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IMPORTANT COMMUNICATION TO MEMBERS

Sending notices and documents to shareholders

As a part of “Green Initiative” in Corporate Governance, and to facilitate e-voting system, the Ministry of Corporate Affairs has allowed sending communication to the shareholders through electronic mode. Accordingly, we propose to send documents like notices convening general meetings, Annual Reports, etc to the email addresses of the shareholders. For this purpose, shareholders holding shares in physical form are requested to register their email addresses and any changes therein from time to time with the Share Transfer Agents of the Company M/s. Venture Capital And Corporate Investments Pvt. Limited at their postal / email address given above. Please give the details in the attached format for registering your email ID. Those holding shares in demat form are requested to register their email IDs with their Depository Participants.

CIN: L15331KL1987PLC004833

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri. S K Gupta	:	Chairman & Managing Director
Smt. Swati Gupta	:	Deputy Managing Director
Shri. Janak Vasantlal Kikani	:	Independent Director
Shri. Ladhu Singh	:	Independent Director
Miss. Vanshika Agarwala	:	Independent Director

AUDITORS

M/s Vijayakumar & Easwaran Chartered Accountants Ernakulam

BANKERS

ICICI Bank
Indian Overseas Bank

REGISTERED OFFICE

“Door No: V/679-C
Industrial Development Area
Muppathadam P O, Edayar
Cochin – 683 110

SHARE TRANSFER AGENTS

M/s. Venture Capital and Corporate Investments Pvt Ltd.
(Category - 1, Registrars) 12-10-167,
Bharatnagar, Hyderabad - 500 018,
Tel: 040-23818475, Fax: 040-2386024,
E-mail: info@vccilindia.com

PLANT LOCATION

Edayar Unit	Trivandrum Unit
Industrial Development Area Muppathadam P.O., Edayar Cochin- 683 110	Industrial Development Area Plot No. 71, Kochuveli Trivandrum - 695 021

NOTICE is hereby given that the 29th Annual General Meeting of PRIMA AGRO LIMITED will be held at its Registered Office at "Door No: V/679-C, Industrial Development Area, Muppathadam P O, Edayar, Cochin – 683 110 on Monday, 22nd August, 2016 at 11.00 a.m. for transacting the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Annual Accounts of the Company for the year ended 31st March, 2016 together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Smt Swati Gupta(DIN00249036) who retires by rotation and being eligible offers herself for reappointment.
3. To appoint Auditors and to fix their remuneration.

The retiring Auditors, M/s Vijayakumar & Easwaran, Chartered Accountants, (Registration No.004703S) are eligible for re-appointment and have given a written certificate as per Section 141 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014 and to consider and, if thought fit, to pass, with or without modification, the following resolution as an ordinary resolution:

RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, the retiring Auditors, M/s Vijayakumar & Easwaran, Chartered Accountants, (Registration No.004703S) being eligible for reappointment, be and are hereby appointed as Statutory Auditors of the Company for the financial year ending 31st March, 2017, who shall hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on a remuneration to be fixed by the Board of Directors."

SPECIAL BUSINESS.

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

RESOLVED that pursuant to the provisions of Sections 149, 152, 162 and any other applicable provisions of the Companies Act, 2013 (the "Act") 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) read with Schedule IV to the Act, Sri Janak Vasantlal Kikani (DIN: 0007508312), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 28th April, 2016 in terms of Section 161(1) of the Act and in pursuance to Article 103 of the Articles of Association of the Company, and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company.

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

RESOLVED that pursuant to the provisions of Sections 149, 152, 162 and any other applicable provisions of the Companies Act, 2013 (the "Act") 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) read with Schedule IV to the Act, Ms. Vanshika Agarwala (DIN: 07510075), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 28th April, 2016 in terms of Section 161(1) of the Act and in

pursuance to Article 103 of the Articles of Association of the Company, and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company.

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

RESOLVED that pursuant to the provisions of Sections 149, 152, 162 and any other applicable provisions of the Companies Act, 2013 (the "Act") 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) read with Schedule IV to the Act, Sri Ladhu Singh (DIN:02320113), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 28th April, 2016, in terms of Section 161(1) of the Act and in pursuance to Article 103 of the Articles of Association of the Company, and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company.

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

RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013 and pursuant to Article 107 and any other applicable Article of the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the appointment of Mr.S.K. Gupta (DIN:01575160), as Chairman and Managing Director of the Company for a period of five years commencing from 30th May 2016 on the remuneration, terms and conditions as recommended by the nomination and remuneration committee and as set out in the explanatory statement annexed to the notice.

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr.S.K. Gupta (DIN:01575160) Chairman and Managing Director including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

RESOLVED FURTHER that any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

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

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013 and pursuant to Article 107 and any other applicable Article of the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the re-appointment of Smt. Swati Gupta (DIN:00249036) a director who is to retire by rotation and being eligible offers herself for reappointment, as a Whole time Director of the Company and designated as "Deputy Managing Director" for a period of five years commencing from 30th May

2016 on the remuneration, terms and conditions as recommended by the nomination and remuneration committee and as set out in the explanatory statement annexed to the notice.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Smt. Swati Gupta (DIN:00249036) Whole time Director including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

9.To approve the material related party transactions with Associate Companies.

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

RESOLVED FURTHER THAT pursuant to the provisions of revised Clause 49 of the Listing Agreement (effective from October 1, 2014), the members of the Company be and is hereby ratify the contracts/arrangements/transactions entered in to by the Board for the FY 2015-16 with the related parties and as decided by the Board of Directors in its meeting held on 30-10-2014.”

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

10.To Adopt new Articles of Association of the Comp any containing regulations in conformity with the Companies Act,2013.

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

RESOLVED THAT pursuant to the provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014(including any statutory modifications or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.”

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

By order of the Board
For Prima Agro Limited

Place : Ernakulam
Date : 30.5.2016

S.K.Gupta,
Chairman & MD

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself/herself. Such a proxy need not be a member of the company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
2. Proxies in order to be effective must be received by the Company at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company in respect of Equity Shares will remain closed from 17th August, 2016 to 22nd August, 2016 (both days inclusive), for the purpose of AGM.
4. Statement as required under Section 102 of the Companies Act, 2013, in respect of special business is annexed hereto.
5. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses email id, ECS mandate. In case you are holding Company's shares in physical form, please inform Company's STA M/s. Venture Capital and Corporate Investments Pvt Ltd. (Category - 1, Registrars) 12-10-167, Bharatnagar, Hyderabad - 500 018, Tel: 040-23818475, Fax: 040-2386024, E-mail: info@vccilindia.com by enclosing a photocopy of blank cancelled cheque of your bank account.
6. All communications in respect of share transfers and change in the address of the members may be communicated to the STA of the Company.
7. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the ShareTransfer Agent/Company.
8. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
9. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered office of the Company on all working days, between 11.00A.M. to 1.00 P.M. upto the date of the meeting.
10. Members/Proxies are requested to bring the attendance slip filled in for attending the Meeting.
11. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository

Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / STA.

13. Electronic copy of the Annual Report for 2015-16 which includes Notice of the 29th Annual General Meeting, Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015-16 is being sent in the permitted mode.

E-VOTING

The business as set out in the Notice may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate to its members to cast their votes electronically on all resolutions set forth in the Notice convening the 29th Annual General Meeting. The Company has engaged the services of M/s. NSDL and STA of the Company to provide the e-voting facility. The Members whose names appear in the Register of Members / List of Beneficial Owners as on 16th August, 2016 (cut-off date), are entitled to vote on the resolutions set forth in this Notice.

The e-voting period will commence on Tuesday, 19th August, 2016 (09:00 hrs) and will end on Sunday, 21st August, 2016 (18:00 hrs). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cutoff date may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Members will not be able to cast their votes electronically beyond the date & time mentioned above.

The Company has appointed Mr Bipin, Chartered Accountant to act as Scrutinizer to conduct and scrutinize the electronic voting process and pdl at the Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure & instructions on e-voting, given in a separate sheet, which forms part of this notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

Sri Janak Vasantlal Kikani was appointed as an Additional Director by the Board of Director w.e.f 28-4-2016 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article 103 of Article of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the Company proposing his candidature for appointment as an Independent Director of the Company in accordance with the provisions of Section 149, 152, 162 and all other applicable provisions of the Companies Act, 2013. The Board feels that presence of Sri Janak Vasantlal Kikani on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 2 for adoption.

Item No-5.

Ms. Vanshika Agarwala was appointed as an Additional Director by the Board of Director w.e.f 28-4-2016 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article 103 of Article of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the Company proposing his candidature for appointment as an Independent Director of the Company in accordance with the provisions of Section 149, 152, 162 and all other applicable provisions of the Companies Act, 2013. The Board feels that presence of Ms. Vanshika Agarwala on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 3 for adoption.

Item No-6.

Sri Ladhu Singh was appointed as an Additional Director by the Board of Director w.e.f 28-4-2016 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article 103 of Article of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the Company proposing his candidature for appointment as an Independent Director of the Company in accordance with the provisions of Section 149, 152, 162 and all other applicable provisions of the Companies Act, 2013. The Board feels that presence of Sri Ladhu Singh on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 4 for adoption.

Item No 7

Mr. Sanjay Gupta, the Managing Director of the Company has expired on 29-3-2016 at 8.05 am. His position is vacant and the Company needs to appoint a new Managing Director in his place. The Board recommended the name of Mr S.K.Gupta to be appointed as Chairman and Managing Director. The Nomination and Remuneration Committee and Audit Committee at their meetings held on 28-5-2016, also has recommended the appointment of Sri S K Gupta as the Chairman cum Managing Director of the Company for a period of 5 years with effect from 30th May 2016, at a remuneration of Rs.1,80,000/- per month and a sum not exceeding 1% of net profit of the Company with authority to increase the same annually as may be approved by Nomination and Remuneration Committee. Since his age is more than 70 years, his appointment is to be by a Special Resolution. The Board feels that the appointment of S.K. Gupta as CMD of the Company is desirable and would be beneficial to the company and hence recommend resolution No. 5 for adoption as a Special resolution.

Item No 8

The Board feels that a Deputy Managing Director may also be appointed in the Company and recommended the name of Mrs. Swati Gupta to be appointed as Deputy Managing Director. The Nomination and Remuneration Committee and Audit Committee at their meetings held on 28-5-2016, also has recommended the appointment of Mrs. Swati Gupta as the Deputy Managing Director of the Company for a period of 5 years with effect from 30th May 2016, at a remuneration of Rs.1,20,000/- per month and a sum not exceeding 1% of net profit of the Company with authority to increase the same annually as may be approved by Nomination and Remuneration Committee.

The Board feels that the appointment of S.K. Gupta as CMD of the Company is desirable and would be beneficial to the company and hence recommend resolution No. 7 for adoption as a Special resolution.

Item No. 9**Material related party transactions with Associate Companies.**

As per the provision of section 188(1) of the 2013 Act that govern the Related Party Transactions require a Company to obtain prior of shareholders by way of a Special Resolution. Further, third proviso to section 188 (3) also provide that any contract or arrangement entered in u/s 188(1) may be ratified by the Board or, as the case may be, by the shareholders. The company had entered in to some related party transactions for the financial year 2015-16 and therefore the above said resolution for prior approval and ratification are put up for approval of the share holders.

Item No.10

The Articles of Association ("AoA") of the Company as presently in force are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the present Companies Act, 2013. With the coming into force of the Companies Act, 2013, several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles. The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Companies Act, 2013 which sets out the model articles of association for a Company limited by shares. The proposed new draft AoA is available at the Corporate Office of the Company, for inspection by the shareholders.

Your Directors recommend the Resolution for your approval as Special Resolution.

By order of the Board
For Prima Agro Limited

S.K.Gupta,
Chairman & MD

Place : Ernakulam
Date : 30.5.2016

DIRECTORS' REPORT

To

The Members of Prima Agro Limited

Your Directors have pleasure in presenting the 29th Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March 2016.

Introduction

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). According to the Economic Survey 2015-16, the Indian economy will continue to grow more than 7 per cent in 2016-17. The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices. Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy. This initiative is expected to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. Currently, the manufacturing sector in India contributes over 15 per cent of the GDP. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP. Furthermore, initiatives like Make in India and Digital India will play a vital role in driving the Indian economy.

1. Financial Highlights (Standalone)

Particulars	(Rupees in Lakhs)	
	For the Year Ended 31-3-2016	For the Year Ended 31-3-2015
Net Sales /Income from Business Operations	- 1146.94	1114.11
Other Income	- 3.27	4.04
Total Income	- 1150.21	1118.15
Less Interest	- 4.13	5.50
Profit before Depreciation	- 191.45	128.34
Less Depreciation	-	-
Profit after depreciation and Interest	- 103.06	96.69
Less Current Income Tax	- 55.00	35.00
Less Previous year adjustment of Income Tax	- 0.00	25.60
Less Deferred Tax	- (15.62)	1.17
Net Profit after Tax	- 63.68	34.92
Dividend (including Interim if any and final)	0.00	0.00
Net Profit after dividend and Tax	- 63.68	34.92
Amount transferred to General Reserve	- 0.00	0.00
Balance carried to Balance Sheet	- 63.68	34.92
Earning per share (Basic)	- 1.23	0.67
Earning per Share(Diluted)	- 1.23	0.67

2. State of Company's Affairs and Future Outlook.

During the reporting year Mr Sanjay Gupta, the Managing Director of your Company died due to illness on 29-3-2016. Your Board placed on record the valuable services rendered by Sri. Sanjay Gupta during his tenure as Managing Director of the Company and expresses its deep sense of appreciation and gratitude for the same.

