



# KRITI NUTRIENTS LIMITED

"Chetak Chambers", 4th Floor, 14, R.N.T. Marg, INDORE - 452 001 Madhya Pradesh.  
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REGD. OFF. : "Mehta Chambers", 34, Siyaganj, INDORE - 452 007 Madhya Pradesh.  
Phone : +91 731 254 0963. E-mail : info@kritiindia.com. Website : http://www.kritiindia.com

August 11, 2015

To,  
The Secretary,  
Department of Corporate Services  
Bombay Stock Exchange Limited  
Floor 25, Phiroze Jeejeebhoy Tower, Dalal Street  
Mumbai-400 001

## FORM A

*Format of covering letter of the annual audit report to be filed with stock exchange*

1.	Name of the Company	KRITI NUTRIENTS LIMITED
2.	Annual financial statement for the year ended	31 <sup>st</sup> March, 2015
3.	Type of Audit observation	Un-qualified/Matter of Emphasis
4.	Frequency of Observation	Whether appeared first time/repetitive/since how long period Not Applicable
5.	Signed by- <ul style="list-style-type: none"><li>• CEO/Managing Director</li><li>• CFO</li><li>• Auditor of the company.</li><li>• Audit Committee Chairman</li></ul>	

For: KRITI NUTRIENTS LIMITED

Shiv Singh Mehta  
Managing Director  
DIN 00023523

Manoj Fadnis  
Chairman Audit Committee  
DIN 01087055

S. C. Jajoo  
Chief Financial Officer

Refer Our Audit Report Dated 20<sup>th</sup> May, 2015

For: R.S. Bansal & Company  
Chartered Accountants (FRN: 000939C)

  
Vijay Bansal M. No. 075344



KRITI NUTRIENTS LIMITED  
19<sup>th</sup> ANNUAL REPORT 2014-2015

D

WISDOM  
FOCUS LOYALTY  
DEDICATION FOCUS  
DETERMINATION ALERTNESS  
CREATIVITY HUMILITY  
WISDOM ATTITUDE  
HARD WORK PASSION ENDURANCE  
FOCUS PERSUASIVE COURAGE  
ATTITUDE PERSEVERANCE  
SELF-CONFIDENCE FOCUS LOYALTY  
ENDURANCE COMMITMENT  
DEDICATION FOCUS LOYALTY  
CREATIVITY FOCUS DILIGENCE  
PERSEVERANCE HARD WORK  
ENDURANCE WISDOM  
LOYALTY FOCUS PASSION  
DILIGENCE ATTITUDE  
FOCUS

RIGHT.



## **Board of Directors**

1. Shri Shiv Singh Mehta - Managing Director
2. Shri Saurabh Singh Mehta - Executive Director
3. Smt. Purnima Mehta
4. CA Manoj Fadnis
5. Shri Rakesh Kalra
6. Dr. Somnath Ghosh
7. Shri Bhuwadesh Shastri

## **Auditors**

R. S. Bansal & Co.

Chartered Accountants

Urvashi 1st Floor, 3 Jaora Compound,  
Indore - 452001 (M.P.)

## **Bankers**

State Bank of India

State Bank of Travancore

IDBI Bank Ltd.

The Cosmos-Co-Operative Bank Limited

## **Company Secretary**

Shri Sumit Jaitely

## **Registered Office**

Mehta Chambers, 34, Siyaganj, Indore - 452007 (M.P.)

## **Corporate Support Center**

Chetak Chambers, 4th Floor, 14 RNT Marg,  
Indore - 452001 (M.P.)

## **Share Transfer Agent**

M/s Ankit Consultancy Pvt Ltd.

60, Electronics Complex,

Pardeshipura,

Indore - 452010 (M.P.)



## NOTICE

**NOTICE IS HEREBY GIVEN** that the **19<sup>th</sup> Annual General Meeting** of the Members of **KRITI NUTRIENTS LIMITED** will be held on **Thursday the 24<sup>th</sup> day of September, 2015 at 04:00 P.M.** at Corporate Support Center of the company situated at 4<sup>th</sup> Floor Chetak Chambers, 14 R. N. T. Marg, Indore (M.P.) - 452001 to transact the following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement together with Directors Report as also the Auditors Report thereon for the year ended **March 31, 2015**.
2. To declare dividend on the equity shares for the Financial Year ended on **31<sup>st</sup> March, 2015**.
3. To appoint a Director in place of Mrs. Purnima Mehta (DIN 00023632), who is liable to retire by rotation, and being eligible offers herself for re-appointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**

**“RESOLVED THAT** pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, M/s R. S. Bansal and Company, Chartered Accountants (Firm registration No. 000939C) appointed as Auditors of the Company which was subject to ratification at every Annual General Meeting, be and is hereby ratified to hold the office from the conclusion of this Annual General Meeting till the conclusion of 20th Annual General Meeting of the company to be held in year 2016 on such remuneration as may be fixed by the Board.”

### SPECIAL BUSINESS

#### 5. Ratification of Remuneration to Cost Auditor

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

**“RESOLVED THAT** pursuant to sections 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force) Mr. S.P.S Dangi, Cost Accountant (FRN 100004), appointed as Cost Auditor by the Board of Directors of the Company to conduct an audit of the Cost Records of the Company for the financial year ending 31.03.2016 be paid the remuneration as set out in the statement annexed to the notice.”

#### 6. Appointment of Mr. Bhuwanesh Shastri as an Independent Director of the Company

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

**“RESOLVED THAT** pursuant to provisions of sections 169, 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 as may be amended from time to time and Clause 49 of the Listing Agreement, Mr. Bhuwanesh Shastri (DIN 00104236), who was appointed as an Additional Director of the company and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of Director, and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director not liable to retire by rotation of the company to hold office for a term of five consecutive years.”

Place: Indore

Date: 11<sup>th</sup> August, 2015

Kriti Nutrients Ltd

CIN L24132MP1996PLC011245

Regd. Office: Mehta Chamber, 34 Siyagunj,

Indore

By order of the Board,

Sumit Jaitely

Company Secretary



**Notes:**

1. **A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting.**

**A person can act as a proxy on behalf of the members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**

2. **The business set out in the Notice will be transacted through electronic voting system and the company is providing facility for voting by electronic means.** Instructions and other information relating to e-voting are given in this Notice under Note No. 10
3. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. The Company has notified closure of Register of Members and Share Transfer Books from Friday 18<sup>th</sup> September 2015 to Thursday 24<sup>th</sup> September, 2015 (both days inclusive) for determining the names of members eligible for dividend on equity shares, if declared at the meeting.
  - (a) The Dividend on equity shares if declared at the meeting will be credited/dispatched between 24<sup>th</sup> September to 29<sup>th</sup> September, 2015. To those members whose names shall appear on the Company's Register of Members on 17<sup>th</sup> September, 2015 in respect of the shares held in demat form, the dividend will be paid to those members, whose names are furnished by NSDL/CDSL as beneficial owners as on that date.
5. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates; such changes are to be advised only to the depository participant of the members.
6. The shareholders are requested to opt for ECS facility.

For shares held in physical form he/she may send the duly filled ECS MANDATE FORM annexed to the last page of the Annual report by enclosing a blank cancelled cheque for the purpose of noting the MICR details to Ankit Consultancy Private Limited, 60 Electronic Complex, Pardeshipura, Indore - 452010

In case the investor is holding the shares in dematerialized form, such investor may please contact his/her Depository Participant for recording the ECS mandate.

The ECS mandate details provided by an investor will be used for payments in respect of shares held by such investor.
7. Relevant documents referred to in the accompanying notice are open for inspection by the members at the Registered office or Corporate Support Center of the Company on all working days between 11.00 A.M. to 1.00 P.M. up to the date of meeting.
8. Members desirous of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
9. Electronic copy of the Annual Report 2015 is being sent to the members whose email Ids are registered with the Company/Depository Participant(s) for communication purpose unless any member has requested for a physical copy of the same.
10. In compliance with the provisions of section 108 of the Act and Rules framed there under, the Members are provided with the facility to casts their vote electronically, through the e – voting services provided by NSDL, on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

- A. In case a Member receives an e-mail from NSDL (for Members whose email addresses are registered with the Company/Depositories):



- i. Open the email and also open PDF file. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
  - ii. Open the internet browser and type the following URL: <https://www.evoting.nsd.com>
  - iii. Click on Shareholder – Login
  - iv. Please enter the User Id and Password as initial password / PIN noted in step(i) above. Click Login
  - v. The password change menu will appear on your screen. Change to new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both.  
Please take utmost care to keep your password confidential.
  - vi. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
  - vii. Select “EVEN” (E-voting Event Number) of Kriti Industries (India) Limited
  - viii. Cast your vote by selecting appropriate option and click on “submit” and also confirm when Prompted
  - viii. Cast your vote by selecting appropriate option and click on “submit” and also confirm when Prompted
  - ix. Now you are ready for e-voting as Cast Vote page opens.
  - x. Upon confirmation, the message “Vote Cast Successfully” will be displayed.
  - xi. Once the vote on the resolution is cast, the members will not be allowed to change it subsequently.
  - xii. Institutional shareholders (i.e other than individuals, HUF, NRI etc) are required to send scanned copy of the relevant Board Resolution/Authority letter, etc together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer through e-mail to [kriti.scrutinizer@gmail.com](mailto:kriti.scrutinizer@gmail.com), with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
  - xiii. In case of any queries, you may refer the Frequently asked questions (FAQs) – Shareholders and e-voting user manual – Shareholders, available at the download section of [www.evoting.nsd.com](http://www.evoting.nsd.com)
- B. In case a member receives physical copy of the Notice of AGM (for members whose email addresses are not registered with the company/Depositories):
- i. Initial password is provided in the enclosed form: EVEN (E-Voting Event Number), user ID and password.
  - ii. Please follow all steps from Si. No. (ii) to Si. No. (xiii) above, to cast vote
- C. Other Instructions:
- i. The e-voting period commences on Monday, September 21, 2015 (9:00 AM IST) and ends on Wednesday, September, 23, 2015 (5:00 PM IST)
  - ii. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the company and the members shall be entitled for voting whose names appear in the details of beneficiaries as may be provided at the cutoff date 17<sup>th</sup> September, 2015.
  - iii. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 17<sup>th</sup> September, 2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or (Company/RTA email id) However, If you are already registered with NSDL, for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot user Details/Password” option available on [www.evoting.nsd.com](http://www.evoting.nsd.com) or contact NSDL at the following toll free no: 1800-222-990.
  - iv. CS Ishan Jain, Practicing Company Secretary (Membership No. ACS 29444), has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  - v. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, there after unblock the votes cast through remote e-voting in presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizers' report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall counter sign the same.



- vi. The result declared along with scrutinizer's report shall be placed on the Company's website www.kritiindia.com and on the website of NSDL www.evoting.nsdl.com within three days of the passing of resolutions at the 19<sup>th</sup> AGM of the company on September 24<sup>th</sup>, 2015 and communicated to the Stock Exchanges, where the shares of the company are listed
- vii. For any other queries relating to the shares of the Company, you may contact the Share Transfer Agents at the following address:  
**M/S Ankit Consultancy Pvt. Ltd.**  
**60, Electronic Complex, Pardeshipura,**  
**Indore (M.P.) 452010**

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

The following Explanatory Statement sets out all material facts relating to the Business mentioned at Item No. 5 to 6 of the accompanying Notice:

**Item No. 5**

On the recommendations of the Audit Committee, the Board has appointed Mr. S.P.S. Dangi, Cost Accountant as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending on 31.03.2016 on a remuneration of Rs. 20,000/- (Rupees Twenty Thousand only).

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the cost auditor is required to be ratified by the shareholders of the Company. The Board recommends the aforesaid resolution for approval of the members.

None of the Directors of the Company, the key managerial personnel of the Company or their relatives are concerned or interested in the aforesaid ordinary resolution.

The Board recommends the ordinary resolution as set out in Item No. 5 of the notice for approval.

**Item No. 6**

On the recommendation of Nomination and Remuneration Committee, the Board of Directors of the company at its meeting held on May 20, 2015, appointed Mr. Bhuwanesh Shastri as an Additional Director (Non-Executive Independent) of the company and holds the office upto the date of ensuing Annual General meeting in terms of section 161 of the Companies Act, 2013.

The company has received notice in writing from members along with the deposit of requisite amount under section 160 of the Act, proposing the candidature of Mr. Bhuwanesh Shastri.

Mr. Bhuwanesh Shastri, has given a declaration to the Board that he meets the criteria of independence as provided under section 149(7) of the Act and Clause 49 of the listing agreement and is not disqualified from being appointed as a director in terms of section 164 of the Act and has given his consent to act as Director.

In the opinion of the Board, Mr. Bhuwanesh Shastri fulfills the conditions specified in the Act and the Rules framed there under and clause 49 of the listing agreement for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of the Independent Director can hold office for a term upto 5 consecutive years on the Board of company and he shall not be included in the total number of directors for retire by rotation.

Except Mr. Bhuwanesh Shastri none of the Directors / Key Managerial Personnel of the company and their relatives is in any way concerned or interested, financial or otherwise, in the resolutions set out at item No. 6, except to the extent of sitting fee for attending the Board and other meetings from time to time payable to them.

The Board recommends the ordinary resolution as set out in Item No. 6 of the notice for approval.

**Place: Indore**

**Date: 11<sup>th</sup> August, 2015**

**Kriti Nutrients Ltd**

**CIN L24132MP1996PLC011245**

**Regd. Office: Mehta Chamber, 34 Siyagunj,**

**Indore**

**By order of the Board,**

**Sumit Jaitely**

**Company Secretary**



### Details of the directors seeking reappointment at the Annual General Meeting

Name of The Director	Mrs. Purnima Mehta	Mr. Bhwnesh Shastri
Date of Birth	25.05.1960	21.07.1956
Date of Appointment	26.12.2009	20.05.2015
Expertise in specific area	Account & Finance, Purchase, IT, HR and Administration	Design, Manufacture & Erection of Pre Engineered Structures, Steel Metal Section Manufacturing. Architectural and RCC structural Design.
Qualification	B.A. (Hons), PGDBM	B.E. Civil, M.E. Structures
List of Outside Directorship held	Kriti Industries (India) Limited	Shastri Consultants Pvt. Ltd. Design Metal Sections Pvt. Ltd. Radhika Housing Pvt. Ltd.
Chairman/ Member of the committees of the Board of Directors of the Company	Chairman: CSR Committee Member: Audit Committee Member: Financial Committee Member: Stakeholders' Relationship Committee	Chairman: Nil Member: Nil
Chairman / member of the Committees of Director of other companies in which he/she is a Director		
(a) Audit Committee	Kriti Industries (India) Limited	None
(b) Stakeholders' Relationship Committee	Kriti Industries (India) Limited	None
(c) Remuneration Committee	None	None
(d) CSR Committee	Kriti Industries (India) Limited	None
No. & Percentage of Shares held	120692 Eq. Shares 0.24%	Nil



**DIRECTORS' REPORT**

Your Directors have pleasure in presenting the 19<sup>th</sup> Annual Report together with Audited Financial Statements of the Company for the period ended on 31<sup>st</sup> March, 2015.

