that Ms. Umra Singh Sirohi continued association would be of immense benefit to the Company and it is therefore desirable to continue to avail her service as an Independent Director.

The Company has received a declaration from Ms. Umra Singh Sirohi confirming that she meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Further, she is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. In the opinion of the Board, she fulfils the conditions specified in the Act and the Listing Regulations for re-appointment as an Independent Director and that she is independent of the Management.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution except director concerned.

ITEM NO. 7:

To meet the compliance requirement of SEBI (LODR), Regulations, 2015 and pursuant to Section 149 read with Schedule IV to the Act, Mr. Vimal Suresh (DIN: 08361739) was appointed as Additional Director by Board of Directors in their Board Meeting held on 14th February, 2019 and was designated as Independent Director on the Board for a period of 5 years from 14th February, 2019 to 13th February, 2024, in respect of whom Company has received declaration confirming that he meet criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and SEBI (LODR) Regulations, 2015. Brief profile of Directors is annexed to this Report.

Pursuant to provisions of Section 149(10) of the Act, appointment of independent Directors for term of 5 years requires approval of members by passing of Ordinary resolution, hence Resolution at Item Nos. 07 of the Notice commended for approval of members. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Vimal Suresh will hold office upto the date of the ensuing AGM.

Except Mr. Vimal Suresh in respect of resolution for their appointment, none of the other Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

(In pursuance of Regulation 36 (3) of the Listing Regulations.)

Name of Director	BRAHMA GURBANI
DIN No.	00318180
Date of Birth	05.12.1953
Date of First Appointment	07.10.1992
Experience in Specific Functional Area	First generation entrepreneur who started with two manually operated Lolly Pop machines over 20 years ago with a team of just 10 persons in a tiny tenement rose to become an international recognizable confectionary major from India, whose vision has driven the company to greater heights. Mr. Gurbani was President of ICMA & is member of various trade bodies and associations. The testimony to his leadership is in fact that the company received the prestigious international Quality Award at International Quality Summit 2012, Newyork, USA, besides of lots of other prestigious awards from Prime Minister and President's office.
No. of Shares held in the company	8,87,916
Qualification	B.Com

Name of Director	BANALA JAYAPRAKASH REDDY
DIN No.	00407438
Date of Birth	22.12.1955
Date of First Appointment	01.06.2006
Experience in Specific Functional Area	He has travelled intensively and acquired thorough experience of confectionery industry and very well versed with equipments supplied and engineering development that contributes for achieving more output and working with very efficient yields. Present he is working as consultant for confectionery units with specialization on plant management.
No. of Shares held in the company	Nil
Qualification	B.Com

Name of Director	UMRA SINGH SIROHI
DIN No.	02622284
Date of Birth	07.01.1963
Date of First Appointment	27.09.2014
Experience in Specific Functional Area	Has vast experience in Business Management in the manufacturing & retail sales segments. She is a Member of Telangana Chamber of Commerce and ALEAP, which is a woman's Entrepreneur's organization and active participant in the role of upliftment of woman.
No. of Shares held in the company	Nil
Qualification	MA - Eng Literature

Name of Director	VIMAL SURESH
DIN No.	08361739
Date of Birth	24.06.1984
Date of First Appointment	14.02.2019
Experience in Specific Functional Area	Expert in Business Development
No. of Shares held in the company	Nil
Qualification	B. Com

DIRECTORS' REPORT

To

The Members

Your Directors have pleasure in presenting the Twenty Eighth Annual Report together with the Audited financial statements for the year ended **31st March, 2019**.

1. REVIEW OF PERFORMANCE:

(Amount in Lakhs)

Particulars	Current Year 31.03.2019	Previous Year 31.03.2018
Income (Including Other Income)	2871.54	3275.34
Expenses (Including exceptional items)	2495.18	2962.89
Profit/(Loss) before Interest, Depreciation & Tax (PBIDTA)	376.36	312.45
Finance Charges	212.67	115.60
Depreciation & amortization	139.56	148.43
Net Profit/(Loss) Before Tax	24.13	48.42
Provision for tax including Deferred Tax	1.02	24.20
Net Profit/(Loss) after tax	23.11	24.22
Add / (Less): Share of Profit / (Loss) on Associate Companies	-	-
Add / (Less): Minority Interest - Share of Profit / (Loss)	-	-
Net Profit / (Loss)	23.11	24.22
Basic	0.48	0.50
Diluted	0.48	0.50

2. OPERATIONAL REVIEW:

During the year under review the company has achieved turnover of Rs. 28.72 Crores as compared to Turnover of Rs. 32.75 Crores during the last financial year. Decline in turnover is mainly due to decrease in volume of orders from customers due to unfavourable market conditions and correspondingly decline in profits of the company.

Your company has been working as contract manufacturers for multi-national companies and leading FMCG Companies for more than 2 decades and has been continuously striving to maintain world class manufacturing standards and recognized by customers for high quality standards. Further considering vast experience of the company in confectionery industry, company has launched its own products in the market to encash the deep knowledge of company in various candy flavors'. In the first phase company has launched 6 flavors of Hard Boiled Candy under "Sampre" Brand, promoting own brand has it own challenges and company is cautiously planing to promote its own brand.

During the financial year company continued the contract manufacturing of "Eclairs" for M/s. Krafts Foods Limited but the chocolate eclair and soft toffee category is struggling because margins are low due to the premium nature of the product which is main cause for decline in turnover of the company.

Further your company has entered into Manufacturing Agreements with M/s. Bestie Universal Foods LLP, M/s. De Diet Chef India Private Limited and M/s. Future Consumer Limited. Orders from above executed agreements still not reached expected levels and management hopeful of good order during the current financial year

3. TRANSFER TO RESERVE:

It is not proposed to transfer any amount to reserve during the financial year ended March 31, 2019.

4. DIVIDENDS:

Your directors do not recommend any dividends for the financial year 2018-19, as profits are planned to be ploughed back into the business operations of the Company.

5. DEPOSITS:

Your Company has not accepted any deposits during the year falling under Section 73 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014.

6. SUBSIDIARY/ASSOCIATE COMPANIES:

Your Company do not have any Subsidiary or Associate Company during the financial year ended on 31st March, 2019.

In accordance with the provisions of Section 136 of the Companies Act 2013, the audited financial Statements and related information of the Company are available on our website. The said information is also available for inspection at the Registered Office of the company during business hours and separate copy of such statements will be provided at the request of the members.

7. PARTICULARS OF EMPLOYEES:

The information as required under the provisions of Section 197(12) of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time is attached herewith as **Annexure 1**.

8. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013 the Directors of your Company hereby confirm that:

- a) In the preparation of Annual Accounts for the year ended 31st March, 2019, the applicable accounting standards have been followed along with the proper explanation relating to material departures, if any, there from;
- b) 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 true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2019 and of the profit and loss of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

- d) The Directors have prepared the annual accounts on a going concern basis.
- e) The directors had laid down internal financial controls by the Company and that such internal financial controls are adequate and operating effectively; and
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9. BOARD MEETINGS, BOARD OF DIRECTORS, KEY MANAGERIAL PERSONNEL & COMMITTEES OF DIRECTORS:

i) Board Meetings:

The Board of Directors of the Company met 08 times during the year 2018-19. The gap intervening between two meetings of the board is as prescribed in the Companies Act, 2013. The detail of number of meetings attended by each director is as follows:

S. No.	Names of Directors	Board Meetings							
		29.05.2018	21.06.2018	14.08.2018	30.08.2018	12.11.2018	14.02.2019	01.03.2019	04.03.2019
1.	Brahma Gurbani	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	Meera B Gurbani**	Yes	Yes	No	Yes	--	--	--	--
3.	Vishal Ratan Gurbani	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	Banala Jayaprakash Reddy	Yes	No	Yes	Yes	Yes	Yes	Yes	No
5.	Umra Singh Sirohi	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6.	Vimal Suresh^*	--	--	--	--	--	--	Yes	Yes

**Retired w.e.f 29.09.2018

^*Appointed w.e.f 14.02.2019

ii) Changes in Directors & Key Managerial Personnel :

Ms. Meera Brahma Gurbani was retired by rotation on the 27th AGM held on 29.09.2018 and expressed her unwillingness for re-appointment as Director on the Board and further the Company has not filled the vacancy caused by the retirement. The Board puts on records appreciation for services rendered by her during her tenure as director of the company.

Further Ms. Monalisa Patni was appointed as Company Secretary (CS) and Compliance Officer of the Company w.e.f 04.03.2019.

In order to comply with provisions of Section 152 of the Companies Act, 2019, Mr. Brahma Gurbani, Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

iii) Independent Directors:

1. Mr. Banala Jayaprakash Reddy w.e.f 27.09.2014
2. Mrs. Umra Singh Sirohi w.e.f 27.09.2014
3. Mr. Vimal Suresh w.e.f 14.02.2019

Mr. Banala Jayaprakash Reddy and Mrs. Umra Singh Sirohi, Independent Directors were appointed at the 23rd Annual General Meeting held on 27th September 2014 for a period of Five

(5) years upto 26th Spetember, 2019. Pursuant to provisions of Section 149 and 152 and other applicable provisions of the Companies Act, 2013 and on the recommendation of Nomination and Remuneration Committee and based on the performance evaluation report, the board recommends re-appointment of above mentioned directors for a further period term of 5 consecutive years.

Mr. Vimal Suresh was appointed as Additional Director on the Board w.e.f 14th February, 2019 under section Section 161 of Companies Act, 2013 and he hold the office up to the date of ensuing AGM. He was designated as Independent Director on the Board for a period of 5 years from 14th February, 2019 to 13th February, 2024. In this regard company is in receipt of notice U/s 160 of the act proposing his candidature for appointment as Director of the Company. The Board recommend his appointment.

iv) Statement on declaration by independent directors:

The Company has received necessary declaration from each independent Director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

v) Board Committees:

The Company has the following Committees of the Board :

(a) Audit Committee:

The primary objective of Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency in financial reporting. The Company has a qualified and independent Audit Committee comprising of Independent & Promoter Directors. The Chairman of the Committee is an Independent Director.

Composition:

Audit Committee of your Company as on date consists of two Non-executive Independent Directors and One Executive Director. Company Secretary is Secretary to the Audit Committee.

