



**KS OILS LIMITED**

ANNUAL REPORT  
2014-15

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## Company Information

### Board of Directors

Mr. Ramesh Chand Garg  
*Managing Director*  
(DIN : 00027025)

Mr. Davesh Agarwal  
*CFO & Executive Director*  
(DIN : 01102237)

Mr. Arvind Pandalai  
*Independent Director*  
(DIN : 00352809)

Mr. Boda Venkat Ram  
*Independent Director*  
(DIN : 03476912)

Mrs. B. Swarupa Rani  
*Independent Director*  
(DIN : 07099356)

### Company Secretary

Sandeep Kumar  
(ACS : 29777)

### Statutory Auditors

M/s Ladha G. D. & Co.  
*Chartered Accountants*  
(Firm Reg. No. - 010962C)

### Cost Accountants

M/s S. K. Saxena & Co  
Cost Accountants

### Bankers

State Bank of India  
Axis Bank (Phoenix ARC Private Limited)  
Andhra Bank  
IDBI Bank  
ICICI Bank  
PNB Bank  
Central Bank of India

### Registered Office

Jiwaji Ganj, Morena – 476001,  
Madhya Pradesh, India

### Registrar and Share Transfer Agent

Ankit Consultancy Pvt. Ltd  
60, Electronic Complex,  
Pardeshipura, Indore – 452010

### Board Committees

#### Audit Committee

Boda Venkat Ram, Chairman  
Arvind Pandalai  
Davesh Agarwal

#### Stakeholder's Relationship Committee

Arvind Pandalai, Chairman  
Boda Venkat Ram  
B. Swarupa Rani

#### Remuneration & Compensation Committee

Boda Venkat Ram, Chairman  
Arvind Pandalai  
Davesh Agarwal

#### Corporate Social Responsibility Committee

Ramesh Chand Garg, Chairman  
Davesh Agarwal  
Boda Venkat Ram

#### Management & Finance Committee

Ramesh Chand Garg, Chairman  
Davesh Agarwal  
Boda Venkat Ram

### IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs, Government of India, has taken a "Green Initiative" in the Corporate Governance by allowing paperless compliances by the Companies and has issued circulars stating that service of notice / documents including Annual Report (shareholders communication) can be sent by email to its Members. As a support to this "Green Initiative" of the Government, Shareholders who have not yet registered their e-mail ids / addresses, are requested to kindly register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members, who hold shares in physical form, are requested to kindly send the e-communication Registration Form as attached with this Annual Report to Registrar and Share Transfer Agent of the Company (M/s. Ankit Consultancy Private Limited).

# MANAGEMENT DISCUSSION AND ANALYSIS

## INDIAN ECONOMIC OVERVIEW

In the wake of a new Central Government's moto "Make in India", the GOI taking initiative to make the India as Investment Friendly destination for the Foreign and Domestic Investors as well as recently the higher spending on gross capital formation, slowing inflation, lowering interest rates and crude oil price compared to the previous fiscal year, some sectors of the economy have started showing signs of revival and higher growth. Both fiscal and current account deficits remained relatively stable, which contributed to growth.

As adjusted for a methodological revision in India's GDP calculation, GDP for Fiscal 2014 increased by 6.9% (compared to a previous estimate of 4.7%) and GDP for Fiscal 2015 increased by 7.3% (compared to a previous estimate of 5.5%). Growth in Agriculture and Industry decreased in Fiscal 2015 by 1.1% as compared to 3.7%, while services sector growth increased by 8.4% as compared to 11.1% in the same period. IIP growth has shown signs of revival based on increases in IIP between November 2014 to March 2015. IIP increased by 2.8% in Fiscal 2015 as compared to a decrease of 0.1% in Fiscal 2014. Significant factors influencing IIP growth in Fiscal 2015 included a 1.4% increase in the mining sector in Fiscal 2015 compared to a decrease of 0.6% in Fiscal 2014, and an increase in the manufacturing sector of 2.3%, compared to a decrease of 0.8% in Fiscal 2014. However, consumer durables continue to remain negative at 12.5% (negative 12.2% in Fiscal 2014) (Source: Ministry of Statistics and Programme implementation).

The Indian economy in 2014-2015 has emerged as one of the largest economies with a promising economic outlook on the back of controlled inflation, rise in demand, increase in investments, decline in crude oil prices and reforms. The macro economic situation has improved though concerns relating to construction, mining and agriculture (due to bad monsoon) still exists in the country. Several reforms have been taken in the banking and insurance sectors in 2014-2015 by diluting Government stake.

## INDIAN MARKETS

India is one of the biggest emerging markets with a population of over 1.27 billion people and 250 million strong middle-class. The edible oil consumption in India is likely to grow @ 6-7 % per annum and the per capita consumption of approx. 15 kg (2014-15) still remains far below the world average of 24 kg approx. Indian production of vegetable oils stands at 7.91 Mn tons and demand at about 18.00 Mn tons, resulting in deficit and import requirement at 10.09 Mn tons. In view of the demand supply gap 60 % of domestic edible oil consumption is met through imports. Palm Oil segment contributes 70% of total imported edible oils and Soyabean Oil and other oils constituting balance 30% of imports.

Import dependence was about 3 per cent during 1992-93. The production of indigeneous oilseeds, though has increased in recent years (from 184.40 lakh tons in 2000-01 to current 300 lakh tons approx.) has not kept pace with the rising demand for edible oils and increased per capita consumption in India. Economic boom witnessed during recent years, consequent upon liberalization of Trade Policy including edible oils, increased per capita consumption from 5.8 kg in 1992-03 to 15 kg approx. in 2014-15. This is substantially lower than the world average per capita consumption level of 24 kg and compared to that in neighboring countries like Pakistan (20 kg) and China (22 kg). The developed western world has a per capita consumption of 40-50 kg/ head/ year. India's rising oil dependency is keeping the infrastructural activities buzzing.

## INDUSTRY STRUCTURE AND DEVELOPMENTS

K S Oils Limited and its wholly owned and controlled subsidiary (KSNR), is a structured Edible Oil global Company. The K S Oils Group is a manufacturer of Edible Oils and Oil Cakes and Meals.

Evolution is a continuous process in any industry as well. Companies

in a highly competitive environment are required to focus even more on their core business activities and have to adapt accordingly. In a competitive growth environment a well defined structure of vegetable oil price relationship has evolved in recent years worldwide. The manufactures formulate their products on the basis of technical characteristics of the oils and for many products after extensive research.

The domestic edible oil consumption has been steadily growing with per capita consumption of approx. 15 kg (2014-15). It still remains far below the estimated world average per capita consumption of around 24 kg. The demand drivers include consistent disposable income over a period of time, demographic profile, low commodity prices etc. However, the supply growth has been primarily lower due to relative stagnancy in the domestic oil seed output, thereby resulting in India becoming the largest importer of vegetable oil in the world. In view of the demand supply gap, over 60% of the domestic edible oil consumption is met by imports, with Palm and Soya oil accounting for over 84% of the imported volume. The oil meal produced as a result of processing of oil seed, is essentially consumed as poultry, fish and cattle feed. A significant part of soya meal is generally exported to the Asian region even though the domestic demand is fast growing.

During the year under review, the international economic situations coupled with steep fall in commodity prices have impacted domestic business sentiments considerably. The landed import prices of vegetable oils in India also moved downward in line with the fall in international prices: Crude palm oil by 32%, Crude Soyabean oil by 23%, Crude sunflower by 16% , while Indian Rupee (with reference to USD) by 2.5%.

## MODERN TRENDS - DEMAND FOR PURITY, QUALITY AND HEALTH

The Indian house-hold, both in the urban and rural sector is becoming increasingly health conscious, thus demanding branded edible oil products, resulting in a shift from loose (and often adulterated edible oils) to branded offerings. Our promise of purity, quality and health in our consumer packs under the brands "Kalash", "Double Sher" and "Kalash Soya Active" keep winning the consumer's hearts.

## PRODUCTION AND R&D

Our five state-of-the-art manufacturing plants are often best in technology, design and efficiency parameters conforming to stringent quality and hygiene standards as per international manufacturing standards. The mechanized plants need least human intervention and are run on computer controlled panels requiring minimal man power. This not only saves employee cost by 60% but also ensures minimum human intervention for optimum quality standards. Efficient use of machinery and layout make sure that each plant consumes minimum energy, reduces waste and recycles inputs like water and other wastes. The plants are environment friendly and assure sustainable and green production methods.

The new plants are built on a technology permit product flexibility at any given time; production can be switched between any three edible oilseeds – mustard, soyabean and sunflower. This will give real time and dynamic planning capability to the production team based on market demand. Such Just-in-time (JIT) manufacturing is a first in the Indian edible oil industry, saving on over capacity and higher costs for maintaining inventory.

## OPPORTUNITIES AND THREATS (SWOT ANALYSIS)

The company is still facing a potential threat of liquidity crunch to run its plants. The company was admitted to Corporate Debt Restructuring (CDR) process on September 19, 2011 on account of liquidity crises. The reasons for liquidity problems were large scale expansion / modernization without availing matching term loans, overseas investment with zero debt and untied Fund Based WC limit which was assessed by consortium lenders in the year 2010-11.

The final restructuring package was approved by CDR-EG on December 20, 2011 and implemented by majority of lenders in the month of March 2012.

Unfortunately, the company could not fulfill CDR conditions hence the same was called off by the Lenders during July 2013. Thereafter, the accounts of the Company became NPA and the lenders issued SARFAESI Notices.

The biggest strength of K S Oils is its integrated business model, which is scalable to global size. A conscious focus on backward and forward integration so as to address the complete value chain is ensuring K S Oils ability to de-risk external factors like raw material supply & prices and conduct sales with high per unit profit realization. The branding led FMCG focus of the company is helping it consolidate as a leader within the minds of the consumers.

Our business sector is vulnerable to external factors viz nature related and driven by international developments. Thus, we are dependent on vagaries of weather which determines size of oil seed crops, and international edible oil prices. Freight and transportation cost is another challenge.

The biggest opportunity is the consolidation that is taking place in the edible oil industry. The retail led demand and higher consumer spending and buying power is a trend that will help branded players like us in getting premium price of our products by delivering superior quality. The trend of palm oil consumption increasing in India is a head start for our backward integration in sync palm production. Favorable government policies will ensure that the organized edible oil industry grows significantly.

We face threats of competition from other players raising capacity and MNCs entering this sector. A macro threat is that of vegetable oils being diverted for non-food production like bio-fuel and other alternate energy. Fluctuations in crude oil prices and volatility in international prices are the other sources of concern.

### SEGMENT-WISE PERFORMANCE

The various segments and products are identified by the company are as follows:

Solvent – Seed / Solvent extraction, crude Mustard Oil, Refined oils and Deoiled cake, Vanaspati – Vanaspati Ghee, Power – Power Generation (wind mills).

The detailed performance segment wise is given in the Consolidated Balance Sheet Note to the audited accounts of the company, provided in the Annual Report.

### OUTLOOK FOR K S OILS

K S Oils Ltd is focused towards building brands in the edible oil sector which are India- centric and deliver quality, purity and convenience

along with the trust of Kalash brand name. Going ahead, the company will be working towards a clear-cut three-pronged program:

- ◆ Increased market share and building brand premium across product categories
- ◆ Focus to create cost leadership at procurement and manufacturing levels
- ◆ Profitable and Inclusive Growth

The Company believes that once the liquidity crisis is over the company will be able to regain its past glory. The company has seriously initiated a process of locating potential investors against which the company has received positive responses. The due diligence of the company by the intended investors is underway.

### DISCUSSION ON FINANCIAL PERFORMANCE

The last Financial Year i.e 2013-2014 was extended to 15 months, hence not comparable with the financial year 2014-2015. During the financial year 2014-2015 of the Company as Standalone net loss of Rs. 229,87 Lakhs and Standalone revenue from operations is Rs. 7,246 Lacs.

### MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS, INCLUDING NUMBER OF PEOPLE EMPLOYED

K S Oils management put utmost efforts to strengthen the existing workforce and retaining them to enhance the Human Resource Capabilities in the Company. As a result of CDR process and slow down in the business some of company's key Personals have left. Thus, K S Oils is creating a collaborative and innovation-driven work culture to attract, retain and develop the best talent in the industry.

### CAUTIONARY STATEMENT

Statements made in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "Forward-looking statements" within the meaning of applicable securities laws and regulations. Actual result could differ 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 the company operates, changes in Government Regulations, tax laws and other statutes and other incidental factors.

### DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges all Board Members and Senior Management Personnel have affirmed compliance with K.S. Oils Limited Code of Business Conduct and Ethics for the year ended 31st March, 2015.

By the Order of the Board of Directors  
For **K. S. Oils Limited**

Davesh Agarwal  
Executive Director & CFO  
DIN : 01102237

Ramesh Chand Garg  
Managing Director  
DIN: 00027025

Date : 05/12/2015  
Place : New Delhi

## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the **Twenty Ninth Annual Report** with the Audited Accounts for the financial year ended on March 31, 2015

### FINANCIAL RESULTS

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	2014-2015 (12 Months)	2013-2014 (15 Months)	2014-2015 (12 Months)	2013-2014 (15 Months)
Sales/Income from operations	7,246	1,00,884	7,751	1,01,442
Other Income	617	1,159	617	972
Less: Expenses	7,493	1,34,963	13,393	1,36,640
<b>Profit/Loss before Finance Cost, Depreciation, Exceptional Items and Taxes</b>	370	(32,920)	(5025)	(34,226)
Less: Finance Cost (Interest)	623	18,041	624	18,042
Less: Depreciation	5,343	7,605	5,376	7,644
Less: Exceptional Items	17,194	93,129	11,718	91,229
<b>Profit/Loss before Taxes</b>	<b>(22,790)</b>	<b>(1,51,695)</b>	<b>(22,743)</b>	<b>(1,51,142)</b>
Less: Provision for Taxes				
(a) Tax related to previous years	3	(685)	3	(685)
(b) Deferred Tax Adjustment	194	29	194	29
<b>Profit/(Loss) after Taxes</b>	<b>(22,987)</b>	<b>(1,51,039)</b>	<b>(22,940)</b>	<b>(1,50,486)</b>
Proposed Dividend	00	00	00	00
Dividend Tax	00	00	00	00
Minority Interest	00	00	(550)	(111)
Balance carried to Balance Sheet	(22,987)	(1,51,039)	(22,389)	(1,50,374)
<b>Earning Per Equity Share</b>				
Basic/ Diluted (F.V. Re. 1 each)	(5.07)	(32.98)	(4.94)	(32.83)

### FINANCIAL REVIEW

During the Financial year under review, your company's total sales (Standalone) were Rs 7,246 Lakhs. The Profit before finance cost, depreciation, exceptional items and taxes (Standalone) was Rs. 370 Lakhs. The finance cost (Standalone) was Rs. 623 Lakhs. The EPS (Earning per Share) of the Company is Rs. (5.07) for the period ended March 31, 2015. The stalled operation of the Company has severely affected the performance of the Company.

The previous financial year of the Company was extended by 3 month i.e. from 31/12/2013 to 31/03/2014. Hence the current financial year of the Company is not comparable with the results of the previous financial year 2013-2014 which was 15 months period.

### DIVISION WISE OPERATIONAL PERFORMANCE FOR THE PERIOD ENDED MARCH 31, 2015 WAS AS UNDER:

#### A. Oil Division

- Mustard Oil:** During the period under review the Company's mustard oil plant was utilized up to 5.13 % of its installed available capacity; it processed 67,764 MT (Include 67,764 MT Processed under Job work arrangement) of mustard seeds. Mustard Oil production stood at 20,875 MT (Includes 20,875 MT produced under Job work arrangement) against that of 9,951 MT in the previous year, recording a significant Increase of 109.78% as compared to previous year.
- Refined Oils:** The Company's refined oil plants utilized 5.00% of its available capacity and processed 23,981 MT (Include 23,981 MT Processed under Job work arrangement) of crude oil. Refined oil production stood at 22,753 MT (Includes 22,753 MT produced under Job work arrangement) against that of 26,705 MT in the previous year, recording a significant decrease of 14.80% over the previous year.

- De Oiled Cake (DOC):** Solvent extraction plant utilized 9.53 % of its available capacity during the year under review and processed 120,032 MT (Include 120,032 MT Processed under Job work arrangement) of oil cake/seeds. During the year, DOC production was at 111,661 MT (Includes 111,661 MT produced under Job work arrangement) as against 132,882 MT during the previous year, thus recording a decrease of 15.97% over the previous year.

#### B. Power Division

During the year power generated through wind mills was 102,398,049 units as against 124,521,579 units in the last year, thus recording a decrease of 17.77% over the previous year. Out of these units, the Company has utilized 7,545,287 units for in-house consumption and sold 94,852,762 units.

#### JOB WORK:

The company is in stringent working capital situation and hence the company is currently unable to source Seeds for its own production. (Seeds are the prime input both in quantitative & price terms for any product in the Edible Oil Sector). Accordingly, during the year, company has earned a portion of its revenue from job-work. Job work has been done for local suppliers who are inclined to increase their job work in the company in view of imported machinery, state of art infrastructure and superior quality product. Job-work has enabled the company to meet with employee expenses and plant maintenance expenses and reduce its cash losses. The company expects increase in revenue contribution from job-work in future adding to the bottom line.

#### DIVIDEND

Considering the stalled operating operations of the company and in view of the continuous losses, no dividend is proposed to be paid for the Fiscal 2014-2015, as per the Companies (Declaration and Payment of Dividend) Rules, 2014.

## EROSION OF NET WORTH

As per the Audited Financial Statements for Financial Year 2014-15, the accumulated losses of the Company as on 31st March, 2015, are in excess of its entire net worth as on the same date, as such the Company has become a Sick Industrial Company and the necessary reference be made with the Board for Industrial & Financial Reconstruction (BIFR) in terms of the provisions of Section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), for determination of measures for its rehabilitation. The Company is in the process of making the necessary statutory compliances.

## CHANGE IN SHARE CAPITAL

During the financial year under review, there was no change in the share capital of the company.

## CORPORATE GOVERNANCE

Your Company follows the highest standards of Corporate Governance best practices. It adheres to and has implemented the requirements set out by SEBI's Corporate Governance practices. As a part of this practice, a separate section on Corporate Governance forms a part of the Directors' Report. A certificate from CS Mayank Dubey, practicing Company Secretary, confirming compliance of Clause 49 on Corporate Governance of the Listing Agreement is included in this Annual Report. The Managing Director & Executive Director & CFO of the Company have issued the required certificate to the Board in terms of Clause 49 (IX) of the Listing Agreement for the financial year ended on March 31, 2015.

With regard to the observations made by Practicing Company Secretary in his compliance certificate pursuant to Clause 49(IV) (A) of the listing Agreement, it has been clarified that, the company could not be able to follow the same due to non availability of non executive director, however, the company has made an appointment of Independent Director on February 17, 2015 and reconstituted the Committee of the Nomination and Remuneration on June 13, 2015.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report (MD&A) for the year under review, as stipulated under Clause 49 of the Listing Agreement, is presented in a separate section forming part of the Annual Report.

## CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Companies Act, 2013 ("the Act") and Accounting Standard (AS) - 21 on Consolidated Financial Statements read with AS - 23 on Accounting for Investments in Associates and AS - 27 on Financial Reporting of Interests in Joint Ventures, the audited consolidated financial statement is provided in the Annual Report.

## BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The details of the Directors being recommended for Appointment pursuant to Clause 49 of the Listing Agreement are included in the accompanying Notice of the ensuing Annual General Meeting.

### Cessation

During the period under review Mr. Sourabh Garg, Executive Director, Mr. P. K. Mandloi, Independent Director, Mr. R. S. Sisodia, Independent Director and Mr. B. N. Singh, Independent Director have been removed from the Board of Directors w.e.f September 03, 2014.

The Nominee Director Mr. B. S. Bhasin (SBI) and Mr. M.B. Kaul (IDBI) have been ceased to be directors of the Company w.e.f July 02, 2014 & November 11, 2014 respectively.

### Appointment

In terms of the Section 149 of the Companies Act, 2013 Mrs. B. Swarupa Rani was appointed Additional Independent Women Director of the Company w.e.f February 17, 2015 for a period of 5 (five) years to hold office till February 16, 2020. This is subject to shareholders' approval at the forthcoming Annual General Meeting of the Company.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

In addition to the above, Mr. Ramesh Chand Garg, Managing Director, Mr. Davesh Agarwal, Executive Director & CFO and Mr. Sandeep Kumar, Company Secretary have been designated as the Key Managerial Personnel of the Company under Section 203 of the Companies Act, 2013.

## Board Evaluation

The Company has devised a mechanism for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors. The criteria for performance evaluation of directors cover the areas relevant to their functioning as member of Board or its Committees thereof.

The manner in which the performance evaluation of the board and its committees, the chairman and the directors individually has been carried out and explained in the Corporate Governance Report.

## Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

## Meetings

The calendar of Meetings is prepared and circulated in advance to the Directors. During the year five Board meetings and five Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## Committees

### The Board currently has 5 (five) Committees:

- 1) Audit Committee: As on March 31, 2015, the Audit Committee comprised of Mr. Boda Venkat Ram as Chairman, Mr. Arvind Pandalai and Mr. Davesh Agarwal as Members.
- 2) Nomination and Remuneration Committee: As on March 31, 2015, the Committee comprised of Mr. Boda Venkat Ram as Chairman, Mr. Arvind Pandalai and Mr. Davesh Agarwal as Members.
- 3) Stakeholders Relationship Committee: As on March 31, 2015, the Committee comprised of Mr. Arvind Pandalai as Chairman, Mr. Boda Venkat Ram and Mr. Davesh Agarwal as Members.
- 4) Corporate Social Responsibility Committee: As on March 31, 2015, the Committee comprised of Mr. Ramesh Chand Garg as Chairman, Mr. Davesh Agarwal and Mr. Boda Venkat Ram as Members.
- 5) Management and Finance committee: As on March 31, 2015, the Committee comprised of Mr. Ramesh Chand Garg as Chairman, Mr. Davesh Agarwal and Mr. Boda Venkat Ram as Members.

## Separate Independent Directors' Meetings

The Independent Directors meet at least once in a year, without the presence of Executive Directors or Management representatives. They also have a separate meeting with the Non-Executive Chairman, to discuss issues and concerns, if any.

The Independent Directors met on 17th February, 2015 during the Financial Year ended 31st March, 2015.

## Familiarization programme for Independent Directors

The Company proactively keeps its 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. The details of the same is available on the website of the Company [www.ksoils.com](http://www.ksoils.com).

The Nomination, Remuneration and Evaluation Policy is attached herewith marked as Annexure - I

There are Nil recommendation of the Audit Committee which has not been accepted by the Board.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors Responsibility Statement, your Directors confirm:

- a). That in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departure was made for the same;
- b). That Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the period ended on March 31, 2015;
- c). That Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d). That the annual financial statements have been prepared on a going concern basis;
- e). That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f). That proper systems had been devised to ensure compliance with the provisions of all applicable laws and were adequate and operating effectively.

## CODE OF CONDUCT

The Company has in place a comprehensive Code of Conduct (the Code) applicable to Directors, Independent Directors and Senior Management Personnel. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company. A copy of the Code has been put on the Company's website [www.ksoils.com](http://www.ksoils.com). The Code has been circulated to Directors and Senior Management Personnel and its compliance is affirmed by them annually.

## PREVENTION OF INSIDER TRADING

The Securities and Exchange Board of India (SEBI) vide notification dated January 15, 2015 has put in place a new framework for prohibition of Insider Trading in Securities and to strengthen the legal framework thereof. These new regulations of the SEBI under the above notification have become effective from May 15, 2015. Accordingly, the Board has formulated the Code of Practice for Fair Disclosure of Unpublished Price Sensitive Information in accordance with Regulation 8 of Insider Trading Regulations, 2015 and the Code of Conduct, as per Regulation 9 for regulating, monitoring and reporting of Trading of Shares by Insiders. The Code lays down guidelines, procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning them on consequences of non-compliances. The copy of the same is available on the website of the Company.

## RELATED PARTY TRANSACTIONS

There are no related party transactions as per Section 188 of the Companies Act, 2013 however, the significant transaction carried out during the financial Period as per AS18 is disclosed in Note No. 47 of the Standalone Financial Statement and the same were carried on arm's length basis. Therefore the requirement of AOC2 is not mandated. Except Managerial Remuneration and disclosures made elsewhere, there are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

The policy on Related Party Transactions as approved by the Board may be accessed on the Company's website at the link: [http://www.ksoils.com/pdf/RTPPolicy\\_2015.pdf](http://www.ksoils.com/pdf/RTPPolicy_2015.pdf)

## PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

During the period under review the Company has not made any fresh Investment or given guarantees or provided securities. Particulars of loans given along with the purpose for which the loans are provided is disclosed in the standalone financial statement (*Please refer Notes 13 & 18*).

## CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at the link: <http://www.ksoils.com/pdf/CSRPolicy.pdf>

During the year, the Company has spent Nil amount on CSR activities as the Company is having a continuous loss. The Annual Report on CSR activities is annexed herewith as Annexure - II to this report.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as Annexure - III to this Report.

## EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as Annexure-IV to this Report.

## STATUTORY AUDITORS AND REPORT

M/s Ladha G. D. & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company from Adjourned 28th Annual General Meeting until the conclusion of 32nd Annual General Meeting of the Company subject to ratification by the shareholders at every Annual General Meeting. The Company has also received a certificate from M/s Ladha G. D. & Co., Chartered Accountants pursuant to Section 139 of the Companies Act 2013, confirming their eligibility.

*The Independent Auditors report contains the qualification and management response thereof has been made in the notes to the accounts wherever necessary. However, the said qualifications/reservations / observations have been duly addressed by the management. In the opinion of the management, there would be no material impact expected on the reported loss for the period on this account.*

*Further, all observations made in the Auditors' Report and notes to the accounts are self-explanatory and may be treated as information/explanation submitted by the Board as contemplated under provisions of the Companies Act, 2013.*

## SECRETARIAL AUDITORS AND REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. M. D. & Associate, Company Secretaries, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor is annexed herewith as Annexure - VI.

The report does not contain any qualification save and except the following:

- i. The company has delayed / defaulted in filling of several forms with the Registrar of Company including Annual Accounts within due time as the same has not been finalized during audit period; There is a gap of more than 15 months between two AGM's due to extended financial year of 15 months; and AGM held on 30/09/2014 which was adjourned due to non-finalization of Annual Accounts and non-appointment of Statutory Auditor.

*Management Response: Due to casual vacancy of Independent Auditor the Annual Accounts could not get finalized and in lining up the procedural aspect the delay has occurred. In line of the above, the Company has improved the manner and process for filing of forms with the Registrar of Companies.*

- ii. Internal Auditor has not been appointed.

*Management Response: Due to non availability of the qualified personal in remote location the company could not be able to appoint the Independent Auditor. However, the company is endeavouring to achieve the same.*

- iii. Limited Review Report for the quarterly result has not been provided by the Statutory Auditor hence could not take up and approve by the Audit committee and Board respectively.

*Management Response: The same is due to rotation of Statutory Auditor and for covering up the backlog created pursuant to such casual vacancy.*

- iv. The Company has delay / default in Clause 41 and 49(VI) (A) of the Listing Agreement

*Management Response: The Company has appointed one Independent Director and reconstituted the Nomination and Remuneration Committee as per Clause 49(VI) (A).*

- v. The Company has delay Default in filling of Annual Performance Report in respect of foreign subsidiary with RBI through Authorized dealer and Monthly and Annual Return of ECB External Commercial Borrowing

*Management Response: In line of the above, the company has improved the process for future. Further due to delay in Adoption of Financial Statement as described in abovementioned point no. 1 the said default has been occurred.*

## COST AUDITORS

M/s. S. K. Saxena & Co., Cost Accountants (Registration No. 100126) have been re-appointed by the Board of Directors of the Company at a remuneration of Rs. 35,000/- subject to payment of applicable taxes thereon and re-imburement of out of pocket expenses to conduct audit of the cost accounting records of the Company for the financial year 2015-16. As required under the Companies Act, 2013, a resolution seeking members' approval for the remuneration payable to the Cost Auditors forms part of the Notice convening the Annual General Meeting.

## LISTING

The Equity Shares of your Company are listed at National Stock Exchange of India Ltd. and Bombay Stock Exchange Limited, the National Stock Exchange has suspended the trading w.e.f June 21, 2013. The Annual Listing fees for the listed equity shares of the Company, pertaining to the year 2015-16 has been paid to the Bombay Stock Exchange, however Listing fees to the National Stock Exchange has not been paid.

## SUBSIDIARIES, JOINT VENTURE AND ASSOCIATES

At the beginning of the year, we had 7 (Seven) subsidiaries. As on March 31, 2015. We have 1 (One) direct subsidiaries, 6 (six) step-down subsidiaries.

A statement pursuant to Section 129 of the Companies Act, 2013 relating to subsidiaries, Joint Ventures or Associate Companies for the year ended on March 31, 2015 has been attached in the Annual Accounts.

The Consolidated Financial Statements of the Company and all its subsidiaries as prepared in compliance with the applicable accounting standards and listing agreements are enclosed. The statement of statutory information in aggregate for each subsidiary is enclosed along with the Consolidated Financial Statements. The annual accounts of the subsidiaries shall be made available to the shareholders seeking such information and shall also be available for inspection at its Registered Office. The Policy for determining material

subsidiaries as approved may be accessed on the Company's website in investor section: [http://www.ksoils.com/pdf/Policy\\_MaterialNon-ListiedSubsitiary.pdf](http://www.ksoils.com/pdf/Policy_MaterialNon-ListiedSubsitiary.pdf)

## INTERNAL FINANCIAL CONTROL

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

## RISK MANAGEMENT

The Company has laid down the procedures to inform Board Members about risk assessment and

minimization procedures. The Board of Directors of the Company has framed risk management policy which can be accessed on the Company's website at the link: [http://www.ksoils.com/pdf/RiskManagementPolicy\\_2015.pdf](http://www.ksoils.com/pdf/RiskManagementPolicy_2015.pdf) This policy forms part of the internal control and corporate governance process of the Company. Basically the aim of this policy is not to eliminate risks, rather to manage the risks involved in the Company activities to maximize opportunities and minimize adversity by considering the following:-

- ♦ Identification of risk, define ownership with clearly defined role and responsibilities;
- ♦ Balance between the cost of managing risk and the anticipated benefits;
- ♦ Contributing to more efficient use/allocation of capital and resources;
- ♦ to encourage and promote an pro-active approach towards risk management
- ♦ Identifying any unmitigated risks and formulating action plans for its treatment through regular review.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The Company did not have any employee of the category mentioned in Section 197(12) of the Companies Act, 2013, read with the Rule 5(2) & (3) of the Companies Appointment and remuneration) Rules, 2014 as Amended and forming part of the Directors' Report for the Financial Year ended March 31, 2015

The ratio of remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as part of this report at Annexure - V.

## HUMAN RESOURCES

Your Company maintained healthy, cordial and harmonious industrial relations at all levels during the year under report. Your Company firmly believes that a dedicated workforce constitute the primary source of sustainable competitive advantage. Accordingly, human resource development continues to receive focused attention. Your Directors wish to place on record their appreciation for the dedicated and commendable services rendered by the staff and workforce of your Company. There are 364 numbers of employees of the Company as on 31 March 2015.

## VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement, includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee. The same has also been displayed on the website of the Company and the link for the same is [http://www.ksoils.com/pdf/WBlowerPolicy\\_2014-15\\_1.pdf](http://www.ksoils.com/pdf/WBlowerPolicy_2014-15_1.pdf)

## ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are amongst its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

## GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5. Significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future disclosed in Auditors Report.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

## FORWARD LOOKING STATEMENT

This Report contains forward-looking statements that involve risks and uncertainties. When used in this Report, the words 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'will' and other similar expressions as they relate to the Company and/or its businesses are intended to identify such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates. This Report should be read in conjunction with the financial statements included herein and the notes thereto.

## ACKNOWLEDGEMENT

Your Directors thank various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

By the Order of the Board of Directors  
For **K. S. Oils Limited**

Davesh Agarwal  
Executive Director & CFO  
DIN : 01102237

Ramesh Chand Garg  
Managing Director  
DIN: 00027025

Date : 05/12/2015  
Place : New Delhi

# ANNEXURE - I TO THE DIRECTORS' REPORT

## NOMINATION, REMUNERATION AND EVALUATION POLICY

This Nomination, Remuneration and Evaluation Policy (the "Policy") applies to the Board of Directors (the "Board"), Key Managerial Personnel (the "KMP") and the Senior Management Personnel of K. S. Oils Limited (the "Company").

"Key Managerial Personnel (KMP) means—

- i. Managing Director;
- ii. Company Secretary;
- iii. Whole-time Director;
- iv. Chief Financial Officer; and
- v. Such other Officer as may be prescribed.

The term "Senior Management Personnel" means all members other than the Directors and KMPs of the Company, who are the functional heads of the different functions of the Company.

This Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement.

### 1. Purpose

The primary objective of the Policy is to provide a framework and set standards for the selection, nomination, remuneration and evaluation of the Directors, Key Managerial Personnel and officials comprising the senior management. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management.

### 2. Accountabilities

- 2.1 The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel.
- 2.2 The Board has delegated responsibility for assessing and selecting the candidates for the role of Directors, Key Managerial Personnel and the Senior Management of the Company to the Nomination and Remuneration Committee which makes recommendations and nominations to the Board.

### 3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for:

- 3.1 reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, with the objective to diversify the Board;
- 3.2 identifying individuals suitably qualified to be appointed as the KMPs or in the senior management of the Company;
- 3.3 recommending to the Board on the selection of individuals nominated for directorship;
- 3.4 making recommendations to the Board on the remuneration payable to the Directors/ KMPs/Senior Officials so appointed/reappointed;
- 3.5 assessing the independence of independent directors;
- 3.6 such other key issues/matters as may be referred by the Board or as may be necessary in view of the Listing Agreement and provision of the Companies Act 2013 and Rules thereunder;
- 3.7 to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- 3.8 ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

3.9 to devise a policy on Board diversity and

3.10 to develop a succession plan for the Board and to regularly review the plan.

The Nomination and Remuneration Committee comprises of the following:

- i. The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- ii. Minimum two (2) members shall constitute a quorum for the Committee meeting.
- iii. Membership of the Committee shall be disclosed in the Annual Report.
- iv. Term of the Committee shall be continued unless terminated by the Board of Directors.

### Chairman

- a). Chairman of the Committee shall be an Independent Director.
- b). Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c). In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d). Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

### Committee Members' Interests

- a). A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b). The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

### Voting

- a). Matters arising for determination at Committee meetings shall be decided by a majority of votes of the Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b). In the case of equality of votes, the Chairman of the meeting will have a casting vote.

### 4. Appointment of Directors/KMPs/Senior Officials

- 4.1 Enhancing the competencies of the Board and attracting as well as retaining talented employees for role of KMP/ a level below KMP are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board. When recommending a candidate for appointment, the Nomination and Remuneration Committee has regard to:
  - ◆ assessing the appointee against a range of criteria which includes but not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board;
  - ◆ the extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company;
  - ◆ The skills and experience that the appointee brings to the role of KMP/Senior Official and how an appointee will enhance the skill sets and experience of the Board as a whole;

- ◆ The nature of existing positions held by the appointee including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;

#### 4.2 Personal specifications:

- ◆ Degree holder in relevant disciplines;
- ◆ Experience of management in a diverse organization;
- ◆ Excellent interpersonal, communication and representational skills;
- ◆ Demonstrable leadership skills;
- ◆ Commitment to high standards of ethics, personal integrity and probity;
- ◆ Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;
- ◆ Having continuous professional development to refresh knowledge and skills.

#### 5. Letters of Appointment

Each of the Directors/KMPs/Senior Officials is required to sign the letter of appointment with the Company containing the terms of appointment and the role assigned in the Company.

#### 6. Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel

The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Management Personnel and other senior officials.

The Directors, Key Management Personnel and other senior official's remuneration are based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed under the Companies Act, 2013 and rules made thereunder, if any.

The Nomination & Remuneration Committee shall determine and recommend individual remuneration packages for Directors, KMPs and Senior Officials of the Company to the Board of Directors after taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines.

##### i. Remuneration:

- a). **Base Compensation (Fixed Salary):** Must be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities, usually reviewed on an annual basis (includes salary, allowances and other statutory/ non-statutory benefits which are normal part of remuneration package in line with market practices).
- b). **Variable Salary:** The Nomination and Remuneration Committee may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance for fulfilment of specified improvement targets or the attainment of certain financial or other objectives set by the Board. The amount payable shall be determined by the Committee, based on performance against pre-determined financial and non-financial metrics.

##### ii. Statutory Requirements:

Section 197(5) provides for remuneration by way of a fee to a director for attending meetings of the Board of Directors and Committee meetings or for any other purpose as may be decided by the Board.

Section 197(1) of the Companies Act, 2013 provides for the total managerial remuneration payable by the Company to its directors, including managing director and whole time director, and its manager in respect of any financial year shall not exceed eleven percent of the net profits of the Company computed in the manner laid down in Section 198 in the manner as prescribed under the Act.

The Company with the approval of the Shareholders and Central Government may authorise the payment of remuneration exceeding eleven percent of the net profits of the company, subject to the provisions of Schedule V to the Companies Act, 2013.