**FINANCIAL RESULTS**

The performance of the Company for the Year 2014-15 is summarized below:

**(Rs. In lacs.)**

Particulars	2014-15	2013-14
Total Income	31283.69	28989.37
Profit/(Loss) before Interest, Depreciation & Taxes	1567.89	1301.65
Less: Interest	468.38	485.87
Profit before depreciation	1099.51	815.78
Less: Depreciation	222.95	257.09
<b>Profit/ (Loss) Before Tax</b>	<b>876.56</b>	<b>558.69</b>
Provision for Taxation	300.70	202.24
<b>Net Profit/(loss)</b>	<b>575.86</b>	<b>356.45</b>

**YEAR IN RETROSPECT**

The Company has achieved a total turnover of Rs. 31283.69 lacs including exports of Rs. 6157.47 lacs and Profit before Tax of Rs. 876.56 and Profit after Tax of Rs. 575.86 lacs.

Company is focusing on value added products and exports. Company is expanding its sales network for 'Kriti' soya refined oil.

Soya bean seed prices and prices continue to be high, resulting in disparity in operations. Therefore company has cut down soya seed crushing for regular soya meal.

**DIVIDEND**

Your Directors are pleased to recommend a dividend of Rs. 0.10 (10%) for the financial year 2014-2015 on 50103520 Equity Shares of Rs. 1/- each aggregating to Rs. 50.10 lacs.

(Previous year 10% on 50103520 Equity Shares of Rs. 1/- each aggregating to Rs. 50.10 lacs)

**DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

1. that in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. that the Directors have selected such accounting policies and applied them consistently and have made judgment 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 ended 31 March, 2015 and of the statement of profit and loss of the Company for that period;
3. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the annual financial statements have been prepared on a going concern basis;
5. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
6. that the Director have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

**CORPORATE GOVERNANCE**

The Company has complied with the mandatory provisions on Corporate Governance as prescribed in the Clause 49 of Listing Agreement with the Stock Exchanges. A separate report on Corporate Governance is included as a part of the Annual Report along with the Auditors' Certificate on its compliance.

**RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. 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.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval.

**CORPORATE SOCIAL RESPONSIBILITY**

A Corporate Social Responsibility Committee was constituted consisting of Smt. Purnima Mehta as the Chairman, Shri Saurabh Singh Mehta and Shri Somnath Ghosh as members of the Committee.

In CSR account during the year company was to incurred Rs. 8.98. The company is in the process of identifying the CSR project and amount will be spent in the coming year.

The Annual Report on CSR details is attached hereto and forms a part of the Directors' Report.

**RISK MANAGEMENT AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The Company's system of financial and compliance controls with reference to the financial statements and risk management is embedded in the business process by which the Company pursues its objectives.

Management is responsible for establishing and maintaining adequate disclosure controls and procedures and adequate internal controls over financial reporting with respect to financial statements besides its effectiveness in the context of applicable regulations.

The Internal Auditor, the Audit Committee as well as the Board of Directors conduct from time to time an evaluation of the adequacy and effectiveness of the system of internal controls for financial reporting with respect to financial statements.

**DIRECTORS**

In terms of Section(s) 149, 152 and all other applicable provisions of the Companies Act, 2013, for the purpose of determining the directors liable to retire by rotation, the Independent Directors are not included in the total number of directors of the Company. Accordingly, Mrs. Purnima Mehta (DIN 00023532) shall retire by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment as a Director of the Company.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Bhuwanesh Shastri (DIN 00104236) was appointed as an Additional Director in the category of Non-executive Independent Director w.e.f. 20<sup>th</sup> May, 2015 and he holds office as such up to the date of ensuing Annual General Meeting. Mr. Bhuwanesh Shastri is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. The Company has received requisite notice in writing from a member proposing his candidature as an Independent Director at the ensuing Annual General Meeting. Your Board based on the recommendation of the Nomination and Remuneration Committee recommends appointment of Mr. Bhuwanesh Shastri as Independent Director not liable to retire by rotation for a period of 5 years.

**DECLARATION BY INDEPENDENT DIRECTORS**

Necessary declarations have been obtained from all the Independent Directors under sub-section (7) of Section 149 of the Companies Act, 2013.

**KEY MANAGERIAL PERSONNEL**

During the year under review Mr. Suresh Chandra Jajoo appointed as Chief Financial Officer of the Company from 01.09.2014 and Mr. Sumit Jaitely, Company Secretary appointed as Key Managerial Personnel from 01.09.2014 of the Company.

**MEETINGS**

During the year four Board Meetings and four 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.

**PERFORMANCE EVALUATION OF BOARD, COMMITTEES & DIRECTORS**

Pursuant to the Provisions of the Companies Act, 2013 and as stipulated under Clause 49 of the Listing Agreement, the Board of Directors adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors. A structured evaluation process covering various aspects of the Boards functioning such as Composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Managing Director, Whole Time Director and the Non Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected overall engagement of the Board and its Committees with the company.

**SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION**

Pursuant to section 178 of the Companies Act, 2013 the rules made there under and clause 49 of the Listing Agreement the Board has constituted the Nomination & remuneration Committee comprising CA Manoj Fadnis as Chairman, Shri Rakesh Kalra and & Shri Somnath Ghosh as its member.

The Nomination & Remuneration Committee framed policy for selection and appointment, re-appointment, removal, appraisal of Directors & Senior Management.

**AUDITORS AND AUDITOR REPORT**

Pursuant to the provisions of section 139 and other applicable provisions, if any, of Companies Act, 2013 read with Rule 3 of Companies (Audit and Auditors) Rules, 2014, M/s R. S. Bansal and Company, Chartered Accountants (Firm registration No. 000939C) appointed as Auditors of the Company which was subject to ratification at every Annual General Meeting, till the conclusion of 20th Annual General Meeting of the company to be held in year 2016.

Accordingly resolution for ratification of the auditor is being proposed in AGM notice.

The notes on Financial Statements referred to in the Auditors Report are self explanatory and do not call for any further comments.

**COST AUDITOR**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 your Directors had, on the recommendation of the Audit Committee, appointed Mr. S.P.S. Dangi, proprietor of M/s S.P.S Dangi, Cost Auditor (F.R.No 100004) to audit the cost accounts of the Company for the financial year ending 31.03.2016. Resolution seeking Member's ratification for the remuneration payable to Mr. S.P.S. Dangi, proprietor of M/s S.P.S Dangi, Cost Auditor (F.R.No 100004) is included at Item No. 5 of the Notice convening the Annual General Meeting.

The company is in process to file the Cost Audit Report to the Central Government within the stipulated time.

**SECRETARIAL AUDITOR**

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 Ashish Karodia & Company, a Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith.



## STATUTORY INFORMATION

### PUBLIC DEPOSIT

The company has not received/accepted any deposits from public during the year under review within the meaning of section 73 of the Companies Act, 2013, and the Companies (Acceptance of Deposits) Rules, 2014 and there is no overdue unpaid/unclaimed deposit as at 31<sup>st</sup> March, 2015.

### PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto and forms part of this report.

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

Information as per section 134(3)(m) read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed hereto and forms part of this report.

### EXTRACT OF ANNUAL RETURN:

The extract of the annual return in Form No. MGT-9 shall form part of the Board's report.

### INDUSTRIAL RELATIONS

Your directors' wish to place on record their appreciation for the contribution made by the company's workforce at all levels of operations for the success and progress of the company.

### VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism/Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

### 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:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from its subsidiary.
- No 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.
- During the year under review, there were no cases filed or reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### ACKNOWLEDGEMENT

The Board desires to place on record its grateful appreciation for the excellent assistance and co-operation received and continued support extended to the Company by the bankers, investors, suppliers and esteemed customers and other business associates. Your Directors also wish to place on record their deep sense of appreciation to all the employees of the Company for their commitment and continued contribution in the performance of the company.

Place: Indore

Date: 11<sup>th</sup> August, 2015

Kriti Nutrients Limited

CIN L24132MP1996PLC011245

Regd. Office: Mehta Chamber, 34 Siyagunj,  
Indore

By order of the Board,

Shiv Singh Mehta

Managing Director

DIN 00023523

**ANNEXURE -A****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information as per Section 134(3)(m) read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2015.

**A. CONSERVATION OF ENERGY**

I. Steps taken or impact on conservation of energy:

- (a) Energy Conservation measures taken:
  - (1) Energy conservation devices have been installed and the equipments are maintained properly to reduce energy consumption.
  - (2) New systems are being devised to reduce electric power, fuel, and water consumption.
- (b) Additional Investment and proposals for reduction of consumption of energy:  
By relocating, modifying the available equipment, energy, conservation measures are being implemented on continuous Basis.
- (c) Impact of above measures:

The above measures have resulted in energy saving and subsequent decrease in the cost of production.

**B. TECHNOLOGY ABSORPTION**

1. The efforts made towards technology absorption:  
The company has through R & D developed processes adopted which helped in reducing the energy consumption.
2. Benefits derived like product improvement, cost reduction, product development or import substitution:  
Improvement in processes, reduction of cost and product development
3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Nil

**(C) FOREIGN EXCHANGE EARNING & OUTGO****( Rs. in Lacs)**

	12 Months period ended March, 2015	12 Months period ended March, 2014
1. Earning		
FOB value of Exports	6154.47	4355.13
2. Outgoing		
a) CIF Value of Imports	68.69	18.03
b) Expenditure in Foreign Currency	19.96	22.89

**ANNEXURE-B****DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- (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:

S. NO.	Name of Director / KMP & Designation	Remuneration for the FY 2014-15 (Rs. in Lacs)	% increase in Remuneration in the FY 2014-2015	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Mr. Shiv Singh Mehta Managing Director	Nil	Nil	Not Applicable	Profit after tax increased by 61.55% in F.Y. 2014-15
2	Mr. Saurabh Singh Mehta Executive Director	27.39	11.39%	19.71	
3	Mr. S.C. Jajoo Chief Financial Officer w.e.f. 01.09.2014	7.98	New Incumbent	Not Applicable	
4	Mr. Sumit Jaitely Company Secretary KMP w.e.f. 01.09.2014	2.08	New Incumbent	Not Applicable	

- ii) The median remuneration of employees of the Company during the financial year was Rs. 1.39 Lacs
- iii) In the financial year, there was an increase of 9.43% in the median remuneration of employees;
- iv) There were 205 permanent employees on the rolls of Company as on March 31, 2015;
- v) The Profit before Tax for the financial year ended March 31, 2015 increased by 57%.
- vi) The company has not come out with public issue : The market capitalization as on March 31, 2015 was Rs. 28.91 crore (Rs. 16.08 crore as on March 31, 2014)
- vii) The variable remuneration of the Managing Director / Whole Time Director as a commission base on profit of the company
- viii) The remuneration based on annual appraisals is paid as per the remuneration policy of the company.

**ANNEXURE-C****1. ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

S. NO.		Remarks
1	Average net profit of the company for last three financial years	Rs. 449.14 Lacs
2	Prescribed CSR expenditure (Two percent of the amount in Sl. No. 1 above)	Rs. 8.98 Lacs
3	a. Total amount to be spent for the financial year b. amount unspent if any c. manner in which the amount spent during the financial year	Rs. 0.00 Rs. 8.98 Lacs -----
4	Reason for not spending the amount in its Board's Report	The company has been working on identifying the projects for carrying out CSR activities. The company is now working on projects and the expenditure on these projects shall be accounted for as and when incurred
5	A responsibility of the CSR committee	The implementation and monitoring of Corporate Social Responsibility policy with CSR objectives and policy of the company.

