

KNL/SE/2023-24

5th August, 2023

Online filing at: www.listing.bseindia.com and
<https://neaps.nseindia.com/NEWLISTINGCORP/login.jsp>

To,
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra
Mumbai – 400051
Symbol – KRITINUT

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai 400001
BSE Scrip ID: KRITINUT BSE CODE: 533210

Sub: Submission of 27th Annual Report alongwith Notice of Annual General Meeting to be held on 28th August, 2023 through Video Conferencing (VC) or Other Audio Video Means (OAVM) at 4:30 P.M. pursuant to Regulation 34(1) of SEBI (LODR) Regulations, 2015.

Dear Sir/Ma'am,

Pursuant to Regulation 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclose herewith the soft copy of the 27th Annual Report for the financial year ended on 31st March, 2023 of the company containing the Balance Sheet as at 31st March, 2023, Statement of Changes in Equity and the Statement of the Profit and Loss and Cash Flow for the year ended 31st March, 2023 and the Boards' Report along with Corporate Governance Report, and the Auditors' Report on that date and its annexures along with the Notice of 27th Annual General Meeting.

Kindly note that the 27th Annual General Meeting of the Members of Kriti Nutrients Limited is scheduled to be held on 28th August, 2023 at 4:30 P.M., **through Video Conferencing ('VC') or Other Audio Video Means ('OAVM')** for which purposes the corporate office of the company situated at 8th Floor, Brilliant Sapphire Plot No.10, PSP, IDA, Scheme No.78, Part II, Indore (M.P.) shall be deemed as the venue for the Meeting.

You are requested to please take on record the above said document of the Company for your reference and further needful.

Thanking you,

Yours Faithfully,
For, **Kriti Nutrients Limited**

(Raj Kumar Bhawsar)
Company Secretary & Compliance Officer
Encl.: 27th Annual Report for financial year 2022-23 alongwith Notice of AGM.

Kriti Nutrients Ltd.

Corporate office:
Brilliant Sapphire, 801-804, 8th Floor, Plot No. 10,
Sch. 78-II, Vijay Nagar, Indore – 452 010 (M.P.) INDIA

Registered Office:
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Indore - 452007 (M.P.) INDIA

Factory:
Industrial Area No. 3, AB Road,
Dewas (MP) INDIA

Tel.: +91-731-271 9100
E-mail: info@kritiindia.com
CIN: L24132MP1996PLC011245

**DO
RIGHT**



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DO RIGHT

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically, 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects' believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

The world has transformed dramatically in the last couple of decades.

A conventional focus on capability has been replaced by responsibility.

A singular focus on profitability has been replaced by sustainability.

A conventional perspective on 'bottomline' has been replaced by 'triple bottomline'.

A predominant focus on 'profit' has been superseded by 'people-planet-profit'.

An overarching 'shareholder value' has been replaced by 'stakeholder value'.

A longstanding focus on 'PAT' has been replaced by 'ESG'.

There is a wider recognition of the importance of doing that one thing to succeed in a sustainable way. 'Everything.'

There is a larger premium on being competent across every business dimension – in a sustainable way.

'Just do it' has extended to 'Do right'.

'Just do it' has extended to 'Do right'.

Kriti Nutrients.

An attractive edible oils and protein feed player in India.

Focused on manufacturing value-added protein-based products.

Marked by consistency, ethical engagement, global best practices and innovation.

Committed to emerge as a niche food products player across the foreseeable future.



VISION

An energetic organisation on a long haul, charting a distinct course for customer admiration, led by a disciplined team of vibrant people.



MISSION

Cherishing mutually satisfying relationships

Encouraging innovation through creativity

Constant technological upgradations to maintain superiority

Inculcating team spirit amongst the workforce and ensuring their development through professional improvement in their capabilities and welfare for them and their families

Contributing to the social and economic upliftment of the underprivileged in the society and in making the nation stronger

Honesty in approach, transparency in work and dealings

Adoption of green technology to conserve environment and reduction of our carbon footprint



VALUES

Encouraging creativity and valuing new thoughts

Lending a helping hand to society's developmental needs

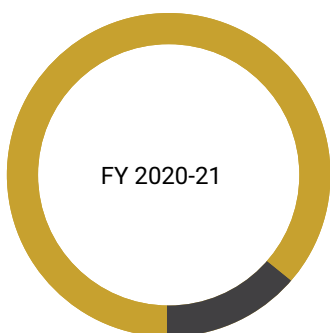
Being honest and forthright in our approach.