The Company may with the approval of the shareholders authorise the payment of remuneration upto five percent of the net profits of the Company to its any one Managing Director/Whole Time Director/Manager and ten percent in case of more than one such official.

The Company may pay remuneration to its directors, other than Managing Director and Whole Time Director upto one percent of the net profits of the Company, if there is a managing director or whole time director or manager and three percent of the net profits in any other case.

The net profits for the purpose of the above remuneration shall be computed in the manner referred to in Section 198 of the Companies Act, 2013.

- 6.1 The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be approved by the members. The sitting fee to the Independent Directors shall not be less than the sitting fee payable to other directors.
- 6.2 The remuneration payable to the Directors shall be as per the Company's policy and subject to the provisions of the Companies Act, 2013 and shall be valued as per the Income Tax Rules.
- 6.3 The remuneration payable to the Key Managerial Personnel and the Senior Management shall be, as may be decided by the Board and subject to the provisions of the Companies Act, 2013 having regard to their experience, leadership abilities, initiative taking abilities and knowledge base.

#### 7. Evaluation/ Assessment of Directors/ KMPs/Senior Officials of the Company –

The evaluation/assessment of the Directors, KMPs and the senior officials of the Company is to be conducted on an annual basis to comply with the requirements of the Listing Agreement and the Companies Act, 2013.

The following criteria may assist in determining how effective the performances of the Directors/KMPs/Senior officials have been:

- ◆ leadership & stewardship abilities;
- ◆ contributing to clearly defined corporate objectives & plans;
- ◆ communication of expectations & concerns clearly with subordinates;
- ◆ obtain adequate, relevant & timely information from external sources;
- ◆ review & approval achievement of strategic and operational plans, objectives, budgets;
- ◆ regular monitoring of corporate results against projections;
- ◆ identify, monitor & mitigate significant corporate risks
- ◆ assess policies, structures & procedures;
- ◆ direct, monitor & evaluate KMPs, senior officials;

- ◆ review management's succession plan;
- ◆ effective meetings;
- ◆ assuring appropriate board size, composition, independence, structure;
- ◆ clearly defining roles & monitoring activities of committees; and
- ◆ review of company's ethical conduct.

Evaluation on the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/ Whole-time / Non-Independent Directors in a separate meeting of the Independent Directors.

The Executive / Whole-time /Non-Independent Directors along with the Independent Directors will evaluate/assess the Independent Directors on the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

The Nomination and Remuneration Committee shall also carry out evaluation of the performance of Directors of the Company at regular interval.

#### **8. Review and Amendment**

- 8.1 The Nomination and Remuneration Committee or the Board may review the policy as and when it deems necessary.
- 8.2 The Nomination and Remuneration Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this policy, if it thinks necessary.

This policy may be amended or substituted by the Board of Directors on the recommendation of the Nomination and Remuneration Committee.

## **ANNEXURE - II TO DIRECTORS' REPORT**

### **ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.
    - i) Brief Outline of the Company's CSR Policy is as per the Companies CSR committee and it shall focus on programs / projects from the following areas as per the provisions of Schedule VII referred in the section 135 of the Companies Act, 2013 focusing on eradicating hunger, poverty & malnutrition, promoting preventive health care & sanitation & making available safe drinking water and contribution to the Swach Bharat Kosh, set-up by Central Government; Promoting education, including special education & employment enhancing vocation skills especially among children, women, elderly & the differently abled & livelihood enhancement projects; Promoting gender equality, empowering women, setting up homes & hostels for women & orphans, setting up old age homes, day care centres & such other facilities for senior citizens & measures for reducing inequalities faced by socially & economically backward groups; Rural development projects and any such other projects or programs in pursuance of recommendations of the CSR Committee.
    - ii) web-link of the detailed CSR policy of the Company is: <http://www.ksoils.com/pdf/CSRPolicy.pdf>
  2. The Composition of CSR Committee :
 

Mr. Ramesh Chand Garg	-	Chairman
Mr. Davesh Agarwal	-	Member
Mr. P. K. Mandloi*	-	Member
Mr. Boda Venkat Ram	-	Member (w.e.f 03/09/2014)

*\*Removed from the BOD w.e.f 03/09/2014*
  3. Average Net Profit of the Company for last three Financial Year:- Company is having losses from last three financial Years.
  4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):- Not Applicable as the losses for continuing period for last three Financial Years.
  5. Details of CSR spent during the Financial Year:- Not Applicable as company has incurred losses in last three Financial Years
    - a. Total amount to be spent for the financial year:- Nil
    - b. Amount unspent, if any:- Nil
    - c. Manner in which the amount spent during the Financial Year:- Not Applicable
- Responsibility Statement:- The implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

S. No.	CSR Project or Activity identified	Sector in which the projects is covered	Location of the projects/programs	Amount Outlay (budget) projects/ programs wise	Amount spent on the Projects Sub-heads; (1) Direct Expenditure on projects or programs (2) overheads:	Cumulative expenditure up to the reporting	Amount spent direct or through implementing agency
<b>No amount was spent</b>							

For **K. S. Oils Limited**

Ramesh Chand Garg  
(Chairman of CSR Committee)

Date : 05/12/2015  
Place : New Delhi

## **ANNEXURE – III TO DIRECTORS' REPORT**

[Information under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules 2014, are as given below:]

### **A. CONSERVATION OF ENERGY:**

- a. Energy Conservation Measure Taken:
  1. Preventive maintenance of machines to reduce energy loss.
  2. Utilization of the windmills energy to hedge the power requirement of the Plant.
  3. Employees Training Program conducted for the awareness of energy conservation.
  4. Installed light saving LED in the Registered office, Corporate office and Plants.
- b. Additional investments and proposal, if any, being implemented for reduction of consumption of energy: In the current year, no additional investments and proposal are considered for reduction of consumption of energy.
- c. Impact of the measures taken at (a) and (b) above for reduction of energy and consequent impact on the cost of production of goods:

**Impact has not been separately measured.**

Disclosure of particulars with respect to conservation of energy:

<b>A) Power of fuel consumption</b>	<b>Current 2014-2015 (12 months)</b>	<b>Current 2013-2014 (15 months)</b>
<b>1. Electricity</b>		
(a) Purchased Unit	48,46,774	81,40,128
Total amount (Rs.)	5,68,42,534	9,55,07,381
Rate/unit (Rs.)	11.74	11.73
(b) Own generation		
(i) Through diesel generator Unit	4,37,084	4,00,485
Unit per Ltr. of diesel oil (Rs.)	3.36	3.56
Cost/unit (Rs.)	17.22	14.95
Total Amount (Rs.)	75,26,586	59,87,251
(ii) Through WTG's	75,45,287	71,18,398
Unit	4.80	4.72
Total Amount (Rs.)	3,61,85,709	3,35,67,370
* units generated through wind turbine has been credited against purchase of Units		
<b>2. Coal</b>		
Quantity (M.T.)	15,317	17,581
Total Cost (Rs.)	9,62,16,817	8,93,85,665
Average Rate (Rs.)	6,281.75	5,084.18
<b>3. Others (Diesal/SKO &amp; LDO)</b>	<b>00.00</b>	<b>00.00</b>
<b>B) Consumption per Unit of Production:</b>		
<b>Product (with details) unit:</b> Oil and Vanaspati Division(Including Job Work) (Current year: 1,55,139 MT, Previous Year: 1,69,943 MT)		
Electricity	82.69	92.14
Coal	0.10	0.10
Other	-	-

### **B. TECHNOLOGY ABSORPTION:**

- i. The efforts made towards technology absorption: Not Applicable
- ii. The benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable
- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) :No technology imported by K.S. Oils Limited in last 3 Years

### **C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

During the year, the Foreign Exchange earnings was Nil and Foreign Exchange outgo was Rs. Nil

**ANNEXURE – IV TO DIRECTORS' REPORT****Form No. MGT – 9  
Extract of Annual Return**

as on financial year ended March 31, 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rules 12(1) of the Companies  
(Management and Administration) Rules, 2014]**I. REGISTRATION AND OTHER DETAILS**

1. CIN	L15141MP1985PLC003171
2. Incorporation Date	04/12/1985
3. Name of the Company	K.S.OILS LIMITED
4. Category/ Sub Category of the Company	Company Having Share Capital / Indian Non-Government Company
5. Address of the Registered office and contact details	Jiwaji Ganj, Morena Madhya Pradesh – 476 001 Ph. No. – 7532-300000 Fax – 7532-405060 E-mail add : <a href="mailto:investors@ksoils.com">investors@ksoils.com</a> Website : <a href="http://www.ksoils.com">www.ksoils.com</a>
6. Whether listed Company	Yes
7. Name address and contact Details of Registrar and transferor	Ankit Consultancy Pvt. Ltd 60, Electronic Complex, Pardeshipura, Indore – 452010 Ph. No. – 0731-2551745 Fax – 0731-4065798 E-mail: <a href="mailto:ankit_4321@yahoo.com">ankit_4321@yahoo.com</a> ; <a href="mailto:rtaindore@gmail.com">rtaindore@gmail.com</a>

**II. PRINCIPLE BUSINESS ACTIVITY 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 the	NIC Code of the Product / Service main products/ services	% of total turnover of the Company
1	Oils	10401, 10402	28%
2	Electricity Generation from Wind Turbines	35101	62%

**III. PARTICULARS OF THE HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and address of the Company	CIN	Holding/Subsidiary /Associate	% of Share Held	Applicable Section
1	K S Natural Resources Pte. Ltd., Singapore	Foreign Company	Subsidiary	100%	2(87)
2	KS Oils Sdn Bhd. (Malaysia)	Foreign Company	Step-down Subsidiary	70%	2(87)
3	PT Buana Mega Sentosa Plantation	Foreign Company	Step-down Subsidiary	90%	2(87)
4	KS Agri Resources Pte. Ltd. (Singapore)	Foreign Company	Step-down Subsidiary	100%	2(87)
5	PT Mega Artha Peresada (Indonesia)	Foreign Company	Step-down Subsidiary	90%	2(87)
6	PT Biodiesel Jambi (Indonesia)	Foreign Company	Step-down Subsidiary	90%	2(87)
7	PT Tunas Bersusun Abadi (Indonesia)	Foreign Company	Step-down Subsidiary	88%	2(87)
8	PT Luvang Urip (Indonesia)	Foreign Company	Step-down Subsidiary	95%	2(87)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Share Holding**

S. No.	Category of Shareholders	No. of Shares Held at the beginning of the Year i.e. 01/04/2014				No. of Shares held at the end of the Year i.e. 31/03/2015				% Change during the Year
		DEMAT	Physical	Total	% of total Shares	DEMAT	Physical	Total	% of total Shares	
<b>A.</b>	<b>Promoter</b>									
<b>(1)</b>	<b>Indian</b>									
a)	Individual/HUF	34,602,105	-	34,602,105	7.54	34,602,105	-	34,602,105	7.54	-
b)	Central Government	-	-	-	-	-	-	-	-	-
c)	State Government	-	-	-	-	-	-	-	-	-
d)	Body Corporate	-	-	-	-	-	-	-	-	-
e)	Banks / FI	-	-	-	-	-	-	-	-	-
f)	Any other	-	-	-	-	-	-	-	-	-
	<b>Sub Total (A) (1) :-</b>	<b>34,602,105</b>	<b>-</b>	<b>34,602,105</b>	<b>7.54</b>	<b>34,602,105</b>	<b>-</b>	<b>34,602,105</b>	<b>7.54</b>	<b>-</b>
<b>(2)</b>	<b>Foreign</b>									
a)	NRIs Individuals	-	-	-	-	-	-	-	-	-
b)	Other Individuals	-	-	-	-	-	-	-	-	-
c)	Body corporates	-	-	-	-	-	-	-	-	-
d)	Bank/ FI	-	-	-	-	-	-	-	-	-
e)	Any other	-	-	-	-	-	-	-	-	-
	<b>Sub Total (A) (2) :-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Share Holding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>34,602,105</b>	<b>-</b>	<b>34,602,105</b>	<b>7.54</b>	<b>34,602,105</b>	<b>-</b>	<b>34,602,105</b>	<b>7.54</b>	<b>-</b>
<b>B.</b>	<b>Public Share Holding</b>									
<b>(1)</b>	<b>Institutions</b>									
a)	Mutual Funds	-	-	-	-	-	-	-	-	-
b)	Banks/FI	1,036,131	10,000	1,046,131	0.23	3,077,026	10,000	3,087,026	0.67	0.44
c)	Central Government	-	-	-	-	-	-	-	-	-
d)	State Government	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FIs	17,103,798	-	17,103,798	3.72	17,103,797	-	17,103,797	3.72	(0.00)
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Other (Specify)	-	-	-	-	-	-	-	-	-
	<b>Sub Total (B)(1)</b>	<b>18,139,929</b>	<b>10,000</b>	<b>18,149,929</b>	<b>3.95</b>	<b>20,180,823</b>	<b>10,000</b>	<b>20,190,823</b>	<b>4.40</b>	<b>0.44</b>
<b>(2)</b>	<b>Non Institutions</b>									
<b>a)</b>	<b>Bodies Corp.</b>									
(i)	Indian	83,751,717	28,000	83,779,717	18.25	56,873,888	28,000	56,901,888	12.39	(5.85)
(ii)	Overseas	-	-	-	-	-	-	-	-	-
<b>(b)</b>	<b>Individuals</b>									
(i)	Individual Shareholders holding nominal share capital upto Rs. 1 lakh	202,424,384	2,192,884	204,617,268	44.56	213,390,988	2,176,798	215,567,786	46.95	2.38
(ii)	Individual Shareholders holding nominal share capital exceeds of Rs. 1 lakh	32,503,612	-	32,503,612	7.08	42,948,711	-	42,948,711	9.35	2.27

(c)	Other (NRI & OCB)	85,115,504	-	85,115,504	18.54	88,575,094	-	88,575,094	19.29	0.75
(i)	Other (Clearing Member)	411,902	-	411,902	0.09	393,630	-	393,630	0.09	(0.00)
	<b>Sub-Total (B) (2)</b>	<b>404,207,119</b>	<b>2,220,884</b>	<b>406,428,003</b>	<b>88.51</b>	<b>402,182,311</b>	<b>2,204,798</b>	<b>404,387,109</b>	<b>88.07</b>	<b>(0.44)</b>
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>422,347,048</b>	<b>2,230,884</b>	<b>424,577,932</b>	<b>92.46</b>	<b>422,363,134</b>	<b>2,214,798</b>	<b>424,577,932</b>	<b>92.46</b>	<b>-</b>
	Shares held by									
	Custodian for									
	GDRs & ADRs	-	-	-	-	-	-	-	-	-
	<b>Grand Total (A+B+C)</b>	<b>456,949,153</b>	<b>2,230,884</b>	<b>459,180,037</b>	<b>100.00</b>	<b>456,965,239</b>	<b>2,214,798</b>	<b>459,180,037</b>	<b>100.00</b>	<b>-</b>

**(ii) Shareholding of Promoters**

S. No.	Category of Shareholders	No. of Shares Held at the beginning of the Year i.e. 01/04/2014			No. of Shares held at the end of the Year i.e. 31/03/2015			
		No. of Shares	% of total Share of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Share of the Company	% of Shares Pledged / encumbered to total Shares	% Change in Shareholding during the Year
1	Meeta Garg	16,827,339	3.66	3.66	16,827,339	3.66	16,827,339	-
2	Sheela Devi Garg	12,061,466	2.63	2.63	12,061,466	2.63	12,061,466	-
3	Ramesh Chand Garg	5,193,590	1.13	1.13	5,193,590	1.13	5,193,590	-
4	Ashwani Garg	460,000	0.10	0.10	460,000	0.10	460,000	-
5	Saurabh Garg	59,710	0.01	0.01	59,710	0.01	59,710	-
	<b>Total</b>	<b>34,602,105</b>	<b>7.54</b>	<b>7.54</b>	<b>34,602,105</b>	<b>7.54</b>	<b>34,602,105.00</b>	<b>-</b>

**(iii) Change in Promoters' Shareholding**

S. No.	Shares Holders Name	Shareholding at the beginning of the year		Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g.allotment / transfer / bonus /sweat Equity etc.)	Date of Change	Cumulative Shareholding during the Year		Date of Change	Reasons
		No. of Shares	% of total Share Capital of the Company			No. of Shares	% of Share Capital of the Company		
1	Meeta Garg	16,827,339	3.66	Nil	-	16,827,339	3.66	-	-
2	Sheela Devi Garg	12,061,466	2.63	Nil	-	12,061,466	2.63	-	-
3	Ramesh Chand Garg	5,193,590	1.13	Nil	-	5,193,590	1.13	-	-
4	Ashwani Garg	460,000	0.10	Nil	-	460,000	0.10	-	-
5	Saurabh Garg	59,710	0.01	Nil	-	59,710	0.01	-	-
	<b>Total</b>	<b>34,602,105</b>	<b>7.54</b>	<b>-</b>	<b>-</b>	<b>34,602,105</b>	<b>7.54</b>	<b>-</b>	<b>-</b>

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

S. No	Shareholder's Name	Shareholding at the beginning of the year i. e. 01/04/2014		Change in Shareholding during the year		Shareholding at the end of the year i. e. 31/3/2015	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Abhi Ambi Financial Services Limited	39,330,183	8.57	(22,910,163)	(4.99)	16,420,020	3.58
2	NSR Direct PE Mauritius LLC	40,330,926	8.78	-	-	40,330,926	8.78
3	Baring Private Equity Asia III Mauritius Holdings (3) Limited	35,704,070	7.78	-	-	35,704,070	7.78

4	Deutsche Securities Mauritius Limited	7,655,000	1.67	-	-	7,655,000	1.67
5	Client Rosehill Limited	5,063,056	1.10	-	-	5,063,056	1.10
6	Vineet Garg	3,284,000	0.72	-	-	3,284,000	0.72
7	CVCIGP II Employee Rosehill Limited	2,835,741	0.62	-	-	2,835,741	0.62
8	Uniways Agri Commodities Private Limited	2,495,131	0.54	(2,495,131)	(0.54)	-	-
9	Share India Securities Limited	1,916,290	0.42	(1,916,290)	(0.42)	-	-
10	Karvy Stock Broking Ltd (BSE)	1,800,000	0.39	(200,000)	(0.04)	1,600,000	0.35
11	Newway Constructions Limited	-	0.00	2,500,000	0.54	2,500,000	0.54
12	Yes Bank Limited	-	0.00	2,040,895	0.44	2,040,895	0.44
13	Suresh Kumar Gupta	1,624,990	0.35	-	-	1624990	0.35

#### Shareholding of Directors and Key Managerial Personnel:

S. No	Name of the Director and KMP	Director Identification No. (DIN)	Shareholding at the beginning		Shareholding at the end		% change in shareholding during the year
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company	
<b>Director</b>							
1	Ramesh Chand Garg	00027025	5,193,590	1.13	5,193,590	1.13	-
2	Davesh Agarwal	01102237	-	-	-	-	-
3	Arvind Pandalai	00352809	-	-	-	-	-
4	Boda Venkat Ram	03476912	-	-	-	-	-
5	B. Swarupa Rani	07099356	-	-	-	-	-
<b>Key Managerial Personnel (KMPs)</b>							
1	Davesh Agarwal (CFO)	01102237	-	-	-	-	-
2	Sandeep Kumar (CS)	-	-	-	-	-	-

#### v. INDEBTEDNESS

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

(Amount in Rs. Lacs)

Particulars	Secure Loan excluding deposits	Unsecured Loan	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount (including Interest)	2,90,403	-	-	2,90,403
<b>Total</b>	<b>2,90,403</b>	<b>-</b>	<b>-</b>	<b>2,90,403</b>
<b>Change in Indebtedness during the financial year</b>				
♦ Addition	-	-	-	-
♦ Reduction	17,562	-	-	17,562
<b>Net Change</b>	<b>17,562</b>	<b>-</b>	<b>-</b>	<b>17,562</b>
Indebtedness at the end of the financial year				
i) Principal Amount (Including Interest)	2,72,841	-	-	2,72,841
<b>Total</b>	<b>2,72,841</b>	<b>-</b>	<b>-</b>	<b>2,72,841</b>

#### vi. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### A. Remuneration to Managing Director and Whole-time Directors:

Sl. No.	Particulars of the Remuneration	Ramesh Chand Garg (Managing Director)	Davesh Agarwal (Whole Time Director and Chief Financial Officer)	Total Amount
1	<b>Gross Salary</b>			
	(a) Salary as per the provisions contained in section 17(1) of the Income Tax Act, 1961	23,60,400	23,60,400	47,20,800
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	39,600	39,600	79,200
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-

3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others	-	-	-
	<b>Total</b>	<b>24,00,000</b>	<b>24,00,000</b>	<b>48,00,000</b>

**B. Remuneration to other directors:**

Sl. No.	Particulars of the Remuneration	Name of Director						Total Amount
		B M N Singh*	P. K. Madloi*	R.S. Sisodia*	Arvind Pandalai	Boda Venkat Ram	B. Swarupa Rani	
<b>1</b>	<b>Independent Directors</b>							
a	Fees for attending board / committee meetings	15,000	45,000	40,000	1,05,000	1,15,000	Nil	3,20,000
b	Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c	Others	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Total (1)</b>	<b>15,000</b>	<b>45,000</b>	<b>40,000</b>	<b>1,05,000</b>	<b>1,15,000</b>	<b>Nil</b>	<b>3,20,000</b>
<b>2</b>	<b>Other Non-Executive Directors</b>	<b>Sourabh Garg*</b>	<b>M. B. Kaul</b>	<b>B.S. Bhasin</b>				
	Fees for attending board / committee meetings	Nil	15,000	Nil				
	Commission	Nil	Nil	Nil				
	Others	Nil	Nil	Nil				
	<b>Total (2)</b>	<b>Nil</b>	<b>15,000</b>	<b>Nil</b>				
	<b>Total (B) - (1)+(2)</b>							<b>3,35,000</b>

\* Ceased to be directors from September 03, 2014  
The Above Remuneration is excluding TDS.

**C. Remuneration to Key Managerial Personnel Other than Managing Director and Whole-time Directors**

(In Rs. Lacs)

Sl. No.	Particulars of the Remuneration	Sandeep Kumar (Company Secretary)	Total Amount
<b>1</b>	<b>Gross Salary</b>		
	(a) Salary as per the provisions contained in section 17(1) of the Income Tax Act, 1961	4.50	4.50
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others	-	-
	<b>Total</b>	<b>4.50</b>	<b>4.50</b>

**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)
<b>A. COMPANY</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. DIRECTOR</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULTS</b>					
Penalty			None		

## **ANNEXURE - V TO THE DIRECTORS' REPORT**

### **DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013**

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/ KMP & Designation	Remuneration of Director/ KMP for Financial year 2014-15 (Rs. In Lacs)	% Increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the company PAT Growth
1	Ramesh Chand Garg (Managing Director)	24.00	Nil	23:1	N.A
2	Davesh Agarwal (Executive Director & CFO)	24.00	Nil	23:1	N.A
3	Sandeep Kumar (CS)	04.25	12.3%	N.A	N.A

- ii. The median remuneration of employees of the Company during the financial year was Rs. 1,04,622/-
- iii. In the financial year, there was an increase of 3.40% in the median remuneration of employees;
- iv. There were 364 (including executive directors) permanent employees on the roll of Company as on March 31, 2015;
- v. Relationship between average increase in remuneration and company performance: The Loss Before Tax for the financial year ended March 31, 2015 is Rs. 22,790/- Lakhs whereas the increase in median remuneration was 3.40%
- vi. Relationship between average increase in remuneration of Key Managerial Personnel and company performance: The Loss Before Tax for the financial year ended March 31, 2015 is Rs. 22,790/- Lakhs whereas the increase is made in Salary of Company Secretary of the Company i.e 12.3%
- vii. The increase in remuneration is not solely based on the Company performance but also includes various other factors like individual performance, experience, skill sets, industry trend, economic situation and Future growth prospects etc. All these factors are considered for revision of remuneration.
- viii. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 5.60%; whereas the increase in the managerial remuneration for the same financial year was Nil
- ix. There is no increase in the salary of Key Managerial Personnel except Company Secretary.
- x. The key parameters for the variable component of remuneration availed by the directors: Variable pay based on the performance of the Executive Director.
- xi. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - Not Applicable; and

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and senior management.

## ANNEXURE - VI TO THE DIRECTORS' REPORT

**Form No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED March 31, 2015  
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
K. S. OILS LIMITED  
CIN: L15141MP1985PLC003171  
Address: Jiwaji Ganj,  
Morena, Madhya Pradesh - 476001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **K. S. OILS LIMITED** ("hereinafter called as the Company/ Company"). The Company is a listed Company, having CIN: L15141MP1985PLC003171. 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 maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the financial year from 01st April, 2014 to 31st March, 2015 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - a. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. SEBI (Prohibition of Insider Trading) Regulations, 1992 and Rules there under;
  - c. SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009;
- (v) Foreign Exchange Management Act, 1999 and rules framed thereunder;
- (vi) Other laws applicable to the Company as per the representations made by the Company. *However, due to non-availability of Information, comment on labour related laws are not possible.*

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

- a. The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

**We report that:**

- a) 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.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the Corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- f) 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.

We have checked the compliance management system of the Company, to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. We believe that the Audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We further report that, the Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Decisions at Board Meeting and Committee Meeting are carried out unanimously as recorded in the minutes of the meeting of the Board of Directors or Committee of the Board, as the case may be.

We further report that, systems and processes in the Company need to be strengthened commensurate with the size and operations of the Company to monitor and ensure compliance with the Act and its applicable laws, rules, regulations and guidelines.

During the year company have received several notices from various authorities and some of them are disposed of during audit period.

We further report that, during the audit period, we come to know about some points as follows:

**(I) Companies Act, 2013:**

- i. *Annual Accounts has not been filed with the ROC within due time as the same has not been finalized during audit period.*

- ii. *There is a gap of more than 15 months between two AGM's due to extended financial year of 15 months.*
- iii. *AGM held on 30.09.2014 has not been concluded within the prescribed time due to non-finalization of Annual Accounts and non-appointment of Statutory Auditor.*
- iv. *Internal Auditor has not been appointed.*
- v. *Cost Audit Report & compliances related thereto has not been made.*
- vi. *Form CHG-1 for the modification of charge has not been filed within the time (delayed but within 300 days).*
- vii. *Limited Review Report for the quarterly results has not been provided by the Statutory Auditor hence could not take up and approved by the Audit committee and Board respectively.*
- viii. *Form MGT-10 in respect of change in shareholding as prescribed has not been filed during audit period.*

**(II) Listing Agreement:**

- i. *As per clause 41 annual accounts have not been filed within the due time and Limited Review report for the unaudited quarterly result for all quarters have not been filed.*
- ii. *Pursuant to Clause 41, Notices for the Board Meeting held*

*for approving unaudited and audited financial results during year were published with delay in newspaper.*

- iii. *As per Clause 49(IV)(A), Nomination and Remuneration committee have 3 (Three) Directors and amongst them Mr. Davesh Agarwal is an Executive Director (Whole Time Director & Chief Financial Officer).*

**(III) Foreign Exchange Management Act, 1999 and rules framed thereunder**

- i. *Annual Performance Report in respect of Foreign Subsidiary was not filed with the RBI through Authorised Dealer Bank.*
- ii. *Monthly and Annual Return in respect of ECB (External Commercial Borrowings) raised were not filed with the RBI promptly .*

**We further report that during the audit period, there were no instances of:**

- (i) Public/Rights/Preferential issue of debentures/sweat equity.
- (ii) Redemption/Buy back of securities.
- (iii) Merger/Amalgamation/Reconstruction.
- (iv) Foreign technical collaborations.

For **M. D. & Associates**  
**(Practicing Company Secretaries)**

**Mayank Dubey**  
**Proprietor**  
**M. No.:** A-29935  
**C. P. No.:** 10819

**Date:** 05/12/2015

**Place:** New Delhi

## **CORPORATE GOVERNANCE REPORT**

### **(PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)**

#### **OUR CORPORATE GOVERNANCE PHILOSOPHY**

The Company's philosophy on Corporate Governance envisages attainment of higher levels of transparency, accountability and equity in all facets of its operations and in all its interactions with its stakeholders, including shareholders, employees, customers, suppliers, government, lenders and the community at large. It aims to increase and sustain corporate value through growth and innovation.

The Company's core value includes business ethics, customer focus, professional pride, mutual respect, speed and innovation, excellence in manufacturing and total quantity. The Company believes that its operations and actions must serve the underlying goal of enhancing the interests of its stakeholders over a sustained period of time.

The policies and actions of the Company are in terms of applicable guidelines on Corporate Governance with endeavor to enhance shareholders' value.

#### **I. BOARD OF DIRECTORS**

The Board of Directors along with its Committees provide leadership and guidance to the Company's management as also direct, supervise and control the performance of the Company.

The Board currently comprises of five Directors out of which Three Directors (60%) are Independent Directors. The Chairman is an Executive Director and number of Independent Non-Executive Directors on the Board is above 50% of the Board strength. All Independent Non-Executive Directors possess the requisite qualification and are very experienced in their respective fields and further comply with the legal requirements for being "Independent". Neither Independent Directors nor their relatives do not have any pecuniary relationships or transactions either with the Company or with the promoters/management that may affect their judgment in any manner. All the Independent Directors have confirmed that they meet the 'independence' criteria as mentioned under Clause 49 of

the Listing Agreement and Section 149 of the Act.

None of the Directors on the Company's Board is a Member of more than ten Committees and Chairman of more than five Committees across all the Indian public limited companies in which he/she is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than twenty companies, including ten public companies. None of the Directors of the Company are related to each other.

The required information, including information as enumerated in Annexure X to Clause 49 of the Listing Agreement is made available to the Board of Directors for discussions and consideration at Board Meetings. The Board reviews the declaration made by the Managing Director and Executive Director & Chief Financial Officer of the Company regarding compliance with all applicable laws on a quarterly basis as also steps taken to remediate instances of non-compliance, if any. The Managing Director and Executive Director & Chief Financial Officer (CFO) have certified to the Board upon inter-alia, the accuracy of the financial statements and adequacy of internal controls for the financial reporting, in accordance with Clause 49 (IX) of the Listing Agreement, pertaining to CEO and CFO certification for the Financial Year ended March 31, 2015.

During the year under review, Five Board Meetings were held on May 15, 2014, August 14, 2014, September 03, 2014, November 15, 2014 and February 14, 2015. The maximum time-gap between any two consecutive meetings did not exceed 120 days.

The composition of the Board, attendance at Board Meetings held during the Financial Year under review and at the last Annual General Meeting (AGM), number of directorships (including K.S. Oils), memberships/ chairmanships of the Board and Committees of public companies and their shareholding as on March 31, 2015 in the Company are as follows:

Name of the Director	Directors. Identification No.	Category	No. of Board Meeting Attended during the Year	Attendance at the AGM	Directorships		Board Committee**		Shareholding (No. of Shares)
					Chairman	Member	Chairman	Member	
Ramesh Chand Garg	00027025	Managing Director, Chairman	5	Yes	1	-	2	-	5,193,590
Davesh Agarwal	01102237	Executive Director & CFO	5	Yes	-	1	-	4	-
Arvind Pandalai	00352809	Independent	5	Yes	-	8	1	1	-
Boda Venkat Ram	03476912	Independent	5	Yes	-	1	2	3	-
B. Swarupa Rani*	07099356	Independent	-	No	-	1	0	0	-

\* Appointed as Additional Independent Director in the Board w.e.f February 17, 2015

\*\* Board Committee for this purpose means Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee (including Management & Finance Committee of K. S. Oils Limited).

#### **Note:**

- ◆ During the period under review One Non-Executive Director and Three Independent Directors removed from the Board of Directors in the Board meeting held on September 09, 2014 due to disqualification under Section 164 (2) of the Companies Act, 2013; named Mr. Sourabh Garg, Non-Executive Director, Mr. P.K. Mandloi, Independent Director, Mr. R. S. Sisodia, Independent Director and Mr. B. N. Singh, Independent Director.
- ◆ The Nomination withdrawal letter had been received from the banks, hence the Nominee Directors Mr. B.S. Bhasin of State Bank of India (SBI) and Mr. M. B. Kaul of Industrial Development Bank of India (IDBI) has been

ceased to be director of the Company w.e.f July 02, 2014 and November 11, 2014 respectively.

**Induction:** On February 14, 2015, the Board of Directors appointed Mrs. B. Swarupa Rani as Additional Woman, Independent Director of the Company w.e.f February 17, 2015.

**Reconstitution of Committees :** The Audit Committee, Stakeholders Relationship Committee, Management and Finance Committee of the Board, Corporate Social Responsibility Committee and Nomination and Remuneration committee of the Board are reconstituted on September 03, 2015 to the Listing Agreement and Companies Act, 2014

**Familiarization Programme:** At the time of appointment of an Independent Director, a formal letter of appointment is given to him / her, which inter-alia explains the role, functions, duties and responsibilities expected from him/her as a Director of the Company. The Director is also explained in detail the compliances required from him/her under the Companies Act, 2013 and Rules made thereunder, clause 49 of the Listing Agreement and other relevant regulations and his/her affirmation is taken with respect to the same. At a separate meeting of the Independent Directors, a presentation was made on the brief details about the Company, nature of the industry in which Company operates, its business model apart from roles and responsibilities of Independent Directors

**Annual Independent Directors Meeting:** During the year under review, an annual Independent Directors meeting was convened on February 17, 2015, to review the performance of the Non-independent, Non-Executive Directors including the Chairman of the Board and performance of the Board as a whole. The Non-Independent Directors did not take part in the meeting.

**Board Effectiveness Evaluation:** Pursuant to the provisions of Clause 49 and the Act, Board evaluation involving evaluation of the Board of Directors, its Committees and individual Directors, including the role of the Board Chairman, was conducted during the year. For details pertaining to the same kindly refer to the Directors' Report.

**Code of Conduct:** K S Oils Code of Conduct as adopted by the Board of Directors is applicable to the Directors, senior management and employees of the Company. The code is based on the principals of good corporate governance and good corporate citizenship. The code covers the Company's commitment to healthy development, environmental safety, productive and healthy workplace for employees, legal compliance and leading by setting personal examples.

**Code of Conduct for Prevention of Insider Trading:** K S Oils has a code of conduct for prevention of Insider Trading in the share and securities of the company. The company code of conduct prohibits purchase/ sale of shares of the company by the employees who are in possession of unpublished price sensitive information in relation to the company.

## II. THE COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board, to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Minutes of the meetings of all the Committees are placed before the Board for review.

The Board has currently established the following five (5) statutory and non-statutory Committees:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Management and Finance Committee
4. Corporate Social Responsibility Committee
5. Nomination and Remuneration Committee

### 1. AUDIT COMMITTEE

**Term and Reference:** The Audit Committee of the Company is constituted in line with the provisions of Clause 49 III of the Listing Agreements with the Stock Exchanges and the provisions of Section 177 of the Companies Act, 2013. The Audit Committee responsible for Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible; Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees; Review and monitor the auditor's independence and performance, and effectiveness of audit

process; Approval of payment to statutory auditors for any other services rendered by the statutory auditors; Reviewing, with the management, the annual financial statements before submission to the board for approval Matters required to be included in the Director's Responsibility Statement to be included in the Board's report, compliance with listing and other legal requirements relating to financial statements, scrutiny of inter-corporate loans and investments, valuation of undertaking or assets of the company. The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The Committee discussed with the external auditors their audit methodology, audit planning and significant observations / suggestions made by them. The Committee also discussed major issues related to risk management and compliances and review the functioning of Whistle Blower mechanism.

In addition, the Committee has discharged such other role/function as envisaged under clause 49-III of the Listing Agreement of the Stock Exchanges and the provisions of Section 177 of the Companies Act, 2013.

During the year under review, Five Audit Committee Meetings were held on May 15, 2014, August 14, 2014, September 03, 2014, November 15, 2014 and February 14, 2015. The maximum time-gap between any two consecutive meetings did not exceed 120 days.

The composition of the Audit Committee and attendance of members at the meetings of the Audit Committee held during the period are as follows:-

Members	Total No. of Meetings during the year	Numbers of meetings attended
Mr. Boda Venkat Ram	05	05
Mr. P. K. Mandloi *	05	02
Mr. R. S. Sisodia *	05	02
Mr. Arvind Pandalai #	05	03
Mr. Davesh Agarwal #	05	03

\* Ceased w.e.f September 03, 2014

# Appointed Member w.e.f September 03, 2014

All the members have extensive financial and accounting knowledge and background. The terms of reference of the Audit Committee are in line with Clause 49 III ( C), (D) and (E) of the Listing Agreement with the stock exchanges and Section 177 of the Companies Act, 2013. The quorum for the Committee is two independent members. The Audit Committee meetings were attended by the Auditors (including Cost Auditors) as invitees. The members held discussions with the Auditors during the meetings and the Committee reviewed the periodic unaudited and audited results of the company before being considered and approved by the Board of Directors. Company Secretary acts as the secretary to the Committee.

### 2. STAKEHOLDERS RELATIONSHIP COMMITTEE

**Term and Reference:** The Stakeholders Relationship Committee, look into redressal of Investors' Complaints and requests such as delay in transfer of shares, non receipt of Dividend, Annual Report, revalidation of Dividend Warrants etc; Reviewing with management any changes in the share transfer policies and practices, qualification in draft secretarial audit report, significant adjustments arising out of audit and compliance with secretarial standard.

