

Chaman Lal Setia Exports Ltd.

(A Govt. Recognised Star Export House)

Regd. Office : Meerankot Road, P. O. Central Jail,

Ajnala Road, Amritsar-143001 India

Tel : 91-183-2590318, 91-183- 2592708

Facsimile : 91-183-2590453, 91-184-2291067

E. Mail : setiarice@yahoo.com, clsetia@rediffmail.com



FORM A

Format of covering letter of the Annual Audit Report to be filled with The Stock Exchanges

1.	Name of the Company	CHAMAN LAL SETIA EXPORTS LTD.
2.	Annual Financial Statements For the year ended	31 st March, 2014
3.	Type Of Audit Observation	Un-Qualified
4.	Frequency of Observation	Whether appeared first time/repetitive/since how long period Nil
5.	To Be Signed By	<div><div><ul style="list-style-type: none">CEO/Managing Director</div><div> (Chaman Lal Setia) Mg. Director</div></div>

RICE MILLS

Kaithal Road,
Karnal.
Tel : 0184-2990758

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RICE MILLS

Meeran Kot Road,
P. O. Central Jail, Amritsar.
Tel : 0183-2590318, 0183-2592708



Pure Fragrant Original Basmati Rice

20th Annual Report 2013-14

CHAMAN LAL SETIA EXPORTS LTD.
(A Govt. Recognized Star Export House)



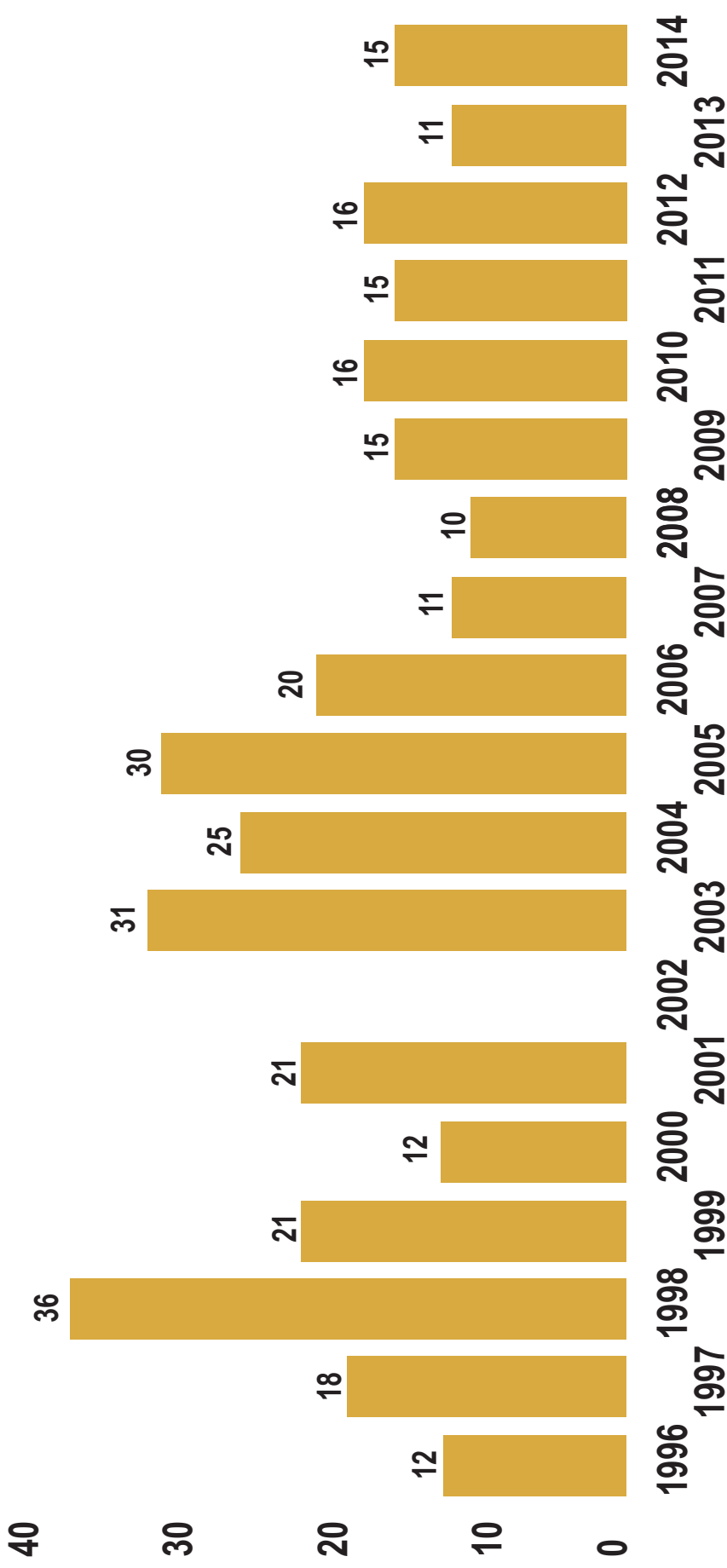
An ISO 9001 : 2008
Haccp
Certified Co.





Chaman Lal Setia Exports Ltd.

335% Dividend since inception





BOARD OF DIRECTORS

Chaman Lal Setia (Din No. 01125789)
(Chairman cum Mg. Director)

Vijay Setia (Din No. 01125966)
(Whole Time Director)

Rajeev Setia (Din No. 01125921)
(Whole Time Director)

Sukarn Setia (Din No. 01133561)
(Whole Time Director)

Ankit Setia (Din No. 01133822)
(Whole Time Director)

Sankesh Setia (Din No. 06620109)
(Whole Time Director)

Inder Dev Kukkar (Din No. 01193209)
(Independent Director)

Naresh Kumar Suneja (Din No. 01383235)
(Independent Director)

Parmod Kumar Kukar (Din No. 01193710)
(Independent Director)

Amit Mehra (Din No. 01386464)
(Independent Director)

Raghav Peshawaria (Din No. 01386434)
(Independent Director)

Amar Jyoti Bagga (Din No. 06958408)
(Independent Woman Director)

Registered Office

Meeran Kot Road, P.O Central Jail,
Ajnala Road, Amritsar.

Corporate Office

No 2, IInd Floor
Club Drive Road, M.G Road
Ghitorni, New Delhi-110 030

Works

Meerankot Road, Amritsar
Kaithal Road, Karnal.
526-B, Lahori Gate, Delhi
Alipur, Delhi

BANKERS

Punjab National Bank,
International Banking Branch.
46, The Mall, Amritsar.

Registrar & Common Share Transfer Agent

Beetal Financial & Computer Services (P) Ltd.
IIIrd Floor, 99 Madangir
(Near Dada Harsukh Dass Mandir), New Delhi

Auditors

M/s. Rajesh Kapoor & Co.
Chartered Accountants
140 Green Avenue,
Amritsar

Company Secretary

Kanika Nevatia
1226, Katra Ahluwalia, Amritsar

ANNUAL GENERAL MEETING

On 29th Sept., 2014 at 4:00 p.m. at
Hotel P.R Residency,
Ranjit Avenue, Amritsar

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NOTICE TO THE MEMBERS

CHAMAN LAL SETIA EXPORTS LTD.

(CIN NO. :- L51909PB1994PLC015083)

Meeran Kot Road, P.O. Central Jail, Ajnala Road, Amritsar-143001

Phone No. — 0183-2592708, Fax No. — 0183-2590453

Website :- www.maharanirice.co.in Email :- clsetia@rediffmail.com

NOTICE TO THE MEMBERS

Notice is hereby given that the 20th Annual General Meeting of CHAMAN LAL SETIA EXPORTS LTD. will be held on Monday 29th day of September, 2014 at Hotel P.R Residency, Amritsar at 4:00 p.m. to transact the following business:

(A) ORDINARY BUSINESS

1. To receive, consider and adopt the financial statements of the Company for the year ended 31.03.2014 including audited Balance Sheet as at 31.03.2014 and the statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend for the year 31st March, 2014 if any.
3. To appoint auditors for the next year and to fix their remuneration. M/s Rajesh Kapoor & Co., Chartered Accountants (ICAI Registration No. 92692) are eligible and available for re-appointment.
4. To Consider the re-appointment of directors as mentioned in special business.

SPECIAL BUSINESS :-

5. To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution :
"Resolved that pursuant to the provisions of Section 149, 152 read with Schedule IV to the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification (s) or re-enactment thereof for the time being in force) and as per clause 49 of the Listing Agreement, Mr. Inder Dev kukkar (Din No. 01193209), a non executive Independent Director of the Company who has submitted a declaration that he meets the criteria of independence under section 149 (6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent director of the Company, whose term shall not be subject to retirement by rotation, to hold office for the five consecutive years for a term upto 31st March, 2019".
6. To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution :
"Resolved that pursuant to the provisions of Section 149, 152 read with Schedule IV to the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification (s) or re-enactment thereof for the time being in force) and as per clause 49 of the Listing Agreement, Mr. Naresh Kumar Suneja (Din No. 01193235), a non executive Independent Director of the Company who has submitted a declaration that he meets the criteria of independence under section 149 (6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent director of the Company, whose term shall not be subject to retirement by rotation, to hold office for the five consecutive years for a term upto 31st March, 2019".
7. To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution :
"Resolved that pursuant to the provisions of Section 149, 152 read with Schedule IV to the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification (s) or re-enactment thereof for the time being in force) and as per clause 49 of the Listing Agreement, Mr. Parmod Kumar Kukar (Din No. 01193710), a non executive Independent Director of the Company who has submitted a declaration that he meets the criteria of independence under section 149 (6)



of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent director of the Company, whose term shall not be subject to retirement by rotation, to hold office for the five consecutive years for a term upto 31st March, 2019".

8. To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution :

"Resolved that pursuant to the provisions of Section 149, 152 read with Schedule IV to the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification (s) or re-enactment thereof for the time being in force) and as per clause 49 of the Listing Agreement, Mr. Raghav Peshawaria (Din No. 01386434), a non executive Independent Director of the Company who has submitted a declaration that he meets the criteria of independence under section 149 (6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent director of the Company, whose term shall not be subject to retirement by rotation, to hold office for the five consecutive years for a term upto 31st March, 2019".

9. To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution :

"Resolved that pursuant to the provisions of Section 149, 152 read with Schedule IV to the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification (s) or re-enactment thereof for the time being in force) and as per clause 49 of the Listing Agreement, Mr. Amit Mehra (Din No. 01386464), a non executive Independent Director of the Company who has submitted a declaration that he meets the criteria of independence under section 149 (6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent director of the Company, whose term shall not be subject to retirement by rotation, to hold office for the five consecutive years for a term upto 31st March, 2019".

10. To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT Mr. Sankesh Setia (holding DIN 06620109), who was appointed as an additional director of Company by the Board of Directors of Company with effect from 01.10.2013, in terms of section 260 of the Companies Act, 1956 (corresponding to section 161 (1) of the Companies Act, 2013) and Article Of Association of Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director, and subject to approval of shareholders in Annual General Meeting be and is hereby appointed as a Whole-time director of the Company pursuant to the provisions of sections 196, 197 and any other provisions of the Companies Act 2013 and the rules made there under (including any statutory modification (s) or re-enactment thereof for the time being in force), read with schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other provisions of Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956) for a period of five years commencing from 29.09.2014 on the following terms and conditions of appointment and remuneration as may be determined and agreed to between the Board of Directors and Mr. Sankesh Setia (Din No. 06620109) whose period of office shall be liable to determination by retirement of directors by rotation with further powers to board to alter and vary such terms of appointment and remuneration so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 (corresponding schedule XIII to the Companies Act, 1956 as per its applicability) or any statutory modification (s) or any re-enactment thereof for the time being in force considering the growth of business during the tenure of Sh. Sankesh Setia."

- A) Fixed Compensation

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund and Gratuity

The Basic Salary shall be Rs. 50,000.00 per month, payable monthly

The Company's contribution to the Gratuity and Provident Fund shall be according to the rules of the Company in force from time to time.

- B) Flexible Compensation

In addition to the Fixed Compensation, he will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per



rules of the Company and subject to the relevant provisions of the Companies Act, 2013 (collectively called “perquisites and allowances”) These perquisites and allowances may be granted to the Whole Time Director in such forms and manner as the Board may decide

- 1) Housing as per rules of the Company (i.e unfurnished/furnished residential accommodation and/or House Rent
- 2) Payment/Reimbursement of medical/hospitalization expenses for the Managing director and his family in accordance with the rules of the Company.
- 3) Group Insurance cover, Group Medi-claim cover.
- 4) Company car with driver for official use.
- 5) Free telephone facility at the residence as per the rules of the Company.
- 6) Payment/Reimbursement of telephone Expenses
- 7) Contribution to Provident Fund, Superannuation Fund and Gratuity Fund shall be as per the rules of the Company.
- 8) Commission will be as per the net profits of the Company based on the sales determined in accordance with the relevant provisions of the Companies Act, 2013 at a rate to be determined by the Board of Directors from time to time.
- 9) Other Perquisites, Allowances, benefits and amenities as per the policy/rules of the Company in force and/or as may be approved by the Board from time to time.
- 10) Perquisites shall be evaluated at actual cost or if cost is not ascertainable the same shall be valued as per Income Tax Rules.
- 11) Credit Card Facility.

II. Overall Remuneration

The aggregate of salary and perquisites as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion pay to the Managing Director from time to time, shall not exceed the limits prescribed from time to time under section 197 and other applicable provisions of the Companies Act, 2013 read with schedule V to the said Act as may be for the time being in force.

III Minimum Remuneration

Notwithstanding anything herein contained, where in any financial year during the period of tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company may, subject to the requisite approvals, pay you remuneration by way of salary, allowances, perquisites not exceeding the maximum limits laid down in section II of Part II of Schedule V to the Companies Act, 2013 (corresponding to Para 1 of section II of part II of schedule XIII to the Companies Act, 1956), as may be agreed to by the Board of Directors and yourself.

11. To consider and if thought fit, to pass with or without modification (s), the following resolution as a Special Resolution :

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification (s) or re-enactment thereof for the time being in force), read with schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other provisions of Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956) and subject to the approval of shareholders in Annual General Meeting, Shri. Chaman Lal Setia (Din No. 01125789), be and is hereby re-appointed as Managing Director of the Company, for a period of five years, with effect from 21.09.2014 on the following terms and conditions, with further power to the board to alter and vary such terms of appointment and remuneration so as not to exceed the limits specified in schedule V to the Companies Act, 2013 (corresponding to schedule XIII to the Companies Act, 1956), as may be agreed to by the Board of Directors and Mr. Chaman Lal.



A) Fixed Compensation

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund and Gratuity

The Basic Salary shall be Rs. 4, 00,000.00 per month, payable monthly

The Company's contribution to the Gratuity and Provident Fund shall be according to the rules of the Company in force from time to time.

B) Flexible Compensation

In addition to the Fixed Compensation, he will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per rules of the Company and subject to the relevant provisions of the Companies Act, 2013 (collectively called "perquisites and allowances") These perquisites and allowances may be granted to the Managing Director in such forms and manner as the Board may decide

- 1) Housing as per rules of the Company (i.e. unfurnished/furnished residential accommodation and/or House Rent
- 2) Payment/Reimbursement of medical/hospitalization expenses for the Managing director and his family in accordance with the rules of the Company.
- 3) Group Insurance cover, Group Medi-claim cover.
- 4) Company car with driver for official use.
- 5) Free telephone facility at the residence as per the rules of the Company.
- 6) Payment/Reimbursement of telephone Expenses
- 7) Contribution to Provident Fund, Superannuation Fund and Gratuity Fund shall be as per the rules of the Company.
- 8) Commission will be as per the net profits of the Company based on the sales determined in accordance with the relevant provisions of the Companies Act, 2013 at a rate to be determined by the Board of Directors from time to time.
- 9) Other Perquisites, Allowances, benefits and amenities as per the policy/rules of the Company in force and/or as may be approved by the Board from time to time.
- 10) Perquisites shall be evaluated at actual cost or if cost is not ascertainable the same shall be valued as per Income Tax Rules.
- 11) Credit Card Facility.

II. Overall Remuneration

The aggregate of salary and perquisites as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion pay to the Managing Director from time to time, shall not exceed the limits prescribed from time to time under section 197 and other applicable provisions of the Companies Act, 2013 read with schedule V to the said Act as may be for the time being in force.

III Minimum Remuneration

Notwithstanding anything herein contained, where in any financial year during the period of tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company may, subject to the requisite approvals, pay you remuneration by way of salary, allowances, perquisites not exceeding the maximum limits laid down in section II of Part II of Schedule V to the Companies Act, 2013 (corresponding to Para 1 of section II of part II of schedule XIII to the Companies Act, 1956), as may be agreed to by the Board of Directors and yourself.