Mr S.K. Gupta , was appointed as Chairman and Managing Director of the Company and under his leadership your Company is going forward and trying to make good the gap caused by the death of Mr Sanjay Gupta.

During the reporting period, the two Animal Feed manufacturing plants situated at Kochuveli, Thiruvananthapuram and Edayar, Ernakulam performed well and was able to produce about 120000 MT Animal Feed for KSE LTD. As planned your Company had installed a 100MT weighbridge at its site at Edayar with a Capital Expenditure of Rs.35 Lacs and the same was operative in the month of Sept, 2015. This increased the material handling facility.

Your Company is planning to construct additional godown facility of about 6000 SQFT during the next Financial year. It also has planned to erect one jumbo Pellet Mill to increase the production capacity at Edayar Plant.

3. Change in the Nature of Business.

There is no material changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

4.Dividend

With a view to conserve the resources of the Company the Directors are not recommending any dividend for the year under review.

5. Amounts Transferred to Reserves.

The Board of Directors of the Company decided to carry forward and set off the current year profit against Negative Reserves & Surplus in the Balance sheet of the Company.

6. Changes in Share Capital

There were no changes in the share Capital during the year. Also report that:

- a. The Company has not bought back any of its securities during the year under review.
- b. The Company has not issued any Sweat Equity Shares during the year under review.
- c. No Bonus Shares were issued during the year under review.
- d. The Company has not provided any STOCK OPTION Scheme to the employees.
- e. The Company has not issued any Equity shares with Differential Rights.

7. Extract of Annual Return

The extract of the Annual Return as provided undersub-section (3) of Section 92 in Form MGT 9, for the Financial Year 2015-16 has been enclosed with this report.

8.Board Meetings

During the Financial year 2015-16 4 (four) times meetings of the Board of Directors of the Company were held. The detail of the Board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

9. Particulars of Loan, Guarantees and Investments under section 186 of the Companies Act, 2013.

Your company has not given directly or indirectly any loan to any person or other body corporate or has given any guarantee or provide security in connection with a loan to any other body corporate or person; and has not acquired by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or onehundred per cent. of its free reserves and securities premium account, whichever is more during the financial year 2015-16.

10. Particulars of Contracts or Arrangement with Related Parties under section 188(1) of the Companies Act, 2013.

The Related Party Transactions that were entered during the financial year under review were in the ordinary course of business. There were no materially significant Related Party Transactions entered into by the Company during the year under review other than reported in the accounts.

11.Explanation to Auditor's Remarks.

The comments/observations of Auditors are explained in the Notes to the Accounts, forming part of the Balance Sheet as at 31st March, 2016 which are self explanatory and, therefore; do not call for any further comment under Section 134(5) of the Companies Act, 2013.

Your Auditors had submitted an Audit Report for the Financial Year 2015-16 with some remark on related Party transactions that during the year an amount of Rs,14,00,254/- was paid to various related parties not in the ordinary course of business.

It is clarified by the Board that out of the above, Rs.57177/- was paid to four Associate Companies to meet their ROC filing expenses and the same was remitted back by these companies to your company during May,2016 itself ieprior to this report date. An amount of Rs 13,43,077/- was advanced to Mr Sanjay Gupta, Managing Director for his medical treatment.

Unfortunately he died on 29-3-2016. This amount will be adjusted against his death benefits due to him from the Company.

12. Material Changes Affecting the Financial Position of the Company.

During the reporting year there were no material changes or events occurred affecting the financial position of the Company.

13.Conservation of energy, technology absorption, foreign exchange earnings and outgo

The information of Conservation of Energy as required under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is not applicable to the business segments which your Company operates.

During the year, your Company has not earned any Foreign Exchange but the outgoings in Foreign Exchange was 100010 Dollars for medical treatment abroad.

14. Details of Subsidiary, Joint Venture or Associates

Your Company has no subsidiaries, joint ventures or associate companies.

15. Development and implementation of a risk management policy

The Board of Directors has adopted a Risk Management Policy which sets out the framework for the management of risks faced by the Company inthe conduct of its business to ensure that all business risks are identified, managed and monitored.

16. Details of Directors and Key Managerial Personnel

- (i) During the reporting year Mr Sanjay Gupta , the Managing Director of the Company died on 29-3-2016.
- (ii) Mr Rajyavardhan Agarwala had resigned from the Board of Directors of the Company w.e.f. 28.04.2016.
- (iii) Mr Janak Vasantlal Kikani, Mr Ladhu Singh and Miss Vanshika Agarwala were appointed as additional Directors of the Company. Their term of office is ending at the forthcoming Annual General Meeting of the company, who are being eligible, offered themselves for re-appointment and the same is being proposed in the forthcoming Annual General Meeting of the Company. All these are Independent Directors.
- (iv) Mrs. Swati Gupta (DIN: 00249036) was appointed as Deputy Managing Director (Whole Time Director). Resolution for her appointment as Deputy Managing Director was recommended by the Board in its Meeting held on 30-5-2016 and proposed in the ensuing Annual General Meeting may be considered in this regard.
- (v) Mr. S.K. Gupta (DIN: 01575160), Director was re-designated and appointed as Chairman and Managing Director of the Company w.e.f 30-5-2016. Resolution for his appointment as Chairman & Managing Director was recommended by the Board in its Meeting held on 30-5-2016 and proposed in the ensuing Annual General Meeting may be considered in this regard.
- (vi) During the reporting year Mrs. Swati Gupta (DIN: 00249036), Director is retiring by rotation and who being eligible, offered herself for re-appointment and the same is being proposed in the forthcoming Annual General meeting.

17. Details of significant & material orders passed by the regulators or courts or tribunal

No orders were passed by the authorities which impacts the going concern status and company's operations in future.

18. Statement in Respect of Adequacy of Internal Financial Control with Reference to the Financial Statements.

Your Company is having adequate internal financial controls with reference to the Financial Statements. There was no Internal Auditor as there is having adequate internal financial controls. The statutory auditors also suggested appointment of Internal Auditor to comply with the Listing Norms. Your Company is considering appointing one Internal Auditor.

19. Deposits

The Company has not invited any deposit from public and shareholders in accordance with the provisions of Section 73 and 74 of the Companies Act, 2013.

20. Receipt of any commission by MD / WTD from a Company or for receipt of commission / remuneration from it Holding or subsidiary

Your CMD , or Whole time Director is not in receipt any commission from any Holding or Subsidiary Company of your Company other than remuneration from your Company.

21. Declaration by Independent Director

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence as laid out in sub section (6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

21. Re-appointment of Independent Auditor

Your board is proposed to change the present Statutory Auditors of the Company after expiry of one term of 5 years.

22. Secretarial Audit Report

Your Board had appointed Mr. CS N Balasubramanian, Partner, M/s. BVR Associates, Company Secretaries (ACS/FCS No.F6439, CP. No.4996) to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2015-16. The report of the Secretarial Auditor is annexed to this report as Annexure I

23. Corporate Social Responsibility (CSR) Policy

As per the Companies Act, 2013, companies having net worth of 500 crore or more, or turnover of 1000 crore or more or net profit of 5 crore or more during any financial year are required to constitute a Corporate Social Responsibility (CSR) Committee of the Board of Directors comprising three or more directors, at least one of whom should be an independent director and such company shall spend at least 2% of the average net profits of the company's three immediately preceding financial years.

Any of the above criteria become applicable to your company for the reporting year.

24. Audit Committee

During the Year your Company had reconstituted its Audit Committee with the following independent directors as members.

Shri Janak Vasantlal Kikani -	Chairman
Shri Ladhu Singh -	Member
Miss Vanshika Agarwala -	Member

25. Statement Indicating the Manner in which Formal Annual Evaluation has been made by the Board of its own Performance, its Directors, and that of its Committees.

The overall effectiveness of the Board shall be measured on the basis of the ratings obtained by each Director and accordingly the Board shall decide the Appointments, Re-appointments and Removal of the non-performing Directors of the Company. The Board review the various strategies of the Company and accordingly set the performance objectives for directors, consistent with the varying nature and requirements of Company's business. The Board as a whole shall discuss and analyze its own performance during the year together with suggestions for improvement thereon, pursuant to the performance objectives.

26. Selection of new directors and board membership criteria

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, qualification, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience. As per the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee has formulated a "Policy on Remuneration of Director, Key Managerial Personnel, Personal & Senior Employees".

27. Familiarization programme for independent directors

The Company proactively keep its Independent Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the Industry.

28. Listing Agreement Compliance

Your company has complied with the requirements of the Listing Agreement and necessary disclosures have been made in this regard in the Corporate Governance Report.

A certificate from the statutory auditors of the Company confirming the compliance of conditions of corporate governance under clause 49 of the Listing Agreement is also attached to this report.

29. Disclosure on Establishment of a Vigil Mechanism

In terms of the provisions of Sec 177(9) & (10) of the Companies Act, 2013 and pursuant to the provisions of Clause 49 of the Listing Agreement, a Vigil Mechanism for Stakeholders, Employees and Directors of the Company has been established by the Company.

30. Corporate Governance

Your company obtained a certificate from Practicing Company Secretary regarding compliance with Clause 49 of the Listing Agreement and is annexed the certificate with this Board's Report.

This certificate will also be sent to the Stock Exchanges, where the shares of the Company are listed, along with the annual report to be filed by the company.

Declaration by CEO/CFO that the Board Members and Senior Management Personnel have complied with the Code of Conduct, [Clause 49 II E (2) of LA] as annexed is also forming part of this report.

31. Managerial Remuneration

Your Company does not have any employee in respect of whom information required pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. None of the employees employed throughout the financial year and in receipt of remuneration of Rs.60 lacs or more, employees employed for part of the year and in receipt of 5 lac or more per month, pursuant to Rule 5(2) The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 .

32. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Your Company believes in providing a safe and harassment free workplace for every individual working in the company premises through various interventions and practices. The Company endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. In this light, the company has framed a well defined policy on Prevention of Sexual Harassment for an employee.

There were no cases reported in the history of your company till date.

33. Fraud Reporting (Required by Companies Amendment Bill, 2014)

There were no cases of fraud reported to the Audit Committee / Board in the company till date.

34. Statutory Auditors

M/s Vijayakumar & Easwaran, Chartered Accountants, Cochin will retire at the forthcoming Annual General Meeting of the Company and are eligible for re-appointment and also indicated their willingness to be reappointed. Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

35. Cost Auditors.

Your Company does not qualify for the eligibility norms of Companies (Cost Records and audit) Rules, 2014 regarding appointment of Cost Auditor for conducting cost audit. Accordingly, Cost Audit was not conducted for the Financial Year 2015-16. However, the company is maintaining adequate cost records as stated under the said rules.

36. Management Discussion and Analysis Report

As required under Clause 49 of the Listing Agreement with Stock Exchanges, the Management Discussion and Analysis Report is enclosed as a part of this report .

37. Director's Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2016 the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had 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 as at 31st March, 2016 and of the profit /loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- f) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

ACKNOWLEDGEMENT

The Directors express their gratitude towards the Banks and various other agencies for the co-operation extended to the company. The Directors also take this opportunity to thank the shareholders for the confidence reposed by them in the company.

The employees of the company contributed significantly in achieving the results. The Directors take this opportunity to thank them and hope that they will maintain their commitment towards excellence in the years to come.

For and on behalf of the Board

Place: Cochin
Date: 30-5-2016

Sd/-
S.K. Gupta
Chairman & Managing Director

Annexure to the Directors' Report

A. CONSERVATION OF ENERGY

The Company continues its efforts to improve methods for energy conservation and utilization by

- (1) More usage of electricity purchased from KSEB.
- (2) Improved efficiency of own generation by usage of diesel generator only for emergencies and as stand by.
- (3) Intensified vigil on wastage/leakage control.

B. CONSUMPTION PER UNIT OF PRODUCTION

The company manufactures only Animal Feed and power and fuel consumption per unit of production was as follows.

Particulars	For the Year 2015-16	For the Year 2014-15
Actual Production	119674.04 MTs	117533.28 MTs
Total Power and Fuel Charges	Rs.30154734.00	Rs.29919160.00
Consumption Per MT	Rs.251.97	Rs.254.56

C. TECHNOLOGY ABSORPTION

Disclosure of particulars with respect to technology absorption:-

RESEARCH & DEVELOPMENT

1. SPECIFIC AREAS IN WHICH R&D CARRIED OUT BY THE COMPANY.

- a) Quality Up gradation
- b) Productivity enhancement
- c) Quality Control Management

2. BENEFITS DERIVED AS A RESULT OF THE ABOVE R&D

- a) Increase in production and capacity utilization.
- b) Repeat order from customers due to consistency in quality.