Being in harmony with the natural order

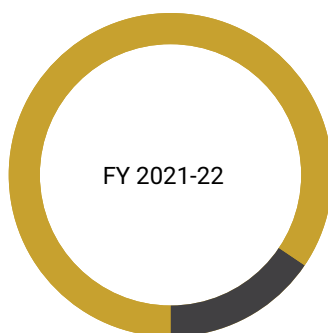
Customer focus with world class quality and cost-effective products



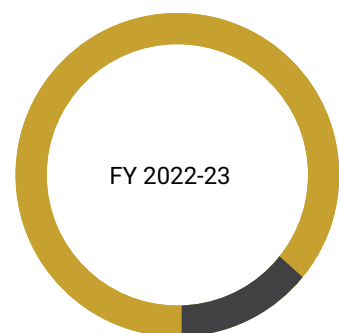
KRITI NUTRIENTS.
Revenues by region



India 86% Non-India 14%



India 84.70% Non-India 15.30%



India 86.75% Non-India 13.25%

The Kriti Group

The Kriti Group comprises two companies called Kriti Industries (India) Limited and Kriti Nutrients Limited.

Businesses

Kriti Nutrients is engaged in soyabean processing, manufacturing branded refined soyabean, mustard, sunflower and groundnut oil and producing value-added protein-based products that service downstream segments such as food, pharmaceutical, dairy and aqua & poultry industries.

Location

The Company's soyabean processing plant is situated in Dewas, Madhya Pradesh (India). The advanced manufacturing plant includes corporate team members, state-of-the-art technological equipment and modern infrastructure. The manufacturing unit comprises plants for solvent extraction, vegetable oil refining, lecithin manufacturing and effluent treatment. It includes all necessary utilities along with a complementary packaging moulding facility.

Portfolio

The Company's product portfolio includes refined soyabean oil, mustard oil, sunflower oil, groundnut oil and value-added soybean derivatives.

Brand

The Company's 'Kriti' brand has earned respect for consistency, values, dependability and better cooking results. The brand contributed a large portion of the Company's revenues in 2022-23.

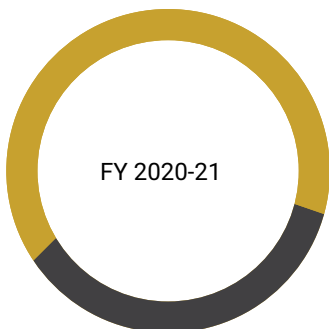
Financial performance

In FY 2022-23, the Company generated revenues of ₹801.31 Cr and profit after tax of ₹20.80 Cr. The Company's cash profit stood at ₹24.96 Cr and EBITDA margin stood at 4.45 per cent.

Listing

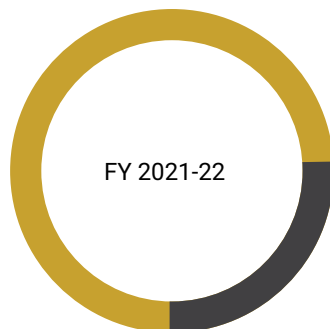
The Company is listed on the BSE Ltd. (BSE) and National Stock Exchange of India Limited. Its market capitalisation stood at ₹190.39 Cr as on 31st March, 2023. The promoters accounted for a 66.37 per cent stake in the Company's equity share capital.

KRITI NUTRIENTS. Revenues by business



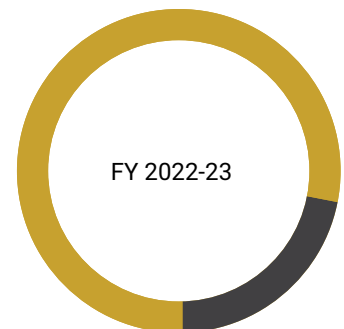
Oil 68%

Non-oil 32%



Oil 74.76%

Non-oil 25.24%



Oil 78.09%

Non-oil 21.91%

DO RIGHT

and Kriti Nutrients Limited

Focus

Business
sustainability

Priority

Respect for human
dignity

Perspective

Building for the
long-term through
thought and action

Direction

Governance-led;
focus on doing the
right things

Ethics

To work and think
with the highest
ethical conduct

Compliance
Respect for statutes, regulations and laws of the land

Assurance
Deepen brand recall around 'Trust' and 'Quality'