In addition, the Committee has discharged such other role/function as envisaged under the Listing Agreement of the Stock Exchanges and the provisions of Section 178 of the Companies Act, 2013.

The Share Department of the Company and the Registrar and Share Transfer Agent's Ankit Consultancy (P) Ltd., Indore, attend all grievances/ correspondences expeditiously of the shareholders and investors received directly or through SEBI, Stock Exchanges, Department of Company Affairs, Registrar of

Companies, etc., usually a reply is sent within 30 days of receipt of letter, except in the cases that are constrained by dispute or legal impediment.

During the year under review, Four Stakeholders Relationship Committee Meetings were held on May 15, 2014, August 14, 2014, November 15, 2014 and February 14, 2015. The maximum time-gap between any two consecutive meetings did not exceed 120 days.

The composition of the Stakeholders Relationship Committee and attendance of members at the meetings of the Stakeholders Relationship Committee held during the period are as follows:-

Members	Total No. of Meetings during the year	Numbers of meetings attended
Mr. P. K. Mandloi *	04	02
Mr. Ramesh Chand Garg*	04	02
Mr. Davesh Agarwal	04	04
Mr. Arvind Pandalai #	04	02
Mr. Boda Venkat Ram #	04	02

\* Ceased w.e.f September 03, 2014

# Appointed Member w.e.f September 03, 2014

The complaints of the shareholders are either addressed to the Company Secretary or Share Transfer Agent of the Company i.e. M/s. Ankit Consultancy Pvt. Ltd. The status of pending shareholder's/ investor's complaints is regularly reviewed at the Stakeholders Relationship Committee Meeting as well as in the Board Meetings itself on quarterly basis. There were no pending complaints or grievances at the end of the year under review. There was no pending share transfer as on March 31, 2015.

Name and Designation of the Compliance Officer: Mr. Sandeep Kumar, Company Secretary is the Compliance Officer in terms of Clause 47 of the Listing Agreement.

Secretarial Audit: As stipulated by SEBI, a Qualified Practicing Company Secretary carried out secretarial audit on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital.

During the last quarter, the secretarial audit report illustrate that Rs. 45,91,80,037/- is the issued Capital and Rs. 45,91,80,037/- is the listed Capital.

### 3. MANAGEMENT AND FINANCE COMMITTEE

Management and finance committee has been constituted to deal with the banks for finance facilities, works related to government agencies, licensing authorities and other day to day matters of the company which will look after these matters at short interval for smooth operations of the Company.

#### Terms of Reference:

- ◆ Overview the day to day working of the Company;
- ◆ Power to authorize the persons/officers/ Directors or any other person in relation to representation before the government authorities, courts, quasi judicial bodies, banks and any other authorities as may be required;
- ◆ Overview and take actions on the works of urgent matters and minutes of the Meeting shall place before the Board in next board meeting.
- ◆ Delegate any of its power, if required, to one or more members; and
- ◆ Review, consider and advice to the board any other matter related to the Management of the Company.

During the year under review, Sixteen Management and Finance Committee Meeting were held on April 07, 2014; April 14, 2014; May 05, 2014; May 26, 2014; June 20, 2014; July 28, 2014; August 14, 2014; September 04, 2014; September 12, 2014;

September 22, 2014; November 11, 2014; November 29, 2014; December 13, 2014; January 12, 2015; February 23, 2015 and March 18, 2015

Composition of the Management and Finance Committee as on March 31, 2015 and attendance of Members at the meetings of the Management and Finance Committee held during the year as follows :-

Members	Total No. of Meetings during the year	Numbers of meetings attended
Mr. Ramesh Chand Garg	16	15
Mr. Davesh Agarwal	16	15
Mr. P.K. Mandloi *	16	07
Mr. R. S. Sisodia *	16	00
Mr. Boda Venkat Ram #	16	09

\* Ceased w.e.f September 03, 2014

# Appointed Member w.e.f September 03, 2014

### 4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Term and References of the Corporate Social Responsibility Committee are in accordance with the Companies Act, 2013 and Listing Agreement as amended from time to time and include Overseeing the Companies spending on the corporate social Responsibility; Recommending the Board, for the Spending over activities which may be prescribed by the Central government as per Companies Act, 2013, and Rules made thereunder(as may be amended time to time); Review the spending time to time; May obtain any outside professional advice or appoint any person from the company to find out nearby areas where financial help can be provide; Where necessary for fulfilling its duties, to obtain any outside legal or other professional advice; Delegate any of its power, if required, to one or more members; and Review, consider and advice to the board any other matter related to the Corporate Social Responsibility.

In addition, the Committee has discharged such other role/ function as envisaged under the Listing Agreement of the Stock Exchanges and the provisions of the Companies Act, 2013.

During the year under review, one Corporate Social Responsibility Committee Meetings were held on August 14, 2014,

The composition of the Corporate Social Responsibility Committee and attendance of members at the meetings of the CSR Committee held during the period are as follows:-

Members	Total No. of Meetings during the year	Numbers of meetings attended
Ramesh Chand Garg	01	01
Davesh Agarwal	01	01
P. K. Mandloi *	01	01
Boda Venkat Ram #	01	00

\* Ceased w.e.f September 03, 2014

# Appointed Member w.e.f September 03, 2014

### 5. NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference: The Nomination and Remuneration Committee shall be responsible for, among other things, as may be required as per Companies Act, 2013 and Listing Agreement from time to time and includes the following:

- ◆ Decision on any change in remuneration and terms and conditions of employment of whole time directors and key management personnel of the Company;
- ◆ Identification of the Executive or Non-Executive Directors to become directors ;
- ◆ Evaluation of every Directors performance in yearly basis;
- ◆ Determining and evaluate the educational qualifications, positive attributes and independence of the Director for the appointment of Independent Directors;

- ◆ Formulate the policy relating to the remuneration for the directors and motivate directors for the quality required to run the company successfully;
- ◆ Recommend remuneration for Non-Executive directors to the members, if any;
- ◆ Recommend retirement benefits to be paid to managing or whole time directors
- ◆ Determine the terms of any compensation package in the event of early termination of the contract of any executive director;
- ◆ Where necessary for fulfilling its duties, to obtain any outside legal or other professional advice; and
- ◆ Delegate any of its power, if required, to one or more members.

In addition, the Committee has discharged such other role/function as envisaged under the Listing Agreement of the Stock Exchanges and the provisions of Section 178 of the Companies Act, 2013.

During the year under review, Two Nomination and Remuneration Committee Meetings were held on September 03, 2014 and February 14, 2015.

The composition of the Nomination and Remuneration Committee and attendance of members at the meetings of the Nomination and Remuneration held during the period are as follows:-

Members	Total No. of Meetings during the year	Numbers of meetings attended
Mr. Boda Venkat Ram	02	02
Mr. Arvind Pandalai	02	02
Mr. Davesh Agarwal *	02	02
Mrs. B. Swarupa Rani #	02	00

\* Ceased w.e.f June 13, 2015

# Appointed Member w.e.f June 13, 2015

#### REMUNERATION TO DIRECTORS:

All pecuniary relationships or transactions of the Non-Executive Directors with the Company: There is no transaction with the associates or relatives of the Non-Executive Directors during the financial year under review.

Number of shares held by Non-Executive Directors: Non-Executive Directors of the Company do not hold any shares in the Company.

#### REMUNERATION POLICY

The Remuneration Policy of the Company is to link the remuneration payable to the Directors and employees with the performance of the Company. Further no sitting fee is paid to the Executive Directors. The information/ details to be provided under Corporate Governance Code with regard to remuneration of Directors for the year 2014-15 are as follows:

#### EXECUTIVE DIRECTORS

Name	Position	Salary	Perquisites and Allowances	Commission	Total
					(Rs. In Lacs.)
Mr. Ramesh Chand Garg	Managing Director	2.00 per month	Nil	Nil	24.00
Mr. Davesh Agarwal	Whole-time Director	2.00 per month	Nil	Nil	24.00

#### Details of Service Contracts

Name	Date of Last appointment	Current tenure	From	To
Mr. Ramesh Chand Garg	September 26, 2011	3 years	September 03, 2014	September 02, 2017
Mr. Davesh Agarwal	December 30, 2011	3 years	September 03, 2014	September 02, 2017

The tenure of office of the Managing Director and Whole-time Directors is for a period of 3 years from their respective dates of appointments and can be terminated by either party by giving Six months or as the case may be, three months notice in writing. There is no separate provision for payment of severance fees

#### NON - EXECUTIVE INDEPENDENT DIRECTORS

Non-Executive Independent Directors of the Company do not draw any remuneration from the Company other than sitting fees for attending Board and Committee meetings. None of the Non-Executive Independent Directors have entered into any pecuniary transaction or relationship with the Company.

Name of the Non- Executive Director	Sitting Fees		Total
	Board Meeting	Committee Meeting	
Mr. Arvind Pandalai	75,000	30,000	1,05,000
Mr. Boda Venkat Ram	75,000	40,000	1,15,000
Mr. R. S. Sisodia*	30,000	10,000	40,000
Mr. Pramod Kumar Mandloi*	30,000	15,000	45,000
Mr. B.M.N. Singh*	15,000	00	15,000
Mr. M. B. Kaul#	15,000	00	15,000

\* Ceased w.e.f. September 03, 2014

# Ceased w.e.f. November 11, 2014

**Performance Evaluation:** The Company has devised a mechanism for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.

**Familiarization Programmes:** Details on familiarization programme for independent directors are uploaded on company's web site at following weblink: <http://www.ksoils.com>

**Subsidiary Companies:** Company does not have Material non-listed Indian subsidiary companies as defined in clause 49 of the Listing Agreement with Stock Exchanges

### III. INFORMATION ON GENERAL BODY MEETINGS

#### 1. ANNUAL GENERAL MEETING

The last three Annual General Meetings (AGMs) of the Company were held at K. S. Oils Limited, Factory Office, A. B. Road, Morena – 476 001, Madhya Pradesh. The dates and time of holding of the said AGMs and particulars of Special resolutions passed thereat are as under:

##### 26th AGM Held on December 30, 2011 at 4:00 P. M.

- ◆ Approval of Re-Appointment and fixation of Remuneration of Mr. Ramesh Chand Garg as Whole time Director of the Company for the period of 3 years w.e.f June 25, 2011
- ◆ Approval of Re-Appointment and Fixation of Remuneration of Mr. Ramesh Chand Garg as Managing Director and Chairman of the Company for the period of 3 years w.e.f September 26, 2011
- ◆ Approval of Qualified Institution Placement (“QIPs”) for an amount not exceeding of Rs. 250 Crore.

##### 27th AGM Held on March 30, 2013 at 4:00 P.M.

- ◆ Approval of Re-Appointment of Mr. Davesh Agarwal as Whole-time Director of the Company for the period of 3 years w.e.f December 30, 2011

##### Adjourned 27th AGM Held on September 07, 2013 at 4:00 P.M.

- ◆ No Special Resolution was passed

##### 28th AGM held on September 30, 2014 at 4:00 P.M

- ◆ No Special Resolution was passed

##### Adjourned 28th AGM held on September 07, 2015 at 2:00 P.M

- ◆ No Special Resolution was passed

#### 2. EXTRA-ORDINARY GENERAL MEETING

Extra-ordinary General Meeting of the Members of the Company was convened on March 18, 2015 at K.S. Oils Limited, Factory Office, A.B. Road Morena – 476 001, Madhya Pradesh.

- ◆ No Special Resolution was proposed for Approval

#### 3. POSTAL BALLOT DURING THE FINANCIAL YEAR

- ◆ No Special Business Proposed through Postal Ballot

### IV. DISCLOSURES:

#### a) Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large.

During the year, the Company has not entered into any transaction of material nature with the Directors, their relatives or management which is in conflict with the interest of the Company. The transactions with the related parties, namely its promoters, its subsidiaries and associate companies etc. of routine nature have been reported elsewhere in the annual report as per Accounting Standard - 18 (AS 18) issued by the Institute of Chartered Accountants of India (ICAI).

#### b) Details of any non-compliance by the Company:-

There were no instances of non-compliance by the Company on any matter related to capital market. The Company has complied with the requirements of Listing Agreement as well as regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets for non-compliance by the Company during the last three years on any matter related to capital market.

c) **Disclosure of Accounting Treatment:-** The Company has prepared its financial statement as per the Accounting Standards prescribed by the Institute of Chartered Accountants of India (ICAI). There is no deviation in the Accounting Treatment.

d) **Risk Management:-** The Company has procedures to inform Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

e) **CEO/CFO Certificate:-** The Managing Director and Executive Director & Chief Financial Officer of the Company have certified to the Board in accordance with Clause 49(IX) of the Listing Agreement pertaining to CEO/ CFO certification for the financial year ended on March 31, 2015.

f) **Disclosure of relationship between Directors inter-se:-** None of the Directors have any material or pecuniary relationship inter-se among themselves, whether directly or indirectly.

g) **Whistle Blower Policy:-** The Board of Directors has laid down Whistle Blower Policy for Directors and employees of the Company, to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. Further, the Company affirms that no personnel have been denied access to Audit Committee on any issue related thereto. The copy of Whistle Blower policy has been uploaded on the website of the Company i.e. <http://www.ksoils.com>

### V. MEANS OF COMMUNICATION

1. **Quarterly and Annual Results:-** Quarterly financial results of the company are announced within the time specified\* as per the Listing Agreement. These results are published in national and local dailies. While the company did not send periodical results/records to every shareholder, these were hosted on the company's website ([www.ksoils.com](http://www.ksoils.com)). The company also issued news releases on significant corporate decisions and activities and made these available on its website. The Management Discussion and Analysis Report is part of the Directors' Report.

*\*Company have not announced and submitted the quarterly financial results of the company for the Quarter ended on March 31, 2015 within the specified time period. As well as company has not submitted its Audited Annual Accounts with in time specified time period as per the Companies Act, 1956 & listing agreement.*

2. **Shareholding Pattern:-** Information relating to shareholding pattern, compliance with Corporate Governance norms etc., is available at our website [www.ksoils.com](http://www.ksoils.com).

3. **Limited Review Report:-** Limited Review reports of the un-audited financial results for the respective quarter(s) are not obtained by the Company during the Financial Year as per Listing Agreement.

4. Financial results are displayed on the website of the Company viz., [www.ksoils.com](http://www.ksoils.com) Official news/ press release are also hosted on the Company's

### VI. GENERAL SHAREHOLDERS INFORMATION

#### a) 29th Annual General Meeting

Venue : K. S. Oils Limited  
Factory Office, A. B. Road  
Morena, Madhya Pradesh – 476001

Time : 02:00 P.M.

Day & Date : Thursday, December 31, 2015

Book Closure period : 28/12/2015 to 31/12/2015 (both day inclusive)

**b) Calendar of Financial year ended March 31, 2016 (Tentative)**

Adoption of Quarterly Results Ended:	In the Month of
June 30, 2015	On or before August 14, 2015
September 30, 2015	On or before November 14, 2015
December 31, 2015	On or before February 14, 2016
March 31, 2016	On or before May 30, 2016

**c) Dividend**

The board have not recommended any dividend for the financial year ended March 31, 2015.

**Unclaimed Dividends**

As per the Companies Act, 2013, dividends that are unclaimed for a period of seven years, statutorily get transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government and thereafter cannot be claimed by investors.

There is no unclaimed dividend for the year 2007-08. As per Clause 5A of the Listing Agreement, no shares are lying in the suspense account of the Company.

**Dividend declared by the company for the last 5 Financial Years/Period**

Financial Years/Period	Dividend Declared on	Dividend Per Share*
2009-2010 (12 Months)	September 30, 2010	Rs. 0.18
2010-2011 (15 Months)	-	Nil
2011-2012 (18 Months)	-	Nil
2013-2014 (15 Months)	-	Nil
2014-2015 (12 Months)	-	Nil

**e) Market Price Data:**

Monthly Highs and Lows for FY 2014-2015 at BSE

Month	Bombay Stock Exchange (BSE)				No. of Share Traded
	Share Price (Rs.)		Sensex		
	High (Rs.)	Low (Rs.)	High	Low	
Apr-14	1.81	1.21	22,939.31	22,197.51	95,96,028
May-14	2.47	1.35	25,375.63	22,277.04	1,16,41,452
Jun-14	3.32	2.22	25,735.87	24,270.20	2,13,46,019
July-14	2.73	1.64	26,300.17	24,892.00	1,12,77,938
Aug-14	1.77	1.39	26,674.38	25,232.82	77,48,719
Sep-14	2.24	1.42	27,354.99	26,220.49	1,62,08,331
Oct-14	1.54	1.36	27,894.32	25,910.77	67,25,247
Nov-14	1.61	1.35	28,822.37	27,739.56	1,18,07,536
Dec-14	1.59	1.17	28,809.64	26,469.42	81,88,337
Jan-15	1.45	1.05	29,844.16	26,776.12	1,38,30,808
Feb-15	1.26	0.96	29,522.86	28,044.49	95,03,422
Mar-15	1.18	0.73	30,024.74	27,248.45	1,41,63,884

\*Trading suspended on NSE from 21/06/2013.

**d) Listing on Stock Exchanges and Stock Codes:**

S. No	Name & Address of the Stock Exchange	Code/Trading Symbol
1.	Bombay Stock Exchange Limited, (BSE), P. J. Towers, Dalal Street Fort, Mumbai – 400 001	526209
2.	National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051	KSOILS
3.	ISIN allotted by Depositories (Company ID Number)	INE727D01022

**Payment of Listing Fee:** Annual Listing Fees has been paid by the company to BSE for financial Year 2015-2016. However, Annual Listing fees has not been paid to the NSE.

The National Stock Exchange has suspended the trading of the Shares of the Company from dated June 21, 2013 due to non-submission of Quarterly Financial Results in time as per Listing Agreement and trading of the shares are suspended on NSE as on date.

**f) Registrar and Share Transfer Agent:**

Ankit Consultancy Pvt. Ltd.  
 60, Electronic Complex, Pardeshipura, Indore (M.P.) - 452 010  
 Tel.:0731-3198601-602, 2551745-46  
 Fax: 0731-4065798  
 Email : ankitind@sancharnet.in  
 Time : 10.00 a.m. to 6.00 p.m.

**g) Share Transfer System:**

Share transfers in physical form are registered by the Registrars and returned to the respective transferee within a period of fifteen days, provided the documents lodged with the Registrars / Company are clear in all respects. In case of shares in electronic form, the transfers are processed by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through respective Depository Participants. In compliance with the Listing Agreement with the Stock Exchanges, a practicing Company Secretary audits the system of transfer and a Certificate to that effect is issued.

**h) Shareholding Pattern as on March 31, 2015**

S. No	Category	No. of Shares Held	Shareholding in %
<b>A.</b>	<b>Promoter Holding</b>		
1.	Promoters		
	Indian Promoters	34,602,105	07.54
	Foreign Promoters	-	-
2.	Person acting in concert	-	-
	<b>Sub Total</b>	<b>34,602,105</b>	<b>07.54</b>
<b>B.</b>	<b>Non-Promoter Holding</b>		
1.	Institutions		
a.	MFs/UTI		
b.	Banks/FIs/ Insurance Companies (Centre/ State Govt. Institutions/ Non-Govt. Institutions)	3,087,026	00.67
c.	FIIIs	17,103,797	03.72
	<b>Sub Total</b>	<b>20,190,823</b>	<b>04.40</b>
2.	Non Institutions		
a.	Body Corporate	56,901,888	12.39
b.	Individual Holding Nominal Capital upto Rs. 1 Lakh	215,567,786	46.95
c.	Individual Holding Nominal Capital More than Rs. 1 Lakh	42,948,711	09.35
d.	Any other (Clearing Members and Trust)	88,968,724	19.38
	<b>Sub Total</b>	<b>404,387,109</b>	<b>88.07</b>
<b>C.</b>	<b>Custodian (depository for shares underlying GDRs)</b>	<b>00.00</b>	<b>00.00</b>
	<b>Grand Total</b>	<b>459,180,037</b>	<b>100.00</b>

**i) Distribution of Shareholding as on March 31, 2015**

Shareholding of Nominal Value of Rs.	No. of Members	% of Members	Share Amount (In Rs.)	% of Shares
Upto 1,000	94,431	73.63	32,490,964	7.08
1,001 to 2,000	14,043	10.95	23,127,020	5.04
2,001 to 3,000	5,353	4.17	14,179,922	3.09
3,001 to 4,000	2,785	2.17	10,258,582	2.23
4,001 to 5,000	2,895	2.26	13,944,419	3.04
5,001 to 10,000	4,510	3.52	34,708,858	7.56
10,001 to 20,000	2,229	1.74	32,515,472	7.08
20,001 to 30,000	761	0.59	19,148,452	4.17
30,001 to 40,000	321	0.25	11,470,265	2.50
40,001 to 50,000	246	0.19	11,478,653	2.50
50,001 to 100,000	392	0.31	28,439,290	6.19
100,001 and Above	292	0.23	227,418,140	49.53
<b>Total</b>	<b>128,258</b>	<b>100.00</b>	<b>459,180,037</b>	<b>100.00</b>

**j) Dematerialization of Shares**

The shares of the Company fall under the category of compulsory delivery in dematerialized form by all categories of investors. In order to enable the shareholders to hold their shares in Demat form, the Company has enlisted its shares with National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**Status of De-materialization as on March 31, 2015**

Category	No. of shares	% of total capital issued
Held in dematerialized form in NSDL	335,765,065	73.12
Held in dematerialized form in CDSL	121,209,886	26.40
Physical	22,050,861	0.48
<b>Total</b>	<b>459,180,037</b>	<b>100.00</b>

**k) Public issue, right issue, preferential issue and GDR/ ADR etc.:**

There was no public issue, right issue or preferential issue during the year. The Company has not issued any Global Depository Receipt/American Depository Receipt/Warrant or any convertible instrument, which is likely to have an impact on the Company's equity.

**l) Plant Location of the Company:**

- (i) A. B. Road, Industrial Area, Morena – 476 001, Madhya Pradesh
- (ii) Village Khara Kheri, Ratlam -457 001, Madhya Pradesh
- (iii) Village Silawati (Opp. Vandana Hotel), A. B. Road Guna-473 001, (M.P).
- (iv) Village Tathode, Tehsil Ladpura, Kota, Rajasthan
- (v) J.L.No.-149, Debhog, HPL Link Road, Haldia, Purba, Medinipur-721657, WB

**m) Address for Correspondence:****a. With the Company**

Mr. Sandeep Kumar,  
Company Secretary  
K. S. Oils Ltd, Jiwaji Ganj, Morena - 476 001,  
Madhya Pradesh.  
Phone: 07532 –300000; Fax: 07532 - 300106  
Email: [investors@ksoils.com](mailto:investors@ksoils.com)

**b. With the R&T Agent**

Ankit Consultancy Pvt. Ltd.  
60, Electronic Complex, Pardeshipura, Indore (M.P.) - 452 010  
Tel.:0731-3198601-602, 2551745-46; Fax: 0731-4065798  
Email : [ankitind@sancharnet.in](mailto:ankitind@sancharnet.in)

**n) Compliance:**

- i. The Company has obtained compliance certificate from the CS Mayank Dubey, Practicing Company Secretary, regarding compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement. The same has been taken up by the Board and Commented thereon in their report.
- ii. Further, the Company has submitted the quarterly compliance report to the stock exchanges within the prescribed time limit. The compliance certificate is also sent annually to all the shareholders of the Company.
- iii. The non-mandatory requirements, wherever necessary, have been complied with.

**VII. NOMINATION FACILITY**

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company as permitted under Section 72 of the Companies Act, 2013, are allowed to submit to the Company's Share Transfer Agents, M/s. Ankit Consultancy Private Limited at their address in the prescribed form (Form 2B). Nomination facility in respect of shares held in Electronic Form is also available with the Depository Participants (DP) as per the bye laws and business rules applicable to NSDL & CDSL.

**DECLARATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF BUSINESS CONDUCT AND ETHICS**

The Shareholders of the Company  
K. S. Oils Limited  
Jiwaji Ganj, Morena  
Madhya Pradesh – 476 001

Pursuant to clause 49 I(D)(ii) of the Listing Agreement, I hereby declare that all the Board Members and the Senior Management Personnel are aware of the provisions of the Code of Conduct laid down by the Board. All Board Members and Senior Management Personnel have affirmed compliance with the said Code of Conduct.

Ramesh Chand Garg  
Managing Director  
DIN : 00027025

Date : 05/12/2015  
Place : New Delhi

## MD AND CFO CERTIFICATE

We, Ramesh Chand Garg, Managing Director and Davesh Agarwal, Executive Director & Chief Financial Officer of K. S. Oils Limited to the best of our knowledge and belief, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended on March 31, 2015 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. 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 our 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. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
1. Significant changes in internal control over financial reporting during the year;
  2. Significant changes in accounting policies during the year and that these have been disclosed in the notes to the financial statements; and
  3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financials.

Davesh Agarwal  
Executive Director & CFO  
DIN : 01102237

Ramesh Chand Garg  
Managing Director  
DIN: 00027025

Date : 05/12/2015  
Place : New Delhi

## CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,

**The Members of  
K.S. Oils Limited**

1. We have examined the compliance of conditions of corporate governance by K.S. Oils Limited (“the Company”), for the Year ended on 31.03.2015, as stipulated in clause 49 of the Listing Agreement of the said company with said Stock Exchange(s).
2. The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.
3. In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the clause 49 of the listing agreement except:  
*As per Clause 49(IV)(A), Nomination and Remuneration committee have 3 (Three) Directors and amongst them Mr. Davesh Agarwal is an Executive Director (Whole Time Director cum Chief Financial Officer).*
4. We further state that such compliance is neither an assurance as to the further viability of the company nor the efficiency or the effectiveness with which the management has conducted the affairs of the company.

For M. D. & Associates  
(Practicing Company Secretaries)

Mayank Dubey  
Proprietor  
M. No.: A-29935  
C. P. No.: 10819

Date: 05/12/2015  
Place: New Delhi

## Auditors' Report

**TO**  
**THE MEMBERS OF K.S.OILS LIMITED**  
**JIWAJI GANJ, MORENA (M.P.)**

### Report on Financial Statements

We have audited the accompanying financial statement of K.S.OILS LIMITED ("the company") which comprise the balance sheet as at 31st March 2015 and the Statement of Profit & Loss and the cash flow statement for the period 1st April 2014 to 31 March 2015 and a summary of significant policies and other explanatory information.

### Management's Responsibility for the financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting 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 adequate internal financial controls, 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 standalone financial statements based on our audit.

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

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 except with regard to the matters discussed below where we have not been able to perform the audit in conformity with the relevant auditing standard on account of unavailability of adequate documents/information

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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 audit opinion on the standalone financial statements.

### Basis for qualified opinion

1. As regards trade receivables, inventory, costs, production margin and sales price of goods sold, we state that:

- a) The company has made provision for bad and doubtful debts for Rs.4736 Lacs (Previous year 87987) on the basis of the management evaluation.  
 In absence of confirmation of balances trade receivable as on 31.03.2015, provision to be made if any for adverse variation in the carrying amount of these balances are not quantified.
  - b) Position of inventory is as per management as more details in note no.36. As explained in the note, we could not observe inventory count as required under SA 501(Revised) 'Audit evidence – Specific Consideration for selected Items'.
  - c) Attention is invited to Note 35 on the explanation of the management with regard to abnormal variations/fluctuations in costs, production margin and sales price. We are unable to comment on these, being a technical matter.
2. In the absence of details of testing for impairment of certain assets viz. Production plants which were not operational/fully operational during the period, we are unable to state whether provision, if any, is required to be made in this regard.
  3. Out of transactions of purchase and sales of goods selected on a sample basis; in some cases, full supporting documents were not made available for our verification.
  4. Loan and Advances include advances aggregating Rs38424 Lacs given to some of the suppliers which include advances Rs.26514 Lacs outstanding for more than a year. Relevant documents and confirmations of balances are yet to be obtained.
  5. The company has given loans of Rs.1295 Lacs to its step-down subsidiary K S OILS SDN BHD. The net worth of the subsidiary is eroded significantly for the accounting period ended March 31, 2015 due to accumulated losses of Rs. 549 Lacs. No provision has been made for any doubtful recovery as it is not ascertainable.
  6. Company has taken an average rate (for goods for trading and manufacturing) to determine the value of cost of goods. Consequently, the result of such trading transactions and the closing inventory of such goods have not been disclosed separately. This is also not in conformity with the requirement of Revised Schedule VI.
  7. The company had been served demand notice under section U/s 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of security Interest Act, 2002 on dated 26th Dec.2013 for Wind Energy Business and 4th March 2014 for Edible Oil Business for payment of Outstanding principal amount including interest etc. within 60 days from the date of notice.  
 As stated in the Note no.33, pending quantification of interest payable, penalty, other financial charges, the ultimate liability for financial charges and related impact on reported loss is not quantifiable for the period and the Company has not provided interest liability for the current financial year.
  8. The financial statements of company have been prepared on a going concern assumption, though the company has incurred a net loss of Rs. 22987 Lacs during the twelve months period ended March 31, 2015 and it's net worth has eroded totally, CDR of the company has been called off and it has been served SARFAESI Notices by bankers & financial institutions for payment of loans. This situation indicates the existence of a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in normal course of business. The Company's ability to continue as a going concern is dependent upon the factors mentioned in Note 37.
  9. Attention is invited to the following Notes forming part of the financial statements:
    - a) Note no. 30 With regard to certain contingent liabilities, whose impact is not ascertainable.

- b) Note no. 31 with regard order of settlement passed in the favor of company the Appeal of Income Tax department is pending before M.P. High court Gwalior.
- c) Note no. 38 (a) & (b) With regard to manner of utilization of fund raised through preferential allotment of equity shares in previous years.
- d) Note no. 39 With regard to the declared dividend Balance of Rs.90 Lacs has not been transferred to separate bank account.

#### Qualified opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the matters described in **paragraphs 1 to 8 above, and the resulting effects of all these on the relevant assets, liabilities and the loss** for the period which are not quantifiable the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) In the case of the Balance sheet of the State of affairs of the Company as at **31st March 2015**.
- (ii) In the case of the Profit & Loss Account, of the 'LOSS' for the year ended on that date.
- (iii) In the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 issued by the Company Law Board in terms of Sub-Section(11) of Section 143, dated 10, April 2015 of the Companies Act, 2013, we give in Annexure a statement on matters specified in paragraphs 3 and 4 of the said Order.
2. As required by section 143(3) of the Act, we report that:
- Except as stated in our comments under Basis of Qualified Opinion, we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - 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;
  - 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;
  - In our opinion the aforesaid financial statements complies with the Accounting Standards specified in section 133 of the Companies Act, 2013, read with Rule 7 of the companies (Accounts) Rule 2014; However as explained above, we are unable to comment upon the complete compliance with accounting standard AS 1 "Disclosure of Accounting Policies", AS 2 "valuation of Inventory", AS 9 "Revenue Recognition", AS 28 Impairment of Assets" and AS 29 Provision, Contingent Liabilities and Contingent Assets.
  - On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors (except Mr. Ramesh Chand Garg) is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164(2) of the Act.
  - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - The Company has disclosed the impact of pending litigations on its financial positions in its financial statements as referred in note no. 30 to the financial Statements.
    - The Company did not have long-term contracts including derivative contracts as such the question of commenting on any material foreseeable losses thereon arise.

- iii. According to the information and explanations given to us there was no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Ladha G. D. & Co.**  
Chartered Accountants  
Firm Registration number: 010962C

New Delhi  
Dated: December 5, 2015

**Nitin Pahariya**  
Partner  
Membership number: 409770

### Annexure to auditors; Report

The Annexure referred to in Auditors' report of even date to the members of K. S. OILS Limited on the financial statements for the twelve months period ended March 31, 2015.

- (i) (a) As informed to us, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (b) During the period, fixed assets have been physically verified by the management on the test basis. Such verification was made at reasonable intervals. We are informed that no material discrepancies were noticed on such observation.
- (ii) (a) As informed to us, inventory has been physically verified during the year by the management. *In our opinion, the frequency of verification needs to be increased in relation to the size of the company and the nature of its business.*
- (b) *As mentioned in paragraph 2(b) of the Auditors' report and as also stated in note 36, we are unable to comment upon reasonableness and adequacy of the procedures of physical verification of inventory followed during such verification.*
- (c) *In our opinion and according to the information and explanation provided to us by the Company and as mentioned in paragraph 1 (b) of the Auditors' Report, the Company has not maintained proper records of inventory, as major of the inventory remained unmoved during the year. In the absence of availability of appropriate information, we are unable to comment upon further adjustments, if any, is required to be made in such regard.*
- (iii) During current year the Company has not granted any unsecured loan to company covered in the register maintained under section 189 of the Companies Act, 2013.
- (a) The earlier loans granted along with interest thereon were repayable on demand. However no principal/interest has been received during the year.
- (b) As the Company has not demanded repayment of any such loan/interest, therefore there are no overdue amounts.
- (iv) *In our opinion and according to the information and explanations given to us, in addition to our comments in paragraph 1(b) & (c), 3 and 6, of the Auditors' Report, the existing internal control procedures are required to be made adequate with the size of the Company and the nature of its business for the purchase, of inventory and fixed assets and for the sale of goods. In our opinion there is a continuing failure to correct major weakness in the internal control system.*
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the provision of Sections 73 to 76 or any other relevant provision of the Companies Act, 2013 and the rules

framed there under.

(vi) The Central Government has prescribed maintenance of cost records under section 148 (1) (d) of the Companies Act, 2013 in respect of Company's 'Vanaspati, Refined Vegetable Oils and Power Generation'. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records, and are of the opinion that prima facie, the prescribed accounts and records have not been made and maintained.