- | | | | |
|----|------------------------------|---|---------------------------|
| 1. | Mrs. Umra Singh Sirohi | - | Chairperson |
| 2. | Mr. Vishal Ratan Gurbani | - | Member (w.e.f 12.11.2018) |
| 3. | Mr. Vimal Suresh | - | Member (w.e.f 14.02.2019) |
| 4. | Mrs. Meera Brahma Gurbani | - | Member (upto 29.09.2018) |
| 5. | Mr. Banala Jayaprakash Reddy | - | Member (upto 14.02.2019) |

The committee met Four times during the financial year 29.05.2018, 14.08.2018, 12.11.2018 and 14.02.2019 attendance of each Member of Committee is as follows.

S. No.	Names of the Member	Designation	No. of Meetings held	No. of Meetings attended
1	Mrs. Umra Singh Sirohi	Chairperson	4	4
2	Mr. Banala Jayaprakash Reddy	Member	4	4
3	Mr. Vishal Ratan Gurbani	Member	2	2
4	Mrs. Meera Gurbani	Member	2	2

Terms of Reference:

- Overseeing the financial reporting process of the Company.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company, decide the nature and scope of audit in consultation with Auditors as well as post-audit discussion;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing, with the management, the annual financial statements and auditor's report, quarterly financial statements, the statement of uses / application of funds thereon before submission to the board for approval, scrutiny of inter-corporate loans and investments, valuation of undertakings or assets, statement of deviations, management discussion and analysis of financial condition & such other significant information
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Evaluation and reviewing of adequacy of internal audit function internal financial controls and risk management systems;
- To review the functioning of the whistle blower mechanism;

b. Nomination and Remuneration Committee:**Brief description of terms of reference:**

The Nomination and Remuneration Committee is vested with the powers relating to formulating the criteria for determining qualifications, positive attributes, independence of directors and recommend to the board a policy relating to the remuneration of the directorism Key Managerial Employees and other employees.

The Committee shall also identify & screen candidates who qualify to become directors and may be appointed in senior management with the criteria laid down, evaluation of director's performance, approving and evaluating the compensation plans, policies and programs for executive directors and senior managements.

Composition:

The Nomination & Remuneration Committee constitutes of following directors:

1. Mrs. Umra Singh Sirohi - Chairperson
2. Mr. Banala Jayaprakash Reddy - Member
3. Mr. Vimal Suresh - Member (w.e.f 14.02.2019)
4. Mrs. Meera Brahma Gurbani - Member (upto 29.09.2018)

The Nomination and Remuneration Committee met once during the Financial year 2018-19 on 14.02.2019.

Remuneration Policy and details of remuneration paid to the Directors:

The policy framed by the Nomination and Remuneration Committee under the provisions of Section 178(4) of the Act, is as below:

The remuneration policy of the Company has been so structured in order to match the market trends of the confectionery industry. The Board in consultation with the Nomination and Remuneration Committee decides the remuneration policy for Directors. The Company has made adequate disclosures to the members on the remuneration paid to Directors from time to time. Remuneration/ Commission payable to Directors is determined by the contributions made by the respective Directors for the growth of the Company.

Presently, the Non-Executive Directors do not receive any remuneration from the Company except sitting fees.

The aggregate value of salary and perquisites for the year ended 31.03.2019 to Executive Directors are as under:

Name	Designation	Remuneration paid/to be paid for Financial year 2018-19 (in ₹.)		
		Salary & Perks	Commission	Total
Mr. Brahma Gurbani	Managing Director	18.75 Lakhs	--	18.75 Lakhs
Mr. Vishal Ratan Gurbani	Vice-President & Whole Time Director	10.69 Lakhs	--	10.69 Lakhs

(c) Stakeholders Relationship Committee:

The role of Stakeholders' Relationship Committee is to consider and resolve the grievances of shareholders of the Company with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend, etc, review adherence to the service standards in respect of services from the Registrar & Share Transfer Agent and ensure timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Composition of Stakeholders Relationship Committee is as follows:

Mrs. Umra Singh Sirohi	-	Chairperson
Mr. Vishal Ratan Gurbani	-	Member (w.e.f 12.11.2018)
Mr. Banala Jayaprakash Reddy	-	Member (upto 14.02.2019)

vi) Vigil Mechanism:

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour the company has established a whistle-blower policy and also established a mechanism for Directors and employees to report their concerns.

Whistle Blower Policy:

The Company has established a mechanism for employees to report concerns about unethical behaviors, actual or suspected fraud, and violation of Code of Conduct of the Company etc. The mechanism also provides for adequate safeguards against victimization of employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee. We affirm that during the financial year 2018-19, no employee has been denied access to the Audit Committee.

vii) Related Party Transactions:

The related party transactions that were entered into during the financial year were on an arm's length basis and there no material related party transactions made by the Company with Directors and other related parties which may have potential conflict with the interest of the company.

Details of the related party transactions as required pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 is attached herewith as **Annexure - 2**.

10. MATERIAL CHANGES AND COMMITMENTS FROM THE DATE OF CLOSURE OF FINANCIAL YEAR:

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

11. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

12. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Since the CSR norms are not applicable to the Company, the disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 are not required to be made.

13. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF). Also, the provisions of the Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 are not applicable to the Company.

14. BOARD EVALUATION:

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committee and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors. On the basis of the Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors, a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors.

15. COST RECORDS:

The provision of Cost audit as per section 148 doesn't applicable on the Company.

16. AUDITORS:

M/s. R R K & Associates, Chartered Accountants (FRN: 009785S), Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed there under, it is proposed to re-appoint M/s. R R K & Associates, Chartered Accountants as statutory auditors of the Company from the conclusion of the ensuing AGM till the conclusion of the 33rd AGM to be held in the year 2024. M/s. R R K & Associates, Chartered Accountants have furnished the Certificate of their eligibility for appointment in compliance with Section 141 of the Companies Act, 2013.

Further pursuant to section 142 of the Companies Act, 2013 payment of remuneration to Auditors requires approval of members in general meeting, hence resolution commended for the approval of Shareholders to authorize the board to negotiate and fix their remuneration for FY 2019-20.

The Board recommends their re-appointment.

17. DETAILS OF FRAUD REPORT BY AUDITOR:

The Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013.

18. AUDITORS REPORT:

The Auditors' Report for fiscal 2019 does not contain any qualification, reservation or adverse remark. The *Auditors' Report* is enclosed with the financial statements in this annual report.

19. SECRETARIAL AUDITORS:

In accordance with the provisions of Section 204 of the Companies Act, 2013 and rule 9 of Companies (Appointment and Remuneration of Managerial Persons) Rule, 2014, the Board of Directors of the Company appointed M/s. V K Bajaj & Associates, Practicing Company Secretaries, to conduct Secretarial Audit of the Company for the Financial Year 2018-19. The Secretarial Audit Report for Financial year 2018-19 is herewith appended as **Annexure 3** to the Board's report.

With regards to advances to sister concerns, Board would like to inform you that those advances are given in the ordinary course of business.

20. EXTRACT OF ANNUAL RETURN:

In accordance with Section 134(3)(a) of the Companies Act, 2013, and extract of Annual Return in Form MGT 9 is annexed herewith as **Annexure 4** to the Boards' Report.

21. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS U/S 186:

Company has neither made any investments nor given any guarantees during the financial year except outstanding advances to the Associate Companies.

22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as prescribed under Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, are set out in the **Annexure 5** to this Report.

23. PERFORMANCE OF THE BOARD OF DIRECTORS, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

In accordance with Section 134(3)(p) of the Companies Act, 2013 and Rule 8(4) of the Companies (Accounts) Rules, 2014, your Directors have reviewed and evaluated the performance of the Board of Directors and their committees, along with performance of individual Director in the light of Company's performance. The performance of the Directors individually and collectively and performance of committees are found satisfactory.

With the spirit of wealth creation for the shareholders of the Company, your Directors are committed to give their best efforts towards the development of the Company.

24. MANAGEMENT DISCUSSION & ANALYSIS REPORT :

As per Regulation 34 (2) and para B of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis report is attached and forms part of this report, as **Annexure 6**.

25. RISK MANAGEMENT:

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. A formal enterprise wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework.

26. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The company has in place an Anti Sexual Harassment policy in line with the requirement of the Sexual Harassment women at work place (Prevention Prohibition and Redressal) Act, 2013. The internal complaints committee ("ICC") has been setup to redress the complaints received regarding sexual harassment. All employees are covered under this policy.

During the year there were no complaints referred to the ICC.

27. ACKNOWLEDGEMENTS:

Your Directors have pleasure in recording their appreciation for the assistance extended to the Company by various officials of the Central and State Governments and Commercial Banks.

Your Directors would also like to place on record their sincere appreciation and gratitude to the Shareholders, Investors, Suppliers, Bankers for their support and co-operation. Your Directors express their heartfelt gratitude to the employees for their exceptional commitment and loyalty to the Company.

By Order of the Board
For **SAMPRE NUTRITIONS LIMITED**

Sd/-
BRAHMA GURBANI
Managing Director
DIN: 00318180

Sd/-
VISHAL RATAN GURBANI
Whole-Time Director
DIN: 07738685

Place : Medchal
Date : 14.08.2019

Annexure - 1

Statement under section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

I. Remuneration details of Directors and Key Managerial Personnel (KMPs)

Name of the Director	Designation	% increase in remuneration over last year	Ratio of Remuneration of Directors with Median Remuneration of employees
a) Executive Director			
Brahma Gurbani	Managing Director	20.00	9.49
Vishal Ratan Gurbani	Whole-Time Director – VP	51.00	4.77
b) KMP			
Vamshi Srinivas Vempati	CFO	10.00	5.41

- II. Total employees on the payroll of the Company : 145
- III. Percentage increase in the median remuneration of employees during FY 2018-19 and Remuneration of Managerial Personnel Vis a Vis other employees: **The average increase every year is an outcome of the Company's market competitiveness, salary benchmark survey, inflation and talent retention.**
- IV. Pursuant to Rule 5(1)(xii) of the companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, it is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- V. Details of top ten employees of the companies in terms of remuneration drawn during the year including the details of remuneration of employees who, if employed throughout the year, were in receipt of remuneration at the rate of not less than Rs.1,02,00,000/- per annum or if employed for part of the year, were in receipt of remuneration at the rate of not less than Rs. 8,50,000/- per month - **NIL**

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

Details of contracts or arrangements or transactions not at Arm's length basis.

Sl. No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	Nil
b.	Nature of contracts/arrangements/transaction	Nil
c.	Duration of the contracts/arrangements/transaction	Nil
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e.	Justification for entering into such contracts or arrangements or transactions'	Nil
f.	Date of approval by the Board	Nil
g.	Amount paid as advances, if any	Nil
h.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

Details of contracts or arrangements or transactions at Arm's length basis.

