

CORPORATE GOVERNANCE REPORT

A report on Corporate Governance is set out in compliance with the Corporate Governance requirements as stipulated in Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and disclosure Requirements) Regulations, 2015 (Listing Regulations).

MANDATORY REQUIREMENTS

1) COMPANY'S PHILOSOPHY ON CODE OF CORPORATE

The Company believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics.

2) BOARD OF DIRECTORS

2. a) Composition:

As on 31st March, 2020, the Board of Directors comprises of six directors consisting of five non executive directors who account for more than eighty three percent of the Board's strength as against the minimum requirement of fifty percent as per the Listing Regulations.

The composition of the Board and other details relating to their directorship in other company are given below:

Name of the Director	Designation	Number of board meetings during the year 2019-20		Whether attended last AGM held on 24th August, 2019	No of other Directorship in other Companies		Number of Committee's ² position held in other Public Companies	
		Held	Attended		Public	Private	Chairman	Member
Mr. Tanmoy Mondal	Managing Director cum CEO	12	112	YES	NIL	NIL	NIL	NIL
Mr. Pradeep Kumar Daga	Non Executive Director	12	11	YES	8	3	NIL	3
Ms. Santosh Choradia	Non Executive Director	12	4	--	4	0	NIL	NIL
Mr. Sudarson Kayori	Non Executive Independent Director	12	12	YES	3	0	NIL	2
Mr. Arun Chakraborty	Non Executive Independent Director	12	12	YES	3	0	4	2
Mr. Rathindra Nath Ghosh	Non Executive Independent Director	12	11	YES	3	0	2	3

- Memberships of the Directors in various Committees are within the permissible limits of the Listing Regulations.
- Includes Membership of Audit and Stakeholders Relationship Committees of other Indian Public Limited Companies only.

2. b) Board Meeting

The meetings of the Board of Directors are being held at regular intervals of not more than four months at the Company's Registered Office at Kolkata. The Board meets at least once in a quarter to review quarterly performance and financial results. The members of the Board have been provided with the requisite information mentioned in the Listing Regulations well before the Board Meetings. The Members of the Board have access to all information pertaining to the Company and are free to recommend inclusion of any matter in the agenda for the discussions.

During the financial year ending 31.03.2020, 12 (Twelve) meeting of the Board of Directors were held on: 02.04.2019, 21.05.2019, 12.06.2019, 23.07.2019, 14.08.2019, 26.08.2019, 26.09.2019, 30.10.2019, 27.11.2019, 19.12.2019, 14.02.2020 and 16.03.2020 were held.

Board has laid down a Code of Conduct for all directors and senior management of the company. All directors and senior management personnel have affirmed compliance with the code for the year 2019-20.

Name	Twelve Board Meeting Attending Details												% of Attendance
	1	2	3	4	5	6	7	8	9	10	11	12	
Tanmoy Mondal													100%
Pradeep Kumar Daga													91.67%
Santosh Choradia	-	-	-	-	-	-	-	-					100%
Sudarson Kayori													100%
Arun Chakraborty													100%
Rathindra Nath Ghosh													91.67%
Present Absent													

2. c) Code of Conduct













The Company has framed a code of conduct for the members of the Board of Directors and Senior Management Personnel of the Company. The said code of conduct is available on the website of the Company. The declaration by Mr. Tanmoy Mondal, Managing Director cum CEO (DIN 06391885) of the Company regarding compliance by the Board members and Senior Management Personnel, with the said code of conduct forms part of this Annual Report. The Board has a formal schedule of matters reserved for its consideration, which includes reviewing performance. The Company has designated the required information system for the purpose.

3) AUDIT COMMITTEE

The Audit Committee meetings were held on 21.05.2019, 14.08.2019, 30.10.2019 and 14.02.2020. The attendance of each Audit Committee member is as under:-

Members	Category	Number of meetings attended
Mr. Arun Chakraborty	Chairman	4
Mr. Sudarson Kayori	Member	4
Mr. Tanmoy Mondal	Member	4

The role and terms of reference of the Audit Committee cover the matters specified for Audit Committees under Listing Regulations as well as in Section 177 of the Companies Act, 2013. At the invitation of the Company, representatives of internal auditors and statutory auditors and Secretary, who acted as Secretary to the Audit Committee, also attended the Audit Committee meetings to respond to queries raised at the Committee meetings.