3. FUTURE PLAN OF ACTION

- a) Cost-efficiency in manufacturing operations through better methods and techniques of production.
- b) Increasing range of production.
- c) Development of new markets.

4. EXPENDITURE IN R&D

Specific expenditure of recurring or capital nature is not involved.
Technology absorption, adoption and innovation

EFFORTS

Development of products of International Quality and Standards and implementation of total Quality Assurance System.

BENEFITS

- a) Quality of products improved.
- b) Scoring high points in evaluation by reputed buyers.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

2015-16	-	Nil
2014-15	-	Nil

Expenditure

2015-16	-	100010 USD
2014-15	-	Nil

For and on behalf of the Board of Directors

Sd/-
S.K. Gupta
Chairman & Managing Director

1. Global Economy

The global economy is still under stress for gaining momentum as many high-income countries continue to grapple with the past impacts of the global financial crisis. Emerging economies continue to remain as less vibrant than in the past. After rising slightly in 2014, to 2.6 percent, world GDP will grow by an estimated 3.0 percent in 2015 and 3.3 percent in 2016, supported by gradual recovery in high-income countries, low oil prices, and receding domestic headwinds in developing countries.

Developing economies are projected to see a raise in growth from 4.4 percent in 2014 to 4.8 percent and 5.3 percent in 2015 and 2016 respectively.

2. Indian Economy

After years of diminutive growth the reform momentum has picked up in India. Inflation has declined by over 6 percentage points since late 2013, and the current account deficit has shrunk from a peak of 6.7 percent of GDP (in Q3, 2012-13) to an estimated 1.0 percent in the coming fiscal year. Going ahead it is widely expected that a further momentum to growth will be provided by declining oil prices and increasing monetary easing facilitated by ongoing moderation in inflation. Simulating the effects of tax cuts, declining oil prices will add spending power to households, thereby boosting consumption and growth. Oil is also a significant input in production and declining prices will shore up profit margins and hence balance sheets of the corporate sector.

3. Animal Feed Industry in Kerala.

Consumption of cattle feed has increased in the State due to Operation Flood. About 70 per cent of cow, in-milk and pregnant were fed by compound cattle feed at an average rate of 1.02 Kg every day. As per study the per day consumption has increased to 3.11 per day which means per day consumption has increased by 2.095 Kg. The composition of cattle population also has improved according in Operation Flood. Again, according to the survey only 8 per cent of farmers are not using cattle feed at present. Previously it was 16 per cent. This shows more farmers who were not using cattle feed before have started to use cattle feed. This is due to awareness created among the farmers.

Formation of a large number of primary dairy co-operative societies provided marketing units to dairy farmers, so that the farmers find no difficulty in selling their milk and milk products. Farmers are given cattle feed on credit basis through these societies, and at a reduced rate to the young ones of cattle through different schemes of Animal Husbandry Department to improve milk production, and this increases the demand for cattle feed.

All this leads to the conclusion that there will be sufficient increase in demand for cattle feed, and the manufacturing units have a bright future. Even new units can enter, or are welcome to this industry, without affecting the profit of the present units, if certain problems of the industry are solved.

4. Outlook

The demand for cattle feed is depending on quality and price and not on the availability of green fodder and concentrate, and is independent of rural area or urban area, as per the demand projects, a bright future is awaiting the cattle feed industry.

The company is taking all efforts to improve the quality and productivity to get more orders at competitive rates. The expansion program by improving efficiency by installation of new and high tech machinery will push volume growth. The company's business is committed to achieve world benchmark quality besides expanding on new product offering from new clients. Further the business will continue to focus on improving its cost competitive position. These measures will ensure the company attaining its leadership position in the world market. Due to the own processing plant the company is able to quote better rates and maintain safety of products high quality & productivity in the finished goods manufactured. Barring unforeseen circumstances the company is confident of achieving better results in the current year.

8. Internal Control Systems and their Adequacy

The Company has a proper and adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorised, recorded and reported correctly. The internal control is exercised through documented policies, guidelines and procedures. This is periodically reviewed by the audit committee to ensure effectiveness of the internal control system. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of persons.

5. Financial and operational performance

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles in India. Please refer Directors' Report in this respect

6. Human Resources/Industrial Relations

The Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity: to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel. The Company is giving direct employment to about 200 employees. Industrial relations are cordial and satisfactory.

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2016

**Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2015.**

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L1533KL1987PLC004833
2	Registration Date	20.07.1987
3	Name of the Company	PRIMA AGRO LTD
4	Category/Sub-category of the Company	Public Company Limited by shares
5	Address of the Registered office & contact details	Door No.V/679-C, Industrial Development Area, Muppathadam .P.O., Edayar, Cochin-683110 Ph:0484-2551533/2551534. Email:primaedayar@gmail.com
6	Whether listed company	Listed in Bombay Stock Exchange
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Venture Capital and Corporate Investments Pvt Ltd. (Category - 1, Registrars) 12-10-167, Bharatnagar, Hyderabad - 500 018, Tel: 040-23818475, Fax: 040-2386024, E-mail: info@vccilindia.com.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Cattle Feed	NIC CODE:2171	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Ayyappa Real Estate (P) Ltd	U70101KL1983PTC015625	Associate	5.28	2 (6)
2	Ayyappa Roller Flour Mills Ltd	U15311KL1988PLC005047	Associate	5.72	2 (6)
3	PAPAL Exim Indi	U65923KL1993PLC007502	Associate	3.01	2 (6)
4	Prima Alloys Pvt. Ltd	U27106KL1983PTC015624	Associate	3.08	2 (6)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	812800	855300	855300	16.46%	812800	855300	855300	16.46%	0.00%
b) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Bodies Corp.	297200	887900	887900	17.09%	297200	887900	887900	17.09%	0.00%
e) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Any other	0	0	0	0.00%	0	0	0	0.00%	0.00%
Sub Total (A) (1)	1110000	1743200	1743200	33.56%	1110000	1743200	1743200	33.56%	0.00%
(2) Foreign									
a) NRI Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Other Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies Corp.	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Any other	0	0	0	0.00%	0	0	0	0.00%	0.00%
Sub Total (A) (2)	0	0	0	0.00%	0	0	0	0.00%	0.00%
TOTAL (A)	1110000	1743200	1743200	0.00%	1110000	1743200	1743200	33.56%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
	0	0	0		0	0	0		
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%
g) FIIs	0	0	0	0.00%	0	0	0	0.00%	0.00%
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
	0	0	0		0	0	0		
i) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
Sub-total (B)(1):-	0	0	0	0.00%	0	0	0	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.	59411	93711	93711	1.80%	57553	82853	82853	1.59%	0.00%
i) Indian	0	0	0	0.00%	0	0	0	0.00%	0.00%
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Individuals	0	0	0		0	0	0		
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	314810	3077910	-	59.25%	488717	3195517	3195517	0.00%	0.00%

i) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	112387	266787	266787	5.14%	86732	167932	167932	3.23%	0.00%
c) Others (specify)									
Non Resident Indians	518	518	518	0.01%	518	518	518 -	0.01%	0.00%
Overseas Corporate Bodies	0	0	0	0.00%	0	0	0	0.00%	0.00%
Foreign Nationals	0	0	0	0.00%	0	0	-	0.00%	0.00%
Clearing Members	12774	12774	12774	0.25%	4880	4880	-	0.09%	0.00%
Trusts			-	0.00%	0	0	0	0.00%	0.00%
Foreign Bodies - D R			-	0.00%	0	0	0	0.00%	0.00%
Sub-total (B)(2):-	499900	3451700	3451700	66.44%	0	0	0	0.00%	0.00%
Total Public (B)	0	0	0	0.00%	0	0	0	0.00%	0.00%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00%	0	0	0	0.00%	0.00%
Grand Total (A+B+C)	1609900	5194900	5194900	100.00	1748400	5194900	5194900	100.00%	0.00%

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	SARITA JINDAL	25000	0.48	0.00%	25000	0.48	0.00%	0.00%
2	R K AGARWAL	17500	0.34	0.00%	17500	0.34	0.00%	0.00%
3	AYYAPPA REAL ESTATES (P) LTD	274300	5.28	0.00%	274300	5.28	0.00%	0.00%
4	PRIMA CREDITS LTD	156400	3.01	0.00%	156400	3.01	0.00%	0.00%
5	PRIMA ALLOYS PVT LTD	160000	3.08	0.00%	160000	3.08	0.00%	0.00%
6	AYYAPPA ROLLER FLOUR MILLS LTD	297200	5.72	0.00%	297200	5.72	0.00%	0.00%
7	SAJJAN KUMAR GUPTA	183000	3.52	0.00%	183000	3.52	0.00%	0.00%
8	SANJAY GUPTA	391600	7.54	0.00%	391600	7.54	0.00%	0.00%
9	DIMPLE AGARWALA	25000	0.48	0.00%	25000	0.48	0.00%	0.00%
10	SWATI GUPTA	1300	0.03	0.00%	1300	0.03	0.00%	0.00%
11	SUSHILA GUPTA	211900	4.08	0.00%	211900	4.08	0.00%	0.00%
	Total	1743200	34	100.00	1743200	34	100.00	0.00%

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			THERE IS NO CHANGE			
	Changes during the year						
	At the end of the year						

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
1	PANKAJ V KARANI			60500	1.16%	60500	1.16%
2	RAJBANS MATHUR			43200	0.83%	43200	0.83%
3	SANJEEV JAIN		Transfer	17000	3.3%	22000	0.42
4	KARAN SUNDEEP KARNA POONAM SUNDEEP KARNA			19122	0.37	21532	0.41
5	ABHIPRA CAPITAL LTD			21300	0.41	21300	0.41
6	GAUTAM BAJORIA			20700	0.4	20700	0.4
7	SOURISH CHAKRABORTY		Transfer		0.00%	18000	0.35
8	SHRI PARASRAM HOLDINGS PVT.LTD			17100	0.33	17100	0.33
9	SUNDEEP ARJUN KARNA		Transfer			16092	0.31
10	DALCHAND GUPTA			15000	0.29	15000	0.29

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Sanjay Gupta						
	At the beginning of the year			391600	7.54%	391600	7.54%
	Changes during the year			Nil	0.00%	Nil	0.00%
	At the end of the year			391600	7.54%	391600	7.54%
2	S.K.GUPTA						
	At the beginning of the year			183000	3.52%	183000	3.52%
	Changes during the year			Nil	0.00%	Nil	0.00%
	At the end of the year			183000	3.52%	183000	3.52%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	6.95	20.87	0	27.83 -
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	31.84	0.44		32.28 -
* Reduction				-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	38.79	21.31	0	60.11 -
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs/Lac)
		Name	S.K.Gupta	
		Sanjay Gupta (Died On 29-3-2016)	S.K.Gupta	
		Designation	Chairman	
1	Gross salary	11.475	11.475	22.95
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of profit	0	0	0
	- others, specify	0	0	0
5	Others, please specify(Death Benefit)	23.27	0	23.27
	Total (A)	-	-	-
	Ceiling as per the Act			

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
					(Rs/Lac)
1	Independent Directors	0	0	0	0
	Fee for attending board committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (1)	0	0	0	0
2	Other Non-Executive Directors	0	0	0	0
	Fee for attending board committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (2)	0	0	0	0
	Total (B)=(1+2)	0	0	0	0
	Total Managerial Remuneration	0	0	0	0
	Overall Ceiling as per the Act	0	0	0	0

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
		Name			(Rs/Lac)
		CEO	CFO	V.R.Sadasivan Pillai	
		Designation		CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			8.74	8.74
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	- as % of profit	0	0	0	0
	- others, specify	0	0	0	0
5	Others, please specify	0	0	0	0
	Total	0	0	8.74	8.74

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:						
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)	
A. COMPANY						
Penalty		NIL	NIL	NIL	NIL	
Punishment		NIL	NIL	NIL	NIL	
Compounding		NIL	NIL	NIL	NIL	
B. DIRECTORS						
Penalty		NIL	NIL	NIL	NIL	
Punishment		NIL	NIL	NIL	NIL	
Compounding		NIL	NIL	NIL	NIL	
C. OTHER OFFICERS IN DEFAULT						
Penalty		NIL	NIL	NIL	NIL	
Punishment		NIL	NIL	NIL	NIL	
Compounding		NIL	NIL	NIL	NIL	

Overview Management Reviews Management Reports Financial Statements

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The company aims at not only its own growth but also maximization of benefits to the shareholders, employees, customers, government and also the general public at large. For this purpose the company continuously strives to improve its level of overall efficiency through good corporate governance, which envisages transparency, professionalism and accountability in all its operations. We, Prima Agro Limited, are committed to good corporate governance and its adherence to the best practices of true spirits at all times. Our Corporate Governance philosophy rests on five basic tenets viz., Board's accountability, value creation, strategic guidance, transparency and equitable treatment to all stakeholders.

(A) BOARD OF DIRECTORS

Composition of the Board and category of Directors

As on 31st March, 2016, the Company's Board consists of Five Directors having considerable professional experience in their respective fields. Out of them, three are Independent Directors and two are Non-Executive Directors including one Woman Director and the Chairman and Managing Director of the Company. The Composition of the Board is in Conformity with clause 49 of Listing Agreements with Stock Exchanges and as per Companies Act, 2013 which is effective as on 31st March, 2016.