12. To consider and if thought fit, to pass with or without modification (s), the following resolution as a Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and 311 read with Schedule XIII of the Companies Act, 1956 and



other applicable provisions, if any of the Companies Act, 1956 and as per applicable provisions of Companies Act, 2013 (including any statutory modification (s) or re-enactment thereof for the time being in force) and subject to such other approvals as may be necessary, the Company hereby approves the re-appointment of Mr. Rajeev Setia (Din No. 01125921), as Whole Time Director of the Company for a further period of five years w.e.f October 1, 2013 on the following terms and conditions of appointment and remuneration as may be determined and agreed to between the Board of Directors and Mr. Rajeev Setia with further powers to board to alter and vary such terms of appointment and remuneration so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 (corresponding schedule V to the Companies Act, 2013 as per its applicability) or any statutory modification (s) or any re-enactment thereof for the time being in force, considering the growth of business during the tenure of Sh. Rajeev Setia."

REMUNERATION

A) Fixed Compensation

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund and Gratuity

The Basic Salary shall be Rs. 4, 00,000.00 per month, payable monthly

The Company's contribution to the Gratuity and Provident Fund shall be according to the rules of the Company in force from time to time.

B) Flexible Compensation

In addition to the Fixed Compensation, he will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per rules of the Company and subject to the relevant provisions of the Companies Act, 1956 (collectively called "perquisites and allowances") and as per applicable provisions of Companies Act, 2013. These perquisites and allowances may be granted to the Whole Time Director in such forms and manner as the Board may decide.

- 1) Housing as per rules of the Company (i.e. unfurnished/furnished residential accommodation and/or House Rent.
- 2) Payment/Reimbursement of medical/hospitalization expenses for the Whole-Time director and his family in accordance with the rules of the Company.
- 3) Group Insurance cover, Group Medi-claim cover.
- 4) Company car with driver for official use.
- 5) Free telephone facility at the residence as per the rules of the Company.
- 6) Payment/Reimbursement of telephone Expenses.
- 7) Contribution to Provident Fund, Superannuation Fund and Gratuity Fund shall be as per the rules of the Company.
- 8) Commission will be as per the net profits of the Company based on sales determined in accordance with the relevant provisions of the Companies Act, 1956 and as per applicable provisions of Companies, Act, 2013 at a rate to be determined by the Board of Directors from time to time.
- 9) Other Perquisites, Allowances, benefits and amenities as per the policy/ rules of the Company in force and/or as may be approved by the Board from time to time.
- 10) Perquisites shall be evaluated at actual cost or if the cost is not ascertainable the same shall be valued as per Income Tax Rules.
- 11) Credit Card Facility.
- 12) Professional Charges.



II. Overall Remuneration

The aggregate of salary and perquisites as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion pay to the Whole Time Director from time to time, shall not exceed the limits prescribed from time to time under section 198, 309 and other applicable provisions of the Companies Act, 1956 read with schedule XIII and as per applicable provisions of Companies Act, 2013 to the said Act as may be for the time being, be in force.

III Minimum Remuneration

Notwithstanding anything herein contained, where in any financial year during the period of tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule XIII to the Companies Act, 1956 (read with schedule V to the Companies Act, 2013 as applicable), as may be agreed to by the Board of Directors and yourself.

13. To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution :-

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and 311 read with Schedule XIII of the Companies Act, 1956 and other applicable provisions, if any of the Companies Act, 1956 and as per applicable provisions of Companies Act, 2013 (including any statutory modification (s) or re-enactment thereof for the time being in force) and subject to such other approvals as may be necessary, the Company hereby approves the re-appointment of Mr. Vijay Setia (Din No. 01125966), as Whole Time Director of the Company for a further period of five years w.e.f October 1, 2013, on the following terms and conditions of appointment and remuneration as may be determined and agreed to between the Board of Directors and Mr. Vijay Setia with further powers to board to alter and vary such terms of appointment and remuneration so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 (read with Schedule V to the Companies Act 2013 as per its applicability) or any statutory modification (s) or any re-enactment thereof for the time being in force, considering the growth of business during the tenure of Sh. Vijay Setia.”

REMUNERATION

A) Fixed Compensation

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund and Gratuity

The Basic Salary shall be Rs. 4,00,000.00 per month, payable monthly

The Company's contribution to the Gratuity and Provident Fund shall be according to the rules of the Company in force from time to time.

B) Flexible Compensation

In addition to the Fixed Compensation, he will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per rules of the Company and subject to the relevant provisions of the Companies Act, 1956 and as per applicable provisions of Companies Act, 2013 (collectively called “perquisites and allowances”) These perquisites and allowances may be granted to the Whole Time Director in such forms and manner as the Board may decide

- 1) Housing as per rules of the Company (i.e. unfurnished/furnished residential accommodation and/or House Rent.
- 2) Payment/Reimbursement of medical/hospitalization expenses for the Whole-Time director and his family in accordance with the rules of the Company.
- 3) Group Insurance cover, Group Medi-claim cover.
- 4) Company car with driver for official use.
- 5) Free telephone facility at the residence as per the rules of the Company.
- 6) Payment/Reimbursement of telephone Expenses.



- 7) Contribution to Provident Fund, Superannuation Fund and Gratuity Fund shall be as per the rules of the Company.
- 8) Commission will be as per the net profits of the Company based on sales determined in accordance with the relevant provisions of the Companies Act, 1956 and as per applicable provisions of Companies Act, 2013 at a rate to be determined by the Board of Directors from time to time.
- 9) Other Perquisites, Allowances, benefits and amenities as per the policy/ rules of the Company in force and/or as may be approved by the Board from time to time.
- 10) Perquisites shall be evaluated at actual cost or if the cost is not ascertainable the same shall be valued as per Income Tax Rules.
- 11) Credit Card Facility.

II. Overall Remuneration

The aggregate of salary and perquisites as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion pay to the Whole Time Director from time to time, shall not exceed the limits prescribed from time to time under section 198, 309 and other applicable provisions of the Companies Act, 1956 read with schedule XIII and as per applicable provisions of Companies Act, 2013 to the said Act as may be for the time being, be in force.

III. Minimum Remuneration

Notwithstanding anything herein contained, where in any financial year during the period of tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule XIII to the Companies Act, 1956, (read with schedule V to the Companies Act, 2013 as applicable) as may be agreed to by the Board of Directors and yourself.

14. To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution :-

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and 311 read with Schedule XIII of the Companies Act, 1956 and other applicable provisions, if any of the Companies Act, 1956 and as per applicable provisions of Companies Act, 2013 (including any statutory modification (s) or re-enactment thereof for the time being in force) and subject to such other approvals as may be necessary, the Company hereby approves the re-appointment of Mr. Sukarn Setia (Din No. 01133561), as Whole Time Director of the Company for a further period of five years w.e.f October 1, 2013 as Whole Time Director of the Company on the following terms and conditions of appointment and remuneration as may be determined and agreed to between the Board of Directors and Mr. Sukarn Setia with further powers to board to alter and vary such terms of appointment and remuneration so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 (read with Schedule V to the Companies Act 2013 as per its applicability) or any statutory modification (s) or any re-enactment thereof for the time being in force, considering the growth of business during the tenure of Shri Sukarn Setia."

REMUNERATION

A) Fixed Compensation

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund and Gratuity

The Basic Salary shall be Rs. 50000.00 per month, payable monthly

The Company's contribution to the Gratuity and Provident Fund shall be according to the rules of the Company in force from time to time.

B) Flexible Compensation

In addition to the Fixed Compensation, he will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per rules of the Company (collectively called "perquisites and allowances") and subject to the relevant provisions of the Companies Act, 1956 and as per applicable provisions of Companies Act, 2013 These perquisites and allowances may be granted to the Whole Time Director in such forms and manner as the Board may decide



- 1) Housing as per rules of the Company (i.e unfurnished/furnished residential accommodation and/or House Rent
- 2) Payment/Reimbursement of medical/hospitalization expenses for the Whole-Time director and his family in accordance with the rules of the Company.
- 3) Group Insurance cover, Group Medi-claim cover.
- 4) Company car with driver for official use.
- 5) Free telephone facility at the residence as per the rules of the Company.
- 6) Payment/Reimbursement of telephone Expenses
- 7) Contribution to Provident Fund, Superannuation Fund and Gratuity Fund shall be as per the rules of the Company.
- 8) Other Perquisites, Allowances, benefits and amenities as per the policy/ rules of the Company in force and/or as may be approved by the Board from time to time.
- 9) Perquisites shall be evaluated at actual cost or if the cost is not ascertainable the same shall be valued as per Income Tax Rules.
- 10) Credit Card Facility

II. Overall Remuneration

The aggregate of salary and perquisites as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion pay to the Whole Time Director from time to time, shall not exceed the limits prescribed from time to time under section 198, 309 and other applicable provisions of the Companies Act, 1956 read with schedule XIII to the said Act and as per applicable provisions of Companies Act, 2013 as may be for the time being, in force.

III Minimum Remuneration

Notwithstanding anything herein contained, where in any financial year during the period of tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule XIII to the Companies Act, 1956 (corresponding to schedule V to Companies Act, 2013 as per its applicability), as may be agreed to by the Board of Directors and yourself.

15. To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution :-

RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and 311 read with Schedule XIII of the Companies Act, 1956 and other applicable provisions, if any of the Companies Act, 1956 and as per applicable provisions of Companies Act, 2013 as per its applicability (including any statutory modification (s) or re-enactment thereof for the time being in force) and subject to such other approvals as may be necessary, the Company hereby approves the re-appointment of Mr. Ankit Setia (Din No. 01133822) , as Whole Time Director of the Company for a further period of five years w.e.f. October 1, 2013 on the following terms and conditions of appointment and remuneration as may be determined and agreed to between the Board of Directors and Mr. Ankit Setia with further powers to board to alter and vary such terms of appointment and remuneration so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 (corresponding Schedule V to the Companies Act, 2013 as per its applicability) or any statutory modification (s) or any re-enactment thereof for the time being in force, considering the growth of business during the tenure of Sh. Ankit Setia."

REMUNERATION

A) Fixed Compensation

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund and Gratuity

The Basic Salary shall be Rs. 50,000.00 per month, payable monthly

The Company's contribution to the Gratuity and Provident Fund shall be according to the rules of the Company in force from time to time.



B) Flexible Compensation

In addition to the Fixed Compensation, he will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per rules of the Company (collectively called "perquisites and allowances") and subject to the relevant provisions of the Companies Act, 1956 and as per the applicable provisions of Companies Act, 2013. These perquisites and allowances may be granted to the Whole Time Director in such forms and manner as the Board may decide

- 1 Housing as per rules of the Company (i.e unfurnished/furnished residential accommodation and/or House Rent
- 2 Payment/Reimbursement of medical/hospitalization expenses for the Whole-Time director and his family in accordance with the rules of the Company.
- 3 Group Insurance cover, Group Medi-claim cover.
- 4 Company car with driver for official use.
- 5 Free telephone facility at the residence as per the rules of the Company.
- 6 Payment/Reimbursement of telephone Expenses
- 7 Contribution to Provident Fund, Superannuation Fund and Gratuity Fund shall be as per the rules of the Company.
- 8 Commission will be as per the net profits of the Company based on sales determined in accordance with the relevant provisions of the Companies Act, 1956 at a rate to be determined by the Board of Directors from time to time.
- 9 Other Perquisites, Allowances, benefits and amenities as per the policy/ rules of the Company in force and/or as may be approved by the Board from time to time.
- 10 Perquisites shall be evaluated at actual cost or if the cost is not ascertainable the same shall be valued as per Income Tax Rules.
- 11 Credit Card Facility.

II. Overall Remuneration

The aggregate of salary and perquisites as specified above or paid additionally in accordance with the rules of the Company in any financial year, which the Board in its absolute discretion pay to the Whole Time Director from time to time, shall not exceed the limits prescribed from time to time under section 198, 309 and other applicable provisions of the Companies Act, 1956 read with schedule XIII to the said Act and as per applicable provisions of Companies Act, 2013 as may be for the time being, be in force.

III Minimum Remuneration

Notwithstanding anything herein contained, where in any financial year during the period of tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule XIII to the Companies Act, 1956 (corresponding Schedule V to the Companies Act, 2013), as may be agreed to by the Board of Directors and yourself.

16. To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification (s) or re-enactment thereof for time being in force) read with Schedule IV to the Act and pursuant to the amended provisions of Listing Agreement which requires every listed Company to have at least one woman Director on the Board. Mrs. Amar Jyoti Bagga (Din No. 06958408) who has submitted a declaration that she meets the criteria for independence as provided in section 149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013, from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for a period of five years with effect from 29.09.2014 & whose term of appointment is not liable to retire by rotation."



IMPORTANT NOTES :

1. The Register of Members and the Share Transfer books of the Company will remain closed from 23.09.2014 to 29.09.2014 (both days inclusive) for annual closing and determining the entitlement of the shareholders to the final dividend for 2014.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting of annexed hereto.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company.

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

4. Final Dividend of Rs. 1.50 per share has been recommended by the Board of Directors for the year ended 31st March, 2014 and subject to the approval of shareholders at the ensuing Annual General Meeting.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participants with whom they are maintain their demats accounts. Members holding shares in physical form can submit their pan details to the Company.
6. Details under clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
7. Electronic copy of the Annual Report along with the notice of the 20th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along-with Attendance Slip and Proxy Form for year ended 31.03.2014 is being sent to all members whose email ids are registered with the Company/Depository Participant(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report along with notice for year ended 31.03.2014 is being sent in the permitted mode.
8. Cases of Transfer of Shares may be referred to the Registrar, whose address has been given at page no. 1.
9. Person attending the Annual General Meeting are requested to bring their copies of the Annual Report.
10. Enquiries, if any, about the Annual Accounts, may pleased be intimated to the Company, at least seven days in advance of the date of the Annual General meeting.
11. Members may also note that the Notice of the 20th Annual General Meeting and the Annual Report for year ending 2014 will also be available on the Company's website www.maharanirice.co.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Amritsar for inspection during normal business hours on working days.
12. Voting Through electronic means
 1. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 20th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services provided by CDSL.



The instructions for shareholders voting electronically are as under :-

A. In case a Member receives an email from CDSL (For members whose email ids are registered with the Company/Depository Participants(s)) :-

- (i) The voting period begins on 24.09.2014 at 10.00 a.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 29.08.2014 (record date), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT".
- (v) Now Enter your User Id
 - a. For CDSL : 16 digits beneficiary ID.
 - b. For NSDL : 8 Character DP ID followed by 8 Digits Client Id.
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below :-

For Members holding shares in Demat Form and Physical Form	
PAN	<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.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy/format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.

- (x) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant < Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option " YES/NO" for voting. Select the option YES OR NOT as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to Print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User Id and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non-Individual Shareholders & Custodians :

Non Individual shareholders (i.e other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates and Custodians respectively.

They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details they have to create a compliance user who should be created using the admin login and password. The Compliance user would be able to link the Account(s) for which they wish to vote on.

The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

They should upload a scanned copy of the Board resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

- (xix) In case of members receiving the physical copy
- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 24th September, 2014 at 10.00 a.m and ends on 24th September at 6.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e 29/08/2014 , may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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



1. EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 5

Mr. Inder Dev Kukkar (Din No. 01193209) is a Non-Executive Independent Director of the Company. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Inder Dev Kukkar being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31.03.2019. A notice has been received from a member proposing Mr. Inder Dev Kukkar as a candidate for the office of Directors of the Company.

In the opinion of the Board, Mr. Inder Dev fulfills the conditions specified in the Companies Act, 2013 and rules made there under appointment as an independent director of the Company. He does not hold by himself or for on a beneficial basis, any shares in the Company. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail service of Mr. Inder Dev as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Inder Dev as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Inder Dev being an appointee, none of the Directors and Key Managerial Personnel and their relatives is concerned or interested financial or otherwise, in the resolution set out a item no. 5. This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing agreement with the Stock Exchange.

Item No. 6

Mr. Naresh Kumar Suneja (Din No.01383235) is a Non-Executive Independent Director of the Company. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013 Mr. Naresh Kumar Suneja being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31.03.2019. A notice has been received from a member proposing Mr. Naresh Kumar Suneja as a candidate for the office of Directors of the Company.

In the opinion of the Board, Mr. Naresh fulfills the conditions specified in the Companies Act, 2013 and rules made there under for this appointment as an independent director of the Company. He does not hold by himself or for on a beneficial basis, any shares in the Company. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail service of Mr. Naresh as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Naresh Kumar as an Independent Director, for the approval by the shareholders of the Company.

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

Item No. 7

Mr. Parmod Kumar Kukkar (Din No. 01193710) is a Non-Executive Independent Director of the Company. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Parmod Kumar Kukkar being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31.03.2019. A notice has been received from a member proposing Mr. Parmod Kumar Kukkar as a candidate for the office of Directors of the Company.