Name	Four Audit Committee Meeting Attending Details				% of Attendance
	1	2	3	4	
Arun Chakraborty					100.00%
Sudarson Kayori					100.00%
Tanmoy Mondal					100.00%



Present















Absent

4) STAKEHOLDERS RELATIONSHIP COMMITTEE

Stakeholders Relationship Committee of the Board comprises three Non Executive Independent Directors. During the year under reference, Four (4) meetings were held on 12.06.2019, 26.09.2019, 19.12.2019 and 16.03.2020. The composition of the said committee as on 31.03.2020 and details of meetings attended by the Members of the Committee are given below:

Members	Category	Number of meetings attended
Mr. Sudarson Kayori	Chairman	4
Mr. Arun Chakraborty	Member	4
Mr. Rathindra Nath Ghosh	Member	4

Name	Four Stakeholders Relationship Meeting Attending Details				% of Attendance
	1	2	3	4	
Sudarson Kayori					100.00%
Arun Chakraborty					100.00%
Rathindra Nath Ghosh					100.00%



Present



Absent

The Company Secretary viz. Mrs. Shivani Khanna has been designated as the Compliance Officer upto 22.05.2019 and thereafter Mr. Rahul Rungta, Company Secretary has been designated as the Compliance Officer w.e.f. 23.05.2019. During the year ended 31st March, 2020, the committee also reviews the queries and complaints received from the shareholders and the steps taken for their redressal.

Number of shareholders' complaints received so far	NIL
Number not solved to the satisfaction of shareholders	NIL
Number of pending complaints	NIL













5) NOMINATION & REMUNERATION COMMITTEE

The terms of reference of the Nominations & Remuneration Committee are as follows:

1. Make recommendations regarding the composition of the Board, identify independent Directors to be inducted to the Board from time to time and take steps to refresh the composition of the Board from time to time.
2. Provide guidance and direction in developing and implementing the reward philosophy of the Company.
3. Evaluate and approve the appointment and remuneration of senior executives, the Company's remuneration plan, annual salary increase principles and budgets, annual and long term incentive plans of the Company, policies and programs such as succession planning, employment agreements, severance agreements and any other benefits.
4. Review progress on the Company leadership development programs, including for promotion to the Board, employee engagement initiatives and employee surveys.
5. Consider and approve matters relating to normal retirement plans, Voluntary Retirement and Early Separation Schemes for employees of the Company.
6. Establish key performance metrics to measure the performance of the Managing Director and the executive team including the use of financial, non-financial and qualitative measures.
7. Evaluate executive team performance regularly to strengthen the cumulative annual assessment and to provide timely feed-back to the assessed individuals.
8. Developing a view on the human resources capability in the business by periodically engaging with levels below the executive team.
9. Review and recommend to the Board the remuneration and commission to the managing and executive directors and define the principles, guidelines and process for determining the payment of commission to non-executive directors of the Company.

Nomination and Remuneration Committee has presently three Non-Executive Directors and all of them are Independent Directors. During the year under review, four (4) committee meetings were held on 21.05.2019, 14.08.2019, 30.10.2019 and 14.02.2020. The Composition and attendance of the said committee as on 31.03.2020 are given below:

Members	Category	Number of meetings attended
Mr. Arun Chakraborty	Chairman	4
Mr. Sudarson Kayori	Member	4
Mr. Rathindra Nath Ghosh	Member	4

Name	Four Nomination and Remuneration Committee Meeting Attending Details				% of Attendance
	1	2	3	4	
Arun Chakraborty					100.00%
Sudarson Kayori					100.00%
Rathindra Nath Ghosh					100.00%



Present



Absent

Performance evaluation criteria for Independent Directors:

The framework used to evaluate the performance of the Independent Directors is based on the expectation that they are performing their duties in a manner which should create and continue to build sustainable value for the shareholders, and in accordance with the duties and obligations imposed upon them.

Remuneration of Directors :

Remuneration to Non-Executive Directors is decided by the Board of Directors as authorized by the Articles of Association of the Company and within the limits set out in Section 197 of the Companies Act, 2013. Sitting fees for attending each meeting of the Board/or Committee if any, paid to Non-Executive Directors are within the limits imposed by the Act.

None of the Non-Executive Directors has any material financial interest in the Company apart from the remuneration by way of fees received by them during the year.

6) OTHER DISCLOSURE

1. Corporate Social Responsibility (CSR) Committee: According to the provision of the Companies Act, 2013 the said committee is not applicable to our Company and hence the same has not being constituted.
2. During the year under reference, Independent directors met once viz on 03.03.2020.
3. During the financial year ended March 31, 2020 a no related party transactions was held on the promoters Director and others with the Company's Directors or their relatives.
4. The Company has complied with all the statutory requirements comprised in the Listing Agreements/ Regulations/ Guidelines/ Rules of the Stock Exchanges/ SEBI/ other Statutory Authorities.
5. The Company does not have any subsidiary company.
6. All Accounting Standards mandatorily required have been followed without exception in preparation of the financial statements.
7. No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the year under reference.

