

*40th
Annual Report & Accounts
2013-14*



VIPPY INDUSTRIES LTD.
An ISO 9001:2008 Certified Company



Board of Directors	: Shri Rahul Mutha (Managing Director) Shri Praneet Mutha (Executive Director) Dr. K. Savagaon Shri Sajeve Deora Dr. Shailendra Karnawat
Auditors	: M/s. Sodani & Company Chartered Accountants
Cost Auditors	: M/s. M. Goyal & Company
Sr. Manager (Legal) & Company Secretary	: Shri Prakash Chakrawarti
Registered Office	: 28 , Industrial Area, A.B. Road, Dewas- 455001 (M.P.) Phone: 07272-258545, 6 Fax: 07272-258552
Works Office	: 28, 29 & 30 Industrial Area, A.B. Road, Dewas -455001 (M.P.) Phone: 07272-258545,6 Fax: 07272-258552
Registrar & Share Transfer Agent	: Ankit Consultancy Pvt. Ltd. 60, Electronic Complex, Pardeshipura, Indore (M.P.)-452010 Ph. 0731-3198601-602 ,2551745-46 Fax No. 0731- 4065798

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NOTICE

Notice is hereby given that the 40th Annual General Meeting of the Company will be held on Tuesday, 30th day of September, 2014 at 9.30 a.m. at the Registered Office of the Company situated at 28, Industrial Area, A. B. Road, Dewas-455001 (M. P.) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2014 including audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the year ended on that date and Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Praneet Mutha (DIN- 00424250) who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification, the following resolution as Ordinary Resolution relating to re-appointment of the Auditors of the Company:
"RESOLVED THAT M/s. Sodani & Co., Chartered Accountants (Firm Registration No. 000880C), the retiring Auditors of the Company, be and are hereby re-appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, to do Statutory Audit of the Company's accounts including its branch office for the Financial Year 2014-15 on a remuneration as may be fixed by the Board of Directors of the Company and that be paid, in addition, out of pocket and/or travelling expenses as may incur in carrying out their duties as such Auditors."

SPECIAL BUSINESS

4. To appoint Dr. K. Savagaon (DIN: 00424393) as an Independent Director and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of the section 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Dr. K. Savagaon (DIN: 00424393), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director and who meets the criteria of Independence as provide under section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for 5 consecutive years for a term upto the conclusion of the 45th Annual General Meeting of the Company in the calendar year 2019."
5. To appoint Shri Sajeve Deora (DIN: 00003305) as an Independent Director and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT" pursuant to the provisions of the section 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Shri Sajeve Deora (DIN: 00003305), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director and who meets the criteria of Independence as provide under section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for 5 consecutive years for a term upto the conclusion of the 45th Annual General Meeting of the Company in the calendar year 2019."
6. To appoint Dr. Shailendra Karnawat (DIN: 02850202) as an Independent Director and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT" pursuant to the provisions of the section 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Dr. Shailendra Karnawat (DIN: 02850202), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing under section 160 of the Companies



Act,2013 from a member proposing his candidature for the office of Director and who meets the criteria of Independence as provide under section 149(6) of the Companies Act,21013, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for 5 consecutive years for a term upto the conclusion of the 45th Annual General Meeting of the Company in the calendar year 2019.”

7. To approve the remuneration of the Cost Auditors for the financial year ended 31st March,2015 and in this regard to consider and if thought fit to pass , with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules,2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. M.Goyal & Co., Cost Accountants, Jaipur,(Reg. No.000051) the Cost Auditors appointed by the Board of Directors of the Company , to conduct the audit of the cost records of the Company for the financial year ending 31st“March, 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting;

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

“RESOLVED THAT in suppression of the resolutions passed by the shareholders in this regard and pursuant to section 180 (1) (c) 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), the consent of the members of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company' s Bankers in the ordinary course of business, shall not be in excess of ₹ 200 Crores (Rupees Two Hundred Crores) over and above the aggregate of the paid up share capital and free reserves of the Company.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute, all such documents, instruments and writings as may be required to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of section 196, 197,203 and 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 of the Companies Act,2013(corresponding to section 198,269, 309 and any other applicable provisions of the Companies Act,1956 read with Schedule XIII to the Companies Act,1956) and subject to requisite approval of the Central Government, the consent of the Company be and is hereby accorded to the re-appointment of Shri Praneet Mutha (DIN- 00424250), as a Whole Time Director designated as Executive Director for a period of two (2) years w.e.f 01.04.2014 on the terms and conditions of appointment and remuneration as conditions mentioned in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT the remuneration as set out in the enclosed explanatory statement be paid as minimum remuneration to Shri Praneet Mutha.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to increase , reduce, alter or vary the terms of remuneration in such manner from time to time as the board may deem fit .

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors be and is hereby authorised to do all such act, deeds, matters and other things, as they may in their absolute discretion deem necessary expedient usual and proper.”

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



“RESOLVED THAT pursuant to the provisions of section 197,203 and 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 of the Companies Act,2013(corresponding to section 198,269, 309 and any other applicable provisions of the Companies Act,1956 read with Schedule XIII to the Companies Act,1956) and subject to requisite approval of the Central Government, the consent of the Company be and is hereby accorded for the payment of remuneration as mentioned in the explanatory statement annexed hereto for the period 01.04.2014 to 31.3.2015 to Shri Rahul Mutha (DIN-00424128), who was appointed as the Managing Director for a period of two (2) years w.e.f01.04.2013 .”

RESOLVED FURTHER THAT the remuneration as set out in the enclosed explanatory statement be paid as minimum remuneration to Shri Rahul Mutha.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to increase , reduce, alter or vary the terms of remuneration in such manner from time to time as the board may deem fit .

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors be and is hereby authorised to do all such act, deeds, matters and other things, as they may in their absolute discretion deem necessary expedient usual and proper.”

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

“RESOLVED THAT in suppression of the resolutions passed by the shareholders in this regard and pursuant to section 180(1) (a) 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), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company for mortgaging and/or charging in such form and manner and on such terms and at such time(s) as the Board of Directors may deem fit, the movable and / or immovable assets and properties of the Company, wherever situate, present and future, whether presently belonging to the Company or not, in favour of any person including, but not limited to, financial / investment institution(s), bank(s), insurance company(ies), mutual fund(s), corporate body(ies), trustee(s) to secure the loans, borrowings, debentures, hire purchase and / or working capital facilities and other credit facilities up to a sum not exceeding ₹ 200 Crores (Rupees Two Hundred Crores).

RESOLVED FURTHER THAT the Board of Directors or such Committee or person/(s) as may be authorized by the Board be and is hereby authorized to finalise the form, extent and manner of, and the documents and deeds, as may be applicable, for creating the appropriate mortgages and/or charges on such of the immovable and / or movable properties of the Company on such terms and conditions and at such time(s)/tranch (es) as may be decided by the Board of Directors in consultation with the lenders and for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this resolution.”

By Order of the Board
For Vippy Industries Ltd.

Prakash Chakrawarti
Sr. Manager (Legal) & Company Secretary

Dewas
21st June,2014
CIN: **L15142MP1973PLC001225**
Registered Offic:28 , Industrial Area, A.B. Road,
Dewas- 455001 (M.P.)
Tele: 07272-258545, 6 Fax: 07272-258552
Email: admin@vippysoya.com, website: www.vippysoya.com

**Notes:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company.
2. The instrument appointing proxy should be deposited at the registered office of the Company not less than 48 hours before commencement of the meeting.
3. An Explanatory Statement pursuant to section 102 of the Companies Act,2013, relating to special business to be transacted at the meeting is annexed hereto .
4. The register of members and share transfer books will remain closed from Tuesday,23rd day of September,2014 to Tuesday,30th day of September,2014 (both days inclusive) for the purpose of Annual General Meeting.
5. Members are requested to notify immediately any change of address to their Depository Participant (DPs) in respect of their electronic share accounts and to the Company's Registrar and Share Transfer Agent (RTA), M/s. Ankit Consultancy Pvt. Ltd., 60, Electronic Complex, Pardeshipura, Indore(M.P.)-452010, in respect of their physical share folio, if any.
6. Members/proxies who wish to attend the meeting are requested to bring the enclosed attendance slip duly filled and deliver the same at the entrance of the Meeting Hall.
7. Members are requested to bring their copies of Annual Report at the time of attending the Meeting.
8. Members who are holding Company's share in dematerialised form are requested to bring details of their DP and client ID number for identification.
9. Brief profile of Directors seeking appointment/re-appointment in ensuing Annual General Meeting are provided in the Corporate Governance Report forming part of the Annual Report.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No.4,5, & 6

Dr. K. Savagaon, Shri Sajeve Deora and Dr. Shailendra Karnawat are Independent Directors of the Company. Dr. K. Savagaon, and Shri Sajeve Deora have held the positions as such for more than 5(five) years and Dr. Shailendra Karnawat has held the position from 07.02.2012(less than 5 years) .

It is proposed to appoint Dr. K. Savagaon ,Shri Sajeve Deora and Dr. Shailendra Karnawat as Independent Directors under section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term upto the conclusion of the 45th Annual General Meeting of the Company in the calendar year 2019.

Dr. K. Savagaon, Shri Sajeve Deora and Dr. Shailendra Karnawat are not disqualified from being appointed as Directors in terms Section 164 of the Act .

The Company has also received declarations from Dr. K. Savagaon, Shri Sajeve Deora and Dr. Shailendra Karnawat that they meet with the criteria of independence as prescribed both under sub – section (6) of Section 149 of the Act and under clause 49 of the Listing Agreement.

In the opinion of the Board, Dr. K. Savagaon, Shri Sajeve Deora and Dr. Shailendra Karnawat fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Dr. K. Savagaon, Shri Sajeve Deora and Dr. Shailendra Karnawat are independent of the management.

Brief resume of Dr. K. Savagaon, Shri Sajeve Deora and Dr. Shailendra Karnawat are provided in the Corporate Governance Report forming part of the Annual Report.

Dr. K. Savagaon, Shri Sajeve Deora and Dr. Shailendra Karnawat are interested in the resolutions set out respectively at Item Nos.4,5 and 6 of the notice with regard to their respective appointments.

Except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise in these resolutions.

The Board of Directors recommends the said resolutions set out at item nos. 4,5 and 6 of the notice for your approval by ordinary resolution.

**Item No.7**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the M/s. M.Goyal & Co., Cost Accountants, Jaipur, (Reg. No.000051) the Cost Auditors of the company to conduct the audit of cost records of the company for the for the financial year 2014-15 at a remuneration of ₹ 38000/- In accordance with the provisions of section 148 of the Companies Act,2013 read with the Companies (Audit and Auditors) Rules,2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ended 31st March,2015.

None of the Directors/Key Managerial Personnel of the Company /their relatives are, in any way concerned or interested, financially or otherwise, in the said resolution set out at item no.7 of the notice.

The Board of Directors recommends the said resolution set out at item no.7 of the notice for your approval by Ordinary Resolution.

Item No.8

Section 180(1) (c) of the Companies Act, 2013 , requires that the Board of Directors shall not borrow money in excess of the Company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a special resolution.

It is therefore, necessary for the members to pass a Special Resolution under Section 180(1) (c) and other applicable provisions of the Companies Act, 2013, as set out at item No. 8 of the notice, to enable to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money upto ₹200 crores (Rupees Two Hundred Crores) in excess of the aggregate of the paid up share capital and free reserves of the Company.”

None of the Directors Key/Managerial Personnel of the Company/their relatives are in any way concerned or interested, financial or otherwise, in the said resolution set out at item no.8 of the notice.

Board of Directors recommends resolution as set out in item no.8 of the notice for your approval by special resolution.

Item No.9

The present tenure of Shri Praneet Mutha, the Whole Time Director expired on 31st March, 2014. The Remuneration Committee has considered and recommended for the re-appointment of Shri Praneet Mutha as Whole Time Director designated as Executive Director w.e.f. 01st April, 2014 for a further period of two years. The Board of Directors considered that under his initiatives and directions, the Company has benefited in its overall operations. His devotion, vision and experience are essential for the continuing growth of the Company. Hence the Board of Directors decided in their meeting held on 31st March,2014 to re-appoint him as a Whole Time Director designated as Executive Director , subject to the consent of shareholders and approval of Central Government w.e.f. 01st April, 2014 for further period of two years on the following terms and conditions :

- I. Basic Salary:** ₹3,50,000/- (Rupees Three Lacs Fifty Thousand) per month in the Scale of ₹3,50,000/- ₹25,000/- ₹3,75,000/-. Annual Increment of ₹ 25,000/- shall be payable on 1st April each year.
- II. Allowances & Perquisites:** Subject to ceiling of ₹20 Lacs/- per annum.
 - a) Electricity: Expenditure incurred by the Executive Director on Water & Electricity at residence will be provided by the company and shall be valued as per the Income Tax Rules 1962.
 - b) Leave Travel Concession: Reimbursement once in a year subject to maximum of one month's Salary.
 - c) Medical Reimbursement: Reimbursement during the year subject to a ceiling of one month's salary.
 - d) Provident Fund: Contribution to provident fund to the extent not taxable under the Income Tax Act.
 - e) Gratuity: Gratuity at the rate of half a month's salary for each completed year of service.
 - f) Club Fees: Payment of Club Fees, subject to a maximum of two clubs excluding life membership fees.
 - g) Telephone: Free Telephone and mobile facility at residence for official use.
 - h) Car with Driver: Free use of one car with driver for official use.



- i) Personal Accident Insurance: Payment of annual premium for personal accident insurance subject to maximum of ₹50,000/- per annum.
- j) Medical Insurance: Payment of annual premium for medical insurance for self & his family subject to maximum of ₹125,000/- per annum.

Note: Sitting fees will not be paid for attending meetings of the Board for attending meetings of the Board of Directors or Committee thereof.

Except Shri Praneet Mutha himself, no other Directors/Key Managerial Personnel of the Company/their relatives are in any way concerned or interested, financial or otherwise, in the said resolution set out at item no.9 of the notice.

Board of Directors recommends resolution, as set out in item No. 9 of the notice for your approval by special resolution.

The appointment is subject to the approval of shareholders in ensuing Annual General Meeting and Central Government.

The statement containing required information as required pursuant to item (iv) of third proviso of section II of Part II of Schedule V of the Companies Act, 2013.

I. GENERAL INFORMATION

1. Nature of Industry: The Company is engaged in processing of soya seeds and refining of soya oil for edible purpose.
2. Date or expected date of commencement of commercial production:
The Company was incorporated on 29.09.1973, is an existing operating Company.
3. Financial performance based on given indicators: (₹ In Crores)

Financial year ended	March 31,2014	March 31,2013
Income		
Revenue from Operations	1017.13	1225.27
Other Income	7.27	4.55
Total Revenue	1024.40	1229.82
Profit before finance cost, depreciation and amortization & tax and exceptional Items	27.30	26.02
Finance Costs	2.96	1.56
Depreciation and amortization expenses	4.37	4.26
Exceptional Items	8.81	0.00
Profit before Tax	11.16	20.20
Less: Tax Expenses	2.35	4.03
Profit for the period	8.81	16.17

4. Foreign Investments or Collaborators if any: N.A.

II. INFORMATION ABOUT THE APPOINTEE

1. Background Details: Shri Praneet Mutha is a Director of the company since 31.10.2007. He is a Whole Time Director of the Company since 1st April 2010. He is M.Com & he possesses vast experience in the field of Finance and Marketing. He also has vast experience on Soya Extraction and other Industries. He has skillfully steered the Company business during his tenure.
2. Past Remuneration drawn: The total remuneration paid to Shri Praneet Mutha during the period April 1st, 2013 to March 31, 2014 was ₹ 33,60,000/- including perquisites.
3. Recognition or awards: Nil.
4. Job Profile and his suitability: Shri Praneet Mutha being the Whole Time Director of the Company exercises his powers subject to the superintendence, control and direction of the Board of Directors of the Company. He is responsible for the operations including finance & Marketing. His devotion, vision and experience are essential for continuing growth of the Company. Taking into consideration his qualifications and experience, Shri Praneet Mutha is best suited for the responsibilities assigned to him by the Board of Directors.



5. Remuneration Proposed: As referred in Item No.9 of the notice of the Annual General Meeting.
6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: The remuneration proposed is commensurate with the remuneration packages paid to similar level appointees in similar soya companies operating in India taking into consideration the experience of Shri Praneet Mutha.
7. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel: Shri Praneet Mutha belongs to promoter/promoter group of the company and he is holding 10392212 equity shares representing 6.47% as on 31.03.2014. Apart from this, he doesn't have any other pecuniary transactions with Company except by way of drawing remuneration during employment with the company. He is not related with other Directors and Key Managerial Personnel of the Company and their relatives & is not concerned or interested, financial or otherwise.

