

26th Annual Report 2011-2012

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2011-12 (PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)

The Company pursuant to Clause 49 of the listing agreement with the Stock Exchanges furnishes its report on the code on Corporate Governance.

1. Company's Philosophy on Code of Governance:

Your Company is fully committed to the principles of transparency, integrity and accountability in all spheres of its operations and has been practicing the principles of good corporate governance over the years. In keeping with this commitment, your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings and continuously endeavors to review strengthen and upgrade its systems and procedures so as to bring in transparency and efficiency in its various business segments.

Your Board of Directors present the Corporate Governance Report for the year 2011- 12 based on the disclosure requirements under Clause 49 of the Listing Agreement existing as on 31st March 2012.

2. Board of Directors:

The Board of Directors of the company is composed of committed persons with considerable experience in varied fields and comprises a majority of Non-Executive Directors. The Board is properly constituted as per Clause 49 of the Listing Agreement.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he is a Director. Necessary Disclosures regarding Committee positions in other Public Companies as on March 31, 2012 have been made by the Directors.

During the financial year ended 31st March, 2012, 5 Meetings of the Board of Directors were held as on 03/05/2011, 29/07/2011, 24/08/2011, 03/11/2011 and 03/02/2012.

Sr. No.	Name of Director	Category	No. of Board Meetings during	No. of meetings attended	Whether attended last AGM	Number of other Directorship	No of membership of Committees in other Public Ltd Companies
1	Mr. Rameshchandra Khakhar	Executive Director	5	5	Yes	1	0
2	Mr. Prabhakar Khakhar	Executive Director	5	5	Yes	1	0
3	Mr. Dilip Khakhar	Non Executive Director	5	5	Yes	0	0
4	Mr. Manoj Ajudia	Independent Director	5	5	Yes	0	0
5	Mr. Ganesh Shelar	Independent Director	5	5	Yes	0	0
6	Mr. Vijay Rank	Independent Director	5	5	Yes	0	0

Notes:

1. Excludes alternate directorships and directorships in foreign companies and private companies which are neither a subsidiary nor a holding company of a public company.

2. Excludes Committees other than Audit Committee and Shareholders'/ Investors' Grievance Committee and Companies other than public limited companies.

The Board periodically reviews compliance reports of all the laws applicable to the Company and has put in place procedures to review steps to be taken by the Company to rectify instances of non-compliance, if any.

Particulars of Re-appointed Directors:

Mr. Ramesh Khakhar and Mr. Vijay Rank, who retires by rotation and being eligible for re- appointment has offered themselves for re- appointment.

Board Committees

The Board has constituted the following Committees of Directors:

(a) Audit Committee:

Audit Committee is consisting of Mr. Vijay Rank Chairman, Mr. Prabhakar Khakhar and Mr. Ganesh Shelar as Members of the Audit Committee.

i. Terms of Reference

The role and terms of reference of Audit Committee covers are as mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act,1956, besides other terms as may be referred by the Board of Directors.

ii. Composition

The Audit Committee comprised of Mr. Vijay Rank Chairman, Mr. Prabhakar Khakhar and Mr. Ganesh Shelar as Members . The composition of the Board of Directors is in accordance with Clause 49 of the Listing Agreement.

During the 2011-2012 under review 5 meetings of the Audit Committee were held on, 03/05/2011, 29/07/2011, 24/08/2011, 03/11/2011 and 03/02/2012.

The attendance of members is as follows:

Name	Category	Meetings during the year 2011-12	
		held	attended
Mr. Vijay Rank Chairman	Independent, Non – Executive Director	5	5
Mr. Prabhakar Khakhar Member	Executive Director	5	5
Mr. Ganesh Shelar Member	Independent Non – Executive Director	5	5

26th Annual Report 2011-2012

A brief description of the terms of reference of the Audit Committee is as follows:

To review Internal Audit Reports, Statutory Auditors' Report on the financial statements, to generally interact with the Internal Auditors and Statutory Auditors, to review the adequacy of internal control systems, to select and establish accounting policies, to review financial statements before submission to the Board, to recommend the appointment and removal of external auditor and fixation of audit fees and other matters specified under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

b. Share Transfer & Shareholders' / Investors' Grievance Committee :