**Shiv Singh Mehta**  
**Managing Director**  
**DIN 00023523**

**Purnima Mehta**  
**Chairman (CSR Committee)**  
**DIN 00023632**

**Form No. MGT-9****ANNEXURE -D****EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2015**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

CIN	L24132MP1996PLC011245
Registration Date	24 <sup>th</sup> September, 1996
Name of the Company	Kriti Nutrients Limited
Category/Sub-Category of the Company	Company having Share Capital
Address of the Registered office and contact details	Mehta Chambers, 34-Siyaganj, Indore-452007, Tel. No. 0731-2719126
Whether Listed Company	Yes
Name, Address and Contact details of Registrar and Transfer Agent if any	Ankit Consultancy Pvt. Ltd , Plot No. 60, Electronic Complex, Pardeshipura, Indore- 452001 Tel. No. 0731-2551745/2551746

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of Main products/Services	NIC Code of the Product / Service	% to total turnover of the company
1	Soya Lecithin Flakes and Flour	10407	24%
2.	Soya Crude Oil / Refined Oil	10402	76%

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

Sl. No.	Name and Address of The Company	CIN/GLN	Holding /Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Sakam Trading Pvt. Ltd.	U65993MP1986PTC003517	Holding	52.09%	2(46)

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

Category of Shareholders	No. of. Shares held at the beginning of the year				No. of. Shares held at the end of the year				% Change during & the year
	Demate	Physical	Total Share	% of Total Share	Demate	Physical	Total Share	% of Total Share	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF	2299247	-	2299247	4.59	2299247	-	2299247	4.59	0.00
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	30797631	-	30797631	61.47	30797631	-	30797631	61.47	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(1):</b>	<b>33096878</b>	<b>-</b>	<b>33096878</b>	<b>66.06</b>	<b>33096878</b>	<b>-</b>	<b>33096878</b>	<b>66.06</b>	<b>0.00</b>





Category of Shareholders	No. of. Shares held at the beginning of the year				No. of. Shares held at the end of the year				% Change during & the year
	Demate	Physical	Total Share	% of Total Share	Demate	Physical	Total Share	% of Total Share	
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoters (A) = (A)(1)+(A)(2)</b>	<b>33096878</b>	-	<b>33096878</b>	<b>66.06</b>	<b>33096878</b>	-	<b>33096878</b>	<b>66.06</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1 Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	1600	-	1600	0	1600	-	1600	0	0.00
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>1600</b>	-	<b>1600</b>	<b>0</b>	<b>1600</b>	-	<b>1600</b>	<b>0</b>	<b>0.00</b>
<b>2. Non- Institutions</b>									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	2042100	17600	2059700	4.11	2605176	17600	2622776	5.23	1.12
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	5929498	3324880	9254378	18.47	5549553	3222280	8771833	17.51	0.96
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	5514330	-	5514330	11.01	5467533	-	5467533	10.91	0.10
c) Others (NRI & OCB)	164534	-	164534	0.33	131346	-	131346	0.26	0.07
d) Other (Clearing Member)	12100	-	12100	0.02	11554	-	11554	0.02	0.00
<b>Sub-total (B)(2):-</b>	<b>13662562</b>	<b>3342480</b>	<b>17005042</b>	<b>33.94</b>	<b>13765162</b>	<b>3239880</b>	<b>17005042</b>	<b>33.94</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>13664162</b>	<b>3342480</b>	<b>17006642</b>	<b>33.94</b>	<b>13766762</b>	<b>3239880</b>	<b>17006642</b>	<b>33.94</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total(A+B+C)</b>	<b>46761040</b>	<b>3342480</b>	<b>50103520</b>	<b>100</b>	<b>46863640</b>	<b>3239880</b>	<b>50103520</b>	<b>100</b>	<b>0.00</b>



## (ii) Shareholding of Promoters

S. No	Shareholder's Name	Shareholding at the beginning of the year			No. of Shares held at the end of the year			% Change in share holding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Sakam Trading Pvt. Ltd.	26099473	52.09	-	26099473	52.09	-	-
2	Chetak Builders Pvt. Ltd.	4608158	9.20	-	4608158	9.20	-	-
3	Mr. Shiv Singh Mehta	2028099	4.05	-	2028099	4.05	-	-
4	Mrs. Purnima Mehta	120692	0.24	-	120692	0.24	-	-
5	Kriti Specialities Pvt. Ltd.	90000	0.18	-	90000	0.18	-	-
6	Mrs. Raj Kumari Kothari	83280	0.17	-	83280	0.17	-	-
7	Mrs. Devki Mehta Hirawat	36736	0.07	-	36736	0.07	-	-
8	Mr. Saurabh Singh Mehta	30440	0.06	-	30440	0.06	-	-
	<b>Total</b>	<b>33096878</b>	<b>66.06</b>	<b>-</b>	<b>33096878</b>	<b>66.06</b>	<b>-</b>	<b>-</b>

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

S. No	Particulars	Shareholding at the beginning of the year		No. of Shares held at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	33096878	66.06	33096878	66.06
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	<b>No Change</b>			
	At the End of the year	33096878	66.06	33096878	66.06

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

S. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		No. of Shares held at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Praveen Kumar Kasliwal	1055840	2.11	1030390	2.06
2	Chartered Finance And Leasing Limited	932881	1.86	1545274	3.08
3	Jyoti Kasliwal Praveen Kasliwal	702300	1.40	676600	1.35
4	Dipak Kanayalal Shah Kanayalal Nanchand Shah	543050	1.08	575000	1.15
5	Rahul Chandrasingh Mehta Chandrasingh Mehta	500000	1.00	500000	1.00
6	Sanjay Kothari	416347	0.83	440000	0.88
7	Sheetal Rahul Mehta Rahul Mehta	416000	0.83	416000	0.83
8	Varsha Bhavesh Shah Bhavesh Dhiresbhai Shah	412729	0.82	412729	0.82
9	Juhi Kasliwal Divyansh Singhvi	404300	0.81	378600	0.76
10	Nandita Kasliwal	402920	0.80	377370	0.75

**(v) Shareholding of Directors and Key Managerial Personnel:**

S. No	For Each of Director And KMP	Shareholding at the beginning of the year		No. of Shares held at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Mr. Shiv Singh Mehta, Managing Director	2028099	4.05	2028099	4.05
2	Mr. Saurabh Singh Mehta, Whole-time Director	30440	0.06	30440	0.06
3	Mrs. Purnima Mehta, Director	120692	0.24	120692	0.24
4	Mr. Rakesh Kalra, Independent Director	-	-	-	-
5	CA Manoj Fadnis, Independent Director	-	-	-	-
6	Dr. Somnath Ghosh, Independent Director	-	-	-	-
7	Mr. Bhuwanesh Shastri, Independent Director	-	-	-	-
8	Mr. S.C. Jajoo, Chief Financial Officer	100	0.00	100	0.00
9	Mr. Sumit Jaitely, Company Secretary & Compliance Officer	3	0.00	3	0.00

**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1960.72	156.60	NIL	2117.32
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1960.72</b>	<b>156.60</b>	<b>NIL</b>	<b>2117.32</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	-	-	-	-
Reduction	456.90	-	-	456.90
<b>Net Change</b>	<b>-456.90</b>	<b>-</b>	<b>-</b>	<b>-456.90</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2030.54	155.78	NIL	2186.32
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>2030.54</b>	<b>155.78</b>	<b>NIL</b>	<b>2186.32</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. No.	Particulars of Remuneration	Name of MD/TWD /Manager		Total Amounts (Rs. in Lacs)
		Mr. Shiv Singh Mehta (MD)	Mr. Saurabh Singh Mehta (WHD)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	13.44	13.44
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	5.00	5.00
	(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	-	8.95	8.95
	others, specify...	-	-	-
5.	Others, please specify-	-	-	-
	<b>Total (A)</b>	<b>-</b>	<b>27.39</b>	<b>27.39</b>

**B. Remuneration to other directors:**

S. No	Particulars of Remuneration	Name of Directors			Total Amount
		3. Independent Directors	Mr. Rakesh Kalra	C.A. Manoj Fadnis	
	Fee for attending board/committee meetings	0.06	0.06	0.00	0.12
	Total (1)				0.12
	4. Other Non-Executive Directors	Mrs. Purnima Mehta			
	Fee for attending board/committee meetings	0.08			0.08
	Total (2)				0.08
	Total (B)=(1+2)				0.20
	Total Managerial Remuneration				27.59

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

S. No	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. S.C. Jajoo, CFO	Mr. Sumit Jaitely, Cs	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7.98	2.08	10.06
	(b) Value of perquisites u/s17(2) Income-taxAct, 1961	-	-	-
	(c) Profits in lieu of salary under section17(3) Income-taxAct, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission- as % of profit-] others,specify...	-	-	-
5.	Others, please specify	-	-	-
	<b>Total</b>	<b>7.98</b>	<b>2.08</b>	<b>10.06</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>COMPANY / DIRECTORS / OTHER OFFICERS IN DEFAULT</b>					
Penalty			None		
Punishment			None		
Compounding			None		

Place: Indore

Date: 11<sup>th</sup> August, 2015

Kriti Nutrients Limited

CIN L24132MP1996PLC011245

Regd. Office: Mehta Chamber, 34 Siyagunj,  
Indore

By order of the Board,

Shiv Singh Mehta  
Managing Director  
DIN 00023523



**SECRETARIAL AUDIT REPORT FORM NO. MR-3**

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 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,

**KRITI NUTRIENTS LIMITED**

**CIN- L24132MP1996PLC011245**

Mehta Chambers, 34-Siyagunj, Indore, Madhya Pradesh

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KRITI NUTRIENTS LIMITED** (hereinafter called the Company) having **CIN- L24132MP1996PLC011245**. 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 audit period covering the financial year ended on 31st March 2015, 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 KRITI NUTRIENTS LIMITED for the financial year ended on 31st March, 2015 according to the provisions of:

The Companies Act, 2013 (the Act) and the rules made thereunder;

- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - Not applicable as the Company has not entered in any such transaction.

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - Not applicable as the Company has not issued any kind of securities during the period under scrutiny.
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - Not applicable as the Company does not have any Employee Stock Option Scheme and Employee Stock Purchase Scheme.
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - Not applicable as the Company does not have any listed debt securities.
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and



- Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- Not applicable as the Company has not bought back any of its securities during the financial year under review.
- vi. The laws as are applicable specifically to the Company are as under:
- The Environment (Protection) Act, 1986;
  - The Water (Prevention and Control of Pollution) Act, 1974;
  - The Air (Prevention and Control of Pollution) Act, 1981;
  - The Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008
  - Factories Act, 1948
  - Industrial Disputes Act, 1947
  - The Payment Of Wages Act, 1936
  - The Minimum Wages Act, 1948
  - The Employees State Insurance Act, 1948
  - The Employee Provident Fund And Miscellaneous Provision Act, 1952
  - The Payment Of Bonus Act, 1965
  - The Payment Of Gratuity Act, 1972
  - Contract Labour (Regulation And Abolition) Act, 1970
  - The Industrial Employment (Standing Orders) Act, 1946.
  - The Apprentices Act, 1961

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India.
  - Not applicable as not notified during the period under review
2. The Listing Agreements entered into by the Company with BSE Limited and Madhya Pradesh Stock Exchange Limited;
  - During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of 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 Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that there are adequate systems and processes in the Company which commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:-

1. The Members have accorded their consent to the Board of Directors at the Annual General Meeting held on September 25, 2014 for the following:-



- a. to borrow any sums of money pursuant to Section 180(1)(c) of the Companies Act, 2013, that may exceed the aggregate of paid-up share capital and free reserves of the Company provided that the total amount so borrowed and outstanding at any one time shall not exceed Rs. 200 Crores.
- b. to mortgage and/or charge in terms of Section 180(1)(a) of the Companies Act, 2013, all the immovable and movable properties, present and future, pertaining to the undertaking of the Company and the whole or substantially the whole of the said undertaking with the right to takeover the management and concern of the undertaking in favour of financial institutions, banks and others to secure their respective borrowings for such amount(s) not exceeding Rs. 200 Crores in the aggregate.

For, **Ashish Karodia & Company**  
Company Secretary

**CS Ashish Karodia**  
M No. 6549 CP 6375  
**Place : Indore**  
**Date : 20<sup>th</sup> May 2015**

## CORPORATE GOVERNANCE REPORT

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Kriti Nutrients Limited ('Kriti') is committed to the adoption of best governance practices. The company's vision document spells out a direction for the policies and procedures which ensure long term sustainability. Value creation for stakeholders is thus a continuous endeavor at Kriti.

On the same lines the Company has always followed fair business and corporate practices while dealing with the shareholders, employees, customers, creditors, lenders and the society at large.

In harmony with this philosophy, the Company relentlessly strives for excellence by benchmarking itself with esteemed companies with good corporate governance. Your company is compliant with all the provisions of Clause 49 of the Listing Agreement of the Stock Exchange. The details of compliance are as follows:

#### I. BOARD OF DIRECTORS

##### Composition of Board

The Board of directors of the company consists of an optimum combination of executive, non-executive and independent directors, to ensure the independent functioning of the Board. The Board consists of six (6) directors, out of which four (4) are non-executive directors and out of the four (4) non-executive directors three (3) are independent.

##### Director Liable to retire by rotation and seeking Re-appointment.

Mrs. Purnima Mehta is the director liable to retire by rotation and being eligible offer herself for re-appointment.

As required under Clause 49 of the Listing Agreement, information such as brief resume, nature of expertise and other directorships is given here below:

<b>Name of the Director</b>	<b>Mrs. Purnima Mehta</b>
Date of Birth	25.05.1960
Date of Appointment	26.12.2009
Expertise in specific area	Account & Finance, Purchase, IT, HR and Administration
Qualification	B.A. (Hons), PGDBM
List of Outside Directorship held	Kriti Industries (India) Limited
Chairman/ Member of the committees of the Board of Directors of the Company	Member: Audit Committee Chairman: CSR Committee Member: Stakeholders' Relationship Committee
Chairman / member of the Committees of Director of other companies in which he/she is a Director	
(a) Audit Committee	Kriti Industries (India) Limited
(b) Stakeholders' Relationship Committee	Kriti Industries (India) Limited
(c) Remuneration Committee	-
(d) CSR Committee	Kriti Industries (India) Limited
No. of Percentage of Shares held	No. of Shares: 120692 % of Shares held: 0.24

The composition of the Board of directors and the number of Board Committee in which they are chairman/ member as on 31.03.2015 are as under:





Name	Category	No. of Directorship in other public Limited Companies	No. of Committee Position held in other Public Limited Companies	
			Chairman	Member
Shri Shiv Singh Mehta	Promoter & Managing Director	Two	Two	Thre
Shri Saurabh Singh Mehta	Executive Director	Nil	Nil	Nil
Smt. Purnima Mehta	Promoter & Non-Executive Director	One	Nil	Four
CA Manoj Fadnis	Independent & Non-Executive Director	One	One	Two
Dr. Somnath Ghosh	Independent & Non-Executive Director	One	One	Two
Shri Rakesh Kalra	Independent & Non-Executive Director	Five	Two	Three

#### Board Procedure

During the year under review, four (4) meetings of the Board of directors were held. The dates of the meetings were decided in advance and key information was placed before the Board. The Board of Directors meetings were held on 29<sup>th</sup> May, 2014, 13<sup>th</sup> August, 2014, 14<sup>th</sup> November, 2014 and 5<sup>th</sup> February, 2015.

#### Attendance record of Directors

The names and categories of the Directors on the Board, their record of attendance at Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorship and membership of Committees held by them in other public limited companies as on 31<sup>st</sup> March, 2015 are:

	No. of Board Meeting held during the year	No. of Board Meeting Attended	Attendance at the last AGM held on 25 <sup>th</sup> September, 2014
Shri Shiv Singh Mehta	4	4	Yes
Shri Saurabh Singh Mehta	4	4	Yes
Smt. Purnima Mehta	4	4	Yes
CA Manoj Fadnis	4	3	Yes
Dr. Somnath Gosh	4	1	No
Shri Rakesh Kalra	4	3	No

#### I. BOARD COMMITTES

#### II. 1 AUDIT COMMITTEE

##### (A) Terms of reference

The Audit Committee has adequate powers and detailed terms of reference to play effective role as required under the provisions of section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered into with the Stock Exchanges.



