

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31st March 2014.

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 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.

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 and other incidental factors

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2013-14
(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 presents the Corporate Governance Report for the year 2013- 14 based on the disclosure requirements under Clause 49 of the Listing Agreement existing as on 31st March, 2014.

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, 2014 have been made by the Directors.

During the financial year ended 31st March, 2014, 6 Meetings of the Board of Directors were held as on 03/05/2013, 13/05/2013, 09/08/2013, 14/11/2013, 07/12/2013 and 30/01/2014.

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

Notes:

1. Excludes alternate directorships and directorships in foreign companies and private companies.
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.

3. Particulars of appointed & re-appointed Directors:

In accordance with the requirements of the Companies Act, 1956 and Article of Association of the Company Mr. Rameshchandra Khakhar retire by rotation and being eligible have offered themselves for re-appointment. The Board of Directors recommends his re-appointment. The Company has received requisite notices in writing from members proposing Mr. Vijay Rank, Mr. Ganesh Shelar and Mr. Manoj Ajudia for appointment of Independent Directors in terms of the requirement of Companies Act, 2013. The Company has received declaration from all the Independent Directors of the Company confirming that they meet with criteria of Independence as prescribed under sub-section (6) of section 149 of the Companies Act, 2013 and under clause 49 of the Listing Agreements with the Stock Exchanges.

1. Name	Rameshchandra Khakhar	Ganesh Shelar	Vijay Rank	Manoj Ajudia
2. Brief Resume				
Age	76 years	33 Years	47 Years	36 Years
Qualification	Graduate	Graduate	Graduate	Graduate
Experience	34 Years	9 years	13 Years	11 Years
Date of appointment on the Board of the company	21/03/1996	06/10/2009	06/10/2009	06/10/2009
3. Nature of expertise in specific functional Areas	He has wide experience in the field of Finance & Accounts	He has wide experience in the field of Production	He is an expert in the field of administration	He is an expert in the field of Accounts
4. Name(s) of other Companies in which Directorship held	Nil	Nil	Nil	Nil
5. Name(s) of other companies in which he is Chairman / Member of the Committee(s)	NIL	Nil	Nil	Nil
6. No. of shares held of Rs.10/- each	100	Nil	Nil	Nil

* Committees means only Audit and Shareholder's/ Investor Grievance Committee as per Clause 49 of the Listing Agreement.

4. Audit Committee:**i. Brief Description of Terms of Reference**

The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act, 1956.

The terms of reference, Role and powers of the Audit Committee are as mentioned in Clause 49 II (A) to (E) of the Listing Agreement entered into with the Stock Exchanges and read with Section 292A of the Companies Act, 1956 and 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.

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.

All the Members of the Audit Committee are financially literate and possess sound knowledge of accounts, audit, finance etc. Mr. Vijay Rank is the Chairman of the Audit Committee.

iii. Meetings and Attendance During the Year:

During the 2013-2014 under review 4 meetings of the Audit Committee were held on, 03/05/2013, 09/08/2013, 14/11/2013 and 30/01/2014. The attendance of members is as follows:

Name	Category	Meetings during the year 2013-14	
		Held	Attended
Mr. Vijay Rank	Chairman Independent, Non – Executive Director	4	4
Mr. Prabhakar Khakhar	Member Executive Director	4	4
Mr. Ganesh Shelar	Member Independent Director	4	4

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

(i) Composition

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

Name	Category	Meetings during the year 2013-14	
		Held	Attended
Mr. Ganesh Shelar	Chairman Independent Director	4	4
Mr. Manoj Ajudia	Member Independent Director	4	4
Mr. Prabhakar Khakhar	Member Executive Director	4	4

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. Prabhakar Khakhar, as the Compliance Officer.

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

· No. of shareholders' complaints received during the year	:	3
· No. of complaints not resolved to the satisfaction of shareholders	:	0
· No. of pending share transfers	:	0
· No. of Complaints Resolved	:	3

6. MANAGEMENT DISCUSSION AND ANALYSIS:

A detailed section on Management Discussion and Analysis. is attached above.

7. GENERAL BODY MEETINGS:

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

Financial Year	Date	Time	Location
2012-2013	19/09/2013	02.00 p.m.	202, Hotel Samrat International, 37, Karanpara, Near S. T. Bus Station, Rajkot- 360 001.
2011-2012	24/09/2012	11.00 a.m.	Usha Kiran Apt, Sardar Nagar Main Rd Rajkot.
2010-2011	29/09/2011	11.00 a.m.	Usha Kiran Apt, Sardar Nagar Main Rd Rajkot.

(ii) Special Resolution passed in previous three Annual General Meetings: NIL

(iii) Special Resolution passed last year through Postal Ballot: - Yes

(iv) Person who conducted the Postal Ballot exercise:

Mr. Mandar Palav, Company Secretary in Whole-time practice, who acted as a Scrutinizer for Postal Ballot.

(v) Special Resolution proposed to be conducted through Postal Ballot: Nil

(vi) Procedure for Postal Ballot: Physical submission of Assent and Dissent were submitted by the Shareholders in respect of Special Resolution which was transacted through postal ballot.

(vii) Special Resolution:

For Shifting of Registered Office of the Company from the State of Gujarat to the State of Maharashtra:

Mr. Mandar Palav, Company Secretary in Whole-time practice, Scrutinizer appointed by the Board has submitted his report. Accordingly, the following result of the Postal Ballot (passed through physical) declared on 16th September, 2013

Particulars	No. of Postal Ballot forms	No. of shares
Postal Ballot forms received	34	1247700
- Invalid Postal Ballot forms	0	0
- Valid Postal Ballot forms	34	1247700
Votes in favour of the Resolution	34	1247700
Votes against the Resolution	0	0

Note: The above Resolution was passed with majority.