S. No.	Particulars	Details
a.	Name (s) of the related party & Nature of relationship	M/s. Royes Industries Limited Enterprise in which Directors have significant influence
b.	Nature of contracts/ arrangements/ transaction	Lease Agreement dated 24.04.2015 & Addendum to Lease Agreement dated 08.11.2016
c.	Duration of the contracts/ arrangements/ transaction	8 years commencing from 21 st April, 2015
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	Lease Rental of Rs. 5,00,000/- p.m towards factory premises alongwith Plant and Machinery
e.	Date of approval by the Board	27.03.2015
f.	Amount paid as advances, if any	Advance of Rs. 53,82,353/- paid as Security Deposit

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2019

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]*

To,
The Members,
SAMPRE NUTRITIONS LIMITED
Plot No. 133, Industrial Estate
Medchal – 501 401

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. SAMPRE NUTRITIONS LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **M/s. SAMPRE NUTRITIONS LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- I.. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 amended to Securities And Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 w.e.f. 16th May 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 amended to Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 herein referred as Listing Regulations.

- (d) SEBI (Share Based Employee Benefits) Regulations, 2014. **Not Applicable**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable** and
- (l) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable to the Company subject to the following observations:

- a) Following Delay/Deficiencies are being reported in compliance with SEBI(LODR) Regulation, 2015
 - i. Delay in Compliance with Regulation 6(1) with regard to Appointment of Company Secretary.
 - ii. Delay in Compliance with Regulation 19(1) i.e., constitution of Nomination and Remuneration Committee for the quarter 31st March, 2019
 - b) Company has given advances to sister concerns in non-compliance with provisions of the Act
- v. **We further report that**, after considering the compliance system prevailing in the Company, and after carrying out test checks of the relevant records and documents maintained by the Company, it has complied with the following laws that are applicable specifically to the Company:
- (a) Food Safety and Standards Act, 2006.
 - (b) Water (Prevention & Control of Pollution) Act, 1961
 - (c) Drugs and Cosmetics Rules, 1945
 - (d) The Andhra Pradesh Commodities Dealers (Licensing & Distribution) Order 1982
 - (e) Standards of Weights & Measures (ENF) Act, 1985

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

- l) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.

MANAGEMENT RESPONSIBILITY:

- 1. Maintenance of secretarial records, and to devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively is the responsibility of Management. Our responsibility as the Secretarial Auditor is to express an opinion on these secretarial

records, systems, standards and procedures based on our audit.

2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc;
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

For **V K Bajaj & Associates**
Company Secretaries

Sd/-
Vasanth Kumar Bajaj
Company Secretary
FCS 6868 C P No. 5827

Place : Hyderabad
Date : 14.08.2019

ANNEXURE - 4**Form No. MGT-9
EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31.03.2019***[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]***I. REGISTRATION AND OTHER DETAILS:**

1. CIN	L15499TG1991PLC013515
2. Registration Date	03.12.1991
3. Name of the Company	SAMPRE NUTRITIONS LIMITED
4. Category / Sub-Category of the Company	Company Limited By Shares / Indian Non-Government Company
5. Address of the Registered office and contact details	Plot No. 133, Industrial Estate, Medchal – 501 401 Telephone: 08418 - 222427/28 E-mail: gurbani@gurbanigroup.in
6. Whether listed company Yes / No	YES
7. Name, Address and Contact details of Registrar and Transfer Agent	M/s. Big Share Services Private Limited 306, 3 rd Floor, Right Wing, Amrutha Ville, Opp. Yashoda Hospital, Raj Bhavan Road, Somajiguda, Hyderabad – 500 082 Phone: 040 – 40144582 e-mail: bsshyd1@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Manufacture of sugar confectionery	15432	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING / SUBSIDIARY ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
NIL					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01/04/2018				No. of Shares held at the end of the year i.e. 31/03/2019				% Changes during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2544463	0	2544463	52.79	2544463	0	2544463	52.79	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Bank/FI	0	0	0	0	0	0	0	0	0
f) Any Other...	0	0	0	0	0	0	0	0	0
Sub - Total (A) (1):-	2544463	0	2544463	52.79	2544463	0	2544463	52.79	0
(2) Foreign									
a) NRIs - Individual	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other...	0	0	0	0	0	0	0	0	0
Sub - Total (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	2544463	0	2544463	52.79	2544463	0	2544463	52.79	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) Sate Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others(NBFC)	0	0	0	0	0	0	0	0	0
(i-a) Foreign Portfolio Investor - II	0	0	0	0	0	0	0	0	0
Sub-total (B) (1):-	0	0	0	0	0	0	0	0	0
2.Non- Institutions									
a) Bodies Corp.									
i) Indian	59033	2600	61633	1.28	53921	2600	56521	1.17	-0.11
ii) Overseas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Individual									
i) Individual shareholders holding nominal share capital uptoRs. 1 lakh	1261369	399122	1660491	34.45	1196595	376502	1573097	32.64	-1.81
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs	247581	10800	258381	5.36	350999	0	350999	7.28	+1.92
c) Other (specify)									
(c-i) NBFC	3900	0	3900	0.08	3900	0	3900	0.08	0
(c-ii) Clearing Members	22435	0	22435	0.47	24903	0	24903	0.52	+0.05
(c-iii) Non-Resident Indians	77297	191400	268697	5.57	83717	182400	266117	5.52	-0.05
Sub - Total (B) (2):-	1671615	603922	2275537	47.21	1714035	561502	2275537	47.21	0.00
Total Public Shareholding (B) = (B)(1)+ (B)(2)	1671615	603922	2275537	47.21	1714035	561502	2275537	47.21	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	4216078	603922	4820000	100	4258498	561502	4820000	100	0

ii) Shareholding of Promoters:

S. No.	Names of the Shareholders'	Share Holding at the beginning of the year			Share Holding at the end of the Year			% change In share Holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / Encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / Encumbered to total shares	
1.	Brahma Gurbani	8,87,916	18.42	0	8,87,916	18.42	0	0
2.	Saritha B Gurbani	7,61,762	15.80	0	7,61,762	15.80	0	0
3.	Meera B Gurbani	5,30,762	11.01	0	5,30,762	11.01	0	0
4.	Saraswathi Gurbani	2,22,023	4.61	0	2,22,023	4.61	0	0
5.	Deepa Gurbani	1,42,000	2.95	0	1,42,000	2.95	0	0
Total		25,44,463	52.79	0	25,44,463	52.79	0	0

iii) Change in Promoters' Shareholding:

S. No	Names of the Shareholders'	Shareholding at the beginning of the year		Reason for Increase / Decrease	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the company
No Change in Promoter Shareholding						

iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No	Names of the Shareholders	Particulars	Shareholding at the beginning of the year		Date	Cumulative Shareholding during the year	
			No. of shares	% of total shares		No. of shares	% of total shares
1.	Ramit Rajinder Bhardwaj	At the beginning of the year	59038	1.22	31.03.2019	81885	1.70
		At the end of the year	81885	1.70			
2.	Niranjan S Shetty	At the beginning of the year	60785	1.26	31.03.2019	60785	1.26
		At the end of the year	60785	1.26			
3.	Joydeep Roy	At the beginning of the year	35963	0.75	31.03.2019	38463	0.80
		At the end of the year	38463	0.80			
4.	Asha Mathur	At the beginning of the year	0	0	31.03.2019	34037	0.71
		At the end of the year	34037	0.71			
5.	Ashish Kukreja	At the beginning of the year	23260	0.48	31.03.2019	0	0
		At the end of the year	0	0			
6.	Sanjay Bhattacharya	At the beginning of the year	3652	0.08	31.03.2019	20323	0.42
		At the end of the year	20323	0.42			
7.	Smita Divesh Shah	At the beginning of the year	18950	0.39	31.03.2019	18950	0.39
		At the end of the year	18950	0.39			
8.	Sunitha Reddy Kyatham	At the beginning of the year	18000	0.37	31.03.2019	18000	0.37
		At the end of the year	18000	0.37			
9.	Daksha Vishanji Kotak	At the beginning of the year	27950	0.58	31.03.2019	27950	0.58
		At the end of the year	27950	0.58			
10.	Pavan Maddipati	At the beginning of the year	4143	0.09	31.03.2019	15884	0.33
		At the end of the year	15884	0.33			
11	Raj Kumar Dwarkadas Gurbaxani	At the beginning of the year	15000	0.31	31.03.2019	15000	0.31
		At the end of the year	15000	0.31			
12	R Varadarajan	At the beginning of the year	14541	0.30	31.03.2019	14541	0.30
		At the end of the year	14541	0.30			

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	For Each of the Directors and KMP	Shareholding		Date	Increase / Decrease in Share Holding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning / end of the year	% of total shares of the company				No. of shares at the beginning/ end of the year	% of total shares of the company
1.	Brahma Gurbani	887916	18.42	01.04.2018	-	-	887916	18.42
		887916	18.42	31.03.2019	-	-	887916	18.42
2.	Vishal Ratan Gurbani	-	-	01.04.2018	-	-	-	-
		-	-	31.03.2019	-	-	-	-
3.	Banala Jayaprakash Reddy	-	-	01.04.2018	-	-	-	-
		-	-	31.03.2019	-	-	-	-
4.	Umra Singh Sirohi	-	-	01.04.2018	-	-	-	-
		-	-	31.03.2019	-	-	-	-
5.	Vimal Suresh	-	-	01.04.2018	-	-	-	-
		-	-	31.03.2019	-	-	-	-
6.	Vamshi Srinivas Vempati	-	-	01.04.2018	-	-	-	-
		-	-	31.03.2019	-	-	-	-
7.	Monalisa Patni	-	-	01.04.2018	-	-	-	-
		-	-	31.03.2019	-	-	-	-

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment (In ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	12,11,04,972	1,97,03,531	-	14,08,08,503
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	12,11,04,972	1,97,03,531	-	14,08,08,503
Change in Indebtedness during the financial year				
Addition / (Reduction)	5,16,22,949	80,86,942	-	5,97,09,891
Net Change	5,16,22,949	80,86,942	-	5,97,09,891
Indebtedness at the end of the financial year				
i) Principal Amount	17,27,27,921	2,77,90,473	-	20,05,18,394
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	17,27,27,921	2,77,90,473	-	20,05,18,394