### (B) Constitution and Composition

The terms of reference of the audit committee are extensive and include all that is mandated in clause 49 of the Listing Agreement with the Stock Exchange and Section 149 of the Companies Act, 2013. The Company has complied with the requirements of clause 49(II)(A) of the Listing Agreements as regards composition of the Audit Committee.

The Audit Committee of the Company as on 31<sup>st</sup> March, 2015 comprises of the following Directors of the Company.

Name of the Director	Designation
CA Manoj Fadnis	Chairman
Shri Rakesh Kalra	Member
Smt. Purnima Mehta	Member

All the three members of the audit committee are non-executive directors and two of them are independent.

### (C) Meeting and attendance during the year

Four (4) meetings were held during the financial year 2014-15 on 29<sup>th</sup> May 2014, 12<sup>th</sup> August 2014, 14<sup>th</sup> November 2014 and 5<sup>th</sup> February 2015. The attendance of each member of the committee is as under:

Name of the Director	No. of Meeting attended
CA Manoj Fadnis	3
Shri Rakesh Kalra	3
Smt. Purnima Mehta	4

## II.2 NOMINATION & REMUNERATION COMMITTEE

### REMUNERATION OF DIRECTORS

#### (A) Terms of reference

The Remuneration Committee recommends remuneration, promotions, increments etc. for the whole time directors and relative of the directors to the Board for approval.

#### (B) Constitution and Composition

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed & reconstituted the existing "Remuneration Committee" as the "Nomination & Remuneration Committee". The Remuneration Committee of the Company as on 31<sup>st</sup> March, 2015 comprises of the following Directors of the Company.

Name of the Director	Designation
CA Manoj Fadnis	Chairman
Dr. Somnath Ghosh	Member
Shri Rakesh Kalra	Member

All the three members of the remuneration committee are non-executive and independent directors.

#### Remuneration to Managing Director and Executive Director

Shri Shiv Singh Mehta, Managing Director of the Company was appointed without any remuneration; hence no remuneration was paid to him by the Company. The terms of remuneration of Shri Saurabh Singh Mehta, Executive Director has already been fixed by the Board of directors and was approved by the shareholders at ensuring Annual General Meeting. During the financial year 2014-15, the particulars of remuneration paid to Whole-time Director is as under: -



Name of the Director	Salary (Rs.)	Perquisites	Commission	Period of Contract
Shri Saurabh Singh Mehta	13.44	5.00	8.95	3 Years starting from 1st August 2013

#### Remuneration of Non- Executive Directors

The details of remuneration paid to the Non-Executive Directors during the financial year 2014-15 are given below. Non-Executive Directors are not entitled for any remuneration other than the sitting fees.

S No.	Name of the Non-Executive Director	Sitting Fees (Rs.)
1	CA Manoj Fadnis	6000
2	Shri Rakesh Kalra	6000
3	Smt. Purnima Mehta	8000
4	Dr. Somnath Ghosh	Nil

#### II.3 STAKEHOLDERS' RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed & reconstituted the existing "Investors' Grievance Committee" as the "Stakeholders' Relationship Committee" consisting of:

Name of the Director	Designation
Dr. Somnath Ghosh	Chairman
CA Manoj Fadnis	Member
Shri Shiv Singh Mehta	Member
Smt. Purnima Mehta	Member

#### II.4 CSR COMMITTEE

Directors have constituted the Corporate Social Responsibility Committee (CSR Committee), as per requirement of the section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 comprising of:

Name of the Director	Designation
Smt. Purnima Mehta	Chairman
Shri Saurabh Singh Mehta	Member
Dr. Somnath Ghosh	Member

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a CSR Policy indicating the activities to be undertaken by the Company, monitoring the implementation of the CSR Policy.

#### INDEPENDENT DIRECTORS' MEETING

The Independent Directors reviewed interalia, to discuss:

- evaluation of performance of non Independent Directors and the Board of Directors as a whole;
- evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
- evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.



### PERFORMANCE EVALUATION

Pursuant to the Provisions of the Companies Act, 2013 and as stipulated under Clause 49 of the Listing Agreement, the Board of Directors adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors. A structured evaluation process covering various aspects of the Boards functioning such as Composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc.

### III. DISCLOSURES

#### A. Disclosure regarding materially significant related party transactions:

None of the transaction with any of the related parties were in conflict with the interest of the Company. Attention of members is drawn to the disclosure of transactions with the related parties set out in Note No. 41 of Notes on Accounts, forming part of the Annual report.

All related party transactions are negotiated on arms length basis and are intended to further the interest of the company.

#### B. Disclosure of non-compliance by the Company:

There has been no instance of non-compliance on any matter related to the capital markets, during the last two years.

### IV. COMMUNICATION TO SHAREHOLDERS

The Company publishes quarterly and yearly results as required under the Listing Agreement in the prescribed format. The results are also sent to the Stock Exchanges for general information and for posting the same on their web site. The notice of the AGM along with the report is sent to the shareholders well in advance of the AGM. The gist of the notice is also published in the newspapers. In addition, the Stock Exchanges are also notified of any important developments that may materially affect the working of the Company. Disclosures within regard to the shareholding pattern, change in major shareholding etc. is also periodically sent to the Stock Exchanges as required under the SEBI Regulations.

### V. INFORMATION ON GENERAL BODY MEETINGS

The details of the location and time for last three Annual General Meetings are given hereunder: -

Year	Location	Date	Time
2013-2014	4 <sup>th</sup> Floor, Chetak Chamber, 14, RNT Marg, Indore	25 <sup>TH</sup> September, 2014	4:30 PM
2012-2013	4 <sup>th</sup> Floor, Chetak Chamber, 14, RNT Marg, Indore	14 <sup>TH</sup> September, 2013	5:00 PM
2011-2012	4 <sup>th</sup> Floor, Chetak Chamber, 14, RNT Marg, Indore	22 <sup>nd</sup> September, 2012	4:30 PM

During the year under review, no extra ordinary general meeting was held as well as no resolution was passed through the Postal Ballot process.

### VI. CODE OF CONDUCT

The Company has adopted a Code of Conduct for Board of directors and Senior Management. All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct as on March 31, 2015. A declaration to this effect signed by the Managing Director forms part of this Report.

As required by SEBI Regulations, the Company has adopted a code for the Prevention of Insider Trading.

Code is applicable to the directors and employees of the Company and its subsidiaries and their dependent family members.

### VII. WHISTLE BLOWER/VIGIL MECHANISM POLICY

The Company has laid down a Whistle Blower Policy/vigil mechanism. The company encourages an open door policy where employees have access to the Head of the business/ function. The company takes cognizance of the



complaints made and suggestions given by the employees and others. Complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the company has been denied access to the Audit Committee in this regard.

**Compliance by the Company**

There has not been any non-compliance by the company and no penalties or strictures imposed on the company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

**VIII. GENERAL SHAREHOLDER INFORMATION**

**Annual General Meeting**

The 19<sup>th</sup> Annual General Meeting of the Company will be held on Thursday, the 24<sup>th</sup> September, 2015 at 4:00 P.M. at Corporate Support Center of the company situated at “Chetak Chambers” 4<sup>th</sup> Floor, 14R.N.T. Marg, Indore.

**Financial Calendar for the year 2015-16 (Provisional)**

a.	Un-Audited Results for the first quarter ending 30 <sup>th</sup> June, 2015	On or Before 14 <sup>th</sup> August, 2015
b.	Un-Audited Results for the second quarter ending 30 <sup>th</sup> September, 2015	On or Before 14 <sup>th</sup> November, 2015
c.	Un-Audited Results for the Third quarter ending 31st December, 2015	On or Before 14 <sup>th</sup> February, 2016
d.	Audited Results (Audited) for the fourth quarter ending 31st March, 2016	On or Before 30 <sup>th</sup> May, 2016
e.	Annual General Meeting for the year ending March, 2016	Before end of September, 2016

**Book Closure Dates**

The Company's Share Transfer Book will remain closed from Friday 18<sup>th</sup> September, 2015 to Thursday 24<sup>th</sup> September, 2015 (both days inclusive) for purpose of Annual General Meeting.

**Cutoff date for E-voting** : **17<sup>th</sup> September, 2015**

**Listing on Stock Exchange**

The Company's shares are traded on BSE.

The Company's shares are presently listed on the Bombay Stock Exchange Limited. The Company has paid annual listing fee for the year 2015-16.

**Stock Code/ Details of Scrip**

BSE	:	533210
NSDL & CDSL-ISIN	:	INE798K01010
Posting/ mailing of Annual Report	:	Before 31 <sup>st</sup> August, 2015
Last date for receipt of Proxy	:	22 <sup>nd</sup> Sept., 2015
Dividend	:	The Board of directors of the Company recommended dividend of Rs. 0.10 (10%) per equity share of Rs. 1/- each for the financial year ended March 31, 2015, which would be paid subject to approval by the members in the ensuing Annual General Meeting (AGM). The proposed dividend will absorb Rs. 50.10 lacs excluding Dividend Distribution Tax of Rs. 10.02 lacs.
Compliance Officer	:	CS Sumit Jaitely
Scrutinizer for E-voting	:	CS Ishan Jain
SIN NO	:	INE798K01010

**Market Price Data (Rs.)**

The monthly high and low quotations of shares of the Company traded at the Stock Exchange, Mumbai during the financial year 2014-15 are given below:



Month	High (Rs.)	Low (Rs.)
April, 2014	4.06	3.06
May, 2014	4.26	3.17
June, 2014	4.47	3.63
July, 2014	5.15	3.68
August, 2014	5.69	3.30
September, 2014	6.21	4.23
October, 2014	5.49	4.20
November, 2014	5.10	4.11
December, 2014	5.50	4.00
January, 2015	5.68	4.13
February, 2015	6.90	4.39
March, 2015	6.86	5.01

#### Share Transfer System

The Share Transfer-cum-Investors Grievance Committee attends to share transfer formalities once in a fortnight. Demat requests are normally confirmed within an average period of 15 days from the date of receipt. The Company has appointed following agency as Share Transfer Agent (Electronic + Physical). The shareholders may address their communication, suggestions, grievances and queries to:

#### Ankit Consultancy Pvt. Limited

Plot No. 60, Electronic Complex, Pardeshipura, Indore- 452 010 (M.P) Tel: 0731-2551745, 0731-2551746

Fax: 0731-4065798 E-mail: [ankit\\_4321@yahoo.com](mailto:ankit_4321@yahoo.com)

#### Shareholding Pattern & Distribution of Shareholding

##### Shareholding Pattern as on 31.03.2015

Category	No. o Shares held	Percentage of Shareholding
A. Promoter's holding		
1. Promoters		
a. Indian Promoters	33096878	66.06
b. Foreign Promoters	0.00	0.00
2. Persons acting in concert		
Sub-Total	33096878	66.06
B. Non-Promoter's holding		
3. Institutional Investors		
a. Financial Institution and Banks	1600	0.00
b. FIIs	0.00	0.00
Sub-Total	1600	0.00
4. Others		
a. Corporate Bodies	2622776	5.24
b. Indian Public	14239366	28.42
c. NRIs/OCBs	131346	0.26
d. Any Other (Clearing Member)	11554	0.02
Sub-Total	17005042	33.94
<b>GRAND TOTAL</b>	<b>50103520</b>	<b>100</b>



No. of Shares	No. of Shareholders	% of Shareholders
1-1000	3755	66.59
1001-2000	988	17.52
2001-3000	284	5.04
3001-4000	311	5.52
4001-5000	47	0.83
5001-10000	130	2.31
10001-20000	54	0.96
20001-30000	15	0.27
30001-40000	20	0.35
40001-50000	3	0.05
50001-100000	12	0.21
100000 Above Total	20	0.35
	<b>5639</b>	<b>100.00</b>

**Dematerialisation of Shares & Liquidity**

The shares of the Company are under compulsory demat segment and are listed on Bombay Stock Exchange, Mumbai. The Company's shares are available for trading in the depository of both NSDL & CDSL.

**Details of Demat Shares as on 31<sup>st</sup> March 2015**

	No. of Shareholders/Beneficial Owners	No. of Shares	% of Capital
NSDL	2049	42178982	84.18
CDSL	1127	4684658	9.35
<b>Sub-Total</b>	<b>3176</b>	<b>46863640</b>	<b>93.53</b>
Shares in physical form	2463	3239880	6.47
<b>Grand Total</b>	<b>5639</b>	<b>50103520</b>	<b>100.00</b>

**Outstanding Convertible Instruments**

There are no outstanding warrants or any convertible instruments.

**Plant locations of the Company**

Industrial Area No. 3, Dewas (M.P)

**Address for communication**

The shareholders may address their communication, suggestions, grievances and queries to:

**Ankit Consultancy Pvt. Limited**

Plot No. 60, Electronic Complex, Pardeshipura Indore- 452 010 (M.P)

Tel: 0731-2551745, 0731-2551746, Fax: 0731-4065798

**E-mail: ankit\_4321@yahoo.com**

**Certificate on Corporate Governance**

The company has obtained a certificate from the Practicing Company Secretary regarding compliances with the provisions of the corporate governance laid down in Clause 49 (VII) of the Listing Agreement with Stock Exchanges.

**Place: Indore**

**Date: 11th August, 2015**

**Kriti Nutrients Ltd.**

**CIN L24132MP1996PLC011245**

**Regd. Office: Mehta Chamber, 34 Siyagunj,**

**Indore**

**By order of the Board,**

**Shiv Singh Mehta**

**Managing Director**

**DIN 00023523**

**MD / CEO CERTIFICATION**

To,  
The Board of Directors,  
Kriti Nutrients Limited

Dear Sirs,

We have reviewed the Financial Statement read with the cash flow statement of Kriti Industries (India) Ltd. for the year 31<sup>st</sup> March, 2015 and that to the best of their 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.

We further certify that, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate the Company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have not noticed any deficiency that need to be rectified or disclosed to the Auditors and the Audit.

We have indicated to the Auditors and the Audit Committee that there is

1. No significant change in internal control over financial reporting during the year
2. No significant change in accounting policies during the year under review and
3. No instance of any fraud in the company in which the management has any role.