(B) Role of Board of Directors

Your Company's Board of Directors plays primary role in ensuring good governance, smooth functioning of the Company and in the creating of shareholder value. The Board's role, functions, responsibility and accountability are clearly defined. As part of its function, your Board periodically

reviews all the relevant information which is required to be placed before it pursuant to Clause 49 of the Listing Agreement and in particular reviews and approves corporate strategies, business plans, annual budgets, projects and capital expenditure. Your Board not only monitors the Company's overall corporate performance it also set standards of corporate behavior, ensures transparency in corporate dealing and compliance with the laws and regulations.

Agenda of the Board Meeting and Notes on Agenda are circulated to the Directors as far as possible well in advance of each Board Meeting. At the Board meeting elaborate presentations are made to the Board. The members discuss each agenda item freely in detail. 6 Numbers of Board Meetings were held on 15.05.2015, 02.7.2015, 31.07.2015, 07.08.2015, 30.10.2015 & 30.01.2016 during the year.

OTHER COMMITTEES AT BOARD LEVEL

(A) Independent Audit Committee

The Audit Committee at the Board level of your Company acts as a link between the Independent Auditors, the Management and the Board of Directors. The Audit committee interacts with the Independent Auditors, Secretarial Auditors and Cost Auditors and reviews and recommends their appointment and remuneration. The Audit Committee is provided with all necessary assistance and information for enabling them to carry out its function effectively.

In general the Audit Committee reviews the Audit and internal control procedures, accounting policies and the Company's financial reporting process and ensure that the financial statements are correct, sufficient and credible and exercises the powers as recommended from time to time by SEBI, Stock Exchanges and/or under the Companies Act, 2013. Further your Audit Committee also reviews the following information mandatorily :

1. Management discussion and analysis of financial conditions and results of operations;
2. Statement of significant related party transactions submitted by the management;
3. Management letters/letters of internal control weaknesses if any issued by the statutory auditors;
4. Internal Audit report relating to internal control weaknesses, if any and implementation of action points arising there from and
5. The appointment, removal and terms of remuneration of the Internal Auditors
6. Quaterly and annual financial statements and
7. Risk assessment and minimization procedures

The Audit Committee comprises of Mr.Janak Vasantlal Kikani, Mr Ladhu Singh and Miss Vanshika Agarwala. All are independent Directors of the Company and are financially literate and having accounting and related Administrative and Financial Management Expertise. Mr. V R Sadasivan Pillai ,Company Secretary acts as the Secretary to the Audit Committee. The Chairman of the Audit Committee is Mr.Janak Vasantlal Kikani .

During the year under review the Audit Committee met 5 times on 13.05.15, 30.06.15, 29.07.15, 28.10.15 and 28.01.2016 to deliberate on various matters.

(B) Stakeholders Relationship Committee

In compliance with the provisions of Listing agreement and Section 178 of Companies Act, 2013, your company re-constituted this committee as “Stakeholders Relationship Committee”. This committee of the Board of your Company looks into various issues relating to shareholders/ investors including transfer and transmission of shares held by shareholders in physical format as well as in demat form and tracks investor complaints and suggest measures for improvement from time to time.

The Committee comprises of Mr. Janak Vasantlal Kikani, Mr Ladhu Singh and Miss Vanshika Agarwala as members. During the year under review the committee met on 15 times 11.4.15, 04.05.15, 22.05.15, 06.06.15, 19.06.15, 29.06.15, 31.07.15, 17.08.15, 01.09.15, 12.10.15, 13.11.15, 23.11.15, 08.12.15, 11.01.16 and 10.02.16 to deal with various matters referred above. Mr V R Sadasivan Pillai, Company Secretary, being Compliance Officer acts as Secretary to the Committee to discharge the function of the Committee and to place a report at each Board meeting on matters dealt by the committee each quarter. During the year no Complaints were received.

As on 31st March, 2016 no complaints remained unattended/pending more than thirty days. The company has no share transfers/transmission pending as on 31st March, 2016.

(C) Corporate Social Responsibility Committee (CSR Committee)

The CSR Committee of your Company comprises of Mr. Janak Vasantlal Kikani, Mr Ladhu Singh and Miss Vanshika Agarwala as members. The committee was reconstituted on 28.04.2016 with the induction of the above Independent Directors as per requirement of Companies Act, 2013 read with Rules. The Committee met on 28.05.2016 and reviewed the CSR activities undertaken during the year.

(D) Nomination and Remuneration Committee

In compliance of Section 178 of Companies Act, 2013 the Board renamed the Remuneration committee as “Nomination and Remuneration Committee. Your Board has re-constituted the Nomination and Remuneration Committee which now comprises of Mr. Janak Vasantlal Kikani, Mr Ladhu Singh and Miss Vanshika Agarwala as Members.

The terms of reference of the committee interalia include:

Succession planning for Board of Directors and Senior Management Employees, Identifying and selection of candidates for appointment of Directors/Independent Directors based on certain laid down criteria's, Identifying potential individuals for appointment of Key Managerial personnel and other senior managerial position. Review the performance of the Board of Directors and Senior Management personnel including Key managerial personnel based on certain criteria approved by the Board. While reviewing the performance, the committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talents, remuneration commensurate with the performance of individual and group and also maintains a balance between fixed and incentive pay reflecting both short and long term objectives of the company.

The Committee met on 28.05.2016 and reviewed the performance of the Directors both Non-

Executive and Executive Directors and also the senior managerial personnel including Key Managerial personnel during the year.

(E) Risk Management Committee

Evaluation of Business Risk and managing the risk has always been an ongoing process in your Company. The Company has set up a risk management framework to identify, monitor and minimize risk and also to identify business opportunities.

The Audit Committee also functions as the Risk Management Committee.

REMUNERATION OF NON- EXECUTIVE / EXECUTIVE DIRECTORS

All decisions relating to the remuneration of the Directors were taken by the Board of Directors of the Company and on the recommendations from the Nomination and Remuneration Committee and the Audit Committee and in accordance with the Share holders' approval wherever necessary.

Details for remuneration paid / to be paid to the Directors for the year under review are as under:

Name of the Director: Mr S.K. Gupta

Salary, benefits, bonus etc paid during the year 2015-16 - Rs, 11,47,500

Commission Due/paid/payable for 2015-16 - Nil

Sitting fess(for Board and its committees) - Nil

Name of the Director: Mr Sanjay Gupta

(Died on 29-3-2016)

Salary, benefits, bonus etc paid during the year 2015-16 - Rs, 11,47,500

Death Benefits - Rs. 23,26,923

Commission Due/paid/payable for 2015-16 - Nil

Sitting fess(for Board and its committees) - Nil

CODE OF CONDUCT AND CEO/CFO CERTIFICATION

The Company has adopted a code of conduct for all Board members and senior management of the company. The term senior management means personnel of the company who are members of its core management team excluding Board of Directors. Normally this would comprise all members of management one level below the executive directors, including all functional heads.

The code has been circulated to all members of the Board and senior management and the compliance of the same has been affirmed by them.

Mr. S.K.Gupta , Chairman & Managing Director and Mr. V.R. Sadasivan Pillai , General Manager - Finance & Company Secretary of the Company have certified to the Board that :

(a) They have reviewed the Financial Statements and the Cash Flow statement for the year ended 31st March,2016 and that to the best of their knowledge and belief that:

- i. these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading; and
- ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of their knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

(c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of the internal control systems of the company pertaining to the financial report and they have disclosed to the auditors and the Audit Committee deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

(d) They have indicated to the auditors and the Audit Committee:

- i) Significant changes in internal control over financial reporting during the year;
- ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

We hereby confirm that:

"The company has obtained from all the members of the Board and senior management, affirmation that they have complied with the code of conduct for directors and senior management in respect of the financial year 2015-16"

S.K. Gupta

Chairman & Managing Director

V .R. Sadasivan Pillai

General Manager- Finance and Company Secretary

Name and Designation of the Compliance Officer(s): Mr. V .R. Sadasivan Pillai ,General Manager- Finance and Company Secretary has taken over as Compliance Officer w.e.from 31.01.2011. He has been appointed under Section 203 of the Companies Act, 2013 as a Key Managerial Personnel and Compliance officer. He takes care of all legal compliance of the company from time to time.

7. General Body Meetings

(i) The Annual General Meetings for the last three years were held as follows:

Year	Location	Date	Time	No. of special resolutions passed
2012-13	Door No,V/679-C,IDA, Muppathadadam P.O. Edayar	30.08.13	11.00 a.m	1
2013-14	Door No,V/679-C,IDA, Muppathadadam P.O. Edayar	16.08.14	10.00 a.m	1
2014-15	Door No,V/679-C,IDA, Muppathadadam P.O. Edayar	07.09.15	10.00 a.m	2

Whether any Special Resolution passed in the previous 3 AGMs :- Yes

Whether special resolutions were passed through postal ballots :- No

Are votes proposed to be conducted through postal ballots this year :- No

8. Disclosures:

1. Disclosures on materially significant related party transactions i.e., transactions of the company of material nature, with its promoter, the directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of company at large:

All transactions with related parties were in the ordinary course of business and at arm's length. The company has not entered into any transaction of a material nature with any of the related parties which are in conflict with the interest of the company.

The details of related party transactions are disclosed in Note No. 29 attached to and forming part of the accounts.

2. Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange, SEBI or any statutory authority, on any matter related to capital markets, during the last three years. None

3. Compliance with Accounting Standards In the preparation of financial statements there is no deviation from the prescribed Accounting Standards.

4. Compliance Certificate from the auditors Certificate from the auditors of the company confirming compliance with the mandatory requirements under clause 49 of the listing agreement is annexed to this report. This certificate has also been forwarded to the Stock Exchanges where the shares of company are listed.

5. Adoption of non mandatory requirements under clause 49 and as applicable under Companies Act, 2013

The company complies with the following non-mandatory requirements under clause 49 with reference to Companies Act, 2013 relating to Audit Committee.

(a) Remuneration Committee

The Board has constituted a remuneration committee consisting of three directors all of whom are non executive directors, the chairman of the committee being an independent director. The remuneration committee recommends/reviews remuneration of the Directors

(b) Whistle blower policy

The company has put in place a mechanism of reporting illegal or unethical behaviour. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons.

The reports received from any employee will be reviewed by the audit committee. It is affirmed that no person has been denied access to the audit committee in this respect.

The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice.

(c) Risk Management

Your Company has a comprehensive risk management policy. Your Company has laid down procedures to inform Board members about the risk assessment and minimization procedures.

These procedures are periodically reviewed to ensure that executive management controls the risks through properly defined framework.

The Audit Committee, has been designated by the Board for reviewing the adequacy of the risk management framework of the Company, the key risks associated with the businesses of the Company and the measures are taken in place to minimize the same and thereafter the details are presented to and discussed at the Board meeting. The risk management issues are discussed in the Management Discussion and Analysis Report.

9. Means of Communication

Quarterly results:

The quarterly results of the company are published in Janayugam, Malayalam daily and in Financial Express, English Daily.

A detailed report on Managerial Discussion and Analysis is enclosed herewith as part of Annual Report.

10. General Shareholder Information:

1. Annual General Meeting Date : 22nd August, 2016 at 11.00 A.M.
Venue : Door No.V/679-C, Industrial Development Area, Muppathadam P.O., Edayar, Cochin – 683 110
2. Financial Year : April 2015 to March 2016
3. Book closure date : 17th August, 2016 to 22nd August, 2016
(both days inclusive)
4. Dividend recommended for the year: NIL
5. Listing on stock exchange : Bombay and National Stock Exchanges
6. Stock Code : BOMBAY:519262
7. Market price Data
(Face value of Re 10) (BSE) High : Rs. 14.64 Low : Rs. 5.82

Total No.of share dealt during the Year 2015-16

Month	Month's High Price	Month's Low Price
April-2015	12.49	7.19
May-2015	14.64	12.9
June-2015	11.92	7.75
July-2015	9.66	8.03
August-2015	10.04	8.18
September-2015	7.78	6.36
October – 2015	8.26	5.82
November-2015	8.25	6.81
December-2015	10.07	9.05
January-2016	9.39	7.00
February-2016	9.13	7.61
March-2016	8.22	6.1

Register and transfer Agent : Venture Capital and Corporate Investments Pvt. Ltd
(Category- I Registrars)
12-10-167, Bharatnagar,
Hyderabad – 500 018
Ph: 040-23818475, Fax:040-23868024
Email:info@vccilindia.com

8. Performance in comparison to broad-based indices: NA

9. Share transfer system: During the year the share transfers which were received in physical forms and for which documents were valid and complete in all respects, were processed and the share certificates were returned within the prescribed time from the date of receipt through the Company's RTA.