III. OTHER INFORMATION

1. Reasons of loss or inadequate profit: Stiff market competition, fluctuation in price of raw material, scarcity of raw materials and other factors effected the profits of the Company.
2. Steps taken or proposed to be taken for improvement: Company has taken the following steps for improvement in performance:
 - i) Development of New Export Markets
 - ii) Focus on Value added product
 - iii) Training program for employees
 - iv) Continuous product development and cost reduction
 - v) Improvement in procurement of raw material
3. Expected increase in productivity and profits in measurable terms: With the aforesaid measures taken by the company, the productivity and profitability of the Company is expected to increase in coming years.

IV. DISCLOSURES

The following disclosures shall be mentioned in the Board of Directors' Report under the heading 'Corporate Governance' if any, attached to the Annual Report:

- i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors:
This has been mentioned under the 'Corporate Governance Report'.
- ii) Details of fixed component and performance linked incentives along with performance criteria.
Fixed component as given in the resolution. Presently no performance linked incentives are given by the company.
- iii) Service contracts, notice of period, severance fees: There is no severance fees prescribed by the company. The notice period is 1 month from either side.
- iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable: N.A.

Item No.10

Shri Rahul Mutha, Managing Director, who was appointed as Managing Director of the Company for the period from 01.04.2013 to 31.03.2015 and the Shareholders of the company has accorded their approval in Annual General Meeting held on 30.09.2013.

The term and conditions and remuneration as follows for the period 01.04.2013 to 31.03.2015:

- I. Basic Salary:** ₹3,50,000/- (Rupees Three Lacs Fifty Thousand) per month in the Scale of ₹3,50,000/- ₹50,000/- ₹4,00,000/-. Annual Increment of ₹50,000/- shall be payable on 1st April each year.
- II. Allowances & Perquisites:** Subject to ceiling of ₹20 Lacs/- per annum.
 - a) Electricity: Expenditure incurred by the Managing Director on Water & Electricity at residence will be provided by the company and shall be valued as per the Income Tax Rules 1962.



- b) Leave Travel Concession: Reimbursement once in a year subject to maximum of one month's Salary.
- c) Medical Reimbursement: Reimbursement during the year subject to a ceiling of one month's salary.
- d) Provident Fund: Contribution to provident fund to the extent not taxable under the Income Tax Act.
- e) Gratuity: Gratuity at the rate of half a month's salary for each completed year of service.
- f) Club Fees: Payment of Club Fees, Subject to a maximum of two clubs excluding life membership fees.
- g) Telephone: Free Telephone and mobile facility at residence for official use.
- h) Car with Driver: Free use of one car with driver for official use.
- i) Personal Accident Insurance: Payment of annual premium for personal accident insurance subject to maximum of ₹ 25,000/- per annum.
- j) Medical Insurance: Payment of annual premium for medical insurance for self & his family subject to maximum of ₹ 75,000/- per annum.

Note: Sitting fees will not be paid for attending meetings of the Board of Directors or Committee thereof.

Due to inadequate profit during the year 2013-14, in terms of schedule V of the Companies Act, 2013, the payment of minimum remuneration to Shri Rahul Mutha, Managing Director for the period 01.04.2014 to 31.03.2015 requires the approval of the Central Government and shareholders.

Except Shri Rahul Mutha himself, no other Directors/Key Managerial Personnel of the Company/their relatives are in any way concerned or interested, financial or otherwise, in the said resolution set out at item no.10 of the notice.

Board of Directors recommends resolution, as set out in item No. 10 of the notice for your approval by special resolution.

The payment of remuneration to Shri Rahul Mutha is subject to the approval of shareholders in ensuing Annual General Meeting and Central Government.

The statement containing required information as required pursuant to item (iv) of third proviso of section II of Part II of Schedule V of the Companies Act, 2013.

I. GENERAL INFORMATION

1. Nature of Industry: The Company is engaged in processing of soya seeds and refining of soya oil for edible purpose.
2. Date or expected date of commencement of commercial production:
The Company was incorporated on 29.09.1973, is an existing operating Company.
3. Financial performance based on given indicators: ₹In Crores)

Financial year ended	March 31,2014	March 31,2013
Income		
Revenue from Operations	1017.13	1225.27
Other Income	7.27	4.55
Total Revenue	1024.40	1229.82
Profit before finance cost, depreciation and amortization & tax and exceptional Items	27.30	26.02
Finance Costs	2.96	1.56
Depreciation and amortization expenses	4.37	4.26
Exceptional Items	8.81	0.00
Profit before Tax	11.16	20.20
Less: Tax Expenses	2.35	4.03
Profit for the period	8.81	16.17

4. Foreign Investments or Collaborators if any: N.A.

**II. INFORMATION ABOUT THE APPOINTEE**

1. Background Details: Shri Rahul Mutha is a Director of the company since 01.02.1992. He is a Managing Director of the Company since 30.06.2007. He is M.Com & he possesses vast experience in the field of Finance and Marketing. He also has vast experience on Soya Extraction. He has more than 28 years in soya extraction industry.
2. Past Remuneration drawn: The total remuneration paid to Shri Rahul Mutha during the period April 1st, 2013 to March 31, 2014 was ₹ 47,81,665/- including perquisites.
3. Recognition or awards: Nil.
4. Job Profile and his suitability: Shri Rahul Mutha being the Managing Director of the Company exercises substantial power of management subject to the superintendence, control and direction of the Board of Directors of the Company. He is responsible for the operations and affairs of the Company. He has rich experience in conceptualizing, planning, directing and implementing business decision and translating them into business growth. Under his dynamic leadership, initiatives and directions, the Company has benefited in its overall operations. He is the key factor behind the overall growth and success of the Company. His devotion, vision and experience are essential for continuing growth of the Company. Taking into consideration his qualifications and experience, Shri Rahul Mutha is best suited for the responsibilities assigned to him.
5. Remuneration Proposed: As referred in Item No.10 of the notice of the Annual General Meeting.
6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: The remuneration proposed is commensurate with the remuneration packages paid to similar level appointees in similar soya companies operating in India taking into consideration the experience of Shri Rahul Mutha.
7. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel: Shri Rahul Mutha belongs to promoter/promoter group of the company and he is holding 10322145 equity shares representing 6.43% as on 31.03.2014. Apart from this, he doesn't have any other pecuniary transactions with Company except by way of drawing remuneration during employment with the company. He is not related with other Directors and Key Managerial Personnel of the Company and their relatives & is not concerned or interested, financial or otherwise.

III. OTHER INFORMATION

1. Reasons of loss or inadequate profit: Stiff market competition, fluctuation in price of raw material, scarcity of raw materials and other factors effected the profits of the Company.
2. Steps taken or proposed to be taken for improvement: Company has taken the following steps for improvement in performance:
 - i) Development of New Export Markets
 - ii) Focus on Value added product
 - iii) Training program for employees
 - iv) Continuous product development and cost reduction
 - v) Improvement in procurement of raw material
3. Expected increase in productivity and profits in measurable terms: With the aforesaid measures taken by the company, the productivity and profitability of the Company is expected to increase in coming years.

IV. DISCLOSURES

The following disclosures shall be mentioned in the Board of Directors' Report under the heading 'Corporate Governance' if any, attached to the Annual Report:

- i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors:
This has been mentioned under the 'Corporate Governance Report'.
- ii) Details of fixed component and performance linked incentives along with performance criteria.
Fixed component as given in the resolution. Presently no performance linked incentives are given by the company.



- iii) Service contracts, notice of period, severance fees: There is no severance fees prescribed by the company. The notice period is 1 month from either side.
- iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable: N.A.

Item No.11

The Company would be borrowing monies by way of debentures, bonds, loans, hire purchase finance either in rupee or in foreign currency from Financial Institutions / Banks / Insurance Companies and other Corporate Bodies apart from working capital facilities from banks in ordinary course of business. This in turn would necessitate further creation of securities by suitable mortgages and / or charges on all or some of the immovable and movable properties of the Company, both present and future, in favour of the lenders / trustees upto total limit to ₹ 200 Crores. To create mortgage and / or charge upto the said limit, approval of the Members is required to be obtained pursuant to Section 180(1)(a) of the Companies Act, 2013 authorizing the Board of Directors of the Company in this regard.

It is therefore, necessary for the members to pass a Special Resolution under Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, as set out at item No. 11 of the notice.

None of the Directors Key/Managerial Personnel of the Company/their relatives are in any way concerned or interested, financial or otherwise, in the said resolution set out at item no.11 of the notice.

Board of Directors recommends the said resolution set out at item no.11 of the notice for your approval by special resolution.

By Order of the Board
For Vippy Industries Ltd.

Prakash Chakrawarti
Sr. Manager (Legal) & Company Secretary

Dewas
21st June, 2014
CIN: L15142MP1973PLC001225
Registered Office: 28, Industrial Area, A.B. Road,
Dewas- 455001 (M.P.)
Tele: 07272-258545, 6 Fax: 07272-258552
Email: admin@vippysoya.com, website: www.vippysoya.com



DIRECTORS' REPORT

Dear Members,

Yours Directors have the pleasure in presenting to you the 40th Annual Report including the Audited Financial Statements for the year ended March 31st, 2014.

FINANCIAL RESULTS

The summary of the financial results for the financial year ended March 31st, 2014 and previous year are as follows:

(₹ In Crores)

Particulars	March 31,2014	March 31,2013
Income		
Revenue from Operations	1017.13	1225.27
Other Income	7.27	4.55
Total Revenue	1024.40	1229.82
Profit before finance cost, depreciation and amortization & tax and exceptional Items	27.30	26.02
Finance Costs	2.96	1.56
Depreciation and amortization expenses	4.37	4.26
Exceptional Items	8.81	0.00
Profit before Tax	11.16	20.20
Less: Tax Expenses		
Current Tax	3.80	6.92
MAT Credit Entitlement	(1.45)	(2.89)
Profit/(loss) for the period	8.81	16.17
Earning per equity share		
Basic & Diluted	0.55	1.00

OPERATIONAL PERFORMANCE

During the year ended 31st March, 2014, total turnover of your company was ₹1024.40 Crores as compared to ₹1229.82 Crores in the previous year. The year under review net profit was ₹8.81 Crores as against net profit ₹16.17 Crores in the previous year. The turnover and profit of the company during the year was less as compared to previous year, because of low crushing of Soya Seeds. Crushing was 203715 MT as compared to 260954 MT in the previous year and oil refined 44663 MT as compared to 55634 MT in the previous year.

DIVIDEND

With a view of conserve resources, your Directors do not recommended any dividend for the year under review.

DIRECTORS

Shri Praneet Mutha (DIN:00424250) has been re-appointed as Whole Time Director designated Executive Director for a further period of 2 years w.e.f.01.04.2014 subject to approval of Shareholders in the ensuing Annual General Meeting and subject to approval of Central Govt. for payment of remuneration to him.

Shri Rahul Mutha (DIN-00424128) Managing Director of the Company was appointed for the period of 2 years w.e.f. 01.04.2013 and the Shareholders of the Company has accorded their approval in last Annual General Meeting held on 30.09.2013. Due to inadequate profit during the year 2013-14, in terms of schedule V of the Companies Act, 2013, the proposed payment of remuneration to Shri Rahul Mutha (DIN-00424128) for the remaining period 01.04.2014 to 31.03.2015 is subject to approval of the Central Government and shareholders.

Dr. K. Savagaon (DIN:00424393) and Shri Praneet Mutha (DIN:00424250), Directors, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for the re-appointment.



Pursuant to the provisions of the Companies Act,2013 and amended clause 49 of the listing Agreement requires appointment of independent directors. In compliance of provisions of the Companies Act,2013 and amended clause 49 of the listing Agreement it was decided to appoint Dr. K. Savagaon , Shri Sajeve Deora and Dr. Shailendra Karnawat to hold office for 5 (five) consecutive years for a term upto the conclusion of the 45th Annual General Meeting of the Company in the calendar year 2019 under section 149 of the Act and Clause 49 of the Listing Agreement.

Brief resume of the said directors, the nature of their expertise in specific functional areas and information as to the other companies in which they hold directorship or on the board committees of which they are members, has been provided in the Corporate Governance Report , which forms a part of the Annual Report.

PARTICULARS OF EMPLOYEES

There is no employee drawing remuneration exceeding ₹ 60 Lacs per annum or ₹ 5 lacs per month during the year ended 31st March,2014 and therefore , provisions of section 217(2A) of the Companies Act,1956, read with the Companies (Particulars of Employees) Rules 1975 ,as amended up to date , do not apply.

CONSERVATION OF ENERGY, TECHNICAL ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The information required under 217(1) (e) of the Companies Act,1956 read with Companies (Disclosures of Particulars in the report of Board of Directors) Rules, 1988 is annexed hereto and form part of this Report.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits from the public.

INSURANCE

Assets of the Company are adequately insured.

ENVIRONMENT, POLLUTION CONTROL MEASURES & SAFETY, HEALTH

Your Company is also committed to strengthen pollution prevention and waste management practices and to provide a safe and healthy environment. The Company has complied with various emission standards and other environmental requirements as per pollution control norms.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, the Directors confirm , to the best of their knowledge and belief that :

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at end of the financial year ended 31st March,2014 and of the profit /loss of the Company for the year ended on that date;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act,1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) the Directors have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

Pursuant to clause 49 of Listing Agreement with BSE Ltd.(Bombay Stock Exchange Ltd.) , a detailed report on Corporate Governance is included in the Annual Report. A Practicing Company Secretary's Certificate certifying the Company's compliance with the requirements of Corporate Governance in relation to clause 49 of the Listing Agreement is attached with the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under clause 49 of the Listing Agreement with the BSE Ltd (Bombay Stock Exchanges), is presented in a separate section forming part of the Annual Report.

**AUDITORS & AUDITORS' REPORT**

The Auditors M/s. Sodani & Co., Chartered Accountants (Firm Registration No.000880C), Auditors of the Company will retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for reappointment. The Board recommends their re-appointment to conduct audit of accounting record of the company including its branch office.

There being no reservation, qualification or adverse remark in the Auditors' Report no explanation on part of the Board of Directors is called for.

COST AUDITORS

M/s. M.Goyal & Co., Cost Accountants, Jaipur,(Reg. No.000051) has been appointed as the as Cost Auditors of the Company to conduct audit of cost accounting records of the Company for the year 2014-15 subject to approval of the Central Government.

PROGRESS ON REHABILITATION SCHEME SANCTIONED BY HON'BLE BIFR

The Hon'ble Board For Industrial and Financial Reconstruction (BIFR) declared the Company as a sick company vide its order dated 18th October,2002 under the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) and sanctioned a Rehabilitation Scheme vide its order dated 04.10.2007 with the cut off date fixed as 31st March, 2007. The Rehabilitation Scheme came into effect from the date of issue of the sanctioned scheme and its provisions are binding on all concerned.

The Scheme of rehabilitation is yet under implementation, and the Company is yet to realise the benefits as provided within the Rehabilitation Scheme as sanctioned particularly, the reliefs & concessions:

-In respect of Exemption towards Commercial Tax, Central Sales Tax, Value Added Tax and Entry Tax as mentioned in para 17E(iv) of Rehabilitation Scheme is to be sanctioned from State Govt. of Madhya Pradesh, which is considered material to success of Rehabilitation Scheme.

The Company had filed Writ Petitions before Hon'ble High Court of Madhya Pradesh, Indore Bench, under Article 226 of Constitution of India seeking direction to the Commercial Tax Department of M.P./State Govt. to comply and implement the relief and concessions as contained in the Rehabilitation scheme towards exemption from Commercial Tax, Central Sales Tax, Value Added Tax and Entry Tax and the Hon'ble High Court vide its separate two orders given a direction to the State Government for taking appropriate decision in the matter at the earliest, on the basis of the scheme sanctioned by the BIFR keeping in view the provisions contained in Sick Industrial Companies (Special Provisions) Act, 1985 SICA and the said matter is pending with the State Govt. of Madhya Pradesh for their consideration.

MINIMUM PUBLIC SHAREHOLDING REQUIREMENT

In compliance of the Rehabilitation Scheme sanctioned by Hon'ble BIFR vide its order dated 4.10.2007, the promoters of the company had infused ₹ 15 crores in the Company by way of subscription to 15 crores warrants of face value of ₹ 1/- convertible into equally number of equity shares, resulting in the increase of holding of the promoters of the company from 37.12% to 95.7%. Government of India, vide Notifications dated 4th June, 2010 and August 9th, 2010 amended the Securities Contracts (Regulation) Rules 1957, which provided for revised minimum and continuous public shareholding requirements in the listed companies. The amended Rule 19(2) (b) and Rule 19(A) of SCCR requires all listed companies (other than a public sector company) to have minimum public shareholding (MPS) of at least 25% and the companies with less than 25% public shareholding was required to comply within the stipulated time period of three years which ended on 3rd June, 2013 and the Company was non compliant with the Minimum Public Shareholding stipulations by the SEBI and the Listing Agreement with the BSE Ltd. However at the time of sanction of the Scheme, the exemption from maintaining 25% public shareholding was available to the Company.