In the opinion of the Board, Mr. Parmod fulfills the conditions specified in the Companies Act, 2013 and rules made there under for this appointment as an independent director of the Company. He does not hold by himself or for on a beneficial basis, any shares in the Company. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail service of Mr. Parmod as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Parmod Kumar as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Parmod Kumar Kukkar being an appointee, none of the Directors and Key Managerial Personnel and their relatives is concerned or



interested financial or otherwise, in the resolution set out at item no.7. This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing agreement with the Stock Exchange.

Item No.8:-

Mr. Raghav Peshawaria (Din No.01386434) is a Non-Executive Independent Director of the Company. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Raghav Peshawaria being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31.03.2019. A notice has been received from a member proposing Mr. Raghav Peshawaria as a candidate for the office of Directors of the Company.

In the opinion of the Board, Mr. Raghav Peshawaria fulfills the conditions specified in the Companies Act, 2013 and rules made there under for this appointment as an independent director of the Company. He does not hold by himself or for on a beneficial basis, any shares in the Company. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail service of Mr. Raghav Peshawaria as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Raghav Peshawaria as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Raghav Peshawaria being an appointee, none of the Directors and Key Managerial Personnel and their relatives is concerned or interested financial or otherwise, in the resolution set out at item no. 8. This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing agreement with the Stock Exchange.

Item No.9:-

Mr. Amit Mehra (Din No.01386464) is a Non-Executive Independent Director of the Company. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Amit Mehra being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31.03.2019. A notice has been received from a member proposing Mr. Amit Mehra as a candidate for the office of Directors of the Company.

In the opinion of the Board, Mr. Amit Mehra fulfills the conditions specified in Companies Act, 2013 and rules made there under for this appointment as an independent director of the Company. He does not hold by himself or for on a beneficial basis, any shares in the Company. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail service of Mr. Amit Mehra as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Amit Mehra as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Amit Mehra being an appointee, none of the Directors and Key Managerial Personnel and their relatives is concerned or interested financial or otherwise, in the resolution set out at item no. 9. This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing agreement with the Stock Exchange.

Item No.10 :-

The Board of Directors at their meeting held on 26th July, 2013 appointed Mr. Sankesh Setia (Din No. 06620109) as an additional director of the Company with effect from 01st October, 2013. Based on the information the Board appointed Mr. Sankesh Setia as a Non Executive Promoter of the Company from 01st October, 2013. Mr. Sankesh Setia is a eminent businessman & having rich experience in rice industries. Under Section 161 (1) of the Companies Act, 2013 (corresponding to section 260 of the Companies Act, 1956) read with the Article of the Articles of Association of the Company, Mr. Sankesh Setia holds office only upto the date of this Annual General Meeting of the Company. A notice has been received from a member proposing Mr. Sankesh Setia as a candidate for the office of the Whole Time Director of the Company for a period of five years.

The Board considers that the appointment of Mr. Sankesh Setia as a Whole Time Director of the Company would be of immense benefit to the Company. Accordingly the Board of Directors recommends his appointment as a Director of the Company whose period of office is liable to determination by retirement of director by rotation.



The Personal profile of Mr. Sankesh Setia is given below :-

Full Name	: Mr. Sankesh Setia
Date of Birth	: 31.07.1987
Date of appointment as director in the Company	: 01/10/2013
Qualification	: Graduate
Specialized Expertise	: Export Marketing

For the sake of brevity the particulars of the proposed remuneration, perquisites and benefits of Mr. Sankesh Setia are not being set out in the explanatory statement and the members are requested to refer to the same as set out in the body of the resolution.

These particulars also constitute the abstract of the terms of the contract proposed to be entered into with Mr. Sankesh Setia which is required to be sent to every member pursuant to section 190 of the Companies Act, 2013.

Sh. Sankesh Setia (Din No. 06620109) being deemed to concerned or interested in this resolution. Shri Ankit Setia (Din No. 01133822) Whole Time Director, Sh. Chaman Lal Setia (Din No. 01125789), Managing director, Sh. Vijay Setia (Din No.01125966) Whole Time Director, Sh. Rajeev Setia (Din No.01125921), Whole Time Director, Sh. Sukarn Setia (Din no. 01133561) Whole Time Director, may be deemed to be concerned or interested in this resolution being relatives. The Board of Directors recommends the passing of the said resolution. This explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement.

Item No.11 :-

The Shareholders in the Annual General Meeting held on 29.09.2009 appointed Mr. Chaman Lal Setia (Din No. 01125789) as a Managing Director of Company for a period of five years with effect from 21.09.2009. It is proposed to reappoint Mr. Chaman Lal Setia as Managing Director of the Company for a further period of five years from September 21, 2014.

The personal profile of Mr. Chaman Lal Setia is given below :-

Full Name	: Mr. Chaman Lal Setia
Date of Birth	: 04/07/1934
Date of appointment as director in the Company	: 21.09.94
Qualification	: Under Graduate
Specialized Expertise	: Procurement, Quality Control and Finance Control.

The appointment of Mr. Chaman Lal is appropriate and in the best interest of the Company. He is neither a director nor a member in any other Company registered in India.

Copy of the Draft Agreement referred to in the Resolution would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday, upto and including the date of the Annual General Meeting.

Sh. Chaman Lal Setia (Din No. 01125789) may be deemed to concerned or interested in this resolution. Shri Rajeev Setia (Din No.01125921), Whole Time Director, Sh. Vijay Setia, (Din No.01125966) Whole Time Director, Sh. Sukarn Setia (Din no. 01133561) Whole Time Director, Sh. Ankit Setia (Din No. 01133822) Whole Time Director & Sh. Sankesh Setia (Din No. 06620109) all the Directors be deemed to be interested in passing of the Resolution being relative of Sh. Chaman Lal Setia.

This Explanatory Statement together with the accompanying Notice may also be regarded as an abstract and memorandum under section 190 of the Companies Act, 2013. The Board of Directors recommends the passing of the said resolution.



For the sake of brevity the particulars of the proposed remuneration, perquisites and benefits of Mr. Chaman Lal are not been set out in the explanatory statement and the members are requested to refer to the same as set out in the body of the resolution.

Item No.12 :-

The shareholders in their Annual General Meeting held on 29.09.2008 re-appointed Mr. Rajeev Setia as Whole Time Director for a period of five years. It is proposed to re-appoint Mr. Rajeev Setia as a Whole-time Director of the Company for a further period of five years from October 1,2013.

The Personal profile of Mr. Rajeev Setia is given below :-

Full Name : Mr. Rajeev Setia
Date of Birth : 28-10-1955
Date of appointment as director in the Company : 21.09.1994
Qualification : M.COM

Specialized Expertise : Banking, Export Marketing and Finance Controller

For the sake of brevity the particulars of the proposed remuneration, perquisites and benefits of Mr. Rajeev Setia are not being set out in the explanatory statement and the members are requested to refer to the same as set out in the body of the resolution.

These particulars also continue the abstract of the terms of the contract proposed to be entered into with Mr. Rajeev Setia which is required to be sent to every member pursuant to section 190 of the Companies Act, 2013.

Mr. Rajeev Setia (Din no. 01125921) may be deemed to be concerned or interested in this resolution. Shri Chaman Lal Setia (Din No. 01125789) Managing director, Sh. Vijay Setia (Din No. 01125966) Whole Time Director, Sh. Sukarn Setia (din no. 01133561), Whole time Director, Sh. Ankit Setia (Din No. 01133822), Whole Time Director, Sh. Sankesh Setia (Din No. 06620109) may be deemed to be concerned or interested in this resolution being relatives. The Board of Directors recommends the passing of the said resolution.

Item No.13 :-

The shareholders in their Annual General Meeting held on 29.09.2008 re-appointed Mr. Vijay Setia (Din No. 01125966) as Whole Time Director for a period of five years. It is proposed to re-appoint Mr. Vijay Setia as a Whole-time Director of the Company for a further period of five years from 01st October, 2013.

The Personal profile of Mr. Vijay Setia is given below :-

Full Name : Mr. Vijay Setia
Date of Birth : 16-11-1953
Date of appointment as director in the Company : 21.09.1994
Qualification : Graduate
Specialized Expertise : Technical Expert, Quality Controlling and Production.

For the sake of brevity the particulars of the proposed remuneration, perquisites and benefits of Mr. Vijay Setia are not being set out in the explanatory statement and the members are requested to refer to the same as set out in the body of the resolution.

These particulars also continue the abstract of the terms of the contract proposed to be entered into with Mr. Vijay Setia which is required to be sent to every member pursuant to section 190 of the Companies Act, 2013.

Mr. Vijay Setia (Din No. 01125966) may be deemed to be concerned or interested in this resolution. Shri Chaman Lal Setia (Din No. 01125789)



Managing director, Sh. Ankit Setia (01133822) Whole Time Director, Sh. Sukarn Setia (Din No. 01133561), Whole Time Director, Sh. Rajeev Setia (Din No. 01125921) Whole Time Director and Sh. Sankesh Setia (Din No. 06620109) may be deemed to be concerned or interested in this resolution being relatives. The Board of Directors recommends the passing of the said resolution.

Item No.14 :-

The shareholders in their Annual General Meeting held on 29.09.2008 re-appointed Mr. Sukarn Setia (Din No. 01133561) as Whole Time Director for a period of five years. It is proposed to re-appoint Mr. Sukarn Setia (Din no. 01133561) as a Whole-time Director of the Company for a further period of five years from 01st October, 2013.

The Personal profile of Mr. Sukarn Setia is given below :-

Full Name	: Mr. Sukarn Setia
Date of Birth	: 19.09.1980
Date of appointment as director in the Company	: 28.09.2001
Qualification	: Commerce Graduate & Diploma holder in import & export from Schilling University, London
Specialized Expertise	: Export Marketing

For the sake of brevity the particulars of the proposed remuneration, perquisites and benefits of Mr. Sukarn Setia (Din No. 01133561) are not being set out in the explanatory statement and the members are requested to refer to the same as set out in the body of the resolution.

These particulars also continue the abstract of the terms of the contract proposed to be entered into with Mr. Rajeev Setia which is required to be sent to every member pursuant to section 190 of the Companies Act, 2013.

Mr. Sukarn Setia (Din no. 01133561) may be deemed to be concerned or interested in this resolution. Shri Chaman Lal Setia (Din No. 01125789), Managing director, Sh. Rajeev Setia (Din No. 01125921), Sh. Vijay Setia (01125966) Whole Time Director, Sh. Ankit Setia (01133822), Sh. Sankesh Setia (06620109) may be deemed to be concerned or interested in this resolution being relatives. The Board of Directors recommends the passing of the said resolution.

Item No.15 :-

The shareholders in their Annual General Meeting held on 29.09.2008 re-appointed Mr. Ankit Setia (Din No. 01133822) as Whole Time Director for a period of five years. It is proposed to re-appoint Mr. Ankit Setia as a Whole-time Director of the Company for a further period of five years from 01st October, 2013.

The Personal profile of Mr. Rajeev Setia is given below :-

Full Name	: Mr. Ankit Setia
Date of Birth	: 28-09-1984
Date of appointment as director in the Company	: 30.09.2003
Qualification	: Degree in Food Technology

Specialized Expertise: Technical Export and Quality Controller

For the sake of brevity the particulars of the proposed remuneration, perquisites and benefits of Mr. Ankit Setia are not being set out in the explanatory statement and the members are requested to refer to the same as set out in the body of the resolution.

These particulars also constitute the abstract of the terms of the contract proposed to be entered into with Mr. Ankit Setia which is required to be sent to every member pursuant to section 190 of the Companies Act, 2013.



Mr. Ankit Setia ((Din No. 01133822) may be deemed to concerned or interested in this resolution. Mr. Chaman Lal Setia (Din No. 01125789) , Managing director, Sh. Vijay Setia (Din No. 01125966) Whole Time Director, Sh. Rajeev Setia (Din No. 01125921), Whole Time Director , Mr. Sukarn Setia (Din no. 01133561), Sh. Sankesh Setia (06620109) may be deemed to be concerned or interested in this resolution being relatives. The Board of Directors recommends the passing of the said resolution.

Item No.16:-

The Board of directors has recommended appointment of Mrs. Amar jyoti Bagga (Din No. 06958408) as a woman director (non-executive independent director) with effect from the date of this AGM keeping with the requirement of section 149 , 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification (s) or re-enactment thereof for time being in force) read with Schedule IV to the Act and pursuant to the amended provisions of Listing Agreement which requires every listed Company to have at least one woman Director on the Board.

Mrs. Amar Jyoti Bagga has submitted a declaration that she meets the criteria for independence as provided in section 149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013, proposing her candidature for the office of Director of the Company with effect from 29.09.2014 for a period of five years whose term of appointment is not liable to retire by rotation."

In the opinion of the Board, Mrs. Amar Jyoti Bagga fulfills the conditions specified in Companies Act, 2013 and rules made there under for her appointment as an independent director of the Company. Copy of draft letter for appointment of Mrs. Amar Jyoti as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on a working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company

and it is desirable to continue to avail service of Mrs. Amar Jyoti as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mrs. Amar jyoti as an Independent Director, for the approval by the shareholders of the Company.

Except Mrs. Amar jyoti Bagga (06958408) being an appointee, none of the Directors and Key Managerial Personnel and their relatives is concerned or interested financial or otherwise, in the resolution set out at item no. 16. This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing agreement with the Stock Exchange.

By Order of the Board
For Chaman Lal Setia Exports Ltd.

Sd/-
Chaman Lal Setia
Din No. :- 01125789
(Chairman Cum Managing Director)

Place: Amritsar
Dated: 26-08-2014



DIRECTORS' REPORT

To The Members,

Yours Directors' have pleasure in presenting the 20th Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2014.

1. RICE BUSINESS ——— Performance At A Glance

The Company's financial performance, for the year ended March 31, 2014 is summarised below:-

Particulars	Amount (in Lacs) Y.E. 31.03.2014	Amount(in Lacs) Y.E 31.03.2013
Export turnover	31762.21	16980.79
Domestic turnover	9844.82	10265.24
Profit before Intt. & Depreciation	3373.47	2032.72
Interest	361.27	197.48
Provision for Depreciation	296.94	257.49
Profit before Tax	2715.26	1773.26
Provision for Tax	891.26	575.30
Profit after Tax	1823.99	1197.96
Proposed Dividend	163.07	118.79
Transfer To General Reserve	182.39	119.79
Carried to Balance Sheet	3855.56	2527.43
Current Assets	13504.22	8549.51
Current Liabilities	7104.69	4285.88
Working Capital	6399.53	4263.63
Capital Employed	8414.78	6210.92
EPS	19.62	12.89
Book Value	72.01	55.73

Highlights of Performance:

During the year the export Sales of Company increased at a very handsome pace. This was the result of the efforts put in by management through extensive travellings & Exploring new International markets, the emphasis was also on attractive packing & brand equity. The increase in profit can be attributed to the Special emphasis of the management on Cost Cutting and Control and further to increase in the prices of rice and dollar .

2. Deposits

The Company has not accepted any deposits falling within the purview of Sec 58A of the Companies Act 1956 and no deposits were overdue as on 31.03.14.

3. Personnel

Relations with work force of the Company have remained cordial, throughout the Year.

4. Directors

The Board of Directors at their meeting held on 26th July, 2013 appointed Mr. Sankesh Setia as an Additional Director of the Company with effect from 1st October, 2013. Mr. Sankesh Setia took over as the Non-Executive Promoter of the Company with effect from 1st October, 2013.

Under Section 161 (1) of the Companies Act, 2013 (corresponding to section 260 of the Companies Act, 1956) read with the Article of



the Article of Association of the Company, Mr. Sankesh Setia holds office up to the date of the forthcoming Annual General Meeting of the Company. A notice has been received from a member proposing Mr. Sankesh as a candidate for the office of the Whole Time Director of the Company for a period of five years whose period of Office shall be liable to determination by retirement of directors by rotation.

The term of Mr. Chaman Lal Setia, as a Managing Director was for a period of 5 years expire on 21.09.2014. Your Directors are seeking re- appointment of Mr. Chaman Lal Setia as a Managing Director for a further period of 5 years with effect from 21.09.2014.

Pursuant to the provisions of section 198, 269, 309 and 311 read with schedule XIII of the Companies Act, 1956 and as per applicable provisions of Companies Act, 2013, Shri Rajeev Setia, Shri Vijay Setia, Shri Ankit Setia and Shri Sukarn Setia be and are hereby reappointed as whole time directors of the Company for further five years whose period of Office shall be liable to determination by retirement of directors by rotation.

Pursuant to the provisions of section 149 and other applicable provisions of the Companies Act, 2013, your Directors are seeking appointment of Mr. Inder Dev Kukkar, Mr. Naresh kumar Suneja, Mr. Parmod Kumar Kukar, Mr. Raghav Peshawaria, Mr. Amit Mehra as Independent Directors for five consecutive years for a term upto 31st March, 2019. Details of the proposal for appointment of all the independent directors are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the 20th Annual General Meeting.