10. Distribution of shareholding as on 31st March 2016

Shareholding Nominal Value	Shareholders		Shares	
	Number	%	Amount (₹)	%
Upto - 5000	12076	93.09	18867550	36.32
5001 - 10000	551	4.25	4578960	8.81
10001 - 20000	201	1.55	2964910	5.71
20001 - 30000	51	0.39	1293250	2.49
30001 - 40000	20	0.15	704990	1.36
40001 - 50000	20	0.15	935810	1.8
50001 - 100000	27	0.21	1878540	3.62
100001 and above	26	0.2	20724990	39.89
Total	12972	100	51949000	100

Shareholding Pattern as on 31st March, 2016:

Category Code	Category Shareholder	No. of shareholders	Total No. of shares	No. of shares held dematerialized form	Percentage to total shares
(A)	Promoter and Promoter Group				
(1)	Indian				
(a)	Individuals/Hindu Undivided Family	7	855300	812800	16.46
(b)	Bodies Corporate	4	887900	297200	17.09
	Sub-Total (A) (1)	11	1743200	1110000	33.56
(2)	Foreign				
	Bodies Corporate	0	0	0	0
	Sub-Total (A) (2)	0	0	0	0
	Total shareholding of Promoter and Promoter Group A=(A)(1)+(A)(2)	11	1743200	1110000	33.56
	Public Shareholding				
(1)	Institutions	0	0	0	0
(a)	Mutual Funds	0	0	0	0
(b)	Foreign Institutional Investors	0	0	0	0
	Sub-Total (B)(1)	0	0	0	0

(2)	Non-Institutions				
	Bodies Corporate	38	82853	57553	1.59
(b)	Individuals				
	i. Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	12911	3195517	488717	61.51
	ii. Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	5	167932	86732	3.23
(c)	Corporate				
(d)	Clearing Member	4	4880	4880	0.09
(e)	Trust	0	0	0	0
(f)	Non Resident Individuals	3	518	518	0.01
	Sub-Total (B) (2)	12961	3451700	638400	66.44
	Total Public Shareholding B=(B)(1)+(B)(2)	12961	3451700	638400	66.44
	Total (A)+(B)	12972	5194900	1748400	100.00

11. Dematerialisation of shares and liquidity: The company has arranged agreements with National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) for Dematerialisation of shares through Venture Capital and Corporate Investments Pvt. Ltd.

The Company's shares are regularly traded on the Bombay Stock Exchange Ltd, in electronic form.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company Shares is INE297D01018.

12. Outstanding GDR/ADR/Warrants or any convertible instruments, conversion instruments, conversion date and impact on equity: NIL

13. Plant locations:

Edayar Unit

Industrial Development Area
Muppathadam P.O., Edayar
Cochin- 683 110

Trivandrum Unit

Industrial Development Area
Plot No. 71, Kochuveli
Trivandrum - 695 021

14. Address for correspondence: The Company Secretary
Prima Agro Ltd
Door No.V/679-C, Industrial Development Area
Muppathadam .P.O., Edayar, Cochin – 683 110
Ph: 0484-2551533/2551534
Email:primaedayar@gmail.com
CIN: L15331KL1987PLC004833
15. Registrar and Share Transfer Agents: Venture Capital and Corporate Investments Pvt. Ltd
(Category- I Registrars)
12-10-167, Bharatnagar,
Hyderabad – 500 018
Ph: 040-23818475, Fax:040-23868024
Email:info@vccilindia.com

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Prima Agro Limited

1. We have examined the compliance of conditions of Corporate Governance by Prima Agro Limited for the year ended 31st March, 2016 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.
2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. 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 Clause 49 of the above mentioned Listing Agreement.
4. We further state that such compliance is neither an assurance as to the further viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Vijayakumar & Easwaran

Chartered Accountants

FRN 004703S

Sd/-

K.Easwaran Pillai

Senior Partner

Membership No.22062

Place:Kochi

Date: 30.05.2016

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

I hereby declare that all the Board members and senior management personnel have affirmed compliance with Prima Agro Ltd code of conduct for the year ended 31st March 2016.

Place: Kochi

S.K.Gupta

Date: 30.05.2016

Chairman cum Managing Director

**CHIEF EXECUTIVE OFFICER (CEO) AND
CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

We, S.K.Gupta, Chairman cum Managing Director & CEO and Swati Gupta, Deputy Managing Director & CFO of Prima Agro Ltd, to the best of our knowledge and belief, certify that:

We have reviewed the financial statements and the cash flow statement for the year under review and to the best of our knowledge and belief:

- these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading;
- these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

To the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the company's code of conduct.

We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and disclosed to the auditors and audit committee, the deficiencies in the design and operation of such internal controls and the steps taken to rectify these deficiencies.

We have indicated to the auditors and the audit committee that:

- there are no significant changes in internal control over financial reporting during the year.
- there are no significant changes in accounting policies during the year.
- there are no frauds of which we are aware, that involves management or other employees who have a significant role in the company's internal control system.
-

S.K.Gupta

Chairman cum Managing Director & CEO

Swati Gupta

Deputy Managing Director & CFO

Place : Kochi

Date : 31.5.2016

INDEPENDENT AUDITOR'S REPORT

The Members

PRIMA AGRO LIMITED.

V-679/C, INDUSTRIAL DEVELOPMENT AREA

MUPPATHADAM, EDAYAR

KOCHI ~ 6 83 110

Report on the Financial Statements

We have audited the accompanying financial statements of M/s. **PRIMA AGRO LIMITED (the Company)**, which comprise the Balance Sheet as at 31st March 2016, the statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provision of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provision of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

During the year, the company granted loans and advances to group concerns amounting to Rs 14,00,254/-which is not in the ordinary course of business. Interest has not been accounted in the books of accounts relating to such loans/advances.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the matter described in the Basis for Qualified Opinion paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) In the case of the statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) Except for the matters described in the Basis for Qualified Opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books

- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) Except for the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
- e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the company.
- f) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act.

**For VIJAYAKUMAR & EASWARAN
CHARTERED ACCOUNTANTS**

FRN 004703S

**CA. K. EASWARAN PILLAI, F.C.A
SENIOR PARTNER**

Membership No: 022062

Place: Cochin

Date: 30.05.2016

ANNEXURE TO AUDITOR'S REPORT

(Referred to our report of even date)

- i.
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) All the assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- ii.
 - a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b) The procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) The company is maintaining proper records of inventory and the stock as disclosed in the financial statements are valued and certified by the management. The discrepancies noticed on verification between the physical stocks and book records were not material.
- iii. The Company has granted the following loans to companies, firms and other parties covered in the register maintained u/s. 189 under the Companies Act.

Sl. No	Name of the Company/Firm or Other Parties	Relationship	Loan Granted during the year	Year end Balance
1.	Ayyappa Real Estate (P) Ltd	Associate	8,252.00	8252.00
2.	PAPL Exim India Ltd	Associate	30,252.00	1,37,231.80
3.	Prima Alloys (P) Ltd	Associate	8,252.00	8,252.00
4.	Prima Credits Ltd	Associate	10,421.00	10,421.00
5.	Prima Industries Ltd	Associate	Nil	37,48,912.00
6.	Ayyappa Roller Flour Mills Ltd.	Associate	Nil	72,59,441.08

a) We are unable to comment on the rate of interest and other terms and conditions on which loans have been taken from/granted to companies, firm or other parties listed in the register maintained u/s 189 of the Companies Act which are prima facie, prejudicial to the interest of the company since the terms are not defined.

iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system of the company.

v. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.

vi. In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public hence the directions issued by the Reserve Bank of India and provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the Rules framed there under are not applicable to this company.

vii. In our opinion and according to the information and explanations given to us, The Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act.

viii.

a) According to the information and explanations furnished to us, during the year, undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, customs duty, excise duty, cess and other material statutory dues applicable to it have been deposited with appropriate authorities and there has been no serious delays.

b) According to the information and explanation given to us, there are no dues of sale tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.

- c) According to the records of the company, there are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- ix. In our opinion, the company has accumulated losses to the extent of ₹18,85,17,022/- and ₹19,44,23,896/- in previous year. The accumulated losses of the company are more than fifty per cent of its paid up capital and free reserves. However the company has not reported cash loss during the current year and in previous year.
- x. In our opinion and according to the information and explanation given to us, the company during the year has not defaulted in repayment of dues to the Financial Institutions.
- xi. In our opinion and according to the information and explanations given to us, has not given guarantees for loans taken by others from banks or financial institutions.
- xii. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- xiii. In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.
- xiv. In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 of the Companies Act.
- xv. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- xvi. In our opinion and according to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- xvii. In our opinion and according to the information and explanations given to us, The Company has not entered into any non-cash transactions with directors or persons connected with him.
- xviii. In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon

**For VIJAYAKUMAR & EASWARAN
CHARTERED ACCOUNTANTS
FRN 004703S**

**Place: Kochi
Date:30.05.2016**

**CA. K. EASWARAN PILLAI, F.C.A
SENIOR PARTNER
Membership No: 022062**

PRIMA AGRO LIMITED
Balance Sheet as at 31st March 2016

	Particulars	Note No.	31st March 2016	31st March 2015
I.	EQUITY & LIABILITIES			
(1)	Shareholder's Funds			
	(a) Share Capital	1	11,19,49,000.00	11,19,49,000.00
	(b) Reserves & Surplus	2	(6,09,30,378.22)	(6,68,06,028.93)
(2)	Non-Current Liabilities			
	(a) Long-term Borrowings	3	60,11,084.00	27,82,761.40
	(b) Deferred Tax Liabilities		31,65,408.00	47,27,278.00
	(c) Other Long term Liabilities	4		-
	(d) Long-term Provisions	5	55,59,430.16	41,02,092.57
(3)	Current Liabilities			
	(a) Short-term Borrowings			-
	(b) Trade Payables		2,57,37,784.05	2,18,84,094.50
	(c) Other Current Liabilities	7	26,74,852.85	23,08,216.70
	(d) Short-term Provisions	8	1,19,90,000.00	64,90,000.00
	TOTAL		10,61,57,180.84	8,74,37,414.24
II.	ASSETS			
(1)	Non-Current Assets			
	(a) Fixed Assets	9		
	(i) Tangible Assets		3,91,83,276.42	4,01,56,840.43
	(ii) Capital Work-in-Progress		37,72,382.50	19,84,027.50
	(b) Non-Current Investments	10	2,95,24,480.00	1,35,24,480.00
	(c) Deferred Tax Assets (Net)			
	(d) Long-term Loans & Advances	11	2,51,16,657.69	2,50,44,755.82
	(e) Other Non-Current Assets	12		-
(2)	Current Assets			
	(a) Current Investments			
	(b) Inventories	13	2,76,576.79	2,36,827.21
	(c) Trade Receivables	14	28,03,323.00	27,09,400.00
	(d) Cash & Cash Equivalents	15	31,46,401.44	24,16,433.78
	(e) Short-term Loans & Advances	16	18,16,378.00	8,49,070.50
	(f) Other Current Assets		5,17,705.00	5,15,579.00
	TOTAL		10,61,57,180.84	8,74,37,414.24
	Significant Accounting Policies & Notes forming Part of Accounts	24		

As per our report of even date attached
For VIJAYAKUMAR & EASWARAN
CHARTERED ACCOUNTANTS
FRN 004703S

For PRIMA AGRO LTD

S K GUPTA
CHAIRMAN & MG.DIRECTOR

SWATI GUPTA
DY. MANAGING DIRECTOR

K.EASWARAN PILLAI, F.C.A
SENIOR PARTNER
Membership No 022062

Place : Cochin -16
Date : 5/30/2016

PRIMA AGRO LIMITED
Profit and Loss Statement for the year ended 31st March 2016

	Particulars	Note No.	31st March 2016	31st March 2015
I.	Revenue from Operations	17	11,46,94,124.80	11,14,11,326.70
II.	Other Income	18	3,27,330.96	4,03,750.64
III.	Total Revenue (I + II)		11,50,21,455.76	11,18,15,077.34
IV.	Expenses:			
	Cost of materials consumed	19	45,14,911.00	48,31,215.50
	Purchases of Stock-in-Trade			
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	(39749.58)	(48075.26)
	Employee benefits expense	21	2,05,95,653.55	1,58,73,811.88
	Finance costs	22	4,12,540.49	5,49,858.05
	Depreciation and amortization expense		85,31,020.81	31,65,446.64
	Other expenses	23	7,03,86,615.58	7,77,74,165.01
	Total expenses		10,44,00,991.84	10,21,46,421.82
V.	Profit before exceptional items and tax (III - IV)		1,06,20,463.92	96,68,655.52
VI.	Add: Exceptional items		(314412.39)	-
VII.	Add: Prior Period Items			
VIII.	Profit before tax (V + VI + VII)		1,03,06,051.53	96,68,655.52
IX	Tax expense:			
	(1) Current tax		55,00,000.00	35,00,000.00
	(2) Short/Excess Provision of Tax		-	25,59,882.52
			55,00,000.00	60,59,882.52
	(3) Deferred tax		(1561870)	1,16,902.00
X	Profit (Loss) for the period (VIII - IX)		63,67,921.53	34,91,871.00
XI	Earnings per equity share:			
	(1) Basic		1.23	0.67
	(2) Diluted		1.23	0.67

For **PRIMA AGRO LTD**

As per our report of even date attached
For VIJAYAKUMAR & EASWARAN
CHARTERED ACCOUNTANTS
FRN 004703S