(i) Terms of references

- a) To scrutinize and approve registration of transfer of shares / debentures / warrants issued / to be issued by the company.
- b) To decide all questions and matters that may arise in regard to transmission of shares / debentures / warrants issued / to be issued by the Company.
- c) To approve and issue duplicate shares / debentures / warrants certificates in lieu of those reported lost,
- d) To refer to the Board and any proposal of refusal of registration of transfer of shares / debentures / warrants for their consideration.
- e) To look into shareholders and investors complaints like transfer of shares, non-receipt of declared dividends, etc., and
- f) To delegate all or any of its power of Officers / Authorized Signatories of the Company.

(ii) Composition

The Share Transfer & Shareholders' / Investors' Grievance Committee comprises following Members:

Name	Category	Meetings during the year 2011-12	
		held	attended
Mr. Ganesh Shelar Chairman	Independent Director	5	5
Mr. Manoj Ajudia Member	Independent Director	5	5
Mr. Prabhakar Khakhar Member	Executive Director	5	5

The constitution and terms of reference of the Share Transfer & Shareholders' / Investors' Grievance Committee is in agreement with the guidelines prescribed under Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

This committee (i) approves and monitors transfers, transmission, splitting and consolidation of securities and issue of duplicate Certificates by the Company; (ii) looks into various issues relating to shareholders, including the redressal of shareholders' and investors' complaints like transfer of shares, non-receipt of Balance Sheet, dividend etc.; and (iii) carries out the functions envisaged under the Code of Conduct for Prevention of Insider Trading adopted in terms of Regulation 12(1) of the SEBI (Prohibition of Insider Trading) Regulations, 1992.

The Board has designated Mr. Parbhakar Khakhar ,as the Compliance Officer.

The total number of complaints received and replied to the satisfaction of the shareholders during the year are as follows:-

· No. of shareholders' complaints received during the year	:	0
· No. of complaints not resolved to the satisfaction of shareholders	:	0
· No. of pending share transfers	:	0

1. General Body Meetings:

(a) Location and time where last three Annual General Meetings were held:

Financial Year	Date	Time	Location
2010-2011	29/09/2011	11.00 a.m.	Usha Kiran Apt, Sardar Nagar Main Rd Rajkot
2009-2010	25/09/2010	11.00 a.m.	Usha Kiran Apt, Sardar Nagar Main Rd Rajkot
2008-2009	21/09/2009	11.00 a.m.	Usha Kiran Apt, Sardar Nagar Main Rd Rajkot

(b) Whether Special Resolutions were put through postal ballot last year : No

(c) Are votes proposed to be conducted through postal ballot this year : No

2. Other disclosures:

(a) Related Party Transactions

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

None of the transactions with any of the related parties were in conflict with the interest of the Company at large.

(b) Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

(c) Disclosures on Risk Management

During the year under review, a detailed exercise on Business Risk Management was carried out covering the entire spectrum of business operations and the Board has been informed about the risk assessment and minimization procedures as required under Clause 49 of the Listing Agreement. The Company has framed the Risk Assessment and Minimization- Procedure which will be periodically reviewed by the Board.

(d) Code of Conduct

The Board of Directors has not adopted the Code of Ethics and Business Principles for the Non-executive Directors as also for the employees including Executive Director.

26th Annual Report 2011-2012

- (e) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:
None

REMUNERATION OF DIRECTORS

Details of remuneration paid to Directors

None of Directors have been paid during the year.

3. General Shareholder information:

- (a) AGM date, time and venue: Annual General Meeting will be held on Monday, 24th September, 2012 at Registered office of the Company

- (b) **Financial Year: The Financial Year is from 1st April 2012 to 31st March 2013.**

Tentative Schedule

Unaudited Results for quarter ending June 30, 2012	:	End of July 2012
Unaudited Results for quarter ending September 30, 2012	:	End of October 2012
Unaudited Results for quarter ending December 31, 2012	:	End of January 2013
Unaudited Results for quarter ending March 31, 2013	:	End of April 2013
Audited Results for year ending March 31, 2013	:	End of July 2013
AGM for year ending March 31, 2013	:	End of September 2013

- (c) **Book Closure period:** Monday, 17th September, 2012 to Monday, 24th September, 2012.