8. The Company has established a vigil mechanism/whistle blower policy for directors and employees to report concerns about unethical behavior, actual or suspected fraud etc. and the same has been disclosed on the website of the Company.
9. No money was raised by the Company through public issue, rights issue etc. in the last financial year.
10. Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters, if any, as required by Regulation 34(3) of the Listing Regulations.
11. There is no non-compliance of any of the requirements of Corporate Governance Report as required under the Listing Regulations.
12. Compliance Certificate for Corporate Governance from Auditors of the Company forms part of this report.
13. As required under Regulation 17(8) of Listing Regulations, the Executive Director and CFO have certified to the Board about compliance by the Company with the requirements of the said sub regulation for the financial year ended 31st March, 2020.
14. As stipulated by the Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out Reconciliation of Share Capital Audit. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. It's also available on the website of the Company.

6) GENERAL BODY MEETINGS

(a) (i) The details of Annual General Meetings of the Company held in the last three years are as under:

Financial Year	Date	Time	Venue
2018-2019	24.08.2019 Saturday	3.00 P.M.	"Conference Hall" 11, Clive Row, 5th floor, Kolkata-700001
2017-2018	15.09.2018 Saturday	3.00 P.M.	"Conference Hall" 11, Clive Row, 5th floor, Kolkata-700001
2016-2017	19.09.2017 Tuesday	10.00 A.M.	"Conference Hall" 11, Clive Row, 5th floor, Kolkata-700001

(ii) There were **no extra-ordinary** general meeting held in the last three years.

(iii) Whether any special resolutions passed in the previous 3 AGM/EGM?

Yes, the details of which are given hereunder :- **AGMs**

Date	Matter
19.09.2017	To re-appoint Mr. Arun Chakraborty (DIN: 00140430), Independent Director of the Company for a second term under the provisions of the Companies Act, 2013
19.09.2017	To re-appoint Mr. Sudarson Kayori (DIN: 00165816), Independent Director of the Company for a second term under the provisions of the Companies Act, 2013

(iv) There were no special resolutions passed at the last Annual General Meeting of the Company through postal ballot.

(v) The procedure for postal ballot is as per the provisions of the Companies Act, 2013 and rules made thereunder namely The Companies (Management and Administration) Rules, 2014.

(vi) Whether any special resolution is proposed to be conducted through postal ballot?

Special Resolutions to be passed at the ensuing Annual General Meeting of the Company are not proposed to be put through postal ballot. However, for other special resolutions, if any, in the future, the same will be decided at the relevant time.

7) MEANS OF COMMUNICATIONS

(a) <u>Quarterly results :</u>	
(i) Which newspaper normally published in	All India edition of Financial Express, English daily and Arthik Lipi, Bengali newspaper in the state of Bengal.
(ii) Any website, where displayed	www.vegetableindia.com
(b) <u>Shareholder's grievances/complaints:</u>	
Grievances redressal E-mail for investors	info@vegetableindia.com

8) GENERAL SHAREHOLDER INFORMATION

(a) <u>Annual General Meeting to be held :</u>	
Day, Date, Time and Venue :	
Day	Wednesday
Date	30th day of September, 2020
Time	10:45 A.M.
Venue	9, Royd Street, Esplanade, Taltala, Kolkata-700016
As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the forthcoming AGM are given herein and in the Annexure to the Notice of the 66th AGM to be held on 30th day of September, 2020.	
(b) <u>Financial Calendar :</u>	
Year ending	March 31, 2020
AGM in	September
(c) <u>Dates of Book closure :</u>	24th September,2020 to 30th September,2020 (Inclusive of Both days)
(d) <u>Stock Exchange related information :</u>	
(i) <u>Listing on Stock Exchanges:</u>	(i) BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. Web: http://www.bseindia.com (ii) The Company has Voluntarily delisted from The Calcutta Stock Exchange Ltd. w.e.f. 23.02.2018.
(ii) <u>Codes on Stock Exchanges:</u>	(i) BSE Ltd. : 539132