Therefore, the Company had filed Miscellaneous Application dated 25.05.2013 before Hon'ble BIFR to seek the directions against Securities and Exchange Board of India(SEBI) in respect of compliance of requirement of 25% public shareholding, Meanwhile SEBI had passed interim order dated 04.06.2013 against various companies including, Vippy Industries Ltd., whereby SEBI imposed certain restrictions on the Company, its promoters and directors and issued a show cause notice in relation to the compliance not made by the Company with requirement of minimum public shareholding. The Honble BIFR vide its order dt. 10.06.2013 stayed the operation of the aforesaid



SEBI's order in relation to Vippy Industries Ltd. and all persons connected with the company as mentioned in the aforesaid order of SEBI, which was extended from time to time.

The Company had submitted reply to the order and show cause notice to SEBI. Shri Sajeve Deroa , Independent Director of the Company , on being aggrieved by aforesaid SEBI order dated 04.06.2013,also filed an appeal before Hon'ble Securities Appellate Tribunal(SAT) .

The Hon'ble SAT, vide its Order dated 26.09.2013, granted liberty to the appellant to withdraw his appeal as it was undertaken by SEBI that a final order, after considering the reply filed by the Company and grounds raised in the said appeal, would be passed within a period of four weeks.

To avoid being non-compliant with SEBI's MPS requirements and with listing agreement of BSE Ltd.,the Company had also filed another Miscellaneous Application on 17.10.2013 before Hon'ble BIFR requesting the BIFR as an alternate prayer to the reliefs claimed in aforesaid earlier Miscellaneous Application date 25.05.2013 was filed before Hon'ble BIFR, to seek the delisting of shares of the Company in terms of regulation 3(2) of SEBI (Delisting of Equity shares) Regulations, 2009 and that said delisting be made a part of the scheme with the BIFR and providing inter-alia the procedure to complete the delisting or to provide exit option to the public shareholders at a specified rate.

The order dated 26.09.2013 passed by the Hon'ble SAT was modified by Hon'ble SAT vide it subsequent order dt. 13.12.2013, whereby SEBI was directed to pass an appropriate order within four weeks after disposal of application pending before the BIFR inter alia in relation to delisting.

The Hon'ble BIFR vide its order dt. 19.12.2013 permitted the Promoters of the Company to go ahead with the buy-back of 4.3% floating of stock of public shareholding and delisting of shares from Stock Exchange(s) in terms of Regulation 3(2) SEBI (Delisting of Equity Shares) Regulations, 2009, after following the Structural Procedure filed by the Company with SEBI and Stock Exchange, where the equity shares are presently listed. The Scheme, as sanctioned by BIFR for the Company, also stood modified to that extent in terms of section 18(9) of the Sick Industrial Companies (Special Provisions)Act,1985. The Hon'ble BIFR also directed that the promoters of the Company shall provide an exit option to the public shareholders of the Company and offer to buy- back shares held by such public shareholders at the rate of ₹ 7.21/- per equity share and shall strictly comply with the Structural Procedure filed by the Company.

The SEBI approached the Hon'ble SAT for seeking extension of time for passing final order with respect to Shri Sajeve Deora, Independent Director of the Company in compliance of order dated 13.12.2013, and the Hon'ble SAT vide its order dated 17.04.2014 has granted further time of two weeks to SEBI for passing the order and in compliance of such aforesaid order, SEBI has passed the order dt. 29.04.2014 with following directions that :

- (I) Vippy Industries Limited/its promoters (i.e. the acquirers in the delisting offer) shall complete the delisting process and ensure that the Company is delisted from the Bombay Stock Exchange Limited within a period of 4 months from the date of this Order. The Company shall file a report informing SEBI of the outcome of the delisting process, within a period of 15 days thereafter.
- (ii) The directions issued vide the interim order dated June 04,2013 against Vippy Industries Limited, its directors, promoters and promoter group, are vacated with immediate effect. Further, the show cause notice issued to the Company, its directors and promoters, vide paragraph 18 of the interim order, shall also stand disposed off.
- (iii) The directions issued vide the interim order dated June 04, 2013 in respect of Vippy Industries Limited, its directors, promoters and promoter group shall be re-imposed immediately(without the need for passing of a separate order) in case the delisting process of the Company is not completed within the period directed above. Further, they would also be liable for the actions contemplated in paragraph 18 of the interim order.

DELISTING OFFER OF SHARES & LISTING STATUS OF THE SHARES

The Company and the Promoters have taken the required steps for buying shares held by public shareholders of the Company as part of seeking delisting of its shares from stock exchange whereat the shares of the Company were listed for trading .Pursuant to order dt. 19.12.2013 passed by Hon'ble BIFR, in terms of Regulation 3(2) of SEBI (Delisting of Equity Shares) Regulations, 2009, the Promoters of the Company have made a delisting offer to all the public shareholders of the Company with an opportunity to exit from the Company's membership by way of selling their shares to the promoters, offer for which closed on 20.03.2014. The Promoters have paid all consideration payable to the shareholders who have tendered the shares in offer & such valid applications there for.



The Company has made application for delisting of equity shares to BSE Ltd. (Bombay Stock Exchange Ltd.) pursuant to Hon'ble BIFR order dated December 19, 2013 and in terms of the structural procedure approved by Hon'ble BIFR.

INFORMATION TECHNOLOGY

Your Company continues to make required investments in the Information Technology area to cope up with the growing information needs necessary to manage operations efficiently.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR movement in Company is based on the core belief of voluntary compliances of social and ecological responsibilities. Corporate social responsibility is basically a continuous process whereby the company voluntarily contributes to a better society and a cleaner environment. The Company is committed to continuously improving its social responsibilities as a good corporate citizen, to make positive impact on the society. We believe to actively contribute to the social and economic development of the communities in which we operate and build a better, sustainable way of life for the weaker sections of society.

The Board had constituted Corporate Social Responsibility Committee on 23.05.2014 in accordance with the provisions of the Companies Act, 2013. The Corporate Social Responsibility Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013. The said Committee has been entrusted with the responsibility of formulating and recommending to Board, a Corporate Social Responsibility Policy, indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the Corporate Social Responsibility Policy and recommending the amount to be spent on CSR activities.

The functions of Corporate Social Responsibility has been actively pursued during the year. During the year, the company has undertaken directly and indirectly various initiatives focused on education, environment health programme, skill developments, and other social activities in location, where the company operates.

Focus Areas:**Education:**

During the year the Company was involved in various ways in promoting education among the children as under.

- The Company donated books and study material and others like School uniforms, school Bags and Bicycles. Total 116 Students have been benefited.
- The school fees were paid by the Company for children of people who met with sudden natural death in year 2013-2014. 3 Students benefited.
- The Company provided financial help for higher education to the deserving students, which benefited 5 students.
- The Company has adopted five Schools through "Friends of Tribals Society" to help for achieving the goal of imparting education & social upliftment of Tribal's children.

Women Empowerment:

The Company is continuing provide training to women for developing their skills & ability.

Health and Awareness:

The Company organized medical camp to check up the calcium deficiency in bones and awareness programme about AIDS during the year 2013-14. The Company has also provided financial help to the peoples to overcome from the chronic/critical diseases in surrounding area to the manufacturing location.

Environment:

The Company has undertaken directly and indirectly various initiatives contributing to the environment including reduced waste generation, improved waste management. The Company has complied with various emission standards and other environmental requirements as per pollution control norms and tree plantation carried out during the year.

Considering the scarcity of natural resources, the Company continues to increase use of LED, reduce use of papers and continue to do "Rain Water Harvesting" since last 19 years at its Factory premises at Dewas.



Social:

The Company has made contribution in following areas during the year under review:

- The Company has given financial contribution to Khrist Seva Kendra, Kshipra , Dewas(M.P.) for Village and Tribal Development Programme.
- The Company has given financial contribution to Association of Industries, Dewas towards Dewas Flood relief funds for help of the victims of Uttarakand disaster

COMPANY POLICY FOR PROMOTION OF EMPLOYMENT OF YOUTH COMING FROM THE UNDER-PRIVILEGED/DISADVANTAGED SECTION OF THE SOCIETY

The people are recruited in the Company on the basis of their qualification/eligibility and merits without any discrimination against their gender, religion, caste, colour, ancestry, marital status, nationality and disability, and among equally qualified individuals, preference are given to people from the disadvantaged groups.

The Company also conducts training programme from time to time for up-skilling, training of employees from socially disadvantaged sections of society.

ACKNOWLEDGEMENTS

Yours Directors place on record, their appreciation for all the contribution made by the employees at all levels enabling the company to achieve the performance during the year under review.

The Directors also appreciate the valuable co-operation and continued support extended by the bankers, shareholders, Professionals and Business Associates who have put their faith in the Company.

For and on behalf of the Board of Directors

Dewas
23rd May, 2014

Rahul Mutha
Managing Director

Praneet Mutha
Executive Director



ANNEXURE TO THE DIRECTORS' REPORT

Information as per section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended March 31st, 2014.

I. CONSERVATION OF ENERGY

- (a) Energy conservation measures taken:
- i. Installation of steam control valve of D.T. vapors line in SEP-I
 - ii. Replaced existing steam trap with the efficient steam trap in Unit-II
 - iii. Replaced existing steam trap with the efficient steam trap in Unit-III
 - iv. Installation of shell and tube heat exchanger (S.S.) in place of PHE in refinery section.
 - v. Replaced CFL lamp 20W to LED 7 W in Sep-II
 - vi. Replaced tube fitting 36 W to LED light 14 W in administrative block.
 - vii. Installation of steam condensate recovery system in nugget section.
- (b) Additional investment and proposal for reduction in consumption of energy:
- i. Replacing (proposed) tube fitting 2x36W to LED light 30W in old Prep. Section.
 - ii. Installation (proposed) of PRV for distillation line in plant-I
- (c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on cost of production.
- i. Installation of steam control valve of D.T. vapors line in SEP-I, saved steam 6 ton per day.
 - ii. Replacement of the efficient steam trap in Unit-II, saved steam 0.5-1 ton per day
 - iii. Replacement of the efficient steam trap in Unit-III, saved steam 0.5-1 ton per day
 - iv. Installation of shell and tube heat exchanger (S.S.) in place of PHE in refinery section, saved steam 2 ton per day
 - v. Replacement of the CFL lamp 20W to LED 7 W in Sep-II, saved power 16 unit per day
 - vi. Replacement of the tube fitting 36 W to LED light 14 W in administrative block, saved power 10 unit per day.
 - vii. Installation of steam condensate recovery system in nugget section, saved condensate 2-3 ton per day.

FORM-A

Particulars with respect to conservation of energy

Particulars	Current year 2013-14	Previous Year 2012-13
A. Power & Fuel Consumption		
1. Electricity		
a. Purchased		
Units	1,21,06,250	1,40,01,150
Total Amt. (₹) (excluding cess)	8,12,33,883	9,10,63,892
Rate/ unit (₹)	6.71	6.50
b. Own Generation		
(i) Through Diesel Generator		
Units	56,107	1,17,293
Units / liter of diesel oil (₹)	3.11	3.15
Cost / Unit (₹)	18.66	15.94
(ii) Through Steam Turbine /Generator		



2. Coal		
Quantity Consumed (in MT)	20,320	26,223
Total Cost (₹)	10,66,04,764	12,68,87,070
Average Rate (₹ /MT)	5,246	4,839
3. Furnace Oil	-	-
4. Others /internal generation		
B. Consumption per unit of production		
Electricity (Unit /MT)	49.62	46.09
Furnace Oil	-	-
Coal (Kg/MT)	82.91	85.60
Others	-	-

II. TECHNOLOGY ABSORPTION

FORM -B

Form of disclosures of particulars with respect to absorption:

(A) RESEARCH & DEVELOPMENT (R&D)

1. Specific area in which R&D carried out by the Company	The Company carried out its R&D to improve the quality of the Company's existing products, cost reduction and improvement of in house expertise.
2. Benefits derived as a result of the R&D	Benefits derived by the Company from its R&D activities are primary by way of improvements in product quality and cost effectiveness.
3. Future Plan of action	The Company plans to continue its efforts on in-house R&D to improve quality of product & cost efficiency.
4. Expenditure on R&D	Expenditure incurred on R&D are charged under primary heads of accounts and not allocated separately.

(B) TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

1. Efforts in brief made towards technology absorption, adoption and innovation.	The Company has been putting emphasis to train its technical personnel by way of providing training to them for the latest technology available.
2. Benefits derived as a result of the efforts.	The above efforts have improved the quality of the product. Besides it has also improved the productivity and reduced the wastages.
3. In case of imported technology during the last 5 years.	N.A.

III. FOREIGN EXCHANGE EARNING AND OUTGO

	(Current Year)	(Previous Year)
1. Earning (₹) (on FOB Basis)	2,98,81,25,202	2,88,39,49,753
2. Outgo (₹)	2,23,89,762	60,84,182

For and on behalf of the Board of Directors

Dewas
23rd May, 2014

Rahul Mutha
Managing Director

Praneet Mutha
Executive Director



CORPORATE GOVERNANCE REPORT

1. Company's Philosophy on Code of Corporate Governance

The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and in all its interactions with its shareholders, employees, government and lenders. The Company is committed to achieve the highest standards of corporate governance and believes that good corporate governance practice outlines the attitude and conduct of people managing the Company. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value over a sustained period of time and to ensure that:-

- i) Adequate control systems exist to enable the Board to effectively discharge its responsibilities to all stakeholders of the Company;
- ii) The decision making process is fair and transparent.

2. Board of Directors

Composition of the Board

As on March 31st,2014, the Company has five Directors of which three(3) are Non Executive & Independent Directors and remaining two(2) Directors are Executive (Managing Director and Whole Time Director) & Non Independent Directors. Thus, composition of the Board is in conformity with clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange Ltd..

All Independent Non-Executive Directors comply with the legal requirements for being "Independent". The Independent Directors do not have any pecuniary relationships or transactions either with the Company or with the promoters/ management that may affect their judgment in any manner.

None of the Directors of the Company is a Member of more than 10 committees or a chairman of more than 5 committees across all the companies in which he is a Director. Necessary disclosure regarding committee position has been made by the Directors.

The details of Directors, number of directorship held by them in other companies as also the number of their memberships and chairmanships on various board committees and shareholding in the Company as on 31st March 2014 are summarized in the table given below:

S. No.	Name of the Director	Category	No. of attendance at the Board Meeting	Whether attended last AGM	No. of Directorship in other Public Companies	No. of Memberships/ Chairmanships in Board Committees in other Public Companies#		No. of shares & % held in the Company
						Member	Chairman	
1	Shri Rahul Mutha (Managing Director)	Executive, Non- Independent & Promoter	13	Yes	-	-	-	103,22,145
2	Shri Praneet Mutha (Whole Time Director)	Executive, Non- Independent & Promoter	13	Yes	1	-	-	1,03,92,212
3	Dr. K. Savagaon	Non- Executive & Independent	9	Yes	-	-	-	750
4	Shri Sajeve Deora	Non-Executive &Independent	7	Yes	4	2	2	-
5	Dr. Shailendra Karnawat	Non-Executive &Independent	6	No	-	-	-	30750

In the above table Membership/ Chairmanships of the Audit Committees and Shareholders /Investors Grievance Committees in various other companies, have been summarized.

During the year under review, the Company did not have any material pecuniary relationship or transactions with Non-Executive & Independent Directors except for payment of sitting fees.