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (In ₹)

S. No.	Particulars of Remuneration	Brahma Gurbani Managing Director	Vishal Ratan Gurbani Vice - President & Whole time Director	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961.	18,75,000	10,69,200	29,44,200
2.	Stock Option		--	--
3.	Sweat Equity		--	--
4.	Commission - as % of profit - others, specify...		--	--
5.	Others, please specify		--	--
	Total (A)	18,75,000	10,69,200	29,44,200
	Ceiling as per the Act – Schedule V of the Act		--	84,00,000

B. Remuneration to other directors:**(In ₹)**

Sl. No.	Particulars of Remuneration	Meera B Gurbani	Banala Jayaprakash Reddy	Umra Singh Sirohi	Vimal Suresh	Total
1.	Independent Directors					
	• Fee for attending board / committee meetings	-	30,000	90,000	10,000	1,30,000
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
Total (1)		-	30,000	90,000	10,000	1,30,000
2.	Other Non-Executive Directors					
	• Fee for attending board / committee meetings	30,000	-	-	-	30,000
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
Total (2)		30,000	-	-	-	30,000
Total (B)=(1+2)		30,000	30,000	90,000	10,000	1,60,000
Total Managerial Remuneration						31,04,200
Overall Ceiling as per the Act*						84,00,000

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD:**(In ₹)**

S. No.	Particulars of Remuneration	Vamshi Srinivas Vempati Chief Financial Officer	Total
1.	Gross salary (a+b+c)	9,43,200	9,43,200
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,43,200	9,43,200
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	-	-
5.	Others, please specify	-	-
	Total	9,43,200	9,43,200

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties or punishments levied on the company during the year. Also, there was no necessity for the company to compound any offence.

**Details of Conservation of Energy, Technology Absorption,
Foreign Exchange Earnings and Outflow**

[Clause (m) of sub-section (3) of Section 134 of the Act,
r/w Rule 8 of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY:

(i) The steps taken or impact on conservation of energy:

Company is taking steps to conserve energy to the extent possible, one of them being Using Briquettes in Boiler.

(ii) The steps taken by the Company for utilizing alternate source of energy:

Company is looking to install solar panels for its lighting requirement where ever it is feasible.

(iii) The Capital Investment on energy conservation equipments:

Amount spent on conservation of energy is not significant, when compared to size of the balance sheet.

A. TECHNOLOGY ABSORPTION:

~~(i) the efforts made towards technology absorption.~~

~~(ii) the benefits derived like product improvement, cost reduction, production development or import substitute.~~

~~(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year: Not Applicable~~

~~a. the details of technology imported~~

~~b. the year of Import~~

~~c. whether the technology been fully absorbed~~

~~d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and.~~

FOREIGN EXCHANGE EARNINGS AND OUTGO :

(Amount in ₹)

Particulars	March 31, 2019
Foreign exchange earnings	Nil
Foreign exchange outgo	Nil

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**INDIAN ECONOMY**

FY 2018-19 was relatively a good year for the economy. Despite the global volatility India remained the fastest growing large economy in world. The Indian GDP growth was 6.8 percent in 2018-19, as per Central Statistics Office (CSO). Growth in second half of the year was subdued due to slowing down of manufacturing growth and the liquidity crunch due to the IL&FS defaults. Crisis in financial sector impacted credit flows to micro and small and well as medium size industries which consequently resulted in lower investment and lower production. Furthermore there was a distinct slowdown in consumption demand as many NBFCs stopped lending in the market due to the liquidity crunch. In FY 2019-20 IMF has forecasted India's GDP growth of 7.2%. The sustained focus on infrastructure development and resumption in consumption demand in the second half is expected drive the growth of the economy.

With the strong mandate of the incoming government, the government driven infrastructure buildout will continue. Furthermore its expected that after the initial glitches, the benefits from The Insolvency and Bankruptcy Code, The Real Estate (Regulation and Development) Act and GST shall start impacting the formal economy positively.

INDUSTRY STRUCTURE AND DEVELOPMENTS:

The confectionery industry of India, which was ranked 25th in the world in 2009 , has now emerged as one of the largest and well-developed food processing sectors of the country. The credit goes to liberalization along with growing Indian economy, which have led several multinational companies to invest in India's confectionery market, further changing the face of this industry.

Besides, the entry of various multinational companies in the Indian confectionery market has not only increased the competition but also the per-capita consumption, by launching new products at affordable prices, and creating awareness among the buyers through advertisements and promotional campaigns. It is found that emerging trend of gifting confectionery products and untapped rural market are among the key factors that are expected to fuel growth in Indian confectionery market in the near future.

Sugar confectionery, such as boiled sweets, mints and toffees, caramels and nougat, were used in monetary transactions as substitutes for lower denominations of currency in many places. This has contributed to the growth in sales of sugar confectionery in India. Retail outlets have started to issue sugar confectionery priced at INR 1.00-5.00 during transactions, in lieu of change for example, to cover for the dearth of lower denominations of currency.

OUTLOOK OF THE HARD BOILED CANDY MARKET:

The HBC segment has strong sub-categories such as lacto candies, cough lozenges and digestive candies and most major players are present in that category. It has grown so big that when a new player comes in and studies the market, it decides to launch in that particular segment instead of innovating in others.

The confectionery space in India is known by certain distinct characteristics - highly pricesensitive, extremely low value, and a distribution driven market. With major players such as Cadbury, Hindustan Lever and Gujarat Co-operative Milk Marketing Federation eyeing this space for a bigger bite of the pie, competition is expected to heat up. Since the pocket money of children accounts for a bulk of confectionery purchases, pricing is low and generally under Re. 1. Prices of key brands have been more or less constant over the past five years, leading to a massive pressure on margins.

India chocolate market reached a value of US\$ 1,495 Million in 2018 with the country currently representing one of the world's fastest growing markets for chocolates. India's strong economic growth over the past decade has catalyzed the country's per capita disposable incomes resulting in the strong growth of the chocolate industry. As a result, consumers are now buying chocolates for everyday consumption rather than just special occasions. Another major factor driving the chocolate industry is the country's large young population which represents a key consumer segment for chocolates. Currently around half of the total population in India is below the age of 25 years and two thirds are below the age of 35 years. Other factors driving the market include changing lifestyles, westernization, growth of the food services sector, value addition, etc. Driven by these factors chocolates are replacing traditional sweets in the country. Looking forward, we expect the chocolate market in India to reach revenues worth US\$ 3,281 Million, growing at a CAGR of 14% during 2019-2024.

OPPORTUNITIES, THREATS, RISKS AND CONCERNS:

Innovations, new launches of brands and variants are driving candies segment growth to a 15% level, almost double the rate at which confectionery category is growing, product innovation in terms of formulations, processing, and packaging is the major factor that drives the growth of the confectionery industry.

The Indian confectionery market is very different from the global market. The trade is significantly different with the global market relying heavily on organised trade. In India, unorganised mom and pop retail outlets such as paan shops and kirana outlets result in the bulk of sales. Organised trade is still insignificant in terms of sales. Functional products and sugar free confectionery dominate the world-wide market, while that trend is yet to pick up in India. The GST in India was implemented w.e.f 1st July 2017, thereby pushing forward this biggest tax reform to the next level.

PERFORMANCE:

At the instance, during the year 2018-19, our total turnover is 28.68 Crores from 32.75 Crores in the previous year and total Profit earned 23.11 Lakhs from 24.22Lakhs in the previous year.

As you know that company has been working as contract manufactures for multi-national companies and leading FMCG Companies for more than 2 decades and has been continuously striving to maintain world class manufacturing standards and recognized by customers for high quality standards, your Company has launched 6 new flavors of Hard Boiled Candies during the year.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has adequate systems of internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

An Internal Auditor carries out the internal audit of the Company operations and reports its findings to the Audit Committee on a regular basis. Internal Audit also evaluates the functioning and quality of internal controls, and provides assurance of its adequacy and effectiveness through periodic reporting.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS FRONT:

Your Company has undertaken certain employees' Development initiatives which have very positive impact on the moral and team spirit of the employees. The Company has continued to give special attention to Human Resources/ Industrial Relations development. Industrial relations remained cordial throughout the year and there was no incidence of strike, lock-out etc.

Your Company's human resource management systems and processes are designed to enhance employee engagement, organizational capability and vitality so as to ensure that competitive superiority and capable of achieving your Company's ambitious plans for growth.

CAUTIONARY STATEMENT:

Statements made in this report describing the company's projections, estimates, expectations or predictions may be "forward looking" within meaning of applicable securities laws and regulations. Actual results may differ from such estimates whether expressed or implied. Factors which would make a significant difference to the company's operations include availability of quality raw material, market prices of other important raw materials like milk powder, vegetable fat etc., changes in Government regulations and tax laws economic conditions affecting demand/supplies and other environmental factors over which the company does not have control.

INDEPENDENT AUDITORS' REPORT

To
The Members of
SAMPRE NUTRITIONS LIMITED

Report on the INDAS Financial Statements

Opinion

We have audited the accompanying Financial Statements of **SAMPRE NUTRITIONS LIMITED** ("the company"), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss and the Cash Flow Statement and the statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
- b) in the case of the Statement of Profit and Loss, of the profit 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.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there were no such key audit matters to communicate in our report.

Responsibility of Management for the Standalone Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Report on other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the act, we given in the 'Annexure A' statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.

As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

- c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B', and
- g) With respect to the other matters included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, to our best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For R R K & Associates
Chartered Accountants
FRN No. 09785S

Date : 29-05-2019
Place : Hyderabad

Sd/-
R. Radha Krishna
Partner
M.No.210777

Annexure 'A'
To The Independent Auditor's Report
(This is the Annexure referred to in our Report of even date)

- i.
- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. All fixed assets have been physically verified by the Management during the year, in our opinion, is reasonable having regard to the size of the Company and the nature of its Assets. No material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us all the title deeds of immovable properties are held in the name of the company.
- ii.
- a. The Management has conducted physical verification of inventory at reasonable intervals during the year.
- 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 the nature of its business.
- c. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii.
- The Company has not granted any loans to the parties covered in the register maintained under section 189 of the Companies Act, 2013, except for unsecured trade advances in normal course of business.
- iv. The Company has been complied with provisions of section 185 and 186 of the Companies Act, 2013 wherever applicable in respect of loans, investments, guarantees, and security.
- v. The Company has not accepted any deposits from the public.
- vi. In our opinion, and according to the information and explanations given to us, the company is not required to maintain cost records and accounts as provided under sub section (1) of section 148 of the Companies Act, 2013.
- vii.
- a. According to the records provided to us, the Company is regular in depositing undisputed statutory dues including Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it with appropriate authorities and according to the information and explanations given to us, no undisputed amounts payable in respect of Income- tax, Sales-tax, Wealth-tax, Service Tax, Customs Duty, Excise Duty and Cess were in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable.