(vii) In respect of statutory Dues:

(a) According to the records of the Company, Undisputed statutory dues including provident fund, investor education

and protection fund; employees' state insurance, income tax, sales tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues, if any applicable to it, have not been regularly deposited with appropriate authorities and there have been material delays in numerous number of cases. The Arrears of outstanding dues at the last day of financial year concerned for a period of more than six months from the date they became payable are as under:

Name of the statute	Nature of the dues	Amount (Rs. in Lacs)	Period to which the amount relates	Due Date	Date of payment
Income Tax Act	Tax Deducted at Source	12.36	Period related to 2014-15	Various dates	Paid 10.31 Lacs up to 2/11/2015
Employee State Insurance Act	ESIC	2.66	Period related to 2012-15	Various dates	
Employees Provident Fund and Miscellaneous Provisions Act	Provident Fund	77.29	Period related to 2012-15	Various dates	Paid 4.70 Lacs up to 30/09/15
Central Excise & Custom Act	Excise Duty	2.73	Period related to 2013-15	Various dated	
Service Tax	Service Tax	59.74	Period related to 2013-15	Various dated	Paid Rs. 14.23 Lacs up to 7/10/201
State Sales Tax	VAT	877.13	Period related to 2013-15	Various dated	
State Sales Tax	WCT	0.56	Period related to 2012-15	Various dated	
Sate Sales Tax	Entry Tax	98.98	Period related to 2012-15	Various dated	

(b) Details of Dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of custom & Excise, Value Added Tax, Cess which have not been deposited as on march 31, 2015 on account of disputes are given below

Name of the statute	Nature of the dues	Amount (Rs. in lacs)	Period to which amount relate	Forum where dispute is pending
Sales Tax Act	Sales Tax / CST	11	1998-99	High Court
Sales Tax Act	Sales Tax / CST	6	2003-04	Revenue Board
Sales Tax Act	Sales Tax / CST	3	2003-04	Revenue Board
Sales Tax Act	Sales Tax / CST	4	2007-08	Deputy Commissioner Appeal, Gwalior
Sales Tax Act	Sales Tax / CST	119	2008-09	Deputy Commissioner Appeal, Gwalior
Sales Tax Act	Sales Tax / CST	52	2010-11	Additional Commissioner, Gwalior
Madhya Pradesh VAT Act	VAT	13	2007-08	Deputy Commissioner Appeal, Gwalior

Madhya Pradesh VAT Act	VAT	19	2008-09	Tax Board Bhopal
Madhya Pradesh VAT Act	VAT	4560	2007-08	Hon'ble Settlement Commission , Bhopal
Madhya Pradesh VAT Act	VAT	10	2009-10	Additional Commissioner, Gwalior
Madhya Pradesh VAT Act	VAT	202	2010-11	Additional Commissioner, Gwalior
Madhya Pradesh VAT Act	VAT	264	2010-11	Additional Commissioner, Gwalior
Entry Tax Act	Entry Tax	41	2006-07	Deputy Commissioner Appeal, Gwalior
Entry Tax Act	Entry Tax	10	2007-08	Deputy Commissioner Appeal, Gwalior
Entry Tax Act	Entry Tax	1205	2007-08	Hon'ble Settlement Commission , Bhopal
Entry Tax Act	Entry Tax	1	2009-10	Tax Board Bhopal
Entry Tax Act	Entry Tax	3	2009-10	Additional Commissioner, Gwalior
Entry Tax Act	Entry Tax	668	2009-10	Additional Commissioner, Gwalior
Entry Tax Act	Entry Tax	196	2010-11	Additional Commissioner, Gwalior
Central Excise Act	Excise Duty	24	2001-02	High Court
Central Excise Act	Excise Duty	3	2002-03	High Court

- (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 relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there .
- (viii) Even after not considering the qualifications which are not quantifiable, The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has incurred cash losses in this year and also in the immediately preceding financial year.
- (ix) *As mentioned in paragraph 7 of the Auditors' report and as also stated in note 33 the company has defaulted in repayment of dues to bank and financial institutions. According to the information and explanations given to us the amount and period of default could not be given as details such as overdue interest, penalties, damages, cost etc. as considered in their SERFASI Notice by lenders and other parties have not been mentioned or made available to the company. Further the Company has not provided any interest liability for the current period due to non-charging of interest by majority of banks and unavailability of their statements of accounts.*
- (x) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the period
- (xi) No Term loan was raised during the year.
- (xii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management

**For Ladha G. D. & Co.**  
Chartered Accountants  
Firm Registration number: 010962C

New Delhi  
Dated: December 5, 2015

**Nitin Paharia**  
Partner  
Membership number: 409770

**K. S. OILS LIMITED**  
**Balance Sheet as at March 31, 2015**

(Rs. in Lacs)

	Note No.	As at March 31, 2015	As at March 31, 2014
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholder's Fund</b>			
Share Capital	1	30580	30580
Reserves and Surplus	2	(199137)	(176297)
		<b>(168557)</b>	<b>(145717)</b>
<b>Non Current Liabilities</b>			
Long Term Borrowings	3	152809	170371
Deferred Tax Liabilities (Net)	4	11631	11436
Other Long Term Liabilities	5	53	52
Long Term Provisions	6	13	15
		<b>164506</b>	<b>181873</b>
<b>Current Liabilities</b>			
Short Term Borrowings	7	113595	113595
Trade Payables	8	19425	16843
Other Current Liabilities	9	13124	14965
Short Term Provisions	10	1	2
		<b>146145</b>	<b>145405</b>
		<b>142094</b>	<b>181561</b>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
<b>Fixed Assets</b>			
-Tangible Assets	11	62801	92629
-Intangible Assets		-	-
-Capital Work In Progress		2624	2624
Non Current Investments	12	4893	10369
Long Term Loans and Advances	13	1196	1577
Other Non Current Assets	14	4	31
		<b>71518</b>	<b>107229</b>
<b>Current Assets</b>			
Inventories	15	13392	14741
Trade Receivables	16	12719	20173
Cash and Bank Balances	17	1330	1861
Short Term Loans and Advances	18	40365	33657
Other Current Assets	19	2770	3900
		<b>70576</b>	<b>74332</b>
		<b>142094</b>	<b>181561</b>

Significant Accounting Policies and other notes

29 to 57

As per our report of even date  
For **LADHA G.D. & CO.**  
Chartered Accountants  
Firm Registration No. 010962C

For and on behalf of Board of Directors  
**K.S OILS LIMITED**

**Nitin Paharia**  
Partner  
M. No. 409770

**Ramesh Chand Garg**  
Managing Director  
DIN: 00027025

**Davesh Agarwal**  
Executive Director & CFO  
DIN: 01102237

**Sandeep Kumar**  
Company Secretary

Place: New Delhi  
Date: December 5, 2015

**K. S. OILS LIMITED****Statement of Profit and Loss for The Period Ended on March 31, 2015**

(Rs. in Lacs)

	Note No.	For the period ended on March 31, 2015	For the period ended on March 31, 2014
Revenue from Operations	20	7247	100982
Less : Excise Duty		1	98
Revenue from Operations (Net)		<b>7246</b>	<b>100884</b>
Other Income	21	617	1159
<b>Total Revenue</b>		<b>7863</b>	<b>102043</b>
<b>Expenses</b>			
Cost of Materials Consumed	22	313	47025
Purchase of Stock in Trade	22	1295	59099
Changes in inventories of Finished Goods, Work in Progress and Stock in Trade	23	238	19976
Employee Benefit Expenses	24	837	1444
Finance Costs	25	623	18041
Depreciation and Amortization Expenses	26	5343	7605
Administrative and Other Expenses	27	4810	7419
<b>Total Expenses</b>		<b>13459</b>	<b>160609</b>
<b>Loss before exceptional items and tax</b>		<b>(5596)</b>	<b>(58566)</b>
Exceptional Items	28	17194	93129
<b>Loss before tax</b>		<b>(22790)</b>	<b>(151695)</b>
<b>Tax Expense</b>			
Tax Related to previous years		3	(685)
Deferred Tax	4	194	29
<b>Loss for the period</b>		<b>(22987)</b>	<b>(151038)</b>
<b>Earnings Per Equity Share</b>			
<b>Basic/Diluted (F.V. of Rs. 1 each)</b>		<b>(5.07)</b>	<b>(32.98)</b>

Significant Accounting Policies and other notes

29 to 57

As per our report of even date  
For **LADHA G.D. & CO.**  
Chartered Accountants  
Firm Registration No. 010962C

For and on behalf of Board of Directors  
**K.S OILS LIMITED**

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Managing Director  
DIN: 00027025

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Executive Director & CFO  
DIN: 01102237

**Sandeep Kumar**  
Company Secretary

Place: New Delhi  
Date: December 5, 2015

**K. S. OILS LIMITED**  
**Cash Flow Statement for the period ended March 31, 2015**

(Rs. in Lacs)

Particulars	2014-15	2013-14
<b>Cash Flow from Operating Activities</b>		
Net (Loss)/Profit for the Period/Year Before Tax	(22790)	(151695)
Depreciation	5343	7605
Provision for Diminution in value of investment	5,476	5142
Interest Received	(127)	(648)
Interest Cost	484	17062
Government Grant	(2)	(7)
Provision for Doubtful Debts	4736	87963
Unrealised Exchange Rate Fluctuation	134	280
Profit on Sale of Fixed Assets	6982	(76)
Taxes (Paid)/Refund	397	(123)
<b>Adjustments</b>		
Decrease/(Increase) in Inventory	1349	88,872
Decrease/(Increase) in Trade Receivable	3660	(31,245)
(Decrease)/Increase in Trade Payable and Provisions	739	(40466)
Decrease/(Increase) in Other Receivables & Loans & Advances	(6623)	(12779)
<b>Net Cash Flow from Operating Activities :: [A]</b>	<b>(243)</b>	<b>(30116)</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of the Fixed Assets	(5)	(2120)
Sale of Fixed Assets	17508	307
Decrease in Capital WIP	-	-
Investment In Subsidiary	-	-
Loan to Subsidiaries	-	(190)
Decrease in FD with Schedule Banks	108	921
Interest Received	127	648
<b>Net Cash Flow from Investing Activities :: [B]</b>	<b>17738</b>	<b>(434)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from Issuance of Shares	-	-
Proceeds from Borrowings (other than Term Loans)	-	6,334
Repayment from Term Loans	(17431)	41458
Dividend Paid	-	(17)
Interest Paid	(484)	(17062)
(Increase)/Decrease in unclaimed dividend account	6	7
<b>Net Cash Flow from Financing Activities :: [C]</b>	<b>(17,909)</b>	<b>30,720</b>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents: [A+B+C]</b>	<b>(414)</b>	<b>170</b>
Opening Balance of Cash and Cash Equivalents	600	430
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>187</b>	<b>600</b>
Notes:		
Cash and Cash Equivalent Includes :-		
Cash in Hand	77	87
Balance with scheduled Banks		
In Current Accounts	110	513

As per our report of even date  
For **LADHA G.D. & CO.**  
Chartered Accountants  
Firm Registration No. 010962C

For and on behalf of Board of Directors  
**K.S OILS LIMITED**

**Nitin Paharia**  
Partner  
M. No. 409770

**Ramesh Chand Garg**  
Managing Director  
DIN: 00027025

**Davesh Agarwal**  
Executive Director & CFO  
DIN: 01102237

**Sandeep Kumar**  
Company Secretary

Place: New Delhi  
Date: December 5, 2015

**K. S. OILS LIMITED**

Notes referred to in the Balance Sheet are as follows:

**Note 1 : Share Capital***(Rs. in Lacs)*

	As at March 31, 2015	As at March 31, 2014
<b>Authorized Capital</b>		
90,00,00,000 (March 31, 2014 : 90,00,00,000) Equity shares of RS 1/-Each	9000	9000
29,85,00,000 (March 31, 2014 : 29,85,00,000) 1% Cumulative Redeemable Preference Share of Rs. 10/- each	29850	29850
<b>Issued, Subscribed and Paid Up Capital</b>		
45,91,80,037( March 31, 2014 : 45,91,80,037) Equity shares of Rs 1/- each, fully paid up	4592	4592
25,98,82,735 (March 31, 2014: 25,98,82,735) 1% Cumulative Redeemable Preference Share @ Rs 10/- each fully paid up and issued against conversion of Loan.	25988	25988
<b>Total</b>	<b>30580</b>	<b>30580</b>

**(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:**

	As at March 31, 2015	As at March 31, 2014
<b>Equity Shares</b>		
No. of Equity Shares at the beginning of reporting period	459180037	459180037
Add: Shares issued during the period	-	-
Less: Buy Back during the period	-	-
<b>No. of Equity Shares at the end of the reporting period</b>	<b>459180037</b>	<b>459180037</b>

**(b) Reconciliation of the number of Preference Shares outstanding at the beginning and at the end of the reporting period:**

	As at March 31, 2015	As at March 31, 2014
<b>Preference Shares</b>		
No. of preference Shares at the beginning of reporting period	259882735	259882735
Add: Shares issued during the period	-	-
Less: Redeemed during the period	-	-
<b>No. of Preference Shares at the end of the reporting period</b>	<b>259882735</b>	<b>259882735</b>

**(c) List of the Equity Shareholders holding more than five percent of shares in the company as at the Balance Sheet date: (in Holding Company)**

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	in %	No. of Shares	in %
Baring Private Equity Asia III Mauritius	35704070	7.78	35704070	7.78
NSR Direct Pe Mauritius LLC	40330926	8.78	40330926	8.78
Abhi Ambi Financial Services Ltd	39330183	8.57		

**(d) List of the Preference Shareholders holding more than five percent of shares in the company as at the Balance Sheet date: (in Holding Company)**

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	in %	No. of Shares	in %
State Bank of India	65702735	25.28	65702735	25.28
Axis Bank Limited	55310000	21.28	55310000	21.28
Central Bank of India	26620000	10.24	26620000	10.24
Andhra Bank	21880000	8.42	21880000	8.42

Jammu and Kashmir Bank Limited	20000000	7.70	20000000	7.70
IDBI Bank Limited	18770000	7.22	18770000	7.22
State Bank of Mysore	18000000	6.93	18000000	6.93

#### (e) Preferential Issue of Equity Shares

In order to meet the fund requirement of the Company for working capital and general corporate purposes, the Company came out with the preferential issue of equity shares to the Qualified Institutional Buyers (QIB) through Qualified Institutional Placement during the period at an issue price calculated under SEBI (ICDR) Regulation, 2009 on preferential basis duly approved by the Board of Directors and the Shareholders.

On April 09, 2012 the Company has allotted 33,767,282 Equity Shares of Rs. 1/- each at a premium of Rs. 6.25 to the QIB's and raised Rs. 2448.13 lacs.

The entire proceeds received towards the QIP issue have been utilized by the company for the purpose of working capital requirement.

#### (f) Terms / rights attached to Equity Shares:

- The Company has a single class of equity shares having a par value of Rs 1/- per share
- Each holder of equity share is entitled to one vote per share.
- The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company in proportion to the number of equity shares held by each shareholder, after settlement of all preferential obligations.

#### (h) Terms of Issue of 1% Cumulative Redeemable Preference Share (CRPS)

- The Company has issued 1% CRPS at face value of Rs. 10 each to the Lenders under the terms and conditions of CDR package.
- The CRPS arising out of conversion of 20% of all term loans (except the Wind Mill Term Loan) aggregating to Rs. 2985 Lacs shall carry a dividend of 1% p.a. Dividend shall be payable at the end of each year from the date of allotment of the CRPS till the date of redemption.
- The CRPS shall be redeemable after completion of 7 (seven) years from the date of allotment of the same i.e., in FY 2021 with a redemption premium of 64% on Face Value.
- Payment of redemption premium is subject to the condition that the same being paid out of the cash available with the Company and is in excess of Rs. 7500 Lacs.

#### Note 2 : Reserves and Surplus

(Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
<b>Capital Reserve</b>		
Opening Balance	2452	2449
Add: Capitalisation of Fixed Assets	-	3
Closing Balance	2452	2452
<b>Securities Premium Account</b>		
Opening Balance	88636	88636
Add: Premium received during the period	-	-
Less: Share Issue Exp.	-	-
Closing Balance	88636	88636
<b>General Reserve</b>		
Opening Balance	-	-

Less: Amount Transferred to Surplus in Statement of Profit and Loss	-	-
Closing Balance	-	-
<b>Foreign Currency Translation Reserve</b>		
Opening Balance	741	736
Add: Foreign Currency Gain/(Loss)	(112)	5
Closing Balance	629	741
<b>Surplus (Balance in statement of Profit and Loss)</b>		
Opening Balance	(268127)	(117068)
Add: Amount Transferred from proposed dividend	259	-
Less: Net Loss for the period	(22987)	(151039)
Total Loss for the Period	(290855)	(268106)
Less: Interest on Dividend	-	(14)
Less: Interest on Dividend Distribution Tax	-	(7)
Closing Balance	(290855)	(268127)
<b>Total Reserve and Surplus</b>	<b>(199137)</b>	<b>(176297)</b>

#### Note 3 : Long Term Borrowings

(Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
<b>Term Loans (Secured)</b>		
– From Banks	143117	160679
– From other parties	9692	9692
<b>Total</b>	<b>152809</b>	<b>170371</b>

#### Note 4 : Deferred Tax Liabilities (Net)

(Rs. In Lacs)

Particular	As at March 31, 2015	As at March 31, 2014
<b>Deferred Tax Liabilities</b>		
Opening Deferred Tax Liabilities	11436	11407
Add : Difference between book WDV and WDV as per Income Tax Act, 1961	195	29
Less: Reversal of DTL	-	-
<b>Deferred tax liability (net)</b>	<b>11631</b>	<b>11436</b>

As a matter of prudence and in the absence of virtual certainty the company has not recognised Deferred Tax Assets on losses incurred during the period.

#### Note 5 : Other Long Term Liabilities

(Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
Deferred Government Grant	53	52
<b>Total</b>	<b>53</b>	<b>52</b>

<b>Note 6: Long Term Provisions</b>		(Rs. In Lacs)
	<b>As at March 31, 2015</b>	<b>As at March 31, 2014</b>
Leave Encashment	13	15
<b>Total</b>	<b>13</b>	<b>15</b>

<b>Note 7 : Short Term Borrowings</b>		(Rs. In Lacs)
	<b>As at March 31, 2015</b>	<b>As at March 31, 2014</b>

**Working Capital Loans (Secured)**

From Banks	103622	103622
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**Short Term Corporate Loan (Secured)**

From Others	9973	9973
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<b>Total</b>	<b>113595</b>	<b>113595</b>
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**Note 8 : Trade Payables**

<b>Note 8 : Trade Payables</b>		(Rs. In Lacs)
<b>Particular</b>	<b>As at March 31, 2015</b>	<b>As at March 31, 2014</b>
Micro Small and Medium Enterprises	280	280
Other Trade Payables	19145	16563
<b>Total</b>	<b>19425</b>	<b>16843</b>

**(a) The Micro, Small and Medium Enterprises Development Act, 2006**

Company has send letter to suppliers to confirm whether they are covered under Micro, Small and Medium Enterprises Act, 2006 as well as they have filed required memorandum with the prescribed authorities. Out of the letters send to the parties, some confirmations have been received till the date of finalization of Balance Sheet.

	<b>As at March 31, 2015</b>	<b>As at March 31, 2014</b>
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The Principal amount and interest due thereon remaining unpaid to any supplier:

Principal	280	261
Interest**	112	96

The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.

	Nil	Nil
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The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006\*\*

	0	9
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The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.

	231	126
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The amount of interest accrued and remaining unpaid at the end of each accounting year.

	343	231
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\*\* During the financial year, no interest have been provided to Micro, Small & Medium Enterprises.

**Note 9 : Other Current Liabilities**

	<b>As at March 31, 2015</b>	<b>As at March 31, 2014</b>
Interest Payable	6690	6719
Unclaimed Dividend Account	30	36
Unpaid Dividend	91	350
Security Deposit from Customers and Suppliers	5	5
<b>Other Payables</b>		
Outstanding Indirect Expenses	523	407
Advances From Customers	2046	3943
Overdrawn Bank Balance	12	3
Statutory Liabilities	1656	1408
Payable for Capital Goods	1340	1373
Other Payables	658	645
Interest on Dividend	71	71
Deferred Government Grant	3	6
<b>Total</b>	<b>13124</b>	<b>14965</b>

**Note 10: Short Term Provisions**

	<b>As at March 31, 2015</b>	<b>As at March 31, 2014</b>
Provision for Employee Benefits	1	2
<b>Total</b>	<b>1</b>	<b>2</b>

## Lean Disclosure As on 31.03.15

Type of Loan	Original Name	Name of Lender	Amount (In Lacs)	Rate of Interest	Nature of Security	Terms of Repayment
Wind Mill Term Loan	Axis	Bank 1	1891	14.00% p.a.	An exclusive mortgage and charge over all the Wind Mill Assets of the Company	The entire Outstanding principal along with interest etc. has been called off by the Lenders by issuing SARFESAI Notice on dated 26th Dec. 2013
	IDBI	Bank 2	3895	14.75% p.a.		
	SBI	Bank 3	3999	13.50% p.a.		
	CBI	Bank 4	7653	13.00% p.a.		
	Rabo	Bank 5	3274	LIBOR+2.58 BPS		Default in repayment
Edible Oil Term Loan	SBM	Bank 6	5850	13.25% p.a.	a) A first pari passu charge over the entire fixed assets (both present and future) of the Company by way of an equitable mortgage, excluding the Wind Mill Assets and Haldia Unit Assets. b) A second pari passu charge over the Haldia Unit Assets, (both present and future) by way of an equitable mortgage. c) A second pari passu charge over the entire current assets of the Company.	The entire Outstanding principal along with interest etc. has been called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
	Axis	Bank 1	10231	13.25% p.a.		
	Fedral Bank	Bank 7	4718	13.15 % p.a.		
	J&K Bank	Bank 8	7044	13.25% p.a.		
	SBI	Bank 3	5611	13.5 % p.a.		
Haldia Unit Term Loan	CBI	Bank 4	2086	13.00 % p.a.	A first mortgagge and charge over the entire Haldia Unit Assets	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
	ICICI	Bank 9	2649	18.75 % p.a.		
Working Capital Term Loan	SBI	Bank 3	15744	13.5 % p.a.	a) A first pari passu charge over the entire Current assets of the Company b) A second pari passu charge over the entire fixed assets (both present and future) by way of an equitable mortgage including Haldiya Unit Assets but excluding Wind Mill Assets.	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
	Axis	Bank 1	9024	13.25% p.a.		
	Andhra	Bank 10	8069	13.00 % p.a.		
	ICICI	Bank 9	735	18.75 % p.a.		
	IDBI	Bank 2	7723	17.25 % p.a.		
	PNB	Bank 11	2622	13.25 % p.a.		
	CBI	Bank 4	6528	13.00 % p.a.		
Other Secured Term Loan	BOI	Bank 12	2769	12.7 % p.a.	a) A second pari passu charge over the entire fixed assets (both present and future) by way of an equitable mortgage excluding Haldiya Unit Assets and Wind Mill Assets. b) A second pari passu charge over the entire Current assets of the Company	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
	LIC	Body Corporate 1	9692	10.75%	a) First pari passu charge on the entire fixed assets of the Company (Both present & Future) (Other than Wind Mill Assets and	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on

					Haldiya Plant Assets), with minimum 1.5 time security cover during the loan term	dated 4th March 2014.
	SREI	Body Corporate 2	9973	36.00%	a) First pari passu charge on the entire fixed assets of the Company (Both present & Future) (Other than Wind Mill Assets and Haldiya Plant Assets) b) Subservient charge on Wind Turbines with aggregate capacity of 78 MW	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
Cash Credit	Andhra SBI ICICI Axis IDBI PNB	Bank 10 Bank 3 Bank 9 Bank 1 Bank 2 Bank 11	11765 42826 9483 12183 15665 11700	13.00% p.a. 13.25% p.a. 10.00 % p.a. 13.75 % p.a. 20.86 % p.a. 13.25 % p.a.	a) A first pari passu charge over the entire current assets of the Company. (b) A second ranking pari passu charge over the entire fixed assets (both present and future) of the Company by way of an equitable mortgage, including the Haldia Unit Assets but excluding the Wind Mill Assets.	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
Funded Interest Term Loan-II	SBI Axis SBM Federal Bank J&K Bank CBI ICICI Andhra IDBI PNB BOI	Bank 3 Bank 1 Bank 6 Bank 7 Bank 8 Bank 4 Bank 9 Bank 10 Bank 2 Bank 11 Bank 12	10066 5159 935 563 1083 3040 2092 2764 4354 2078 295	13.5% p.a. 13.25% p.a. 13.25 % p.a. 13.15 % p.a. 13.25 % p.a. 13.00 % p.a. 18.75 % p.a. 13.00 % p.a. 17.25 % p.a. 13.25 % p.a. 12.7 % p.a.	<b>(A) For Wind Mill Lenders</b> (a) A first ranking mortgage and charge over the Wind Mill Assets of the Company. (B) For other than Wind Mill Lenders <b>(i) Other than Bank of India</b> (a) A first pari passu charge on the entire fixed assets (both present and future) of the Company, by way of an equitable mortgage, other than Wind Mill Assets and Haldia Unit Assets. (b) A second pari passu charge over the Haldia Unit Assets, (both present and future) by way of an equitable mortgage. <b>(ii) For Bank of India</b> (a) A second pari passu charge on the entire fixed assets (both present and future) of the Company, by way of an equitable mortgage, other than Wind Mill Assets and Haldia Unit Assets. (iii) For all Lenders (a) A second pari passu charge over the entire current assets of the Company	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
Application Money: 1% Compulsorily Convertible	SBI Axis SBM	Bank 3 Bank 1 Bank 6	4928 4148 1349	13.5 % p.a. 13.25 % p.a. 13.25 % p.a.	<b>(i) Other than Bank of India</b> (a) A first pari-passu charge on the entire fixed assets	The entire Outstanding principal alongwith interest etc. has been

Debtures (CCD's)	J&K Bank CBI ICICI IDBI	Bank 8 Bank 4 Bank 9 Bank 2	1516 1996 695 1713	13.25 % p.a. 13.00 % p.a. 18.75 % p.a. 17.25 % p.a.	(both present and future) of the Company, by way of an equitable mortgage, other than the Wind Mill Assets and the Haldia Unit Assets. (ii) For Bank of India (a) A second pari-passu charge on the entire fixed assets (both present and future) of the Company, by way of an equitable mortgage, excluding the Wind Mill Assets and the Haldia Unit Assets.	Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
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Common Security for all the Borrowings (Other than CCD's)

- (A) Personal Guarantee from each promoter to all the lenders
- (B) Pledge of 100% Promoters shareholding in the Company, free of all encumbrances, including additional shares acquired by the Promoters on infusion of equity in the Company (If any)
- (C) Pledge of 100% of the following investments held by the Borrower, free of all encumbrances,

Name of the Company	No. of Equity/Preference Shares	
	As at March 31, 2015	As at March 31, 2014
1) KS Natural Resources Pte. Ltd	65679859	65679859
2) KS Oils Sdn. Bhd. (Malaysia)	566300	566300
3) PT Buana Mega Sentosa Plantation (Indonesia)	54600	54600
4) KS Agri Resources Pte. Ltd. (Singapore)	23815576	23815576
5) PT Mega Artha Peresada (Indonesia)	4500	4500
6) PT Biodiesel Jambi (Indonesia)	48600	48600
7) PT Tunas Bersusun Abadi (Indonesia)	47520	47520
8) PT Luvang Urip (Indonesia)	3800	3800

## Lean Disclosure As on 31.03.14

Type of Loan	Name of Lender	Amount (In Lacs)	Rate of Interest	Nature of Security	Terms of Repayment
Wind Mill Term Loan	Bank 1 Bank 2 Bank 3 Bank 4	1810 3895 3999 7653	14.00% p.a. 14.75% p.a. 13.50% p.a. 13.00% p.a.	An exclusive mortgage and charge over all the Wind Mill Assets of the Company	The entire Outstanding principal along with interest etc. has been called off by the Lenders by issuing SARFESAI Notice on dated 26th Dec. 2013
	Bank 5	3144	LIBOR+2.58 BPS		Default in repayment
Edible oil Term Loan	Bank 6 Bank 1 Bank 7 Bank 8 Bank 3	5850 10231 4718 7044 5611	13.25% p.a. 13.25% p.a. 13.15 % p.a. 13.25 % p.a. 13.5 % p.a.	a) A first pari passu charge over the entire fixed assets (both present and future) of the Company by way of an equitable mortgage, excluding the Wind Mill Assets and Haldia Unit Assets. b) A second pari passu charge over the Haldia Unit Assets, (both present and future) by way of an equitable mortgage. c) A second pari passu charge over the entire current assets of the Company.	The entire Outstanding principal along with interest etc. has been called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
Haldia Unit Term Loan	Bank 4 Bank 9	2086 2340	13.00 % p.a. 18.75 % p.a.	A first mortgage and charge over the entire Haldia Unit Assets	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
Working Capital Term Loan	Bank 3 Bank 1 Bank 10 Bank 9 Bank 2 Bank 11 Bank 4	15744 9024 8069 650 7723 2622 6528	13.5 % p.a. 13.25 % p.a. 13.00 % p.a. 18.75 % p.a. 17.25 % p.a. 13.25 % p.a. 13.00 % p.a.	a) A first pari passu charge over the entire Current assets of the Company b) A second pari passu charge over the entire fixed assets (both present and future) by way of an equitable mortgage including Haldiya Unit Assets but excluding Wind Mill Assets.	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
Other Secured Term Loan	Bank 12	2768	12.7 % p.a.	a) A second pari passu charge over the entire fixed assets (both present and future) by way of an equitable mortgage excluding Haldiya Unit Assets and Wind Mill Assets. b) A second pari passu charge over the entire Current assets of the Company	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
	Body Corporate 1	9692	10.75%	a) First pari passu charge on the entire fixed assets of the Company (Both present & Future) (Other than Wind Mill Assets and	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on

				Haldiya Plant Assets), with minimum 1.5 time security cover during the loan term	dated 4th March 2014.
	Body Corporate 2	9973	36.00%	a) First pari passu charge on the entire fixed assets of the Company (Both present & Future) (Other than Wind Mill Assets and Haldiya Plant Assets) b) Subservient charge on Wind Turbines with aggregate capacity of 78 MW	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
Cash Credit	Bank 10 Bank 3 Bank 9 Bank 1 Bank 2 Bank 11	11765 42826 9483 12183 15665 11700	13.00% p.a. 13.25% p.a. 10.00 % p.a. 13.75 % p.a. 20.86 % p.a. 13.25 % p.a.	a) A first pari passu charge over the entire current assets of the Company. (b) A second ranking pari passu charge over the entire fixed assets (both present and future) of the Company by way of an equitable mortgage, including the Haldia Unit Assets but excluding the Wind Mill Assets.	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
Funded Interest Term Loan - II	Bank 3 Bank 1 Bank 6 Bank 7 Bank 8 Bank 4 Bank 9 Bank 10 Bank 2 Bank 11 Bank 12	10066 5159 935 563 1083 3040 2486 2764 4354 2078 295	13.5% p.a. 13.25% p.a. 13.25 % p.a. 13.15 % p.a. 13.25 % p.a. 13.00 % p.a. 18.75 % p.a. 13.00 % p.a. 17.25 % p.a. 13.25 % p.a. 12.7 % p.a.	<b>(A) For Wind Mill Lenders</b> (a) A first ranking mortgage and charge over the Wind Mill Assets of the Company. <b>(B) For other than Wind Mill Lenders</b> (i) Other than Bank of India (a) A first pari passu charge on the entire fixed assets (both present and future) of the Company, by way of an equitable mortgage, other than Wind Mill Assets and Haldia Unit Assets. (b) A second pari passu charge over the Haldia Unit Assets, (both present and future) by way of an equitable mortgage. (ii) For Bank of India (a) A second pari passu charge on the entire fixed assets (both present and future) of the Company, by way of an equitable mortgage, other than Wind Mill Assets and Haldia Unit Assets. <b>(iii) For all Lenders</b> (a) A second pari passu charge over the entire current assets of the Company	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
Application Money: 1% Compulsorily Convertible Debentures (CCD's)	Bank 3 Bank 1 Bank 6	4928 4148 1349	13.5 % p.a. 13.25 % p.a. 13.25 % p.a.	<b>(i) Other than Bank of India</b> (a) A first pari-passu charge on the entire fixed assets	The entire Outstanding principal alongwith interest etc. has been

	Bank 8	1516	13.25 % p.a.	(both present and future) of the Company, by way of an equitable mortgage, other than the Wind Mill Assets and the Haldia Unit Assets. (ii) For Bank of India (a) A second pari-passu charge on the entire fixed assets (both present and future) of the Company, by way of an equitable mortgage, excluding the Wind Mill Assets and the Haldia Unit Assets.	Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
	Bank 4	1996	13.00 % p.a.		
	Bank 9	695	18.75 % p.a.		
	Bank 2	1713	17.25 % p.a.		

**Common Security for all the Borrowings (Other than CCD's)**

- (A) Personal Guarantee from each promoter to all the lenders
- (B) Pledge of 100% Promoters shareholding in the Company, free of all encumbrances, including additional shares acquired by the Promoters on infusion of equity in the Company (If any)
- (C) Pledge of 100% of the following investments held by the Borrower, free of all encumbrances,

Name of the Company	No. of Equity/Preference Shares	
	As at March 31, 2014	As at Dec 31, 2012
1) KS Natural Resources Pte. Ltd	65679859	65679859
2) KS Oils Sdn. Bhd. (Malaysia)	566300	566300
3) PT Buana Mega Sentosa Plantation (Indonesia)	54600	54600
4) KS Agri Resources Pte. Ltd. (Singapore)	23815576	23815576
5) PT Mega Artha Peresada (Indonesia)	4500	4500
6) PT Biodiesel Jambi (Indonesia)	48600	48600
7) PT Tunas Bersusun Abadi (Indonesia)	47520	47520
8) PT Luvang Urip (Indonesia)	3800	3800

## Note 11 : Fixed Assets and Depreciation Chart

(Rs. in Lacs)

Description of Assets	Gross Block			Depreciation/Amortisation			Net Block		
	As on 1.4.2014	Addition during the year	Deduction during the period	As on 31.03.2015	As on 1.4.2014	Additional during the period	Deduction during the period	As on 31.03.2015	As on 31.3.2014
<b>Tangible</b>									
WINDMILLS	41849	-	35934	5915	12401	1618	11850	2169	3746
LAND FREEHOLD	2851	-	253	2598	-	-	-	-	2598
LAND LEASEHOLD	858	-	212	646	70	17	67	20	626
BUILDING	20620	-	-	20620	3935	620	-	4555	16065
PLANT AND MACHINERY	46906	-	-	46906	14012	1980	-	15993	30914
ELECTRIC INSTALLATION	8993	-	-	8993	2587	672	-	3259	5734
VEHICLE	421	-	41	380	350	25	33	342	38
FURNITURE AND FIXTURE	833	-	-	833	587	66	-	653	180
OFFICE EQUIPMENT	1568	4	2	1570	1177	234	2	1409	161
UTILITIES	3387	-	-	3387	537	110	-	648	2739
COMPUTER SOFTWARE	219	-	-	220	219	-	-	219	-
GOODWILL	101	-	101	-	101	-	101	-	-
<b>GRAND TOTAL</b>	<b>128605</b>	<b>4</b>	<b>36542</b>	<b>92068</b>	<b>35976</b>	<b>5343</b>	<b>12053</b>	<b>29267</b>	<b>62801</b>
<b>PREVIOUS PERIOD</b>	<b>127027</b>	<b>2117</b>	<b>539</b>	<b>128605</b>	<b>28679</b>	<b>7605</b>	<b>308</b>	<b>35976</b>	<b>98349</b>

**Note 12 : Non Current Investments** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
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**Other Investment**

## Investment in Subsidiary

K.S. Natural Resources Pte. Ltd. Singapore (100% Subsidiary) 6,75,44,228 Equity Shares (March 31, 2014 : 6,75,44,228) @ SGD 1/- each fully paid up	22012	22012
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Less: Provision for Diminution in value of investment	17119	11643
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<b>Total</b>	<b>4893</b>	<b>10369</b>
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**Note 13 : Long Term Loans and Advances** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
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**Capital Advances**

Unsecured, Considered -Good	378	379
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<b>(A)</b>	<b>378</b>	<b>379</b>
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**Security Deposits**

Unsecured, Considered- Good	507	481
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-Doubtful	1	1
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Less: Provision for doubtful Advances	1	1
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<b>(B)</b>	<b>507</b>	<b>481</b>
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**Loans and Advance to Staff**

Unsecured, Considered -Good	28	31
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-Doubtful	6	6
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Less: Provision for doubtful Advances	6	6
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<b>(C)</b>	<b>28</b>	<b>31</b>
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**Other**

Advance Tax Including TDS Receivable	282	686
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<b>(D)</b>	<b>282</b>	<b>686</b>
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<b>Total (A+B+C+D)</b>	<b>1196</b>	<b>1577</b>
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**Note 14 : Other Non Current Assets** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
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Sales Tax Refund Receivables	-	29
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Fixed Deposits (More than 12 Months maturity)	5	2
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<b>Total</b>	<b>5</b>	<b>31</b>
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**Note 15 : Inventories** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
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Raw Materials	5367	6559
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Finished Goods (net off value of obsolete stock)	6502	6709
-----------------------------------------------------	------	------

Packing Materials	334	362
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Stores and Spares	1121	1041
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By Product	67	70
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<b>Total</b>	<b>13392</b>	<b>14741</b>
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**Note 16 : Trade Receivables** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
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**Exceeding Six Months from the date they become payable**

Unsecured considered - Good	11603	16970
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- Doubtful	143373	139579
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Less: Provision for doubtful debts	143373	139579
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<b>(A)</b>	<b>11603</b>	<b>16970</b>
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**Less than Six Months from the date they become payable**

Unsecured considered -Good	1116	3203
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<b>(B)</b>	<b>1116</b>	<b>3203</b>
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<b>Total (A+B)</b>	<b>12719</b>	<b>20173</b>
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**Note 17 : Cash and Bank Balances** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
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**Cash and Cash Equivalents**

Cash on Hand	77	87
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**Other Bank Balances**

Balances with Banks	110	513
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Fixed Deposits (Maturity less than 12 Months)	1113	1225
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Unclaimed Dividend	30	36
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<b>Total</b>	<b>1331</b>	<b>1861</b>
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**(a) Fixed Deposit under Lien** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
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Fixed deposits under lien with bank for Bank Guarantees, Letter of Credit & Others	14	13
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**Note 18 : Short Term Loans and Advances** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
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**Advances recoverable in cash or kind**

Advances to Suppliers-Good	36620	30725
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-Doubtful	1804	697
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Less Provision for doubtful advances	1804	697
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<b>36620</b>	<b>30725</b>
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Prepaid Expenses	327	512
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Advance to Staff	27	14
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Advance for Expenses or others	294	209
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<b>(A)</b>	<b>37268</b>	<b>31460</b>
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Balance with Revenue Authorities		
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VAT Credit Receivable	1768	756
Excise and Service tax Refundable	34	34
<b>(B)</b>	<b>1802</b>	<b>790</b>
Loans and Advances to Related Parties (Step down Subsidiary)		
Unsecured, Considered Good		
Loan to K.S. SDN BHD.	1295	1407
<b>(C)</b>	<b>1295</b>	<b>1407</b>
<b>Total</b>	<b>(A+B+C) 40365</b>	<b>33657</b>

**Note 19 : Other Current Assets** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
Windmills Income and Claim Receivables	110	314
Less : Provision for Doubtful Claims	0	165
	<b>110</b>	<b>148</b>
Export Benefit Receivables	8	8
Insurance Claim Receivables	194	195
Interest Receivables on FDR	180	194
Misc Current Assets	98	98
Sales Tax Refund Receivables	2180	3257
<b>Total</b>	<b>2770</b>	<b>3900</b>

Notes referred to in the Statement of Profit and Loss are as follows:

**Note 20 : Revenue from Operations** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on Mar. 31,2014
Domestic Sales (Including highseas sales)	4434	97899
Export Sales	-	94
Sales against 'H' form	-	2086
Other Operating Revenues	2813	902
Sub-Total	7247	100982
Less: Excise Duty	1	98
<b>Total</b>	<b>7246</b>	<b>100884</b>

**Note 21 : Other Income** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on Mar. 31,2014
Interest Income	127	648
Profit on sale of Fixed Asset	-	76
Interest Received on Income tax refund	10	-
Misc Income	480	435
<b>Total</b>	<b>617</b>	<b>1159</b>

**Note 22 : Cost of Materials Consumed** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on Mar. 31,2014
<b>Raw Materials</b>		
Opening Stock	6559	75377
Add : Purchase during the period	417	37306
Less : Closing Stock	5368	6559
	<b>1608</b>	<b>106124</b>
Less: Cost of goods traded	1295	59099
<b>Net cost of material consumed</b>	<b>313</b>	<b>47025</b>

**Note 23 : Changes in inventories of Finished Goods, Work in Progress and Stock in Trade** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on Mar. 31,2014
<b>Opening Stock</b>		
Finished Goods	6709	26020
By Products	70	356
Packing Material	362	741
<b>Total (A)</b>	<b>7141</b>	<b>27117</b>
<b>Closing Stock</b>		
Finished Goods	6502	6709
By Product	67	70
Packing Material	334	362
<b>Total (B)</b>	<b>6903</b>	<b>7141</b>
<b>(Increase) / Decrease in Inventory</b>	<b>238</b>	<b>19976</b>

**Note 24 : Employee Benefit Expenses** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on Mar. 31,2014
Salaries and Wages	687	1282
Contributions to Provident and Other Funds	28	51
Staff Welfare Expenses	122	111
<b>Total</b>	<b>837</b>	<b>1444</b>

**Note 25 : Finance Costs** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on Mar. 31,2014
Interest Bank	-	17062
Interest To Other	484	524
Bank Charges	4	175
Foreign Currency Transaction Loss	135	280
<b>Total</b>	<b>623</b>	<b>18041</b>

**Note 26 : Depreciation and Amortization Expenses** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on Mar. 31, 2014
Depreciation on Fixed Assets	5343	7605
<b>Total</b>	<b>5343</b>	<b>7605</b>

**Note 27 : Administrative and Other Expenses** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on Mar. 31, 2014
Consumption of Stores and Spare Parts	56	69
Power and Fuel	1590	1927
Labour Charges	321	239
Other Manufacturing Expenses	753	580
Rent	106	243
Repairs to Buildings	8	16
Repairs to Machinery	154	85
Insurance	61	144
Windmills Expenses	823	1029
Windmills Claims written off	165	41
Agriculture Expenses	5	13
Rates and Taxes, excluding Taxes on Income	197	295
Transport Loading and Unloading Charges	14	769
Packing Expenses	28	10
Advertisement and Sales Promotion Expenses	3	196
Legal and Professional Fees	152	411
Other Repairs	37	60
Wealth Tax	1	1
Charity and Donation	0	2
Travelling & Conveyance	148	207
Audit Fees including Expense - Statutory Audit	7	16
- Tax Audit	5	5
Misc Expenditure	172	308
Prior Period Expenses	4	753
<b>Total</b>	<b>4810</b>	<b>7419</b>

**Note 28: Exceptional Items** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on Mar. 31, 2014
Provision For Bad and Doubtful debts and Loans and Advance	4736	87987
Loss on sale of fixed assets	6982	-
Provision for Diminution in value of investment	5476	5142
<b>Total</b>	<b>17194</b>	<b>93129</b>

**Note 29: SIGNIFICANT ACCOUNTING POLICIES****29.1 Basis of Accounting**

The financial statements have been prepared and presented under historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ("GAAP") and comply with the mandatory accounting standards ("AS") as notified by the Companies Accounting Standards (Rules), 2006 to the extent applicable and with the relevant provisions of the Companies Act, 2013.