Brief Resume/Information on Directors appointment/re-appointment as required under clause 49 of the Listing Agreement

Pursuant to provisions of the Companies Act, 2013 and clause 49 of the listing agreement, the details of the directors appointment/reappointment in the ensuing annual general meeting are as follows:

1. The Profile of Shri Praneet Mutha, Director is as under:

Name of Director	Shri Praneet Mutha
Date of Birth	11.09.1971
Date of Appointment	31.10.2007
Qualification	M.Com
Experience in specific functional area	He possess vast experience in the field of Finance and Marketing. He has also vast experience on Soya Extraction and other Industries.
Directorship held in other Indian public companies	1
Membership/Chairmanship of Committees of other public companies(includes only Audit Committee and Shareholders/ Investors Grievance Committee)	NIL
Number of Shares held in the Company	1,03,92,212

2. The Profile of Dr. K. Savagaon, Director is as under:

Name of Director	Dr. K. Savagaon
Date of Birth	15.03.1936
Date of Appointment	08.06.2001
Qualification	B.Sc. (Hons.) with Physics & Chemistry and B.Sc. (Tech.) with food technology, and is also Ph.D. in Biochemistry
Experience in specific functional area	He has wide experience in food industries & food technology. He has been recognized as "National Expert" in food Science & Technology by the Department of Science & Technology, Government of India. He has participated in various National & International Seminars/ Symposia, held in India and abroad and has also acted as Demonstrator & Lecturer in International Training Course on Food Irradiation. He has been a faculty member on training courses conducted by the Indian Institute of Packaging and Ruia College.
Directorship held in other Indian public companies	NIL
Membership/Chairmanship of Committees of other public companies(includes only Audit Committee and Shareholders/ Investors Grievance Committee)	NIL
Number of Shares held in the Company	750



3. The Profile of Shri Sajeve Deora, Director is as under:

Name of Director	Shri Sajeve Deora
Date of Birth	27/12/1959
Date of Appointment	30/10/2001
Qualification	Chartered Accountant
Experience in specific functional area	He is a practicing Chartered Accountant having more than 31 years of experience in the field of negotiating, structuring and concluding change of Shareholding and Management of Business, advising compliance and obtaining approvals under Corporate and related Economic legislations, drawing commercial contracts and documents, advising and structuring entry strategy for operations of overseas businesses in India, Indian businesses at overseas locations, preparing plans driven by considerations of development and diversification / consolidation, and financial and debt restructuring (amalgamation and/ or de-merger as options) and presenting them to Board of Directors, Financial Institutions and Banks, accounting and audit of Books of Account, advising and representing in Direct taxation assessment and appellate matters, securing and renegotiating financial arrangements for existing and new projects, and issue of new capital, identifying vendors for acquiring technology and machinery and concluding arrangements.
Directorship held in other Indian public companies	4
Membership/Chairmanship of Committees of other public companies (includes only Audit Committee and Shareholders/ Investors Grievance Committee)	4
Number of Shares held in the Company	NIL

4. The Profile of Dr. Shailendra Karnawat, Director is as under:

Name of Director	Dr. Shailendra Karnawat
Date of Birth	21/10/1960
Date of Appointment	07/02/2012
Qualification	B.Sc., M.B.B.S & M.S.(ENT)
Experience in specific functional area	He has experience in general medicine (including Paediatrics Radiology and Skin and V.D.) General Surgery (including ENT, Orthopedics, Ophthalmology) Community Medicine, Obstetrics and Gynecology. He has also working experience in JA Group of Hospitals, Gwalior & Jaslok Hospital and Research Center, Mumbai, Dr. ABR Desai's ENT Hospital Mumbai, Al- Fateh Hospital, Al-Merj, in Libya, and Gokuldas Hospital & Research Center, Indore.
Directorship held in other Indian public companies	NIL
Membership/Chairmanship of Committees of other public companies (includes only Audit Committee and Shareholders/ Investors Grievance Committee)	NIL
Number of Shares held in the Company	30750



5. The Profile of Shri Rahul Mutha, Managing Director is as under:

Name of Director	Shri Rahul Mutha
Date of Birth	16/09/1965
Date of Appointment	01/02/1992
Qualification	Master of Commerce (M.Com)
Experience in specific functional area	He is Master of Commerce (M.Com) and possesses vast experience in the field of Finance and Marketing. He has more than 28 years experience on Soya Extraction Industries. He is on the board of the Company since 01.02.1992.
Directorship held in other Indian public companies	NIL
Membership/Chairmanship of Committees of other public companies (includes only Audit Committee and Shareholders/ investors Grievance Committee)	NIL
Number of Shares held in the Company	10322145

Board Procedures

Under the law, the Board of Directors must meet at least once in a quarter and four times a year, with a maximum time gap of four months between any two meetings. The Board meets at least once in a quarter to review the Company's performance and results and more often, if considered necessary, to transact other business.

During the year under review, our Board met thirteen (13) times Board Meetings were held during the year under review on 20th April, 2013, 30th May, 2013, 10th July, 2013, 25th July, 2013, 10th August, 2013, 02nd Spetember, 2013 09th October, 2013, 09th Nov. 2013 and 23rd Nov., 2013, 27th Nov., 2013, 31st January, 2014, 12th Feb, 2014 and 31st March, 2014. The gap between two meetings did not exceed four months.

In terms of the Company's Corporate Governance policy, all statutory and other significant and material information is placed before the Board to enable it to discharge its responsibilities of strategic supervision of the Company.

The Board has established procedures to enable the Board to periodically review compliance reports of all laws applicable to the Company, and takes steps to rectify instances of non-compliances, if any.

Code of Conduct

The Company had laid down a Code of Conduct for all Board of Directors and Senior Management Personnel of the Company. The Code of Conduct is available on the website of the Company www.vippysoya.com. All Board members and senior management personnel have affirmed compliance with the code of conduct. A declaration by Managing Director of the Company regarding compliance by the Board Members and Senior Management Personnel, with the said Code of Conduct is enclosed and form part of this report.

Committees of the Board

3. Audit Committee

The Audit Committee comprises of three members of which two non- executive & independent directors and one is executive & non independent director. The Committee's composition meets with the requirements of section 177 of the Companies Act, 2013 and clause 49 of the listing Agreement. The Chairman of the Committee is an Non-Executive & Independent Director and has a strong financial and accounting background.

The terms of reference to the Committee was confirmed on 23.05.2014 pursuant to section 177 of the Companies Act, 2013 and clause 49 of the Listing Agreement.

Shri Prakash Chakrawarti, Sr. Manger (Legal) & Company Secretary also acts as Secretary to the Audit Committee.

During the financial year ended 31st March, 2014, the committee met four (4) times. The dates of the meetings are 30th May, 2013, 10th August, 2013, 09th Nov., 2013 & 12th Feb., 2014.



The composition of the Audit Committee and attendance of the members of the Committee meetings held during the year under review are as under:

Name	Position	Category	No. of Meetings during the year	
			Held	Attended
Shri Sajeve Deora	Chairman	Non Executive & Independent	4	4
Dr. K.Savagaon	Member	Non Executive & Independent	4	4
Shri Rahul Mutha (Managing Director)	Member	Executive, Non-Independent & Promoter	4	4

The Audit Committee Meetings are usually held at the Registered Office of the Company and are normally attended by the, Executive Director, CFO/person in charge of finance, Asstt. General Manager (Accounts), Internal Auditor & Statutory Auditors.

Chairman and members of the committee attended the last Annual General Meeting of the Company held on September 30th, 2013.

4. Nomination and Remuneration Committee

The Board has constituted Nomination and Remuneration Committee on 12.02.2014 in accordance with the section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The terms of reference of the Remuneration Committee was conferred on 12.02.2014 pursuant to section 178 of the Companies Act, 2013 and clause 49 of the Listing Agreement; consequently, the Remuneration committee was dissolved.

During the financial year ended 31st March, 2014, the Remuneration Committee met once. The date of the meeting was 31st March, 2014.

The composition of the Remuneration Committee and attendance of the members of the Committee meetings held during the year under review are as under:

Name	Position	Category	No. of Meetings during the year	
			Held	Attended
Dr. K.Savagaon	Chairman	Non Executive & Independent	1	1
Shri Sajeve Deora	Member	Non Executive & Independent	1	1
Dr. Shailendra Karnawat (w.e.f. 12.02.2014)*	Member	Non Executive & Independent	1	1
Shri Praneet Mutha (Whole Time Director)	Member	Executive, Non-Independent & Promoter	1	1

* The Committee's strength was increased to four members by nominating one more independent Director in the Committee on 12.02.2014.

Shri Prakash Chakrawarti, Sr. Manger (Legal) & Company Secretary also acts as Secretary to the Committee.

Chairman and members of the Remuneration Committee attended the last Annual General Meeting of the Company held on September 30th, 2013.

Remuneration policy

The following aspects are considered while determining the remuneration package:

- Present employment scenario
- Remuneration package of the industry/other industries for the requisite managerial talent.
- Qualification and experience held by the appointee.



Remuneration to Executive Directors

The details of remuneration received by Managing Director & Executive Director during the year 2013-14 is given as hereunder:

Name	Designation	Salary (₹)	Perquisites and other benefits (₹)	PF (₹)	Total (₹)
Shri Rahul Mutha	Managing Director	42,00,000	77,665	5,04,000	47,81,665
Shri Praneet Mutha	Executive Director	30,00,000	-	3,60,000	33,60,000

Remuneration paid to Non Executive Directors

All Non Executive Directors of the company are entitled to receive sitting fee for each meeting of the Board of Directors. The company did not have any pecuniary relationship or transactions with non executive directors during the year ended 31st March 2014 except for payment of sitting fees.

Criteria of Making Payments to Non –Executive Directors

The criteria of making payments to non executive directors is as under:

- Number of Board meetings attended by such Directors.

5. Stakeholders Relationship Committee

The Board has constituted Stakeholders Relationship Committee on 23.05.2014 in accordance with the Provisions of the Companies Act,2013 and Clause 49 of the Listing Agreement. The terms of reference of shareholders' /Investors Grievance Committee was conferred on the Stakeholders Relationship Committee and consequently, the shareholders' /Investors Grievance Committee was dissolved.

The Stakeholders Relationship Committee is primarily responsible to review all matters connected with the Company's transfer /transmission/ dematerialisation / rematerialisation of securities including approval of transfer /transmission/ dematerialisation / rematerialisation and redressal of shareholders'/investors'/security holder's complaints. The Committee composition and terms of reference meet with the requirements of clause 49 of the Listing Agreement and provisions of the Companies Act,2013.

The Secretarial Department of the Company and the Registrar and Share Transfer Agents (Ankit Consultancy Pvt. Ltd. Indore), attend all grievances of the Shareholders /Investors received directly or through SEBI, Stock Exchange, Ministry of Company Affairs, Registrar of Companies, etc.

During the financial year ended 31st March,2014,the committee met four(4) times. The dates of the meetings were 30th May,2013,10th August,2013, 09th Nov.,2013 &12th Feb.,2014.

The composition of the shareholders' /Investors Grievance Committee and attendance of the members of the Committee meetings held during the year under review are as under:

Name	Position	Category	No. of Meetings during the year	
			Held	Attended
Dr. K.Savagaon	Chairman	Non Executive & Independent	4	4
Dr. Shailendra Karnawat (w.e.f. 23.05.2014)*	Member	Non Executive & Independent	N.A.	N.A.
Shri Rahul Mutha , Managing Director	Member	Executive, Non-Independent & Promoter	4	4

*The Committee's strength was increased to three members by nominating one more Independent Director in the Committee on 23.05.2014.

Shri Prakash Chakrawarti, Sr. Manager (Legal) & Company Secretary also acts as Secretary to the Committee .

Chairman and members of the shareholders' /Investors Grievance Committee attended the last Annual General Meeting of the Company held on September 30th, 2013.



- (a) Name of Compliance Officer : Shri Prakash Chakrawarti
Sr. Manager (Legal) & Company Secretary
email-id- investor_relations@vippysoya.com
- Registered Office/Corporate Office : Vippy Industries Ltd.
28, Industrial Area, A.B. Road, Dewas(M.P.)-455001

- (b) The company has received complaints during the year from the shareholders. All the complaints have been redressed to the satisfaction of the shareholders.
- (c) Details of number of grievances/complaints received and replied/resolved during the year are as under::

Particulars	Total Grievances/ Complaints Received	Total Grievances/Complaints Resolved/Redressed	Ending Grievances/ complaints as on 31.03.2014
Received from Investors	43	43	0
Referred by SEBI	0	0	0
Referred by Stock Exchange	0		0
Referred by MCA/ROC	0	0	0
Total	43	43	0

There were no grievances / complaints from shareholders which remained unaddressed/unresolved except matters of complaints were disputed. Every efforts is made to redress investor's grievances/complaints in least possible time.

6. Delisting Committee

Pursuant to the Structural Procedure approved by Hon'ble BIFR vide its order dt. 19.12.2013, the Board of Directors had constituted an Delisting Committee of Directors to monitor of transfers of shares are received in physical form and also to monitor the transfer of shares which are carried out in dematerialized form in respect of shares are tendered by Public Shareholders in delisting offer pursuant to delisting offer are made by acquirers /promoters of the company in compliance of order of Hon'ble BIFR.

During the financial year ended 31st March, 2014, the committee met two (2) times. The dates of the meetings were 21st Feb.2014 & 31st March,2014.

Composition of the Delisting Committee as on 31st March,2014 are as under:

Name	Position	Category
Dr. Dr. K.Savagaon	Chairman	Non Executive & Independent
Dr. Shailendra Karnawat	Member	Non Executive & Independent
Shri Rahul Mutha(Managing Director)	Member	Executive, Non-Independent & Promoter

7. Corporate Social Responsibility Committee (CSR)

The Board has constituted Corporate Social Responsibility Committee on 23.05.2014 in accordance with the Provisions of the Companies Act, 2013. The Corporate Social Responsibility Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

8. General Body Meeting

- a) Annual General Meeting



The Location, Date, and Time of last three Annual General Meeting and special resolutions passed at the meetings are as under:

Year	Location	Date	Time	No. of Special Resolution
2012-13	Registered Office-28, Industrial Area, A.B. Road, Dewas (M.P.)-455001	30th September,2013	2.00 p.m.	NIL
2011-12	Registered Office-28, Industrial Area, A.B. Road, Dewas (M.P.)-455001	29th September,2012	2.00 p.m.	NIL
2010-11	Registered Office-28, Industrial Area, A.B. Road, Dewas (M.P.)-455001	30th , September,2011	2.00 p.m.	NIL

b) Postal Ballot

There was no special resolution passed during the year through postal ballot. The company is not anticipating any Special Resolution to be passed through postal ballot and hence procedure for postal ballot has not been provided for.

9. Disclosures

- a) None of the transactions with any of the related parties were in conflict with the interest of the Company. Related Party transactions have been included in the Notes to the Financial Statements for the year ended 31st March,2014.
- b) During the year under review, SEBI had imposed certain restrictions on Vippy Industries, its directors and promoters for non-compliance with the minimum public shareholding norms vide its interim order dt. 04.06.2013 alongwith show cause notice. However SEBI vide its order dt. 29.04.2014 had lifted the aforesaid restrain imposed on Vippy Industries, its directors and promoters for non-compliance with the minimum public shareholding norms and thereafter withdraw the aforesaid order dt.04.06.2013 and show cause notice also disposed off the same with directions to the Company to complete the delisting process and ensure that the Company is delisted from the Bombay Stock Exchange Limited within a period of 4 months from the date of its Order , failing which the directions issued vide the interim order dated June 04,2013 in respect of Vippy Industries Limited, its directors, promoters and promoter group shall be re-imposed immediately(without the need for passing of a separate order).
- Other than above, there has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, and the aforesaid non- compliance has so been suitably cured.
- c) All assets of the Company whether movable or immovable are sufficiently insured. All foreseeable risk whether in terms of foreign currency exposure, data and record management etc. are being managed effectively by the Company. Company has Risk Assessment and Minimization Procedures, which are reviewed by the Board periodically.
- d) The Company has adopted a Whistle Blower Policy for directors and employees of the Company to report genuine concerns or grievances in accordance with section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board & its Powers) Rules,2014 and listing agreement.
- e) The Company has complied with all mandatory requirements as per clause 49 of the listing agreement.
- f) The Company has fulfilled the following non-mandatory requirements as prescribed in clause 49 of the listing agreement.
- i) The Company had set up a Nomination & Remuneration Committee of Directors
- g) A qualified Company Secretary in practice on quarterly basis carried out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.



- h) Pursuant to Clause 47(c) of the Listing Agreement with the Bombay Stock Exchange Ltd. , Certificates , on half –yearly basis, have been issued by a Company Secretary-in Practice for due compliance of share transfer formalities etc. by the Company.

10. Insider Trading

The Company had adopted a code of conduct for Prevention of Insider Trading in accordance with guidelines specified under the SEBI (Prohibition of Insider Trading) Regulations, 1992. This code is applicable to all Directors /Officers/designated employees who are expected to have access to unpublished price sensitive information relating to the Company.

11. Means of Communication

The Company has its own website viz. www. vippysoya.com. The quarterly, half yearly and annual results are posted on the company's website for the information of the shareholders as well as sent to the stock exchange immediately after they are approved by the Board of Directors. The results are also published in English (Pioneer) and Hindi (Swadesh) Newspapers within 48 hours of conclusion of the Board Meeting. All the material information is promptly sent to the Bombay Stock Exchange Ltd, where the shares of the company are listed.

The Company's website contains a separate dedicated section 'Investor Relations' where information pertinent to the shareholders of the Company is available in a user-friendly and downloadable form.

The Company has designated email-id- investor_relations@vippysoya.com exclusively for investor servicing.

Management Discussion and Analysis Report forms part of this Annual Report.

SEBI Complaints Redress System (Scores):

The Company had adopted the SEBI Complaints Redress System (Scores) for redressing the investor complaints in a centralized web based complaints redress system provided by SEBI.