Pursuant to the provisions of section 149 and other applicable provisions of the Companies Act, 2013, And pursuant to the amended provisions of Listing Agreement which requires every listed Company to have at least one woman Director on the Board your Directors are seeking appointment of Mrs. Amar Jyoti Bagga as an Independent Directors for five consecutive years for a term upto 31st March, 2019.

5 Statement u/s 217 (1) (e) of the Companies Act

The requirements for disclosure of particular with respect to conservation of energy are not applicable to the company. A statement giving details of technology absorption, foreign exchange earning and outgo in accordance with the above provisions is annexed here to as Annexure 'A' and form parts of this report.

6. Particulars of employees

The Company has no employee of the category specified in sub section (2A) of section 217 of the Companies Act 1956.

7. Auditors' Report

The notes on accounts referred to in the Auditor's Report are self-explanatory and therefore do not call for any further Comments.

8. Auditors

M/s Rajesh Kapoor & Co, Chartered Accountants (ICAI Registration No. 92692) retire at the conclusion of the forthcoming Annual General meeting and are available for re-appointment. A written certificate & letter has been obtained to this effect that their re-appointment satisfies the criteria provided in section 141 of the Companies Act, 2013 and he is not disqualified for re-appointment.

9. Dividend

During the year ended March 31, 2014 your Company's working results have quiet improved on sale as well as profit aspects due to the Management thrust on Cost reduction in all areas of Company's operations, productivity, quality improvement and innovation of new products . Hence keeping in view the aspiration of the shareholders and also in order to strive balance between the aspiration of shareholders and future expansion, yours directors, recommend a dividend of 15 % i.e Rs.1.50 per Share basis subject to adjustment of 100% of amount due from partly paid shareholders towards their balance of call money due.

10. Director's Responsibility

Pursuant to section 217 (2AA) of the Companies Act 1956 the directors confirm that:



- (i) In the preparation of the annual accounts for the year ended March 31st, 2014, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (ii) Appropriate accounting policies have been selected and applied Consistently, and have made judgements and estimates that are reasonable and prudent so as to give a true & fair view of the state of affairs of the Company as at March 31, 2014 and of the profit of the Company for the said period.
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The annual accounts have been prepared on a going concern basis.

11. Credit Rating

There is improvement in Credit rating from CRISIL BBB- to CRISIL BBB/Stable

12. Cost Audit

The Cost Auditor of the Company issued Cost Audit Report dt. 24/08/2013 which was accepted by the Board of Directors. M/S. Verma Khuswinder & Associates has been appointed as Cost Auditor of the Company to Carry out the audit of the Cost Accounting records maintained by the Company for the year ended 31.03.2014.

13. Management's Discussion and Analysis Report

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

14. Corporate Social Responsibility Committee

During the year, your directors have constituted the Corporate Social Responsibility Committee (CSR Committee) comprising Shri Parmod Kumar Kukkar as the Chairman, Shri Rajeev Setia and Shri Vijay Setia as members of Committee.

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

15. Statutory Disclosures

None of the directors of your company is disqualified as per the Provisions of Section 274 (1) (g) of the Companies Act, 1956. Your directors have made necessary disclosures as required under various provisions of Companies Act 1956 and as per applicable provisions of Companies Act, 2013 and clause 49 of the Listing Agreement.

The information given under Section 217 (1) (e) of the Companies Act, 1956 to be read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 as amended is enclosed as Annexure 'A'.

None of the employees of your company is drawing remuneration exceeding the limits laid down under provisions of Section 217(2A) of the Companies Act, 1956 to be read with Companies (Particulars of Employees) Rules, 1975 as amended.

16. Corporate Governance

Chaman Lal Setia Exports Ltd has rooted itself in Values, Nurtured by ethics, transparency and Corporate Governance. Your Company is all set to branch out further and grow stronger. It is these values and guidelines that will give a firm foundation for the future growth. The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI.

The Company has constituted various board committees, revised its whistle blower policy and adopted some other mandatory and non mandatory requirements as required by the Clause 49 of listing Agreement and the required particulars from part of this Annual report.



17. Dematerialisation of Shares

The Company has **agreements with both National Securities Depository Ltd and Central Depository Services Ltd. whereby the Shareholders have an option to dematerialise their shares with either of the depositories.** The company's shares are traded compulsorily in demat form under ISIN code INE419D01018 and the percentage of demat shares of the Company is **91.50%.**

18. Social Objectives

Company is not only a Profit Oriented Unit, but also meeting its Commitment & Responsibility towards the society by undertaking the following measures:

- a) Development of new technique whereby rice could be made **Pesticide Residue Free.**
- b) Development of low cost water filters for poor segment of the society. The Company has named the new invention after the name of its Brand as Begum Water Filter.
- c) Project for tackling problem of wastewater logging and treatment of sanitary discharge in villages is under process.
- d) Zero Energy cool chamber development of more cost effective more users friendly cooling system at a very nominal cost.

19. Listing of Shares

The shares of the Company are listed on Mumbai Stock Exchange Limited and listing fees has been paid timely.

20. Pollution Free Environment: - Company's Slogan

Company continues its pursuit of free distribution of Neem & Jamun Plants for plantation which helps medical cure and clean environment. The Neem can also be used as bio-pesticide for preventing infestation in food grains.

21. Future Expansion

The Future expansion endeavour of the Company is always a going on process specially in the field of Quality improvement and development of new product with lower cost and energy savings The Management of the company understands that it has to improve upon to face the ever changing circumstances and evolvments globally.

Appreciation

The Board of directors thanks company's customers, public, shareholders, bankers and suppliers. The Board also places on record its appreciation of the services rendered by staff at all levels and look forward to their valued co-operation and contribution in meeting the future challenges.

FOR & ON BEHALF OF BOARD

Place : Amritsar
Dated : 26-08-14

CHAMAN LAL SETIA
Chairman



ANNEXURE A

Particulars as required under Companies (Disclosure of particulars in the Report of Board of Directors) Rule 1988 and forming part of the Director's Report for the year ended 31.03.2014.

a) CONSERVATION OF ENERGY

The company has developed a novel process at its Karnal Unit for reducing energy and water requirement for Paddy Parboiling process and the same has been applied for Patent through director, The energy utilized will be just one third of that available with the company and such saved energy to the tune of two third can be utilized for other productive purposes.

b) TECHNOLOGY ABSORPTION

(i) Research And Development (R&D)

Various R&D initiatives were undertaken which have resulted in :

- a) Development of a system and method for parboiling paddy that obviates husk of paddy from splitting
- b) Development of 100% insect killing technique by using 1/3rd of Pesticides
- c) Development of quick cooking Brown Rice;
- d) Use of Neem as Bio-pesticide;
- e) Improvement in Parboiling for improvement in quality parameters;
- f) Use of Plastic Buckets in parboiling plant thus reducing cost;
- g) Development of Bhatti Sella through automation for the first time in India;
- h) Development of Fragrant Rice.
- i) Reducing broken in paddy with very high sun checks under process.
- j) Rice bran stabilization for human consumption under process.
- k) Making bio-compost from waste and reject of paddy under process.

(ii) Future plan of action.

- a) The Company will try to assist any R&D Unit of any academy/University in this field.

(iii) Expenditure on R & D.

- a) Wages, salaries, stores, spares & consumable used for R&D activities have been debited to Respective Heads.
- b) The Company has completely indigenous technology & has not imported any technology from abroad.



MANAGEMENT DISCUSSION AND ANALYSIS

1. Economic Environment & Rice Industry:-

Indian economy is likely to grow in the range of 5.4 % to 5.9% in 2014-15 overcoming the sub 5% GDP rate of past two years which was 4.5 % in 2012-13 and 4.7% in 2013-14 . This is in spite of poor monsoon and disturbed external environment which remained a cause of concern . The slowdown in growth in last two years was broad based ,affecting in particular the Industry sector .Inflation too decreased during this period but continued to be above comfort zone ,mainly due to the elevated level of food inflation .The measure taken by the New Government to improve investment climate and improve governance could push up growth to 7-8 % in the coming years . Stable govt. at centre will not only help in providing good governance but will also help in furtherance of economic growth . Exports during July 2014 rose for the fourth straight month benefitting from a stronger global economy and non gold imports gathering pace .Exports during July 2014 increased 7.3% to \$27.73 billion and imports went up 4.25% to \$ 40 billions. There is nothing wrong on the trade deficit front till oil prices remain low . If EU and US recovery continues ,our export will post a healthy growth .The growth in manufacturing sector is expected to drop to 0.2 per cent in 2013-14 from 1.1 per cent in 2012-13 .The service sector is likely to grow at 11.2 per cent against 10.9 per cent .The growth in Agriculture and allied activities are likely to increase to 4.6 per cent in 2013-14 compared to 1.4 per cent in 2012-13 Production of food grains is expected to be 264.77 million tons during 2013-14 against the estimates of 259 million tons . The rupee further depreciated sharply to Rs 60 per dollar in July 2014 and is expected to further fall .

A moderate recovery is likely to shape up in Indian Economy in 2014-15 with progressive implementation of some of the reforms announced since Sept 2012 . These includes FDI in multi brand retail ,Amendment in Banking Regulation, Food Security Act, Insurance Reforms etc . Food crop production is forecast to reach 264.77 million tons in Financial Year 13-14 .

2. Outlook – Global Rice Industry:-

Today, agriculture is the backbone of India's economy, providing direct employment to about 66% of working people in the country. It forms the basis of many premier industries of India, including the textile, jute, and sugar industries. Agriculture contributes about 31% to GDP; about 25% of India's exports are agricultural products.

India is the Second largest Rice Producing country of the World

Throughout history as per the Archeological evidence rice has been one of man's most important foods for more than 5000 years . Today, this unique grain helps sustain two-thirds of the world's population

The major rice growing area in India are West Bengal, Uttar Pradesh, Madhya Pradesh, Orissa, Bihar, Andhra Pradesh, Assam, Tamil Nadu, Punjab, Maharashtra, Karnataka, Haryana, Gujarat, Kerala, Jammu- Kashmir, Tripura, Meghalaya, Manipur, Rajasthan, Nagaland, Arunachal Pradesh, Himachal Pradesh, Mirozam, Goa, Pondicherry, Sikkim, A & N Island and D & N Haveli.

Through a combination of increasing the area under cultivation and increasing cropping intensity today India is self reliant in Rice .Adoption of modern Varieties, rice production exceeded every year from its previous year since 1988 . In India alone , basmati rice ,non basmati rice export during 2013-14 is expected to be around 9.3 million tons while rice output is expected to touch a new record of 107 million tons in 2013-14 while demand is expected to 98 million tons approx . Over 80% of basmati rice grown in India is produced for export . The increase in demand of rice in India is expected to be followed by world as rice is being used increasingly in other products such as beer, liquor etc heavily consumed in USA, Europe etc .

The monsoon in ensuing season is far less than average which may lead to drought conditions world wide and hence scarcity of food grains especially of rice .This may lead to lesser production and steep price rise world over .Also the domestic demand is expected to rise by 15% annually due to increased spending power of consumer .Increased demand from key importing countries coupled with cheaper hybrid varieties of basmati has boosted India's export .The hybrid variety of basmati is relatively cheaper compared with traditional variety of basmati rice and its easy acceptability in the export market.

So the Company has considerable scope of growth if they capture even little share of the pie.



Opportunities & Threats: -

Opportunities:-

- 1 The Company has developed a Novel and innovative process which involves recycling of most of the hot water used for soaking of paddy during parboiling of rice, thereby generating little waste water and still having a high quality product.
- 2 The Promotion of flagship brand Maharani is on the Top agenda of the company in the time to come. Company has introduced very attractive and novel packagings of Maharani Brand. The Company plans to go for aggressive advertising in print and electronic media and brand equity is likely to be future strength and business stimulators of the company.
- 3 The Company has explored new International markets and it is continued pursuit of Management to find new markets world around and also winning the confidence of the existing customers.
- 4 The company is also concentrating on new domestic centers through brand promotion, advertising and offering lucrative packaging of quality product at competitive prices.
- 5 The company's novel and innovative products viz ; Bhatti Sella, Pesticide Residue free rice and quick cooking rice and Rice for Diabetic People having moderate G.I. Sale is picking up in various directions of the World markets particularly the Maharani Rice suitable for Diabetic people. This rice has added qualities like taste, aroma, easy cooking and longer preservation period.
- 6 The Executive director of the Company Sh. Vijay Setia who was President Rice Exporters Association of India has been engaged by an International Company namely M/s Gerson Lehrman Group as a consultant in the field of Food Technology for having so in depth knowledge of the subject that he is being paid for that worldwide. This is a major achievement which can be highly instrumental to the growth of the company in the time to come.

Threats: -

Under performance of world economy specially USA and UK, global recession and uneven monsoon, High Inflation rate lower growth in Agricultural sector, lower share of agricultural sector in the real GDP frequent change in govt. policy, Govt.'s ban on Non basmati rice were the threats which may depress the prices and the demand for rice. This risk can be mitigated largely due to the concept that Food Industry has lesser elasticity of demand as compared to the other products. Further the business wisdom and technological aspirations inherent in the management team can be quite helpful to overcome such difficulties. Further to this Meteorological Department has predicted a normal monsoon season for 2014 easing worries of the farmers and Millers.

As the company is mainly dependent upon Agriculture which totally depends upon the quality of rains in India, the poor rainfall can adversely affect the costing of the Company and consequent price realisation. But the Company has developed its procurement market through out India and if in any region the rainfall is lesser the Company can buy its raw material from the another region.

Risks and Concerns

The unprecedented nature of Rice Industry and volatile prices are areas of concern for which the company's focus to make cost of production internationally competitive and reduces interest cost by more & more utilising its own resources and cutting other cost through technological upgradation and computerisation of company's operations.

The protectionist measures or non tariff barriers by other countries may hit or reduce the exports. However the company's focus is also on the domestic market.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The company continued to lay emphasis on strengthening and improving internal supervision and control. The Company has a proper and adequate system of Internal controls to provide reachable assurance that all assets are safeguarded and protected against loss from unauthorized use or disposition, and that transaction are authorized, recorded and reported correctly. The internal control system provides for



well-documented policies, guidelines authorization and approval procedures. Management information system (MIS) is the backbone of your company's control mechanism. Well-conceived annual planning and effective budgetary control ensures adequate control on all the expenditures of the company.

An extensive programme of Internal Audit by the internal audit department and periodic review by the Management further supplement the Company's internal control systems. In the line with the International trend, planning and conduct of internal audit is oriented towards review of control in the management of risks and opportunity in the Company's activity.

The Internal Auditors report significant audit observations, periodically at regular intervals to the Audit Committee that comprises of three independent Directors. The Committee met regularly during the financial year and reviewed audit observation and followed up implementation of corrective actions. The Audit committee also met the company's Statutory Auditors to ascertain their views on the adequacy of Internal Control System in the Company.

FINANCIAL PERFORMANCE:

During the year the sales of the company increased at a handsome rate despite

adverse factors i.e. cut throat competition in the market. This was the result of the efforts put in by management viz attractive packaging, branding & standardization of quality of rice, creating of new markets overseas, The handsome profit can be attributed to the innovative Ideas of management to produce better quality product and focusing to new International markets which led to better realization of Prices. During the year the Sales of the Company increased at a handsome rate . The Sales of the Company touched Rs.41607.03 lacs in 2013-14 from Rs 27246.03 lacs in 2012-13. The Profit of the company reached at the level of Rs. 2715.26 lacs in 2013-14 from Rs. 1773.26 lacs in 2012-13. The EPS of the company is Rs.19.62 for the year 2013-14

INDUSTRIAL RELATIONS & HUMAN RESOURCE MANAGEMENT:

Like any high performance organization, your company firmly believes that success of the company comes from good Human Resources. Employees are considered as important assets and key to its success. HRD always strives for sourcing and developing high caliber employees, providing them relevant training for enhancement of their competence and facilitating their assessment process through an effective performance Management System (PMS).

Training and development initiatives aim at bridging the gap between existing skills and desired skills of the employees in line with organisational needs. Extensive training inputs aim at building up competence amid commitment to employees through understanding and utilizing new technology, hands on job training, inter functional knowledge, furtherance of safety awareness and training in behavioural area etc.

During the year company has incurred Rs 9.91 lacs on the training of its employees and Rs 13.23 lacs on staff welfare & other provisions for the benefit of employees.

Employee relation continued to be satisfactory. The number of persons directly and indirectly employed by company was about 250 as on 31st March 2014.

The company continued with the existing welfare schemes for the benefits of its employees. The Provident Fund, Bonus, Promotion, Gratuity and other fringe benefits were bestowed upon all the confirm employees of the company to motivate them for attaining the ultimate goals of the company. In addition to these benefits Group Insurance, Medical Insurance and Retrenchment Compensation were also assured for the employees of the company.