S.K GUPTA
CHAIRMAN & MG. DIRECTOR

SWATI GUPTA
DY. MANAGING DIRECTOR

K.EASWARAN PILLAI, F.C.A
SENIOR PARTNER
Membership No 022062

Place : Cochin -16

Date:5/30/2016

PRIMA AGRO LIMITED
Cash flow statement for the year ended 31st March 2016

PARTICULARS	FOR THE YEAR ENDED		FOR THE YEAR ENDED	
	31-03-2016		31-03-2015	
A Cash Flow from Operating Activities				
Operating Profit/(Loss) Before Tax		1,03,06,051.53		96,68,655.52
Adjustments for:				
Depreciation	85,31,020.81		31,65,446.64	
Interest Paid	4,12,540.49		5,49,858.05	
Loss on sale of Asset	3,14,412.39			
Provisions (long term & short term)	14,57,337.59		(360763.64)	
Transfer to Reserve	-	1,07,15,311.27	-	33,54,541.05
Operating Profit/(Loss) Before Working Capital Adjustment		2,10,21,362.80		1,30,23,196.57
Adjustments for:				
Debtors/Trade receivables	(93923.00)		11,99,452.72	
Inventory	(39749.58)		(-48075.26)	
Other current assets	(2126.00)		(-189544.00)	
Loans and Advances (Short term)	(967307.50)		98,455.50	
Current Liability	42,20,325.70	31,17,219.62	32,49,296.58	43,09,585.54
Net Cash Flows from Operating Activity		2,41,38,582.42		1,73,32,782.11
B Cash Flow from Investment Activity				
Capital Work-in Progress		(1788355.00)		(1984027.50)
Sale/(Purchase) of fixed Assets		(8364140.00)		(702858.00)
Loans and Advances (Long term)		(71901.87)		(9510834.20)
Other loans and advances (Long term)		(1,60,00,000.00)		(33,00,000.00)
Net Cash Flows from Investment Activity		(2,62,24,396.87)		(1,54,97,719.70)
C Cash Flow from Financing Activity				
Issue of Share Capital				
Addition/(Repayment) of Secured Loans		31,84,441.00		(4,93,856.40)
Addition/(Repayment) of Unsecured Loans		43,881.60		(2,97,247.20)
Interest paid		(412540.49)		(549858.05)
Net Cash Flows from Financing Activity		28,15,782.11		(13,40,961.65)
D Net Increase/(Decrease) in Cash & Cash Equivalents		7,29,967.66		4,94,100.76
E Opening Balance of Cash & Cash Equivalents		24,16,433.78		19,22,333.02
F Closing Balance of Cash & Cash Equivalents		31,46,401.44		24,16,433.78

Notes

- Cash and Cash Equivalents include Cash in Hand, Balance with Banks on Current Accounts and Deposit Accounts
- The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard on Cash Flow Statement (AS-3) issued by the Institute of Chartered Accountants of India.
- Previous year figures have been rearranged/regrouped wherever necessary
- This is the Cashflow Statement referred to in our report of even date.

For PRIMA AGRO LTD

As per our report of even date attached
For VIJAYAKUMAR & EASWARAN
CHARTERED ACCOUNTANTS
FRN 004703S

S.K GUPTA
CHAIRMAN & MG. DIRECTOR

SWATI GUPTA
DY. MANAGING DIRECTOR

K.EASWARAN PILLAI, F.C.A
SENIOR PARTNER
Membership No 022062

Place : Cochin -16

Date:5/30/2016

Note 1

Share Capital	As at 31st March 2016		As at 31st March 2015	
	No.	Amount	No.	Amount
Authorised				
70,00,000 Equity Shares of Rs. 10 each	70,00,000	7,00,00,000.00	70,00,000	7,00,00,000.00
1,00,00,000 Cumulative Redeemable Preference Shares of Rs 10 each	1,00,00,000	10,00,00,000.00	1,00,00,000	10,00,00,000.00
	1,70,00,000	17,00,00,000.00	1,70,00,000	17,00,00,000.00
Issued				
51,94,900 Equity Shares of Rs. 10 each	51,94,900	5,19,49,000.00	51,94,900	5,19,49,000.00
60,00,000 Cumulative Redeemable Preference Shares of Rs 10 each	60,00,000	6,00,00,000.00	60,00,000	6,00,00,000.00
Subscribed & Paid up			-	-
51,94,900 Equity Shares of Rs. 10 each	51,94,900	5,19,49,000.00	51,94,900	5,19,49,000.00
60,00,000 Cumulative Redeemable Preference Shares of Rs 10 each	60,00,000	6,00,00,000.00	60,00,000	6,00,00,000.00
Subscribed but not fully Paid up				

(Equity)

Particulars	No.	Amount	No.	Amount
Shares outstanding at the beginning of the year	51,94,900	5,19,49,000.00	51,94,900	5,19,49,000.00
Shares Issued during the year			-	-
Shares bought back during the year			-	-
Shares outstanding at the end of the year	51,94,900	5,19,49,000.00	51,94,900	5,19,49,000.00

(PREFERENCE)

Particulars	No.	Amount	No.	Amount
10%Preference Shares outstanding at the beginning of the year	60,00,000	6,00,00,000.00	60,00,000	6,00,00,000.00
10%Preference Shares Issued during the year				
Shares bought back during the year			-	-
Shares outstanding at the end of the year	60,00,000	6,00,00,000.00	60,00,000	6,00,00,000.00

Name of Shareholder	As at 31 March 2016		As at 31 March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sanjay Gupta	3,91,600	7.5	3,91,600	7.5
Ayyappa Roller Flour Mills Ltd	2,97,200	5.72	2,97,200	5.72
Ayyappa Real Estate (P) Ltd	2,74,300	5.28	2,74,300	5.28

Details of shares reserved for issue under options & contracts for sale of shares/disinvestment

*Terms of the contract

*Amount of Shares

Note 2

Reserves & Surplus	31st March 2016	31st March 2015
a. Capital Reserves		
Opening Balance	12,24,99,517.36	12,24,99,517.36
(+) Current Year Transfer		
(-) Written Back in Current Year		
Closing Balance	12,24,99,517.36	12,24,99,517.36
b. Other Reserves - Capital Subsidy		
Opening Balance	32,68,350.00	32,68,350.00
(+) Current Year Transfer		
(-) Written Back in Current Year		
Closing Balance	32,68,350.00	32,68,350.00
c. Other Reserves - Investment Allowance Reserve		
Opening Balance	18,50,000.00	18,50,000.00
(+) Current Year Transfer		
(-) Written Back in Current Year		
Closing Balance	18,50,000.00	18,50,000.00
d. Surplus		
Opening balance	(-194423896.29)	(-197915767.29)
(+) Net Profit/(Net Loss) For the current year	63,67,921.53	34,91,871.00
(+) Transitional Adjustment	-4,92,270.82	
Closing Balance	(-188548245.58)	(-194423896.29)
Total	(-60930378.22)	(-66806028.93)

Note 3

Long-Term Borrowings	As at 31st March 2016	As at 31st March 2015
A. SECURED		
a. Term Loans		
from banks		
1. ICICI Car Loan (EMI A/c)	1,20,585.00	4,69,307.40
2. ICICI Honda Brio Car Loan (EMI A/c)	4,31,637.10	-
3. ICICI Amaze Car Loan (EMI A/c)	-	1,27,738.00
4 ICICI CAR LOAN (MERCEDES BENZ)	32,29,264.30	-
	37,81,486.40	5,97,045.40
Other loans & advances		
LIC Keyman Loan	98,327.00	98,327.00
Total	38,79,813.40	6,95,372.40
B. UNSECURED		
a. Deposits	5,96,015.00	5,96,015.00
b. Loans and Advances from Related Parties	15,35,255.60	14,91,374.00
Total	21,31,270.60	20,87,389.00
Grand Total	60,11,084.00	27,82,761.40

Note 5

Long-Term Provisions	As at 31st March 2016	As at 31st March 2015
a. Provision for Employee Benefits		
Gratuity	27,81,312.16	11,48,430.57
Ex gratia	26,29,043.00	28,04,587.00
b. Others		
Other Provisions	1,49,075.00	1,49,075.00
Total	55,59,430.16	41,02,092.57

Note 9

Disclosure pursuant to note no. 6 (I) & 6(J) of Part I of Schedule VI						Accumulated Depreciation					Net Block	
Fixed Assets	Gross Block					Balance as at 1 April 2015	Dep charge for the year	Transition Adjustment	On disposals	Balance as at 31 March 2016	Balance as at 1 April 2015	Balance as at 31 March 2016
	Balance as at 1 April 2015	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	Balance as at 31 March 2016							
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	
a Tangible Assets												
Land	42,02,195.00	-	-	-	42,02,195.00	-				-	42,02,195.00	42,02,195.00
Buildings	4,39,35,223.92	-	-	-	4,39,35,223.92	2,10,00,216.72	24,09,785.71			2,34,10,002.43	2,29,35,007.14	2,05,25,221.49
Plant and Equipment	8,54,34,101.51	13,30,000.00	-	-	8,67,64,101.51	7,59,31,674.83	27,85,845.70		-	7,87,17,520.53	95,02,426.68	80,46,580.98
Furniture and Fixtures	9,13,020.00	-	-	-	9,13,020.00	9,00,460.17		4,31,851.17		13,32,311.34	12,559.83	(4,19,291.34)
Vehicles	50,71,442.00	55,09,756.00	-	-	1,05,81,198.00	31,37,027.41	23,41,347.72		3,66,483.61	51,11,891.51	19,34,414.59	54,69,306.49
Office Equipment	21,86,366.00	6,53,938.00	-	-	28,40,304.00	10,50,737.31	7,34,849.53			17,85,586.84	11,35,628.69	10,54,717.16
Others :-	-	-	-	-	-	-	-			-	-	-
i) Cycle		9,350.00			9,350.00		1,883.70			1,883.70		7,466.30
ii) Computer	39,65,768.00	1,80,200.00			41,45,968.00	35,81,659.56	2,57,308.44	60,419.65		38,99,387.65	3,84,108.44	2,46,580.35
iii) Live Stock	50,500.00				50,500.00					-	50,500.00	50,500.00
Total	14,57,58,616.43	76,83,244.00	-	-	15,34,41,860.43	10,56,01,776.00	85,31,020.81	4,92,270.82	3,66,483.61	11,42,58,584.01	4,01,56,840.37	3,91,83,276.42
b Capital Work In Progress	19,84,027.50	17,88,355.00	-	-	37,72,382.50	-	-	-	-	-	19,84,027.50	37,72,382.50
Total	19,84,027.50	17,88,355.00	-	-	37,72,382.50	-	-	-	-	-	19,84,027.50	37,72,382.50
Grand Total	14,77,42,643.93	94,71,599.00	-	-	15,72,14,242.93	10,56,01,776.00	85,31,020.81	4,92,270.82	3,66,483.61	11,42,58,584.01	4,21,40,867.87	4,29,55,658.92

Note 11

Long Term Loans and Advances	As at 31 March 2016	As at 31 March 2015
	₹	₹
a. Security Deposits		
Unsecured, considered good	29,30,949.60	28,39,449.60
	29,30,949.60	28,39,449.60
b. Loans and Advances to Related Parties		
Unsecured, considered good	1,11,72,509.88	1,47,51,797.28
	1,11,72,509.88	1,47,51,797.28
c. Other Loans and Advances		
Unsecured, considered good	1,10,13,198.21	74,53,508.94
	1,10,13,198.21	74,53,508.94
Grand Total	2,51,16,657.69	2,50,44,755.82

All the loans, advances & deposits are unsecured, considered good

Loans & advances due by:

Particulars	As at 31 March 2016	As at 31 March 2015
Directors		
Other officers of the Company		
Firm in which director is a partner		
Company in which director is a member	1,11,72,509.88	1,47,51,797.28
	1,11,72,509.88	1,47,51,797.28

Note 13

Inventories	As at 31 March 2016	As at 31 March 2015
	₹	₹
g. Others (Firewood)		
	2,76,576.79	2,36,827.21
	2,76,576.79	2,36,827.21
Total	2,76,576.79	2,36,827.21

Note 7

Other Current Liabilities	As at 31st March 2016	As at 31st March 2015
a. Current Maturities of Long - Term Debt		
(i) Car Loan -Indica	1,92,286.60	2,58,488.40
(ii) Car Loan - Benz	7,80,801.20	-
(iii) Car Loan-Brio	1,03,441.30	-
(iv) Car Loan- Amaze	1,27,738.00	2,43,441.30
Total	12,04,267.10	5,01,929.70
b. Other payables	12,11,685.75	16,35,287.00
c. Other Payables (Audit Fee)	2,58,900.00	1,71,000.00
Grand Total	26,74,852.85	23,08,216.70

Note 8

Short-Term Provisions	As at 31st March 2016	As at 31st March 2015
	₹	₹
Others		
Provision for taxes 2011 - 12	1,50,000.00	1,50,000.00
Provision for taxes 2012 - 13	4,30,000.00	4,30,000.00
Provision for taxes 2013 - 14	24,10,000.00	24,10,000.00
Provision for taxes 2014 - 15	35,00,000.00	35,00,000.00
Provision for taxes 2015 - 16	55,00,000.00	-
Total	1,19,90,000.00	64,90,000.00