The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

12. General Shareholders Information

a)	Annual General Meeting	
	Day	Tuesday
	Date	30th day of September,2014
	Time	9.30 a.m.
	Venue	Registered Office-28, Industrial Area, A.B. Road, Dewas-455001 (M.P.)
b)	Financial Calendar	Financial Year 2014-15 First Quarter Results -2nd week of August ,2014 Second Quarter Results-2nd week of November ,2014 Third Quarter Results-2nd week of February,2015 Last Quarter and Annual Audited Results -3rd/ 4th week of May ,2015
c)	Date of Book Closure	Tuesday,23rd day of September ,2014 to Tuesday,30th day of September,2014 (both days inclusive)
d)	Dividend Payment Date	Nil, as there is no proposal to declare dividend
e)	Listing of Securities on the Stock Exchanges	Bombay Stock Exchange Ltd. (BSE) Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai -400051 Application for Delisting has been filed before Stock Exchange.
f)	Stock Code	Script Code: 519039 Scrip ID : VIPPY
g)	ISIN Number	INE187E01027



h) Market Price Data

The monthly high and low quotation of shares of the company at the Bombay Stock Exchange Ltd., Mumbai during the financial year 2013-14 are given below:

Month	High(₹)	Low(₹)
April,2013	6.12	5.25
May,2013	5.82	4.35
June,2013	4.55	3.94
July,2013	5.23	4.10
August,2013	5.64	4.50
September,2013	7.74	5.72
October ,2013	6.27	4.22
November,2013	6.88	4.01
December,2013	7.40	6.15
January,2014	7.65	6.31
February,2014	7.39	6.40
March,2014	7.76	6.25

I) Distribution of Shareholding as on March,31st,2014 (including Demat)

	No. of Shareholders	% of Shareholders	No. of Share held	% of Shareholding
Upto 1000	12678	96.56	2347479	1.46
1001-2000	258	1.96	367862	0.23
2001-3000	64	0.49	157529	0.10
3001-4000	22	0.18	77494	0.05
4001-5000	21	0.16	96115	0.06
5001-10000	46	0.35	306851	0.19
10001-20000	11	0.08	144795	0.09
20001- 30000	7	0.05	166907	0.10
30001-40000	4	0.03	143755	0.09
40001-50000	1	0.01	50000	0.03
50001-100000	3	0.02	193987	0.12
100001 & Above	15	0.11	156524822	97.48
TOTAL	13130	100	16,05,77,596	100

j) Shareholding Pattern of the Company as on March 31st,2014 (including Demat)

	Category of Holders	No. of Shares	% of Total Shares
a)	Promoters	153674984	95.70
b)	Mutual Funds/UTI	60255	0.04
c)	Financial Institutions/Banks/Insurance Companies	285354	0.18
d)	Foreign Institutional Investors	7700	0.00
e)	Corporate Bodies	3011212	1.87
f)	Residential Individuals	3300189	2.06
g)	NRIs & OCBs	237844	0.15
h)	Any others(Clearing Members)	58	0.00
	Total	160577596	100

**k) Minimum Public Shareholding**

Pursuant to Rehabilitation Scheme sanctioned by Hon'ble BIFR vide its order dated 4/10/2007, the promoters of the company had infused of ₹ 15 crores in the Company by way of subscription in 15 crores warrants of face value of ₹ 1/- convertible into equally number of equity shares, resulting in increased holding of the promoters of the company from 37.12% to 95.7% and public shareholdings falling below the Minimum Public Shareholding (MPS) requirements prescribed by Securities and Exchange Board of India (SEBI) and listing agreement with the BSE Ltd. Government of India, vide Notifications dated 4th June, 2010 and August 9th, 2010 amended the Securities Contracts (Regulation) Rules 1957 which provided for revised minimum and continuous public shareholding requirements in the listed companies. The amended Rule 19(2) (b) and Rule 19(A) of SCCR requires all listed companies (other than a public sector company) to have minimum public shareholding (MPS) of at least 25% and the companies with less than 25% public shareholding was required to comply within the stipulated time period of three years which ends on 3rd June, 2013 and the company was non compliant with the Minimum Public Shareholding stipulations by the SEBI and the Listing Agreement with the BSE Ltd. However at the time of sanction of the Rehabilitation Scheme, the exemption from maintaining 25% public shareholding was available to the Company.

Therefore, the Company had filed Miscellaneous Application dated 25.05.2013 before Hon'ble BIFR to seek the directions against Securities and Exchange Board of India (SEBI) in respect of compliance of requirement of 25% public shareholding, meanwhile the SEBI had passed interim order dated 04.06.2013 against various companies including Vippy Industries Ltd. ,whereby SEBI imposed certain restrictions on the Company, its promoters and directors and issued a show cause notice in relation to the compliance not made by the Company with requirement of minimum public shareholding. The Hon'ble BIFR vide its order dt. 10.06.2013 stayed the operation of the aforesaid SEBI's order in relation to the Vippy Industries Ltd. and all persons connected with the Company as mentioned in the aforesaid order of SEBI, which was extended from time to time.

The Company had submitted reply to the order and show cause notice to SEBI. Shri Sajeve Deroa, Independent Director of the Company, on being aggrieved by aforesaid SEBI order dated 04.06.2013 also filed the appeal before Hon'ble Securities Appellate Tribunal (SAT).

The Hon'ble SAT, vide its Order dated 26.09.2013, granted liberty to the appellant to withdraw his appeal as it was undertaken by SEBI that a final order, after considering the reply filed by the Company and grounds raised in the said appeal, would be passed within a period of four weeks.

To avoid being non-compliant with SEBI's MPS requirements and with listing agreement of BSE Ltd. the company had also filed another Miscellaneous Application on 17.10.2013 before Hon'ble BIFR requesting the BIFR as an alternate prayer to the reliefs claimed in aforesaid earlier Miscellaneous Application filed on 25.05.2013, to seek the delisting of shares of the Company in terms of regulation 3(2) of SEBI (Delisting of Equity shares) Regulations, 2009 and that said delisting be made a part of the scheme with the BIFR and providing inter-alia the procedure to complete the delisting or to provide exit option to the public shareholders at a specified rate.

The order dated 26.09.2013 passed by the Hon'ble SAT was modified by Hon'ble SAT vide its subsequent order dt. 13.12.2013, whereby SEBI was directed to pass an appropriate order within four weeks after disposal of application pending before the BIFR inter alia in relation to delisting.

The Hon'ble BIFR vide its order dt. 19.12.2013 permitted the Promoters of the Company to go ahead with the buy-back of 4.3% floating of stock of public shareholding and delisting of shares from Stock Exchange(s) in terms of Regulation 3(2) SEBI (Delisting of Equity Shares) Regulations, 2009, after following the Structural Procedure filed by the Company with SEBI and Stock Exchange, where the equity shares are presently listed. The Scheme, as sanctioned by BIFR for the Company, also stood modified to that extent in terms of section 18(9) of the Sick Industrial Companies (Special Provisions) Act, 1985. The Hon'ble BIFR also directed that the promoters of the Company shall provide an exit option to the public shareholders of the Company and offer to buy-back shares held by such public shareholders at the rate of ₹ 7.21/- per equity share and shall strictly comply with the Structural Procedure filed by the Company.

Finally, the Hon'ble SAT vide its order dated 17.04.2014 on request of SEBI, granted further time of two weeks to SEBI for passing the order and the in compliance of such aforesaid order the SEBI vide its order dt. 29.04.2014 had lifted the restraint imposed on Vippy Industries, its directors and promoters for non-compliance with the minimum public shareholding norms and also withdrawn the aforesaid order dt.04.06.2013 & show cause notice also disposed off and asked to the Company to complete the delisting process and ensure that the company is delisted from the



Bombay Stock Exchange Limited within a period of 4 months from the date of this Order and Company shall file a report informing SEBI of the outcome of the delisting process, within a period of 15 days thereafter, otherwise the directions issued vide the interim order dated June 04,2013 in respect of Vippy Industries Limited, its directors, promoters and promoter group shall be re-imposed immediately(without the need for passing of a separate order) in case the delisting process of the Company is not completed within the period directed above. Further, they would also be liable for the actions contemplated in paragraph 18 of the interim order.

l) Delisting Offer of Shares

The Company and the Promoters have taken the required steps for buying shares held by public shareholders of the Company as part of seeking delisting of its shares from stock exchange whereat the shares of the Company were listed for trading .Pursuant to order dt. 19.12.2013 passed by Hon'ble BIFR, in terms of Regulation 3(2) of SEBI (Delisting of Equity Shares) Regulations, 2009, the Promoters of the Company have made a delisting offer to all the public shareholders of the Company with an opportunity to exit from the Company's membership by way of selling their shares to the promoters, offer for which closed on 20.03.2014. The Promoters have paid all consideration payable to the shareholders who have tendered the shares in offer & such valid applications there for.

The Company has made application for delisting of equity shares to BSE Ltd. (Bombay Stock Exchange Ltd.) pursuant to Hon'ble BIFR order dated December 19, 2013 and in terms of the structural procedure approved by Hon'ble BIFR.

m) Registrar and Share Transfer Agents of the Company

Ankit Consultancy Pvt. Ltd.
60, Electronic Complex,Pardeshipura,
Indore (M.P.)-452010
Tele:+91(0731)-3198601-602 ,2551745-46
Fax +91(0731)- 4065798
e-mail: ankit_4321@yahoo.com
Time : 10.00 a.m. to 6.00 p.m..

n) Share Transfer System

The transfer of shares in physical from is processed and completed by Ankit Consultancy Pvt. Ltd., Registrar and transfer Agents (RTA) within 15 days from the date of receipt thereof provided all the documents are in order.In respect of shares held in dematerialized mode, the transfer take place instantly between the transferor and transferee at the depository participant(s) through which electronic debit/credit of the accounts are involved. Detail of transfer of shares of the Company are placed at every meeting of shareholders/ Investors Grievance Committee.

o) Dematerialization of Shares and Liquidity

The Company had entered into agreements, with both National Securities Depository of India Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for demat facility (ISIN: INE187E01027). The details of shares under dematerialized and physical mode as on 31st March,2014 are as under:

Particulars	No. of Equity Shares	% of the Total Equity Shares
National Securities Depository Ltd.(NSDL)	3329592	2.07
Central Depository Services (India) Ltd.(CDSL)	153851647	95.81
Total Dematerialized	157181239	97.88
Physical	3396357	2.12
Total	160577596	100

p) Outstanding GDRs/ADRs/Warrants or any convertible instruments etc.: NIL**q) C.E.O/C.F.O. Certification**

The Managing Director of the company and AGM (Accounts) who is person in charge of the finance have given annual certification on the financial reporting and internal controls to the board in terms of Clause 49(V) of the listing agreement is attached with this report.



r) Plant Locations

28, 29 & 30, Industrial Area,
A.B Road, Dewas-455 001 (M.P.)

s) Address for correspondence

Secretarial Department
Vippy Industries Ltd.
28, Industrial Area, A.B Road, Dewas-455 001 (M.P.)
Tele: +91-(07272)-258545 / 258546
Fax : +91(07272)-258552
website : www.vippysoya.com
Email: investor_relations@vippysoya.com



CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Vippy Industries Ltd.

We have examined the compliance of conditions of Corporate Governance by Vippy Industries Ltd. for the year ended 31st March 2014, as stipulated in clause 49 of the Listing Agreement of the said Company with Bombay Stock Exchange Ltd..

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

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.

For Shilpesh Dalal & Co.,
Company Secretary

SHILPESH DALAL
(Proprietor)
Indore
23rd May ,2014



Certificate by CEO and CFO of the Company

To,
The Board of Directors
Vippy Industries Ltd.

We, the undersigned, in our respective capacities as Managing Director and Assistant General Manager (Accounts) of Vippy Industries Ltd. ("the Company"), to the best of our knowledge and belief certify that :

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2014 and to best of our knowledge and belief, we state that:
 - a. These statement do not contain any materially untrue statement or omit to state a material fact or contains statement that might be misleading;
 - b. These statement together present a true & fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violate the Company's code of conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take rectify these deficiencies.
4. We have indicated, based on our most recent evolution, wherever applicable, to the auditors and the audit committee:
 - (I) Significant changes, if any, in the internal control over financial reporting during the year;
 - (ii) Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Dewas
23rd May ,2014

Rahul Mutha
Managing Director

Joher Ali Zakir
Assitt.General Manager (Accounts)

Annual Declaration pursuant to clause 49(I) (d) (ii) of the Listing Agreement

As per the requirements of clause 49 (I) (D) (ii) of the Listing Agreement, I hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March ,2014.

Dewas
23rd May 2014

Rahul Mutha
Managing Director



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMY-OVERVIEW

The Indian economy slowdown bottomed out last year i.e GDP was 4.9%. A spell of global financial turbulence caused capital outflows and pressure on the exchange rate, but strong policy measures stabilized the currency, rebuilt reserves, and narrowed the excessive current account deficit. Weaknesses remain, however, and include persistent inflation, fiscal imbalances, bottlenecks to investment, and inefficiencies that require structural reforms. Indian Economy is expected to gather momentum as investments pick up owing to the combined impact of push by the Govt. of India.

A favorable monsoon is assumed to help agriculture grow. However, some global weather agencies have reported the increased chance of a weak El Nino in 2014, which could reduce rainfall in India and suppress agriculture growth.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian market presents a significant growth opportunity for edible oil players owing to growing populations, income growth, low current per capita consumption, low penetration and the fact that edible oils are a necessary part of the daily diet for a majority of Indian consumers. India is one of the major oilseeds grower and importer of edible oils. India's vegetable oil economy is world's fourth largest after USA, China & Brazil. India imports vegetable oil almost 50 per cent of its domestic requirements including Palm Oil from Malaysia, Indonesia, and soya oil from Brazil, Argentina, and olive oil from Spain, Italy, Turkey and Greece).

The edible oil sector in India is largely unorganized with a few organized players. There is a lot of potential and opportunity for organized players in Indian market because of growing population to feed, younger demographics, better lifestyle choices and increased purchasing power due to local development. Integrated players typically operate at higher capacity utilizations and enjoy better price realizations and margins in addition to being more equipped to deal with fluctuation in prices and availability of raw material.

Your company mainly is engaged in processing of soya seeds and refining of soya oil for edible proposes. The company also produces Lecithin, Soya Meal and Soya Flour, Soya TVP, & varieties of Soya products. Your company is also improving its operations in trading activities over a period of last few years.

OPPORTUNITY AND THREATS

Opportunities

The demand for vegetable oils has increased rapidly in the past decade, predictable by a combination of factors, including: i) increasing demand sparked off by higher consumption for edible oils, in India caused by, among other things, population growth, improving living standards and changing diets, expanding urbanization; ii) the development of the biofuels industry (and more specifically biodiesel) around the world, particularly in the EU, USA, Brazil, Argentina, China and India.

There has been a significant gap between demand and supply of edible oil because of limited availability of oil seeds and shifting of acreage to other crops in the domestic market. The domestic demand for vegetable oils and fats has been rising rapidly, the twin factors of rising demand and declining per capita availability invariably lead to higher prices of edible oils.

The use of soybean products in the feed and food industry has increased steadily. The dominant position of soya products are primarily associated with their high nutritional quality especially with respect to protein and amino acids and are very useful in food manufacturing industry. Dairy alternatives or substitutes, such as soymilk, soy yogurt, frozen soy desserts (soy "ice cream"), soya butter and soy cheese are currently the fastest growing products among consumer soyfoods. Bakeries, cookie, cracker, pasta and flour mix manufacturers are all potential users of soy ingredients. Soya ingredients are very popular in a variety of meat and poultry products, helping to permit formulation of low fat products, and adding other functionality and value through moisture retention. Textured soy products are also used in meat and poultry substitutes / products. Feed manufacturers are also potential customers for soy products, including general animal feed manufacturers and those who also manufacture pet food. Another advantage to Indian soya meal is that Indian soya meal being processed from Non Genetically Modified soya seed in the world.

Threats

Manufacturing activities of the Company are mainly dependent on availability of soya seeds, and soyabean seed cultivation in India is predominantly dependent on rainfall and this leads to a higher magnitude of instability in



production of soya seeds. Price volatility in soyabean seeds, Government policies, fluctuation in fuel price, weather condition and monsoon, instability in foreign exchange rate, freight demand supply gap as well as domestic economy may affect the business of the company.

The operation activities of the Company is situated at Dewas in State of Madhya Pradesh and the inadequate water supply, insufficient power supply and reduced supplies of raw material are continuing major threats to the Company.

SEGMENT WISE PERFORMANCE

The Company is operating in one segment only; hence segment wise reporting is not applicable.

FUTURE OUTLOOK

The per capita consumption is low in India in compared to global average and also to comparable economies. Considering the very basic needs to cater to the varying cooking styles/pattern in India, large size of population, better disposable income etc. and the demand for edible oil is expected to increase in future. Thus the size and the steady growth of the edible oil industry in India offer great potential for the Company to proactively adopt strategies to sustain position in the industry.