Particulars	Amount in Rs.
ESI	1,92,622
Tax Deducted at Source	3,37,544
Professional Tax	69,600

- b. According to the records of the Company and on the basis of the information and explanations given to us, except for below mentioned, there are no dues in respect of VAT, Service Tax, Duty of Excise, Income Tax, customs duty, wealth tax that have not been deposited with the appropriate authorities on account of any dispute.

Name of the Statute	Nature of the Dues	Amount Rs.	Period to relates	Forum where pending
Central Excise Act, 1944	Excise Duty	Excise Duty Rs.74, 45,614/-, & Penalty of Rs.74, 45,614/-.	From April-2007 To March-2011	CESTAT, Bangalore, Final Order no: 20533-20535/ 2014, dated: 7/4/2014. Remand back to Commissioner (Appeals)- Attended PH during June -2015.
Central Excise Act, 1944	Excise Duty	Excise Duty Rs.20, 03,700/-, & Penalty of Rs.60, 00,000/-.	From April-2011 To January-2012.	CESTAT, Bangalore, OIA 42/2013 submitted on 31-01-2014, Remand back to Commissioner of Central Excise Appeals .
Central Excise Act, 1944	Excise Duty	Excise Duty of Rs.21, 83,993/- and Penalty of Rs.2, 00,000/-.	From February-2012 To September-2012.	Remand back to Commissioner of Central Excise Appeals O.R.No.34/2013. Attended PH during June -2015.
Central Excise Act, 1944	Excise Duty	Excise Duty of Rs.10, 05,000/- .	From September-2012-March 2013.	Remand back to Commissioner of Central Excise Appeals. Attended PH during June -2015.
Central Excise Act, 1944	Excise Duty	Excise Duty on Freebies Paid Rs. 63, 49,974/-.	From June-2008 To January-2013	Commissioner of Central Excise O.R.No.127/2013.Dated:02.07.2013 appeal filed on 22.12.2014.
Central Excise Act, 1944	Excise Duty	Excise Duty on Freebies Paid Rs. 11, 54,946/-.	From January-2013- Dec 2013	CESTAT, Bangalore, SCN:40/2014 issued 03-03-2014.Appeal filed on 24.07.2015
Central Excise Act, 1944	Excise Duty	Excise Duty on Freebies Payable Rs.95,96,005/-.	From Apr-2014- Dec 2014	O.R.No.101/2015-Adjn (Commr.) (C.E.), O.I.O No.HYD-EXCUS-004-COM-041-15-16 Dated: 15.10.2015.Appeal Filed on 11.02.2016.
Central Excise Act, 1944	Excise Duty	Excise Duty on Freebies Payable Rs.2,51,86,222/-	From Apr-2014- Dec 2014	O.I.O No.HYD-EXCUS-0004-COM-017-15-16 Dated: 24.06.2015. Appeal Filed on 08.10.2015
Central Excise Act, 1944	Excise Duty	Excise Duty on PME Case Rs.212,09,684/-	From Jan-2015 – Oct 2015	CESTAT
Central Excise Act, 1944	Excise Duty	Excise Duty on PME Case Rs.7,50,000/-	From Nov-2015 – Jun 2017	CCE(Appeals), Hyderabad
Central Excise Act, 1944	Excise Duty	Excise Duty on Valuation for Rs.86,23,672/-	F.Y.2010-11	DGCEI
Income Tax Act, 1961	Income Tax	Rs.42 Lakhs	A.Y.2005-06	CIT (A), Circle 3(1), Hyderabad

- viii. The Company has not defaulted in repayment of loans or borrowings to the financial institutions or banks or government or dues to debenture holders.
- ix. In our opinion, Term Loans were applied for the purpose for which the said loans were obtained.
- x. As per the checks carried out by us, no fraud on or by the company has been noticed or reported during the year under report.
- xi. According to the records of the Company and on the basis of the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Companies Act, 2013.
- xii. The Company is not a Nidhi Company.
- xiii. In our opinion, and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- xiv. In our opinion, and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. In our opinion, and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For RRK & Associates

Chartered Accountants
FRN No.09785S

Sd/-

R.Radha Krishna

Partner

M.No.210777

Date : 29-05-2019

Place : Hyderabad

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **SAMPRE NUTRITIONS LIMITED** ("the Company") as of 31 March 2019 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of

financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For RRK & Associates

Chartered Accountants

Firm Registration No. 09785S

Sd/-

R.Radha Krishna

Partner

M.No.210777

Date : 29-05-2019

Place : Hyderabad

SAMPRE NUTRITIONS LIMITED
BALANCE SHEET AS ON 31.03.2019

(All amounts are in Indian rupees except as otherwise stated)

Particulars	Notes	As at 31st March 2019	As at 31st March 2018
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3	152,922,356	128,806,552
(b) Capital work-in-progress	4	88,844,851	23,932,300
(c) Financial Assets			
- Investments in Subsidiaries & Others	5	100,000	100,000
- Other Financials Assets	6	7,119,936	14,952,762
d) Other non-current assets	7	311,869	700,244
		249,299,013	168,491,858
Current assets			
(a) Inventories	8	59,295,604	49,263,572
(b) Financial Assets			
- Trade receivables	9	49,890,234	45,252,543
- Cash and cash equivalents	10	3,435,424	2,369,626
- Others Financial Asset	6	18,798,950	7,268,847
c) Other Current Assets		-	49,071
		131,420,212	104,203,658
		380,719,225	272,695,516
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	11	48,200,000	48,200,000
(b) Other Equity	12	55,512,700	53,200,960
Total Equity		103,712,700	101,400,960
Liabilities			
Deferred tax liability (net)	13	4,462,506	5,331,870
Non-current liabilities			
Financial Liabilities			
Long term borrowings	14	109,755,409	91,571,855
		114,217,915	96,903,725
Current liabilities			
(a) Financial Liabilities			
Short-term Borrowings	15	72,234,877	40,306,648
Trade payables	16	61,805,809	15,895,392
Other current liabilities	17	28,288,063	17,050,658
Short-term provisions	18	459,861	1,138,133
		162,788,610	74,390,831
		380,719,225	272,695,516

Summary of significant accounting policies 1-44

The accompanying notes referred above form an integral part of the financial statements.

As per our report of even date attached

For RRK & Associates

Chartered Accountants

Firm No. : 009785S

Sd/-

R.Radha Krishna

Partner

M.No.210777

Place : Medchal

Date : 29-05-2019

for and on behalf of the Board

Sampre Nutritions Limited

Sd/-

(B K GURBANI)

Managing Director

DIN: 00318180

Sd/-

(V. VAMSHI SRINIVAS)

Chief Financial Officer

Sd/-

(VISHAL RATAN GURBANI)

Director

DIN: 07738685

Sd/-

(MONALISA PATNI)

Company Secretary

SAMPRE NUTRITIONS LIMITED

Statement of profit and loss for the year ended March 31, 2019

(All amounts are in Indian rupees except as otherwise stated)

Particulars	Notes	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
Revenue			
Revenue from operations	19	286,804,132	326,472,899
Other income	20	349,967	1,061,338
		287,154,099	327,534,237
Expenses			
Cost of materials consumed	21	184,263,647	199,633,780
Manufacturing expenditure	22	36,637,442	69,983,443
Employee benefits expense	23	7,045,066	8,019,116
Other expenses	24	21,571,338	18,653,611
Depreciation	25	13,956,152	14,842,605
Finance costs	26	21,267,118	11,560,313
		284,740,763	322,692,868
Profit/ (loss) before tax		2,413,336	4,841,369
Tax expense		-	-
Current tax		459,861	1,138,133
Short /(Excess) Provision for Taxation		511,099	-
Deferred tax (credit)/charge)		(869,364)	1,281,318
Total tax expense		101,596	2,419,451
Profit/ (loss) for the period/year		2,311,740	2,421,917
Other Comprehensive Income		-	-
Total Comprehensive Income for the Year		2,311,740	2,421,917
Earnings per equity share			
[Nominal value of equity share Rs.10 (March 31, 2016: Rs.10)]			
Basic and Diluted (Rs.)		0.48	0.94
Weighted average no. of equity shares		4,820,000	4,820,000

The accompanying notes referred above form an integral part of the financial statements.

As per our report of even date attached

For RRK & Associates

Chartered Accountants
Firm No. : 009785S

Sd/-
R.Radha Krishna
Partner
M.No.210777

Place : Medchal
Date : 29-05-2019

for and on behalf of the Board
Sampre Nutritions Limited

Sd/-
(B K GURBANI)
Managing Director
DIN: 00318180

Sd/-
(V. VAMSHI SRINIVAS)
Chief Financial Officer

Sd/-
(VISHAL RATAN GURBANI)
Director
DIN: 07738685

Sd/-
(MONALISA PATNI)
Company Secretary

SAMPRE NUTRITIONS LIMITED

Cash flow statement for the year ended 31 March 2019
(All amounts are in Indian rupees except as otherwise stated)

(Rs.)