Note 10

Particulars	As at 31st March 2016	As at 31st March 2015
	₹	₹
Other Investments		
(d) Investments in Government or Trust securities	19,100.00	19,100.00
(h) Other non-current investments <i>(Market value as on 31-03-2016 amounting Rs 1,70,68,560)</i>	2,95,05,380.00	1,35,05,380.00
Total (B)	2,95,24,480.00	1,35,24,480.00
Grand Total (A + B)	2,95,24,480.00	1,35,24,480.00
Less : Provision for dimunition in the value of Investments		
Total	2,95,24,480.00	1,35,24,480.00

Particulars	As at 31st March 2016	As at 31st March 2015
	₹	₹
Aggregate amount of quoted investments and Market value	2,95,24,480.00	1,35,24,480.00
Aggregate amount of unquoted investments		

Note 14

Trade Receivables	As at 31st March 2016	As at 31 March 2015
	₹	₹
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good		
Unsecured, considered good		
Unsecured, considered doubtful	28,03,323.00	27,09,400.00
Less: Provision for doubtful debts		
	28,03,323.00	27,09,400.00
Total	28,03,323.00	27,09,400.00

Note 15

Cash and Bank Balances	As at 31st March 2016	As at 31 March 2015
	₹	₹
I. Cash & cash equivalents		
a. Balances with banks*	11,90,231.44	4,54,059.78
b. Bank deposits with more than 12 months maturity)	9,25,904.00	8,61,026.00
d. Cash on hand	30,266.00	1,01,348.00
	21,46,401.44	14,16,433.78
II. Other bank balances		
a. Earmarked Balances (eg/- unpaid dividend accounts)		
b. Margin money	10,00,000.00	10,00,000.00
	10,00,000.00	10,00,000.00
Grand Total	31,46,401.44	24,16,433.78

Balance with Banks	As at 31st March 2016	31st March 2015
	₹	₹
State Bank of India - EKM	34,258.70	61,289.70
ICICI - Kalamassery 00004	11,41,415.34	3,65,449.05
State Bank of Travancore - TVM	4,288.00	114.00
ICICI Bank 6348	-	16,775.05
Indian Overseas Bank - CA 353	8,829.35	8,991.93
HDFC	1,440.05	1,440.05
Total	11,90,231.44	4,54,059.78

Note 16

Short-term loans and advances	As at 31st March 2016	As at 31 March 2015
	₹	₹
a. Others		
Secured, considered good		
Unsecured, considered good	18,16,378.00	8,49,070.50
Doubtful		
	18,16,378.00	8,49,070.50
Total	18,16,378.00	8,49,070.50

Note 17

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	₹	₹
a) Sale of products		
b) Processing Charges	11,43,56,814.80	11,11,41,731.70
c) Other operating revenues	3,37,310.00	2,69,595.00
Total	11,46,94,124.80	11,14,11,326.70

Note 18

Particulars	For the year ended 31 March 2016	For the year ended 31 March 2015
	₹	₹
Other non-operating income (net of expenses directly attributable to such income)	3,27,330.96	4,03,750.64
Total	3,27,330.96	4,03,750.64

Note 19

Cost of Materials Consumed	For the year ended 31st March 2016	For the year ended 31st March 2015
	₹	₹
a) Packing materials		
b) Store Materials	10,73,756.00	12,60,990.00
c) Store Consumables	25,17,275.00	27,59,083.00
d) Consumables - Interstate	9,23,880.00	8,11,142.50
Total	45,14,911.00	48,31,215.50

Note 20

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	₹	₹
Opening stock	2,36,827.21	1,88,751.95
Closing stock	2,76,576.79	2,36,827.21
Change	(39,749.58)	(48,075.26)

Note 21

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	₹	₹
(a) Salaries & wages	1,03,42,145.00	97,86,137.00
(b) Directors' Remuneration	22,95,000.00	19,80,000.00
(c) Contribution to Provident fund and other funds	10,30,440.00	12,71,710.88
(d) Staff Welfare & Other Allowances	29,68,264.00	28,35,964.00
(e) Leave Encashment	10,00,000.00	-
(f) Gratuity	29,59,804.55	-
Total	2,05,95,653.55	1,58,73,811.88

Note: 24

Note 22

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	₹	₹
Interest expense	3,84,297.10	4,61,708.30
Other borrowing costs	28,243.39	88,149.75
Total	4,12,540.49	5,49,858.05

Note 23

Note 23 A

Items of income & expenditure exceeding 1% of turnover of Rs.1,00,000/- whichever is higher

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	₹	₹
a) Factory Expenses	93,26,783.00	92,36,881.00
c) Electricity and Fuel Charges	3,01,54,734.06	2,99,19,160.14
d) General Expenses	33,81,203.00	38,46,043.00
e) Vehicle Running Expenses	13,14,312.00	14,92,856.00
f) Traveling & Conveyance	22,74,680.00	28,01,325.00
g) Directors Travelling Expenses	56,65,195.00	46,09,900.00
h) Directors Medical Expenses	69,16,957.00	90,98,649.00
Total	5,90,33,864.06	6,10,04,814.14

Note 23 B

Payments to Auditors

As Auditors	1,72,500.00	1,71,000.00
Taxation matters	57,500.00	-
Total	2,30,000.00	1,71,000.00

Note 23 C

Other expenses

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
	₹	₹
a) Rent	1,14,300.00	1,62,600.00
b) Repairs to Buildings	16,58,749.00	36,53,440.00
c) Repairs to Plant & Machinery	27,03,400.52	36,92,079.08
d) Insurance	2,13,194.00	77,241.00
e) Rates & taxes (excluding taxes on income)	5,95,461.00	3,58,144.00
f) Miscellaneous expenses	58,37,647.00	86,54,846.79
Total	1,11,22,751.52	1,65,98,350.87
Total	7,03,86,615.58	7,77,74,165.01

Note: 24

SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF ACCOUNTS
SIGNIFICANT ACCOUNTING POLICIES

Company Overview

Prima Agro Ltd, a Cochin based Public Limited Company, established in 1987, comprising units engaged in Agro activities at Trivandrum and Cochin and having its Registered Office in Cochin. The company went public in 1993 and its shares are listed in major Stock Exchanges in India.

The business entities in the Prima group were promoted by the family of Mr. Sajjan Kumar Gupta, who migrated to Cochin around 50 years back from Rajasthan. A born entrepreneur, Mr. Sajjan Kumar Gupta, whose family was in the business of Flour Mills, developed his business skills over a period of time. In 60s and 70s, the S.K.Gupta family members had flour mills, practically, all over India. They were also actively engaged in trading of commodities and down stream products. Mutually agreed family partitions helped the individual brothers to develop their own family group.

Prima Agro is a listed company in BSE, having paid up capital of Rs 11.19 crores.

A. Basis for preparation of Financial statements

The Financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting, in accordance with the Accounting Principles generally accepted in India and comply with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable and the relevant provisions of the Companies Act, 2013. Except where otherwise stated, the accounting principles have been consistently applied.

B. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities of the financial statements and the reported amounts of the revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/ materialized.

C. Fixed Assets

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. Cost of fixed assets includes freight and other incidental expenditure related to the acquisition and installation of the respective assets. Borrowing cost directly attributable to acquisition or construction of qualifying assets are capitalized as part of the cost of the assets upto the date the asset is ready for the intended use or sale.

D. Depreciation

The company computed depreciation by reconsidering the useful life of each assets to compute the rates of depreciation to be charged against WDV of fixed assets existed on 31/03/2015. For this purpose the scrap value was taken as 5% of the cost of the asset. For the addition of fixed assets made during the year, a new rate of depreciation has been applied. Current year depreciation has been computed by applying the new rates of depreciation with retrospective effect. Current year depreciation as per the method specified in the Companies Act 2013 has been debited to the profit and loss statement. The change in depreciation on opening asset on account of change in method of depreciation has been adjusted against the opening balance of Reserves & Surplus as "*Transition adjustment*" recorded against the Surplus Balance in P&L a/c

E. Impairment of Assets

The carrying amount of Fixed Assets are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts, and where the carrying values exceeds the estimated recoverable amounts, and assets are written down to their recoverable amount.

F. Investments

Investments (Non-trade) are considered as long term and are stated at cost.

G. Inventories

Inventories are valued at cost or net realizable value, whichever is lower.

H. Revenue Recognition

Revenue from sale of goods is recognized at the point of despatch to the customers net of sales returns. Income from job work and processing charges is recognized on accrual basis as per AS-9.

I. Employees Retirement and other Benefits

- i. Provident fund/Pension fund – Contributions to Provident/Pension fund are accounted on Actual basis.
- ii. The scheme of Gratuity covers gratuity liability of the employees including past services. The annual premium has been charged to Profit and Loss Account on accrual basis as per Company's own computation.

J. Accounting for Taxes on Income

- i. Provision for current tax is made based on the liability computed in accordance with the relevant tax rates and tax laws.
- ii. Deferred tax is recognized on all timing differences between accounting income and taxable income for the year, and quantified using the tax rates and laws enacted or subsequently enacted as on the Balance Sheet date.
- iii. The deferred tax assets are recognized and carried forward to the extent that there is a reasonable / virtual certainty as the case may be that sufficient taxable income will be available against which such deferred tax assets can be realized.

K. Earnings per Share

In accordance with Accounting Standard (AS-20), 'Earnings per share' issued by the Institute of Chartered Accountants of India, basic and diluted earnings per share is computed using the weighted average number of equity shares outstanding during the period.

L. Accounting for 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 forming parts of accounts. Contingent Assets are neither recognized nor disclosed in the financial statements.

ADDITIONAL NOTES FORMING PART OF THE ACCOUNTS

1. Information on dues to Small Scale Industrial Units.

a. No case of suppliers, who are covered under the "in terest on delayed payments to Small Scale and Ancillary Industrial Undertaking Act, 1933" has come to the notice of the Company.

b. Amount outstanding for payments to SSI 's ₹ 1,81,108.80.

c. Name of the SSI units to whom the Company owes any sum which is outstanding for more than 1 year:

(1) MBR Agro Ind. ₹ 1, 81,108.80

d. The above information has been compiled to the ext ent to which the parties could be identified as Small Scale and ancillary undertakings on the basis of the information made available by the Company.

2. Claims against the company not acknowledged as debt – Nil

	For the year ended 31.03.2016	For the year ended 31.03.2015
3. <u>Managerial Remuneration</u>		
Mr. Sanjay Gupta, Managing Director	11,47,500.00	9,90,000.00
Mr. S K Gupta, Director	11,47,500.00	9,90,000.00
4. <u>Terminal Benefit</u>		
Mr. Sanjay Gupta, Managing Director		
- Gratuity	13,26,923.00	Nil
- Leave Salary	10,00,000.00	Nil
5. <u>Remuneration to Auditors (excluding service tax)</u>		
Statutory Audit	2,00,000.00	1,50,000.00
6. Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil
7. <u>Capacity Utilization</u>		
a. <u>Trivandrum</u>		
Licensed Capacity	60,000.00	60,000.00
Installed Capacity	60,000.00	60,000.00
Actual production in MTs (Job work)	39,435.72	39,269.10
b. <u>Edayar, Cochin</u>		
Licensed Capacity	1,20,000.00	1,20,000.00
Installed Capacity	1,20,000.00	1,20,000.00
Actual production in MTs (Job work)	80,238.32	78,264.18

8. Closing stock of fire wood is as valued and certified by the Management of the company.

9. Value of imports calculated on C.I.F. basis during the year

Raw Materials Rs. Nil (Previous Year – Nil)

There were no earnings in foreign currency during the year/previous year.

During the year, the company has incurred foreign currency expenses amounting to USD 1,00,010/-

10. Balances in the accounts of debtors, creditors and financial institutions are subject to confirmation.

11. Earnings per share

	For the year ended 31-03-2016	For the year ended 31-03-2015
Profit/(Loss) after Tax	63,67,921.00	34,91,871.00
Number of Shares Outstanding	51,94,900	51,94,900
Earnings per Share		
-Basic	1.23	0.67
-Diluted	1.23	0.67

12. Related Party Transactions

a. List of Related parties with whom transactions have taken place and relationships

Name of Related Party	Relationship
Sanjay Gupta Swati Gupta S K Gupta	Key Managerial Personnel
Ayyappa Roller Flour Mills Ltd. Ayyappa Real Estate (P) Ltd PAPL Exim India Ltd Prima Alloys (P) Ltd Prima Beverages (P) Ltd Prima Credits Ltd Prima Industries Ltd	Entity in which Key Managerial Personnel have significant influence

b. Transaction during the year with related parties:

Nature of Transaction	Entity in which KMP have significant influence	Key Managerial Personnel
Loan taken during the year	1,37,53,123.00	Nil
Loan granted during the year	57,177.00	Nil
Amount Payable as at 31/03/2016	96,981.60	Nil
Amount Receivable as at 31/03/2016	1,11,72,509.88	Nil

13. Loans and advances granted to following related parties during the year are not in the ordinary course of business transactions.