Your Company continues to strengthen itself in areas of sourcing raw materials from points of origin, reducing inefficiencies in supply chain and logistic, improvements in product quality and increased sale of branded products in retail segment.

Your Company is continuously striving and shuffling its products mix to establish itself as a producer of Non- GMO soya value added products not only in the India but in the global area, the company strategically transforming itself to be recognized name in soya products and show its presence in Indian Market as well as International Market.

RISK AND CONCERN

The main areas of concerns are:

1. The global economic uncertainties
2. The risk attached with commodity and currency
3. The changes in Government policies play an important role in the business of the Company.
4. The inherent risk of doing international trade.

The Company has risk management policy to identify the nature and magnitude of risk associated with the Company and to take steps for mitigating the impact of such risks. There is an ongoing process to track the evolution of the risks and delivery of mitigating action plans. These are reviewed periodically by management and placed before the Board.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate internal control system. The effective and adequate internal control system helps to achieve resource utilization at the optimum level, safeguarding of assets against loss from unauthorized use or disposal, proper maintaining of accounting records and adherence to Company's Policies and procedures. The Company has an Internal Audit System which is commensurate with its size and nature of its business. Reports of the Internal Auditor are reviewed by the senior management and are also placed before the Audit Committee of the Directors.

FIANCIAL ANALYSIS

(₹In Crores)

Particulars	2013-14	2012-13
Total Revenue	1024.40	1229.82
Total Expenses	997.10	1203.80
Profit before Financial Costs, Depreciation and Amortization & Tax and Exceptional Items	27.30	26.02
Less: Financial Costs	2.96	1.56
Less: Depreciation and Amortization	4.37	4.26
Less: Exceptional Items	8.81	0.00
Profit before Tax	11.16	20.20
Less: Tax Expenses	2.35	4.03
Profit after Tax	8.81	16.17



During the year ended 31st March, 2014, total turnover of your Company was ₹ 1024.40 Crores as compared to ₹ 1229.82 Crores in the previous year. The year under review net profit was ₹ 8.81 Crores as against net profit ₹ 16.17 Crores in the previous year. The turnover and profit of the Company during the year was less as compared to previous year, because of low crushing of Soya Seeds was 203715 MT as compared to 260954 MT in the previous year and oil refined of 44663 MT as compared to 55634 MT in the previous year.

DEVELOPMENT IN HUMAN RESOURCE AND INDUSTRIAL RELATIONS

The main principle of HR Policy of your company is that the “intellectual Capital” and dedication of employees will help the Company emerge as a successful player in this highly competitive scenario.

The recruitment procedure ensures that people with talent and the right skill are selected. Nurturing of talent and the Individual Performance Management Systems (IPMS) is in place to ensure that the coordinated efforts of our people lead to achievement of the Business Goals of the Company. A lot of emphasis continues to be placed on training and development of employees and also on development of leadership skills. The management helps the process of decision making by decentralizing and empowering the employees to execute tasks in a speedy manner. The management promotes information sharing and free exchange of ideas. Above all, the sense of ownership and empowerment to take decisions helps the Company in rapidly changing global competition.

The Company's industrial relations continued to be harmonious during the year under review. The number of personnel directly employed by the company was 368 as on 31st March, 2014.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations etc. may be “forward looking statements” within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/ supply and price conditions in the domestic and overseas markets in which your Company operates, changes in the govt. regulations, policy, tax laws and other statutes and incidental factors.



**INDEPENDENT AUDITOR'S REPORT TO THE
MEMBERS OF VIPPY INDUSTRIES LTD.**

Report on the Financial Statements

We have audited the accompanying financial statements of VIPPY INDUSTRIES LIMITED, "the Company" which comprises the Balance Sheet as at March 31, 2014 the statement of Profit and Loss and the Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

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 of 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 controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 the internal controls relevant to the Company's preparation and fair presentation of the financial statements, in order to design audit procedures that are appropriate in the circumstances. 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 the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and subject to "Emphasis of Matter" para and read together with the notes, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) In the case of Balance Sheet, of the State of affairs of the Company as at March 31, 2014.
- (ii) In the case of the Statement of Profit and Loss, of the Profit of the company for the year ended on that date; and
- (iii) In the case of the Cash Flow Statement, of the Cash Flows of the company for the year ended on that date

Emphasis of Matter

We draw attention to note no. 23 as the financial statement regarding transaction/contract with "National Spot Exchange Limited" (NSEL) which states that the company had contracted for purchase and sale of oil on National Spot Exchange Limited (NSEL) during the year 2013-14. Goods having sale value of ₹9,36,14,078/- were stored in warehouse nominated by NSEL. As payments did not come in due time from NSEL, the company filed criminal complaint to Economic Offence Wing (EOW), Mumbai. The company has received part amount aggregating to ₹55,44,181/- from NSEL and entire balance amount of ₹8,80,69,897/- is now doubtful of recovery. The company has written off the entire amount of ₹8,80,69,897/- in year ended march 31, 2014 and has disclosed the same under the head "Exceptional Items" in the statement of profit & loss.

Our opinion is not qualified in respect of the above matter.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of section 227 (4A) of the Act, we give in the Annexure a statement 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:
 - I. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - II. 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.
 - III. The Balance Sheet, the statement of Profit and Loss and the cash flow statement dealt with by this Report are in agreement with the books of account.
 - IV. In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with Accounting Standards 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.
 - V. On the basis of written representations received from the Directors as on March 31, 2014 and taken on record by the Board of Directors, none of the Directors are disqualified as on March 31, 2014 from being appointed as a Director in terms of section 274(1)(g) of the Act.

For: SODANI & COMPANY

Chartered Accountants
(Regd No.: 000880C)

Rajesh Sodani
(Partner)
M.No. F-77005

Date : 23.05.2014

Place : Dewas



**ANNEXURE TO INDEPENDENT AUDITOR'S REPORT
(REFERRED TO IN OUR REPORT OF EVEN DATE)**

- (I) In respect to its Fixed assets:
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, the assets have been physically verified by the management during the year in accordance with a phased program of verification, which in our opinion is reasonable, considering size and the nature of the Company. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification.
 - c) In our opinion the Company has not disposed off any substantial part of fixed assets during the year.
- (ii) In respect its inventories:
- a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of inventory and the discrepancies noticed between the physical verification of inventories as compared to book records, wherever physical verification have been conducted, adjusted to material consumption account at the year end no material discrepancies noticed on physical verification.
- (iii) As informed to us, the Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firm or other parties listed in the register, maintained under section 301 of the Companies Act, 1956 and as such clauses 4 (iii) (a) to (g) of the Order not applicable."
- (iv) There are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system.
- (v) In respect of the contracts or arrangement referred to, in Section 301 of the Companies Act, 1956:
- a) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956.
 - b) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of Contracts or Arrangements, that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of ₹ 5,00,000 during the year as per information available with the company.
- (vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly the provision of clause 4 VI of the order are not applicable to the Company.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011, prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that Prima Facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determining whether they are accurate or complete.
- (ix) In respect of statutory dues:
- a) According to the record of the company and information and explanations given to us the Company have been generally regularly in depositing with appropriate authorities undisputed statutory dues including provident fund, Employees Estate Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues wherever applicable. According to the information and explanations



given to us, no undisputed amount payable in respect of the aforesaid statutory dues were outstanding as at 31st March, 2014 for a period of more than six month from the date they became payable.

- b) According to the records of the Company, outstanding dues to sales tax, income tax, commercial tax, purchase tax on the account of any dispute are as follows:

Forum where disputes are pending	Name of the Statute	Nature of the dues	Amount Outstanding as on 31.03.14 (₹)	Period to which the amount relates
Appellate Board Bhopal (M.P) Commercial Tax Appeallate Board.	MPCT Act	Commercial Tax	20,74,135/-	2002-03
	CST Act	Central Sales Tax	25,35,257/-	2002-03
	Entry Tax Act	Entry Tax	5,209/-	2002-03
Dy.Commissioner Commercial Tax, Ujjain	Entry Tax Act	Entry Tax	2,01,823/-	2006-07
Additional Commissioner Commercial Tax Indore	MPCT Act	Commercial Tax	5,50,870/-	2003-04
	CST Act	Central Sales Tax	20,98,810/-	2003-04
Writ Petition the Hon'ble High court Indore	Entry Tax Act	Entry Tax	6,51,18,174/-	2007-08/2008-09
	VAT Act	Vat Tax	3,46,40,982/	2008-09/2009-10
	CST Act	Central Sales Tax	1,61,32,267/	2008-09/2009-10
Additional Commissioner of Commercial Tax Indore	MPCT ACT	Commercial Tax	97,265/-	2005-06
	CST Act	Central Sales Tax	11,53,409/-	2005-06
Writ Petition pending before the Hon'ble High Court Jabalpur/Indore	MPCT Act	Purchase Tax	3,02,06,909/-	2004-05/2005-06
Commissioner of Income Tax (Appeal) Ujjain	Income Tax Act	U/S 143(3) of the Income Tax Act, 1961	11,25,319/-	2005-06
Commissioner of Income Tax, (Appeal) Ujjain	Income Tax Act	U/S 143(3) of the Income Tax Act, 1961	85,04,201/-	2000-01
Commissioner of Income Tax (Appeal), Ujjain	Income Tax Act	U/S 143(3) of the Income Tax Act, 1961	1,08,27,926/-	2009-10
Commissioner of Income Tax (Appeal), Ujjain	Income Tax Act	U/S 143(3) of the Income Tax Act, 1961	66,49,750/-	2010-11

- x) The Company has no accumulated losses at the end of the Financial Year ended March 31, 2014 and the company has not incurred Cash losses in the current Financial Year and immediately preceding Financial Year.
- (xi) Based on our audit procedures and the explanations given to us, we are of opinion that during the year the company has not defaulted in repayment of its dues to banks and Financial Institutions.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/society. Accordingly, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.



- (xiv) The Company has maintained proper records of transactions and contracts in respect of dealing in shares, securities and other investments and timely entries have been made therein. All shares securities have been held by the Company in its own name.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks and Financial Institutions. Accordingly, the provisions of the clause 4(xv) of the Order are not applicable to the Company.
- (xvi) According to the information and explanation given to us, the Company has not obtained any term loan during the year from Bank and Financial Institutions. Accordingly, the provisions of the clause 4(xvi) of the Order are not applicable to the Company.
- (xvii) According to the information and explanation given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that there no funds raised on short term basis that have been used for long term investment.
- (xviii) The Company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the companies Act, 1956 during the year. Accordingly, the provision of clause 4(xviii) of the Order not applicable to the company.
- (xix) The Company has not issued any debentures during the year. Accordingly, the provisions of clause 4(xix) of the Order are not applicable to the Company.
- (xx) The Company has not raised any money through public issue during the year. Accordingly the provisions of the clause 4 (xx) of the Order are not applicable to the Company.
- (xxi) According to the information and explanation give to us and as mentioned in the note no.23 to the financial statement of the company, NSEL (National Spot Exchange Limited) has occurred a fraud on the company with respect to certain underlying contracts with National Spot Exchange Limited having sale value of ₹9,36,14,078/- out of this contract ₹55,44,181/- have been recovered from NSEL upto 31.03.2014. The company has filled complaint to economic offence wing mumbai against NSEL. The company has written off the amount recoverable of ₹8,80,69,897/- from the NSEL and has disclosed the same under the head "Exceptional Item" in the statement of profit & loss (refer our kind attention in auditors report).

For: SODANI & COMPANY
Chartered Accountants
(Regd No. :-000880C)

Date : 23.05.2014
Place: Dewas

Rajesh Sodani
(Partner)
M.No.F-77005



BALANCE SHEET AS AT 31.03.2014

Particulars	Note no	Figures as at the end of current reporting period 31.03.14 (₹)	Figures as at the end of previous reporting period 31.03.13 (₹)
I. EQUITY & LIABILITIES			
(1) Shareholders' funds :			
(a) Share capital	3	160577596	160577596
(b) Reserves & Surplus	4	1010940553	963379945
		<u>1171518149</u>	<u>1123957541</u>
(2) Share application money pending allotment		0	0
(3) Non -Current Liabilities			
(a) Long -term borrowings	5	55512	21890966
(b) other Long term liabilities		750000	250000
Total non current Liabilities		<u>755512</u>	<u>24390966</u>
(4) Current Liabilities			
(a) Short-Term borrowings	6	764875213	96031151
(b) Trade payable	7	171223634	117042809
(c) Other current liabilities	7	11502461	10875458
(d) Short term provisions	7	214756102	246014345
Total current Liabilities		<u>1162357409</u>	<u>469963763</u>
TOTAL		<u>2341431070</u>	<u>1618312270</u>
II. ASSETS			
Non- Current Assets			
1.(a) Fixed assets			
(i) Tangible Assets	8		
Gross Block		1674238555	1656144166
Less: Depreciation		1210956258	1133474896
Net Block		<u>463282297</u>	<u>522669270</u>
(ii) In tangible Assets		0	0
(iii) Capital Work-in-Progress		567810	3457718
(iv) Intangible assets under development		0	0
		<u>463850107</u>	<u>526126988</u>
(b) Non-Current Investment	9	2260000	2260000
(c) Deferred tax assets (net)		0	0
(d) Long Term Loans and advances	9	9228731	8964778
(e) Other non -current assets	9	22457646	8595390
Total non current Assets		<u>497796483</u>	<u>545947156</u>
2. Current Assets			
(a) Current Investments			
(b) Inventories	10	499448442	396655875
(c) Trade Receivables	11	344816011	211739693
(d) Cash and cash equivalents	12	958466578	413140452

**VIPPY INDUSTRIES LTD.***An ISO 9001:2008 Certified Company**40th Annual Report & Accounts 2013-14*

(e) Short term loans and advances	13	40903556	50829094
(f) Other current assets		0	0
Total current Assets		<u>1843634587</u>	<u>1072365114</u>
TOTAL		<u>2341431070</u>	<u>1618312270</u>

Significant Accounting Policies
Notes on Financial Statements 1to34
As per our report of even date

For and on behalf of the Board of Directors

For Sodani & Company
Chartered Accountants
(Regt. No. 000880C)

Joher Ali Zakir
Asst. General Manager (Accounts)

Rahul Mutha
Managing Director

Rajesh Sodani
Partner
M.NO.F-77005

Prakash Chakrawarti
Sr. Manager (Legal) & Company Secretary

Praneet Mutha
Executive Director

Place: Dewas
Dated:23.05.2014



**STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD FROM 01.04.2013 TO 31.03.2014**

Particulars	Note no	Figures as at the end of current reporting period 31.03.14 (₹)	Figures as at the end of previous reporting period 31.03.13 (₹)
I. Revenue from operations	14	10171269371	12252696789
II. Other Income	14	72740190	45548764
III. Total Revenue(I+II)		<u>10244009561</u>	<u>12298245553</u>
IV. EXPENSES :			
Cost of Materials consumed	15	8346487392	9865292172
Purchase of Stock in Trade		931546360	1286753172
Changes in inventories of finished goods, work-in-progress and stock in trade.	16	(70416902)	58539955
Employees Benefit Expenses	17	79418983	74580591
Financial costs	18	29598126	15647049
Depreciation and amortization expenses	8	43726862	42643984
Other expenses	19	684030037	752777782
Total expenses		<u>10044390858</u>	<u>12096234704</u>
V. Profit before Exceptional item and tax(III-IV)		199618703	202010849
VI. Exceptional items Income/(Expenses)(Refer note no 23)		(88069897)	0
VII. Profit before tax		<u>111548806</u>	<u>202010849</u>
Less: Tax expenses			
1. Current tax		37995439	69208000
2. MAT Credit entitlement		-14534252	-28851000
VIII. Profit\ (loss) for the period (V-VI)		88087619	161653849
IX. Earning per equity share (1) Basic & Diluted		0.55	1.00

Significant Accounting Policies
Notes on Financial Statements
As per our report of even date

1to34

For and on behalf of the Board of Directors

For Sodani & Company
Chartered Accountants
(Regd. No. 000880C)

Joher Ali Zakir
Asst. General Manager (Accounts)

Rahul Mutha
Managing Director

Rajesh Sodani
Partner
M.NO.F-77005

Prakash Chakrawarti
Sr. Manager (Legal) & Company Secretary

Praneet Mutha
Executive Director

Place: Dewas
Dated:23.05.2014

**VIPPY INDUSTRIES LTD.***An ISO 9001:2008 Certified Company**40th Annual Report & Accounts 2013-14***CASH FLOW STATEMENT**

DESCRIPTION	FOR THE YEAR ENDED March.2014 (₹)	FOR THE YEAR ENDED March.2013 (₹)
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(loss) before tax & extraordinary items	111548806	202010849
Adjustment for :-		
Depreciation	43726862	42643984
Dividend (received)/ Paid	-	(2000)
Loss/(Profit) on sale of fixed assets	(3810477)	34100
Operating profit before working capital changes	151465191	244686933
LESS :-		
Increase/(Decrease) in Inventory	102792567	(90904048)
Increase/(Decrease) in Debtors, Loans - Advances & Non current assets	137276989	82360243
Decrease/(Increase) in Current Liabilities	(88397)	244668156
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	(88515968)	8562582
(B) CASH FLOW ARISING FROM INVESTING ACTIVITY		
Acquisition of fixed assets	(23916831)	(33786692)
Proceeds from sale of fixed assets	5750317	130200
Dividend received	0	2000
NET CASH INFLOW FROM INVESTING ACTIVITY	(18166514)	(33654492)
(C) CASH FLOW ARISING FROM FINANCING ACTIVITY		
Increase/(Decrease) in Bank borrowings	668844062	0
Increase/(Decrease) in long term borrowings	(16835454)	1131708
NETCASH INFLOW FROM FINANCING ACTIVITIES	652008608	1131708
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	545326126	(23960202)
ADD-OPENING CASH & CASH EQUIVALENTS	413140452	437100654
CLOSING CASH & CASH EQUIVALENTS	958466578	413140452

This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of the Board of Directors

For Sodani & Company

Chartered Accountants
(Regd. No. 000880C)

Joher Ali Zakir

Asst. General Manager (Accounts)

Rahul Mutha

Managing Director

Rajesh Sodani

Partner
M.NO.F-77005

Prakash Chakrawarti

Sr. Manager (Legal) & Company Secretary

Praneet Mutha

Executive Director

Place: Dewas
Dated:23.05.2014

**VIPPY INDUSTRIES LTD.**

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NOTE NO-3

SHARE CAPITAL

	AS AT 31.03.14	AS AT 31.03.13
	(₹)	(₹)
Authorised:		
Equity		
25,00,00,000 Equity Shares of ₹1/- each	250000000	250000000
(Previous year 250000000 Equity Shares of ₹1/- Each)	<u>250000000</u>	<u>250000000</u>
Issued,Subscribed & Paid up:		
160577596 Equity Shares of ₹1/- each		
(Previous year 160577596 Equity Shares of ₹1/- Each)	160577596	160577596

- i) During the current year and in the previous year there have been no movement in the NO.of equity shares out standing
ii)The company has only one class of equity share,having a par value of ₹1 per share.Each share holders is eligible to one vote per share held.

Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	31, March 2014		31, March 2013	
	Nos	₹	Nos	₹
Out standing at the beginning of the year	160577596	160577596	160577596	160577596
Issue during the year	-	-	-	-
Out standing at the end of the year	160577596	160577596	160577596	160577596

Details of shareholders holding more than 5% share in the company

Name of share holders	31, March 2014		31, March 2013	
	Nos	%	Nos	%
Rahul Mutha	10322145	6.43	10322145	6.43
Piyush Mutha	10481112	6.53	10481112	6.53
Praneet Mutha	10392212	6.47	10392212	6.47
Sungem Impex Pvt.Ltd	30035800	18.70	30035800	18.70
Sunline India enterprises Pvt.Ltd	30000000	18.68	30000000	18.68
Starshine Enterprises Pvt Ltd	30000000	18.68	30000000	18.68
Moon Nutrients Pvt Ltd	30000000	18.68	30000000	18.68
		<u>94.17</u>		<u>94.17</u>

NOTE NO-4

RESERVES AND SURPLUS:

CAPITAL RESERVE		69743701	69743701
FIXED ASSETS REVALUATION RESERVE	253350511		
Less.Dep.for the Period on Revaluation	<u>40527011</u>	212823500	253350511
GENERAL RESERVE		27278627	27278627
PROFIT & LOSS ACCOUNT			
as per last Balance sheet	613007105		
Add :During the period	<u>88087619</u>	701094724	613007106
		<u>1010940553</u>	<u>963379945</u>



NOTE NO 5

LONG TERM BORROWINGS

	AS AT 31.03.14	AS AT 31.03.13
SECURED LOANS	(₹)	(₹)
MPSIDC	0	20759258
HDFC Car loan	55512	1131708
	<u>55512</u>	<u>21890966</u>

Commercial/Central Sales Tax

Pursuant to order of State Govt. of Madhya Pradesh, Bhopal, the Company has paid ₹ 20759258 to Madhya Pradesh State Industrial Development Corporation (MPSIDC), Bhopal towards outstanding of deferred sales tax dues. The MPSIDC has issued NOC to Company and accordingly charge on the aforesaid loan has been satisfied.

HDFC Bank car loan @9.885%: are secured by hypothecation of vehicle. The company has not made any default as at the reporting date in repayment of instalment & interest.

NOTE NO 6

SHORT TERM BORROWINGS**SECURED LOANS**

Axis Bank over draft Account	50294802	20454233
HDFC Bank over draft Account	133068945	33803896
Bank of Baroda over draft Account	0	41773021
HDFC Bank Packing credit Account	578604532	0
HDFC Bank Bills Discounting Account	2906933	0
	<u>764875213</u>	<u>96031151</u>

Overdraft accounts against fixed deposit lien with banks shown note no.12

NOTE NO 7

CURRENT LIABILITIES**1) Trade Payable**

For goods, services and expenses

i) Dues to Micro and small enterprises	0	0
ii) Dues to other creditors	171223634	117042809

2) Others current liabilities

HDFC Bank Car Loan a/c	1074540	1300072
Other Payables		
i) TDS	1286257	1499538
ii) VAT/CST Payable	286752	1196347
iii) Other Statutory dues	471395	686301
iv) Salary, Wages, Bonus	5988993	3813675
v) Others	2394524	2379525

3) Short term provisions

i) Provision for taxation	23461187	40357000
ii) Outstanding Liabilities	191294914	205657345
	<u>397482197</u>	<u>373932612</u>

Trade payable: The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filling of the Memorandum in accordance with the Micro, Small and Medium Enterprises Development Act, 2006 ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in the financial statements based on information received and available with the company.

This disclosure is on the basis of the information available with the company regarding the Status of the supplies as defined under the interest on delayed payments to Micro Small and Medium Enterprises Development Act 2006.

Provision for taxation : Liability of Income tax net of MAT credit Provided as per Provision of the Income Tax Act.



NOTE NO -8
FIXED ASSETS

Particulars of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Cost as on 01.04.2013 (₹)	Addition during the Period (₹)	Deductions during the Period (₹)	As on 31.03.2014 (₹)	Up to 01.04.2013 (₹)	Deduction during the Period (₹)	For the Period (₹)	Up to 31.03.014 (₹)	As at 31.03.2014 (₹)	As at 31.03.13 (₹)
TANGIBLE ASSETS										
Land & Lease Hold Land	20198918	211387	168620	20241685				0	20241685	20198918
Building	178942678	12917704		191860383	72470039		6104485	78574524	113285859	106472639
Plant & Machinery	1443184580	11416055	6339345	1448261289	1056463146	6022378	77145995	1127586763	320674526	386721433
Furniture & Fixtures	4061522	2219214	0	6280736	2115368	0	283904	2399272	3881464	1946154
Vehicles	9756467	42380	2204386	7594461	2426343	750133	719489	2395699	5198762	7330124
TOTAL	1656144165	26806740	8712351	1674238555	1133474896	6772511	84253873	1210956258	463282297	522669269
Capital work in progress	3457718		2889909	567810					567810	3457719
	1659601883	26806740	11602260	1674806365	1133474896	6772511	84253873	1210956258	463850107	526126988
Previous Year	1626050112	33786692	234921	1659601883	1050374521	70620	83170995	1133474896	526126987	575675591

NOTE:

1) The Company's building and site development, plant and machinery, and other fixed assets were revalued on 28.12.1999 on the basis of report of Registered Valuer. Accordingly, these assets were restated with the incremented amount over their written down value amounting to ₹ 7,901.94 Lacs as on 31.12.1999, and the same was correspondingly, transferred to Revaluation Reserve Account. During the year, depreciation of ₹ 405.27 lacs (₹ 405.27 lacs) pertaining to revalued portion of fixed assets has been charged to reserve arising on Revaluation of Assets.

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NOTE NO -9	AS AT 31.03.14 (₹)	AS AT 31.03.13 (₹)
(b) Non Current Investment		
Long term investment (at cost) un quoted		
A) Trade investment		
Vipro Exim Ltd.		
450630 fully paid up equity share of ₹10/each (Out of which 225315 equity shares of ₹10 each received as Bonus shares during 2008-09)	2250000	2250000
 B)Non-Trade investment un quoted		
Saraswat Co.Op. Bank Ltd		
1000 fully paid up equity share of ₹10/each	10000	10000
 Total Non Current investment A+B	<u>2260000</u>	<u>2260000</u>
Aggregate amount of un quoted investment		
 (c) Long term Loans & Advances		
Deposits with MPEB	8941793	8673340
Others	286938	291438
	<u>9228731</u>	<u>8964778</u>
 (d) Other Non Current Assets		
I) Cenvat/Ted receivable	558922	279876
ii)Trade receivable(More than one year) 20067352		
Less: Provision for Bad & doubtful debts 6747451	13319901	0
iii) Fixed Deposits	8578823	8315514
	<u>22457646</u>	<u>8595390</u>
 The Company is contingently liable		
(a) Guarantees given by the Company's banker on behalf of the Company	8411581	8336931
 Against the above, Banks are holding fixed deposit as margin; the deposit forms part of 'Fixed Deposit Account' under the head Non Current Assets (see note no.9 (d)) & part of Cash and Bank Balances (see note no. 12)	9092628	9146810
 NOTE NO -10		
INVENTORIES		
(a) Raw Materials	277383872	252972585
(b) Coal & Fuel	16194562	6375077
(c) Stores & Spare Parts	12788363	14643470
(d) Finished Goods	193081645	122664743
	<u>499448442</u>	<u>396655875</u>
 NOTE NO -11		
TRADE RECEIVABLE		
(Unsecured considered good)		
TRADE RECEIVABLE		
Others	344816011	211739693
	<u>344816011</u>	<u>211739693</u>

**VIPPY INDUSTRIES LTD.***An ISO 9001:2008 Certified Company**40th Annual Report & Accounts 2013-14*

NOTE NO -12	AS AT 31.03.14	AS AT 31.03.13
CASH & CASH EQUIVALENTS	(₹)	(₹)
1) Balance with Bank		
a) Current account	18440526	1604261
b) Fixed Deposit account	938521538	411233407
2) Cash in hand	1504514	302785
	<u>958466578</u>	<u>413140452</u>

NOTE NO -13
SHORT TERM LOANS AND ADVANCES
(Unsecured considered good)
Recoverable in Cash or Kind for value to be received

Other Loans & Advances		
i) Prepaid Expenses	1243587	549208
ii) T D S deducted/ Advance tax	27993260	38486654
iii) Input Tax Rebate/vat credit	11244260	11003561
iv) Loans to employee	422449	789670
	<u>40903556</u>	<u>50829094</u>

NOTE NO -14 REVENUE FROM OPERATIONS

	PERIOD ENDED 31.03.14	PERIOD ENDED 31.03.13
SALES OF PRODUCTS		
Finished Products	9234954206	10957620096
Sale (NSEL)	264380250	0
Traded Goods	678022807	1299620703
	<u>10177357263</u>	<u>12257240799</u>
Less: Excise duty	6087892	4544010
	<u>10171269371</u>	<u>12252696789</u>
OTHER INCOME		
a) Interest on Term Deposits	63158503	42571717
b) Insurance claim	4869319	1814637
c) Miscellaneous Receipts	4712369	1162410
	<u>72740190</u>	<u>45548764</u>
Revenue from operations & other income	<u>10244009561</u>	<u>12298245553</u>

NOTE NO -15
COST OF MATERIAL CONSUMED

Raw Material Consumed:		
Opening Stock	252972585	287311146
Add : Purchases	8370898679	9830953611
	<u>8623871264</u>	<u>10118264757</u>
Less : Closing Stock	277383872	252972585
Cost of Material Consumed	<u>8346487392</u>	<u>9865292172</u>

NOTE NO -16
CHANGE IN INVENTORIES OF FINISHED GOODS

Opening Stock of Finished Goods & Stock in Process	122664743	181204698
Less: Closing Stock of Finished Goods & Stock in Process	193081645	122664743
	<u>(70416902)</u>	<u>58539955</u>

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NOTE NO -17	AS AT 31.03.14	AS AT 31.03.13
EMPLOYEES BENEFITS EXPENSES	(₹)	(₹)
(1) Salaries, Wages & Bonus	69198967	64339397
(2) Company's Contribution to Provident Fund & Others	7220671	6738900
(3) Welfare Expenses	1874635	1924977
(4) Employees Group Gratuity Fund	1124710	1577317
	<u>79418983</u>	<u>74580591</u>
NOTE NO -18		
FINANCIAL COSTS		
Interest Expenses	26999774	13312820
Bank Commission & Charges	2598352	2334228
	<u>29598126</u>	<u>15647049</u>
NOTE NO -19		
OTHER EXPENSES		
a)Manufacturing Expenses		
Stores & Spares Consumed	14769562	20020818
Power & Fuel charges	191948853	228616552
Repairs & Maintenance to P&M	5052009	10973649
Laboratory Expenses	544672	760775
Excise duty on closing stock	(2874172)	864168
Lease Rent	745	745
	<u>209441671</u>	<u>261236707</u>
b)Selling & Distribution expenses		
Selling & Distribution expenses	447161856	458880341
	<u>447161856</u>	<u>458880341</u>
c)Establishment Expenses		
Rates & Taxes	1922477	248551
Insurance	4550054	3554807
Repairs & Maintenance	6709095	8431989
Bad Debts	0	8834001
Nsel expenses	847700	0
Auditor's Remuneration	331840	328840
Advertisement & Publicity	136927	132360
Director Sitting Fees	30000	30000
Office Expenses	3600054	3257667
Miscellaneous Expenses	9298363	7842520
	<u>27426510</u>	<u>32660735</u>
TOTAL A+B+C	<u>684030037</u>	<u>752777783</u>

Miscellaneous Expenses: Miscellaneous and other expenses include ₹ 1247102 (₹ 655650) on account of travelling expenses of Directors, out of which expenses on Directors foreign travelling is ₹ 980056 (₹ 458612)

**Notes to the Financial Statements (for the year ended 31 March, 2014)****NOTE NO. 1: GENERAL INFORMATION**

Vippy Industries Limited is a manufacturer of De Oiled Cake (DOC) & Edible Refined oil from Soyabean seed through solvent extraction method.

The Company's manufacturing facilities are located at 28, Industrial Area, A.B. Road, Dewas, Madhya Pradesh.

NOTE NO. 2: SIGNIFICANT ACCOUNTING POLICIES**A BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting except for certain financial instruments which are measured at fair value and comply with the accounting standards refer to in sub-section (3C) of section 211 of the Companies Act, 1956 ("Act") which as per clarification issued by the Ministry of Corporate Affairs continue to apply under section 13 of the Companies Act, 2013 (which has superseded section 211 (3C) of the Companies Act, 1956 w.e.f. 12th September, 2013), other pronouncements of the Institute of Chartered Accountants of India ("ICAI") the provisions of the Companies Act, 2013 (to the extent notified and applicable) and the Companies Act, 1956 (to the extent applicable) and guidelines issued by the Securities & Exchange Board of India ("SEBI") to the extent applicable.

B FIXED ASSETS

Fixed assets are capitalized at cost including direct expenses related to installation and putting to use of the fixed assets upto March, 2014

Fixed assets are revalued at a suitable interval and resulting surplus / deficit is carried over as Revaluation Reserve as part of Reserves and Surplus.

Depreciation on Fixed assets is calculated on revalued figures and the charge pertaining to revalued component is adjusted against the Revaluation Reserve.

C REVENUE RECOGNITION

Sales of goods and services are recognized when risks and rewards of ownership are passed on to the customers which generally coincide with delivery and when the services are rendered. Sales is inclusive of Excise Duty, & Export incentives/Licenses.

D OTHER INCOME

Interest Income is accounted on accrual basis. Dividend Income is accounted for when the right to receive it established.

E FOREIGN CURRENCY TRANSACTIONS

- a) Transaction denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.
- b) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- c) Non monetary foreign currency items are carried at cost.
- d) Any income or expense on account of exchange difference either on settlement or on transaction is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

F Forward Booking Contracts

The Company in accordance with its risk managements polices and procedure enters into foreign currency forward contracts to manage its exposure in foreign exchange rates. These contracts are for a period from one day to one year. Such Forward Booking Contracts are accounted for in accordance with the Announcement issued by The Institute of Chartered Accountants of India, New Delhi regarding the "Accounting for Derivatives" and not as per the Accounting Standard 30 "Financial Instruments: Recognition and Measurement" issued by The Institute of Chartered Accountants of India, as the same has not been notified in Companies Accounting Standard Rules, 2006. In accordance with the said Announcement, keeping in view of the principle of prudence as enunciated in Accounting Standard (AS) 1, Disclosures of the Accounting Policies issued by the Institute of Chartered Accountants of India, and notified under the Companies Accounting



Standard Rules, 2006, the company is providing for the losses in respect of all outstanding derivative contracts at the balance sheet date by marking them to market. The net gains on such contracts at the balance sheet date are not accounted for in the books..