In addition to these ultimate benefits, employees are also provided with better working environment, first aid medical facilities, conveyance facility and computerised environment.



CAUTIONARY STATEMENT:

Statement in this report on Management's Discussion and analysis describing the company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied important factors that could make a difference to the Company's operations include economic conditions affecting global and domestic demand supply, finished goods prices in the domestic and overseas markets in which the Company operates, raw material cost and availability, changes in Government regulations, tax regimes, economic developments within India and other factors such as litigation and Industrial relations. The company assumes no responsibility to publicly amend, modify ore revise any forward looking statements on the basis of any subsequent developments information or events.



REPORT ON CORPORATE GOVERNANCE

1. Corporate Governance Philosophy

The Company's philosophy of Corporate Governance stems from a belief that the Company's strategy and plans should be consistent with the welfare of all its stakeholders, including shareholders. We believe that the essence of Corporate Governance lies in the phrase "Your Company". Therefore Your Company and its Board believes in conducting its affairs with the highest level of integrity with proper authorization, disclosure, accountability, transparency and independent monitoring.

2. Board of Directors

The Board of Directors along with its committees provide leadership and guidance to the Company's management as also direct, supervise and control the performance of the Company. The Company has a broad mix of Independent & Non Independent directors. The Board currently comprises of 5 independent non executive directors and all the independent Directors have confirmed that they meet the 'independence' criteria as mentioned under the existing clause 49 of the Listing Agreement and Section 149 of the Act.

2.1 Composition of the Board of Directors as on 31.03.14

S.No.	Name	Designation	Date of Appointment	Other Boards/Committees
1.	Sh. Chaman Lal Setia	Chairman Cum Mg. Director	21.09.1994	Nil
2.	Sh. Vijay Setia	Executive Director	21.09.1994	Nil
3.	Sh. Rajeev Setia	Executive Director	21.09.1994	Shareholders Committee
4.	Sh. Sukarn Setia	Executive Director	28.09.2001	Nil
5.	Sh. Ankit Setia	Executive Director	30.09.2003	NIL
6.	Sh. Inder Dev Kukkar	Independent Director	26.05.1997	Audit Committee
7.	Sh. Naresh Kumar Suneja	Independent Director	30.09.2002	Audit Committee
8.	Sh. Amit Mehra	Independent Director	30.09.2002	Audit Committee
9.	Sh. Parmod Kumar Kukar	Independent Director	31.03.2003	Nil
10.	Sh. Raghav Peshwaria	Independent Director	29.09.2004	Shareholders Committee
11.	Sh. Sankesh Setia	Additional Director	01/10/2013	Nil

None of the Directors is a member of more than 10 Board Level Committee or a Chairman of more than 5 such committees (committees being, Audit Committee and Stakeholder Relationship Committee (Erstwhile Shareholders Grievance Committees) as prescribed under clause 49 of Listing Agreement. During the year under review, 19 meetings were held. The maximum time gap between any two consecutive meetings did not exceed four months.

2.2 Details of Board Meetings held in 2013-14: -

Date of Meeting	No. of Directors on Board	No. of Directors in Attendance
28.04.2013	10	7
14.05.2013	10	8
31.05.2013	10	7
07.06.2013	10	8
10.06.2013	10	7
15.06.2013	10	7
15.07.2013	10	8
31.07.2013	10	7
24.08.2013	10	8
31.08.2013	10	8
28.09.2013	10	8
01.10.2013	11	9
26.10.2013	11	7
31.10.2013	11	8
13.11.2013	11	8
30.11.2013	11	7
31.12.2013	11	7
31.01.2014	11	9
28.02.2014	11	7



2.3 Details of meetings attended by directors during 2013-14

Name of Director	DIN No.	No. of Meetings Held	No. of Meetings attended	Attendance in Last AGM
Chaman Lal	01125789	19	18	Yes
Vijay Setia	01125966	19	15	No
Rajeev Setia	01125921	19	16	Yes
Inder Dev Kukkar	01193209	19	14	No
Sukarn Setia	01133561	19	14	Yes
Ankit Setia	01133822	19	13	Yes
Naresh Suneja	01383235	19	12	No
Amit Mehra	01386464	19	15	No
Parmod Kumar	01193710	19	12	No
Raghav Peshawaria	01386434	19	11	No
Sankesh Setia	06620109	08	05	No

2.4 Discussion with Independent Directors :-

Board's Policy is to regularly have separate meeting with independent directors, to update them on all business related issues and new initiatives. At such meetings, the executive directors and other members of the management make presentations on relevant issues.

In addition, Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Companies affairs and working.

All the information required to be supplied to Board of Directors under clause 49 of Listing Agreement was supplied to them.

3. Committees of the Board :-

Earlier Board has two Committees : Audit Committees & Shareholder Grievance Committee (Now known as stakeholders Relationship Committee). As per the requirement of new applicable provisions of Companies Act, 2013 & clause 49 of listing agreement, Your Company has constituted three new committees i.e. Corporate Social Responsibility Committee, Nomination and Remuneration Committee & Risk Management Committee. The quorum for meetings is either two members or 1/3 of the members of the committee, whichever is higher.

3.1 Audit Committee :-

Our audit committee ('the committee') comprises three independent directors :-

Sh. Inder Dev kukkar	:-	Non Executive Director (Chairman)/Independent
Sh. Naresh Suneja	:-	Non Executive Director (Member)/Independent
Sh. Amit Mehra	:-	Non Executive Director (Member)/Independent

Following is a gist of the responsibilities of the Audit Committee

- Providing direction and overseeing the total Audit Function.
- Interaction with Statutory Auditor before finalisation of annual/semi annual financial results.
- Reviewing Internal Audit Function, its quality and effectiveness.
- Acting as per the provisions of Listing Agreement.
- Recommending appointment/re-appointment and if required removal of internal auditor/chief financial officer/statutory auditor.
- Approving of payment to auditor for any other services rendered.
- Reviewing, with the Management, the Quarterly Financial Statement/ Annual Financial
- Statements/Auditor's Report before submission to the Board for approval.



- i. Reviewing the functioning of whistler Blower Mechanism /vigil mechanism.
- j. Reviewing the performance and adequacy of internal control systems and evaluation of Risk Management Systems.
- k. Scrutinise inter corporate loans and investment
- .l. Approve all or any subsequent modification of transactions with related parties.

Audit Committee Attendance :-

Name	Din No.	No. of meetings held	No. of Meetings attended
Sh. Inder dev kukkar	01193209	4	4
Sh. Naresh Kumar Suneja	01383235	4	3
Sh. Amit Mehra	01386464	4	4

3.2 Stakeholder Relationship Committee (Earlier known as Shareholder Grievance Committee) :-

Pursuant to Section 178 (5) of the Act, the Company renamed the erstwhile Investor's Grievance Committee as the Stakeholder Relationship Committee. The Committee comprises of one independent director & one executive director as follow :-

Name	Din No.	Designation
Sh. Raghav Peshawaria	01386434	Non Executive Director (Chairman)
Sh. Rajeev Setia	01125921	Executive Director (Member)

This Committee looks into re-dressal of shareholders complaints like transfer of share, non receipt of Dividend/Balance Sheet, as required in Clause 49 of listing Agreement.

Details of meetings attended by member Directors during 2013-2014:-

Name of director	Din No.	No. Of meetings held	No. Of Meetings attended
Sh. Rajeev Setia	01125921	4	4
Sh. Raghav Peshawaria	01386434	4	4

The Company has received 30 complaints from the investors during the year. All of these have been redressed. No share transfer request received upto 31.03.2014 is pending for more than 30 days.

3.3 Nomination And Remuneration Committee :-

Pursuant to section 178 (1) of the Act the Company has recently constituted its Nomination and Remuneration Committee consisting of three independent directors.

Our Nomination And Remuneration committee (' the committee') comprises three independent directors :-

- Sh. Amit Mehra :- Non Executive Director (Chairman)/Independent
- Sh. Naresh Suneja :- Non Executive Director (Member)/Independent
- Sh. Raghav Peshawaria :- Non Executive Director (Member)/Independent

Following is a gist of the responsibilities of Nomination and Remuneration Committee :-

- a) To formulate the policy on remuneration of directors, KMP and other employees.
- b) To formulate the criteria for evaluation of independent directors and the Board and also laid down the policy on Board's diversity.
- a) To identify the person who is qualified to be appointed as a director and senior management and removal thereof.
- b) To formulate the criteria for determining qualifications, positive attributes and independence of a director.

As this committee has been constituted from 30.08.2014 so no member director's meeting occurred during the financial year ending 31.03.2014.



3.4 **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE :-**

As per the Companies Act, 2013, all Companies having a net worth of Rs. 500 crore or more or turnover of Rs. 1000 crore or more or a net profit of Rs. 5 crore or more during any financial year shall constitute a Corporate Social Responsibility (CSR) Committee.

Accordingly, the Board on 01.04.2014 constituted the CSR ('the Committee') comprising :-

- Sh. Parmod Kumar Kukar :- Non Executive Director (Chairman)/Independent
- Sh. Rajeev Setia :- Executive Director (Member)/Whole Time Director
- Sh. Vijay Setia :- Executive Director (Member)/Whole Time Director

The purpose of the committee is to formulate and monitor the CSR policy of the Company.

As this committee has been constituted from 01.04.2014 so no member director's meeting occurred during the financial year ending 31.03.2014.

3.5 **RISK MANAGEMENT COMMITTEE :-**

As per the amended clause 49 (VIC) of the Listing Agreement Company has constituted a Risk Management Committee the Board on 30/08/2014 comprises three independent directors :-

- Sh. Naresh Suneja :- Non Executive Director (Chairman)/Independent
- Sh. Inder Dev Kukkar :- Non Executive Director (Member)/Independent
- Sh. Parmod Kumar :- Non Executive Director (Member)/Independent

The purpose of committee is to assist the Board in fulfilling its corporate governance duties by overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks. The committee has the overall responsibility of monitoring and approving the risk policies and associated practices of the Company. The risk management committee is also responsible for reviewing and approving risk disclosure statements in any public documents or disclosures.

As this committee has been constituted from 30.08.2014 so no member director's meeting occurred during the financial year ending 31.03.2014.

4. **Related Party Disclosures: -**

The Company has identified all related parties and transactions with them during the year as follows :-

Name of the Related Party	Relationship	Nature of Transaction	Amount
Sh. Chaman Lal	Chairman Cum Mg. Director	Remuneration	4912862
		Interest	3748758
Sh. Vijay Setia	Executive Director	Remuneration	4990288
		Interest	5883043
Sh. Rajeev Setia	Executive Director	Remuneration	5813951
		Interest	616690
Shri Sukarn Setia	Executive Director	Remuneration	628800
		Interest	2854082
Shri Sankesh Setia	Additional Director	Remuneration	628800
		Interest	1889204
Shri Ankit Setia	Executive Director	Remuneration	628800
		Interest	2751322
Smt. Isha Setia	Director's Wife	Remuneration	600000
Setia Rice Mills	Sister Concern	Lease Rent	300000

In addition dividend/commission was also paid to them, disclosed in this report elsewhere.



5. Material Disclosures: -

There was no instance of non-compliance by the Company on any matter related to Capital markets.

There are no materially significant related transaction of the Company with its Directors, management and /or relatives that would have potential conflict with the interest of the Company at large.

Per Share Data	2013-14	2012-13
Face Value (Rs.)	10	10
Earning Per Share (Rs.)	19.62	12.89
Dividend (Rs. 1.50 per share)	15%	11%
Book Value (Rs.)	72.01	55.73

6. Listing on Stock Exchange: -

The shares of the Company are listed on the Mumbai Stock Exchange.

7. Registrar & Share Transfer Agent: -

Beetal Financial & Computer Services (P) Ltd., a SEBI approved Registrar and Share Transfer Agent, has been entrusted the job of Registrar and Share Transfer Agent for the company. It has been entrusted the job of STA both for Physical as well as Demat shares. Investors may send all their communication regarding transfer/transmission of shares, change of address and change in bank account at the following address:

M/s Beetal Financial & Computer Services (P) Ltd.,
Beetal House IIIrd floor 99 madangir
Near dada Harsukh dass Mandir
New Delhi.

8. General Body Meeting : The details of last three Annual General Meetings of the Company are as follows;

Date & Time Venue

SEP 28, 2013 Hotel P.R Residency, 101, Distt. Shopping Centre, Ranjit Avenue, Amritsar

SEP 29, 2012 Hotel P.R Residency, 101, Distt. Shopping Centre, Ranjit Avenue, Amritsar

SEP 26, 2011 Hotel Mohan international, Albert Road, Amritsar

The Company will hold the next Annual General Meeting on Sep 29, 2014 at 4.00 p.m. at **Hotel P.R Residency, Ranjit Avenue Amritsar.**

Special Resolution passed in the last three Annual General Meetings.

Meeting Date Details of Special Resolution

Sep 28, 2013 Nil

Sep 29, 2012 Nil

Sep.26, 2011 Nil

9. Share Transfer System:-

The transfer of physical shares is made within the time stipulated by SEBI.

10. Shareholding & Distribution Pattern (as on 31.03.14):-

Category	No. of Shares Held
Promoters/their Relatives/	7082901
Domestic Companies	417941
Indian Public/Resident Individuals	1995408
NRI/OCB/others	2050



11. Distribution Schedule

Shareholding of Nominal Value	No of Shares holders	%	Number of shares	%
1-5000	2944	84.09	584967	6.1586
5001-10000	273	7.80	220703	2.3236
10001-20000	123	3.51	180080	1.8959
20001-30000	42	1.20	108706	1.1445
30001-40000	28	0.80	101325	1.0668
40001-50000	17	0.49	78827	0.8299
50001-100000	32	0.91	224550	2.3641
100001 above	42	1.20	7999142	84.2166

12. Dematerialisation of Shares: -

The company's shares are traded compulsorily in demat form under ISIN Code INE 419D01018.
At present, 8691489 Equity Shares of the Company have been dematerialized.

13. Market Price data:- High/Low during each month of 2013-14 on Mumbai Stock Exchange

Month	Highest price	Lowest price	Volume
April 2013	36.00	28.15	22632
May 2013	32.50	26.50	6202
June 2013	34.80	23.50	25558
July 2013	32.00	24.05	7046
August 2013	27.85	24.00	33735
September 2013	26.80	23.15	8190
October 2013	27.65	23.75	9971
November 2013	32.85	26.05	38004
December 2013	33.45	29.60	24599
Jan 2014	35.35	30.10	105879
Feb 2014	34.75	30.45	54584
March 2014	34.00	30.05	31727

14. Detail of shares held by Directors and dividend paid to them

Name	Share hold as on 31/03/14	Dividend paid
Sh. Chaman Lal Setia	2109000	2319900
Sh. Vijay Setia	2268800	2495680
Sh. Rajiv Setia	2378300	2616130
Sh. Sukarn Setia	56800	62480
Sh. Ankit Setia	50000	55000

15. Particular of loans/Advances and investment in its own share by listed Companies their subsidiaries, associates etc required to be disclosed in the annual accounts of the Company as per clause 32 of the listing Aggrement:-

Loans and Advances in the nature of loan to subsidiaries.....Nil



16. Whistle blower Policy

With a view to establish a vigil mechanism, the Company has revised its whistle blower policy. Under this vigil mechanism both directors and employees can report their concern about the unethical behavior, actual or suspected fraud or violation of Company's code of conduct. It also provides for adequate safeguards against victimization who avail of the mechanism and allows direct access to the chairperson of audit committee. We further affirm that no person has been denied access to the audit committee.

17. Details of non compliance:-

The Statutory proforma required under clause 49 of listing agreement has been duly submitted to the stock exchange on regular basis. There has not been any non compliance by the company of any mandatory requirement of clause 49. No penalties and strictures were imposed on the company by the Stock Exchange or SEBI or any statutory Authority on any matter related to Capital Market.

18. Means of Communication

Pursuant to clause 41 (1) (f) of the Listing Agreement, the Company has regularly furnished, both by way of courier as well as by fax, the quarterly un-audited as well as an annual audited results to the Stock Exchange i.e BSE. Quarterly and Annual Financial results are also published in the following newspaper –Financial Express, Economic Times, Jansatta and also displayed on the Company's website for the benefit of Company at large.

In accordance with clause 54 of the Listing Agreement, the Company has maintained a functional website at www.maharanirice.co.in containing basic information about the Company viz. Detail of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling Company's website for the benefit of public at large.

Annual Report is circulated to members and other concerned including Auditors, Equity Analyst etc. Further the Management Discussion and Analysis Report, highlighting operations, business performance, financial and other important aspects of the Company's functioning forms an integral part of the Annual Report.

The Investor complaints are processed in a centralised web-based complaints redress system (known as SEBI Complaints Redress System i.e. SCORES). The salient feature of this system are :- Centralised database of all complaints, online upload of Action Taken Reports (ATR) by concerned companies and online viewing by investors of actions taken on complaint & its address.