Particulars	For the Year Ended 31st March 2019	For the Year Ended 31st March 2018
a. Cash Flow From Operating Activities:		
Net Profit before tax	2,413,336	4,841,369
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation expense	13,956,152	14,842,605
Profit / Loss on sale of fixed assets / CWIP	161,120	-
Interest income accrued	(245,331)	(984,862)
Interest Expense	12,566,019	4,995,540
Operating profit before working capital changes	28,851,295	23,694,651
Movements in Working Capital :		
(Increase)/ Decrease in inventories	(10,032,032)	(13,350,808)
(Increase)/ Decrease in Financials Assets	(7,595,494)	8,412,951
(Increase)/ Decrease in other non-current assets	388,375	20
(Increase)/ Decrease in Other Current Non Financial Assets	49,071	49,071
Increase / (Decrease) in Trade payables	45,910,416	(5,664,964)
Increase/ (decrease) in other current Financial Liabilities	1,639,296	4,233,013
Increase / (Decrease) in Other Non-Financial Liabilities	-	-
Cash generated / used in operations	59,210,928	17,275,793
Direct taxes (paid)/Refund (net)	(2,388,707)	(2,286,889)
Net cash generated/ (used) from operating activities (A)	56,822,221	14,988,904
B. Cash flow from investing activities		
Proceeds of fixed assets including Capital work - in - progress	(103,325,627)	(21,375,631)
Proceeds from sale of fixed assets	180,000	401,748
Interest received	245,331	984,862
Net cash generated/ (used) in investing activities (B)	(102,900,296)	(19,989,021)
C. Cash flow from financing activities		
Proceeds from long term borrowings (Net of repayment)	46,309,770	28,093,585
Proceeds from short term borrowings	31,928,230	(18,469,612)
Interest expense paid	(12,566,019)	(4,995,540)
Net cash flow generated/ (used) in financing activities (C)	65,671,981	4,628,433
Net increase/ (decrease) in cash and cash equivalents (A + B+ C)	19,593,906	(371,684)
Cash and cash equivalents at the beginning of the year	2,369,626	2,741,310
Cash and cash equivalents at the end of the year	21,963,532	2,369,626
Components of cash and cash equivalents:		
Cash on hand	86,675	99,296
Deposits with banks	2,240,642	2,170,242
With banks - on current accounts	1,108,107	100,087
Cash and cash equivalents	3,435,424	2,369,626

The accompanying notes referred above form an integral part of the financial statements.

As per our report of even date attached

For RRK & Associates

Chartered Accountants

Firm No. : 009785S

Sd/-

R.Radha Krishna

Partner

M.No.210777

Place : Medchal

Date : 29-05-2019

for and on behalf of the Board

Sampre Nutritions Limited

Sd/-

(B K GURBANI)

Managing Director

DIN: 00318180

Sd/-

(V. VAMSHI SRINIVAS)

Chief Financial Officer

Sd/-

(VISHAL RATAN GURBANI)

Director

DIN: 07738685

Sd/-

(MONALISA PATNI)

Company Secretary

SAMPRE NUTRITIONS LIMITED

Statement of Changes in Equity for the year ended March 31, 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

a) Equity Share Capital

Particulars	As at 31.03.2019	As at 31.03.2018
Balance at the beginning of the reporting year	4,820,000	4,820,000
Changes in equity share capital during the year	-	-
Balance at the end of the reporting year	4,820,000	4,820,000

b) Other Equity

Particulars	Reserves & Surplus		
	Securities premium	Retained Earnings	Total
Balance as at April 1, 2017	3,700,000	47,079,043	50,779,043
Total Comprehensive Income for the Year			-
i) Additions during the year	-	-	-
ii) Utilisation during the year	-	-	-
iii) Profit / (Loss) for the year	-	2,421,917	2,421,917
iv) Other Comprehensive Income	-	-	-
Balance as at March 31, 2018	3,700,000	49,500,960	53,200,960
Balance as at April 1, 2018	3,700,000	49,500,960	53,200,960
Total Comprehensive Income for the Year	-	-	-
i) Additions during the year	-	-	-
ii) Utilisation during the year	-	-	-
iii) Profit / (Loss) for the year	-	2,311,740	2,311,740
iv) Other Comprehensive Income	-	-	-
Balance as at March 31, 2019	3,700,000	51,812,700	55,512,700

SAMPRE NUTRITIONS LIMITED
Notes to financial statements for the year ended March 31, 2019

1. Basis of accounting and preparation of Financial Statements

a) **Company Overview**

The Company is into the activity of manufacturing of Sugar Candies. The principal place of business is situated at 133, TSIIIC Industrial Estate, Medchal-500401, Medchal Malkajgiri Dist, Telangana.

b) **Basis of accounting and preparation of Financial Statements**

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS"), and presentation requirements of Division II to Schedule III to the Act under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value. The financial statements up to the financial year ended March 31, 2017 were prepared in accordance with generally accepted accounting principles in the India, including accounting standards read with Section 133 of the Companies Act, 2013 notified under Companies (Accounting Standards) Rules, 2006 ("Previous GAAP"). These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2017.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

c) **Critical accounting judgements and key sources of estimation uncertainty**

The preparation of the financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Although these estimates are based upon management's best knowledge of current events, actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Judgements In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

Key sources of estimation uncertainty : The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Income taxes: The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

d) Operating Cycle and Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification in accordance with Part-I of Division- II of Schedule III of the Companies Act, 2013.

An asset is treated as current when (a) It is expected to be realised or intended to be sold or consumed in normal operating cycle; (b) It is held primarily for the purpose of trading; or (c) It is expected to be realised within twelve months after the reporting period, or (d) The asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when (a) It is expected to be settled in normal operating cycle; or (b) It is held primarily for the purpose of trading; or (c) It is due to be settled within twelve months after the reporting period, or (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affect its classification. The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its normal operating cycle.

e) Standards issued but not yet effective

On 30th March 2019, the Ministry of Corporate (MCA) has notified the Ind AS 116 'Leases', and issued amendments to the Ind AS 12 'Income Taxes', Ind AS 19 'Employee Benefits'.

The effective date for adoption and application of above stated is annual period beginning from on or after 01st April, 2019. The Company does not have any impact on account of this amendments.

f) Property, Plant and Equipment & Depreciation

i) Recognition and Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises:

Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant part of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment are derecognised from financial statement, either on disposal or when no economic benefits are expected from its use or disposal. The gain or loss arising from disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment recognised in the statement of profit and loss account in the year of occurrence.

ii) Subsequent expenditure

Subsequent expenditure is capitalised only if its is probable that the future economic benefits associated with the expenditure will flow to the company.

iii) Depreciation

Depreciation amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on assets has been provided on Straight line basis at the useful lives specified in the Schedule II of the Companies Act, 2013. Depreciation on additions / deductions is calculated pro-rata from / to the month of additions / deductions. Assets costing less than INR 5,000/- are depreciated at 100% in the year of acquisition.

f) Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Interest income: Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

g) Inventories

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost, calculated on weighted average basis, and net realizable value. Cost of raw materials and stores comprise of cost of purchase. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other cost incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are

determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Items held for use in the production of inventory are not written below cost if the finished product in which these will be incorporated are expected to be sold at or above cost.

h) **Foreign Currencies**

Functional currency: The functional currency of the Company is the Indian rupee.

Transactions and translations: Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

l) **Income tax**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax: Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax: Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of a deferred tax asset is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

j) Impairment of Assets

Non Financial Assets :The carrying value of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve for that asset.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

Financial assets: The Company assesses on a forward-looking basis the expected credit losses associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

k) Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value

of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets are not recognised in the Financial Statements.

l) Non-derivative financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

(a) Financial assets

Cash and cash equivalents For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade Receivables and Loans: Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Debt Instruments: Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

Equity Instruments: All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis.

(b) Financial assets– Subsequent measurement

Financial assets at amortised cost: Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI): Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

Financial assets at fair value through profit or loss (FVTPL): Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

(c) Financial liabilities

Loans and borrowings: After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost on accrual basis.

Financial guarantee contracts: Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

(d) Financial liabilities - Subsequent measurement

Financial liabilities are measured at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, carrying amounts approximate the fair value due to the short maturity of these instruments.

(e) Derecognition

The Company de-recognizes a financial assets when the contractual rights to the cash flows from the financial asset expires or it transfers the financial assets and the transfer qualifies for derecognition under Indian Accounting Standard 109 "Financial Instruments". A financial liability (or a part of financial liability) is de-recognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

(f) Offsetting of financial instruments

Financial assets and financial liabilities are offsetted and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

g) Earnings Per Share

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.

SAMPRE NUTRITIONS LIMITED

Notes to financial statements

(All amounts are in Indian rupees except as otherwise stated)

3 Property Plant and Equipment

	Freehold Land	Misc Fixed Assets	Electrical Equipment	Factory Buildings	Plant and machinery	Office Buildings	Office Equipment	Computer equipment	Furniture and fixtures	Vehicles	Total fixed assets
Cost											
As at April 1, 2017	2,124,163	601,196	18,506,143	58,714,743	109,993,151	5,554,280	4,188,190	497,107	11,867,336	22,733,894	234,780,203
Additions	-	37,605	3,747,544	1,040,889	40,557,045	-	269,104	-	3,117,627	4,437,849	53,207,663
Deletions	-	-	-	-	-	-	-	-	-	(401,748)	(401,748)
As at March 31, 2018	2,124,163	638,801	22,253,687	59,755,632	150,550,196	5,554,280	4,457,294	497,107	14,984,963	26,769,995	287,586,118
Additions	-	-	5,700	-	30,684,824	7,538,352	-	-	109,200	75,000	38,413,076
Deletions	-	-	-	-	-	-	-	-	-	(650,000)	(650,000)
As at March 31, 2019	2,124,163	638,801	22,259,387	59,755,632	181,235,020	13,092,632	4,457,294	497,107	15,094,163	26,194,995	325,349,194
Depreciation											
As at April 1, 2017	-	586,996	14,479,666	25,209,911	76,892,190	941,960	3,525,525	419,043	4,930,080	16,951,590	143,936,961
Adjustment to opening Reserve	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	12,941	608,918	2,838,220	8,582,677	119,312	123,938	38,355	874,429	1,643,813	14,842,605
Deletions	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	-	599,937	15,088,584	28,048,131	85,474,867	1,061,272	3,649,463	457,398	5,804,509	18,595,403	158,779,566
Adjustment to opening Reserve	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	9,401	761,472	2,838,220	7,457,782	119,312	118,154	37,713	1,025,906	1,588,192	13,956,152
Deletions	-	-	-	-	-	-	-	-	-	(308,880)	(308,880)
As at March 31, 2019	-	609,338	15,850,056	30,886,352	92,932,649	1,180,585	3,767,617	495,111	6,830,414	19,874,715	172,426,838
Net Block											
As at April 1, 2017	2,124,163	14,200	4,026,477	33,504,832	33,100,961	4,612,320	662,665	78,064	6,937,256	5,782,304	90,843,242
As at March 31, 2018	2,124,163	38,864	7,165,103	31,707,501	65,075,328	4,493,008	807,831	39,709	9,180,454	8,174,592	128,806,552
As at March 31, 2019	2,124,163	29,463	6,409,331	28,869,280	88,302,371	11,912,047	689,677	1,996	8,263,749	6,320,280	152,922,356

4 Capital work - in - progress

As at March 31, 2018 23,932,300
As at March 31, 2019 88,844,851

SAMPRE NUTRITIONS LIMITED
Notes to financial statements
(All amounts are in Indian rupees except as otherwise stated)