G INVESTMENTS

Investments are classified into current and Non current investments.

Current investments are stated at the lower of cost or fair market value.

Non current investments are stated at cost.

H INVENTORIES

Raw materials, coal & fuel and stores and spares are valued at the lower of cost and net realisable value; Cost being computed on weighted average basis.

Finished goods (ascertained on FIFO basis) and work in process valued at the lower of estimated cost and net realizable value (cost being a composition of direct material cost, direct labour cost and overheads necessary to bring the inventories to their present location and condition).

I BORROWING COSTS

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

J DEPRECIATION

Depreciation on fixed assets charged to Profit and Loss Account is calculated on:

- Straight line method basis at the rates specified in Schedule XIV of the Companies Act 1956, in respect of the respective asset.
- Straight Line method basis at revalued amount of fixed assets from the year following the year of revaluation.

K EMPLOYEE BENEFITS**GRATUITY**

The Company provides for gratuity, a defined benefit plan covering all eligible employees. The plan provides a lump sum payment to eligible employee at retirement or on termination of employment based on the salary of the respective employee and the years of employment with the Company.

The Company contributes to a gratuity fund maintained by Life Insurance Corporation of India. The amount of contribution is determined based upon actuarial valuations as at the year end. Such contributions are charged off to the Profit & Loss Account. Provision is made for the shortfall between the actuarial valuation carried out as at Balance Sheet date as per Project Unit Credit Method and the funded balance with the Life Insurance Corporation of India.

L 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. Contingent Assets are neither recognized nor disclosed in the financial statements.

M TAXES ON INCOME

Current tax is determined as the amount of tax payable in respect of taxable income for the period.

Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on the timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

N IMPAIRMENT OF ASSETS

An impairment loss is recognized in the profit & loss account whenever the carrying amount of an assets or a cash generating unit exceeds its recoverable amount. The recoverable amount is estimated as the higher of its net selling price and its value in use. The carrying amounts are reviewed at each balance sheet date to determine whether there is any impairment.

O EARNINGS PER SHARE

In accordance with the Accounting Standard 20 "Earnings per Share" issued by the Institute of Chartered



Accountants of India, basic earnings per share is computed using the weighted average number of shares outstanding during the year.

NOTES TO ACCOUNTS**20 Going Concern.**

The accumulated losses of the Company as at the close of accounting year ended December 31, 2000 exceeded the net worth of the Company, and the Company filed an application before the Hon'ble Board for Industrial and Financial Reconstruction (BIFR) as prescribed by the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). The Company was declared by the Hon'ble BIFR as a sick industrial company within the meaning of SICA, and the Hon'ble BIFR sanctioned the rehabilitation scheme of the Company vide order dated 04/10/2007 and the same is under implementation.

21. a) The Company filed various Writ Petitions (During November 2008 to September 2012) before the Hon'ble High Court of Madhya Pradesh (Indore Bench), under Article 226 of Constitution of India seeking direction to the Commercial Tax Department of M.P./State Govt. to comply and implement the relief and concessions in respect of Hi-Pro Eou Division as contained in the para 17E(iv) of the Rehabilitation scheme towards exemption from Commercial Tax, Central Sales Tax, Value Added Tax and Entry Tax and same are pending before Hon'ble High Court. The Hon'ble High Court vide its Order Dt. 08.08.2012 passed in WP No. 6665/2012 gave a direction to the State Government for taking appropriate decision in the matter at the earliest, on the basis of scheme sanctioned by the BIFR keeping in view the provisions contained in the SICA. In the same matter, the Hon'ble High Court passed another order on 22.08.2013 in WP No. 8705/2010 with direction to the State Govt. of Madhya Pradesh to take appropriate steps and decide the matter expeditiously. The matter is pending with State Govt. of Madhya Pradesh for their consideration.

b) The Company has filed two petitions before Hon'ble High Court of Madhya Pradesh (Indore Bench) against the order dated 12-12-2011 & 04.06.2012 passed by Deputy Commissioner, Sagar and Additional Commissioner, Indore in respect of VIL- Division for Year 2007-2008 and Year 2008-2009 respectively and seeking direction from Hon'ble High Court, for forbearing from imposing Entry Tax on the purchase of goods (oil seeds-soya bean seeds) covered by notification No.9 dated 01.04.2007 issued by State Govt. of M.P. which have been purchased by the Company after satisfying the conditions of the said notification and direct to the Commercial Tax Department to treat such purchases as exempted purchases not liable to Entry Tax. Presently pending before the Hon'ble High Court of Madhya Pradesh (Indore Bench).

22. The Company has filed the Writ Petition before Hon'ble High Court of Madhya Pradesh (Indore Bench), against the order dt. 16.01.2008 passed by State Appellate Forum, whereby an appeal filed by the Company against an order dt. 16.04.2001, passed by the State Level Committee after reconsidering the matter in respect of capacity with reference to deferment of sales tax regarding ex-parte amendment order passed by the Sales Tax Authority reassessing the production capacity of company's plant as on 31.03.1993 after direction given by Hon'ble High Court to State Level Committee to reconsider the entire matter and decide the same afresh after giving the Company an opportunity of being heard. After considering such writ petition the Hon'ble High Court has quashed the order dt. 16.01.2008 passed by the State Appellate Forum, and directed to State Appellate Forum for the revival of the appeal earlier filed by the Company and hear the same as fresh in accordance with law after giving the company an opportunity of personal hearing. The matter has been heard on 25.03.2010 by the State Appellate Forum and the said appeal has been rejected by State Appellate Forum vide its order dated 09.06.2010, company has filed the writ petition on 20.06.2011 before Hon'ble High Court of Madhya Pradesh (Indore Bench). The same is pending before Hon'ble High Court Indore.

23. The Company had contracted for purchase and sale of oil on National Spot Exchange Limited (NSEL) during the year 2013-14. Goods having sale value of ₹ 93614078 were stored in warehouse nominated by NSEL. As payments did not come in due time from NSEL, the Company filed criminal complaint in Economic Offences Wing (EOW), Mumbai. The Company has received part amounts aggregating to ₹ 5544181 from NSEL, and entire balance amount of ₹ 88069897 is now doubtful of recovery. The Company has written off the entire amount of ₹ 88069897 in year ended March 31, 2014, and has disclosed the same under the head "Exceptional item"

24 Deferred Income tax:

Deferred tax assets are ₹ 55276937 (₹ 52946393) arising mainly of Entry tax & purchase tax not allowable as expenditure under the Income tax Act 1961.



Deferred tax liability is ₹ 33891127 (₹ 31703630) arising on account of higher depreciation admissible as per Income tax Act Rules, 1962. Deferred tax assets being higher than deferred tax liabilities, net deferred tax assets are ₹ 21385810 (₹ 21242763)

The Company recognizes deferred tax assets to the extent of deferred tax liability, and following a conservative and prudent approach excess of deferred tax assets has not been given effect in the Balance Sheet.

- 25 In the opinion of the Board, the current assets, loan and advances have a value on realization in the ordinary course of business at least equal to the amount at which these are stated and provisions for all known liabilities are adequate and not in excess of the amount considered reasonable and necessary.
- 26 The Company's operation relates to manufacture of soya products, which are in the nature of joint products and by-products. Hence, the company has only one reportable Segment as per Accounting Standard-17.
- 27 **Contingent liabilities:**
Claims against the Company not acknowledge as debts.

	(March 31, 2014)	(March 31, 2013)
	₹	₹
Income tax matters in dispute/under appeal (E)	27107196	26705334

28 **FORWARD BOOKING CONTRACTS**

The Company in accordance with its risk managements polices and procedure enters into foreign currency forward contracts to manage its exposure in foreign exchange rates. These contracts are for a period from one day to one year.

The company has outstanding forward booking contracts at year end.

Foreign Currency

	(March 31, 2014)	(March 31, 2013)
U.S. DOLLAR/INR	4050604	10156627
EURO/US \$	350000	495000

The net gain on forward booking contracts on mark to market basis as on 31.03.2014 is ₹10242550 (₹ 13911359) and has not been recognized in the Statement of Profit & Loss.

29. **Delisting Offer of Shares**

Pursuant to BIFR Order dt. 19.12.2013 in terms of Regulation 3(2) of SEBI (Delisting of Equity Shares) Regulations, 2009, the Promoters of the Company has made a delisting offer to all the public shareholders of the Company with an opportunity to exit from the company membership by way of selling their shares to the promoters, which was closed on 20.03.2014. The Promoters has paid all consideration payable to shareholder who have tendered shares in offer and found valid till date.

The Company has made application for delisting of equity shares to BSE Ltd. (Bombay Stock Exchange Ltd.) pursuant to Hon'ble BIFR order dated December 19, 2013 and in terms of the structural procedure approved by Hon'ble BIFR.

30 **Related party disclosures:**

- a) Managerial Remuneration

Name	Description of Relationship	Nature of Transaction (₹)
Shri Rahul Mutha	Managing Director	Remuneration ₹ 4200000 Provident Fund ₹ 504000 Perquisites : ₹ 77665
Shri Praneet Mutha	Executive Director	Remuneration ₹ 3000000 Provident Fund ₹ 360000

Company's obtained two policies "BSLI VISION PLAN" from Birla Sunlife Insuranc Company Limited for whole time Director's of the company ₹ 500000/- each.

The directors, apart from above, have no other transaction, pecuniary or otherwise, or business relationship with the company.



31 Earning Per Share (EPS)	Current Year	Previous Year		
a) Net profit for the year (₹)	8,80,87,619	16,16,53,849		
b) Weighted average Number of Equity Shares	16,05,77,596	16,05,77,596		
c) Nominal value of per ordinary share (₹)	1/-	1/-		
d) Basic earning per share (₹)	0.55	1/-		
e) Diluted earning per share (₹)	0.55	1/-		
32 Figures and words in brackets pertain to previous year unless otherwise specified.				
33 Figures have been rounded off to the nearest rupee.				
34 Additional information required under paragraph 3 & 4 in part II of schedule VI of the Companies Act,1956				
a) Auditors remuneration	Current Year	Previous Year		
	₹	₹		
I) Audit fees (₹)	2,93,840	2,93,840		
ii) Cost audit fees (₹)	38,000	35,000		
b) Number of employees throughout the year who were in receipt of remuneration in aggregate to ₹ 60,00,000/- per annum or more.	Current Year	Previous Year		
	₹	₹		
i) Number of Employee	Nil	Nil		
ii) Salary & Others	Nil	Nil		
iii) Contribution to P.F.	Nil	Nil		
c) Number of employees employed for any part of the year whose remuneration was ₹ 500,000/- or more per month in aggregate.	Current Year	Previous Year		
	₹	₹		
i) Number of Employee	Nil	Nil		
ii) Salary & Others	Nil	Nil		
iii) Contribution to P.F.	Nil	Nil		
d) Particulars of installed capacity (in M.T.)	Current year	Previous Year		
i) Solvent Extraction Plant	412500	412500		
ii) Oil Refinery / Degumming	102500	102500		
e) Turnover, stock, production (in M.T.)	Solvent Extraction		Oil Refinery	
	Current Year	Previous Year	Current Year	Previous Year
Opening Stock	3785	6713	41	1081
Production/				
Purchase	231513	315488	39123	43359
Turnover	229117	318416	38598	44399
Closing Stock	6181	3785	566	41
f) Derivatives contracts entered into by the company and out standing as on 31st March.2014.				
For hedging commodity related risk:				
For hedging commodity related risk ;				
	31st March14		31st March13	
Soyabean seed	12800 MT		1000 MT	
Refined oil	2100 MT		0 MT	
Aforesaid derivative instrument acquired by the company for hedging purpose only.				

**VIPPY INDUSTRIES LTD.**

An ISO 9001:2008 Certified Company

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g) Consumption of Raw Material (in M.T.)				
		Indigenous		Imported
		Current	Previous	Current
		Year	Year	Year
i)	Solvent Extraction Plant	203715	260954	NIL
ii)	Oil Refinery/Degumming	44663	55634	NIL
h) Expenditure in Foreign Exchange				
		Current Year		Previous Year
		₹		₹
i)	On account of Capital Goods / Stores	793474		NIL
ii)	Travelling	392456		192285
iii)	Commission	2583297		1846595
iv)	Others	18620535		4045302
v)	Earnings in Foreign Exchange			
Export of Finished Products				
(Including earning foreign				
Exchange on FOB basis				
		298,81,25,202		288,39,49,753
vi) Managerial Remuneration to Directors				
		Current Year		Previous Year
		₹		₹
i)	Managing Director			
a)	Remuneration	4200000		2851667
b)	Contribution to Provident & Other funds	504000		342200
c)	Perquisites	77665		97170
ii)	Directors other than Managing Director			
a)	Remuneration	3000000		2400000
b)	Contribution to PF & other funds	360000		288000
iii)	Non- Executive Directors			
	Sitting Fees	30000		30000

As per our report of even date

For Sodani & CompanyChartered Accountants
(Regd. No. 000880C)

For And On Behalf of the Board of Directors

Rajesh Sodani
Partner
M.NO.F-77005**Joher Ali Zakir**
Asst. General Manager (Accounts)**Rahul Mutha**
Managing Director**Prakash Chakrawarti**
Sr. Manager (Legal) & Company Secretary**Praneet Mutha**
Executive DirectorPlace: Dewas
Dated:23.05.2014



VIPPY INDUSTRIES LTD.

CIN: L15142MP1973PLC001225

Regd. Office:28, Industrial Area, A.B. Road, Dewas-455001(M.P.), India

Email: admin@vippsyoya.com, website:www.vippsyoya.com

Phone: 07272-258545, 6 Fax: 07272-258552

PROXY FORM

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

Name of 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:-----

E-mail Id:-----, Signature:-----, or failing him

2. Name:-----,Address:-----

E-mail Id:-----, Signature:-----, or failing him

3. Name:-----,Address:-----

E-mail Id:-----, Signature:-----

as my/our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 40th Annual General Meeting of the company, to be held on the Tuesday,30th day of September at 9.30a.m. at registered office at 28, Industrial Area, A.B. Road, Dewas-455001(M.P.), India and at any adjournment thereof in respect of such resolutions are indicated overleaf:



VIPPY INDUSTRIES LTD.

CIN: L15142MP1973PLC001225

Regd. Office:28, Industrial Area, A.B. Road, Dewas-455001(M.P.), India

Email: admin@vippsyoya.com, website:www.vippsyoya.com

Phone: 07272-258545, 6 Fax: 07272-258552

ATTENDANCE SLIP

40th Annual General Meeting on Tuesday,30th September 2014, at 9.30 a.m.

At Registered Office:28, Industrial Area, A.B. Road, Dewas-455001(M.P.), India

Folio No.-----DP ID No.*-----Client ID No.*-----

Name of the Member-----Signature-----

Name of the Proxyholder-----Signature-----

*Applicable for members holding shares in electronic form.

1.Only Member/Proxy holder can attend the meeting

2.Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

Resolution No.	
Ordinary Business	
1. Adoption of Financial Statements for the year ended 31st March,2014	
2. Re-appointment of Shri Praneet Mutha, who retires by rotation	
3. Appointment of M/s. Sodani & Co., Chartered Accountants as Auditors and fixing their remuneration Special Business	
4. Appointment of Dr. K. Savagaon as Independent Director	
5. Appointment of Shri Sajeve Deora as Independent Director	
6. Appointment of Dr.Shailendra Karnawat as Independent Director	
7. Approval of remuneration of M/s Goyal & Co. cost accountants as cost auditors for the year ended 31.03.2015	
8. Approval under section 180(1) (c) of the Companies Act,2013 for borrowing money upto ₹200 Crores over and above the aggregate of the paid up share capital and free reserves of the Company.	
9. Approval of terms and appointment of Shri Praneet Mutha as Whole Time Director designated as Executive Director	
10.Approval of for payment of remuneration to Shri Rahul Mutha , Managing Director of the Company	
11.Approval under section 180(1) (a) of the Companies Act,2013 for mortgaging and /or charging on immovable and movable properties of the Company to secure borrowing money in favour of lenders/ trustees upto ₹200 Crores .	

Signed this -----day of-----2014

Signature of shareholder

Signature of Proxy holder(s)

Note : 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.

Affix Re.1/-
Revenue
Stamp



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BOOK - POST

To, _____

If undelivered, Please return to:
VIPPY INDUSTRIES LTD.
28, Industrial Area, A.B. Road,
Dewas 455 001 (M.P.) India.