10. 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) 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:

The Company was suspended from trading in Equity Shares of the Company from stock exchanges due to penal reasons. The Company has received in-principle approval vide letter no. DCS/COMP/OT/SB/199/2013-14 dated October 14, 2013 for revocation of suspension for trading.

(e) It is confirmed that no personnel has been denied access to the Audit Committee.

11. REMUNERATION OF DIRECTORS:

Details of remuneration paid to Directors

None of Directors have been paid during the year.

12. MEANS OF COMMUNICATION:

I. Quarterly Results:

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board.

II. Website:

Name of the Company's Website where the results are displayed is www.transglobefoods.com.

III. Official News Releases:

The Company displays official news releases as and when the situation arises.

IV. Presentations:

The Company makes presentation to institutional investors or the analysts when found appropriate.

12. GENERAL SHAREHOLDER INFORMATION:

(a) AGM DATE, TIME AND VENUE:

Annual General Meeting will be held on, **Tuesday 29th September, 2014 at 10.00 A.M.** at the registered office of the Company at **-Kriish Cottage, C-101/201, Manas Building, Near St. Lawrence High School, Devidas Lane, Borivali (W), Mumbai – 400 103.**

(b) FINANCIAL YEAR:

The Financial Year is from 1st April 2014 to 31st March 2015.

Tentative Schedule

Unaudited Results for quarter ending June 30, 2014	: End of July 2014
Unaudited Results for quarter ending September 30, 2014	: End of October 2014
Unaudited Results for quarter ending December 31, 2014	: End of January 2014
Audited Results for year ending March 31, 2015	: End of July 2015.
AGM for year ending March 31, 2015	: End of September 2015.

(c) **BOOK CLOSURE PERIOD:** Tuesday, the 23rd th September, 2014 to Tuesday, the 30th September, 2014 (both days are inclusive)

(d) **DIVIDEND PAYMENT:** The Company has not declared any dividend.

(e) STOCK EXCHANGES WHERE SECURITIES ARE LISTED:

Name of the Stock Exchange (Equity Shares)	Stock Code
BSE Limited	519367
Calcutta Stock Exchange Limited	30114

(f) STOCK MARKET DATA:

There has not been any trade in the shares of the Company during the year ended 31st March, 2014. However the Board of Directors are making efforts for revocation of suspension of trading in equity shares of the company. However in this connection the Company has received in-principle approval vide letter no. DCS/COMP/OT/SB/199/2013-14 dated October 14, 2013 for revocation of suspension for trading.

(g) **REGISTRAR AND TRANSFER AGENT:** System Support Services
209, Shivai Industrial Estate,
Sakinaka, Andheri kurla Road
Andheri (E), Mumbai – 400092
Email : syss72@yahoo.com

(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 15 days from the date of receipt of completed and validly executed documents.

(i) DEMATERIALIZATION OF SHARES AND LIQUIDITY:

ISIN:INE213P01019

The Company has obtained ISIN connectivity with CDSL vide its letter no. CDSL/ISS/NMP/EQ/32295 dated July 9, 2013. We have made application to NDSL to obtain connectivity with it.

(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, 2014:

(i) Distribution of Shareholding as on 31st March, 2014:

Share holding	No. of Shareholders	%	No of Shares	% of Shareholding
001 - 500	3780	95.48	608100	17.623
501 - 1000	48	1.212	41700	1.208
1001 - 2000	36	0.909	65700	1.904
2001 - 5000	7	0.178	30900	0.896
5001 - 10000	10	0.253	91800	2.660
Above 10001	78	1.970	2612500	75.709
Total	3959	100.00	3450700	100

(ii) Shareholding pattern as at 31st March, 2014:

Category	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	303500	8.75
General Public	2734300	79.24
NRIs/ OCBs	14900	1.43
TOTAL	3450700	100.00

(l) ADDRESS FOR CORRESPONDENCE:

The Company's Registered Office is situated at:

Regd off: B-11, Borivali Co. Hsg Society ,
Sodawala Cross Lane,
Borivali (W), Mumbai – 400 092.

Website: www.transglobefoods.com

Email: transglobefoods@gmail.com

13. CODE OF CONDUCT:

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company which is posted on the website of the Company. All Board Members and Senior Management

Personnel have affirmed compliance with the Code on an annual basis. A declaration to this effect signed by the Chairman forms part of this Report.

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.

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

**Place: MUMBAI
Date: 14.08.2014**

Prabhakar Khakhar Rameshchandra A. Khakhar
Din: 06491642 Din: 02780920

DECLARATION UNDER CODE OF CONDUCT

To,
The Members of
Transglobe Foods Limited
Mumbai

As the Executive Director of TRANSGLOBE FOODS LIMITED and as required by Clause 49 (i) (d) (ii) of the Listing Agreement, I, 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 2013-14.

I further declare that the said Code of Conduct have been posted on the website of the Company in accordance with the Clause 49 of the Listing Agreement.

For Transglobe Foods Limited

**Place: MUMBAI
Date: 14.08.2014**

**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
For Transglobe Foods Limited**

Prabhakar Khakhar Rameshchandra A. Khakhar
Din: 06491642 Din: 02780920

**Place: MUMBAI
Date: 30.05.2014**

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
TRANSGLOBE FOODS LIMITED
B-11, Borivali Co. Hsg Society ,
Sodawala Cross Lane,
Borivali (W), Mumbai – 400092

We have examined the compliance of conditions of Corporate Governance by TRANSGLOBE FOODS LIMITED for the year ended 31st March, 2014 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 Ashvin Thumar & Co.
Chartered Accountants**

**Ashvin Thumar
Proprietor
Membership No.138376**

**Place: MUMBAI
Date: 14.08.2014**