**29.2 Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and reported amount of revenues and expenses for the year. Actual results could differ from these estimates. Difference between the actual result and estimates are recognized in the period in which results are known / materialized. Any revision to an accounting estimate is recognized prospectively in the year of revision.

**29.3 Revenue Recognition**

- a) Revenue from sale of goods is recognized when significant risk and rewards in respect of ownership of products are transferred to customers.
- b) Export entitlements under the Duty Entitlement Pass Book ("DEPB") scheme and Other Schemes are recognized as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

**29.4 Inventories**

- a) Inventories are valued at lower of cost or net realizable value on FIFO basis.
- b) Work in Progress is valued at lower of cost of raw Material or Net Realisable Value.
- c) Inventories comprises of Raw Material, Stores, Spares & Consumables, Work In Progress and Finished Goods.
- d) Cost of inventories comprises of cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

**29.5 Commodity Hedging (Derivatives)**

Pursuant to announcement on accounting for the derivatives issued by the Institute of Chartered Accountants of India (ICAI), in accordance with the principles of prudence as enunciated in Accounting Standard-1 (AS-1), "Disclosure of Accounting policies", the Company provide for losses in respect of all outstanding derivatives contracts at the balance sheet date by marking them to mark to market. Any net unrealized gains arising on such Mark to Market are not recognized as income.

**29.6 Agricultural Activity**

- a) Biological Assets (Living plants of Mustard, Soya or Jatropha)
  - i. All costs related to biological assets are recognized as an expense, as and when they are incurred.
  - ii. Biological assets are recognized at net realizable value only when the future economic benefits associated with the assets will flow to the Company.
- b) Agricultural Produce (harvested products from biological asset) is recognized at net realizable value.

**29.7 Certified Emission Reductions**

- a) Self generated certified emission reductions ( C.E.R- also known as carbon credit ) expected to accrue to the Company as a result of windmills are recognized as a part of inventory, when it is certified by United Nations Framework Convention

on Climate Change (UNFCCC) and the future economic benefits associated with such CER's will flow to the company.

- b) Incidental expenses are charged to profit and loss account.

### 29.8 Fixed Assets

#### a) Tangible Assets

i. Tangible assets are carried at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes non refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing cost attributable to acquisition or construction of fixed assets which takes substantial period of time to get ready for their intended use is capitalized.

ii. Advances paid towards the acquisition of the fixed assets outstanding at each balance sheet date are disclosed under long term loans and advances..

- b) Intangible Assets are recorded at the consideration paid for the acquisition.

### 29.9 Depreciation/Amortization

#### a) Depreciation:

i. Depreciation on fixed assets has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013.iv. Depreciation is calculated on a pro-rata basis from the date of installation / acquisition till the date the assets are sold or disposed.

ii. Depreciation has been charged on SLM basis for:

1. Windmills.
2. Plant assets (except for oil and refinery plant located at Morena)

iii. For all other assets depreciation is provided on WDV basis.

#### b) Amortization:

i. Leasehold assets are amortized over the period of lease.

ii. Intangible assets are amortized over their estimated useful lives on straight line basis, commencing from the date the asset is available to the Company for its use.

iii. Goodwill arising in the course of acquisition is amortized over a period of five years.

### 29.10 Foreign Currency Transactions

a) Foreign exchange transactions are recorded at the closing rates prevailing on the date of the respective transactions. Exchange difference arising on foreign exchange transactions settled during the year is recognized in the profit and loss account.

b) Monetary assets and liabilities denominated in foreign currencies are converted at the closing rates as on Balance Sheet date. The resultant exchange difference is recognized in the profit and loss account.

c) Exchange rate differences arising on a monetary item that, in substance, forms part of the Company's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve in the company's financial statements until the disposal of the net investment.

d) Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

e) In respect of transactions covered by forward exchange contracts, the difference between the yearend closing rate and rate prevailing on the date of contract is recognized as exchange difference and the premium paid on forward contract is recognized over the life of the contract.

### 29.11 Operating Leases

Lease payments under operating leases have been recognized as an expense in the profit and loss account.

### 29.12 Employee Benefits

#### a) Short term Employee Benefits

Short term employee benefits are recognized as an expense at the undiscounted amount in profit and loss account of the year in which the related service is rendered.

#### b) Post Employment Benefits

Contribution to Provident Fund and Gratuity Fund are charged against revenue. Gratuity liability is paid to the Life Insurance Corporation of India through a Trust created for the purpose under Group Gratuity Scheme. The Premium paid/payable is being charged to Profit and Loss Account on accrual basis.

#### c) Other Long Term Employees Benefits

Company's liability towards earned leave is determined by an independent actuary using Projected Unit Credit Method. Past services are recognized on a straight line basis over the average period until the benefits become vested. Actuarial gains and losses are recognized immediately in the profit and loss account as income or expenses. Obligation is measured at the present value of the estimated future cash flows using a discounted rate that is determined by reference to the market yields at the balance sheet date on Government Bonds where the currency and terms of the Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation.

### 29.13 Investments

Long-term investments are carried at cost less any other then temporary diminution in value. Current investments are carried at the lower of cost or fair value.

### 29.14 Taxation

Tax expenses are the aggregate of current tax and deferred tax charged or credited in the statement of profit and loss for the period.

#### a) Current Tax

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the company.

#### b) Minimum Alternate Tax [ MAT]:

In case the Company is liable to pay income tax u/s 115JB of income tax Act,1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit Entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each balance sheet date.

#### c) Deferred Tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is

reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date.

### 29.15 Government Grant

#### a) Capital Grant

Government grant related to specific fixed assets which are depreciable are treated as deferred income which is recognized in the profit and loss statement on systematic and rational basis over the useful life of the respective asset. Such allocation to income is usually made over the periods and in the proportions in which depreciation on related assets is charged.

#### b) Revenue Grant

Revenue grant related to specific tax exemptions is recognized in the Profit and Loss Account on a systematic and rational basis in the year in which it accrues.

### 29.16 Borrowing Cost

Borrowing cost attributable to acquisition or construction of a qualifying asset is capitalized as part of the cost of asset up to the date such asset is ready for its intended use. Other borrowing costs are charged to profit and loss account in the year in which they are incurred.

### 29.17 Employee Stock Option

Employee Compensation Cost, if any, arising on account of option granted to employees is recognized in the financial statements. It is the difference between the intrinsic value and exercise price of options.

### 29.18 Impairment of Assets

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the assets or the recoverable amount of the cash generating unit to which the assets belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

### 29.19 Provisions and Contingent Liabilities

The Company creates a provision when there is a present obligation as a result of past events that probably requires an outflow of resources and reliable estimates can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are neither recognized nor disclosed.

### Note 30: Commitments and Contingent Liabilities (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
a) Claims against the Company not acknowledged as debts in respect of		
i) Excise & custom duty matters under dispute <sup>1</sup>	52	52
ii) Commercial Taxes matter		

under dispute	7575	7575
iii) Income Tax	-	-
b) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	1653	1653
c) Bank Gurantee	166	143
d) Export Promotion against Capital Goods.	276	276
e) Other Commitment		
i) Preference Dividend with Taxes	757	454
ii) Premium payable on Redemption of Cumulative Redeemable Preference Shares in June 2021	16632	16632

(f) There have been delays in filing of returns and documents with Regulatory Authorities and in some instances documents filed/required to be filed are not traceable with the Company. The liability, if any, in this regard is not ascertainable.

(g) Matter in regard to dishonour of cheques issued by the Company during the financial period is pending. The liability, if any, in this regard is not ascertainable.

(h) As regards cultivation & maintenance of Jatropha plantation by the Company, one of the conditions in FIPB approval has put restrictions on such activity. The liability if any is not ascertainable. The Company has undertaken such activity in financial year 2008-09 and as stated by the management the company has not extended it further and only maintainaing the same.

(i) In respect of remuneration of Rs. 96 lacs paid in financial year 2010-11(fifteen months ended as on 30.06.11) which was in excess of ceiling prescribed under schedule XIII of the companies Act, 1956. The Company has not yet obtained approval of the central government, the liability if any is not ascertainable.

#### Note:

- Amounts aggregating Rs. 213 Lacs and Rs. 212 Lacs are deposited as appeal advance as on March 31, 2015 and Marc 31, 2014 respectively against Excise & Custom matters and Sales tax matters.
- Payment of redemption permium @ 64% of preference share (face value of Rs. 10/- each)is subject to the condition to that the same is being paid out from the cash balance is available with Company in excess of Rs. 7500 Lacs.

#### Note 31 : Search Operation

Search Operation was conducted by Income Tax Department on Company and promoters on March11, 2010 and various documents and materials were seized by the Department during the search proceedings. The Company in order to have early resolution of matter preferred application before The Hon'ble Settlement Commission in previous year. The Hon'ble Settlement Commission, Mumbai Bench vide its order dated 24th June, 2013 has settled all the cases of the Company from FY 2003-04 to FY 2010-11. However Income tax department filled an appeal before hon'ble Bench of High court at Gwalior. The matter is still pending for consideration.

#### Note 32 : Corporate Debt Restructuring:

- The restructuring package was approved by CDR empowered group on 20th December, 2011. The Master Restructuring Agreement has also been signed with the lenders participating in the CDR package ('CDR Lenders') on 14th March, 2012.
- However the Company has not been able to service its repayment obligations as sanctioned under CDR scheme and have been made delays and defaults in repayment obligations. Such delays and defaults have consequential impact on the financial statements in terms of approved CDR Scheme and the CDR Scheme has been

called off by the CDR Empowered Group in a meeting held in July 2013.

- c) Subsequent to above, the Group of Lenders have issued Demand notice U/s 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of security Interest Act, 2002 for calling of the entire loan amount including interest due thereon for Wind Energy Business and Edible Oil Business dated 26th Dec 2013 & 4th March 2014 respectively. By virtue of above notices, the Company has to repay the entire outstanding loan amount to the lenders within 60 days from the date of notice. However it could not be done.
- d) Lenders have sold of 82 windmills of 67.2 MW out of total 92 windmills of 78 MW to different buyers between the periods from January 2015 to March 2015 through a separate bidding process for Rs 176.84 Cr. The sales proceed shall be utilised for repayment of outstanding loan liability of windmill division as the fund lying with bankers.

#### **Note 33: Interest on Borrowing and Finance Charges**

The Company had been served demand notice under section 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SERFAESI), 2002 on dated 26th Dec, 2013 for Wind Energy Business and dated 4th March, 2014 for Edible Oil Business respectively for payment of outstanding principal amount including interest etc. Total outstanding loan up to date of serving of SERFAESI Notice was Rs.3535.14 Cr as against Rs. 2886.10 Cr appearing in books of accounts. Due to Pending details such as overdue interest, penalties, damages, cost etc. as considered by lenders in SARFAESI notices, the Company is not able to quantify the Shortfall in interest and financial charges to be provided in books of accounts. Further the Company has not provided any interest liability for the current period due to non charging of interest by majority of banks and non availability of their statements of accounts.

#### **Note 34: Agricultural Activity**

During the Financial Year 2008-2009, Government of Madhya Pradesh has allotted a land admeasuring 2,000 hectares to the Company on a license basis for no consideration, for carrying out the agricultural activity for a period of two years; consequently this has not been recognized as a grant.

#### **Note 35: Variance in Cost and Sales Margin**

Though the quantity of production has changed as compared with those for the earlier periods, the change in relevant expenses is not in the same proportion. This was mainly on account of plant efficiency and cost control measures. Further, there have been fluctuations in average realization of sales price during this period. This was on account of market conditions and quality of goods.

#### **Note 36: Inventory Verification**

The management of the Company confirms that they have carried out physical verification of inventory at the end of the year. However the statutory auditors could not carry out or associate for physical verification as they were appointed on 17th march 2015.

#### **Note 37: Going Concern**

During the financial period the Company has incurred loss of Rs 22987 Lacs and its net worth has been completely eroded. Paucity of adequate working capital has also affected the operations, resulting in partial running of plants on job work basis or closure of plants. Company is in the process of restructuring its business; hive off whole or part of core and non-core assets for reducing debt burden. Resulting of the same during the year some portion of the non core assets (windmill division) have been sold. To deal with the above situation, the Company is actively pursuing option of re-organization of existing business and/or enters into some strategic alliance or introduces any potential investor. This would enable the Company to ease its continuing financial burden and ensure smoother running of its plants. To implement such strategy the Company and lenders consortium have appointed a reputed consultancy firm to look into the possible alternatives and suggest plan to be implemented for restructuring including sale of whole or part of Edible Oil business, which is in progress. Under the circumstances, the financial statements have been prepared on Going Concern basis and in the opinion of the

management no adjustments are considered necessary to the carrying value of its assets and liabilities.

#### **Note 38: Preferential issue of equity shares and warrants:**

- a) In order to meet the fund requirement of the Company for its (i) Expansion of refinery in India along with other allied expenditure (ii) Investment in its overseas subsidiaries for development of Greenfield palm plantations and acquisition of mature palm plantations and / or CPO mills, all in Indonesia, the Company has come out with preferential allotment of Equity Shares and Warrants to the promoters & other foreign Investors in July, 2009 at an issue price calculated under SEBI (DIP) Guidelines, 2000 on preferential basis duly approved by Shareholders and Board of Directors of the Company.
- b) The entire proceeds received towards the warrants have been utilized for the purpose of expansion of refinery in India along with other allied expenditure and for investment in its subsidiaries, except Rs.5065 Lacs. Such unutilized funds of preferential issue which were kept in FD's with the banks in previous periods, except for FD's aggregating Rs. 1117 lacs, balance amount of Rs 3948 lacs have been utilized for the working capital of the company instead of for expansion work in foreign business, which was the primary object of raising funds.

#### **Note 39: Non Transfer of Dividends:**

Company recommended dividend in FY2009-10 of Rs 858 lacs (Rs 0.18 per share) (inclusive of Dividend Distribution Tax of Rs 122 lacs). Out of the dividend so declared, an amount of Rs 90 lacs remains unpaid.

Due to severe liquidity crunch, the promoters opted to waive off the receipt of their part of dividend. For the same reasons the company has not transferred un- paid dividend to a separate Bank account in terms of the requirement of Sec. 205 of the Companies Act, 1956.

#### **Note 40: AGM and Results:**

The Company has made an application to the Registrar of Companies (ROC) vide letter dated September 22, 2015 for extension of holding 29th AGM of the company for further 3 months according to the provisions of the Companies Act, 2013 the Company was required to hold the AGM within the six months from the close of financial year but due to the most of the key personnel's have left the Company and consolidation of the foreign subsidiaries accounts, the company has not finalised and get audited the accounts within the stipulated time.

#### **Note 41 : Derivatives**

##### **a) Derivative Instruments**

There are no yearend foreign currency exposure that have been hedged by derivative instrument

- b) The yearend foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

i) Amount receivable in foreign currency on account of the following:

	As at March 31, 2015		As at March 31, 2014	
	Amount in Foreign Currency	(Rs. in Lacs)	Amount in Foreign Currency	(Rs. in Lacs)
Export of Goods	Nil	Nil	Nil	Nil
Loan receivable from subsidiaries (MYR)	7663068	1295	7663068	1407
Other Loan Receivables (MYR)	242700	41	242700	45

ii) Amount payable in foreign currency on account of the following:

	As at March 31, 2015		As at March 31, 2014	
	Amount in Foreign Currency	(Rs. in Lacs)	Amount in Foreign Currency	(Rs. in Lacs)
Import of Goods and Service (\$)	22109	13	22109	13
Interest Payable (\$)	538595	324	538595	324
Loans Payable (\$)	5231250	3274	5231250	3144

iii) Bank Balances in foreign Currency

	As at March 31, 2015		As at March 31, 2014	
	Amount in Foreign Currency	(Rs. in Lacs)	Amount in Foreign Currency	(Rs. in Lacs)
Bank Balance (USD)	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil

@denotes amount less than Rs. 50,000

#### Note 42 : Loans and Advances to Subsidiary and Companies Under the Same Management

Particulars	Maximum Outstanding during		Balance as at March 31, 2015 (Rs. in Lacs)	Balance as at March 31, 2014 (Rs. in Lacs)
	2014-15 (Rs. in Lacs)	2013-14 (Rs. in Lacs)		
K S SDN BHD, Malaysia	1407	1511	1295	1407
<b>Total</b>	<b>1407</b>	<b>1511</b>	<b>1295</b>	<b>1407</b>

#### Note 43 : Government Grants:

a) Non Monetary (Rs. In Lacs)

Particulars	For the period ended March 31, 2015	For the period ended March 31, 2014
Depreciation on the assets funded by Government Grant	2	7
Income recognized from Government Grants	2	7

b) Monetary (Rs. In Lacs)

Particulars	For the period ended March 31, 2015	For the period ended March 31, 2014
Income recognized from Government Grants	-	199

#### Note 44: Auditors Remuneration

(Rs. In Lacs)

Particulars	For the period ended March 31, 2015	For the period ended March 31, 2014
Audit Fees (including Limited Review and Consolidation fees)	6	9
Certification Work	5	5
Reimbursement of Expenses	@	@
Service Tax on the Fees and Certification	1	2

@denotes amount less than Rs. 50,000

#### Note 45 : Segment Disclosure

Since the financial report contain both Consolidated and Standalone financial statements, segment reporting disclosures is provided in notes to Consolidated Financial Statements.

**Note 46: Employee Benefits Plans****i) Defined Contribution Plan** (Rs. In Lacs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(1) Provident Fund	25	44
(2) State defined contribution plans		
- Employers' Contribution to Employees' State Insurance	3	7
<b>Total</b>	<b>28</b>	<b>51</b>

**ii) Defined Benefit Plan:**

- Gratuity (Funded)
- Leave Encashment (Non funded)

In terms of the guidance on implementing the revised AS 15, issued by the Accounting Standards Board of the Institute of Chartered Accountants of India, the Gratuity trust set up by the Company is treated as defined benefit plan since the Company has to meet the shortfall, if any. However, at the year end, no shortfall remains unprovided for.

Leave encashment is payable to eligible employees who have earned leaves, during the employment and/or on separation as per the Company's policy.

Valuations in respect of Gratuity and Leave encashment, as at the Balance Sheet date, based on the following assumptions:

**- The disclosures of Gratuity are as under:**

Particular	For the year ended March 31, 2015	For the year ended March 31, 2014
(Rs. In Lacs)		
<b>1. Assumptions</b>		
Discount Rate	8%	9%
Salary Escalation	5%	5%
<b>2. Table showing changes in present value of obligations</b>		
Present value of obligations as at beginning of period	87	85
Interest cost	5	9
Current service cost	9	12
Benefits paid	46	15
Actuarial (gain)/loss on obligations	1	(4)
Present value of obligations as at end of period	58	87
<b>3. Table showing changes in the fair value of plan assets</b>		
Fair value plan assets at beginning of period	162	151
Expected return on plan assets	13	15
Contributions	5	11
Benefits paid	46	15
Actuarial (gain)/loss on obligations	-3	@
Fair value of plan assets at the end of period	130	162
<b>4. Table showing fair value of plan assets</b>		
Fair value plan assets at beginning of year	162	151
Actual return on plan assets	13	15
Contributions	5	11
Benefits paid	46	15
Fair value of plan assets at the end of year	130	162

Funded status	75	75
Excess of actual over estimated return on plan assets	Nil	Nil

**5. Actuarial Gain/Loss recognized**

Actuarial gain/(loss) for the period—Obligations	4	4
Actuarial (gain)/loss for the period—plan assets	@	@
Total (gain)/loss for the period	4	(5)
Actuarial (gain)/loss recognized in the period	4	(5)

**6. The amounts to be recognized in the balance sheet and statements of profit and loss**

Present value of obligations as at the end of period	56	87
Fair value of plan assets as at the end of the period	130	162
Funded status	75	75
Net assets (liability) recognized in balance sheet	75	75

**7. Expenses recognized in statement of profit and loss**

Current service cost	9	12
Interest cost	5	9
Expected return on plan assets	13	(15)
Net actuarial (gain)/loss recognized in the period	4	(4)
Expenses recognized in statement of profit and loss	5	2

**-Valuation of liability for Leave encashment has been carried out by an independent actuary, as at the Balance Sheet date, based on the following assumptions:**

(Rs. In Lacs)

Particular	For the year ended March 31, 2015	For the year ended March 31, 2014
Discount Rate (Per annum)	8%	9%
Rate of increase in Compensation levels	5%	5%
Rate of Return on Plan Assets	Nil	Nil
Expected Avg. remaining working lives of employees in no. of periods	18	21
<b>1. Changes in present Value of Obligation</b>		
Present value of Obligation as at beginning of the period	16	28
Interest Cost	1	3
Past Service Cost	0	0
Current Service Cost	2	3
Contributions by Plan participants	0	0
Curtailment Cost/(Credit)	0	0
Settlement Cost/(Credit)	0	0
Benefits Paid	1	7
Actuarial(Gains)/Loss	(5)	(12)
Present value of Obligation as at the end of the period	13	16

**2. Amounts recognized in the Balance Sheet**

Present Value of Obligation as at the end of the period	13	16
Fair value of Plan Assets as at the end of the period	NA	NA
(Asset)/ Liability recognized in the Balance Sheet	13	16

**3. Expenses recognized in the Profit and Loss Account**

Current Service Cost	2	3
Past Service Cost	0	0
Interest Cost	1	3
Expected Return on Plan Assets	0	0
Curtailment Cost/(Credit)	0	0
Settlement Cost/(Credit)	0	0
Net Actuarial(Gain)/Loss	(5)	(12)
Employees' Contribution	0	0
Total Expenses recognized in the Profit and Loss Account	(2)	(6)

**Amount of Current and Previous four years as follow (Rs. In Lacs)**

	March 31,2015	March 31,2014	Dec. 31,2012	June 30,2011	March 31,2010
<b>Gratuity</b>					
Defined Benefit Obligation	58	87	85	126	109
Plan Assets	130	162	151	140	129
Surplus or Deficit	(72)	(75)	(66)	(14)	(20)
Experience adjustment in Plan Liability					
Experience adjustment in Plan Assets					

**Note 47 : Related Party Disclosures**

a) Transactions with Related Parties as specified under Accounting Standard-18

<b>Subsidiary</b>	K.S. Natural Resources Pte Ltd., Singapore
<b>Fellow Subsidiaries</b>	K. S.Oils SDN.BHD, Malaysia K.S.Agri Resources Pte Ltd., Singapore PT Buana Mega Sentosa Plantation, Indonesia PT Mega Artha Peresada, Indonesia PT Biodiesel Jambi, Indonesia PT Tunas Bersusun Abadi, Indonesia PT Luvang Urip, Indonesia
<b>Enterprises over which Key Managerial Personnel exercises significant influence</b>	K.S.Food Products K.S Enterprises Ramesh Chand Sourabh Kumar HUF Sourabh Garg HUF Neil Education Pvt. Ltd. KS Oils Ltd. Group Gratuity Scheme Garg Family Trust
<b>Key Managerial Personnel on the Board</b>	
Mr. Ramesh Chand Garg	Chairman and Managing Director
Mr. Davesh Agarwal	Whole time Director
<b>Relatives of Key Managerial Personnel</b>	
Mr. Sourabh Garg	Son of CMD
Mrs. Sheela Devi Garg	Spouse of the CMD
Mrs. Meeta Garg	Spouse of Son (Mr. Sourabh Garg)
Mr. Shyam Kumar Garg	Brother of CMD
Mr.Om Prakash Garg	Brother of CMD
Mr.Mohan Lal Garg	Brother of CMD

**b) Particulars of Related Party Transactions**

Particulars	Volume of transaction during the period ended March 31, 2015	Volume of transaction during the period ended March 31, 2015	As at March 31, 2014 O/S Receivable	As at March 31 2014 O/S Receivable	As at March 31 2015 O/S Payable	As at March 31 2014 O/S Payable
<b>Loan Received/(Given Back)</b>						
<b>Subsidiaries</b>						
K.S. Oils SDN. BHD, Malaysia	(112)	@	1295	1407		
<b>Total</b>	<b>(112)</b>	<b>@</b>	<b>1295</b>	<b>1407</b>		
<b>Loan Received/(Given Back)</b>						
<b>Key Management Personnel</b>						
Ramesh Chand Garg	-	(6,757)			-	-
<b>Total</b>	<b>-</b>	<b>(6,757)</b>			<b>-</b>	<b>-</b>
<b>Investment</b>						
K.S Natural Resources Pte. Ltd, Singapore	-	-	22012	22012		
<b>Total</b>	<b>-</b>	<b>-</b>	<b>22012</b>	<b>22012</b>		
<b>Interest Income From Subsidiary</b>						
K.S. Oils SDN. BHD, Malaysia	-	187	156	156		

<b>Total</b>	-	187	156	156		
<b>Amount due to subsidiaries</b>						
K.S Natural Resources Pte. Ltd, Singapore	-	-	3	3		
<b>Total</b>	-	-	3	3		
<b>Due from/ (Due to) Others party</b>						
K.S. Enterprises	920	-	920	-		
K.S. Food Products	2455	-	2455	-		
	3375	-	3375	-		
<b>Remuneration *</b>						
Key Management Personnel						
Mr. Ramesh Chand Garg	24	30			16	3
Mr. Davesch Agarwal	24	29			26	13
<b>Total</b>	48	59			42	16
<b>Dividend</b>						
Key Management Personnel						
Mr. Ramesh Chand Garg		-		-	-	108
<b>Total</b>		-		-	-	108
<b>Relative of Key Management Personnel</b>						
Mrs. Meeta Garg		-			-	38
Mrs. Sheela Devi Garg		-			-	50
Mr. Sourabh Garg		-		-	-	26
<b>Total</b>		-			-	115
<b>Other Related Parties</b>						
Ramesh Chand Sourabh Kumar HUF		-			-	30
Sourabh Garg HUF		-			-	5
<b>Total</b>		-			-	35
<b>Rent Paid</b>						
<b>Key Management Personnel</b>						
Mr. Ramesh Chand Garg	7	14			49	43
<b>Relative of Key Management Personnel</b>						
Mrs. Sheela Devi Garg	-	-			-	-
<b>Total</b>	7	14			49	43
<b>Other Related Parties</b>						
K.S. Enterprises	-	1	-		-	-
K.S. Food Products	-	1	-		-	-
Garg Family Trust	3	25	-		-	-
<b>Total</b>	3	28	-		-	-
<b>Security Deposit Given</b>						
Key Management Personnel						
Mr. Ramesh Chand Garg	-	-	4	4	-	-
Contribution for Gratuity						
KS Oils Ltd. Group Gratuity Scheme		12			-	-
@denotes amount less than Rs. 50,000.						

\* Excluding contribution to gratuity fund and provision for leave encashment as separate figure cannot be quantified

Entire Loan Outstanding as on balance sheet date is secured by Personal Guarantee from Mr. Ramesh Chandra Garag and Mr. Sourabh Garg to all the lenders

**Note 48 : Operating Lease**

(Rs. In Lacs)

Future minimum lease payments under non-cancelable operating leases are as under:

	As at March 31, 2015	As at March 31, 2014
Rent payable for 1 year	27	33
Rent payable for 1 to 5 years	29	3
Rent payable for 5 years and above	-	-

**Note:** Rental cost is annually escalated between seven and twenty percentage. Annual escalation for every transaction is considered from the effective date of rent agreement. Except in case of some agreement where the escalation is effective after the execution of the rent agreement.

On expiration of the above stated lease agreements, the same can be renewed on the basis of mutual consent of the lessor and lessee.

Additional amount of service tax will be paid on the above stated lease rental amount according to the rates applicable at the time of respective lease rental payments.

Total lease rental cost recognized in the financial statement is of Rs 41 Lacs (previous year Rs. 112 Lacs).

**Note 49: Earning Per Share**

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra-ordinary / exceptional item. The numbers of shares in computing basic earnings per share is the weighted average numbers of shares outstanding during the period. The numbers of shares used in computing diluted earnings per share comprises weighted averages shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value (i.e. the average market value of outstanding shares). Statement showing the computation of EPS is as under:

	For the period ended March 31, 2015	For the period ended March 31, 2014
Loss after tax	(22987)	(151039)
Less: Preference Dividend	260	325
Less: Dividend Distribution Tax	44	55
Less: Interest on Dividend	-	14
Less : Interest on Dividend Distribution Tax	-	7
<b>Loss Available for Equity Share Holders</b>	<b>(23292)</b>	<b>(151439)</b>
Weighted average number of equity shares for Basic/Diluted EPS (no. of shares in Lacs)	4592	4592
Basic/Diluted earnings per share (in rupees)	(5.07)	(32.98)
Face value of share (in rupees)	1	1

**Note 50: Discontinuing Operation as per AS-24**

Pursuant to the note 32 (a) & (b), The Company proposes to sell whole or part of the Edible Oil Assets & Windmill Energy Assets of the Company to a buyer identify in accordance with the sale process to be undertaken by State Bank of India (acting on behalf of lenders) to repay the outstanding debt including interest of the Company. The sale of the above assets are subject to approval of shareholders u/s 293 (1) (a) of the Companies Act, 1956 through postal Ballot.

In order to above, an ordinary resolution has been passed by the shareholders of the Company u/s 293 (1)(a) on dated 7th September, 2013 through postal ballot.

(A) In accordance with the disclosure requirement of Accounting Standard - 24 "Discontinuing Operations", following disclosures are made as under for windmill Assets:

- a) Company had several windmills in the various states of the country through which it generates power.
- b) Operations of windmill activity are shown as a part of Business Segment in accordance with the requirement of AS - 17 "Segment Reporting".
- c) Assets related Windmill Energy Business is required to be sold off on priority basis.
- d) Carrying amount of fixed assets is shown under note no- 11 "Fixed assets" and for assets and liabilities refer note no. 43 "Segment reporting" under consolidated financial statement.
- e) Revenue and Expenditure in respect to ordinary activities attributable to Windmill Energy Business are shown in note no. 43 "Segment reporting" under consolidated financial Statement.

B) In accordance with the disclosure requirement of Accounting Standard - 24 "Discontinuing Operations", following disclosures are made as under for Edible Oil Business:

- a) Company has five manufacturing units in the various states of the country through which it manufacture edible oil.
- b) Operations of Edible Oil activity are shown as a part of Business Segment in accordance with the requirement of AS - 17 "Segment Reporting".
- c) Assets related Edible oil Business is required to be sold off on priority basis.
- d) Carrying amount of fixed assets is shown under note no- 11 "Fixed assets" and for assets and liabilities refer note no. 43 "Segment reporting" under consolidated financial statement.
- e) Revenue and Expenditure in respect to ordinary activities attributable to Edible Oil Business are shown in note no. 43 "Segment reporting" under consolidated financial Statement.

**Note 51: Value of Raw Material, Stores and Spares Consumed**

	For the period ended on March 31, 2015		For the period ended on March 31, 2014	
	Consumption (in Lacs)	% of Total Consumption	Consumption (in Lacs)	% of Total Consumption
<b>1) Value of Raw Material Consumed</b>				
Total Consumption	-	-	106124	100
Imported	-	-	5156	5
Indigenous	-	-	100968	95
<b>2) Value of Stores and Spares Consumed</b>				
Total Consumption	56	100	69	100
Imported	-	-	-	-
Indigenous	56	100	69	100

**Note 52: Particulars of Raw Material Consumption, Production, Sale and Stock**

Description	For the period ended as on March 31, 2015			For the period ended as on March 31, 2014	
	Unit	Qty	Value in Rs. (lacs)	Qty	Value in Rs. (lacs)
<b>Opening Stock</b>					
Oil	M.T.	11122	6065	41464	22351
DOC	M.T.	4022	582	16100	3322
Vanaspati Ghee	M.T.	107	62	652	348
By Product/Packing Material/Trading Goods			432		1096
<b>Production</b>					
Oil	M.T.	-	-	23405	-
DOC	M.T.	-	-	106992	-
Vanaspati Ghee	M.T.	-	-	405	-
Power	KWH	102398049	-	124521579	-
<b>Cost of Material Consumed</b>					
Mustard Seed	M.T.	-	-	7764	2895
Soya been Seed	M.T.	-	-	43352	13784
Oil	M.T.	15	23	4213	2661
DOC	M.T.	-	-	42	8
Crude Oil for Refinery	M.T.	-	-	22756	7796
Crude Oil for Vanaspati	M.T.	-	-	426	49
Tin Plate	M.T.	-	-	176	108
Oil Cake	M.T.	-	-	75703	12704
By Product/Packing Material/Trading Goods			1584		66074
HDPE					43
			<b>1608</b>		<b>106124</b>
<b>Sale</b>					
Oil	M.T.	34	25	57960	30075
DOC	M.T.	-	-	119112	24430
Vanaspati Ghee	M.T.	-	-	951	496
Power	KWH	94852762	3063	117403181	3864
By Product/Packing Material/Trading Goods			1345		41117

<b>Closing Stock</b>						
Oil	M.T.	11103	5858	11122	6065	
DOC	M.T.	4022	582	4022	582	
Vanaspati Ghee	M.T.	107	62	107	62	
By Product/Packing Material/Trading Goods			401		432	

**Note 53: CIF/CFR Value of Imports** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on March 31, 2014
Raw Materials/ Traded Goods	-	-
Stores & Spares	-	-
Capital goods	-	-

**Note 54: Earnings in Foreign Currency** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on March 31, 2014
On export of goods calculated on FOB basis	-	-
Interest on loan to subsidiaries	-	187

**Note 55: Expenditure in Foreign Currency** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on March 31, 2014
Interest	-	143
Professional fees	-	15
Others	-	-

**Note 56: Dividend to NRI / OCB** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on March 31, 2014
Dividend	-	5
Number of Shareholders	916	991
Total Number of Shares (In No.)	105678891	85115504

**Note 57 : Comparatives Figures**

The current financial statements is prepared for twelve months period ended March 31, 2015, hence figures for the same are not comparable with that of previous financial statements, which was prepared for the fifteen months period ended March 31, 2014.