Further the Company disseminated to the Stock Exchange (i.e BSE), wherein its equity shares are listed, all mandatory information and price sensitive such other information, which in its opinion, are material and/or have a bearing on its performance/operations and issues press releases, wherever necessary, for the information of the public at large. For the benefit of the shareholders, a separate email id had been created for shareholder correspondence viz. clsetia@rediffmail.com.

19 Share Transfer System and the Scheme of Transfer-Cum-Demat

Share transfer received by your Company are registered within 15 days from the date of receipt, provided the documents are complete in all respects. As stipulated, intimation in the form of an 'option letter' is sent to the purchaser/transferee upon completion of the process of registration of transfer of shares. A shareholder who wishes to exercise the option of direct dematerialization of shares without taking the physical delivery can send the demat request form as well as the option letter, duly signed and authenticated by the depository participant simultaneously generating the electronic request within 30 days of the date of option letter. If this procedure is not followed within the prescribed time, your Company will proceed to dispatch the share certificates, duly endorsed in favour of the purchaser/transferee.

20. Compliance with non-mandatory requirements of clause 49 of the Listing Agreement :-

Clause 49 of the Listing Agreement ('the clause') states that the non-mandatory requirements may be implemented as per our discretion. We comply with the following non-mandatory requirements :-



Mechanism for evaluating non-executive Board Members :-

The Board evaluates the performance of non executive/independent directors through a peer evaluation process every year. Each board member makes a presentation to the Board highlighting their contribution and thought leadership initiatives pursued during the year.

Independent directors have three key roles — Governance , Control and Guidance. Some of the performance indicators based on which the independent directors are evaluated include :-

Ability to contribute to and monitor our corporate governance practices.

Ability to contribute by introducing international best practices to address top management issues.

Active participant in long-term strategic planning.

Commitment to the fulfilment of a director's obligations and fiduciary responsibilities, these include participation in the Board and committee meeting.

Audit Qualification

The Company is in the regime of unqualified financial statements.

Board Induction & Training

Upon appointment, Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Director is taken through a formal induction programme. The Company Secretary provides new Directors, both Executive and Non-Executive, with a briefing on their legal and regulatory responsibilities as Directors and the Chief Executive Officer provides a briefing on Company's current structure and performance of business. The induction for Non-Executive Independent Directors include interactive sessions with Management Committee Members, Business and Functional Heads, visit to market / plant, etc.

The induction process for Directors is designed to:

- build an understanding of the Company, its businesses and the markets and regulatory environments in which it operates;
- provide an appreciation of their roles and responsibilities;
- fully equip them to perform their roles on the Board effectively;

In addition, the Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors.

21 Declaration by Chairman and Managing Director for compliance with code of conduct :

The declaration by the CMD , pursuant to clause 49(1) (d)(ii) of the Listing Agreement, stating that all the Board Members and Senior Management Personnel having affirmed their compliance with the said code of Conduct for the year 31.03.2014 is annexed to the Corporate Governance Report .

22 General Shareholders Information;

A. Annual General Meeting

Date & Time 29.09.2014 at 4.00 p.m

Venue Hotel P.R residency, Ranjit Avenue, Amritsar

Financial Calendar

Financial Year April 1 to March 31



B. Book Closure

Period 23.09.2014 to 29.09.2014 (Both Days Inclusive)

C. Dividend for the Year 13-14(Recommendation)

Type	Board Meeting	Rate
Final Dividend	26.08.2014	15%

Subject to 100% adjustments of Partly Paid Shareholders.

D. Listing

The Company's shares are listed on Mumbai Stock Exchange Ltd.

E. Stock Code

The Mumbai Stock Exchange Ltd. 530307

F. Registrar Share Transfer Agent

Beetal Finance & Computer Services (P) Ltd
IIIrd Floor 99 Madangir,
(Near Dada Harsukh Dass Mandir)
New Delhi

G. Address of Correspondence

Chaman Lal Setia Exports Ltd.
Meera ankot Road, P.O. Central Jail
Ajnala Road, Amritsar, Pin 143002

Declaration by Chairman and Managing Director

To,

The Board of Directors,

Chaman Lal Setia Export Ltd.

Amritsar.

I, Chaman Lal, Chairman & Managing Director of M/s Chaman Lal Setia Exports Ltd. hereby confirm pursuant to Clause 49(1)(D) of Listing Agreement that:-

- (a). We have reviewed financial statements and the cash flow statement of the company for the year ended 31st March, 2014 and that to the best of my knowledge and belief:
- (i) these statement do not contain any materially untrue statement or omit any material fact of contain statement that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards ,applicable laws and regulations
- (b) There are, to the best of my knowledge and belief , no transaction entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct .



- (c) we accept responsibility for establishing and maintaining internal control for financial reporting and that have evaluated the effectiveness of Internal Control Systems of the company pertaining to financial reporting and have disclosed to the Auditors and the Audit committee, deficiencies in design or operation of such Internal Controls, if any of which I am aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) we have indicated to the Auditors and to the audit committee
- (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For and on behalf of the Board

Place :- Amritsar
Date :- 26.08.14

(Chaman Lal)
Chairman cum Mg. Director
Din No. :- 01125789.

AUDITORS' CERTIFICATE

We have examined the compliance of conditions of Corporate Governance by M/s Chaman Lal Setia Exports Ltd. for the year ended 31st March, 2014, as provided in Clause 49 of Listing Agreement.

The compliance of the provisions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the company has complied with the provisions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We state that no investor grievance is pending for a period exceeding 30 days as per the record maintained by the Shareholders Grievances Committee (Now known as Stakeholder Relationship Committee as per amended clause 49 of Listing Agreement).

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

Place: - Amritsar
Date: - 26-08-2014

For M/s Rajesh Kapoor & Co.
Chartered Accountants

(Rajesh Kapoor)
Prop.
M.No: 92692



ANNEXURE TO THE AUDITORS' REPORT

To the Members of Chaman Lal Setia Exports Ltd. on the Accounts for the Year Ended 31st March 2014

- (i) (a) The company has maintained proper records showing full particulars including quantitative details of its fixed assets.
- (b) All the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable, having regard to the size of the company and the nature of its assets and no serious discrepancies have been noticed in respect of those assets which have been physically verified.
- (c) There has been no disposal of substantial part of the fixed assets during the year and accordingly paragraph 4 (i) (c) of the said order relating to Going Concern is not affected.
- (ii) (a) Inventory has been physically verified by the management at reasonable intervals during the year.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory of stocks 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. No material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the company during the year has not granted/ taken any loans, secured or unsecured to/from companies, firms or other parties as per the register maintained under Section 301 of the Companies Act, 1956. Hence clauses (a) to (g) are not applicable of CARO (Amendment) order, 2004.
- (iv) According to the information and explanations given to us, there are adequate internal control system commensurate with the size of the company and nature of its business for purchase of inventory and fixed assets and for the sale of goods. There is no continuing failure to correct major weaknesses in internal control system.
- (v) As explained to us, particulars of contracts or arrangements referred to in section 301 of Act, if any, have been so entered in register required to be maintained under that section and according to the information and explanations given to us, such transactions made in pursuance of such contracts and arrangements exceeding the value of five lacs rupees in respect of each party have been made at prices which are reasonable having regard to prevailing market prices.
- (vi) The company has not accepted deposits from the public to which the provisions of section 58 (A) and 58 (AA) of the Companies Act, 1956 and the rules framed thereunder apply.
- (vii) In our opinion the company has an adequate internal audit system commensurate with the size of the company and nature of its business.
- (viii) During the year the Company was required to maintain Cost Records as provide under Section 209 (1) (d) of the Companies Act, 1956 for Cost Audit Report to be issued by Cost Auditor.
- (ix) (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in accordance with the generally accepted auditing practices in India, the company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, excise duty, customs duty, cess and other statutory dues as applicable with the appropriate authorities.
- (b) As explained to us, as at 31st March 2014, there have been no undeposited disputed dues in respect of sales tax, income tax, custom duty, wealth tax, service tax and cess except given in notes to accounts.
- (x) The company does not have any accumulated losses at the end of the financial year.
- (xi) The company during the year has not defaulted in repayment of dues to financial institution.
- (xii) The company during the year has not granted any loan and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a nidhi/mutual benefit fund/ society to which the provisions of special statute relating to chit fund are applicable.
- (xiv) In our opinion the company and according to explanation given to us the company is not dealing or trading in shares, securities and debentures and other investments and accordingly para 4 (xiv) is not applicable.
- (xv) According to the information and explanations given to us, in our opinion, the company has not given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company.



- (xvi) According to the information and explanations given to us, the loans have been applied for the purpose for which they were obtained.
- (xvii) According to the information and explanations given to us, funds raised on short-term basis have not been used for long term investment.
- (xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) There are no debentures outstanding as at year-end.
- (xx) The company has not raised money during the year from the public.
- (xxi) According to the information and explanations given to us, during the year no fraud on or by the company has been noticed or reported.

Place: - Amritsar
Date: - 26-08-2014

For M/s Rajesh Kapoor & Co.
Chartered Accountants

(Rajesh Kapoor)
Prop.
M. No.-92692

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CHAMAN LAL SETIA EXPORTS LIMITED

1. REPORT ON THE FINANCIAL STATEMENTS :-

We have audited the accompanying financial statements of CHAMAN LAL SETIA EXPORTS LTD. (the Company), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary accounting policies and other explanatory information.

2. **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS :-** The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956(the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement whether due to fraud or error.

3. AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statement are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in



circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

4. OPINION

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

- (a) In the case of the balance sheet of the state of affairs of the Company as at March 31, 2014
- (b) In the case of the Statement of profit and loss account, of the profit for the year ended on that date. and
- (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

5. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

- 1. As required by the Companies (Auditors Report) order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Act, we give in the Annexure on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by Section 227(3) of the Act, we report that :
 - (a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
 - (c) The balance sheet, Statement of Profit and loss account and cash flow statement dealt with by this report are in agreement with the books of accounts .
 - (d) In our opinion, Balance Sheet, the Statement of Profit and Loss Account, and Cash Flow Statement comply with the Accounting Standard notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - (e) On the basis of written representation received from directors as on March, 31, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31.03.2014 from being appointed as directors in terms of section 274(1)(g) of the Act.

FOR RAJESH KAPOOR & CO.
CHARTERED ACCOUNTANTS

(RAJESH KAPOOR)
Prop.
M.No: 92692

PLACE: AMRITSAR
DATED: 26-08-14



BALANCE SHEET AS ON MARCH 31, 2014

(Amount in Rs.)

Particulars	Refer Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1-3	94275518	94218148
(b) Reserves and surplus	4	574932616	423706866
(c) Money received against share warrants			
2 Share application money pending allotment			
3 Non-current liabilities			
(a) Long-term borrowings	5	172270805	103167505
(b) Deferred tax liabilities (Net)		13188737	12892337
4 Current liabilities			
(a) Short-term borrowings	6	438307872	243352107
(b) Trade payables	7	53924130	38581329
(c) Other current liabilities	8	12864839	10521586
(d) Short-term provisions	9	205373034	136134003
		<u>1565137551</u>	<u>1062573881</u>
II. ASSETS			
Non-current assets			
1 (a) Fixed assets			
(i) Tangible assets	10	209859550	202216042
(ii) Intangible assets			
(iii) Capital work-in-progress	10	1595250	1751160
(iv) Intangible assets under development			
(b) Non-current investments	11	1248540	1242040
(d) Long-term loans and advances	12	2,011,509	1,997,574
(e) Other non-current assets	13	0	412366
2 Current assets			
(a) Current investments			
(b) Inventories	14	675546890	453885155
(c) Trade receivables	15	474114828	252103746
(d) Cash and cash equivalents	16	65,057,186	38,392,342
(e) Short-term loans and advances	17	4,978,230	3304602
(f) Other current assets	18	130725568	107268854
TOTAL		<u>1565137551</u>	<u>1062573881</u>
ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	27		

Signed in terms of our report of even date

FOR RAJESH KAPOOR & CO.
CHARTERED ACCOUNTANTS

RAJESH KAPOOR
PROP.
M. No. 92692

CHAMAN LAL SETIA
CHAIRMAN CUM MANAGING
DIRECTOR

RAJEEV SETIA
EXECUTIVE DIRECTOR

PLACE : AMRITSAR
DATE : 26.08.2014

KANIKA NEVITA
COMPANY SECRETARY
MEMBERSHIP NO. : 29680



PROFIT & LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

Particulars	Refer Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I. Revenue from operations	19	4,161,948,362	2725172034
II. Other income	20	22,200,639	6,773,659
III. Total Revenue (I + II)		4,184,149,001	2,731,945,693
IV. Expenses:			
Cost of materials consumed	21	1,137,383,877	974,394,288
Purchases of Stock-in-Trade		2289804398	1352529584
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	22	-120578216	187,496,052
Employee benefits expense	23	64902721	38,451,627
Finance costs	24	43,450,073	41,737,901
Depreciation and amortization expense	25	29,694,943	25,748,557
Other expenses	26	467965056	309,253,532
Total expenses		3,912,622,852	2,554,619,437
V. Profit before exceptional and extraordinary items and tax (III-IV)		271,526,149	177,326,256
VI. Exceptional items		0	0
VII. Profit before extraordinary items and tax (V - VI)		271,526,149	177,326,256
VIII. Extraordinary Items		0	0
IX. Profit before tax (VII- VIII)		271,526,149	177,326,256
X. Tax expense:			
(1) Current tax		88830000	55650000
(2) Deferred tax		296400	1880000
XI. Profit (Loss) for the period from continuing operations (VII-VIII)		182,399,749	119,796,256
XII. Profit/(loss) from discontinuing operations		0	0
XIII. Tax expense of discontinuing operations		0	0
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV. Profit (Loss) for the period (XI + XIV)		182,399,749	119,796,256
XVI. Earnings per equity share:			
(1) Basic		19.62	12.89
(2) Diluted		19.62	12.89
ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	27		

Signed in terms of our report of even date

FOR RAJESH KAPOOR & CO.
CHARTERED ACCOUNTANTS

RAJESH KAPOOR
PROP.
M. No. 92692

PLACE : AMRITSAR
DATE : 26.08.2014

CHAMAN LAL SETIA

CHAIRMAN CUM MANAGING
DIRECTOR

KANIKA NEVITA
COMPANY SECRETARY
MEMBERSHIP NO. : 29680

RAJEEV SETIA

EXECUTIVE DIRECTOR



CASH FLOW STATEMENT FOR YEAR ENDING 31.03.2014

(Amount in Rs.)

	AMOUNT 31.03.14	AMOUNT 31.03.13
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	271526149	177326258
ADJUSTMENT FOR:-		
DEPRECIATION/AMORTISATION	29694943	25748555
INTEREST/DIVIDEND RECEIVED	10483417	6773659
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	290737675	196301154
ADJUSTMENT FOR:-		
TRADE AND OTHER RECEIVABLES	-247141424	-42460591
INVENTORIES	-221661735	41675987
TRADE PAYABLES	87221485	-3297645
CASH GENERATED FORM OPERATION	-90843999	192218905
DIVIDEND /ADJUSTED	16307460	11879078
DIRECT TAXES PAID	104165049	49390856
CASH FLOW BEFORE EXTRAORDINARY ITEMS	-211316508	130948971
EXTRAORDINARY ITEMS	0	0
NET CASH FROM OPERATING ACTIVITIES:-	-211316508	130948971
B. CASH FLOW FROM INVESTING ACTIVITIES		
PURCHASE OF FIXED ASSETS (NET)	37182541	50331866
SALE OF FIXED ASSETS	0	3657614
ISSUE EXPENSES	0	0
PURCHASE OF INVESTMENTS (Net)	6500	550000
ADJ IN OTHER NON CURRENT ASSETS	398431	0
INTEREST RECEIVED	10483417	6773659
DIVIDEND PAID	0	0
NET CASH USED IN INVESTING ACTIVITIES	26307193	40450593
C. CASH FLOW FROM FINANCING ACTIVITIES		
PROCEEDS FROM SHARE CAPITAL	229480	330080
PROCEEDS FROM BORROWINGS	264059065	-148012140
REPAYMENT OF FINANCE LEASE LIABILITIES	0	0
NET CASH FROM FINANCING ACTIVITIES	264288545	-147682060
NET INCREASE IN CASH AND CASH EQUIVALENTS		
CASH AND CASH EQUIVALENTS AS AT 01.04.2013 (OPENING BALANCE)	38392342	134393101
CASH AND CASH EQUIVALENTS AS AT 31.03.2014 (CLOSING BALANCE)	65057186	38392342

Place :- Amritsar
Date :- 26.08.2014

For and on behalf of Board
Chaman Lal
Chairman Cum Managing Director

Rajeev Setia
Whole Time Director

Kanika Nevatia
Company Secretary
Membership No. : 29680

Auditor's Certificate.