Notes	Particulars	As at 31 March 2019	As at 31 March 2018
9	Trade receivables		
	Unsecured, considered good		
	Trade Receivables (Outstanding for a period of more than six months)		-
	Others	49,890,234	45,252,543
		49,890,234	45,252,543
10	Cash and Cash Equivalents		
	Cash and Cash equivalents		
	Balance with banks	1,108,107	100,087
	- On current accounts		
	Margin money deposit	2,240,642	2,170,242
	Cash on hand	86,675	99,296
		3,435,424	2,369,626
11	Share Capital		
	Authorised Shares		
	6,000,000 (March 31, 2018: 6,000,000) equity shares of Rs. 10 each	60,000,000	60,000,000
	Issued and subscribed shares		
	48,200,000 (March 31, 2018: 48,200,000) equity shares of Rs. 10 each	48,200,000	48,200,000
		48,200,000	48,200,000

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the year

	As at 31 March 2019		As at 31 March 2018	
	Number	Amount in Rs.	Number	Amount in Rs.
At the beginning of the year	48,20,000	48,200,000	48,20,000	48,200,000
Outstanding at the end of the year	48,20,000	48,200,000	48,20,000	48,200,000

b) Terms/right attached to equity shares

The Company has issued only one class of equity shares having par value of Rs 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	March 31, 2019		March 31, 2018	
	Number	% holding in the class	Number	% holding in the class
Equity shares of Rs. 10 each fully paid				
Brahma K Gurbani	887,916	18.42	887,916	18.42
Saritha. B. Gurbani	761,762	15.80	761,762	15.80
Meera B. Gurbani	530,762	11.01	530,762	11.01

As per the records of the Company, including its register of shareholders/members, the above shareholding represents

Notes	Particulars	As at 31 March 2019	As at 31 March 2018
12	Other Equity		
	Securities premium account	3,700,000	3,700,000
	Surplus in the statement of profit and loss		
	Balance as per last financial statements	49,500,960	47,079,043
	Profit / (loss) for the period/year	2,311,740	2,421,917
	Add/Less: Transfer of Balances	-	-
	Net surplus/(deficit) in the statement of profit and loss	51,812,700	49,500,960
		55,512,700	53,200,960
13	Deferred Tax (Net)		
	Deferred Tax Liability	4,462,506	5,331,870
	Depreciation	-	-
	Deferred Tax Asset	-	-
	Depreciation	-	-
	Net Deferred Tax Assets/(Liabilities)	4,462,506	5,331,870
14	Long-term borrowings		
	Term Loans (Secured) (Refer Note No.28)		
	- Term loans From Banks	96,930,744	73,664,652
	- Vehicle Loans From Banks	1,336,706	3,721,525
	- Other Vehicle Loan	2,225,594	3,412,147
	Loans & Advances from related persons	27,790,473	19,703,531
		128,283,517	100,501,855
	Less: Current Maturities of long term borrowings	18,528,108	8,930,000
		109,755,409	91,571,855

Nature of security and terms of repayment for secured borrowings

Nature of security	Terms of repayment
<p>(1) Various Term loans against purchase of Plant and Machinery from The South India Bank Ltd has been secured by hypothecation of respective asset financed and mortgage of Land and Buildings of the Company.</p> <p>TERMLOAN 1 - REPAYABLE IN 11 EMI OF RS. 4,10,091/- EACH TERMLOAN 2 - REPAYABLE IN 31 EMI OF RS. 7,55,936/- EACH TERMLOAN 3 - REPAYABLE IN 53 EMI OF RS. 4,13,321/- EACH TERMLOAN 4 - REPAYABLE IN 60 EMI OF RS. 1,59,734/- EACH TERMLOAN 5 - REPAYABLE IN 60 EMI OF RS. 2,41,334/- EACH TERM LOAN 6 - REPAYABLE IN 90 EMI OF RS. 1,10,191/- EACH WCTL 1 - REPAYABLE IN 52 EMI OF RS. 3,46,731/- EACH</p>	<p>Repayable in Monthly installments from the date of the loan</p>
<p>(2) Vehicle loans from The Cosmos Co-operative Bank Ltd amounting to Rs. 12,00,000 are secured by Hypothecation of vehicles purchased out of amount financed and personal guarantees of Directors against Volkswagon Vento - TSI - 1.2L.</p> <p>b) Loan from The ICICI BANK LIMITED amounting to Rs. 18,00,000/- are secured by Hypothecation of vehicles purchased out of amount financed and personal guarantees of Directors against Innova Car.</p>	<p>Repayable in Equal Monthly installments of Rs.37,743 for 36 Months commencing from 31st August,2017</p> <p>Repayable in Equal Monthly installments of Rs.56,380 for 36 Months commencing from 01st April, 2017</p>
<p>(1) Vehicle Loan from Daimler Financial Services India Pvt Ltd amounting to Rs 35,00,000/- are secured by Hypothecation of vehicles purchased out of amount financed against Mercedes Benz Model No. C220D</p>	<p>Repayable in Equal Monthly installments of Rs.1,07,827 for 36 Months commencing from 04th March, 2018</p>

Notes	Particulars	As at 31 March 2019	As at 31 March 2018
15	Short term borrowings		
	The Cosmos Co-Op Bank Ltd-Cc	-	20,516,105
	The Cosmos Bank Bill Discounting	-	19,790,543
	The South Indian Bank Bill Discounting	29,999,783	-
	The South Indian Bank Cash Credit	42,235,094	-
		72,234,877	40,306,648

Note:

a. Working capital limits are availed from The south Indian Bank are as takeover from existing limits from 'The Cosmos Co-Op Bank Ltd', secured by Hypothecation of entire Current Assets of the Company and equitable mortgage of Company land at 10.65 % rate of interest repayable on demand.

b. There has no default in repayment of loan and interest as at Balance Sheet.

	As at 31 March 2019	As at 31 March 2018
16	Trade payables	
	Dues to Related parties	-
	Other	
	a. Trade Creditors.	12,126,062
	b. Creditor for Expenses	883,711
	c. Creditors for Capital Goods	2,885,619
	d. Dues to others	-
		15,895,392
	61,805,809	

Note:

Details of dues to micro and small enterprises as defined under the MSMED ACT, 2006

Based on information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2019

	As at 31 March 2019	As at 31 March 2018
17	Other current liabilities	
	Current maturities of long term debt	8,930,000
	Advances from customers	-
	Dues to employees	145,393
	Other statutory liabilities	7,172,459
	Provision for expenses	802,807
		17,050,658
	28,288,063	
18	Short term provisions	
	Provision for income tax	1,138,133
		1,138,133
	459,861	

Notes	Particulars	Year ended 31 March 2019	Year ended 31 March 2018
19	Revenue from operations		
	Sale of goods	286,804,132	279,311,306
	Processing Charges	-	47,161,593
		286,804,132	326,472,899
20	Other income		
	Interest on Deposits	134,581	496,112
	Dividend Received	110,750	488,750
	Other non operating income	104,636	76,476
		349,967	1,061,338
21	Cost of Materials Consumed		
	Opening Stock	49,263,572	35,912,764
	Add: Purchases	194,295,679	212,984,588
	Less: Closing stock	59,295,604	49,263,572
		184,263,647	199,633,780
22	Manufacturing expenditure		
	Fuel & Power consumption	4,530,592	11,424,591
	Factory salaries and Wages	23,049,179	46,936,577
	Factory Expenses	6,350,389	4,086,873
	Transport & Hamali Charges	653,885	3,136,647
	Repairs & Maintenance	2,053,397	4,398,756
		36,637,442	69,983,443
23	Employee benefits expense		
	Salaries, bonus and allowances	41,00,866	5,449,916
	Directors Remuneration	2,944,200	2,569,200
		7,045,066	8,019,116

Notes	Particulars	Year ended 31 March 2019	Year ended 31 March 2018
24	Other expenses		
	Advertisement Expenses	54,820	10,830
	AGM Expenses	4,200	74,690
	Building Maintenance	988,877	587,241
	Business Promotion Expenses	1,059,468	627,217
	Computer Maintenance	101,617	90,368
	Communication Expenses	60,011	71,151
	Donations	62,709	84,211
	Electricity Charges	313,571	251,518
	General Expenses	2,233,812	2,116,369
	Insurance	1,036,243	542,832
	Key Man Insurance Exp	1,421,894	2,006,794
	Legal and professional	535,339	216,050
	Loan Processing Fee	74,104	222,275
	Loss on sale of Vehicle	161,120	-
	Medical Expenses	322,190	38,647
	Membership and Subscription Fee	4,500	17,460
	Office Expenses	322,067	34,478
	Payments to auditors	177,000	172,500
	Preliminary Expenses written off	-	87,533
	Printing and stationery	320,485	296,762
	Professional Tax	69,800	62,450
	Rates and taxes	102,476	126,265
	Rental Charges	5,405,000	5,500,000
	Repairs and maintenance	-	21,790
	Security Services	2,107,631	1,747,182
	Sitting Fee	160,000	120,000
	Staff Welfare Expenses	2,969,538	1,612,344
	Telephone Expenses	239,305	267,802
	Travelling and conveyance	998,752	1,238,091
	Vehicle Maintenance	264,812	408,761
		21,571,338	18,653,611
25	Depreciation expense		
	Depreciation of tangible assets	13,956,152	14,842,605
	Less: Transferred to capital work-in-progress	13,956,152	14,842,605
26	Finance costs		
	Interest on Term Loans	12,566,019	4,995,540
	Interest - Others	6,877,845	6,401,693
	Bank charges	1,823,255	163,080
		21,267,118	11,560,313

NOTES TO FINANCIAL STATEMENTS

27. Contingent liabilities not provided for in respect of:

The company is in receipt of assessment orders in respect of Central Excise and Income tax for various years, against the said assessment order, the company has preferred for appeal before the appellate authorities in respective forums. The Company is expecting a favorable result from the appellate authority.

28. Secured Loans (Refer Note No.14)

Term loans From Banks:

- a. The term loan from banks includes Rs.9,19,45,000/- from 'The South Indian Bank Ltd' as takeover of existing term loan from Cosmos Co-Op bank Ltd, which was availed for acquisition of Plant & Machinery and construction works and additional term loan of Rs. 85,00,000/- during the year for purchase of machinery at 10.65% rate of interest.
- b. All term loans are repayable as per the repayment schedule, details of which are given under Note 14.