**For, Kriti Nutrients Limited**

**Shiv Singh Mehta,**

**Managing Director - DIN 00023523**

**REPORT ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

**To the Shareholders of Kriti Nutrients Limited**

We have examined the compliance of the conditions of Corporate Governance by Kriti Nutrients Limited, Indore for the period ended 31<sup>st</sup> March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance as stipulated in the above Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accounts of India we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the Investor / Shareholders Grievance Committee.

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

**For Ashish Karodia & Company**  
**Company Secretary**

**SD/-**

**CS Ashish Karodia**

**M.No. :6549**

**CP No. 6375**

**Place:Indore**

**Date: 11<sup>th</sup> August, 2015**





## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **INDUSTRY STRUCTURE AND DEVELOPMENT**

The business of the company is processing of soyabean seeds, refining of oil for edible use and production of soya based value added products.

The most popular and the largest produced oil seed in the world is soya bean. The contribution of soya oil to the world's total oil consumption has gradually increased over the years.

Soyabean being cash crop is an important contributor to the Indian GDP. Madhya Pradesh leads among the soyabean producing states in India followed by Maharashtra and Rajasthan.

### **PERFORMANCE & MARKET REVIEW**

Kriti Nutrients Limited braved the challenging soya industry which showed overall slowdown, Kriti Nutrients Limited delivered growth in sales and profit in FY 2014-15. The company achieved sales of Rs. 312.84 crores during the year and a net profit of Rs. 5.76 crores.

Reaping benefits of its distribution enhancement initiatives and of the investment behind its brand 'Kriti', the company exhibited good growth momentum. The domestic and the international business have reported a steady increase in volumes.

The growth of the company is being powered by introduction of new edible oil and value added products for which the company has created additional capacities at its existing manufacturing facilities coupled with technological improvements & cost efficiencies with minimal capital expenditure. With these improvements, the company has further increased its market share aligned with the planned strategy.

The key drivers for growth and stability of the company are summarized below:

#### **Distribution enhancement**

- Enhanced brand value due to marketing initiatives
- Introduction of new value added products
- Successful enhancement of its refining capacity to 6000 MT per month
- Introduction of sunflower oil

### **BUSINESS STRATEGY ANALYSIS AND FUTURE GROWTH DRIVERS**

The business strategy in the year under review was to

- A) grow the customer reach and base, for domestic and international customer segments. The company has expanded its sales network geographically and increased its penetration in the existing markets.
- B) expand its products portfolio by introduction of sun flower oil in the retail market and value added soya products. This is in keeping with the long term vision to concentrate on value added products, which command a premium.

#### **FUTURE DRIVERS**

- A) The company will leverage its location advantage of having access to good quality non-genetically modified soyabeans (GMO) as a raw material for its value added products to command premium in exports.
- B) The company will leverage its core strength of manufacturing.
- C) Training shall be imparted to the technical sales team to keep abreast with technological developments and address customer issues sensitively
- D) The go to market strategies will be refined to sharpen the brand's competitive edge
- E) The company will continue to grow its market share in recently introduced products and in newer territories.
- F) The company will evolve its packaging by investing in latest methods
- G) Brand building activities will be continued by judicious use of media and other consumer connect activities.

**THREAT**

- A) Production of Soyabean is highly dependent on the vagaries of monsoon. The delayed and uneven monsoon creates shortage of raw material thus affecting the capacity utilization and profitability of the industry. The large crushing capacity and new entrants with government incentives creates unhealthy competition.
- B) Further, on international currencies front, volatility of exchange rate can cause concern because significant sales are in the form of exports.

However, the risk associated with currency fluctuation has been mitigated by effective forex management policy. The company still believes in adopting a very conservative and cautious policy to avoid any unwarranted effects of currency volatility.

The company has taken suitable cost control steps at various levels of operations. The cost is being monitored regularly to ensure that the operating margins of the company aren't affected due to inflation.

**INFORMATION & TECHNOLOGY**

In line with overall growth objective and strengthening of infrastructure base, the company continues to invest in Information Technology (IT) viz. SAP Enterprising Resource Planning System, CRM, HRM, Sales Force Mobility for leveraging its business values. Through implementation of these software's the company has improved its operational efficiencies, inventory minimization and cost optimization

The company views these investments as a strategic tool to enhance its operational efficiencies, through various functional integration.

**FINANCIAL PERFORMANCE**

The financial statements are prepared in compliance with the Companies Act, 2013 and as per the generally accepted accounting principles, policies and practices prevalent in India. The Company's financial performance is discussed in details under the head "Financial Results" in Directors' Report to the Members.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has a well-established framework of internal controls in all areas of its operations, including suitable monitoring procedures and competent personnel. In addition to statutory audit, the financial controls of the Company are reviewed by the Internal Auditors, who report their findings to the Audit Committee of the Board. The Audit Committee is headed by an Independent Director and this ensures independence of functions and transparency of the process of supervision. The Committee meets to review the progress of the internal audit initiatives, significant audit observations and planning and implementation of follow-up action required.

**HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The Company constantly facilitates and encourages its employees at all levels to enhance their knowledge and skills to continuously seeks to inculcate within its employees, a strong sense of business ethics and also firmly believes that Human Resource Development strategies and practices will continue to provide a sustained competitive advantage. Your company believes that it is the quality and dynamism of its human resources that will enable it make a significant contribution to creating enhanced values. The Directors of your Company deeply appreciate the spirit and commitment of its dedicated team of 205 employees as on 31.03.2015.

**CAUTIONARY STATEMENT**

Estimates and expectations stated in this Management Discussion and Analysis Report may be "forward-looking statements" within the meaning of applicable securities, laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include economic conditions affecting demand/ supply and price conditions in the domestic and international markets, changes in the Government regulations, tax laws, and other statutes and incidental factors.



## INDEPENDENT AUDITOR'S REPORT

To,  
The Members,  
Kriti Nutrients Limited  
34, Siyaganj, Indore (M.P.)

### Report on the Financial Statements:

We have audited the accompanying financial statements of **KRITI NUTRIENTS LIMITED** ("the Company"), which comprise the Balance Sheet as at **March 31, 2015**, and the Statement of Profit and Loss and Cash Flow Statement for the year ended **March 31, 2015**, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements:

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

This responsibility also includes 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 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 thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 but not for the purpose of expressing an opinion on whether the Company has in place an adequate financial controls system over financial reporting and the operating effectiveness of such controls.

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 financial statements.

**Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

- 1) As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) 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:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 27.3 to the financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**FOR: R. S. BANSAL & COMPANY**

Chartered Accountants  
Firm Reg. No. : 000939C

**VIJAY BANSAL**

Partner  
Membership No. : 075344  
Indore, 20<sup>th</sup> May, 2015



**“Annexure A” to the Auditor’s Report as referred in paragraph first of our report of even date to the members of Kriti Nutrients Limited for the year ended 31<sup>st</sup> March 2015.**

As required by the Companies (Auditor’s Report) Order, 2015 issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013, we further report that :-

**1. Fixed Assets:**

- a. As informed to us, the Company has maintained proper records, on yearly basis, showing full particulars, including quantitative details and situation of fixed assets. The entire records have been maintained on computer system through SAP.
- b. As informed to us, the management of the Company has physically verified fixed assets at reasonable intervals, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets and no material discrepancies were noticed on such verification.

**2. Inventories:**

- a. The inventory of the Company has been physically verified during the year by the management at regular interval.
- b. In our opinion and according to the information and explanation given to us, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its inventories. No material discrepancies have been noticed on physical verification of stock.

**3. Loans Granted:**

As per information and explanation given to us, the Company has not granted any unsecured loans to parties covered under section 189 of the Act.

**4. Internal Control Procedures:**

In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate 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. During the course of our audit, we have not observed any major weakness in such internal control system.

**5. Public Deposit:**

In our opinion and according to the information and explanations given to us, the Company neither accepted nor invited any deposits from public within the provision of Section 73 to 76 of Companies Act, 2013 and rules made there under.

**6. Cost Records:**

We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of the cost records under section 148 (1) of the Companies Act, 2013 in respect of the oil refining activities of the company to which said rules are made applicable and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. We have, however, not made detailed examinations of the records with a view to determined whether they are accurate or complete.

**7. Statutory Dues :**

- a. According to the information and explanation given to us, the Company has been generally regular in depositing undisputed dues relating to Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duties of Customs, Duties of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with appropriate authorities. There are no undisputed statutory dues payable which are outstanding as at March 31, 2015 for a period of more than 6 months from the date they became payable.
- b. According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty & cess which have not been deposited on account of any dispute, except the following –

c. As per the information and explanations given to us there is no amount that is required to be transferred to Investor Education and Protection Fund in accordance with relevant provisions of Companies Act, 1956 (1 of 1956) and rules made thereunder.

S. No	Name of the Statute (Nature of the Dues)	Forum where Matter is Pending	Period to which the amounts relates	Amounts (in Rs.)
1.	M.P. COMMERCIAL TAX	APPELLATE BOARD, BHOPAL	2004-05	21,55,460
2.	M.P. COMMERCIAL TAX	APPELLATE BOARD, BHOPAL	2005-06	81,41,497
3.	M.P. COMMERCIAL TAX	APPELLATE BOARD, BHOPAL	2005-06	8,95,411
4.	M.P. COMMERCIAL TAX	APPELLATE BOARD, BHOPAL	2006-07	8,70,630
5.	CENTRAL SALES TAX	M. P. HIGH COURT, JABALPUR	2006-07	1,14,25,030
6.	CENTRAL SALES TAX	APPELLATE BOARD, BHOPAL	2005-06	32,699
7.	CENTRAL SALES TAX	ADDITIONAL COMMISSIONER OF COMMERCIAL TAX (APPEALS)	2012-13	1,35,525
8.	ENTRY TAX	APPELLATE BOARD, BHOPAL	2004-05	7,99,081
9.	ENTRY TAX	SALES TAX COMMISSIONER	2005-06	50,31,195
10.	ENTRY TAX	APPELLATE BOARD, BHOPAL	2006-07	5,13,848
11.	ENTRY TAX	APPELLATE BOARD, BHOPAL	2007-08	18,22,609
12.	ENTRY TAX	APPELLATE BOARD, BHOPAL	2008-09	3,90,591
13.	ENTRY TAX	APPELLATE BOARD, BHOPAL	2008-09	19,71,548

**8. Accumulated Cash Losses:**

As informed and explained to us there is no accumulated cash losses of the Company. Further, the Company has not incurred any cash losses during the period covered by the report and immediately preceding the financial year.

**9. Default in repayment of dues to Financial Institutions, Banks or debenture holders: -**

Based on our audit and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of any loan from Financial Institutions or Banks.

**10. Guarantee given by the Company for loan taken by Others:**

According to the information and explanation given to us, the Company has not given any guarantee in respect of loan taken by others from any banks or financial institutions.

**11. Utilization of Term Loans:**

According to the information and explanations given to us, and based on documents provided to us, term loan availed by the Company were, prima-facie, applied by the Company for the purposes for which the loans were obtained. However, there were no new term loans that had been obtained during the year of audit.

**12. Fraud Noticed or Recorded:**

To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the period.

**FOR: R. S. BANSAL & COMPANY**

Chartered Accountants  
Firm Reg. No. : 000939C

**VIJAY BANSAL**

Partner  
Membership No. : 075344  
Indore, 20<sup>th</sup> May, 2015



## KRITI NUTRIENTS LIMITED

### Balance Sheet as at 31st March, 2015

(Rs. in Lacs)

Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Fund</b>			
(a) Share Capital	2	501.04	501.04
(b) Reserves and Surplus	3	2160.56	1661.49
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	4	377.52	754.06
(b) Deferred Tax Liabilities (Net)	5	526.46	493.70
(c) Other Long Term Liabilities	6	155.78	156.60
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	7	1276.37	749.65
(b) Trade Payables	8	1929.18	1482.70
(c) Other Current Liabilities	9	461.16	521.22
(d) Short-Term Provisions	10	348.81	229.12
<b>Total</b>		<b>7736.88</b>	<b>6549.58</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	11	3415.36	3388.75
(ii) Intangible Assets	12	36.00	48.21
(iii) Capital Work-In-Progress		34.59	16.86
(b) Non-Current Investments	13	8.41	8.41
(c) Long Term Loans and Advances	14	41.79	63.06
(d) Other non-current assets	15	6.44	15.54
<b>(2) Current Assets</b>			
(a) Inventories	16	2642.77	1986.75
(b) Trade Receivables	17	652.77	363.99
(c) Cash and Bank Balances	18	185.73	150.10
(d) Short-Term Loans and Advances	19	263.26	232.58
(e) Other Current Assets	20	449.76	275.33
<b>Total</b>		<b>7736.88</b>	<b>6549.58</b>

Significant accounting policies

1

Other Notes to the accounts

26-44

As per our Report of even date attached

For and on behalf of the Board of Directors

For R.S.Bansal &amp; Company

Shiv Singh Mehta  
(Managing Director)Purnima Mehta  
(Director)  
DIN 00023523S.C. Jajoo  
(Chief Financial officer)Sumit Jaitely  
(Company Secretary)

Vijay Bansal

Partner M.No. 075344  
Indore, 20<sup>th</sup> May 2015

**KRITI NUTRIENTS LIMITED**

**Statement of Profit & Loss for the Year Ended on 31st March, 2015**

(Rs. in Lacs)

Particulars	Note No.	2014-15	2013-14
<b>Revenue from Operations</b>	21	31114.57	28897.12
Less: Excise Duty		74.69	50.22
		31039.88	28846.90
Other Income	22	169.12	92.25
<b>Total Revenue</b>		<b>31209.00</b>	<b>28939.15</b>
<b>Expenses:</b>			
Cost of Materials Consumed		27176.14	24915.45
Purchase of Stock in Trade		112.37	-
(Increase)/Decrease in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade		(475.01)	136.24
Employee Benefit Expense	23	554.43	496.32
Financial Costs	24	468.38	485.87
Depreciation and Amortization Expense	11-12	222.95	257.09
Other Expenses	25	2262.88	2089.49
<b>Total Expenses</b>		<b>30322.14</b>	<b>28380.46</b>
Profit Before Exceptional and Extraordinary Items and Tax		886.86	558.69
Prior Period Expenses		10.30	0.00
Profit Before Extraordinary Items and Tax		876.56	558.69
Extraordinary Items		0.00	0.00
<b>Profit Before Tax</b>		<b>876.56</b>	<b>558.69</b>
<b>Tax Expense:</b>			
Current Tax		271.10	173.10
Excess Provision of Earlier Year Written Back		(5.44)	0.00
MAT Credit		0.00	(20.20)
Deferred Tax		35.04	49.34
<b>Profit/(Loss) for the period</b>		<b>575.86</b>	<b>356.45</b>
<b>Profit/(Loss) for the period</b>		<b>575.86</b>	<b>356.45</b>
<b>Earning per Equity Share:</b>			
(1) Basic		1.15	0.71
(2) Diluted		1.15	0.71