- (d) **Dividend payment:** The Company has not declared any dividend.

- (e) **Stock Exchanges where securities are listed.**

The Company's securities are listed at:
Bombay Stock Exchange Limited,
Ahmedabad Stock Exchange Limited and
Calcutta Stock Exchange Limited.

STOCK MARKET DATA:

There has not been any trade in the shares of the Company, since the trading in equity shares of the company is suspended during the year ended 31st March, 2012. However the Board of Directors are making efforts for revocation of suspension of trading in equity shares of the Company.

- (f) **Scrip code:** 519367 - Bombay Stock Exchange Limited
61490 - Ahmedabad Stock Exchange Limited
30114 - Calcutta Stock Exchange Limited

TRANSGLOBE FOODS LIMITED

(g) **Registrar and Transfer Agent: In House.**

(h) **Share transfer system with number of shares transferred:**

Physical shares sent for transfers or dematerialization are generally registered and returned within a period of 30 days from the date of receipt of completed and validly executed documents.

- (i) Dematerialization of shares and liquidity: No
- (j) Outstanding GDRs/ Warrants, Convertible Bonds, conversion date and its impact on equity. Nil
- (k) Distribution of Shareholding and Shareholding Pattern as on 31st March, 2012:

(i) Distribution of Shareholding as on 31st March, 2012:

Share holding of Nominal Value of Rs.	Shareholders No.	% of holding	No. Share	% of Share
001 to 250	3397	85.72	446500	12.94
251 to 1000	435	10.98	203300	5.89
1001 to 2000	36	0.91	65700	1.90
2001 to 5000	7	0.18	30900	0.90
5001 to 10000	10	0.25	91800	2.66
Above 10001	78	1.96	2612500	75.71
TOTAL	3963	100.00	3450700	100

(ii) Shareholding pattern as at 31st March, 2012:

	No. of Shares held	% to Total Shares
Promoter Group*	398000	11.53
Mutual Funds and UTI	00	0.00
Banks & Financial institutions & Insurance Companies etc.	00	0.00
Corporate Bodies	302000	8.75
General Public	2735800	79.29
NRIs/ OCBs	14900	1.43
TOTAL	3450700	100.00

26th Annual Report 2011-2012

(l) Address for correspondence:

The Company's Registered Office is situated at :
C-21 Usha Kiran Apartment, sardar Nagar Main Road, Rajkot- 360001.

Non-Mandatory Requirements:

The Company is not yet implementing the non-mandatory requirements under Clause 49 of the Listing Agreement. However, adoption of other non-mandatory requirements under Clause 49 of the Listing Agreement is being reviewed by the Board from time to time.

WHISTLE BLOWER POLICY

1. Preface

- 1.1 The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.
- 1.2 The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct.
- 1.3 Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter-alia, provides, a non-mandatory requirement, for all listed companies to establish a mechanism called "Whistle Blower Policy" for employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.
- 1.4 The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees wishing to raise a concern about serious irregularities within the Company.
- 1.5 The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

2. Policy

- 2.1 This Policy is for the Employees as defined hereinafter.
- 2.2 The Policy has been drawn up so that Employees can be confident about raising a concern. The areas of concern covered by this Policy are summarized in paragraph 5.

3. Definitions

- 3.1 "Disciplinary Action" means any action that can be taken on the completion of / during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- 3.2 "Employee" means every employee of the Company (whether working in India or abroad).

- 3.3 “Protected Disclosure” means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- 3.4 “Subject” means a person against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- 3.5 “Whistle Blower” is someone who makes a Protected Disclosure under this Policy.
- 3.6 “Whistle Officer” or “Committee” means an officer or Committee of persons who is nominated/appointed to conduct detailed investigation.
- 3.7 “Ombudsperson” will be a Non-Executive Director for the purpose of receiving all complaints under this Policy and ensuring appropriate action. In the first instance, the Board shall appoint this Ombudsperson. The Director shall have the authority to change the Ombudsperson from time to time.