As per our report of even date  
For **LADHA G.D. & CO.**  
Chartered Accountants  
Firm Registration No. 010962C

For and on behalf of Board of Directors  
**K.S OILS LIMITED**

**Nitin Paharia**  
Partner  
M. No. 409770

**Ramesh Chand Garg**  
Managing Director  
DIN: 00027025

**Davesh Agarwal**  
Executive Director & CFO  
DIN: 01102237

**Sandeep Kumar**  
Company Secretary

Place: New Delhi  
Date: December 5, 2015

## Auditor's Report

**TO  
THE MEMBERS OF K.S.OILS LIMITED  
JIWAJI GANJ, MORENA (M.P.)**

### Report on Financial Statements

We have audited the accompanying Consolidated financial statement of K.S.OILS LIMITED ('the company') which comprise consolidated balance sheet as at 31st March 2015 and the consolidated Statement of Profit & Loss and the cash flow statement for the period 1st April 2014 to 31 March 2015 and a summary of significant policies and other explanatory information.

### Management's Responsibility for the financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting 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 adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated 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 consolidated financial statements based on our audit.

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

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 Consolidated financial statements are free from material misstatement except with regard to the matters discussed below where we have not been able to perform the audit in conformity with the relevant auditing standard on account of unavailability of adequate documents/information

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Consolidated financial statements.

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

### Basis for qualified opinion

1. As regards trade receivables, inventory, costs, production margin and sales price of goods sold, we state that:

- a) The company has made provision for bad and doubtful debts for Rs.4736 Lacs (Previous year 91229) on the basis of the management evaluation.  
*In absence of confirmation of balances trade receivable as on 31.03.2015, provision to be made if any for adverse variation in the carrying amount of these balances are not quantified.*
  - b) Position of inventory is as per management as more details in note no.35. As explained in the note, we could not observe inventory count as required under SA 501(Revised) 'Audit evidence –Specific Consideration for selected Items'.
  - c) Attention is invited to Note 34 on the explanation of the management with regard to abnormal variations/fluctuations in costs, production margin and sales price. We are unable to comment on these, being a technical matter.
2. In the absence of details of testing for impairment of certain assets viz. Production plants which were not operational/fully operational during the period, we are unable to state whether provision, if any, is required to be made in this regard.
  3. Out of transactions of purchase and sales of goods selected on a sample basis; in some cases, full supporting documents were not made available for our verification.
  4. Loan and Advances include advances aggregating Rs.38424 Lacs given to some of the suppliers which include advances Rs.26514 Lacs outstanding for more than a year. Relevant documents and confirmations of balances are yet to be obtained.
  5. Company has taken an average rate (for goods for trading and manufacturing) to determine the value of cost of goods. Consequently, the result of such trading transactions and the closing inventory of such goods have not been disclosed separately. This is also not in conformity with the requirement of Revised Schedule VI.
  6. The company had been served demand notice under section U/s 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of security Interest Act, 2002 on dated 26th Dec.2013 for Wind Energy Business and 4th March 2014 for Edible Oil Business for payment of Outstanding principal amount including interest etc. within 60 days from the date of notice.  
*As stated in the Note no.32, pending quantification of interest payable, penalty, other financial charges, the ultimate liability for financial charges and related impact on reported loss is not quantifiable for the period and the Company has not provided interest liability for the current financial year.*
  7. The Consolidated financial statements of company have been prepared on a going concern assumption, though the company has incurred a net loss of Rs. 22940 Lacs during the twelve months period ended March 31, 2015 and it's net worth has eroded totally, CDR of the company has been called off and it has been served SARFAESI Notices by bankers & financial institutions for payment of loans. This situation indicates the existence of a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in normal course of business. The Company's ability to continue as a going concern is dependent upon the factors mentioned in Note 36.
  8. We did not audit the consolidated financial statement of subsidiary whose financial statement reflects total assets of Rs. 13934 Lacs as at March 2015, total revenue of Rs. 505 Lacs and cash outflow of Rs.131 Lacs for the period then ended. These financial statements and other financial information are as compiled and prepared by the management and our opinion is based on this management prepared financial statement.

9. Attention is invited to the following Notes forming part of the Consolidated financial statements:
- a) Note no. 29 With regard to certain contingent liabilities, whose impact is not ascertainable.
  - b) Note no. 30 with regard order of settlement passed in the favor of company the Appeal of Income Tax department is pending before M.P. High court Gwalior.
  - c) Note no. 37 (a) & (b) With regard to manner of utilization of fund raised through preferential allotment of equity shares in previous years.
  - d) Note no. 38 With regard to the declared dividend Balance of Rs.90 Lacs has not been transferred to separate bank account.
- (i) In the case of the Balance sheet of the State of affairs of the Company as at 31st March 2015.
  - (ii) In the case of the Profit & Loss Account, of the 'LOSS' for the year ended on that date.
  - (iii) In the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

**For Ladha G. D. & Co.**  
Chartered Accountants  
Firm Registration number: 010962C

New Delhi  
Dated: December 5, 2015

**Nitin Paharia**  
Partner  
Membership number: 409770

**Qualified opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the matters described in paragraphs 1 to 7 above, and the resulting effects of all these on the relevant assets, liabilities and the loss for the period which are not quantifiable the Consolidated 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:

**K. S. OILS LIMITED**  
**Consolidated Balance Sheet as at March 31, 2015**

(Rs. in Lacs)

	Note No.	As at March 31, 2015	As at March 31, 2014
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholder's Fund</b>			
Share Capital	1	30580	30580
Reserves and Surplus	2	(191200)	(169692)
Minority Interest		(445)	114
		<b>(161065)</b>	<b>138999</b>
<b>Non Current Liabilities</b>			
Long Term Borrowings	3	152809	170371
Deferred Tax Liabilities (Net)	4	11630	11436
Other Long Term Liabilities	5	53	52
Long Term Provisions	6	13	15
		<b>164505</b>	<b>181874</b>
<b>Current Liabilities</b>			
Short Term Borrowings	7	113595	113595
Trade Payables	8	19493	16842
Other Current Liabilities	9	13155	14995
Short Term Provisions	10	1	2
		<b>146244</b>	<b>145434</b>
<b>Total</b>		<b>149684</b>	<b>188309</b>
<b>II ASSETS</b>			
<b>Non Current Assets</b>			
<b>Fixed Assets</b>			
-Tangible Assets	11	72279	102416
-Intangible Assets	11	-	-
-Capital Work In Progress		2624	2624
- Immature Plantation		3941	8666
		<b>78844</b>	<b>113706</b>
Long Term Loans and Advances	12	1196	1577
Other Non Current Assets	13	5	31
		<b>1201</b>	<b>1608</b>
<b>Current Assets</b>			
Inventories	14	13392	14741
Trade Receivables	15	12737	20204
Cash and Bank Balances	16	1355	2018
Short Term Loans and Advances	17	39543	32288
Other Current Assets	18	2614	3744
		<b>69640</b>	<b>72995</b>
<b>Total</b>		<b>149684</b>	<b>188309</b>

Significant Accounting Policies and other notes

28 to 55

As per our report of even date  
For **LADHA G.D. & CO.**  
Chartered Accountants  
Firm Registration No. 010962C

For and on behalf of Board of Directors  
**K.S OILS LIMITED**

**Nitin Paharia**  
Partner  
M. No. 409770

**Ramesh Chand Garg**  
Managing Director  
DIN: 00027025

**Davesh Agarwal**  
Executive Director & CFO  
DIN: 01102237

**Sandeep Kumar**  
Company Secretary

Place: New Delhi  
Date: December 5, 2015

**K. S. OILS LIMITED****Consolidated Statement of Profit and Loss for the Period Ended on March 31, 2015**

(Rs. in Lacs)

	Note No.	For the period ended on March 31, 2015	For the period ended on March 31, 2014
Revenue from Operations	19	7752	101540
Less : Excise Duty		1	98
Revenue from Operations (Net)		<b>7751</b>	<b>101442</b>
Other Income	20	617	972
<b>Total Revenue</b>		<b>8368</b>	<b>102414</b>
<b>Expenses</b>			
Cost of Materials Consumed	21	313	47025
Purchase of Stock in Trade	21	1295	59099
Changes in inventories of Finished Goods, Work in Progress and Stock in Trade	22	238	19976
Employee Benefit Expenses	23	878	1619
Finance Costs	24	624	18042
Depreciation and Amortization Expenses	25	5376	7644
Administrative and Other Expenses	26	10669	8921
<b>Total Expenses</b>		<b>19393</b>	<b>162326</b>
<b>Loss before exceptional items and tax</b>		<b>(11025)</b>	<b>(59913)</b>
Exceptional Items	27	11718	91229
<b>Loss before tax</b>		<b>(22743)</b>	<b>(151142)</b>
<b>Tax Expense</b>			
Tax Related to previous years		3	(685)
Mat Credit Reversal		-	-
Deferred Tax	4	194	29
<b>Loss for the period</b>		<b>(22940)</b>	<b>(150486)</b>
Minority interest		(550)	(111)
<b>Net Loss for the period</b>		<b>(22389)</b>	<b>(150374)</b>
<b>Earnings Per Equity Share</b>			
Basic/Diluted (F.V. of Rs. 1 each)	47	(4.94)	(32.83)

Significant Accounting Policies and other notes

28 to 55

As per our report of even date  
For **LADHA G.D. & CO.**  
Chartered Accountants  
Firm Registration No. 010962C

For and on behalf of Board of Directors  
**K.S OILS LIMITED**

**Nitin Paharia**  
Partner  
M. No. 409770

**Ramesh Chand Garg**  
Managing Director  
DIN: 00027025

**Davesh Agarwal**  
Executive Director & CFO  
DIN: 01102237

**Sandeep Kumar**  
Company Secretary

Place: New Delhi  
Date: December 5, 2015

**K. S. OILS LIMITED**  
**Consolidated Cash Flow Statement for the period ended March 31, 2015**

(Rs. in Lacs)

Particulars	2014-15	2013-14
<b>Cash Flow from Operating Activities</b>		
Net (Loss)/Profit for the Period/Year Before Tax	(22742)	(151141)
Depreciation	5376	7644
Interest Received	(127)	(462)
Interest Cost	484	17062
Depreciation on Government Grant	(2)	(7)
Provision for Doubtful Debts	4736	91204
Unrealised Exchange Rate Fluctuation	134	280
(Profit)/Loss on Sale of Fixed Assets	6982	(35)
Taxes Paid	397	(123)
Impact of FCTR	897	1997
<b>Adjustments</b>		
Decrease/(Increase) in Inventory	1349	88872
Decrease/(Increase) in Trade Receivable	3673	(31266)
(Decrease)/Increase in Trade Payable and Provisions	807	(40556)
Decrease/(Increase) in Other Receivables & Loans & Advances	(7060)	(12922)
<b>Net Cash Flow from Operating Activities :: [A]</b>	<b>(5097)</b>	<b>(29453)</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of the Fixed Assets	(8)	(2138)
Sale of Fixed Assets	17507	504
Decrease in WIP	-	0
(Increase)/Decrease in FD with Schedule Banks	109	921
Interest Received	127	462
Immature Plantation	4726	(752)
<b>Net Cash Flow from Investing Activities :: [B]</b>	<b>22461</b>	<b>(1003)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from Issuance of Shares	0	0
Proceeds from Borrowings (other than Term Loans)	0	6334
Proceeds from Term Loans	(17431)	41458
Dividend Paid	0	(17)
Interest Paid	(484)	(17062)
(Increase)/Decrease in unclaimed dividend account	6	7
<b>Net Cash Flow from Financing Activities :: [C]</b>	<b>(17909)</b>	<b>30720</b>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents: [A+B+C]</b>	<b>(545)</b>	<b>264</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>757</b>	<b>493</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>212</b>	<b>757</b>
<b>Notes:</b>		
Cash and Cash Equivalent Includes :-		
Cash in Hand	99	225
Balance with scheduled Banks		
In Current Accounts	113	532

As per our report of even date  
For **LADHA G.D. & CO.**  
Chartered Accountants  
Firm Registration No. 010962C

For and on behalf of Board of Directors  
**K.S OILS LIMITED**

**Nitin Paharia**  
Partner  
M. No. 409770

**Ramesh Chand Garg**  
Managing Director  
DIN: 00027025

**Davesh Agarwal**  
Executive Director & CFO  
DIN: 01102237

**Sandeep Kumar**  
Company Secretary

Place: New Delhi  
Date: December 5, 2015

**K. S. OILS LIMITED**  
Notes referred to in the Balance Sheet are as follows:

**Note 1 : Share Capital**

(Rs. in Lacs)

	As at March 31, 2015	As at March 31, 2014
<b>Authorized Capital</b>		
90,00,00,000 (March 31, 2014 : 90,00,00,000) Equity shares of RS 1/-Each	9000	9000
29,85,00,000 (March 31, 2014 : 29,85,00,000) 1% Cumulative Redeemable Preference Share of Rs. 10/- each	29850	29850
<b>Issued, Subscribed and Paid Up Capital</b>		
45,91,80,037 (March 31, 2014 : 45,91,80,037) Equity shares of Rs 1/- each, fully paid up	4592	4592
25,98,82,735 (March 31, 2014: 25,98,82,735) 1% Cumulative Redeemable Preference Share @ Rs 10/- each fully paid up and issued against conversion of Loan.	25988	25988
<b>Total</b>	<b>30580</b>	<b>30580</b>

**(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:**

	As at March 31, 2015	As at March 31, 2014
<b>Equity Shares</b>		
No. of Equity Shares at the beginning of reporting period	459180037	459180037
Add: Shares issued during the year	-	-
Less: Buy Back during the year	-	-
<b>No. of Equity Shares at the end of the reporting period</b>	<b>459180037</b>	<b>459180037</b>

**(b) Reconciliation of the number of Preference Shares outstanding at the beginning and at the end of the reporting period:**

	As at March 31, 2015	As at March 31, 2014
<b>Preference Shares</b>		
No. of preference Shares at the beginning of reporting period	259882735	259882735
Add: Shares issued during the period	-	-
Less: Redeemed during the period	-	-
<b>No. of Preference Shares at the end of the reporting period</b>	<b>259882735</b>	<b>259882735</b>

**(c) List of the Equity Shareholders holding more than five percent of shares in the company as at the Balance Sheet date: (in Holding Company)**

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	in %	No. of Shares	in %
Baring Private Equity Asia III Mauritius Holding(3) Limited	35704070	7.78	35704070	7.78
NSR Direct Pe Mauritius LLC	40330926	8.78	40330926	8.78
Abhi Ambi Financial Services Ltd	-	-	39330183	8.57

**(d) List of the Preference Shareholders holding more than five percent of shares in the company as at the Balance Sheet date: (in Holding Company)**

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	in %	No. of Shares	in %
State Bank of India	65702735	25.28	65702735	25.28
Axis Bank Limited	55310000	21.28	55310000	21.28
Central Bank of India	26620000	10.24	26620000	10.24
Andhra Bank	21880000	8.42	21880000	8.42
Jammu and Kashmir Bank Limited	20000000	7.70	20000000	7.70
IDBI Bank Limited	18770000	7.22	18770000	7.22
State Bank of Mysore	18000000	6.93	18000000	6.93

**(e) Preferential Issue of Equity Shares**

In order to meet the fund requirement of the Company for working capital and general corporate purposes, the Company came out with the preferential issue of equity shares the Qualified Institutional Buyers (QIB) through Qualified Institutional Placement during the period at an issue price calculated under SEBI (ICDR) Regulation, 2009 on preferential basis duly approved by the Board of Directors and the Shareholders.

"On April 09, 2012 the Company has allotted 33,767,282 Equity Shares of Rs. 1/- each at a premium of Rs. 6.25 to the QIB's and raised Rs. 2448.13 lacs.

The entire proceeds received towards the QIP issue have been utilized by the company for the purpose of working capital requirement.

**(f) Terms / rights attached to Equity Shares:**

- 1 The Company has a single class of equity shares having a par value of Rs. 1/- per share
- 2 Each holder of equity share is entitled to one vote per share.
- 3 The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting.
- 4 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company in proportion to the number of equity shares held by each shareholder, after settlement of all preferential obligations.

**(g) Terms of Issue of 1% Cumulative Redeemable Preference Share (CRPS)**

- 1 The Company has issued 1% CRPS at face value of Rs. 10 each to the Lenders under the terms and conditions of CDR package.
- 2 The CRPS arising out of conversion of 20% of all term loans (except the Wind Mill Term Loan) aggregating to Rs. 2985 Lacs shall carry a dividend of 1% p.a. Dividend shall be payable at the end of each year from the date of allotment of the CRPS till the date of redemption.
- 3 The CRPS shall be redeemable after completion of 7 (seven) years from the date of allotment of the same i.e., in FY 2021 with a redemption premium of 64% on Face Value.
- 4 Payment of redemption premium is subject to the condition that the same being paid out of the cash balance available with the Company and is in excess of Rs. 7500 Lacs.

**Note 2 : Reserves and Surplus**

(Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
<b>Capital Reserve</b>		
Opening Balance	2452	2,449
Add: Capitalisation of Fixed Assets	-	3
<b>Closing Balance</b>	<b>2452</b>	<b>2452</b>
<b>Securities Premium Account</b>		
Opening Balance	88636	88636
Add: Premium received during the period	-	-
Less: Share Issue Exp.	-	-
<b>Closing Balance</b>	<b>88636</b>	<b>88636</b>
<b>Foreign Currency Translation Reserve</b>		
Opening Balance	6681	4969
Add: Foreign Currency Gain/(Loss) during the period	623	1713
<b>Closing Balance</b>	<b>7304</b>	<b>6681</b>
<b>Surplus (Balance in statement of Profit and Loss)</b>		
Opening Balance	(267462)	(117068)

Add: Amount Transferred from proposed dividend	259	-
Less : Net Loss for the period	(22389)	(150374)
<b>Total Profit available for Appropriation</b>	<b>(289592)</b>	<b>(267441)</b>
Less: Interest on Dividend	-	(14)
Less: Interest on Dividend Distribution Tax	-	(7)
<b>Closing Balance</b>	<b>(289592)</b>	<b>(267462)</b>
<b>Total Reserve and Surplus</b>	<b>(191200)</b>	<b>(169692)</b>

**Note 3 : Long Term Borrowings** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
<b>Term Loans (Secured)</b>		
- From Banks	143117	160679
- From other parties	9692	9692
<b>Total</b>	<b>152809</b>	<b>170371</b>

**Note 4 : Deferred Tax Liabilities (Net)** (Rs. In Lacs)

Particular	As at March 31, 2015	As at March 31, 2014
<b>Deferred Tax Liabilities</b>		
Opening Deferred Tax Liabilities	11436	11407
Add: Difference between book WDV and WDV as per Income Tax Act, 1961	194	29
Less: Reversal of DTL	-	-
<b>Deferred tax liability (net)</b>	<b>11630</b>	<b>11436</b>

As a matter of prudence and in the absence of virtual certainty the company has not recognised Deferred Tax Assets on losses incurred during the period.

**Note 5: Other Long Term Liabilities** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
Deferred Government Grant	53	52
<b>Total</b>	<b>53</b>	<b>52</b>

**Note 6: Long Term Provisions** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
Leave Encashment	13	15
<b>Total</b>	<b>13</b>	<b>15</b>

**Note 7 : Short Term Borrowings** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
<b>Working Capital Loans (Secured)</b>		
From Banks	103622	103622
<b>Short Term Corporate Loan (Secured)</b>		
From others	9973	9973
<b>Total</b>	<b>113595</b>	<b>113595</b>

## Lean Disclosure As on 31.03.15

Type of Loan	Original Name	Name of Lender	Amount (In Lacs)	Rate of Interest	Nature of Security	Terms of Repayment
Wind Mill Term Loan	Axis	Bank 1	1891	14.00% p.a.	An exclusive mortgage and charge over all the Wind Mill Assets of the Company	The entire Outstanding principal along with interest etc. has been called off by the Lenders by issuing SARFESAI Notice on dated 26th Dec. 2013
	IDBI	Bank 2	3895	14.75% p.a.		
	SBI	Bank 3	3999	13.50% p.a.		
	CBI	Bank 4	7653	13.00% p.a.		
	Rabo	Bank 5	3274	LIBOR+2.58 BPS		Default in repayment
Edible Oil Term Loan	SBM	Bank 6	5850	13.25% p.a.	a) A first pari passu charge over the entire fixed assets (both present and future) of the Company by way of an equitable mortgage, excluding the Wind Mill Assets and Haldia Unit Assets. b) A second pari passu charge over the Haldia Unit Assets, (both present and future) by way of an equitable mortgage. c) A second pari passu charge over the entire current assets of the Company.	The entire Outstanding principal along with interest etc. has been called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
	Axis	Bank 1	10231	13.25% p.a.		
	Fedral Bank	Bank 7	4718	13.15 % p.a.		
	J&K Bank	Bank 8	7044	13.25 % p.a.		
	SBI	Bank 3	5611	13.5 % p.a.		
Haldia Unit Term Loan	CBI	Bank 4	2086	13.00 % p.a.	A first mortgagge and charge over the entire Haldia Unit Assets	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
	ICICI	Bank 9	2649	18.75 % p.a.		
Working Capital Term Loan	SBI	Bank 3	15744	13.5 % p.a.	a) A first pari passu charge over the entire Current assets of the Company b) A second pari passu charge over the entire fixed assets (both present and future) by way of an equitable mortgage including Haldiya Unit Assets but excluding Wind Mill Assets.	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
	Axis	Bank 1	9024	13.25 % p.a.		
	Andhra	Bank 10	8069	13.00 % p.a.		
	ICICI	Bank 9	735	18.75 % p.a.		
	IDBI	Bank 2	7723	17.25 % p.a.		
	PNB	Bank 11	2622	13.25 % p.a.		
	CBI	Bank 4	6528	13.00 % p.a.		
Other Secured Term Loan	BOI	Bank 12	2769	12.7 % p.a.	a) A second pari passu charge over the entire fixed assets (both present and future) by way of an equitable mortgage excluding Haldiya Unit Assets and Wind Mill Assets. b) A second pari passu charge over the entire Current assets of the Company	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
	LIC	Body Corporate 1	9692	10.75%	a) First pari passu charge on the entire fixed assets of the Company (Both present & Future) (Other than Wind Mill Assets and	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on

					Haldiya Plant Assets), with minimum 1.5 time security cover during the loan term	dated 4th March 2014.
	SREI	Body Corporate 2	9973	36.00%	a) First pari passu charge on the entire fixed assets of the Company (Both present & Future) (Other than Wind Mill Assets and Haldiya Plant Assets) b) Subservient charge on Wind Turbines with aggregate capacity of 78 MW	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
Cash Credit	Andhra SBI ICICI Axis IDBI PNB	Bank 10 Bank 3 Bank 9 Bank 1 Bank 2 Bank 11	11765 42826 9483 12183 15665 11700	13.00% p.a. 13.26% p.a. 10.00 % p.a. 13.75 % p.a. 20.86 % p.a. 13.25 % p.a.	a) A first pari passu charge over the entire current assets of the Company. (b) A second ranking pari passu charge over the entire fixed assets (both present and future) of the Company by way of an equitable mortgage, including the Haldia Unit Assets but excluding the Wind Mill Assets.	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
Funded Interest Term Loan-II	SBI Axis SBM Federal Bank J&K Bank CBI ICICI Andhra IDBI PNB BOI	Bank 3 Bank 1 Bank 6 Bank 7 Bank 8 Bank 4 Bank 9 Bank 10 Bank 2 Bank 11 Bank 12	10066 5159 935 563 1083 3040 2092 2764 4354 2078 295	13.5% p.a. 13.25% p.a. 13.25 % p.a. 13.15 % p.a. 13.25 % p.a. 13.00 % p.a. 18.75 % p.a. 13.00 % p.a. 17.25 % p.a. 13.25 % p.a. 12.7 % p.a.	<b>(A) For Wind Mill Lenders</b> (a) A first ranking mortgage and charge over the Wind Mill Assets of the Company. (B) For other than Wind Mill Lenders <b>(i) Other than Bank of India</b> (a) A first pari passu charge on the entire fixed assets (both present and future) of the Company, by way of an equitable mortgage, other than Wind Mill Assets and Haldia Unit Assets. (b) A second pari passu charge over the Haldia Unit Assets, (both present and future) by way of an equitable mortgage. <b>(ii) For Bank of India</b> (a) A second pari passu charge on the entire fixed assets (both present and future) of the Company, by way of an equitable mortgage, other than Wind Mill Assets and Haldia Unit Assets. (iii) For all Lenders (a) A second pari passu charge over the entire current assets of the Company	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
Application Money: 1% Compulsorily Convertible	SBI Axis SBM	Bank 3 Bank 1 Bank 6	4928 4148 1349	13.5 % p.a. 13.25 % p.a. 13.25 % p.a.	<b>(i) Other than Bank of India</b> (a) A first pari-passu charge on the entire fixed assets	The entire Outstanding principal alongwith interest etc. has been

Debentures (CCD's)	J&K Bank CBI ICICI IDBI	Bank 8 Bank 4 Bank 9 Bank 2	1516 1996 695 1713	13.25 % p.a. 13.00 % p.a. 18.75 % p.a. 17.25 % p.a.	(both present and future) of the Company, by way of an equitable mortgage, other than the Wind Mill Assets and the Haldia Unit Assets. (ii) For Bank of India (a) A second pari-passu charge on the entire fixed assets (both present and future) of the Company, by way of an equitable mortgage, excluding the Wind Mill Assets and the Haldia Unit Assets.	Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
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Common Security for all the Borrowings (Other than CCD's)

- (A) Personal Guarantee from each promoter to all the lenders
- (B) Pledge of 100% Promoters shareholding in the Company, free of all encumbrances, including additional shares acquired by the Promoters on infusion of equity in the Company (If any)
- (C) Pledge of 100% of the following investments held by the Borrower, free of all encumbrances,

Name of the Company	No. of Equity/Preference Shares	
	As at March 31, 2015	As at March 31, 2014
1) KS Natural Resources Pte. Ltd	65679859	65679859
2) KS Oils Sdn. Bhd. (Malaysia)	566300	566300
3) PT Buana Mega Sentosa Plantation (Indonesia)	54600	54600
4) KS Agri Resources Pte. Ltd. (Singapore)	23815576	23815576
5) PT Mega Artha Peresada (Indonesia)	4500	4500
6) PT Biodiesel Jambi (Indonesia)	48600	48600
7) PT Tunas Bersusun Abadi (Indonesia)	47520	47520
8) PT Luvang Urip (Indonesia)	3800	3800

## Lean Disclosure As on 31.03.14

Type of Loan	Name of Lender	Amount (In Lacs)	Rate of Interest	Nature of Security	Terms of Repayment
Wind Mill Term Loan	Bank 1 Bank 2 Bank 3 Bank 4	1810 3895 3999 7653	14.00% p.a. 14.75% p.a. 13.50% p.a. 13.00% p.a.	An exclusive mortgage and charge over all the Wind Mill Assets of the Company	The entire Outstanding principal along with interest etc. has been called off by the Lenders by issuing SARFESAI Notice on dated 26th Dec. 2013
	Bank 5	3144	LIBOR+2.58 BPS		Default in repayment
Edible oil Term Loan	Bank 6 Bank 1 Bank 7 Bank 8 Bank 3	5850 10231 4718 7044 5611	13.25% p.a. 13.25% p.a. 13.15 % p.a. 13.25 % p.a. 13.5 % p.a.	a) A first pari passu charge over the entire fixed assets (both present and future) of the Company by way of an equitable mortgage, excluding the Wind Mill Assets and Haldia Unit Assets. b) A second pari passu charge over the Haldia Unit Assets, (both present and future) by way of an equitable mortgage. c) A second pari passu charge over the entire current assets of the Company.	The entire Outstanding principal along with interest etc. has been called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
Haldia Unit Term Loan	Bank 4 Bank 9	2086 2340	13.00 % p.a. 18.75 % p.a.	A first mortgage and charge over the entire Haldia Unit Assets	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
Working Capital Term Loan	Bank 3 Bank 1 Bank 10 Bank 9 Bank 2 Bank 11 Bank 4	15744 9024 8069 650 7723 2622 6528	13.5 % p.a. 13.25 % p.a. 13.00 % p.a. 18.75 % p.a. 17.25 % p.a. 13.25 % p.a. 13.00 % p.a.	a) A first pari passu charge over the entire Current assets of the Company b) A second pari passu charge over the entire fixed assets (both present and future) by way of an equitable mortgage including Haldiya Unit Assets but excluding Wind Mill Assets.	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
Other Secured Term Loan	Bank 12	2768	12.7 % p.a.	a) A second pari passu charge over the entire fixed assets (both present and future) by way of an equitable mortgage excluding Haldiya Unit Assets and Wind Mill Assets. b) A second pari passu charge over the entire Current assets of the Company	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
	Body Corporate 1	9692	10.75%	a) First pari passu charge on the entire fixed assets of the Company (Both present & Future) (Other than Wind Mill Assets and	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on

				Haldiya Plant Assets), with minimum 1.5 time security cover during the loan term	dated 4th March 2014.
	Body	9973	36.00%	a) First pari passu charge on the entire fixed assets of the Company (Both present & Future) (Other than Wind Mill Assets and Haldiya Plant Assets) b) Subservient charge on Wind Turbines with aggregate capacity of 78 MW	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
Cash Credit	Bank 10 Bank 3 Bank 9 Bank 1 Bank 2 Bank 11	11765 42826 9483 12183 15665 11700	13.00% p.a. 13.25% p.a. 10.00 % p.a. 13.75 % p.a. 20.86 % p.a. 13.25 % p.a.	a) A first pari passu charge over the entire current assets of the Company. (b) A second ranking pari passu charge over the entire fixed assets (both present and future) of the Company by way of an equitable mortgage, including the Haldia Unit Assets but excluding the Wind Mill Assets.	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
Funded Interest Term Loan - II	Bank 3 Bank 1 Bank 6 Bank 7 Bank 8 Bank 4 Bank 9 Bank 10 Bank 2 Bank 11 Bank 12	10066 5159 935 563 1083 3040 2486 2764 4354 2078 295	13.5% p.a. 13.25% p.a. 13.25 % p.a. 13.15 % p.a. 13.25 % p.a. 13.00 % p.a. 18.75 % p.a. 13.00 % p.a. 17.25 % p.a. 13.25 % p.a. 12.7 % p.a.	<b>(A) For Wind Mill Lenders</b> (a) A first ranking mortgage and charge over the Wind Mill Assets of the Company. <b>(B) For other than Wind Mill Lenders</b> (i) Other than Bank of India (a) A first pari passu charge on the entire fixed assets (both present and future) of the Company, by way of an equitable mortgage, other than Wind Mill Assets and Haldia Unit Assets. (b) A second pari passu charge over the Haldia Unit Assets, (both present and future) by way of an equitable mortgage. (ii) For Bank of India (a) A second pari passu charge on the entire fixed assets (both present and future) of the Company, by way of an equitable mortgage, other than Wind Mill Assets and Haldia Unit Assets. <b>(iii) For all Lenders</b> (a) A second pari passu charge over the entire current assets of the Company	The entire Outstanding principal alongwith interest etc. has been Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
Application Money: 1% Compulsorily Convertible Debentures (CCD's)	Bank 3 Bank 1 Bank 6	4928 4148 1349	13.5 % p.a. 13.25 % p.a. 13.25 % p.a.	<b>(i) Other than Bank of India</b> (a) A first pari-passu charge on the entire fixed assets	The entire Outstanding principal alongwith interest etc. has been

	Bank 8	1516	13.25 % p.a.	(both present and future) of the Company, by way of an equitable mortgage, other than the Wind Mill Assets and the Haldia Unit Assets. (ii) For Bank of India (a) A second pari-passu charge on the entire fixed assets (both present and future) of the Company, by way of an equitable mortgage, excluding the Wind Mill Assets and the Haldia Unit Assets.	Called off by the Lenders by issuing SARFESAI Notice on dated 4th March 2014.
	Bank 4	1996	13.00 % p.a.		
	Bank 9	695	18.75 % p.a.		
	Bank 2	1713	17.25 % p.a.		

**Common Security for all the Borrowings (Other than CCD's)**

- (A) Personal Guarantee from each promoter to all the lenders
- (B) Pledge of 100% Promoters shareholding in the Company, free of all encumbrances, including additional shares acquired by the Promoters on infusion of equity in the Company (If any)
- (C) Pledge of 100% of the following investments held by the Borrower, free of all encumbrances,

Name of the Company	No. of Equity/Preference Shares	
	As at March 31, 2014	As at Dec 31, 2012
1) KS Natural Resources Pte. Ltd	65679859	65679859
2) KS Oils Sdn. Bhd. (Malaysia)	566300	566300
3) PT Buana Mega Sentosa Plantation (Indonesia)	54600	54600
4) KS Agri Resources Pte. Ltd. (Singapore)	23815576	23815576
5) PT Mega Artha Peresada (Indonesia)	4500	4500
6) PT Biodiesel Jambi (Indonesia)	48600	48600
7) PT Tunas Bersusun Abadi (Indonesia)	47520	47520
8) PT Luvang Urip (Indonesia)	3800	3800

**Note 8 : Trade Payables**

(Rs. In Lacs)

Particular	As at March 31, 2015	As at March 31, 2014
Micro Small and Medium Enterprises	279	280
Other Trade Payables	19214	16563
<b>Total</b>	<b>19493</b>	<b>16842</b>

The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.

Nil Nil

**(a) The Micro, Small and Medium Enterprises Development Act, 2006**

Company has send letter to suppliers to confirm whether they are covered under Micro, Small and Medium Enterprises Act, 2006 as well as they have filed required memorandum with the prescribed authorities. Out of the letters send to the parties, some confirmations have been received till the date of finalization of Balance Sheet.

(Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
The Principal amount and interest due thereon remaining unpaid to any supplier:		
Principal	280	261
Interest**	112	96

The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006

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The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the

MSMED Act.	231	126
The amount of interest accrued and remaining unpaid at the end of each accounting year.	343	231

\*\* During the financial year, no interest have been provided to Micro, Small & Medium Enterprises.

**Note 9 : Other Current Liabilities** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
Interest Payable	6690	6719
Unclaimed Dividend Account	30	36
Unpaid Dividend	91	350
Security Deposit from Customers and Suppliers	5	5
<b>Other Payables</b>		

Outstanding Indirect Expenses	952	410
Advances From Customers	2046	3943
Overdrawn Bank Balance	12	3
Statutory Liabilities	1227	1404
Payable for Capital Goods	1340	1373
Other Payables	688	675
Interest on Dividend	71	71
Deferred Government Grant	3	6
<b>Total</b>	<b>13155</b>	<b>14995</b>

**Note 10: Short Term Provisions** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
Provision for Employee Benefits	1	2
<b>Total</b>	<b>1</b>	<b>2</b>

## Note 11 : Fixed Assets and Depreciation Chart

(Rs. in Lacs)

Description of Assets	Gross Block					Depreciation/Amortisation					Net Block			
	As on 1.4.2014	Additional during the year	Sales during the year	Impairment	Exchange Translation	Total as on 31.3.2015	As on 1.4.2014	Additional during the year	Sales during the year	Impairment	Exchange Translation	Total as on 31.03.2015	As on 31.3.2014	
Windmills	41849	0	35934	0	0	5915	12401	1618	11850	0	0	2169	3746	29448
Land Freehold	2851	0	253	0	0	2598	0	0	0	0	0	0	2598	2851
Land Leasehold	2958	0	212	0	-184	2562	241	41	67	0	-16	199	2363	2717
Building	20620	0	0	0	0	20620	3935	620	0	0	0	4555	16065	16685
Plant & Machinery	47389	0	0	452	-20	46916	14185	1981	0	159	-7	16000	30916	33204
Electric Installation	8993	0	0	0	0	8993	2587	672	0	0	0	3259	5734	6406
Vehicle	477	3	41	0	-2	437	399	30	33	0	-4	391	46	78
Furniture & Fixture	833	0	0	0	0	833	587	66	0	0	0	653	181	246
Office Equipment	1571	4	2	0	0	1573	1179	234	2	0	0	1411	162	393
Utilities	3387	0	0	0	0	3387	537	110	0	0	0	648	2739	2849
Computer Software	219	0	0	0	0	219	219	0	0	0	0	219	0	0
Goodwill	101	0	101	0	0	0	101	0	101	0	0	0	0	0
Land Right	7406	0	0	0	307	7713	0	0	0	0	0	0	7713	7406
Plantation & Infrastructure	335	0	0	303	-4	28	203	3	0	191	-2	13	15	132
<b>Grand Total</b>	<b>138990</b>	<b>7</b>	<b>36542</b>	<b>756</b>	<b>96</b>	<b>101796</b>	<b>36573</b>	<b>5376</b>	<b>12053</b>	<b>350</b>	<b>-30</b>	<b>29517</b>	<b>72279</b>	<b>102416</b>
<b>Previous Period</b>	<b>137032</b>	<b>2134</b>	<b>912</b>	<b>0</b>	<b>735</b>	<b>138990</b>	<b>29293</b>	<b>7708</b>	<b>443</b>	<b>0</b>	<b>15</b>	<b>36573</b>	<b>102416</b>	<b>107739</b>

During previous financial year, depreciation had been recognised in following manner:-

*Debited to statement of Profit and Loss	7644
Capitalised in Immature plantation	64
<b>Total</b>	<b>7708</b>

Note: Value of depreciable fixed assets of subsidiary companies which are depreciated on SLM basis is not significant hence though such assets are not depreciated in accordance with the depreciation policy of parent company, the impact on the financial statement of such differences in the value of depreciation will not be material.