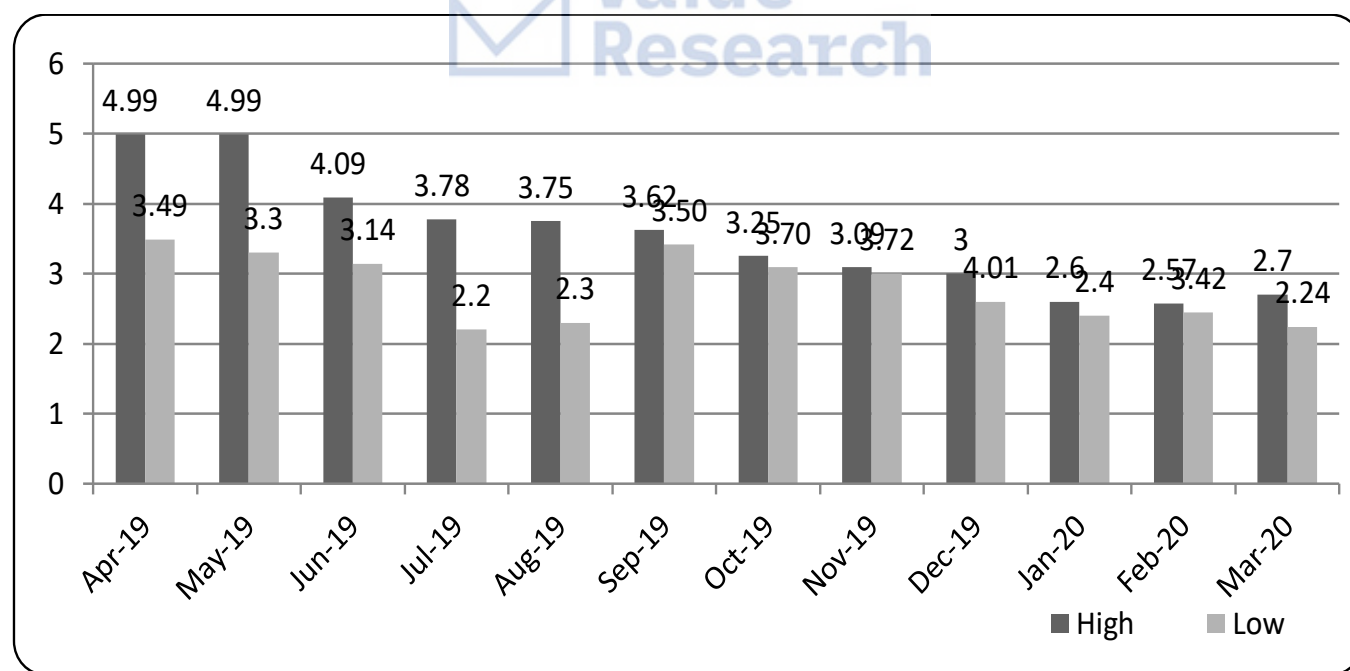
(f) ISIN No. for the Company's Listed Securities:

Equity Shares in Demat Form	INE761D01021
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(g) The details of monthly highest and lowest closing quotations of the equity shares of the Company during the financial year 2019-20 are as under:

BSE Ltd.

Month	High	Low
April'19	4.99	3.49
May'19	4.99	3.30
June'19	4.09	3.14
July'19	3.78	2.20
August'19	3.75	2.30
September'19	3.62	3.42
October'19	3.25	3.09
November'19	3.09	3.00
December'19	3.00	2.60
January'20	2.60	2.40
February'20	2.57	2.45
March'20	2.70	2.24



Graph showing the month-wise high and low of equity share in BSE Platform.

(h) Registrar and Transfer Agents:

Name and Address	M/s. ABS Consultant Pvt. Ltd. "Stephen House", 6th Floor, Room No. 99, 4, B.B.D. Bag (E), Kolkata-700001.
Telephone No.	+ 91 33 2243 0153
Email Id.	absconsultant99@gmail.com
(i) Share Transfer System:	97.74% of the equity shares of the Company are in electronic form. Transfer of these shares are done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with Registrar and Share Transfer Agents at the above mentioned addresses.

(j) Distribution of shareholding :

The shareholding distribution of equity shares of face value of Re. 1/- each as at March, 2020 is given below:

Sr. No.	No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Share holding
1.	Upto 500	516	29.90	47258	0.04
2.	501-1000	455	26.36	322436	0.30
3.	1001-2000	373	21.61	527883	0.48
4.	2001-3000	165	9.56	453712	0.42
5.	3001-4000	7	0.41	24516	0.02
6.	4001-5000	33	1.91	141762	0.13
7.	5001-10000	112	6.49	744647	0.68
8.	10001 and above	65	3.77	106937786	97.93
	Total	1726	100.00	109200000	100.00

(k) Shareholding Pattern as at 31st March, 2020:

Sr. No.	Category	No. of shares held	% of shareholding
1.	Promoters	27057520	24.78
2.	Directors & their Relatives	1680000	1.54
3.	Resident Individuals	6497066	5.95
4.	Bodies Corporate	73918141	67.69
5.	Trusts	22400	0.02
6.	NRIs and OCBs	24873	0.02
	Total	109200000	100.00

(l) Dematerialization of equity shares :

About 97.74% of total equity share capital is held in dematerialized form with NSDL and CDSL.

(m) Address for Correspondence :

Vegetable Products Limited
"Subol Dutt Building" 13, Brabourne Road, 6th Floor, Kolkata-700001