4. The Guiding Principles

- 4.1 To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will:
- 4.1.1 Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so;
- 4.1.2 Treat victimization as a serious matter including initiating disciplinary action on such person/(s);
- 4.1.3 Ensure complete confidentiality.
- 4.1.4 Not attempt to conceal evidence of the Protected Disclosure;
- 4.1.5 Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;
- 4.1.6 Provide an opportunity of being heard to the persons involved especially to the Subject;

5. Coverage of Policy

- 5.1 The Policy covers malpractices and events which have taken place/ suspected to take place involving:
1. Abuse of authority
 2. Breach of contract
 3. Negligence causing substantial and specific danger to public health and safety
 4. Manipulation of company data/records
 5. Financial irregularities, including fraud, or suspected fraud

26th Annual Report 2011-2012

6. Criminal offence
 7. Pilferation of confidential/propriety information
 8. Deliberate violation of law/regulation
 9. Wastage/misappropriation of company funds/assets
 10. Breach of employee Code of Conduct or Rules
 11. Any other unethical, biased, favoured, imprudent event
- 5.2 Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

6. Disqualifications

- 6.1 While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- 6.2 Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a *mala fide* intention.
- 6.3 Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be *mala fide*, *frivolous* or *malicious* shall be liable to be prosecuted under Company's Code of Conduct.

7. Manner in which concern can be raised

- 7.1 Employees can make Protected Disclosure to Ombudsperson, as soon as possible but not later than 30 consecutive days after becoming aware of the same.
- 7.2 Whistle Blower must put his/her name to allegations. Concerns expressed anonymously WILL NOT BE investigated.
- 7.3 If initial enquiries by the Ombudsperson indicate that the concern has no basis, or it is not a matter to be investigation pursued under this Policy, it may be dismissed at this stage and the decision is documented.
- 7.4 Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Ombudsperson alone, or by a Whistle Officer/Committee nominated by the Ombudsperson for this purpose. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings would be made.
- 7.5 Name of the Whistle Blower shall not be disclosed to the Whistle Officer/Committee.
- 7.6 The Ombudsperson/Whistle Officer/Committee shall:

- i) Make a detailed written record of the Protected Disclosure. The record will include:
 - a) Facts of the matter
 - b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - c) Whether any Protected Disclosure was raised previously against the same Subject;
 - d) The financial/ otherwise loss which has been incurred / would have been incurred by the Company.
 - e) Findings of Ombudsperson/Whistle Officer/Committee;
 - f) The recommendations of the Ombudsperson/Whistle Officer/Committee on disciplinary/ other action/(s).
- ii) The Whistle Officer/Committee shall finalise and submit the report to the Ombudsperson within 15 days of being nominated/appointed.

7.7 On submission of report, the Whistle Officer /Committee shall discuss the matter with Ombudsperson who shall either:

- i) In case the Protected Disclosure is proved, accept the findings of the Whistle Officer /Committee and take such Disciplinary Action as he may think fit and take preventive measures to avoid reoccurrence of the matter;
- ii) In case the Protected Disclosure is not proved, extinguish the matter; Or
- ii) Depending upon the seriousness of the matter, Ombudsperson may refer the matter to the Committee of Directors (Whole-time Directors) with proposed disciplinary action/counter measures. The Committee of Directors, if thinks fit, may further refer the matter to the Audit Committee for necessary action with its proposal. In case the Audit Committee thinks that the matter is too serious, it can further place the matter before the Board with its 8 recommendations. The Board may decide the matter as it deems fit.

7.8 In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision, s/he can make a direct appeal to the Chairman of the Audit Committee.

8. Protection

8.1 No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower. Complete protection will, therefore, be given to Whistle Blower against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, discrimination, any type of harassment, biased behaviour or the like including any direct

26th Annual Report 2011-2012

or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/ functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.

Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.