We have verified the above cash flow statement of CHAMAN LAL SETIA EXPORTS LTD. derived from the audited financial statements for the year ended March 31st, 2014 and found the same to be drawn in accordance there with and also with the requirements of the listing agreement with stock exchanges.

For Rajesh Kapoor & Co.
Chartered Accountants

Date:- 26.08.2014
Place:- Amritsar.

Rajesh Kapoor
Prop.
Membership No. : 92692



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31 March 2014		As at 31 March 2013	
	Number	Amount	Number	Amount
NOTE - 1				
Share Capital				
Authorized, Issued & Paid up capital				
Authorised				
Equity Shares of ₹ 10/- each	12,000,000	120,000,000	12,000,000	120,000,000
Issued				
Equity Shares of ₹ 10/- each	9,498,300	94,983,000	9,498,300	94,983,000
Subscribed & Paid up				
Equity Shares of ₹ 10/- each fully paid	9085700	90857000	9085700	90857000
Subscribed but not fully Paid up				
Equity Shares of ₹ 10 each, not fully paid up	412600	3418518	412600	3361148
Total	9498300	94275518	9498300	94218148

1. The Company has only one class of share referred to as equity shares having a par value Rs. 10/- .Each holder of equity shares is entitled to one vote per share.
2. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
3. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by the shareholders.
4. No Share was issued during last five years for otherwise than cash.
5. No Share was reserved for issue under options and contracts.
6. No bonus shares were issued during last five years.
7. No shares was bought back /forefeited.
8. The shares of Directors/officers are fully paid up.

NOTE - 2 Reconciliation of Share Capital

Particulars	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	9498300	94218148	0	0
Shares Issued during the year	0	0	0	0
Shares bought back during the year	0	0	0	0
Shares outstanding at the end of the year	9,498,300	94,275,518	-	-

NOTE - 3 List of Share holder holding more than 5 % share

Name of Shareholder	As at 31 March 2014		As at 31 March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
SH. CHAMAN LAL SETIA	2109000	22.20	2109000	22.20
SH. VIJAY KUMAR SETIA	2268800	23.89	2268800	23.89
SH. RAJEEV SETIA	2378300	25.04	2378300	25.04



	As at 31 March 2014 ₹	As at 31 March 2013 ₹
NOTE - 4		
Reserves & Surplus		
a. Securities Premium Account		
Opening Balance	101,454,444	101,206,884
Add : Securities premium credited on Share issue	172,110	247,560
Closing Balance	101,626,554	101,454,444
b. General Reserves		
Opening Balance	69,509,405	57,529,780
(+) Current Year Transfer	18,239,975	11,979,625
(-) Written Back in Current Year		
Closing Balance	87,749,380	69,509,405
c. Surplus		
Opening balance	252,743,017	148,666,320
(+) Net Profit/(Net Loss) For the current year	182,399,749	119,796,256
(-) Prior Period Tax/Dividend Adjustments	15,038,649	8,139,144
(-) Transfer to General Reserves	18,239,975	11,979,625
(-) Proposed Dividends	16,307,460	11,879,078
Closing Balance	385,556,682	252,743,017
Total	574,932,616	423,706,866

NOTE - 5

Long Term Borrowings

Unsecured

(a) Directors' Deposits	172,270,805.00	103,167,505
From three Executive Non Independent Directors		
Total	172,270,805	103,167,505

There is no default in the Repayment of either Principal or Interest Amount of Secured as well as Unsecured Loan as on the Balance Sheet Date. There is no Secured Long Term Borrowings.



	As at 31 March 2014	As at 31 March 2013
	₹	₹

NOTE - 6

Short Term Borrowings

Secured

(a) Loans repayable on demand

From banks

Punjab National Bank	438,307,872	243,352,107
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Cash Credit/Packing Credit/Post Shipment Credit are secured against Current Assets, entire Fixed assets and property belonging to M/s Setia Rice Mills Situated at Amritsar and Property belonging to M/s Chaman Lal Setia Exports Ltd situated at Karnal and Corporate Guarantee of the Borrower company and personal guarantees of Directors Sh. Chaman Lal, Vijay Setia and Rajeev Setia.

Total	438,307,872	243,352,107
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NOTE - 7

Trade Payables

Micro, Small and Medium Enterprise	0	0
For Goods	37303648	38581329
For Expenses	16620482	0

Total	53,924,130	38,581,329
--------------	-------------------	-------------------

NOTE - 8

Other Current Liabilities

(a) Current maturities of long-term debt	-	-
(b) TDS Payables	7,182,420	5,381,352
(c) CST/Vat Payable	2,231,010	1,713,631
(d) Income received in advance	500,245	510,795
(e) Unpaid Dividends	2,951,165	2,915,808

Total	12,864,839	10,521,586
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There is no fresh issue of Shares/Securities after the first Issue as such no Share Application Money is pending for refund. Further there was no Unpaid Matured Debentures/Deposits



Short Term Provisions

As at 31 March 2014
₹

As at 31 March 2013
₹

NOTE - 9

Short Term Provisions

(a) Provision for employee benefits

Salary & Reimbursements	90,181	100,613
Contribution to PF	145,119	184,652
Current Income Tax	176950000	118,642,000
Proposed final dividend on Equity Share	13,938,000	10,221,200
Tax on dividend	2,369,460	1,657,878

(b) Others (Specify nature)

11,880,274 5,327,660

Total **205,373,034** **136,134,003**

NOTE - 10

Fixed Assets

FIXED ASSETS PARTICULAR	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	BALANCE AS AT 01.04.13	ADDITIONS	DISPOSAL	BALANCE AS AT 31.03.14	BALANCE AS AT 01.04.13	DEPRECIATION CHARGES FOR THE YEAR	ON DISPOSAL	BALANCE AS AT 31.03.14	BALANCE AS AT 31.03.14	BALANCE AS AT 31.03.13
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
a Tangible Assets										
Land	15899768	2247100	0	18146868	334953	12159	0	347113	17799755	15564815
Buildings	100051413	10390058	119558	110321913	20321225	6275874	102141	26494958	83826955	79730188
Plant and Equipment	193080404	16546090	13472684	196153810	114625175	13487683	8355672	119757186	76396624	78455229
Furniture and Fixtures	2035721	377810	0	2413531	1014134	190696	0	1204830	1208701	1021587
Vehicles	38919410	8495448	85726	47329132	16031808	6545648	74295	22503161	24825971	22887602
Office equipment	10638264	1579738	948134	11269868	7310276	748253	865688	7192841	4077027	3327988
Others (specify nature)	10243476	2930514	1657669	11516321	9014843	2434630	1657669	9791804	1724517	1228633
Total	370868456	42566758	16283771	397151443	168652414	29694943	11055465	187291893	209859550	202216042
b Intangible Assets	0	0	0	0	0	0	0	0	0	0
Total	-	-	-	-	-	-	-	-	-	-
c Capital Work In Progress	1751160	7765108	7921018	1595250	0	0	0	0	1595250	1751160
Total	1751160	7765108	7921018	1595250	0	0	0	0	1595250	1751160
d Intangible assets under Development	0	0	0	0	0	0	0	0	0	0
TOTAL	372619616	50331866	24204789	398746693	168652414	29694943	11055465	187291893	211454800	203967202

Note 1 No fix assets was required through business reorganisation during the year .

Note 2 No fix assets was revalued during the year .

Note 3 During the year company has written off fixed assets of Rs.4022330 being obsolete



	As at 31 March 2014	As at 31 March 2013
	₹	₹

NOTE - 11

Non Current Investments

(a) Trade investments (at cost)

PNB Gilts Ltd.	300,000	600,000
Mutual Funds	850,000	550,000
PNB Equity Shares (Fully Paid quoted)	92,040	92,040
Investment/Fixed Deposit	6,500	-
Total	1,248,540	1,242,040

NOTE - 12

Long Term Loans and Advances

b. Security Deposits

Secured, considered good		0
Unsecured, considered good	2,011,509	1,997,574
Doubtful		0
	2,011,509	1,997,574
Total	2,011,509	1,997,574

There is no Loans and Advances to Related parties outstanding as on Balance Sheet date.

NOTE - 13

Other non current assets

Investors Protection Fund	0	412366
Total	-	412,366

NOTE - 14

Inventories

a. Raw Materials and components	164638372	58541880
b. Finished goods	510908518	395343275
Total	675,546,890	453,885,155

Valued at Cost or Net Realisable Value which ever is less and as per Inventories taken and Certified by management



	As at 31 March 2014	As at 31 March 2013
	₹	₹

NOTE - 15

Trade receivables outstanding for a period less than six months from the date they are due for payment

Secured, considered good

Unsecured, considered good

Unsecured, considered doubtful

450722806	233149310
0	0
450722806	233,149,310

Trade receivables outstanding for a period exceeding six months from the date they are due for payment

Secured, considered good

Unsecured, considered good

23392022	18954436
23,392,022	18,954,436

Total	474,114,828	252,103,746
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Nothing is Receivables from Directors ,Other Officers of the Company and Firm/s in Which Directors is a partner and form a Private company in which director is a member.

NOTE - 16

Cash and cash equivalents

a. Balances with banks*	34436900	6,253,213
This includes:		
Earmarked Balances (eg/- unpaid dividend accounts)	2,951,165	3,071,170
b. Cheques, drafts on hand	10974223	23,156,845
c. Cash on hand*	1694899	1,911,114
d. Deposits with less than 12 Months Maturity	15000000	4000000

Total	65,057,186	38,392,342
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NOTE - 17

Short-term loans and advances

a. Others (Staff Members)

Secured, considered good

Unsecured, considered good to staff

Doubtful

Advances other than staff

2,542,471	3,304,602
0	0
2,435,759	0

Total	4,978,230	3,304,602.00
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No loans and advances to related parties as on balance Sheet date



	As at 31 March 2014 ₹	As at 31 March 2013 ₹
NOTE - 18		
Other current assets		
Other current assets (specify nature)		
Prepaid and Unexpired	3391554	3455600
Advance Tax/TDS	126084411	103548131
Vat /Service Tax	570274	265123
Advance against pending appeal	679329	0
Total	130725568	107268854
NOTE - 19		
Revenue from Operation		
Sale of products	4160703369	2724603766
Sale of services	0	0
Other operating revenues	1244993	568268
Total	4,161,948,362	2,725,172,034
NOTE - 20		
Other income		
Interest Income (in case of a company other than a finance company)	10483417	6172953
Misc Income	104287	513748
Applicable net gain/loss on foreign currency transactions and translation	11612934	0
Profit on Sale of Fixed Assets	0	86958
Total	22,200,639	6,773,659
NOTE - 21		
Cost of material consumed		
Cost of Raw material consumed	0	0
Indigenous	1137383877	974394288
Imported	0	0
Total	1,137,383,877.14	974,394,288
NOTE - 21A		
Particulars of Material consumed		
Particulars		0
Paddy	1137383877	974394288
Other	0	0
Total	1,137,383,877	974,394,288



	As at 31 March 2014 ₹	As at 31 March 2013 ₹
NOTE - 22		
Changes in Inventories of Finished Goods		
Inventories (at close)		
Finished Goods/Stock in trade	495001221	374423005
Inventories(at commencement)		
Finished Goods/Stock in trade	374423005	186926953
Total	120,578,216	187,496,052
NOTE - 23		
Employee Benefit Expenses		
Employee benefits consist of;		0
Salaries and Wages	60846171	34271943
Contribution to:		
Gratuity fund/Provident Fund	2733431	2757732
Staff welfare expenses	1323119	1421952
Total	64,902,721	38,451,627
NOTE - 24		
Finance Costs		
Bank charges	7322891	4980726
Interest	36127182	19748857
Applicable net gain/loss on foreign currency transactions and translation		17008318
Total	43,450,073	41,737,901
NOTE - 25		
Depreciation of Tangible Assets	29694943	25748557
Amortization of Intangible Assets		0
Total	29,694,943	25,748,557



	As at 31 March 2014 ₹	As at 31 March 2013 ₹
Other Expenses		
NOTE - 26(1)		
Establishment Expenses		
Rent, Rate & Taxes	1016734	1624451
Postage, Telegram & Courier Charges	2600171	2457568
Printing & Stationery	412309	503100
Insurance Charges	4062438	4153064
Vehicle Running & Maintenance	2510694	1632982
Membership Fees & Subscription	263795	221903
Professional & Consultancy	7266963	2388583
Payment to Auditor	190000	260000
Travelling, Lodging, Boarding	7827428	9337249
Donation	2763660	94670
Loss on sale of fixed Asset	501733	186123
General Exp	1729981	1422033
Total	31,145,906	24,281,726
NOTE - 26(2)		
Payment To Auditor		
Payment to Auditor includes:		
Statutory Audit Fees	50000	50000
Tax audit fees	50000	50000
Taxation Matters	30000	30000
Other Matters	130000	130000
Total	260,000	260,000
NOTE - 26(3)		
Selling & Distribution Exp.		
Export Commission	8162014	15392004
E.C.G.C Expenses	3978288	4448065
Advertisement	4916825	2769935
Direct Export Expenses	205539676	103431071
Brokerage	21362561	6237545
Bill Discount/Rebate	4456716	2621041
Misc. Expenses	165622	170789
BAD Debts	8264309	376811
Loss On account of Cyber Crime	6117542	0
Fare Expenses	19975	9700
Total	262,983,528	135,456,961



	As at 31 March 2014	As at 31 March 2013
	₹	₹
Note - 26(4)		
Manufacturing Expenses		
Power & Fuel	31600196	32530855
Machinery Repair & Maintenance	7569986	7564411
Sheller Lease/Godown Lease	2906158	2007642
Bardana Repair	229970	795240
Packing Expenses	2131277	2273780
Stacking, Weighing Loading etc	3453128	17603144
Packing Material/Empty Cost	105750485	72147803
Sample Testing	752357	849013
Fumigation	4300982	2471482
Other Repair	2820619	2414146
Overheads	12320466	8857329
Total	173,835,623	149,514,845
Grand Total Of Other Expenses	467,965,056	309,253,532



Significant Accounting Policies & Notes forming part of the Balance Sheet and statement of Profit & Loss for the year ended 31.03.2014.

Company Overview

A) Your company has been running successfully into rice business since 1973. The long outstanding experience of the Directors has helped the Company to expand its global footprint. Your Company's diverse product line covers product like Sella Rice, Bhatti Sella, Rice for Diabetic peoples, Smoked rice, Pesticide Residue free rice. Company's uses its strong relationship with Domestic and Global Business partners for market penetration and presence. Company has introduced newer policies and strategies to facilitate development further.

B) Statements of significant accounting policies:

1 Basis of Preparation of Financial Statements

The financial statements are prepared and presented under the Historical cost convention on the accrual basis of accounting and comply with the Accounting Standard prescribed by the Companies (Accounting Standards) Rules, 2006 and relevant provisions of the Companies Act 1956 to the extent applicable, as adopted consistently by the company

2 Use of Estimates and Judgments

The preparation of the financial statements are in conformity with the Accounting Standards which requires management to make estimates and the assumption that affect the reported amount of assets and liabilities and disclosures relating to the contingent liabilities as on date of balance sheet and the reported amount of revenues and expenditure during the reported period. The estimates and assumptions used in the financial statements are based upon management's best evaluation of the statements. Examples of such estimates include useful life of fixed assets, creation of deferred tax asset, lease rentals and write off of deferred revenue expenditure. Actual results may differ from those estimates.

3 Revenue Recognition

The Company follows the mercantile system of accounting and recognizes the income and expenditure on accrual basis except in case of significant uncertainties. Certain items of income such as DEPB Income, insurance claim, market fees refund, Service Tax Refunds, Interest Subventions, overdue interest from customers etc have been considered on Payment Basis to the extent the amount is accepted by the parties. The principles of the revenue recognition are given below

Sales are recognized as follows

Domestic Sales-At the point of dispatches to customers.

Export Sales - At the time of issue of bill of lading

Sales are recorded net of sales returns, price differences and sales tax. Sale of license and duty draw back are recognized on realization basis.

4 Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

Capital work in progress is stated at cost. Capital WIP includes the cost of fixed assets that are not yet ready for their intended use, as on the balance sheet date.



5. Depreciation

Depreciation is provided on written down value basis at rates provided in schedule XIV to the Companies Act, 1956. The depreciation rates which are different from principal rates specified in schedule are as follows;

Tarpoline 100%

Wooden & Plastic Crates 100%

Depreciation on plant & Machinery has been provided on the basis of shifts worked in the case of both the units. Cost of leasehold land is amortized over the period of lease.

6 Leases

In respect of operating lease, lease rentals are accounted on accrual basis in accordance with the respective lease agreements. However there is no lease as on the date .

7 Government Grants

Grants in the nature of capital contribution towards setting up modernization of projects is adjusted from the cost of the related fixed assets.