**Note 12 : Long Term Loans and Advances** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
<b>Capital Advances</b>		
Unsecured, Considered -Good	379	379
-Doubtful	-	3290
Less : Provision for doubtful Advances	-	3290
<b>(A)</b>	<b>379</b>	<b>379</b>
<b>Security Deposits</b>		
Unsecured, Considered- Good	507	481
-Doubtful	1	1
Less : Provision for doubtful Advances	1	1
<b>(B)</b>	<b>507</b>	<b>481</b>
<b>Loans and Advance to Staff</b>		
Unsecured, Considered-Good	28	31
-Doubtful	6	-
Less: Provision for doubtful Advances	6	-
<b>(C)</b>	<b>28</b>	<b>31</b>
<b>Others</b>		
Advance Tax Including TDS Receivable	282	686
<b>(D)</b>	<b>282</b>	<b>686</b>
<b>Total (A+B+C+D)</b>	<b>1196</b>	<b>1577</b>

**Note 13 : Other Non Current Assets** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
Sales Tax Refund Receivables	-	29
Fixed Deposits (More then 12 Months maturity)	5	2
<b>Total</b>	<b>5</b>	<b>31</b>

**Note 14 : Inventories** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
Raw Materials (net off value of obsolete stock)	5368	6559
Finished Goods (net off value of obsolete stock)	6502	6709
Packing Materials	334	362
Stores and Spares	1121	1041
By Product	67	70
<b>Total</b>	<b>13392</b>	<b>14741</b>

**Note 15 : Trade Receivables** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
<b>Exceeding Six Months from the date they become payable</b>		
Unsecured considered - Good	11603	16970
-Doubtful	143373	139579
Less: Provision for doubtful debts	143373	139579
<b>(A)</b>	<b>11603</b>	<b>16970</b>
<b>Less than Six Months from the date they become payable</b>		
Unsecured considered -Good	1134	3234
<b>(B)</b>	<b>1134</b>	<b>3234</b>
<b>Total (A+B)</b>	<b>12737</b>	<b>20204</b>

**Note 16 : Cash and Bank Balances** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
<b>Cash and Cash Equivalents</b>		
Cash on Hand	99	225

**Other Bank Balances**

Balances with Banks	113	532
Fixed Deposits (More then 12 Months maturity)	1113	1225
Unclaimed Dividend	30	36
<b>Total</b>	<b>1355</b>	<b>2018</b>

**(a) Fixed Deposit under Lien** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
Fixed deposits under lien with bank for Bank Guarantees, Letter of Credit & Others.	14	13

**Note 17: Short Term Loans and Advances** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
<b>Advances recoverable in cash or kind</b>		
Advances to Suppliers -Good	36620	30725
-Doubtful	1804	697
Less: Provision for doubtful Advances	1804	697
	<b>36620</b>	<b>30725</b>
Prepaid Expenses	340	525
Advance to Staff	27	59
Advance for Expenses or others	754	189
<b>(A)</b>	<b>37741</b>	<b>31498</b>
Balance with Revenue Authorities		
VAT Credit Receivable	1768	756
Excise and Service tax Refundable	34	34
<b>(B)</b>	<b>1802</b>	<b>790</b>
<b>Total (A+B)</b>	<b>39543</b>	<b>32288</b>

**Note 18: Other Current Assets** (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
Windmills Income and Claim Receivables	110	314
Less : Provision for Doubtful Claims	-	165
	<b>110</b>	<b>148</b>
Export Benefit Receivables	8	8
Insurance Claim Receivables	194	195
Interest Refundable/Receivables	24	38
Misc Current Assets	98	98
Sales Tax Refund Receivables	2180	3257
<b>Total</b>	<b>2614</b>	<b>3744</b>

Notes referred to in the Statement of Profit and Loss are as follows:

**Note 19: Revenue from Operations** (Rs. In Lacs)

Particulars	For the period ended on March 31, 2015	For the period ended on March 31, 2014
Domestic Sales (Including highseas sales)	4939	98457
Export Sales	-	94
Sales against 'H' form	-	2086

Other Operating Revenues	2813	902
<b>Sub-Total</b>	<b>7752</b>	<b>101540</b>
Less : Excise Duty	1	98
<b>Total</b>	<b>7751</b>	<b>101442</b>

**Note 20 : Other Income** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on March 31, 2014
Interest Income	127	462
Profit on sale of Fixed Asset	-	76
Interest Received on Income Tax Refund	10	-
Misc Income	480	435
<b>Total</b>	<b>617</b>	<b>972</b>

**Note 21: Cost of Materials Consumed** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on March 31, 2014
<b>Raw Materials</b>		
Opening Stock	6559	75377
Add: Purchase during the period	417	37306
Less: Closing Stock	5367	6559
	<b>1608</b>	<b>106124</b>
Less: Cost of goods traded	1295	59099
<b>Net cost of material consumed</b>	<b>313</b>	<b>47025</b>

**Note 22: Changes in inventories of Finished Goods, Work in Progress and Stock in Trade** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on March 31, 2014
<b>Opening Stock</b>		
Finished Goods	6709	26020
By Products	70	356
Packing Material	362	741
<b>Total (A)</b>	<b>7141</b>	<b>27117</b>
<b>Closing Stock</b>		
Finished Goods	6502	6709
By Product	67	70
Packing Material	334	362
<b>Total (B)</b>	<b>6903</b>	<b>7141</b>
<b>(Increase) / Decrease in Inventory (A-B)</b>	<b>238</b>	<b>19976</b>

**Note 23 : Employee Benefit Expenses** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on March 31, 2014
Salaries and Wages	725	1455
Contributions to Provident and Other Funds	30	53
Staff Welfare Expenses	123	111
<b>Total</b>	<b>878</b>	<b>1619</b>

**Note 24 : Finance Costs** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on March 31, 2014
Interest Expense	484	17062
Interest on income tax	-	524
Bank Charges	6	176
Foreign Currency Transaction Loss	134	280
<b>Total</b>	<b>624</b>	<b>18042</b>

**Note 25 : Depreciation and Amortization Expenses** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on March 31, 2014
Depreciation on Fixed Assets	5376	7644
<b>Total</b>	<b>5376</b>	<b>7644</b>

**Note 26 : Administrative and Other Expenses** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on March 31, 2014
Consumption of Stores and Spare Parts	59	72
Power and Fuel	1600	1936
Labour Charges	413	328
Other Manufacturing Expenses	753	580
Rent	114	280
Repairs to Buildings	8	16
Repairs to Machinery	154	85
Insurance	62	144
Windmills Expenses	823	1029
Windmills Claims written off	165	41
Agriculture Expenses	5	13
Rates and Taxes, excluding Taxes on Income	198	295
Transport Loading and Unloading Charges	75	853
Packing Expenses	28	10
Advertisement and Sales Promotion Expenses	3	196
Legal and Professional Fees	169	427
Other Repairs	50	70
Wealth Tax	1	1
Charity and Donation	0	2
Travelling & Conveyance	150	217
Audit Fees	19	23
Misc Expenditure	186	441
Prior Period Expenses	4	753
Loss on sale of Fixed Asset	-	41
Exchange Rate Fluctuaton	1096	1068
Impairment loss Recognised	4536	-
<b>Total</b>	<b>10669</b>	<b>8921</b>

**Note 27 : Exceptional Items** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on March 31, 2014
Provision For Bad and Doubtful debts and Loans and Advances	4736	91229
loss on sale of Windmill Assets	6982	-
<b>Total</b>	<b>11718</b>	<b>91229</b>

**Note 28 : Significant Accounting Policies****28.1 The consolidated financial statements relate to K S Oils Limited ('the Company') and its subsidiaries jointly referred as ('the Group') have been prepared on the following basis:**

- (i) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".
- (ii) The difference between the costs of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as goodwill or capital reserve as the case may be.
- (iii) Minority interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- (iv) Minority interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of

the Company's shareholders.

- (v) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as holding Company separate financial statements, to the extent possible, except as provided under para 28.11) (vi) and 28.12 (f).
- (vi) The financial of subsidiaries have been prepared in accordance with Singapore Financial Reporting Standards (FRS) as issued by the Singapore Accounting Standards Council as well as all related interpretations to FRS ("INT FRS") and the companies Act, Cap 50. The financial statements are prepared under the historical cost convention except where a FRS requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements.
- (vii) In the current period, Subsidiaries have adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after January 1, 2011. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the company's and company's accounting policies and has no material effect on the amount reported for the current and prior year.

**28.2 The subsidiaries considered in the Consolidated Financial Statement are:**

Name of Subsidiary Companies	Countries of Incorporation	Status	Proportion of Ownership Interest/Voting Power Directly or through Subsidiaries (%)	Proportion of Ownership Interest/Voting Power Directly or through Subsidiaries (%)
			(As on 31 March 2015)	(As on 31 March 2014)
KS Natural Resources PTE.LTD. (From 23rd November, 2007)	Singapore	Subsidiary of KS Oils Ltd.	100	100
KS Oils SDN. BHD. (From 31st March, 2009)	Malaysia	Subsidiary of KS Natural Resources PTE.LTD.	70	70
KS Agri Resources PTE. LTD. (From 28th May, 2008)	Singapore	Subsidiary of KS Natural Resources PTE.LTD.	100	100
PT BuanaMegaSentosa Plantation (From 22nd November, 2008)	Indonesia	Subsidiary of KS Natural Resources PTE.LTD.	90	90
PT. Biodiesel Jambi (From 1st Jan, 2010)	Indonesia	Subsidiary of KS Natural Resources PTE. LTD.	90	90
PT. MegaArthaPersada (From 1st Jan, 2010)	Indonesia	Subsidiary of KS Natural Resources PTE. LTD.	90	90
PT. Tunas Bersusun Abadi (From 17th Nov 2009)	Indonesia	Subsidiary of KS Agri Resources PTE. LTD.	88	88
PT. Luvang Urip (From 11th Aug-2009)	Indonesia	Subsidiary of PT. Tunas Bersusun Abadi	95	95

### 28.3 Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and reported amount of revenues and expenses for the year. Actual results could differ from these estimates. Difference between the actual result and estimates are recognized in the period in which results are known / materialized. Any revision to an accounting estimate is recognized prospectively in the year of revision.

### 28.4 Revenue Recognition

- a) Revenue from sale of goods is recognized when significant risk and rewards in respect of ownership of products are transferred to customers.
- b) Export entitlements under the Duty Entitlement Pass Book ("DEPB") scheme and Other Schemes are recognized as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

### 28.5 Inventories

- a) Inventories are valued at lower of cost or net realizable value on FIFO basis.
- b) Work in Progress is valued at lower of cost of Raw Material or Net Realizable Value.
- c) Inventories comprises of Raw Material, Stores, Spares & Consumables, Work In Progress and Finished Goods.
- d) Cost of inventories comprises of cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

### 28.6 Agricultural Activity

- a) Biological Assets (Living plants of Mustard, Soya or Jatropha)
  - i. All costs related to biological assets are recognized as an expense, as and when they are incurred.
  - ii. Biological assets are recognized at net realizable value only when the future economic benefits associated with the assets will flow to the Company.
- b) Agricultural Produce (harvested product from biological asset) is recognized at net realizable value.

### 28.7 Commodity Hedging (Derivatives)

Pursuant to announcement on accounting for the derivatives issued by the Institute of Chartered Accountants of India (ICAI), in accordance with the principles of prudence as enunciated in Accounting Standard-1 (AS-1), "Disclosures of Accounting policies", the Company provide for losses in respect of all outstanding derivatives contract at the balance sheet date by marking them to mark to market. Any net unrealized gains arising on such Mark to Market are not recognized as income.

### 28.8 Certified Emission Reductions

- a) Self-generated certified emission reductions (C.E.R- also known as carbon credit) expected to accrue to the Company as a result of windmills are recognized as a part of inventory, when it is certified by United Nations Framework Convention on Climate Change (UNFCCC) and the future economic benefits associated with such CER's will flow to the Company.
- b) Incidental expenses are charged to profit and loss account.

### 28.9 Fixed Assets

#### a) Tangible Assets

- i. Tangible assets are carried at cost of acquisition or

construction less accumulated depreciation. The cost of fixed assets includes non refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing cost attributable to acquisition or construction of fixed assets which takes substantial period of time to get ready for their intended use is capitalized.

- ii. Advances paid towards the acquisition of the fixed assets outstanding at each balance sheet date shown under the head long term loans and advances.

#### b) Intangible Assets

Intangible Assets recorded at the consideration paid for the acquisition.

### 28.10 Immature Plantations

Immature plantations are stated at acquisition cost which includes costs incurred for field preparation, planting fertilizing and maintenance, capitalization of borrowing costs incurred on loans used to finance the development of immature plantations and an allocation of other indirect cost based on planned hectares. When the plantations are mature, the accumulated costs are reclassified to mature plantations. In the opinion of the management and as per the industry practice followed in its country the plantation development expenditure is amortized over twenty one years, upon maturity of the first crop.

### 28.11 Depreciation/Amortization

#### a) Depreciation:

- i. Depreciation on fixed assets has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013. Depreciation is calculated on a pro-rata basis from the date of installation / acquisition till the date the assets are sold or disposed
- ii. Depreciation has been charged on SLM basis for:
  1. Windmills
  2. Plant assets (except for oil and refinery plant located at Morena)
- iii. For all other assets depreciation is provided on WDV basis.
- iv. Excluding land rights and lease hold properties, depreciation on fixed assets of the subsidiary companies is provided on SLM basis over the estimated useful lives of the assets at rates permissible under the applicable local laws

#### b) Amortization:

- i. Leasehold assets are amortized over the period of lease.
- ii. Intangible assets are amortized over their estimated useful lives on a straight line basis, commencing from the date the asset is available to the Company for its use.
- iii. Goodwill arising in the course of acquisition is amortized over a period of five years.
- iv. Goodwill arising on Consolidation is tested for impairment.
- v. Computer software is fully amortized in the year of capitalization.

### 28.12 Foreign Currency Transactions

- a) Foreign exchange transactions are recorded at the closing rate prevailing on the date of the respective transactions. Exchange difference arising on foreign exchange transactions settled during the year is recognized in the profit and loss account.

- b) Monetary assets and liabilities denominated in foreign currencies are converted at the closing rate as on Balance Sheet date. The resultant exchange difference is recognized in the profit and loss account.
- c) Exchange rate differences arising on a monetary item that, in substance, forms part of the Company's net investment in a non-integral foreign operation are accumulated in a foreign currency translation reserve in the Company's financial statements until the disposal of the net investment.
- d) Non-monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.
- e) In respect of transactions covered by forward exchange contracts, the difference between the year-end closing rate and rate prevailing on the date of contract is recognized as exchange difference and the premium paid on forward contract is recognized over the life of the contract.
- f) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. InterCompany transactions such as acquisition of shares of the subsidiaries or loans and advances etc. are taken at the actual rate of the transactions. Any exchange difference arising on consolidation is recognized in the foreign currency translation reserve.

### 28.13 Operating Leases

Lease payments under operating leases have been recognized as an expense in the profit and loss account on a straight line basis over the lease term.

### 28.14 Employee Benefits

#### a) Short term Employee Benefits

Short term employee benefits are recognized as an expense at the undiscounted amount in profit and loss account of the year in which the related service is rendered.

#### b) Post Employment Benefits

Contribution to Provident Fund and Gratuity Fund are charged against revenue. Gratuity liability is paid to the Life Insurance Corporation of India through a Trust created for the purpose under Group Gratuity Scheme. The Premium paid/payable is being charged to Profit and Loss Account on accrual basis.

#### c) Other Long Term Employees Benefits

Company's liability towards earned leave is determined by an independent actuary using Projected Unit Credit Method. Past services are recognized on a straight line basis over the average period until the benefits become vested. Actuarial gains and losses are recognized immediately in the profit and loss account as income or expenses. Obligation is measured at the present value of the estimated future cash flows using a discounted rate that is determined by reference to the market yields at the balance sheet date on Government Bonds where the currency and terms of the Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation.

- d) In case of subsidiaries employee benefits including social security contributions have been provided in accordance with the laws of the country in which the Company is operating.

### 28.15 Investments

Long-term investments are carried at cost less any permanent diminution in value. Current investments are carried at the lower of cost or fair value.

### 28.16 Taxation

Tax expenses are the aggregate of current tax and deferred tax charged or credited in the statement of profit and loss for the period.

#### a) Current Tax

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Company.

#### b) Minimum Alternate Tax [MAT]:

In case the Company is liable to pay income tax u/s 115JB of income tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit Entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each balance sheet date.

#### c) Deferred Tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date.

### 28.17 Government Grant

#### a) Capital Grant

Government grant related to specific fixed assets which are depreciable are treated as deferred income which is recognized in the profit and loss statement on systematic and rational basis over the useful life of the respective asset. Such allocation to income is usually made over the periods and in the proportions in which depreciation on related assets is charged.

#### b) Revenue Grant

Revenue grant related to specific tax exemptions is recognized in the Profit and Loss Account on a systematic and rational basis in the year in which it accrues.

### 28.18 Borrowing Cost

Borrowing cost attributable to acquisition or construction of a qualifying asset is capitalized as part of the cost of asset up to the date such asset is ready for its intended use. Other borrowing costs are charged to profit and loss account in the year in which they are incurred.

### 28.19 Employee Stock Option

Employee Compensation Cost, if any, arising on account of option granted to employees is recognized in the financial statements. It is the difference between the intrinsic value and exercise price of options.

### 28.20 Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the

assets. If such recoverable amount of the assets or the recoverable amount of the cash generating unit to which the assets belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

### 28.21 Provisions and Contingent Liabilities

The Company creates a provision when there is a present obligation as a result of past events that probably requires an outflow of resources and reliable estimates can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are neither recognized nor disclosed.

#### Note 29: Commitments and Contingent Liabilities (Rs. In Lacs)

	As at March 31, 2015	As at March 31, 2014
a) Claims against the Company not acknowledged as debts in respect of		
i) Excise & custom duty matters under dispute <sup>1</sup>	52	52
ii) Commercial Taxes matter under dispute	7575	7575
b) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	1653	1653
c) Bank Gurantee	166	143
d) Export Promotion against Capital Goods.	276	276
e) Other Commitment		
i) Preference Dividend with Taxes	757	454
iii) Premium payable on Redemption of Cumulative Redeemable Preference Shares in June 2021	16632	16632

(f) There have been delays in filing of returns and documents with Regulatory Authorities and in some instances documents filed/required to be filed are not traceable with the Company. The liability, if any, in this regard is not ascertainable.

(g) Matter in regard to dishonour of cheques issued by the Company during the financial period is pending. The liability, if any, in this regard is not ascertainable.

(h) As regards cultivation & maintenance of Jatropha plantation by the Company, one of the conditions in FIPB approval has put restrictions on such activity. The liability if any is not ascertainable. The Company has undertaken such activity in financial year 2008-09 and as stated by the management the company has not extended it further and only maintaining the same.

(i) In respect of remuneration of Rs. 96 lacs paid in financial year 2010-11(fifteen months ended as on 30.06.11) which was in excess of ceiling prescribed under schedule XIII of the companies Act, 1956. The Company has not yet obtained approval of the central government, the liability if any is not ascertainable.

#### Note:

1 Amounts aggregating Rs. 213 Lacs and Rs. 212 Lacs are deposited as appeal advance as on March 31, 2015 and March 31, 2014 respectively against Excise & Custom matters and Sales tax

matters.

2 Payment of redemption premium @ 64% of preference share (face value of Rs. 10/- each) is subject to the condition that the same is being paid out from the cash balance is available with Company in excess of Rs. 7500 Lacs.

#### Note 30 : Search Operation

Search Operation was conducted by Income Tax Department on Company and promoters on March 11, 2010 and various documents and materials were seized by the Department during the search proceedings. The Company in order to have early resolution of matter preferred application before The Hon'ble Settlement Commission in previous year. The Hon'ble Settlement Commission, Mumbai Bench vide its order dated 24th June, 2013 has settled all the cases of the Company from FY 2003-04 to FY 2010-11. However Income tax department filed an appeal before hon'ble Bench of High court at Gwalior. The matter is still pending for consideration.

#### Note 31 : Corporate Debt Restructuring:

a) The restructuring package was approved by CDR empowered group on 20th December, 2011. The Master Restructuring Agreement has also been signed with the lenders participating in the CDR package ('CDR Lenders') on 14th March, 2012.

b) However the Company has not been able to service its repayment obligations as sanctioned under CDR scheme and have been made delays and defaults in repayment obligations. Such delays and defaults have consequential impact on the financial statements in terms of approved CDR Scheme and the CDR Scheme has been called off by the CDR Empowered Group in a meeting held in July 2013.

c) Subsequent to above, the Group of Lenders have issued Demand notice U/s 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of security Interest Act, 2002 for calling of the entire loan amount including interest due thereon for Wind Energy Business and Edible Oil Business dated 26th Dec 2013 & 4th March 2014 respectively. By virtue of above notices, the Company has to repay the entire outstanding loan amount to the lenders within 60 days from the date of notice. However it could not be done.

d) Lenders have sold of 82 windmills of 67.2 MW out of total 92 windmills of 78 MW to different buyers between the periods from January 2015 to March 2015 through a separate bidding process for Rs 176.84 Cr. The sales proceed shall be utilised for repayment of outstanding loan liability of windmill division as the fund lying with bankers.

#### Note 32: Interest on Borrowing and Finance Charges

The Company had been served demand notice under section 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SERFAESI), 2002 on dated 26th Dec, 2013 for Wind Energy Business and dated 4th March, 2014 for Edible Oil Business respectively for payment of outstanding principal amount including interest etc. Total outstanding loan up to date of serving of SERFAESI Notice was Rs.3535.14 Cr as against Rs. 2886.10 Cr appearing in books of accounts. Due to Pending details such as overdue interest, penalties, damages, cost etc. as considered by lenders in SARFAESI notices, the Company is not able to quantify the Shortfall in interest and financial charges to be provided in books of accounts. Further the Company has not provided any interest liability for the current period due to non charging of interest by majority of banks and non availability of their statements of accounts.

#### Note 33: Agricultural Activity

During the Financial Year 2008-2009, Government of Madhya Pradesh has allotted a land admeasuring 2,000 hectares to the Company on a license basis for no consideration, for carrying out the agricultural activity for a period of two years; consequently this has not been recognized as a grant.

#### Note 34: Variance in Cost and Sales Margin

Though the quantity of production has changed as compared with those for the earlier periods, the change in relevant expenses is not in the same

proportion. This was mainly on account of plant efficiency and cost control measures. Further, there have been fluctuations in average realization of sales price during this period. This was on account of market conditions and quality of goods.

**Note 35: Inventory Verification**

The management of the Company confirms that they have carried out physical verification of inventory at the end of the year. However the statutory auditors could not carry out or associate for physical verification as they were appointed on 17th march 2015.

**Note 36: Going Concern**

During the financial period the Company has incurred loss of Rs 22940 Lacs and its net worth has been completely eroded. Paucity of adequate working capital has also affected the operations, resulting in partial running of plants on job work basis or closure of plants. Company is in the process of restructuring its business; hive off whole or part of core and non-core assets for reducing debt burden. Resulting of the same during the year some portion of the non core assets (windmill division) have been sold. To deal with the above situation, the Company is actively pursuing option of re-organization of existing business and/or enters into some strategic alliance or introduces any potential investor. This would enable the Company to ease its continuing financial burden and ensure smoother running of its plants. To implement such strategy the Company and lenders consortium have appointed a reputed consultancy firm to look into the possible alternatives and suggest plan to be implemented for restructuring including sale of whole or part of Edible Oil business, which is in progress. Under the circumstances, the financial statements have been prepared on Going Concern basis and in the opinion of the management no adjustments are considered necessary to the carrying value of its assets and liabilities.

**Note 37: Preferential issue of equity shares and warrants:**

- a) In order to meet the fund requirement of the Company for its (i) Expansion of refinery in India along with other allied expenditure (ii) Investment in its overseas subsidiaries for development of Greenfield palm plantations and acquisition of mature palm plantations and / or CPO mills, all in Indonesia, the Company has come out with preferential allotment of Equity Shares and Warrants to the promoters & other foreign Investors in July, 2009 at an issue price calculated under SEBI (DIP) Guidelines, 2000 on preferential basis duly

approved by Shareholders and Board of Directors of the Company.

- b) The entire proceeds received towards the warrants have been utilized for the purpose of expansion of refinery in India along with other allied expenditure and for investment in its subsidiaries, except Rs.5065 Lacs. Such unutilized funds of preferential issue which were kept in FD's with the banks in previous periods, except for FD's aggregating Rs. 1117 lacs, balance amount of Rs 3948 lacs have been utilized for the working capital of the company instead of for expansion work in foreign business, which was the primary object of raising funds.

**Note 38: Non Transfer of Dividends:**

Company recommended dividend in FY2009-10 of Rs 858 lacs (Rs 0.18 per share) (inclusive of Dividend Distribution Tax of Rs 122 lacs). Out of the dividend so declared, an amount of Rs 90 lacs remains unpaid.

Due to severe liquidity crunch, the promoters opted to defer the receipt of their part of dividend till the liquidity improves. For the same reasons the company has not transferred un-paid dividend to a separate Bank account in terms of the requirement of Sec. 205- A of the Companies Act, 1956.

**Note 39: AGM and Results:**

The Company has made an application to the Registrar of Companies (ROC) vide letter dated September 22, 2015 for extension of holding 29th AGM of the company for further 3 months according to the provisions of the Companies Act, 2013 the Company was required to hold the AGM within the six months from the close of financial year but due to the most of the key personnel's have left the Company and consolidation of the foreign subsidiaries accounts, the company has not finalized and get audited the accounts within the stipulated time.

**Note 40 : Derivatives**

**a) Derivative Instruments**

There are no yearend foreign currency exposure that have been hedged by derivative instrument

- b) The yearend foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

- i) Amount receivable in foreign currency on account of the following:

	As at March 31, 2015		As at March 31, 2014	
	Amount in Foreign Currency	(Rs. in Lacs)	Amount in Foreign Currency	(Rs. in Lacs)
Export of Goods	Nil	Nil	Nil	Nil
Other Loan Receivables (MYR)	242700	41	242700	45

ii) Amount payable in foreign currency on account of the following:

	As at March 31, 2015		As at March 31, 2014	
	Amount in Foreign Currency	(Rs. in Lacs)	Amount in Foreign Currency	(Rs. in Lacs)
Import of Goods and Service (\$)	22109	13	22109	13
Interest Payable (\$)	538595	324	342195	324
Loans Payable (\$)	5231250	3274	5231250	3144

iii) Bank Balances in foreign Currency

	As at March 31, 2015		As at March 31, 2014	
	Amount in Foreign Currency	(Rs. in Lacs)	Amount in Foreign Currency	(Rs. in Lacs)
Bank Balance (USD)	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil

@denotes amount less than Rs. 50,000

**Note 41 : Government Grants:**

**a) Non Monetary**

(Rs. In Lacs)

Particulars	For the period ended March 31, 2015	For the period ended March 31, 2014
Depreciation on the assets funded by Government Grant	2	7
Income recognized from Government Grants	2	7

**b) Monetary**

(Rs. In Lacs)

Particulars	For the period ended March 31, 2015	For the period ended March 31, 2014
Income recognized from Government Grants	-	199

**Note 42: Auditors Remuneration**

(Rs. In Lacs)

Particulars	For the period ended March 31, 2015	For the period ended March 31, 2014
Audit Fees (including Limited Review and Consolidation fees)	6	9
Certification Work	5	5
Reimbursement of Expenses	@	@
Service Tax on the Fees and Certification	1	2

@denotes amount less than Rs. 50,000

**Note 43 Segment Information**

In accordance with AS-17, Segment Revenue, Segment results and other information are as under:

Particulars	Edible Oil		Power		Others		Unallocable		Elimination		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
	(Rs. in Lacs)											
Segment Revenue												
External Turnover	1371	97118	3063	3864	-	-	505	558	-	-	4434	101540
Inter Segment Turnover			362	336					(362)	(336)	-	-
Gross Turnover	1371	97118	3425	4200	-	-	505	558	(362)	(336)	4939	101540
Less: Excise duty	1	98									1	98
Net Turnover	1371	97020	3425	4200	-	-	505	558	(362)	(336)	4939	101442
Segment Result Before Interest and Taxes	(11079)	(130624)	(6009)	402	(8)	(16)	(4949)	(3964)	(340)	(336)	(22385)	(134538)
Less: Interest Expenses							484	17096	0	(34)	484	17062
Add: Interest Income							127	648	0	(190)	127	458
Profit before tax	(11,079)	(130,624)	(6,009)	402	(8)	(16)	(5,306)	(20,412)			(22,742)	(151,142)
Current tax							3	(685)			3	(685)
Deferred tax							194	29			194	29
Profit after tax	(11,079)	(130,624)	(6,009)	402	(8)	(16)	(5,503)	(19,756)	-	-	(22,940)	(150,486)
Other Information												
Segment Assets	130730	139072	5017	30550	3	7	37397	42254	(23462)	(23574)	149684	188309
Segment Liabilities	295953	295195	3067	20646	-	-	13014	12878	(1285)	(1412)	310748	327307
Capital Expenditure	0	0						-			0	0
Depreciation/ Amortization	3711	4834	1629	2768	3	7	33	39			5376	7648
Non cash expenses other than Depreciation							11718	91229			11718	91229
Goodwill on Consolidation												

@denotes amount less than Rs. 50,000

**Disclosures:****1. Primary Segment****a) Business Segment:**

Segment identified by the Company comprises as under:

- i. Edible oil: Extraction of seed, Refined oil, Vanaspati oil, Income from commodity hedging transaction (Derivatives), High sea sales and local trading.
- ii. Power Generation: Windmill.
- iii. Others: Agriculture income.

By products under each segment have been included under the respective segment.

**b) Segment Revenue & Expenses:**

Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprises as a whole and are not allocable to a segment on a reasonable basis have been disclosed as "Unallocable".

**c) Segment Assets and Liabilities:**

Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

**d) Inter segment Transfers:**

Segment revenue, segment Expenses and segment results include transfer between business segments, such transfers are eliminated in consolidation.

**e) Accounting Policies:**

The accounting policies consistently used in the Preparation of the financial statements are also applied to item of revenue and expenditure in individual segments

**2. Secondary Segment: Geographical Segment**

The following is the distribution of Company's sale by geographical market regardless of where the goods were produced:

(Rs. In Lacs)

	For the period ended March 31, 2015	For the period ended March 31, 2014
India	4434	100790
Rest of the World	505	652
<b>Total</b>	<b>4939</b>	<b>101442</b>

**Note 44: Employee Benefits Plans****i) Defined Contribution Plan**

(Rs. In Lacs)

	For the period ended March 31, 2015	For the period ended March 31, 2014
(1) Provident Fund	25	44
(2) State defined contribution plans		
- Employers' Contribution to Employees' State Insurance	3	7
<b>Total</b>	<b>28</b>	<b>51</b>

**ii) Defined Benefit Plan:**

- Gratuity (Funded)
- Leave Encashment (Non funded)

In terms of the guidance on implementing the revised AS 15, issued by the Accounting Standards Board of the Institute of Chartered Accountants of India, the Gratuity trust set up by the Company is treated as defined benefit plan since the Company has to meet the shortfall, if any. However,

at the year end, no shortfall remains unprovided for.

Leave encashment is payable to eligible employees who have earned leaves, during the employment and/or on separation as per the Company's policy.

Valuations in respect of Gratuity and Leave encashment, as at the Balance Sheet date, based on the following assumptions:

**- The disclosures of Gratuity are as under:**

(Rs. In Lacs)

Particular	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>1. Assumptions</b>		
Discount Rate	8%	9%
Salary Escalation	5%	5%
<b>2. Table showing changes in present value of obligations</b>		
Present value of obligations as at beginning of period	87	85
Interest cost	5	9
Current service cost	9	12
Benefits paid	46	15
Actuarial (gain)/loss on obligations	1	(4)
Present value of obligations as at end of period	58	87
<b>3. Table showing changes in the fair value of plan assets</b>		
Fair value plan assets at beginning of period	162	151
Expected return on plan assets	13	15
Contributions	5	11
Benefits paid	46	15
Actuarial (gain)/loss on obligations	(3)	@
Fair value of plan assets at the end of period	130	162
<b>4. Table showing fair value of plan assets</b>		
Fair value plan assets at beginning of period	162	151
Actual return on plan assets	13	15
Contributions	5	11
Benefits paid	46	15
Fair value of plan assets at the end of period	130	162
Funded status	75	75
Excess of actual over estimated return on plan assets	Nil	Nil
<b>5. Actuarial Gain/Loss recognized</b>		
Actuarial gain/(loss) for the period -Obligations	4	4
Actuarial (gain)/loss for the period -plan assets	@	@
Total (gain)/loss for the period	4	(5)

Actuarial (gain)/loss recognized in the period	4	(5)
------------------------------------------------	---	-----

### 6. The amounts to be recognized in the balance sheet and statements of profit and loss

Present value of obligations as at the end of period	56	87
Fair value of plan assets as at the end of the period	130	162
Funded status	75	75
Net assets (liability) recognized in balance sheet	75	75

### 7. Expenses recognized in statement of profit and loss

Current service cost	9	12
Interest cost	5	9
Expected return on plan assets	13	(15)
Net actuarial (gain)/loss recognized in the period	4	(4)
Expenses recognized in statement of profit and loss	5	2

**-Valuation of liability for Leave encashment has been carried out by an independent actuary, as at the Balance Sheet date, based on the following assumptions:**

(Rs. In Lacs)

Particular	For the period ended March 31, 2015	For the period ended March 31, 2014
Discount Rate (Per annum)	8%	9%
Rate of increase in Compensation levels	0.05	5%
Rate of Return on Plan Assets	Nil	Nil
Expected Avg. remaining working lives of employees in no. of periods	18	21

### 1. Changes in present Value of Obligation

Present value of Obligation as at beginning of the period	16	28
Interest Cost	1	3
Past Service Cost	0	0
Current Service Cost	2	3
Contributions by Plan participants	0	0
Curtailment Cost/(Credit)	0	0
Settlement Cost/(Credit)	0	0
Benefits Paid	1	7
Actuarial(Gains)/Loss	(5)	(12)

Present value of Obligation as at the end of the period	13	16
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### 2. Amounts recognized in the Balance Sheet

Present Value of Obligation as at the end of the period	13	16
Fair value of Plan Assets as at the end of the period	NA	NA
(Asset)/ Liability recognized in the Balance Sheet	13	16

### 3. Expenses recognized in the Profit and Loss Account

Current Service Cost	2	3
Past Service Cost	0	0
Interest Cost	1	3
Expected Return on Plan Assets	0	0
Curtailment Cost/(Credit)	0	0
Settlement Cost/(Credit)	0	0
Net Actuarial(Gain)/Loss	(5)	(12)
Employees' Contribution	0	0
Total Expenses recognized in Statement of Profit and Loss	(2)	(6)

### Amount of Current and Previous four years as follow

(Rs. In Lacs)

	March 31,2015	March 31,2014	Dec. 31,2012	June 31,2011	Mar. 31,2010
<b>Gratuity</b>					
Defined Benefit Obligation	58	87	85	126	109
Plan Assets	130	162	151	140	129
Surplus or Deficit	(72)	(75)	(66)	(14)	(20)

Experience adjustment in Plan Liability

Experience adjustment in Plan Assets

### Note 45 : Related Party Disclosures

a) Transactions with Related Parties as specified under Accounting Standard-18

<b>Enterprises over which Key Managerial Personnel exercises significant influence</b>	K.S. Food Products K.S Enterprises Ramesh Chand Sourabh Kumar HUF Sourabh Garg HUF Neill Education Pvt. Ltd. KS Oils Ltd. Group Gratuity Scheme Garg Family Trust
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### Other Related parties with whom transactions have taken place during the year

#### Key Managerial Personnel on the Board

Mr. Ramesh Chand Garg	Chairman and Managing Director
Mr. Daves Aggarwal	Whole time Director

#### Relatives of Key Managerial Personnel

Mrs. Sheela Devi Garg	Spouse of the CMD
Mr. Sourabh Garg	Son of CMD
Mrs. Meeta Garg	Spouse of Son (Mr. Sourabh Garg)
Mr. Shyam Kumar Garg	Brother of CMD
Mr. Om Prakash Garg	Brother of CMD
Mr. Mohan Lal Garg	Brother of CMD

#### Other Related parties/ Affiliate Companies

Mr. Rosaline Ukim	Director in Subsidiary
Mr. Shim Shuk Han	Director in Subsidiary
Mr. Widodo Nurly Sumady	Director in Subsidiary
Mr. Baey Chang Song	Director in Subsidiary
Mr. Jeffrey Lachmandas Mahtani	Commissioner in Subsidiary

## b) Particulars of Related Party Transactions

Particulars	Volume of transaction during the period ended March 31, 2015	Volume of transaction during the period ended March 31, 2014	As at March 31, 2015 O/S Receivable	As at March 31 2014 O/S Receivable	As at March 31 2015 O/S Payable	As at March 31 2014 O/S Payable
<b>Loan Received/(Given Back)</b>						
<b>Key Management Personnel</b>						
Ramesh Chand Garg	-	(6757)				-
<b>Total</b>	-	(6757)				-
<b>Due from/ (Due to) Others party</b>						
K.S. Enterprises	920	-	920	-		
K.S. Food Products	2455	-	2455	-		
	3375	-	3375	-		
<b>Remuneration*</b>						
<b>Key Management Personnel</b>						
Mr.Ramesh Chand Garg	24	30			16	3
Mr. Davesh Agarwal	24	29			26	13
<b>Total</b>	<b>48</b>	<b>59</b>			<b>42</b>	<b>16</b>
<b>Other Related Parties</b>						
Mr. Jeffrey Lachmandas Mahtani	-	88				
Mr. Tapan Baheti	-	5				
Mr. Sanjay Rathi	-	4				
Mr. Baey Chang Song	-	2				
Mr. Rosaline Ukim	-	2				
Mr. Shim Shuk Han	-	2				
<b>Total</b>	-	<b>103</b>				
<b>Dividend</b>						
<b>Key Management Personnel</b>						
Mr.Ramesh Chand Garg		-	-	-	-	108
<b>Total</b>		-	-	-	-	<b>108</b>
<b>Relative of Key Management Personnel</b>						
Mrs.Meeta Garg	-	-	-	-	-	38
Mrs.Sheela Devi Garg	-	-	-	-	-	50
Mr.Sourabh Garg	-	-	-	-	-	26
<b>Total</b>	-	-	-	-	-	<b>115</b>
<b>Other Related Parties</b>						
Ramesh Chand Sourabh Kumar HUF	-	-	-	-	-	30
Sourabh Garg HUF	-	-	-	-	-	5
<b>Total</b>	-	-	-	-	-	<b>35</b>

<b>Rent Paid</b>						
<b>Key Management Personnel</b>						
Mr. Ramesh Chand Garg	7	14			49	43
<b>Total</b>	<b>7</b>	<b>14</b>			<b>49</b>	<b>43</b>
<b>Other Related Parties</b>						
K.S. Enterprises	-	1			-	-
K.S. Food Products	-	1			-	-
Garg Family Trust	3	25			-	-
<b>Total</b>	<b>3</b>	<b>28</b>			<b>-</b>	<b>-</b>
<b>Security Deposit Given</b>						
<b>Key Management Personnel</b>						
Mr. Ramesh Chand Garg	-	-	4	4		-
<b>Contribution for Gratuity</b>						
KS Oils Ltd. Group Gratuity Scheme	-	12				

@denotes amount less than Rs. 50,000.