8.2 The identity of the Whistle Blower shall be kept confidential.

8.3 Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

9. Secrecy/Confidentiality

The Whistle Blower, the Subject, the Whistle Officer and everyone involved in the process shall:

- a. maintain complete confidentiality/ secrecy of the matter
- b. not discuss the matter in any informal/social gatherings/ meetings
- c. discuss only to the extent or with the persons required for the purpose of completing the process and investigations
- d. not keep the papers unattended anywhere at any time
- e. keep the electronic mails/files under password

If any one is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

10. Reporting

A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

11. Amendment

The Executive Director of the Company has the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31st March 2012.

INDUSTRY STRUCTURE AND DEVELOPMENT:

The industry is showing some improvement & your Directors are expecting better industrial development in the coming years.

SEGMENT-WISE PERFORMANCE:

The Company manufacturing and trades in a single business segment. The company has passed through a very unusual phase, any worthwhile comparison of performance between two periods would be inconclusive. There is, yet, considerable scope for improvement.

OPPORTUNITIES AND THREATS:

The company is taking maximum efforts to capitalize on business opportunities & further expect a better outlook in the coming years. The threats to the segment in which the company operates are pricing pressure arising due to competition from low cost suppliers, technology up gradation, severe competition and newly emerging competitive nations and stricter environment laws.

STRENGTH:

The existing management has a strong technical, finance and administrative expertise in various industries and corporate sectors including the business of the Company.

RISKS AND CONCERNS:

Your company is working essentially in global market place. However since the company is into trading activity It is attributed to all the risk and concerns attached with the trading industries as a whole.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The internal control system is looked after by Directors themselves, who also looked after the day to day affairs to ensure compliances of guide lines and policies adhere to the management instructions and policies to ensure improvements in the system. The Internal Audit reports are regularly reviewed by the management. The Company has proper and adequate internal control system commensurate with the size of the business operations geared towards achieving efficiency in its various business operations, safeguarding assets, optimum utilization of resources and compliance with statutory regulations. Efforts for continued improvement of internal control system are being consistently made in this regard.

HUMAN RESOURCES VIS-À-VIS INDUSTRIAL RELATIONS

The Company values and appreciates the dedication and drive with which its employees have contributed towards improved performance during the year under review. The relations with workers and staff are cordial during the year under review. All issues pertaining to staff matters are resolved in harmonious and cordial manner.

26th Annual Report 2011-2012

CAUTIONARY STATEMENT

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

For **Transglobe Foods Limited**

Place: **RAJKOT**
Date: **20/08/2012**

Sd/-
DIRECTOR

Sd/-
DIRECTOR

DECLARATION UNDER CODE OF CONDUCT

As the Executive Director of **TRANSGLOBE FOODS LIMITED** and as required by Clause 49 (i) (d) (ii) of the Listing Agreement, I, Mr. Prabhakar Khakhar, Executive Director, hereby declare that all the Board Members and the Senior Management personnel of the Company have affirmed Compliance with the Company's Code of Business Conduct and Ethics, for the Financial Year 2011-12.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

Place: **RAJKOT**
Date: **20/08/2012**

Sd/-
Prabhakar Khakhar
Chairman

CEO/CFO CERTIFICATION

**To,
The Board of Directors
TRANSGLOBE FOODS LIMITED**

We, do hereby certify that:

- (a) We have reviewed financial statements and the Cash Flow statement for the year and that to the best of my knowledge and belief:
 - (i.) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii.) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standard, applicable laws and regulations,
- (b) There are to the best of our Knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal, or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committees.
 - (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 we have become aware and the involvement therein, if any, of the management having a significant role in the Company's internal control system over financial reporting.

By Order of the Board of Directors
For **Transglobe Foods Limited**

**Place : RAJKOT
Date : 20/08/2012**

**Sd/- Sd/-
Director Director**

26th Annual Report 2011-2012

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of:

TRANSGLOBE FOODS LIMITED

C-21 Usha Kiran Appartmentsardar Nagar Main Road,
Rajkot- 360001.

I have examined the compliance of conditions of Corporate Governance by **TRANSGLOBE FOODS LIMITED** for the year ended 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with the Stock Exchange(s).

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

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

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

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

**FOR Bakul V.Ganatra & Co.
Chartered Accountants**

**Sd/-
Bakul V. Ganatra**

**Proprietor
Membership No.31813**

Place: RAJKOT

Date: 20/08/2012