Significant accounting policies

1

Other Notes to the accounts

26-44

As per our Report of even date attached

For and on behalf of the Board of Directors

**For R.S.Bansal & Company**

Chartered Accountants, FRN:000939C

**Shiv Singh Mehta**

(Managing Director)

DIN 00023523

**Purnima Mehta**

(Director)

DIN 00023632

**S.C. Jajoo**

(Chief Financial officer)

**Sumit Jaitely**

(Company Secretary)

**Vijay Bansal**

Partner M.No. 075344

Indore, 20<sup>th</sup> May 2015





## KRITI NUTRIENTS LIMITED

## Cash Flow As On 31st March 2015

(Rs. in Lacs)

Particulars	Year Ended 31.03.2015		Year Ended 31.03.2014	
	Amount	Amount	Amount	Amount
<b>Cash Flow From Operating Activities</b>				
<b>Net Profit before Tax</b>		<b>876.56</b>		<b>558.69</b>
Adjustments for				
Dividend Received	(0.13)		(0.12)	
Depreciation	222.95		257.09	
(Profit)/ Loss on Sale of Fixed Assets	(9.00)		1.05	
Financial Income	(159.99)		(92.13)	
Financial Expense	468.38	522.21	485.87	651.76
<b>Cash Operating Profit before working capital changes</b>		<b>1,398.77</b>		<b>1,210.45</b>
Increase / (Decrease) in Trade Payables	446.48		(777.50)	
Increase / (Decrease) in Short term Provisions	(147.48)		(41.74)	
Increase / (Decrease) in Other Current Liabilities	18.21		14.45	
(Increase) / Decrease in Inventories	(656.02)		(155.98)	
(Increase) / Decrease in Trade Receivables	(300.68)		125.28	
(Increase) / Decrease in Long term Loans & Advances	21.28		6.27	
(Increase) / Decrease in Other Non Current Assets	9.09		0.00	
(Increase) / Decrease in Short term Loans & Advances	(30.68)		83.49	
(Increase) / Decrease in Other Current Assets	(24.42)	(664.23)	127.54	(618.19)
Tax Paid		(150.00)		(150.00)
<b>Net Cash From Operating Activities (A)</b>		<b>584.54</b>		<b>442.26</b>
<b>Cash Flow From Investing Activities</b>				
Dividend Income	0.13		0.12	
Financial Income	159.99		92.13	
Purchase of Fixed Assets & CWIP	(262.14)		(123.94)	
Sale Proceed of Fixed Assets	9.00		0.50	
Investment in Fixed Deposits having maturity of more than three months	(36.92)		59.60	
<b>Net Cash Used In Investing Activities (B)</b>		<b>(129.93)</b>		<b>28.41</b>
<b>Cash Flow From Financing Activities</b>				
Proceeds from Long Term Borrowings	0.00		0.00	
Repayment of Long Term Borrowings	(456.90)		(560.18)	
Net Increase / (Decrease) in Long Term Borrowing	(456.90)		(560.18)	
Increase / (Decrease) of Short Term Borrowings	526.73		685.91	
Increase / (Decrease) in other Long Term Liability	(0.82)		(78.15)	
Dividend Paid on Equity Shares	(50.10)		(30.06)	
Dividend Distribution Tax Paid	(8.52)		(5.11)	
Financial Expenses	(468.38)		(485.87)	

**KRITI NUTRIENTS LIMITED**  
**Cash Flow As On 31st March 2015**

(Rs. in Lacs)

Particulars	Year Ended 31.03.2015		Year Ended 31.03.2014	
	Amount	Amount	Amount	Amount
Net Cash Used In Financing Activities (C)		(457.99)		(473.46)
Net Decrease In Cash and Cash Equivalents (A + B + C)		(3.38)		(2.79)
ADD :Cash and cash equivalents - Opening - 1st April		7.50		10.29
Cash and cash equivalents - Closing - 31st March		4.12		7.50

**FOOTNOTE TO CASH FLOW STATEMENT:****1. Components of Cash and Cash Equivalents are produced as under: (Rs. in Lacs)**

Particulars		
<b>Cash &amp; Cash Equivalents</b>		
Balances with Banks		
Current Account	0.70	0.68
Fixed Deposit having original maturity 3 month or less	0.00	0.00
Cheques, Draft on hand	0.00	0.00
Cash on hand	3.42	6.82
<b>Total of Cash &amp; Cash Equivalent</b>	<b>4.12</b>	<b>7.50</b>

(Rs. in Lacs)

**2. Reconciliation of Cash and Cash Equivalents with Cash and Bank as per the Balance Sheet Balances:**

Particulars	2014-15	2013-14
Cash and cash equivalents as above	4.12	7.50
Add : Other Cash and Bank Balances		
Unpaid Dividend	8.19	6.10
Fixed Deposit account maturity more than 3 month & less than 12 month	173.42	136.50
<b>Cash and Bank Balances classified as Current (Refer Note 17)</b>	<b>185.73</b>	<b>150.10</b>

Significant accounting policies 1  
 Other Notes to the accounts 26-44  
 As per our Report of even date attached

For and on behalf of the Board of Directors

**For R.S.Bansal & Company**

Chartered Accountants, FRN:000939C

**Shiv Singh Mehta**  
(Managing Director)

DIN 00023523

**Purnima Mehta**  
(Director)

DIN 00023632

**S.C. Jajoo**

(Chief Financial officer)

**Sumit Jaitely**

(Company Secretary)

**Vijay Bansal**

Partner M.No. 075344

Indore, 20<sup>th</sup> May 2015

**NOTE NO. 1****SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (31.03.2015)****1.1. Corporate Information**

Kriti Nutrients Ltd., a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on 24.09.1996 and having its Registered office in Indore (MP). The company's shares are listed in the Bombay Stock Exchange (BSE). The Company is in the business of Soya Seed Extraction and Manufacturing & Selling of cooking oil under its own brand "KRITI".

**1.2 Significant Accounting Policies****1.2.1 Basis of Preparation of Financial Statements**

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India ('ICAI'), and as specified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable.

**1.2.2 Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

**1.2.3 Fixed assets and Depreciation****Tangible Assets**

Fixed assets are stated at acquisition cost less accumulated depreciation. The cost of fixed assets comprises its purchase price including import duties and other non-refundable taxes or levies and any directly, attributable cost of bringing the asset to the working condition for its intended use.

Depreciation is provided on the straight-line method ('SLM') over the remaining useful life of the asset - as prescribed in Schedule II of the Act.

Capital Work-In-Progress includes the cost of fixed assets that are not ready to use at the balance sheet date and advances paid to acquire capital assets before the balance sheet date.

**Intangible Assets**

Intangible assets are stated at acquisition cost less accumulated amortization. Amortization is provided on straight line method (S.L.M.) over the useful life of six years of the asset.

**1.2.4 Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or a group of assets. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset 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 Statement of Profit & Loss. If at the balance sheet date there is an indication that 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 depreciable historical cost.

**1.2.5 Investments**

Investments classified as long term investment are carried at cost. Provision for diminution, if any, shall be made to recognize a decline other than temporary, in the value of the investment.

**1.2.6 Inventories**

**1. Stores and Spares parts, etc:** At Cost, with moving average price on FIFO basis.

**2. Raw materials:** At cost, with moving average price on FIFO basis.

**3. Finished Goods:** At estimated cost or net realizable value (whichever is lower).

**4. By Products:** At net realizable value.

Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

**1.2.7 Revenue Recognition**

(a) Revenue from sale of products is recognized on transfer of all significant risk and rewards of ownership of products to the customers, which is generally on dispatch of goods. Sales are stated exclusive of Value Added Tax.

- (b) Dividend income is recognized when the right to receive the dividend is established.
- (c) Export incentives receivable are accrued for when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of export proceeds.

#### **1.2.8 Employee Benefits**

##### **(a) Short Term Employee Benefits :**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. are recognized in the period in which the employee renders the related services.

##### **(b) Post-Employment Benefits :**

**(i) Defined Contribution Plans:** The Employee State Insurance Scheme and Contributory Provident Fund administered by Provident Fund Commissioner are defined contribution plans. The Company's contribution paid/payable under the schemes is recognized as expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

**(ii) Defined Benefit Plans:** The Company has taken Group Gratuity and Cash Accumulation Policy issued by the Life Insurance Corporation of India (LIC). The present value of the obligation under such defined benefit plans is determined based on actuarial valuation as advised by LIC, using the Projected Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, are as advised by LIC.

Actuarial gains and losses are recognized immediately in the Statement of Profit & Loss.

#### **1.2.9 Foreign Currency Transactions**

(a) Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit & Loss of the year.

(b) Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit & Loss.

(c) Realized gain or loss on cancellation of forward exchange contract is recognized in the Statement of Profit & Loss for the year.

(d) Gain / Loss on exchange difference on pending forward exchange contract which are yet to be executed are measured on the basis of difference between spot rate at year end and with forward contract exchange rate (premium adjusted) of respective date through "Exchange Fluctuation Hedge Reserve" carved out of free reserve in Balance Sheet.

#### **1.2.10 Borrowing Costs**

The borrowing costs that are directly attributable to the acquisition, construction or productions of a qualifying asset are capitalized as part of the cost of that asset. The amount of borrowing cost eligible for capitalization is determined in accordance with Accounting Standard (AS) 16- Borrowing Costs issued by the Institute of Chartered Accountants of India (ICAI) and as specified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014.

#### **1.2.11 Taxation**

Tax expenses for the current year comprises of current tax, deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act 1961. Deferred tax is recognized, on timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

#### **1.2.12 Earning Per Share**

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

#### **1.2.13 Provisions for Contingencies**

(a) Provisions comprise liabilities of uncertain timing or amount. Provisions are recognized when the company recognizes it has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

(b) Disclosures for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources when there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(c) Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.



## KRITI NUTRIENTS LIMITED

## NOTES Forming Part of The Balance Sheet and Statement of Profit &amp; Loss

(Rs. in Lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>2 SHARE CAPITAL</b>		
<b>2.1 AUTHORIZED</b>		
2.1.1 100000000 Equity Shares of Re. 1/- each		
<b>2.2 ISSUED, SUBSCRIBED AND PAID UP</b>	1000.00	1000.00
2.2.1 50103520 equity shares of Rs 1/- each fully paid up. Out of which 49603520 share issued on 27.01.2010 as fully paid up on account of scheme of arrangement as approved by The Hon'ble High Court of M.P. Indore Bench. The company has only one class of shares referred to as equity shares having a par value of Rs.1 each holder of the equity share as referred in the records of the company as of date of the shareholder meeting is referred to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the company the holders of equity shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts.		
<b>2.2.2 Reconciliation of shares</b>		
2.2.2.1 Opening Balance of 50103520 equity shares of Rs. 1/- each	501.04	501.04
2.2.2.2 Issued during the year NIL	0.00	0.00
2.2.2.3 Closing Balance 50103520 equity shares of Rs. 1/- each	501.04	501.04
<b>Total</b>	<b>501.04</b>	<b>501.04</b>
<b>2.3 SHAREHOLDER HOLDING MORE THAN 5 % OF SHARES OF THE COMPANY AND ITS PERCENTAGE</b>		
<b>2.3.1 SAKAM TRADING PRIVATE LIMITED ( HOLDING COMPANY )</b>		
No. of Shares	26099473	26099473
% of Shares	52.09%	52.09%
Pursuant to the Hon'ble High Court of M.P. order dated 1.11.2011 approving the scheme of amalgamation of promoter group companies viz Kriti Corporate Service Pvt.Ltd., Kriti Auto Accessories Private Ltd., Kasta Pipes Pvt.Ltd.and Shipra Pipe Pvt Ltd. with Sakam Trading Pvt.Ltd., the Shareholding of the above transferor companies are vested in Sakam Trading Pvt.Ltd. Thus Sakam Trading Pvt.Ltd. becomes holding company w.e.f.27.02.12 of Kriti Nutrients Ltd.		
<b>2.3.2 CHETAK BUILDERS PRIVATE LIMITED ( ASSOCIATE COMPANY )</b>		
No. of Shares	4608158	4608158
% of Shares	9.20%	9.20%
<b>3.1 RESERVES</b>		
<b>3.1.1 General Reserve</b>	500.00	450.00
Add: Transfer from Statement of Profit & Loss	50.00	50.00
Closing Balance	550.00	500.00
<b>3.2 Capital Reserve( Arosen due to scheme of arrangement )</b>	295.56	295.56
<b>3.3 Contingency Reserve ( Free Reserve )</b>	25.00	25.00
<b>3.4 Exchange Fluctuation Reserve( Refer point no 1.2.9 ( d ) of Note No. 1 )</b>	16.45	28.35
<b>3.5 SURPLUS</b>		
3.5.1 Statement of Profit & Loss		
3.5.1.1 Opening Balance	812.58	564.75
3.5.1.2 Less Carrying amount of Assets whose remaining useful life is Nil as per Schedule II of Companies Act, 2013	4.77	0.00
3.5.1.2 Add Profit & Loss during the period	575.86	356.45
	1383.67	921.20
<b>Less:</b>		
3.5.2 Proposed Dividend @ Rs.0.10 per share (Previous year Rs. 0.10 per share)	50.10	50.10
3.5.3 Corporate Dividend Tax	10.02	8.52
3.5.4 Transferred to General Reserve	50.00	50.00
Balance in Surplus	1273.55	812.58
<b>Total</b>	<b>2160.56</b>	<b>1661.49</b>