Name of the Associate	Loan granted during the year *	Balance as on 31/03/2016
Ayyappa Real Estate (P) Ltd	8,252.00	8252.00
PAPL Exim India Ltd	30,252.00	1,37,231.80
Prima Alloys (P) Ltd	8,252.00	8,252.00
Prima Credits Ltd	10,421.00	10,421.00
Prima Industries Ltd	Nil	37,48,912.00
Ayyappa Roller Flour Mills ltd	Nil	72,59,441.08

*** The loans granted during the year has been repaid by the group companies in the subsequent financial year.**

14. During the year 2000-01, a complaint was filed by Food Corporation of India, against the Company in the Hon'ble High Court of Kerala. At this time, it's not possible to predict the potential financial impact on the Company of an adverse decision. And in this concern the company has executed a bank guarantee of ₹ 10,00,000.00 with State Bank of India, Commercial Branch, Cochin as per the order of Hon'ble High Court Of Kerala dated 07/04/2000 in C.M.P.18042/2000 in O.P No.10898/2000. Interest on such deposit has not been accounted in the books of accounts.

15. Mr. Sanjay Gupta, Managing Director of the company has been diagnosed on detailed medical examination and confirmed that he has been affected with **Stage IV Adenocarcinoma of the GE junction with liver metastasis**. The Board of Directors of the company on 27/06/2014 considered the complexity of the disease based on the diagnostic result and realised that appropriate treatment for its complete cure is not available in India. Further the Board recorded his dedicated and honest effort from inception of the company for its prosperity and unanimously decided to meet the all expenses including medical, travelling and boarding for providing expert medical treatment anywhere in the world as his further contribution and effort is inevitable for the mere existence of the company. This is decided as commercial expediency too. During the year, the company has incurred an amount of Rs. 69,16,957/- towards medical

expenses. But unfortunately as on 29/03/2016 Mr. Sanjay Gupta passed away. The Company advanced Rs 13,43,077/- to Mr. Sanjay Gupta in connection with medical treatment which has to be adjusted against terminal benefit on the death of managing director in the subsequent financial year Due to his absence as on 30/05/2016 the board of directors elected Mr. S K Gupta as Chairman & Managing director of the company and Mrs. Swati Gupta as Deputy Managing director.

16. The company has not appointed Internal auditor in accordance with sections 138, 204 of the Companies Act, 2013 respectively and the board decided to appoint the same during the next financial year.
17. The company has formed an audit committee in accordance with section 177 of Companies act 2013.
18. The company has issued 60,00,000 10% Cumulative Redeemable Preference Shares of Rs 10 each on 12/04/2013. Dividend for the year has not been provided in the books of accounts and is in accordance with the terms of issue of such shares.
19. Previous year figures have been regrouped or recast wherever necessary to suit current year's layout.

For PRIMA AGRO LTD

As per our report of even date attached
For VIJAYAKUMAR & EASWARAN
CHARTERED ACCOUNTANTS
FRN 004703S

S.K GUPTA
CHAIRMAN & MG. DIRECTOR

SWATI GUPTA
DY. MANAGING DIRECTOR

K.EASWARAN PILLAI, F.C.A
SENIOR PARTNER
Membership No 022062

Place : Cochin
Date : 30.05.2016

Form No: MR 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

THE MEMBERS,

PRIMA AGRO LIMITED

DOOR NO. V-679/C,

INDUSTRIAL DEVELOPMENT AREA,

MUPPATHADAM, EDAYAR,

COCHIN, KERALA-683110.

CIN: L15331KL1987PLC004833.

We, BVR & Associates Company Secretaries LLP have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. PRIMA AGRO LIMITED [CIN: L15331KL1987PLC004833] (hereinafter called the company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records produced to us and according to information and explanations given to us by the Company, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2016 complied with the provisions of the Companies Act, 2013 (Act) and the Rules made there under, the Memorandum and Articles of Association of the Company and also applicable provisions of the aforesaid law, standards, guidelines, agreements, etc.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2016 according to the provisions of:

- 1 The Companies Act, 2013 and the Rules made there under.
- 2 The Securities Contracts (Regulation) Act, 1956 (SCRA') and the Rules made there under.
- 3 The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
- 4 The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act').
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

- f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and.
- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

5 The Listing Agreements entered into by the Company with Bombay Stock Exchange

As informed to us the following other Laws specifically applicable to the Company as under:

1. The Competition Act, 2002.
2. The Kerala Panchayat Raj Act and Kerala Municipalities Act.
3. The Kerala Shops & Establishment Act, 1960
4. Kerala Industrial Establishments (National & Festival Holidays Act) 1958
5. Sexual Harassment of Women at the work place (prevention, prohibition and redressal) Act, 2013.
6. Food Safety And Standards Act, 2006
7. Indian Boilers Act 1923
8. The Water (Prevention and Control of Pollution) Act, 1974.
9. The Air (Prevention & Control of Pollution) Act, 1981
10. The Environment (Protection) Act, 1986.
11. The Legal Metrology Act.
12. The Standard of Weight & Measures (Enforcement) Act, 1985.

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

- 1) Secretarial Standards issued by the Institute of Company Secretaries of India, to the extent applicable

We report that, during the year under review:

1. The status of the Company during the financial year has been that of a Listed Public Company.
2. The Company has not been a holding or a subsidiary of another Company. The Company is a Listed Public Company.
3. The Board of Directors of the Company consisting of 1 Executive Director, 1 Woman Director and 2 Non Executive Directors- one being Independent Director. The Composition of Board of Directors of the Company and its subcommittees has been duly constituted as on the date of the Report. There were no changes in the composition of the Board of Directors during the period under review except demise of Mr. Sanjay Gupta, Managing Director on 29-3-2016. The Company is in the process of filing Form DIR-12 in respect of demise of Managing Director.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

4. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, there being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel.
5. The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings/debenture holdings and directorships in other Companies and interests in other entities.

6. The Company has not advanced loans, given guarantees and provided securities to directors and/or persons or firms or Companies in which directors were interested.
7. The amount borrowed by the Company from its directors, members, bank(s)/ financial institution(s) and others were within the borrowing limits of the Company. Such borrowings were made by the Company in compliance with applicable laws.
8. The Company has not defaulted in the repayment of unsecured loans, facilities granted by bank(s)/financial institution(s) and non-banking financial companies. The Company has not issued Debentures or collected Public Deposits.
9. The Company has not created modified or satisfied charges on the assets of the Company and complied with the applicable laws.
10. All registrations under the various state and local laws as applicable to the Company are valid as on the date of report.
11. The Company has not issued and allotted the securities during the period under scrutiny.
12. The Company has not declared and paid dividends to its shareholders during the period under scrutiny.
13. The Company has;
 - a. no unpaid dividends,
 - b. not issued debentures and
 - c. not accepted fixed deposits

So there is no need for transferring amount to the Investor Education and Protection Fund during the period under scrutiny.
14. As informed by the Management, the Company has paid all its Statutory dues and satisfactory arrangements have been made for arrears of any such dues.
15. The Company being a listed entity has complied with the provisions of the Listing Agreement.
16. The Company being a listed company is required to appoint Chief Financial Officer as per Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Company has been advised to comply with the provisions and the company is in the process of complying with the provisions of the Act as certified by the Management.
17. As per the information from the management, the Company is in the process of updating the statutory register.
18. The Company has provided a list of statutes in addition to the laws as mentioned above and it has been observed that there are proper systems in place to ensure compliance of all laws applicable to the company.

We further report that:

1. the Company has complied with the provisions of Corporate Governance Voluntary Guidelines, 2009 issued by the Ministry of Corporate Affairs, Government of India;
2. the Company has followed the Secretarial Standards issued by the Institute of Company Secretaries of India to the extent applicable.
3. the Company has complied with the provisions of Equity listing Agreements entered into with Bombay Stock Exchange.

4. the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the Regulations;
5. the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures; and the Company is in the process of preparing the required documents and records as per the rules and regulations as certified by the management.
6. the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 are not applicable for the Company during the period under scrutiny.
7. the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 with regard to grant of Stock Options and implementation of the Schemes are not applicable for the Company during the period under scrutiny.
8. the provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 are not applicable for the Company during the period under scrutiny.
9. the Company has complied with the provisions of the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
10. the provisions of Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 are not applicable for the Company during the period under scrutiny.
11. the provisions of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 with regard to buy back of Equity shares are not applicable for the Company during the period under scrutiny.
12. the Company has provided E-voting facility to the members and the Company has entered in to try party agreement between RTA and NSDL as certified by the management .
13. the Company had complied with the Provisions of The Competition Act, 2002 with regard to prohibition of anti-competitive agreements, abuse of dominance and ensuring of competition advocacy. As per the verification, the Company is ensuring fair competition in the market among its competitors.

We Further Report That:

The compliance with regard to the following Acts is pointed out below:

1. The Competition Act, 2002:-Overall Compliance under the Act complied by the Company.
2. The Kerala Panchayat Raj Act and Kerala Municipalities Act:-The Company has complied with the provisions of the Act.
3. The Kerala Shops & Establishment Act, 1960:-Overall Compliance under the Act complied by the Company.
4. Kerala Industrial Establishments (National & Festival Holidays Act) 1958:- The Company has complied with the provisions of the Act.

5. Sexual Harassment of Women at the work place (prevention, prohibition and redressal) Act, 2013:- Overall Compliance under the Act complied by the Company.
6. Food safety and Standards Act, 2006:-The Company has complied with the provisions of the Act.
7. Indian Boilers Act 1923:-The Company has complied with the provisions of the Act.
8. The Water (Prevention and Control of Pollution) Act, 1974:-The Company has obtained necessary license under the Act.
9. The Air (Prevention & Control of Pollution) Act, 1981:-The Company has obtained necessary license under the Act.
10. The Environment (Protection) Act, 1986:- The Company has obtained necessary license under the Act.
11. The Legal Metrology Act:-The Company has complied with the provisions of the Act.
12. The Standard of Weight & Measures (Enforcement) Act, 1985:-The Company has complied with the provisions of the Act.

We further report that:

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

This Report is to be read with our letter of even date which is annexed as Annexure -A and forms an integral part of this report.

Cochin
22/07/2016

CS N Balasubramanian
Designated Partner
BVR and Associates Company Secretaries
LLP
FCS No. F6439
C P No.: 4996

Annexure A'

To,
The Members
M/s. PRIMA AGRO LIMITED

Our report of even date is to be read along with this letter.

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

Cochin
22/07/2016

CS N Balasubramanian
Designated Partner
BVR and Associates Company Secretaries
LLP
FCS No. F6439
C P No.: 4996

PRIMA AGRO LIMITED

CIN: L15331KL1987PLC004833

Regd. Office: "Door No: V/679-C, Industrial Development Area,
Muppathadam P O, Edayar, Cochin – 683 110

ATTENDANCE SLIP

(Please present this slip at the Meeting Venue)

I/We hereby record my/our presence at the 29th Annual General Meeting of the Company, to be held on Monday, the 22nd day of August, 2016 at 11.00 a.m. at the Registered Office of the Company at Door No. V/679-C, Industrial Development Area, Muppathadam P.O., Edayar, Cochin - 683 110, Kerala and at any adjournment thereof.

Signature of the Shareholder(s) / Proxy's :

Shareholders/Proxy's Full Name (In Block Letters) :

Folio No./Client ID :

No. of Shares Held :

Notes:

1. Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip/Proxy from as the case may be meeting and handover at the entrance duly signed.
2. Shareholder/Proxy holder attending the meeting should bring his copy of the Annual Report for reference at the meeting.
3. A Proxy need not be a member of the company.
4. In case of joint holders, the vote of the senior who tends a vote, whether in person or by Proxy, shall be accepted to the exclusion of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.

PRIMA AGRO LIMITED
 CIN: L15331KL1987PLC004833
 Regd.Office: "Door No: V/679-C, Industrial Development Area,
 Muppathadam P O, Edayar, Cochin – 683 110

**Form No. MGT 11
 PROXY FORM**

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

CIN : L15331KL1987PLC004833
 Name of the Company : PRIMA AGRO LTD
 Registered Office : Door No.V/679-C, Industrial Development Area
 Muppathadam.P.O., Edayar, Cochin – 683 110

Name of the member(s):.....
Registered Address:.....
Email ID:.....
Folio No./Client ID:.....
DP ID:.....

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

1. Name :
 Address:.....
 Email ID:.....
 Signature:.....or failing him.....

2. Name :
 Address:.....
 Email ID:.....
 Signature:.....or failing him.....

3. Name :
 Address:.....
 Email ID:.....
 Signature:.....or failing him.....

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the company, to be held on the 22nd day of August, 2016 at 11.00 a.m. at the Registered Office of the Company at Door No.V/679-C, Industrial Development Area, Muppathadam.P.O., Cochin – 683 110, Kerala and at any adjournment thereof in respect of such resolutions as are indicated below:

SI.No.	Resolutions

Signed this..... day of August 2016

Signature of shareholder

Signature of Proxy Holder(s)

Affix Rs.1/- Revenue Stamp

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.