\* Excluding contribution to gratuity fund and provision for leave encashment as separate figure cannot be quantified

Entire Loan Outstanding as on balance sheet date is secured by Personal Guarantee from Mr. Ramesh Chandra Garag and Mr. Sourabh Garg to all the lenders

**Note 46: Operating Lease** (Rs. In Lacs)

Future minimum lease payments under non-cancelable operating leases are as under:

	As at March 31, 2015	As at March 31, 2014
Rent payable for 1 year	27	33
Rent payable for 1 to 5 years	29	3
Rent payable for 5 years and above	-	-

**Note:** Rental cost is annually escalated between seven and twenty percentage. Annual escalation for every transaction is considered from the effective date of rent agreement. Except in case of some agreement where the escalation is effective after the execution of the rent agreement.

On expiration of the above stated lease agreements, the same can be renewed on the basis of mutual consent of the lessor and lessee.

Additional amount of service tax will be paid on the above stated lease rental amount according to the rates applicable at the time of respective lease rental payments.

Total lease rental cost recognized in the financial statement is of Rs 41 Lacs (previous period Rs. 112 Lacs).

**Note 47 : Earning Per Share**

In determining earnings per share, the Company considers the net profit after tax and includes the post tax effect of any extra-ordinary / exceptional item. The numbers of shares in computing basic earnings per share is the weighted average numbers of shares outstanding during the period. The numbers of shares used in computing diluted earnings per share comprises weighted averages shares considered for deriving basic earnings per share, and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair

value (i.e. the average market value of outstanding shares). Statement showing the computation of EPS is as under:

	For the period ended March 31, 2015	For the period ended March 31, 2014
Loss after tax	(22389)	(150374)
Less: Preference Dividend	260	325
Less: Dividend Distribution Tax	44	55
Less: Interest on Dividend	-	14
Less : Interest on Dividend Distribution Tax	-	7
<b>Loss Available for Equity Share Holders</b>	<b>(22693)</b>	<b>(150774)</b>
Weighted average number of equity shares for Basic/Diluted EPS (no. of shares in Lacs)	4592	4592
Basic/Diluted earnings per share (in rupees)	(4.94)	(32.83)
Face value of share (in rupees)	1	1

**Note 48: Discontinuing Operation as per AS-24**

Pursuant to the note 32 (a) & (b), The Company proposes to sell whole or part of the Edible Oil Assets & Windmill Energy Assets of the Company to a buyer identify in accordance with the sale process to be undertaken by State Bank of India (acting on behalf of lenders) to repay the outstanding debt including interest of the Company. The sale of the above assets are subject to approval of shareholders u/s 293 (1)(a) of the Companies Act, 1956 through postal Ballot.

In order to above, an ordinary resolution has been passed by the shareholders of the Company u/s 293 (1)(a) on dated 7th September , 2013 through postal ballot.

A) In accordance with the disclosure requirement of Accounting Standard - 24 "Discontinuing Operations", following disclosures are made as under for windmill Assets:

- a) Company had several windmills in the various states of the country through which it generates power.
- b) Operations of windmill activity are shown as a part of Business Segment in accordance with the requirement of AS – 17 “Segment Reporting”.
- c) Assets related Windmill Energy Business is required to be sold off on priority basis.
- d) Carrying amount of fixed assets is shown under note no- 11 “Fixed assets” and for assets and liabilities refer note no. 43 “Segment reporting” under consolidated financial statement.
- e) Revenue and Expenditure in respect to ordinary activities attributable to Windmill Energy Business are shown in note no. 43 “Segment reporting” under consolidated financial Statement.
- B) In accordance with the disclosure requirement of Accounting Standard - 24 “Discontinuing Operations”, following disclosures are made as under for Edible Oil Business:
- a) Company has five manufacturing units in the various states of the country through which it manufacture edible oil.
- b) Operations of Edible Oil activity are shown as a part of Business Segment in accordance with the requirement of AS – 17 “Segment Reporting”.
- c) Assets related Edible oil Business is required to be sold off on priority basis.
- d) Carrying amount of fixed assets is shown under note no- 11 “Fixed assets” and for assets and liabilities refer note no. 43 “Segment reporting” under consolidated financial statement.
- e) Revenue and Expenditure in respect to ordinary activities attributable to Edible Oil Business are shown in note no. 43 “Segment reporting” under consolidated financial Statement.

**Note 49: Value of Raw Material, Stores and Spares Consumed**

	For the period ended on March 31, 2015		For the period ended on March 31, 2014	
	Consumption (in Lacs)	% of Total Consumption	Consumption (in Lacs)	% of Total Consumption
<b>1) Value of Raw Material Consumed</b>				
Total Consumption	-	-	106124	100
Imported	-	-	5156	5
Indigenous	-	-	100968	95
<b>2) Value of Stores and Spares Consumed</b>				
Total Consumption	56	100	69	100
Imported	-	-	-	-
Indigenous	56	100	69	100

**Note 50: Particulars of Raw Material Consumption, Production, Sale and Stock**

Description	Unit	For the period ended as on March 31, 2015		For the period ended as on March 31, 2014	
		Qty	Value in Rs. (lacs)	Qty	Value in Rs. (lacs)
<b>Opening Stock</b>					
Oil	M.T.	11122	6065	41464	22351
DOC	M.T.	4022	582	16100	3322
Vanaspati Ghee	M.T.	107	62	652	348
By Product/Packing Material/Trading Goods			432		1096
<b>Production</b>					
Oil	M.T.	-	-	23405	
DOC	M.T.	-	-	106992	
Vanaspati Ghee	M.T.	-	-	405	
Power	KWH	102398049	-	124521579	
<b>Cost of Material Consumed</b>					
Mustard Seed	M.T.	-	-	7764	2895
Soya been Seed	M.T.	-	-	43352	13784
Oil	M.T.	15	23	4213	2661
DOC	M.T.	-	-	42	8
Crude Oil for Refinery	M.T.	-	-	22756	7796
Crude Oil for Vanaspati	M.T.	-	-	426	49

Tin Plate	M.T.	-	-	176	108
Oil Cake	M.T.	-	-	75703	12704
Packing Material/Other Expenses			1584		66074
HDPE					43
			<b>1608</b>		<b>106124</b>
<b>Sale</b>					
Oil	M.T.	34	25	57960	30075
DOC	M.T.	-	-	119112	24430
Vanaspati Ghee	M.T.	-	-	951	496
Power	KWH	94852762	3063	117403181	3864
By Product/Packing Material/Trading Goods			1345		41117
<b>Closing Stock</b>					
Oil	M.T.	11103	5858	11122	6065
DOC	M.T.	4022	582	4022	582
Vanaspati Ghee	M.T.	107	62	107	62
By Product/Packing Material/Trading Goods			401		432

**Note 51: CIF/CFR Value of Imports** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on Mar.31, 2014
Raw Materials/ Traded Goods	-	-
Stores & Spares	-	-
Capital goods	-	-

**Note 52: Earnings in Foreign Currency** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on Mar.31, 2014
On export of goods calculated on FOB basis	-	-
Interest on loan to subsidiaries	-	187

**Note 53: Expenditure in Foreign Currency** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on Mar.31, 2014
Interest	-	143
Professional fees	-	15
Others	-	-

**Note 54: Dividend to NRI / OCB** (Rs. In Lacs)

	For the period ended on March 31, 2015	For the period ended on Mar.31, 2014
Dividend	-	5
Number of Shareholders	916	991
Total Number of Shares (In No.)	105678891	85115504

**Note 55: Comparatives Figures**

1) The current financial statements is prepared for twelve months period ended March 31, 2015, hence figures for the same are not comparable with that of previous financial statements, which was prepared for the fifteen months period ended March 31, 2014.

As per our report of even date For and on behalf of Board of Directors

**For LADHA G.D. & CO.**  
Chartered Accountants  
Firm Reg. No. 010962C

**K. S. OILS LIMITED**

**Ramesh Chand Garg** Managing Director  
DIN: 00027025

**Davesh Agarwal** Executive Director & CFO  
DIN: 01102237

**Nitin Paharia**  
Partner  
M. No. 409770

**Sandeep Kumar**  
Company Secretary

Place: New Delhi  
Date: December 5, 2015

## Statement containing salient features of the financial statement of subsidiaries:-

Sr. No.	Particulars	Currency	KS Natural Resources Pte. Ltd. (Singapore)	USD	K S Agri Resources Pte. Ltd. (Singapore)	USD	K S Oil Sdn Bhd (Malaysia)	RM	PT. Buana Mega Sentosa Plantation (Indonesia)	IDR	PT Biodiesel Jambi (Indonesia)	IDR	PT . Mega Artha Persada (Indonesia)	IDR	PT Tunas Bersusun Abadi (Indonesia)	IDR	PT. Luwang Urip (Indonesia)	IDR
1	Reporting Period for the Subsidiary Concerned, if Different from the holding Company's reporting period		n.a	USD	n.a	USD	n.a	RM	n.a	IDR	n.a	IDR	n.a	IDR	n.a	IDR	n.a	IDR
2	Reporting Currency		USD	USD	USD	USD	RM	RM	IDR	IDR	IDR	IDR	IDR	IDR	IDR	IDR	IDR	IDR
3	Exchange Rate on last day on the last date of relevant Financial Year in the case of foreign Subsidiary		60.0998	60.0998	60.0998	60.0998	16.9444	0.0048	0.0048	0.0048	0.0048	0.0048	0.0048	0.0048	0.0048	0.0048	0.0048	0.0048
4	Capital	Foreign Currency	47,984,400	18,376,200	809,000	30,333,000,000	27,000,000,000	27,000,000,000	5,000,000,000	5,000,000,000	27,000,000,000	27,000,000,000	27,000,000,000	27,000,000,000	27,000,000,000	2,000,000,000	2,000,000,000	2,000,000,000
		INR	2,883,852,843	1,104,405,945	13,708,020	145,598,400	129,600,000	129,600,000	24,000,000	24,000,000	129,600,000	129,600,000	129,600,000	129,600,000	129,600,000	9,600,000	9,600,000	9,600,000
5	Reserves	Foreign Currency	(23,598,359)	(3,433,918)	(20,412)	(52,521,920,788)	(16,837,320,754)	(16,837,320,754)	(6,934,662,877)	(6,934,662,877)	(85,993,446,834)	(85,993,446,834)	(2,981,206,085)	(2,981,206,085)	(2,981,206,085)	(2,981,206,085)	(2,981,206,085)	(2,981,206,085)
		INR	(1,418,256,656)	(206,377,785)	(345,869)	(252,105,220)	(80,819,140)	(80,819,140)	(33,286,382)	(33,286,382)	(412,768,545)	(412,768,545)	(14,309,789)	(14,309,789)	(14,309,789)	(14,309,789)	(14,309,789)	(14,309,789)
6	Total Assets	Foreign Currency	24,506,168	15,403,092	11,687,370	26,628,124,329	12,543,967,247	12,543,967,247	60,211,043	60,211,043	203,440,312	203,440,312	13,082,036	13,082,036	13,082,036	13,082,036	13,082,036	13,082,036
		INR	1,472,815,796	925,722,749	198,035,472	127,814,997	60,211,043	60,211,043	1,934,662,877	1,934,662,877	101,376,845,104	101,376,845,104	3,706,630,354	3,706,630,354	3,706,630,354	3,706,630,354	3,706,630,354	3,706,630,354
7	Total Liabilities	Foreign Currency	120,127	14,942,282	10,898,782	48,817,045,116	2,381,288,000	2,381,288,000	9,286,382	9,286,382	486,608,856	486,608,856	17,791,826	17,791,826	17,791,826	17,791,826	17,791,826	17,791,826
		INR	7,219,609	898,028,160	184,673,322	234,321,817	11,430,182	11,430,182	-	-	-	-	-	-	-	-	-	-
8	Investments	Foreign Currency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		INR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Turnover & Other Income	Foreign Currency	-	-	2,767,665	-	-	-	-	-	-	-	-	-	-	-	-	-
		INR	-	-	50,462,006	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Profit / (Loss) Before Tax	Foreign Currency	(4,671,701)	(194,065)	1,289,965	(36,927,353,367)	(13,755,620,186)	(13,755,620,186)	(497,565,009)	(497,565,009)	(58,751,626,150)	(58,751,626,150)	(2,725,424,270)	(2,725,424,270)	(2,725,424,270)	(2,725,424,270)	(2,725,424,270)	(2,725,424,270)
		INR	(282,433,022)	(11,732,421)	23,519,545	(184,636,767)	(68,778,101)	(68,778,101)	(2,487,825)	(2,487,825)	(293,758,131)	(293,758,131)	(13,627,121)	(13,627,121)	(13,627,121)	(13,627,121)	(13,627,121)	(13,627,121)
11	Provision for tax	Foreign Currency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		INR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Profit / (Loss) After Tax	Foreign Currency	(4,671,701)	(194,065)	1,289,965	(36,927,353,367)	(13,755,620,186)	(13,755,620,186)	(497,565,009)	(497,565,009)	(58,751,626,150)	(58,751,626,150)	(2,725,424,270)	(2,725,424,270)	(2,725,424,270)	(2,725,424,270)	(2,725,424,270)	(2,725,424,270)
		INR	(282,433,022)	(11,732,421)	23,519,545	(184,636,767)	(68,778,101)	(68,778,101)	(2,487,825)	(2,487,825)	(293,758,131)	(293,758,131)	(13,627,121)	(13,627,121)	(13,627,121)	(13,627,121)	(13,627,121)	(13,627,121)
13	Proposed Dividend	Foreign Currency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		INR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	% of shareholding		100	100	70	90	90	90	90	90	90	90	90	90	88	88	95	95

For and on behalf of the Board of Directors of  
**K. S. Oils Limited**

**Ramesh Chand Garg**  
Managing Director  
DIN: 000270025

**Davesh Agarwal**  
Executive Director & CFO  
DIN: 01102237

**Sandeep Kumar**  
Company Secretary



## K. S. OILS LIMITED

CIN: L15141MP1985PLC003171

Reg. Off: Jiwaji Ganj, Morena, MP- 476001

Tel: 91-7532-300000 : Fax: +91-7532-405060

E-mail : investors@ksoils.com : Website : www.ksoils.com

### **NOTICE**

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the members of K.S. Oils Limited (CIN - L15141MP1985PLC003171) will be held on Thursday, 31<sup>st</sup> day of December, 2015 at 02.00 P.M. at Factory Office, A. B. Road, Industrial Area, Morena - 476 001, Madhya Pradesh to transact the Following business:

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt:
  - (a) the Audited Financial Statement of the Company for the Financial Year ended March 31, 2015 together with the Reports of Directors and Auditors thereon.
  - (b) the Audited Consolidated Financial Statement of the Company for the Financial Year ended March 31, 2015.
2. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

#### **Ratification of Auditors' Appointment**

“**RESOLVED** that pursuant to the provisions of Section 139 and such other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time and pursuant to the resolution passed by the Members at the Adjourned Twenty Eighth Annual General Meeting (AGM) held on September 07, 2015 in respect of appointment of the auditors, M/s Ladha G. D. & Co., Chartered Accountant, Gwalior, (ICAI Firm Registration No. 010962C) till the conclusion of the Thirty Second AGM of the Company, the Company hereby ratifies and confirms the appointment of M/s Ladha G. D. & Co., as Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the Thirtieth AGM of the Company to be held in the year 2016 to examine and audit the accounts of the Company on such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

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

#### **SPECIAL BUSINESS**

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

#### **To appoint Mrs. B. Swarupa Rani as an Independent Director for a period of Five Years**

“**RESOLVED** that pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mrs. B. Swarupa Rani (DIN : 07099356), who holds office up to the date of this Annual General Meeting pursuant to provisions of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from February 17, 2015.

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

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

#### **Ratification of the Remuneration of M/s S. K. Saxena & Co., for the Financial Year 2014-2015**

“**RESOLVED** that pursuant to Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, a remuneration of Rs. 40,000/- (Rupees Forty Thousand Only) (excluding out-of-pocket, travelling and living expenses incurred in connection with the audit, if any) per annum, as recommended by the Audit Committee and approved by the Board of Directors at its meeting held on February 14, 2015 to be paid to M/s S. K. Saxena & Co. (Firm Registration

No. 100126), Cost Auditors, for conducting audit of cost accounting records maintained by the Company for the financial year 2014-2015, be and is hereby ratified.”;

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

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

**Approval of the Remuneration of M/s S. K. Saxena & Co. for the Financial Year 2015-2016**

“**RESOLVED** that pursuant to the provisions of Section 148(3) and such other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules 2014, as amended from time to time, the remuneration of Rs. 35,000/- (Rupees Thirty Five Thousand only), (excluding out-of-pocket, travelling and living expenses incurred in connection with the audit, if any), as recommended by the Audit Committee and approved by the Board of Directors at its meeting held on September 07, 2015 to M/s S. K. & Saxena & Co., Cost Accountants, (Firm Registration No. 100126) as Cost Auditors to conduct the Audit of the relevant Cost records of the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, for the financial year ending March 31, 2016, be and is hereby confirmed.”

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

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

**Adoption of New Set of Memorandum of Association of the Company**

“**RESOLVED** that pursuant to the provisions of Section 13 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification of re-enactment thereof for the time being in force), the draft clauses contained in the Memorandum of Association be and are hereby approved and adopted in substitution, and to the entire exclusion, of the clauses contained in the existing Memorandum of Association of the Company with immediate effect.”

“**RESOLVED FURTHER** that Mr. Davesh Agarwal, Executive Director & CFO, be and are hereby authorised on behalf of the Company to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid Resolution along with filling of necessary E-forms with the Registrar of Companies.”

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

**Adoption of New Set of Articles of Association of the Company**

“**RESOLVED THAT** pursuant to the provisions of Section 5, 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification of re-enactment thereof for the time being in force), the draft clauses contained in the Article of Association be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulation contained in the existing Article of Association of the Company with immediate effect.”

“**RESOLVED FURTHER** that Mr. Davesh Agarwal, Executive Director & CFO, be and are hereby authorized on behalf of the Company to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid Resolution along with filling of necessary E-forms with the Registrar of Companies.”

By order of the Board of Directors  
For **K. S. OILS LIMITED**

December 05, 2015  
New Delhi

**Registered Office:**  
Jiwaji Ganj, Morena,  
Madhya Pradesh – 476 001

Sd/-  
**Sandeep Kumar**  
Company Secretary

## NOTES

1. The relative Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act") in respect of the Special businesses set out above and details as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges in respect of Director seeking appointment/reappointment at this Annual General Meeting is annexed hereto
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered Office of the Company not less than Forty-Eight Hours before the time for holding the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by the Member of the Company.

A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate Members intending to send their authorized representative are requested to send a duly certified true copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the meeting.
4. Members/proxies should bring their attendance slip duly filled for attending the meeting alongwith their copy of Notice.
5. Members who wish to obtain any information on the accounts of operations of the Company or any other matter contained in the notice are requested to send their queries to the Company Secretary of the Company at the Registered Office of the Company at least 7 (Seven) days before the meeting so that relevant information can be kept ready at the Meeting.
6. Relevant documents referred to in the Notice and the accompanying statements are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. The Register of Members and Transfer Books of the Company will be closed from Monday, December 28, 2015 to Thursday, December 31, 2015, both days inclusive.
9. The Register of Directors and Key Management Personnel and their shareholdings maintained under section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
10. The Register of Contract and Arrangements in which directors are interested, maintained under section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
11. Members who hold shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
12. Non-Resident Indian Members are requested to inform the Company's Registrars and Transfer Agents, immediately of:
  - a. Change in their residential status on return to India for permanent settlement.
  - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
13. SEBI has mandated the submission of Permanent Account Number (PAN) for participating in the securities market, deletion of name of deceased holder, transmission/ transposition of shares. Members are requested to submit the PAN details to their Depository Participant in case of holdings in dematerialized form and to the Company's Registrars and Transfer Agents, mentioning their correct reference folio number in case of holdings in physical form.
14. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, NECS, mandates, nominations, power of attorney, change of address/name, PAN details, etc. to their Depository Participant only and not to the Company's Registrars and Transfer Agents. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrars and Transfer Agents to provide efficient and better service to the Members.
15. Pursuant to Section 124 of the Companies Act, 2013 Members who have not en-cashed dividend warrant(s) for the year 2007-08 and onwards so far, are requested to take appropriate action for issuance of duplicate warrant(s) by writing to the Company's Registrars and Transfer Agents, M/s. Ankit Consultancy Private Limited. Members are requested

to note that no claims shall lie against the Company or IEPF in respect of any amounts which were unclaimed and unpaid for a period of seven years from the date they first became due for payment and the same is transferred to the IEPF and no payment shall be made in respect of any such claims.

**16. To support the “Green Initiative” the Members who have not registered their email address so far, are requested to register their email id for receiving all communications including Annual Report, Notice etc. from the Company electronically.**

**17. Voting Through electronic means**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 29<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services provided by Central Depository Services (INDIA) Limited (CDSL).

For the members who do not have access or casted votes by remote e-voting, facility for voting through polling paper shall be provided at the 29<sup>th</sup> Annual General Meeting and members attending the meeting, who have not already casted their vote through remote e-voting shall be able to cast their votes at the AGM. However, the members who have already casted their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the Annual General Meeting.

The shareholders can opt for only one mode of voting i.e. remote e-voting or physical polling at the meeting. In case of voting by both the modes, vote cast through remote e-voting will be considered final and voting through polling paper will not be considered.

**A. The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Monday, December 28, 2015 at 9:00 A.M (IST) and ends on Wednesday, December 30, 2015 at 05:00 P. M. (IST). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e December 24, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The members who have cast their vote by remote e-voting to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- (iii) The shareholders should log on to the e-voting

website [www.evotingindia.com](http://www.evotingindia.com).

- (iv) Click on shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>◆ Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>◆ In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details or	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
Date of Birth (DOB)	◆ If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection

screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the "K.S. Oils Limited".
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT".  

A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User

would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- B.** The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date December 24, 2015.
  - C.** CS Mayank Dubey, Practicing Company Secretary (Membership No. ACS 29935) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  - D.** The Scrutinizer shall within a period not exceeding two days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
  - E.** The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.ksoils.com](http://www.ksoils.com) and on the website of CDSL within two days of passing of the resolutions at the AGM of the Company and communicated to the National Stock Exchange Limited and Bombay Stock Exchange Limited.

By order of the Board of Directors  
For **K. S. OILS LIMITED**

Sd/-  
**Sandeep Kumar**  
Company Secretary

December 05, 2015  
New Delhi

**Registered Office:**  
Jiwaji Ganj, Morena,  
Madhya Pradesh – 476 001

**EXPLANATORY STATEMENTS PURSUANT TO PROVISIONS OF SECTION 102(1) OF THE COMPANIES ACT, 2013 AND FORMING PART OF THE NOTICE CONVENING THE ANNUAL GENERAL MEETING OF THE COMPANY**

**ITEM NO. 03**

The Board of Directors of the Company has appointed Mrs. B. Swarupa Rani, as an Additional Director of the Company from February 17, 2015 and pursuant to the provisions of Section 161 of the Companies Act, 2013, she holds the office up to the date of this Annual General Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013, proposing candidature of Mrs. B. Swarupa Rani for the office of Director of the Company.

Mrs. B. Swarupa Rani is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. Section 149 of the Act, *inter-alia*, stipulates the criteria of independence to appoint an Independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he/she shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mrs. B. Swarupa Rani that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

Mrs. B. Swarupa Rani is Bachelor of Political Science from University of Delhi and has done Masters in Sociology from Mumbai University as well. She has done Masters in Science of Cosmetology. Currently she is working with "Jawed Habib, the stylist " and looking after the Administration, Human Resource and Financial Matters. She also has vast experience in Corporate Social Works and lead several Social Initiatives in different places. In the opinion of the Board, her vast experience and knowledge will benefit the company in long run. Mrs. B. Swarupa Rani therefore fulfills the conditions for her appointment as an Independent Director as specified in the Act and the Listing Agreement. She is an independent of the management.

This statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges. Copy of the draft letter for appointment of Mrs. B. Swarupa Rani as an Independent Director setting out the terms and conditions is available in the Company's website i.e. [www.ksoils.com](http://www.ksoils.com) and for inspection it will be available at the Registered Office of the Company.

Except Mrs. B. Swarupa Rani, none of the other Directors / Key Managerial Personnel of the Company and their relatives are, in any way, concerned or

interested, financially or otherwise, in the resolution as set out at Item No. 3 of the Notice.

The Board of Directors, therefore, recommend the Resolution under Item no. 3 to be passed as an **Ordinary Resolution** by the Members.

**ITEM NO. 04**

The Board, on the recommendation of the Audit Committee has ratified and approved the appointment and payment of remuneration to M/s S. K. Saxena & Co., Cost Accountants as cost auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 at a remuneration of Rs. 40,000./- (Rupees Forty Thousand only) subject to payment of applicable taxes thereon and re-imbusement of out of pocket expenses. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the applicable Rules, the remuneration payable to the cost auditors for the Financial Year 2014-2015 has to be ratified by the shareholders of the Company. The Board of Directors recommends the proposed resolution for your approval.

None of the directors / key managerial personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board of Directors, therefore, recommend the Resolution under Item no. 4 to be passed as an **Ordinary Resolution** by the Members.

**ITEM NO. 5**

The Board, on the recommendation of the Audit Committee, has approved the appointment and payment of remuneration to M/s S. K. Saxena & Co., Cost Accountants as cost auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016 at a remuneration of Rs. 35,000./- (Rupees Thirty Five Thousand only) subject to payment of applicable taxes thereon and re-imbusement of out of pocket expenses. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the applicable Rules, the remuneration payable to the cost auditors has to be ratified by the shareholders of the Company. The Board of Directors recommends the proposed resolution for your approval.

None of the directors / key managerial personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution

The Board of Directors, therefore, recommend the Resolution under Item no. 5 to be passed as an **Ordinary Resolution** by the Members.

**ITEM NO. 6 & 7**

K.S. Oils Limited ("the Company") was incorporated on December 04, 1985 under the provisions of the Indian Companies Act, 1956 and deemed to exist within the purview of the Companies Act, 2013. The existing Memorandum and Articles of Association ("MOA & AOA") were based on the Companies Act, 1956 and several clauses/regulations in the existing MOA & AOA contain references to specific Sections of the Companies Act, 1956 and some of which are no longer in force. With the coming into force of the Companies Act, 2013, several regulations of the existing MOA & AOA of the Company require alteration or deletions at several places.

Further, pursuant to Section 5 of the Companies Act 2013, to carry on the aforesaid amendments it's mandatory to align the Articles of the Company with the Companies Act 2013.

Accordingly, it is considered expedient to wholly replace the existing MOA & AOA by adopting them afresh. Accordingly, your Directors recommend the Resolution as set out in Item Nos 6 & 7 for the approval of the shareholders.

Post your approval, the Company would be required to register the Articles with Regulatory Bodies like Registrar of Companies, resolution to carry out necessary alteration/additions as may be suggested by the aforesaid regulatory bodies.

None of the Directors or Key Managerial Personnel or their relatives is in any way concerned or interested in the Resolutions as set out in Item Nos. 6 & 7.

The Board of Directors, therefore, recommend the Resolution under Item no. 6 & 7 to be passed as an **Special Resolution** by the Members.

**ANNEXURE PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES, FOLLOWING INFORMATION IS FURNISHED ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED / RE-APPOINTED**

<b>Name of Director</b>	Mrs. B. Swarupa Rani
<b>Date of Birth</b>	September 22, 1977
<b>Date of Appointment</b>	February 17, 2015
<b>Qualifications</b>	Bachelor of Political Science (University of Delhi) Masters in Sociology (Mumbai University) Masters in Science of Cosmetology
<b>Experience in Social Functional Area</b>	Corporate Finance, Accounts, Corporate Governance, Human Resource Management, Planning, Systems & Procedures.
<b>Chairman / Directors of other Companies</b>	Nil
<b>Chairman / Member of Committees of Board of Companies of which he/she is a director</b>	Shareholders Relationship Committee - Member (K. S. Oils Limited)
<b>No. of Shares held</b>	Nil
<b>No. of Meetings of the Board attended during the financial year 2014-15</b>	Nil
<b>Inter-se Relationship between Director</b>	None

By order of the Board of Directors  
For **K. S. OILS LIMITED**

December 05, 2015  
New Delhi

Sd/-  
**Sandeep Kumar**  
Company Secretary

**Registered Office:**  
Jiwaji Ganj, Morena,  
Madhya Pradesh – 476 001

**ATTENDANCE SLIP**

Member's Name .....  
(In Block Letters)

I/We, hereby record my presence at the Twenty Ninth Annual General Meeting of K.S. Oils Limited being held at Factory Office, A.B. road Morena - 476001 (Madhya Pradesh) on Thursday the Thirty First December, 2015.

Folio/Client ID & DP ID No .....

No. of Shares held .....

Name of Proxy .....

.....  
Signature of the Member/Proxy

(If attending for Member)

1. Members/Proxies are requested to bring the DULY SIGNED Attendance Slip to the Meeting and hand it over at the entrance.
2. For the convenience of Members, persons other than Members/Proxies WILL NOT BE ADMITTED.

**Form No. MGT – 11  
PROXY FORM**

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

CIN	L15141MP1985PLC003171
Name of the Company	K.S.Oils Limited
Registered Office	Jiwan Ganj, Morena, MP-476001
Name of the Member(s)	
Registered Address	
E-mail ID	
Folio No./DP ID & Client ID	

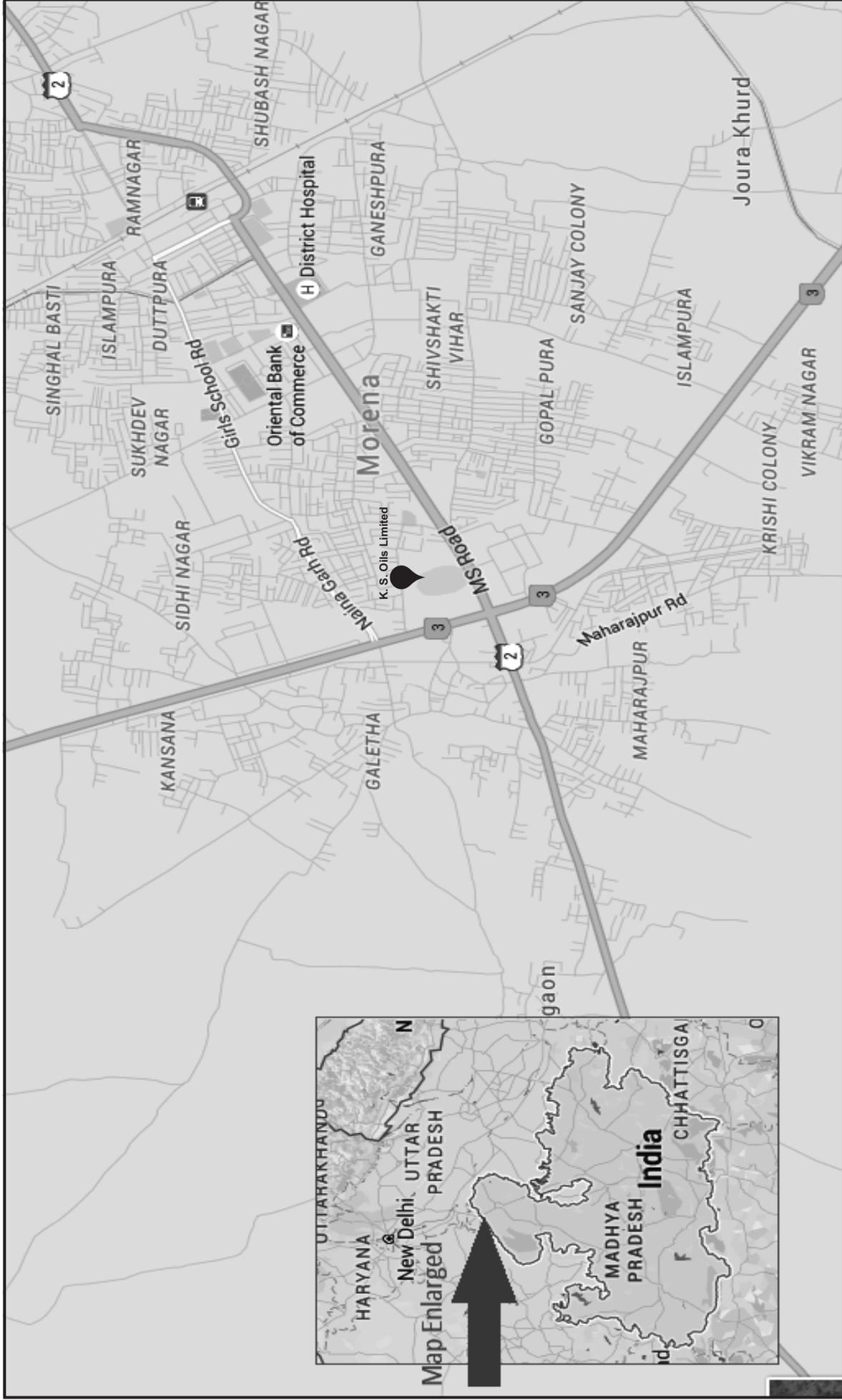
I/We, being the member(s) of .....Shares of the above named company, hereby appoint:

1	Name			
	Address			
	E-mail ID	Signature		
	Or falling him			
2	Name			
	Address			
	E-mail ID	Signature		
	Or falling him			
3	Name			
	Address			
	E-mail ID	Signature		

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company, to be held on Thursday, 31st December, 2015 at Factory Office, A.B. Road Morena 476001, Madhya Pradesh and at any adjournment(s) thereof in respect of the resolutions, as indicated below :

Resol- ution No.	Description	Assent	Dissent
<b>Ordinary Business</b>			
1.	Adoption of Financial Statements of the Company and the Report of Directors' and Auditors thereon for the year ended 31 <sup>st</sup> March, 2015.		
2.	Ratification of Statutory Auditor(s) Appointment M/s Ladha G. D. & Co. for the F.Y 2015-2016.		
<b>Special Business</b>			
3.	Appointment of Mrs. B. Swarupa Rani (DIN : 07099356) as Independent, Woman Director of the company not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years with effect from February 17, 2015.		
4.	Ratification of Remuneration of Cost Auditors M/s S. K. Saxena & Co. for the F.Y 2014-15 in compliance to Companies Act, 2013.		
5.	Approval of Remuneration of Cost Auditors M/s S. K. Saxena & Co. for the F.Y 2015-16 in compliance to Companies Act, 2013.		
6.	Adoption of new set of Memorandum of Association(MOA) of the company		
7.	Adoption of new set of Article of Association(AOA) of the company		

**ROUTE MAP TO THE VENUE OF AGM**





## K. S. OIL LIMITED

**Registered Office:**  
Jiwaji Ganj, Morena  
Madhya Pradesh - 476 001

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