**KRITI NUTRIENTS LIMITED**

**NOTES Forming Part of The Balance Sheet and Statement of Profit & Loss** (Rs. in Lacs)

Particulars					As at 31.03.2015	As at 31.03.2014
<b>4 LONG TERM BORROWINGS</b>						
4.1 TERM LOAN						
4.1.1 SECURED						
4.1.1.1 From Banks (Term of Repayments of Long Term Borrowings)						
Particulars	Total tenure	No of Installment Payable as on 31.03.2015	Last Installment due on	Rate of Interest		
Cosmos Bank	72 Monthly Installment	57	31.12.2019	13.00%	196.57	305.92
Cosmos Bank	54 Monthly Installment	22	31.01.2017	13.00%	180.95	448.14
<b>Total</b>					<b>377.52</b>	<b>754.06</b>
( Above loans are secured by First charge/ Mortgage on fixed assets of the company and personal guarantee of Managing Director )						
<b>.5 DEFERRED TAX LIABILITY NET</b>						
5.1 Deferred Tax Liability (Net)					526.46	493.70
On account of tax effects on timing difference arising due to difference in depreciation						
<b>Total</b>					<b>526.46</b>	<b>493.70</b>
<b>6 OTHER LONG TERM LIABILITIES</b>						
Unsecured						
6.1 Loans and advances from related parties					100.00	100.00
6.2 Other Loans and advances					55.78	56.60
<b>Total</b>					<b>155.78</b>	<b>156.60</b>
<b>7 SHORT TERM BORROWINGS</b>						
7. 1 Loans repayable on Demand						
7.1.1 SECURED						
From banks (it includes FCNRB loan of Rs. 316.33 Lacs (USD 500000) taken in December 14 for the period of 12 months.)					1276.37	749.65
(Secured by hypothecation of finished goods, Raw material, Stock in process, store and spares, sundry debtors, export bills, receivables and second charge on fixed assets of the company and personal guarantee of Managing director and Executive Director)						
<b>Total</b>					<b>1276.37</b>	<b>749.65</b>
<b>8 TRADE PAYABLES</b>						
8.1 Trade Payable					1929.18	1482.70
<b>Total</b>					<b>1929.18</b>	<b>1482.70</b>
<b>9 OTHER CURRENT LIABILITIES</b>						
9.1 Outstanding Expenses					65.09	46.50
9.2 Statutory Liabilities					11.23	11.61
9.3 Current maturities of Long term debt					376.65	457.01
9.4 Unpaid dividends					8.19	6.10
<b>Total</b>					<b>461.16</b>	<b>521.22</b>
<b>10 SHORT TERM PROVISIONS</b>						
10.1 Provision for Employees Benefits					17.59	17.59
10.2 Provision of Income Tax					271.10	152.91
10.3 Proposed Dividend					50.10	50.10
10.4 Corporate Dividend Tax					10.02	8.52
<b>Total</b>					<b>348.81</b>	<b>229.12</b>



**KRITI NUTRIENTS LIMITED**

**NOTES Forming Part of The Balance Sheet and Statement of Profit & Loss  
NOTE NO. 11-12 FIXED ASSETS (2014-2015)**

(Rs. in Lacs)

Note	Particulars	Life In Years	Gross Block			Depreciation / Amortization			Net Block				
			01.04.2014	Addition	Deduction	Total	01.04.2014	Depreciation Charged Against Retained Earning	For the Year	Written Back	Total	31.03.2015	31.03.2014
<b>11</b>	<b>TANGIBLE</b>												
11.1	Land	0	53.59	0.00		53.59					0.00	53.59	53.59
	Lease Hold Land		78.31	0.00		78.31					0.00	78.31	78.31
11.2	Factory Building	30	1085.94	28.13		1114.07	368.72				37.05	708.30	717.22
11.3A1	Plant & Machinery	25	4178.75	205.14	18.95	4364.94	1905.67	0.00	18.95	2004.63	117.91	2360.31	2273.09
11.3A2	Testing & Lab Machinery	10	97.02	0.00		97.02	26.22	3.70		37.86	7.94	59.16	70.80
11.3B	Electrical Installation	10	245.68	3.55		249.23	110.49	2.01		143.28	30.78	105.95	135.18
11.4	Dies & Moulds	6	24.86	6.30		31.16	18.12	0.00		20.85	2.73	10.31	6.74
11.5	Vehicles	8											
	Car		46.83	0.00		46.83	14.73			21.98	7.25	24.85	32.10
	Fork Lift		9.92	0.00		9.92	2.20			2.20	0.00	7.72	7.72
11.6A	Furniture & Fixture	10	27.10			27.10	20.97	0.10		24.68	3.61	2.42	6.12
11.6B	Office Equipment	5	14.12	0.62		14.74	9.60	0.88		11.53	1.05	3.21	4.53
11.7	Computer	3	27.62	0.67		28.29	24.27	0.37		27.06	2.42	1.23	3.35
<b>12</b>	<b>INTANGIBLE</b>												
12.1	SOFTWARE	0	0.95			0.95	0.95			0.95	0.00	0.00	0.00
12.2	LICENCE(SAP)	6	72.25			72.25	24.04			36.25	12.21	36.00	48.21
12.3	Goodwill	0	7.98			7.98	7.98			7.98		0.00	0.00
	<b>TOTAL RS.</b>		<b>5970.92</b>	<b>244.41</b>	<b>18.95</b>	<b>6196.38</b>	<b>2533.96</b>	<b>7.06</b>	<b>18.95</b>	<b>2745.02</b>	<b>222.95</b>	<b>3451.36</b>	<b>3436.96</b>
	Previous Balance		5865.64	107.31	2.03	5970.92	2277.35			2533.96	257.09	3436.96	3588.30

**Note1 :** Lease hold land is on lease for 99 years and renewable for a further period and being perpetual in nature and therefore not amortized

**Note2 :** Despreciation is reckoned from the first day of subsequent month,when the asset is first put to use

## KRITI NUTRIENTS LIMITED

### NOTES Forming Part of The Balance Sheet and Statement of Profit & Loss

(Rs. in Lacs)

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>13 NON- CURRENT INVESTMENT</b>		
Non Trade Investment in Equity Instruments		
13.1 Unquoted		
13.1.1 The Cosmos Co-operative Bank Ltd. 1000 Equity Shares of Rs. 100/- each ( Pre.Yr.Rs. 1.00 lacs )	1.00	1.00
13.2 Quoted		
13.2.1 I.D.B.I (2880 Equity Shares of Rs. 10/- each (Market Price as on 31.03.2015 Rs. 2.05 lacs ( Prv. Yr. Rs. 1.88 lacs))	2.34	2.34
13.2.2 Reliance Power Ltd (25 shares of Rs. 10/- each) (Market value as on 31.03.2015 Rs .01 lacs (Prv. Yr. Rs. .02 lacs))	0.07	0.07
Investment in Mutual Fund		
13.3 SBI Mutual Fund 50000 units of Rs. 10 each (Market price as on 31.03.2015 Rs.9.15 lacs (Prv. Yr. Rs.6.55 lacs))	5.00	5.00
<b>Total</b>	<b>8.41</b>	<b>8.41</b>
<b>14 LONG TERM LOANS AND ADVANCES</b>		
14.1 SECURITY DEPOSITS	41.79	63.06
<b>Total</b>	<b>41.79</b>	<b>63.06</b>
<b>15 OTHER NON CURRENT ASSETS</b>		
15.1 Fixed deposit with banks against margin money (Maturity More than 12 Months)	6.44	15.54
<b>Total</b>	<b>6.44</b>	<b>15.54</b>
<b>16 INVENTORIES</b>		
16.1 Raw Material	903.67	609.55
16.2 Finished Goods	1394.80	919.80
16.3 Stores and Spares & others Mode of valuation of above stocks are as per point no.1.2.6 of Notes no 1 )	344.30	457.40
<b>Total</b>	<b>2642.77</b>	<b>1986.75</b>
<b>17 TRADE RECEIVABLES</b>		
17.1 Unsecured Considered Good		
Over Six months from the date they become due	12.18	9.70
Others	630.66	344.36
17.2 Doubtful		
Over Six months from the date they become due - 19.86 less: Provision (Refer Note No.33 ) 9.93	9.93	9.93
<b>Total</b>	<b>652.77</b>	<b>363.99</b>
<b>18 CASH AND BANK BALANCES</b>		
18.1 Cash & Cash Equivalents		
18.1.1 Balances with Banks	0.70	0.68
18.1.2 Cash on hand	3.42	6.82
18.2 Other Bank Balances		
18.2.1 Unpaid dividend	8.19	6.10
18.2.2 Fixed deposit with banks held as margin money against borrowing (Maturity less than 12 Month)	173.42	136.50
<b>Total</b>	<b>185.73</b>	<b>150.10</b>
<b>19 SHORT-TERM LOANS AND ADVANCES</b>		
19.1 Unsecured, Considered goods Advances recoverable in cash or kind or for value to be received	263.26	232.58
<b>Total</b>	<b>263.26</b>	<b>232.58</b>
<b>20 OTHER CURRENT ASSETS</b>		
20.1 Sundry Deposits	15.29	24.94
20.2 Advance Tax/ Tax Deducted at Source	202.61	153.33
20.3 CENVAT	47.43	1.14
20.4 Accrued Interest/ Income	184.43	95.92
<b>Total</b>	<b>449.76</b>	<b>275.33</b>



**KRITI NUTRIENTS LIMITED**

NOTES Forming Part of The Balance Sheet and Statement of Profit &amp; Loss

(Rs. in Lacs)

Particulars	2014-15	2013-14
<b>21 REVENUE FROM OPERATIONS</b>		
21.1 Sale of Products	30780.92	28702.39
21.2 Other Operating Revenues	333.65	194.73
	31114.57	28897.12
21.3 Less :Excise Duty	74.69	50.22
<b>Total</b>	<b>31039.88</b>	<b>28846.90</b>
<b>22 OTHER INCOME</b>		
22.1 Interest Income	20.60	48.41
22.2 Dividend Income	0.13	0.12
22.3 Net Gain/ (Loss) on Sale of fixed Asset	9.00	0.00
22.4 Other Non-Operating Income	9.66	7.97
22.5 Net Gain on Foreign Currency Transactions	129.73	35.75
<b>Total</b>	<b>169.12</b>	<b>92.25</b>
<b>23 EMPLOYEE BENEFITS EXPENSES</b>		
23.1 Salaries & Wages	442.35	417.99
23.1.1 Director Remuneration	25.95	23.15
23.1.2 P.F on Director's Remuneration	1.44	1.44
23.2 Contribution to Provident and Other Fund	53.21	33.34
23.3 Staff Welfare Expenses	31.48	20.40
<b>Total</b>	<b>554.43</b>	<b>496.32</b>
<b>24 FINANCIAL COST</b>		
24.1 Interest Expenses	358.17	402.20
24.2 Other Borrowing Cost	110.21	83.67
<b>Total</b>	<b>468.38</b>	<b>485.87</b>
<b>25 OTHER EXPENSES</b>		
(I)		
25.1 Stores and Spares Consumed	176.63	163.77
25.2 Hexane Consumed	49.89	31.31
25.3 Chemicals Consumed	275.47	210.85
25.4 Coal Consumed	359.37	388.95
25.5 Power Charges	333.82	322.81
25.6 Freight & Cartage	101.80	158.60
25.7 Repairs & Maintenance	27.79	44.80
25.8 Insurance Charges	25.31	23.50
25.9 Water Charges	16.15	18.03
25.10 Miscellaneous Manufacturing Expenses	58.32	33.55
<b>Sub Total (I)</b>	<b>1424.55</b>	<b>1396.17</b>



## KRITI NUTRIENTS LIMITED

NOTES Forming Part of The Balance Sheet and Statement of Profit & Loss

(Rs. in Lacs)

Particulars	2014-15	2013-14
<b>(II)</b>		
25.11 Stationery & Printing	1.74	1.14
25.12 Rent, Rates and Taxes	26.60	23.24
25.13 Postage, Telegram and Telephones	11.34	7.84
25.14 Auditor's Remuneration		
25.14.1 Audit Fees	1.12	1.12
25.15 Conveyance Expenses	11.62	9.32
25.16 Legal & Professional Charges	19.07	17.53
25.17 Director's Meeting Fee	0.20	0.20
25.18 Miscellaneous Expenses	29.77	34.69
<b>Sub Total (II)</b>	<b>101.46</b>	<b>95.08</b>
<b>(III)</b>		
25.20 Advertisement & Publicity	1.88	42.41
25.21 Sales Promotion Expenses	103.80	64.44
25.22 Brokerage & Commission	7.74	3.00
25.23 Freight Outward	48.65	113.26
25.24 Sales Tax & Octroi	0.93	1.89
25.25 Export Expenses	506.17	301.42
25.26 Sundry Balances Written off	0.00	0.71
25.27 Travelling Expenses	67.70	60.04
25.28 Bad Debts	0.00	1.15
25.29 Provision For Doubtful Debts	0.00	9.92
<b>Sub Total (III)</b>	<b>736.87</b>	<b>598.24</b>
<b>TOTAL ( I+II+III )</b>	<b>2262.88</b>	<b>2089.49</b>

**26 Other Notes to Accounts**

**26.1** Previous year figure have been reclassified /regrouped wherever necessary.

**26.2** In the opinion of the Board of Directors of the Company, the Current Assets, Loans and Advances have a value realizable in the ordinary course of business at least equal to the amount at which they are stated and provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.

**27 Contingent liabilities**

**27.1** Estimated amount of contracts remaining to be executed on Capital Account is Rs.20.92 Lacs net of advance given (Previous Year Rs. NIL Lacs).

**27.2** Bank has given guarantee on behalf of the Company to various parties to the extent of Rs.134.47 Lacs (Previous Year Rs.134.47 Lacs).

**27.3** Claims not acknowledge by the company on Commercial tax matters Rs341.85 Lacs (Previous Year 226.24Lacs).

**28** Company's Income tax assessments have been completed up to Assessment year 2012-2013, in the opinion of Board of Director's provision for income tax made is adequate.

**29.** Unpaid overdue amount due on March 31, 2015 to Micro Small and Medium Enterprises and/or ancillary industrial suppliers on account of principal together with interest aggregate to Rs. Nil.

This disclosure is on the basis of the information available with the company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

**30.** The amount of Foreign Exchange Gain/ (Loss) included in the statement of profit & loss is Rs 129.73 lacs as gain (Previous Year Gain Rs. 35.75 Lacs). Current year gain included in Other Income & Previous Year Gain amount is included in Other Income.

**31.** In the opinion of the Board, all the current assets shall be realized, in the ordinary course of business, at the value on which they are stated.