8 Deferred Tax

Deferred tax assets and liabilities are computed on the timing differences at the balance sheet date between the carrying amount of assets and liabilities and their respective tax bases. Deferred Tax Assets (DTA) is recognized based on management estimates of virtual certainty that sufficient future taxable income will be available against which such DTA can be realized. The deferred tax charge or credit is recognized using the tax rates and tax law that have been enacted or substantively enacted by the balance sheet date.

9 Employees Benefits

9.1 Defined Contribution Plans

Defined contribution plans are benefit plans under which the company pays fixed contribution to state managed benefit schemes. The company contributions to defined contribution plans are recognized in the profit and loss account in the financial year to which they relate.

9.2 Defined Benefits Plans

The company has defined benefit plan in respect of its gratuity liability and contributes to a Gratuity Fund managed by LIC of India. Contribution is made to this fund yearly on the basis of calculation made by LIC keeping in view certain factor. This premium is charged to Profit & loss a/c in the year of payment.

10 Investments

Long Term Investment is intended to be held for more than a year. All others investment are current in nature.

Long Term Investments are stated at cost while current investment at lower of cost and fair value.

11 Inventories

Inventories are valued at cost or net realizable value whichever is lower, as taken, valued and certified by the management. The basis



for determining cost for various categories of inventories is as under

Raw Material- At cost on FIFO Basis

Finished Stock -At material cost + appropriate share of production overhead

Packing Material -At Cost

Stores & Spares

Stores & spares are charged to profit & loss A/c in the year of purchase.

12 Foreign Exchange Transactions

Transactions in foreign currency are converted at the exchange rate prevailing at the date of the transaction. Foreign currency monetary assets and liabilities not covered by forward exchange contracts are restated at the year-end rates and the resultant gains or losses are recognized in the profit and loss account. Nonmonetary items are carried in terms of historical cost denominated in foreign currency using the exchange rates at the date of transaction.

Forward contracts other than those entered into to hedge foreign currency risk on unexecuted firm commitment or on highly probable forecast transactions are treated as foreign currency transactions and accounted accordingly. Premium on foreign exchange forward contracts are recognized in the profit and loss account over the life of contract. Any profit and loss arising on cancellation of forward contract is recognized as income or expense in the period in which they arise.

The company follows the Accounting Standards which are made mandatory. It is in the process of formulating the requisite mechanism/systems to meet prescribed requirements under Accounting Standards 30, 31 & 32. It shall be following the accounting policy of recognition, presentation & disclosure of forward exchange transactions including Derivative/Hedging/Currency Swaps & Interest Swaps etc prescribed under these Accounting Standards with effect from the date these are made mandatory by ICAI.

13 Researches and Development

Revenue Expenditure on Research & Development is charged as an expense in the year in which it is incurred. Capital expenditure is included in respective heads under fixed assets.

14. Miscellaneous Expenditure

Share Issue expenses etc are expensed pro-rata over the period of five years.

15 Provisions, Contingent Liabilities and contingent assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes to accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

16 Segment Reporting

Segment Reporting as per Accounting Standard 17: The Company has only one product segment i.e. Rice and only one geographical segment.

17 Borrowing Cost

Borrowing Costs that are attributable to the Acquisition, Construction or Production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.



Notes to Accounts

1. Managerial Remuneration

Computation of Managerial Remuneration u/s 198

	31.03.2014	31.03.2013
Profit before Tax	271526149	177326256
Add: Depreciation	29694943	25748555
Less: Depreciation as per Sec 350	29694943	25748555
Net Profit u/s 350 of Companies Act 1956	271526149	177326256
Add: Directors Remuneration	33103501	4104178
Profit as per Section 198	304629650	181430434
Managerial Remuneration allowable @ 11%	33509262	19957347
Managerial Remuneration paid	33103501	4104178

2. Value of Assets as at 21.9.94 the date of Conversion of the firm to the Company under Part IX of the Companies Act 1956 has been taken at value shown in books of erstwhile firm Chaman Lal & Sons.
3. Gratuity Payable to employees at some future date has been duly provided for by the Company by taking Group Gratuity Scheme from LIC of India.
4. Stores, Spares and Labour in respect of internally carried out repair and maintenance of Plant and Machinery and Building have not been charged separately but have been directly charged to stores and spares consumed and wages account.
5. Confirmation of some of the accounts at year-end included under heads 'Sundry Debtors', Sundry Creditors' and Loans and Advances have yet to be received as at the date of the Auditors Report.
6. Payment against supplies from small scale and ancillary undertakings are generally made in accordance with agreed credit terms and to the extent ascertained from available information, there was no amount overdue in this regard.
7. The Managerial Remuneration has been paid within the limits of Section 198 of Companies Act 1956. Managing Director Rs. 4912862/- Whole Time Directors Rs. 12061839/-
8. Contingent liabilities as at 31.3.2014
9.
 - a) The Company's appeal with Commissioner Excise and Taxation, Punjab for the year 2009-10 is pending for wrong imposition of Vat amounting Rs. 782343/- & CST amounting Rs. 9389/-.
However Company has deposited Rs. 195590/- against Vat and Rs. 2400/- against CST being the 25% of the total amount for tendering its appeal.
 - b) The Company's appeal with Commissioner Excise and Taxation, Punjab for the year 2010-11 is pending for wrong imposition of Vat amounting Rs. 1843094/- & CST amounting Rs. 82260/-.
However Company has deposited Rs. 460774/- against Vat and Rs. 20565/- against CST being the 25% of the total amount for tendering its appeal.
 - c) The Punjab Government has imposed PIDF (development fund) @ 3% on paddy purchase since 2009-2010 on all the rice sheller and the liability of the Company on this issue has yet to be determined. However all the rice shellers has appealed against this levy of development fund on the Ground that this is not applicable on paddy utilized for exports sales. However domestic sales achieved by the Company in Punjab will be subjected to this development fund if decided against.
 - d) Company's appeal is also pending with CESAT Ahmedabad against imposition of penalty by Custom Authorities Kandla amounting Rs. 1750000/- on the alledged ground of containing higher Non Basmati Grain in one of the export lot.



10. Prior period items include Expenses/Income related to previous year not provided for are separately classified as prior period expenditure/income during the current year in accounts.
11. In the opinion of the Board and to the best of their knowledge and belief, the value on realization of the current assets, loan & advances, deposits in the ordinary course of business will not be less than the value stated in Balance Sheet.
12. Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, the Dividend which remain unclaimed/unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

The status of dividend remaining unclaimed is given here under:

YEAR	(Rupees in Lacs)
2006-2007	1.28
2007-2008	1.51
2008-2009	1.76
2009-2010	2.16
2010-2011	2.29
2011-2012	2.74
2012-2013	2.49

As per the Companies Act, 1956, dividends that are unclaimed for a period of seven years, statutorily get transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government and thereafter, cannot be claimed by investors. The Company had accordingly transferred Rs. 1,62,052.00 being the unpaid and unclaimed dividend amount pertaining to Final Dividend for the year 2006, respectively, to the Investor Education and Protection Fund of the Central Government. Members having unclaimed dividends pertaining to the year 2007 dated 29.09.2007 and have not encashed their dividend warrants are advised to write to the Company immediately claiming dividends declared by the Company are requested.

- A) There are no specific claims from suppliers under interest on delayed payments covered under Small Scale & Ancillary Act, 1993.
- B) The Company does not have any dues payable to any micro, small and medium enterprises as at the year end. The identification of the micro, small & medium enterprises is based on management's knowledge of their status. The Company has not received any intimation from the suppliers regarding their status under the MSMED Act 2006. Hence, disclosures, if any, relating to amounts unpaid as at the year end, together with interest paid/payable as required under the said act have not been given.

14 Compliance with Accounting Standard

- (i) AS-15 Accounting Standard for "Employee benefits" the disclosures as defined in the Accounting Standard are given below:

Defined Contribution Plans

Contribution to Defined Contribution plans, recognized as expense for the year is as under:

	2013-14	2012-13
Contribution to Provident Fund	895884	684376
Contribution to Pension Scheme	324759	363807
Contribution to ESI	82835	104727

Defined Benefit Plan

The employee's gratuity fund scheme managed by a Trust (Life Insurance Corporation of India) is a defined benefit plan. The premium as determined by the Trust keeping in view the date of joining, salary last drawn etc. of the employee's is paid yearly by the Company and debited under the head Employee Benefit Expenses. During the year Rs. 808098/- has been paid to LIC towards groups gratuity scheme of employees.



(i) **AS-18 Related party transaction**

Details pertaining to related party transaction in respect of key managerial personnel of the company are as follow: -

- | | | |
|-----|-----------------------|---------------------------------|
| (a) | Shri Chaman Lal Setia | Chairman cum Managing Director. |
| (b) | Shri Vijay Setia | Executive Director |
| (c) | Shri Rajeev Setia | Executive Director |
| (d) | Shri Sukarn Setia | Executive Director |
| (e) | Shri Ankit Setia | Executive Director |

(I) Remuneration paid to chairman & Managing Director and executive director is Rs 4912862/- and Rs. 12061839/- respectively.

(ii) Interest on unsecured loans paid to directors during the year @ 12% p.a is Rs 17743099/- The Company has not entered into any transaction with relative of key managerial personnel.

The Company has not entered into any transaction with relative of key managerial personnel.

(iii) **AS-20 Earning per share**

As there is no potential equity share outstanding and as such the diluted earning

Per share is same as basic earning per share.

EPS = Rs. 19.62

(iv) **AS-22 Deferred Taxes**

In accordance with the accounting standard AS-22 the deferred tax has been accounted for during the year ended 31.03.14. The deferred tax Assets up to 31.03.2001 amounting to Rs 2902273/- has been credited to Revenue Reserve and disclosed separately under current liability and provision. The deferred tax Liability related to current year is Rs 296400.00 which has been set off against the above said amount and current outstanding as at 31.03.2014 is Rs. 13188737.00

The deferred taxes has arisen only on account of difference in depreciation allowable under Income Tax Act and as per books.

(i) **AS-17 Segmental Reporting**

The Company has only one business segment namely rice. There is no different geographical segment.

15. The provisions of the Industries (Development and Regulation) Act, 1951, relating to licensed capacity are not applicable to the Company. The installed capacities in metric tones per hour are as under:

Amritsar (Leased)	2 MT Rice per hour.
Karnal	12 MT Rice per hour.

The installed capacity is as certified by the management and relied upon by the Auditors, being a technical matter.

16. Stores & Spares are charged to Profit & Loss at time of Purchase and no inventory in respect of these is being maintained.

17. There was no payment exceeding Rs One Lac due to any small scale industrial undertaking as known to Management.



18. Additional Information pursuant to the provisions of paragraphs 3 & 4 of part II of Schedule VI to the Companies Act 1956: -

(A) Licensed and installed Capacity, Actual Production and Opening Stock:-

	31.03.14	31.03.13
Licensed Capacity (per hour)	14 MT	14 MT
Installed Capacity (per hour)	14 MT	14 MT
Actual Production (In Qtls)	233290	308056

(B) Quantitative Stocks (In Qtls)

Opening Stock as at		Closing Stock as at	
01.04.12	01.04.13	31.03.13	31.03.14
97806	144876	144876	151907

C) Expenditure in Foreign Exchange

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Value of Import of Capital Goods	8105579	0
Export Commission	34644094	15392004
Travelling Expenses	6421722	8051906
Total	49171395	23443910

E) Value of Exports (FOB)

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Value of Goods Exported	3047642575	1627228625

(A) Raw Material Consumed:

(In Qtls)

31.03.14		31.03.13	
Quantity	Value	Quantity	Value
364514	1137383877	483046	974394288

18. Previous Years figures have been regrouped & rearranged where ever considered necessary to present Balance Sheet as near as possible to the Revised Schedule VI.



INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT 1956.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Registration Details

Registration No.	15083	State Code	16
Balance Sheet Date	31.03.14		

Capital raised during the year (Amount in Rs. Lacs)

Public Issue(Call Money)	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

Position of mobilisation and Development of Funds (Amount in Rs. Lacs)

Total Liabilities	15651.37	Total Assets	15651.37
Source of Funds			
Paid up capital	942.75	Reserve & Surplus	5749.32
Secured Loans	4383.07	Unsecured Loans	1722.70
Deferred Tax	131.88		

Application of Funds

Net Fixed Assets	2114.54	Investments	12.48
Net Current Assets	6399.53	Misc Expenditure	0.00
Accumulated Losses	Nil		

Performance of the Company (Amount in Rs. lacs)

Turnover	41607.03	Total Expenditure	25478.46
Profit before Tax	2715.26	Profit after Tax	1823.99
Earnings per shares	Rs. 19.62	Dividend rate %	15%

· Including other income

* Calls in arrears

Generic Names of Two Principal Products of Company

Item Code No.	(ITC CODE)	100630.02
Product Description		Rice Basmati
Item Code No.	(ITC CODE)	100630.01
Product Description		Parboiled Rice

AS PER OUR REPORT OF EVEN DATE

RAJESH KAPOOR
PROP.

FOR RAJESH KAPOOR & CO.
CHARTERED ACCOUNTANTS

CHAMAN LAL SETIA
CHAIRMAN CUM MANAGING DIRECTOR

RAJEEV SETIA
EXECUTIVE DIRECTOR

KANIKA NEVTIA
(COMPANY SECRETARY)

PLACE: AMRITSAR
DATE: 26.08.14



CHAMAN LAL SETIA EXPORTS LIMITED

Miran Kot Road, P.O Central Jail Amritsar.

ATTENDANCE SLIP

Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting Hall.

I, hereby record my presence at the 20th ANNUAL GENERAL MEETING of the Company at Hotel P.R Residency, Ranjit Avenue Amritsar on Monday 29th Sept. 2014 at 4:00 P.M.

Full Name of the Shareholder/proxy
(In Block letters)

Folio No.....

Signature

CHAMAN LAL SETIA EXPORTS LIMITED

Miran Kot Road, P.O Central Jail Amritsar.

PROXY FORM

(Pursuant to section 105 (6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014)

CIN :- L51909PB1994PLC015083

Name of Company :- Chaman Lal Setia Exports Ltd.

Registered office :- Miran Kot Road, P.O Central jail, Amritsar

Name of the member (s)

Registered address :

E-mail Id :

Folio No./Client Id :

DP ID:

I/We, being the member (s) of shares of the above named company, hereby appoint:

(1) Name Address.....

Email id.....Signature.....or falling him.

(2) Name Address.....

Email id.....Signature.....or falling him.

(3) Name Address.....

Email id.....Signature.....



As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company to be held on Monday 29th September, 2014 at 4:00 p.m at Hotel P.R Residency, Ranjit Avenue, Amritsar -143001 and at any adjournment thereof of such resolution as are indicated below :-

Resolution No.	RESOLUTIONS	Optional	
Ordinary Business		For	Against
1.	Adoption of Financial Statements for the year ended 31 st March, 2014		
2.	Approval of Final Dividend for year ended March, 2014.		
3.	Appointment of M/S. Rajesh Kapoor & Co. Chartered Accountants (ICAI Registration No. 92692), as auditors and fixing their remuneration .		
4.	Reappointment of Directors as mentioned in special business.		
Special Business			
5.	Appointment of Mr. Inder Dev Kukkar as an Independent Director For Five Years.		
6.	Appointment of Mr. Naresh Suneja as an Independent Director For Five Years		
7.	Appointment of Mr. Parmod Kumar as an Independent Director For Five Years		
8.	Appointment of Mr. Raghav Peshawaria as an Independent Director For Five Years		
9.	Appointment of Mr. Amit Mehra as an Independent Director For Five Years		
10.	Appointment of Mr. Sankesh Setia as a Whole Time Director For Five Years		
11.	Special Resolution for approval of terms of re-appointment of Mr. Chaman Lal Setia as the Managing Director For Five Years		
12.	Re-appointment of Mr. Rajeev Setia as Whole Time Director For Five Years		
13.	Re-appointment of Mr. Vijay Setia as a Whole Time Director For Five Years		
14.	Re-appointment of Mr. Sukam Setia as a Whole Time Director of Company For Five Years		
15.	Re-appointment of Mr. Ankit Setia as a Whole Time Director of Company For Five Years		
16.	Appointment of Mrs. Amar Jyoti Baga as an Independent Woman Director For Five Years		

Signed this Day of2014.

Signature of Shareholder

Signature of Proxy Holder (s)

Note :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 20th Annual General Meeting.
3. It is optional to put 1 'x' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details of member (s) in above box before submission.

Affix a
Rs.1
Revenue
Stamp

Pure Fragrant Original Basmati Rice Collection



Chaman Lal Setia Exports Ltd.

(A Govt. Recognised Star Export House)

Regd. Office : Meerankot Road, P.O. Central Jail
Ajnala Road, Amritsar - 143 002 India

Tel. : +91-183-2590318, 2592708

Facsimile : +91-183-2590453, +91-184-2291067

e-mail : clsetia@rediffmail.com