Vehicle Loans From Banks:

Vehicle loans were obtained from ICICI Bank and The Cosmos Co-Op Bank Ltd under hire purchase schemes, secured by hypothecation of vehicles owned by the company.

Other Vehicle Loan

Other Vehicle loans were obtained from 'Daimler Financial Services India Private Ltd', under hire purchase schemes, secured by hypothecation of vehicles owned by the company.

29. Dues to Micro and Small Enterprises

As per the information available with the company, it appears that no dues outstanding for more than 30 days in excess of Rs.1,00,000/- as on 31st March 2019 in respect of Small Scale Industrial Undertakings. It is reported that there are no specific claims on the company from the small scale industrial supplier under the "Interest on Delayed Payments to small Scale and Ancillary Industrial Undertaking Act, 1993" during the said year.

30. Payment to Auditors:

Particulars	31st March, 2019	31st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
Audit Fee	127,500	122,500
Tax Audit Matters	30,000	30,000
Certification & Other Services	20,000	20,000
Total	1,77,500	1,72,500

31. There are no debts outstanding as on 31st March 2019 from Directors or other officers of the company other than imprest cash in order to meet running expenses.

32. Segment Reporting:

The company's business consists of one primary reportable business segment of manufacturing and sale of sugar boiled candies and toffees with manufacturing facility at single place and consists of major revenue on account of Processing charges; no separate

disclosures pertaining to attributable revenues, profits, assets, liabilities and capital employed are given as required under Accounting Standard – 17

33. Deferred Tax Liability/ Asset:

The movement of Provision of Deferred Tax for the year ended 31-03-2019 is as given below:

Particulars	Asset / (Liability) As on 31.03.2018	Asset / (Liability) for the year	Asset / (Liability) As on 31.03.2019
Timing Differences on account of Depreciation	(53,31,870)	8,69,364	(44,62,506)

34. Earnings per Share (EPS)

The earnings considered in ascertaining the company's Earnings per share comprise of net profit after tax. The number of shares used in computing Basic earnings per share is the weighted average number of shares outstanding during the year. The numerators and denominators used to calculate earnings per share.

Particulars	2018-19	2017-18
Profit attributable to Equity Share Holders (A)	23,11,740	24,21,917
Basic / Weighted Average Number of Equity Shares outstanding during the year (No. s) (B)	48,20,000	48,20,000
Nominal value of each equity Share	Rs.10/-	Rs.10/-
Earnings Per share	0.48	0.50
Diluted EPS	0.48	0.50

35. Taxes on income

The company made necessary provision for income tax as per the provisions of income tax act, 1961.

36. Related Party Disclosures

“Related Party Disclosures” issued by the Institute of Chartered Accountants of India are as follows:

Name of the related parties and description of relationship

- a) Enterprise which are owner or have significant influence of or are partners with key management personnel and their relative:
 - M/s. Royes Industries Limited
 - M/s. Naturalle Health Products Pvt. Ltd.
- b) Key Managerial Personnel
 - Shri Brahma K Gurbani (MD)
 - Shri Vishal R Gurbani (WTD-VP)

a) Related Party Transactions:

Name of Related Party	Nature of transaction	Current Year	Previous Year
Shri. Brahma K Gurbani	Managerial Remuneration	18,75,000	15,00,000
Shri Vishal R Gurbani	Managerial Remuneration	10,69,200	5,25,000
Shri. Brahma K Gurbani	Unsecured Borrowings	2,31,10,010	163,23,068
Smt. Meera B Gurbani	Unsecured Borrowings	46,80,463	33,80,463
Royes Industries Limited	Lease Rentals	54,05,000	58,14,000

b) Balances receivable /Payable

Name of Related Party	Nature of transaction	As at March 31, 2019	As at March 31, 2018
Royes Industries Limited	Advances Receivables	1,17,07,153	95,35,832
Naturalle Health Products Pvt Ltd	Advances Receivables	3,08,861	35,80,826
Shri. Brahma K Gurbani	Unsecured Borrowings	2,31,10,010	1,63,23,068
Smt. Meera B Gurbani	Unsecured Borrowings	46,80,463	33,80,463

c) Disclosure of Unsecured Loans received from Directors and Relatives of Directors Pursuant to Rule 16A of Companies (Acceptance of Deposits) Rules 2014 is as follows

S No.	Name of Lender	Nature of Relation	Amount
1	Shri. Brahma K Gurbani	Director	2,31,10,010
2	Smt. Meera B Gurbani	Relative of Director	46,80,463

37. CIF Value of Imports

	2018-19(Rs.)	2017-18(Rs.)
Raw materials	—	—
Packing materials	—	—
Traded goods	—	—
Capital goods	—	—

38. Previous year's figures have been re grouped / and or re-arranged wherever necessary to confirm with the current year classification.
39. Provision for accruing liability for Super Annuation / Retirement benefits have been made in the basis of the liability as actually determined as at the year end.
40. Depreciation has been provided on the straight-line method as per the rates prescribed as of Schedule II of The Companies Act 2013.
41. There were no employees drawing remuneration of Rs.60.00 lacs or more per annum or Rs.5.00 lacs or more per month, if employed for part of the year.
42. Paise is rounded off to nearest rupee.
43. Micro and Medium Scale Business Entities: There are no micro, small and medium enterprises, to whom the company owes, which are outstanding for more than 45 days as at 31st March 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.
44. Additional Information pursuant to provisions of the Companies Act, 2013.

The quantitative detail indicated above includes production & dispatches made on principal to principal basis and Loan license basis.

(As certified by Management of the Company)

Particulars	2018-19		2017-18	
	Quantity (Kg)	Value (Rs. Lakhs)	Quantity (Kg)	Value (Rs. Lakhs)
Opening Stock	530857	492.63	292313	359.13
Production (Sugar based candies)	1912696	N.A	3258122	N.A
Closing Stock	638962	592.95	530857	492.63
Sales – Own product (Sugar based candies Confectionery)	1787566	1653.50	3019578	2793.11
Sales – Job Work	5783518	1214.54	2245761	471.61

The quantitative detail indicated above includes production & dispatches made on principal to principal basis and Loan license basis.

Material Consumed	2018-19		2017-18	
	Quantity (Kg)	Value	Quantity (Kg)	Value
Raw Material (No. / Kgs)				
- Sugar	816749	302.27	1711439	715.38
- Glucose	797564	180.16	1152888	401.20
- Flavors & Others	1505713	380.02	2667350	540.05
Total	3120026	862.45	5531677	1656.63
Primary packing Materials	67657	176.64	124890	339.70
Others	-	-	-	-
Total	3187683	1039.09	5656567	1996.33

B. Value of Imports on CIF Basis	N.A	Nil	Nil	Nil
C. Expenses on Foreign Currency	Nil	Nil	Nil	Nil

D. Value of Imported and Indigenous Materials consumed and % of each to total Consumption

Particulars	Year ended March 31, 2019		Period ended March 31, 2018		
	Value	%	Value	%	
Indigenous	18,42,63,647	100	Indigenous	19,96,33,780	100
Imported	-	-	Imported	-	-
Total	18,42,63,647	100	Total	19,96,33,780	100

For RRK & Associates
Chartered Accountants
Firm No. : 009785S

for and on behalf of the Board
Sampre Nutritions Limited

Sd/-
R.Radha Krishna
Partner
M.No.210777

Sd/-
(B K GURBANI)
Managing Director
DIN: 00318180

Sd/-
(VISHAL RATAN GURBANI)
Whole-Time Director
DIN: 07738685

Place : Medchal
Date : 29-05-2019

Sd/-
(V. VAMSHI SRINIVAS)
Chief Financial Officer

Sd/-
(MONALISA PATNI)
Company Secretary



SAMPRE NUTRITIONS LIMITED

CIN: L15499TG1991PLC013515

Plot No. 133, Industrial Estate, Medchal – 501 401
Email id: gurbani@gurbanigroup.in website: www.gurbanigroup.in

Tel: 08418 - 222427/28

Form No MGT -11

Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	
Registered address	
E-mail ID	
Folio No. / DP ID and Client ID	

I/We, being the Member(s) of shares of the above named Company, hereby appoint

Name:	E-mail ID:
Address:	Signature:

Or failing him/her

Name:	E-mail ID:
Address:	Signature:

as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the 28th Annual General Meeting of the Company, to be held on **Saturday, 28th September, 2019 at 10.30 A.M** at Lions Club Conference Hall, LIC Building, 03rd Floor, Paradise Circle, Secunderabad – 500 003 and at any adjournment thereof in respect of such resolutions as are indicated below:

Reso. No.	Description	Vote Yes/No
1	Adoption of Financial Statements along with the Reports of the Board of Directors' and Auditors' thereon	
2	Re-appointment of Mr. Brahma Gurbani as Director	
3	Re-appointment of Auditors to hold the office from the conclusion of this AGM, for a period of five(5) years, until the conclusion of Thirty Third Annual General Meeting to be held in the Year 2024 and to fix their remuneration for the financial year 2019-20	
4	Re-appointment of Mr. Brahma Gurbani as Managing Director of the Company	
5	Re-appointment of Mr. Banala Jayaprakash Reddy as Independent Director of the Company.	
6	Re-appointment of Ms. Umra Singh Sirohi as Independent Director of the Company.	
7	Appointment of Mr. Vimal Suresh as Independent Director of the Company.	

Signed this _____ day of September, 2019.

Signature of shareholder

Signature of Proxy holder(s)

Notes:

- 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.
- For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.

Affix
Rs. 1/-
Revenue
Stamp



SAMPRE NUTRITIONS LIMITED

CIN: L15499TG1991PLC013515

Plot No. 133, Industrial Estate, Medchal – 501 401
Email id: gurbani@gurbanigroup.in website: www.gurbanigroup.in
Tel: 08418 - 222427/28

ATTENDANCE SLIP 28th ANNUAL GENERAL MEETING Saturday, 28th September, 2019 at 10.30 A.M.

Registered Folio No. / Demat Account No. (Client ID)	
DP ID No.	
Name of Shareholder	
Number of Shares held	

I / We hereby record my / our presence at the 28th Annual General Meeting of the company at **Lions Club Conference Hall, LIC Building, 03rd Floor, Paradise Circle, Secunderabad – 500 003.**

Shareholder's / Proxy's Signature

Share holder or Proxy holder attending this meeting requested to bring this attendance slip to the meeting and hand over at the entrance duly filed and signed