**32.** Other Long term liabilities includes Dealership deposit from Dealers and based on commercial practice these are generally not claimed in short term therefore these are treated as long term liability.

**33.** The Company has initiated legal action against certain debtor's amount outstanding of Rs.19.86 Lacs. The Company is assured of recovery of the amount on the basis of these legal cases, however a provision of 50% is provided on prudent basis. The provision for the same is netted off from the amount of debtors.

**34.** The disclosure required as per Accounting Standard (AS) 15 "Employees Benefit" issued by the Institute of Chartered Accountants of India (ICAI) and as specified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014 and based on the report generated by Life Insurance Corporation of India (LIC) is as under:

**(a)** The company has taken Group Gratuity and Cash Accumulation Policy issued by the LIC, which is a defined benefit plan. (Rs. in Lacs)

<b>(b) Table showing changes in present value of obligations as on</b>	<b>31/03/2015</b>	<b>31/03/2014</b>
Present value of obligations as at beginning of the year	47.44	45.42
Interest Cost	3.80	3.63
Current Service Cost	6.13	7.33
Benefit Paid	(1.58)	(7.52)
Actuarial (gain)/loss on obligations	(2.65)	(1.42)
Present Value obligations as at end of the year	53.14	47.44
<b>(c) Table showing changes in the fair value of plan assets as on</b>	<b>31/03/2015</b>	<b>31/03/2014</b>
Fair value of plan assets at beginning of the year	55.45	59.19
Expected return on plan assets	3.91	3.78
Contribution	7.22	0.00
Benefit Paid	(1.58)	(7.52)
Actuarial gain/(loss) on plan assets	NIL	NIL
Fair Value of the plan assets at the end of the year	64.99	55.45

(d) Table showing fair value of plan assets as on	31/03/2015	31/03/2014
Fair value of plan assets at beginning of the year	55.45	59.19
Actual return on plan assets	3.91	3.78
Contribution	7.22	0.00
Benefit Paid	(1.58)	(7.52)
Fair Value of the plan assets at the end of the year	64.99	55.45
Funded status	11.85	8.01
Excess of actual over estimated return on plan assets	NIL	NIL
(Actual Rate of return= estimated rate of return as ARD falls on 31/03/2015)		
(e) Actuarial Gain/Loss recognized as on	31/03/2015	31/03/2014
Actuarial (Gain)/Loss for the year-obligation	2.65	1.42
Actuarial (Gain)/Loss for the year-plan assets	NIL	NIL
Total (Gain)/Loss for the year	(2.65)	(1.42)
Actuarial (Gain)/Loss recognized for the year	(2.65)	(1.42)
(f) Expenses recognized in statement of profit and loss	31/03/2015	31/03/2014
Current Service Cost	6.13	7.33
Interest cost	3.79	3.63
Expected return on Plan Asset	(3.90)	(3.77)
Net Actuarial (Gain)/Loss recognized in the year	(2.64)	(1.42)
Expenses recognized in the Statement of Profit & Loss	3.38	5.76
(g) Assumption		
Discount rate	8%	8%
Salary Escalation	7%	7%

35. The company has only one business segment to be reported namely Soya Seed Extraction, as per Accounting Standard -17.

During the year company has also started trading in Sunflower Refined Oil business. Although this is a separate segment as per AS-17, however the result of same is not required to be separately reported under AS-17.

### 36. DEFERRED TAX CALCULATIONS

(Rs. in Lacs)

Sr. No.	DEFERRED TAX LIABILITY/ (ASSETS)	Current Year	Previous Year
a	Deferred Tax Liability ( Net ) for the year	32.76	49.34
b	Opening Bal. of Deferred Tax Liability	493.7	444.36
c	Closing Bal. of Deferred Tax Liability	526.46	493.7

37. During the current year the Company has followed the mandatory requirements of Schedule II of the Companies Act, 2013 and accordingly computed the depreciation based on revised useful life of the fixed assets as prescribed under schedule II of the Act. The carrying value of the Fixed Assets which have completed their useful life as on 1<sup>st</sup> April 2014, have been charged off against the General Reserve aggregating Rs.4.77 lacs. had there not been any change in useful life of the Fixed Assets, the depreciation would have been higher by Rs.28.93 lacs and consequently the profit would have been lower by Rs.28.93 lacs.

38. Diminution in value of equity shares under note 13 has been considered as temporary in nature hence no provision made in the books of accounts.

39. The Company has entered into leasing agreement with Chetak Builders Pvt. Ltd. for the lease of Commercial Premises. The disclosure as per Para 25 of Accounting Standard – 19 “LEASES”

(Rs. in Lacs)

Sr. No.	Particulars	Current Year	Previous Year
a	Not Later than One Year	8.09	8.09
b	Later than One Year Not Later than Five Years	38.61	36.00
c	Lease payment recognized in Profit & Loss A/c for the Period	8.09	8.09

Note : Assets are taken on lease & lease rentals charged on the basis of agreed terms.

**40. EARNING PER SHARE**

The Company's share capital consists of equity share. The basic and diluted earnings per share is calculated as under:

Sr. No.	Particulars	Current Year	Previous Year
1	Number of Shares	50103520	50103520
2	Profit contributions for Basic EPS (Rs in lacs)	575.86	356.45
3	Extra Ordinary items (within the meaning of AS-5) Net Profit or loss for the period, Prior Period items and Changes in th Accounting Policies)		
4	Basic Earning Per share	1.15	0.71
5	Nominal Value Per Share	1	1

41. In accordance with the Accounting Standard (AS) 18 "Related Party Disclosures" issued by The Institute of Chartered Accountants of India (ICAI) and as specified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014 the names of the related parties and the relevant disclosure is as under:-

**(a) Name of the related party and description of relationship:**

- i. Key Management Personnel:
  - Shri Shiv Singh Mehta, Managing Director
  - Smt. Purnima Mehta, Director
  - Shri Saurabh Singh Mehta, Executive Director
  - Shri S.C. Jajoo, Chief Financial Officer
  - Shri Sumit Jaitely, Company Secretary
- ii. **Relatives of Key Management Personnel**
  - Smt. Devki Hirawat (Daughter of Managing Director)
  - Smt. Nidhi Mehta (Wife of Executive Director)
- iii. **Companies/Entities under the control of Key Management Personnel**
  - 1) Sakam Trading Pvt. Ltd. (Holding Company)
  - 2) Kriti Industries (I) Ltd. (Subsidiary of Sakam Trading Pvt. Ltd.)
  - 3) Kriti Auto & Engg. Plastics Pvt. Ltd. (Wholly owned subsidiary of Kriti Industries (I) Ltd)
  - 4) Chetak Builders Pvt. Ltd. (Subsidiary of Sakam Trading Pvt. Ltd.)

The following transaction were carried out with the related parties in the ordinary course of business

(Rs. in Lacs)

Sr. No.	Nature of Transaction	Subsidiary	Key Management Personnel	Relatives of Key Management Personnel	Companies/entities under the control of Key Management Personnel
1	Remuneration	NIL (NIL)	37.45 (24.59)	NIL (NIL)	NIL (NIL)
2	Sales of export scheme incentive License	NIL (NIL)	NIL (NIL)	NIL (NIL)	187.24 (258.91)
3	Purchase of export scheme incentive License	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (1.01)
4	Sale of Consumable Items	NIL (NIL)	NIL (NIL)	NIL (NIL)	0.28 (0.62)
5	Purchase of Consumable Items	NIL (NIL)	NIL (NIL)	NIL (NIL)	99.80 (36.42)

(Rs. in Lacs)

Sr. No.	Nature of Transaction	Subsidiary	Key Management Personnel	Relatives of Key Management Personnel	Companies/entities under the control of Key Management Personnel
6	Purchase of Machinery	NIL (NIL)	NIL (NIL)	NIL (NIL)	12.30 (NIL)
7	Unsecured Loan Given	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (1856.47)
	Taken	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (734.92)
8	Interest Given	NIL (NIL)	NIL (NIL)	NIL (NIL)	14.57 (14.66)
9	Interest Taken	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (12.47)
10	Rent	NIL (NIL)	NIL (NIL)	NIL (NIL)	8.09 (8.09)

\*The figures mentioned in the brackets are previous year figures.

42. Additional information required under Para (viii) of Part II of Revised Schedule III to the Companies Act, 2013, is follows:

(Rs. in Lacs)

	Particulars	31.03.2015	31.03.2014
a	Value of Import on C.I.F. basis		
	i. Raw Material	Nil	Nil
	ii. Components & Spare Parts (Chemical)	68.69	10.39
	iii. Capital Goods	Nil	7.64
b	% of Spare Parts (Chemical) Consumed		
	i. Imported	66.69	10.39
	% of Indigenous spare Parts (Chemical)	31.94%	4.93%
	ii. Indigenous	208.78	164.29
c	Earning in foreign Currency		
	i Export of goods on F.O.B. basis	6154.47	4355.13
d	Expenditure in Foreign currency		
	i. Interest	Nil	Nil
	ii Commission	7.31	16.20
	ii. Others	12.65	6.69

43. Auditor's Remuneration

(Rs. in Lacs)

	Auditor's Remuneration	31.03.2015	31.03.2014
a	Statutory Audit Fees (including Service Tax)	0.84	0.84
b	Tax Audit Fees (including Service Tax)	0.28	0.28
c	Taxation & Other matters including Legal & Professional Expenses.	-	-



## 44. Information related Raw Material and Finished Goods

(Rs. in Lacs)

PARTICULARS	CONSUMPTION	PARTICULARS	SALES
RAW MATERIAL		<b>MANUFACTURED PRODUCT</b>	
SOYABEAN SEED	7438.73 (5986.55)	SOYA MEAL	6063.36 (5079.35)
SOYA CRUDE OIL	17276.81 (16952.34)	REFINED OIL	22977.07 (22201.72)
OTHERS	2460.60 (1976.56)	OTHERS	1879.77 (1565.84)
TOTAL	27176.14 (24915.45)	<b>TRADED PRODUCT</b>	
		SUNFLOWER OIL	119.68
<b>TRADED PRODUCT</b>	<b>PURCHASES</b>		(NIL)
SUNFLOWER OIL	112.37 (NIL)	TOTAL	31039.88 (28846.91)
TOTAL	112.37 (NIL)		

\*The figures mentioned in the brackets are previous year figures.

As per Our Report of Even Date Attached

For R.S. BANSAL & Co.

Chartered Accountants

F.R.N. 000939C

For and on behalf of the Board of Directors

**For R.S.Bansal & Company**

Chartered Accountants, FRN:000939C

**Shiv Singh Mehta**

(Managing Director)

DIN 00023523

**Purnima Mehta**

(Director)

DIN 00023632

**S.C. Jajoo**

(Chief Financial officer)

**Sumit Jaitely**

(Company Secretary)

**Vijay Bansal**

Partner M.No. 075344

Indore, 20<sup>th</sup> May 2015

## KRITI NUTRIENTS LIMITED

Regd. Office: "MEHTA CHAMBERS", 34, SIYAGANJ, INDORE - 452 007

CIN L24132MP1996PLC011245

### ECS MANDATE FORM

I hereby authorize you to make all payments in respect of my holding in your Company to my bankers for crediting to my account as detailed below:

1. Shareholder's name : \_\_\_\_\_  
(In Blockletters) (First holder)
2. Folio Number/ DPID : \_\_\_\_\_  
and Client ID No. (Joint holder, if any)
3. No. of Shares held : \_\_\_\_\_
4. Name of the Bank : \_\_\_\_\_
5. Branch Name and Address : \_\_\_\_\_
6. Account type : SB A/c  Current A/c  Others  .....  
(Please specify)
7. Bank account number : \_\_\_\_\_
8. IFSC code : \_\_\_\_\_
- 10.PAN : \_\_\_\_\_
- 11.E-mail ID : \_\_\_\_\_

I/we hereby declare that the particulars given above are correct and complete. If credit is not effected for the reason (s) of incomplete or incorrect information. I/we would not hold the Company responsible.

Note: Please attach cancelled cheque issued by your bank relating to your above account for verifying the accuracy of the code number.

Date

\_\_\_\_\_  
Signature of the first holder  
(as appearing in the Company records)

#### Certificate of the Investor's bank

Certificate that the particulars of the bank account furnished above are correct as per our records.

\_\_\_\_\_  
Signature of the first holder  
(as appearing in the Company records)





**PROXY FORM  
FORM MGT- 11**

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

Name : KRITI NUTRIENTS LIMITED  
CIN : L24132MP1996PLC011245  
Regd office : MEHTA CHAMBER, 34 SIYAGUNJ, INDORE

Name of the member (s) :  
Registered address :  
E-mail Id :  
Folio No/ Client Id :  
DP ID :

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

1. Name : ..... E-mail Id :  
Address : ..... Signature : .....,  
or failing him  
2. Name : ..... E-mail Id :  
Address : ..... Signature : .....,  
or failing him

as my/our proxy to attend and vote on a poll for me/us and on my/our behalf at the 19<sup>th</sup> Annual general meeting of the company, to be held on the 24<sup>th</sup> September, 2015 At the Corporate Support Center, 4<sup>th</sup> Floor Chetak Chmaber, 14 RNT Marg, Indore (M.P.) at 4:00P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	
1.	Consider and adopt Audited Statement of accounts, Reports of the Board of Directors and Auditor.
2.	Declaration of dividend on equity shares for the financial year ended 31 <sup>st</sup> March, 2015
3.	Re-appointment of Mrs. Purnima Mehta
4.	Ratification of appointment of Auditor.
5.	Ratification of remuneration of Cost Auditor.
6.	Appointment of Mr. Bhuvanesh Shastri as an Independent Director of the Company.

Signed this..... day of..... 2015  
Signature of shareholder

Affix  
Revenue  
Stamp

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

**ATTENDANCE SLIP**

.....**ANNUAL GENERAL MEETING ON** .....

R.F. No. \_\_\_\_\_

Mr./Mrs./Miss \_\_\_\_\_

(Shareholders' name in block letters)

I/We certify that I/We am/are registered shareholder / proxy for the registered shareholder of the company.

I/We hereby record my/our presence at the 19<sup>th</sup> Annual General meeting of the company at the Registered office of the company on 24<sup>th</sup> September, 2015.

(If signed by proxy, his name should be written in block letters)

(Shareholders/proxy's Signature)

Note:

1. Shareholders / proxy holders are requested to bring the attendance Slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
2. If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.