Brand
Investment in premium and branded edible oils

Modern
Investment in cutting-edge technologies (manufacturing and IT)

Relationships
Enduring engagements with primary and secondary customers

Geographic focus
Focused on select geographies instead of running ourselves thin

Process-driven
Focus on the 'how' over the 'what'

Value
Commitment to enhance value for all stakeholders

Certifications
Enlistment for business-enhancing certifications

Standards
Graduated benchmarks from the local to the global

Solvency
Credible Balance Sheet with low debt and high liquidity

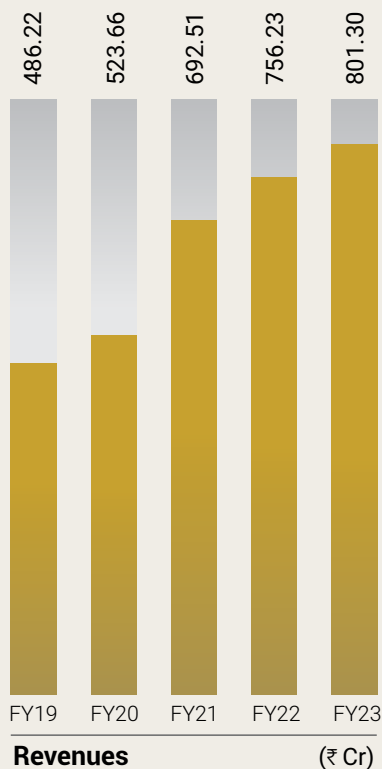
Partner
Positioned ourselves as a dependable partner

Value-addition
Focus on superior products, quality and realisations beyond short-term price arbitrage opportunities

Knowledge
Investment in research to support both businesses

Technology
Invested in cutting-edge digitalisation technologies to enhance sales effectiveness

How we recorded sustainable financial growth in the last few years



Definition

Growth in sales net of taxes

Why this is measured

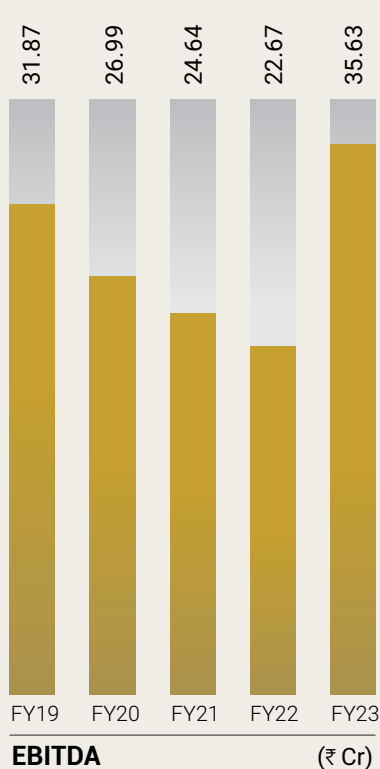
It is an index that provides a basis against which the Company's success can be compared with sectoral peers

What this means

Aggregate sales increased 5.96 per cent to ₹796.87Cr in FY 2022-23 due to increased production and offtake.

Value impact

Improved product off-take enhanced the Company's room to cover fixed costs.



Definition

Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax)

Why this is measured

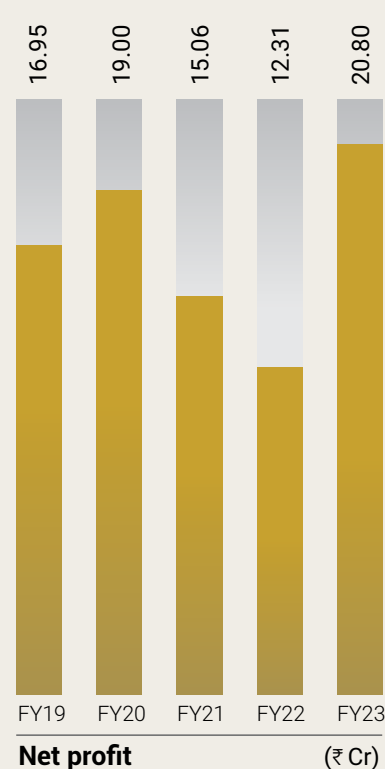
It is a measure that showcases the Company's ability to generate a surplus after operating costs, a base for comparison with other companies.

What this means

Helps create a surplus generating engine that enhances reinvestment.

Value impact

The Company reported a growth of ₹12.96 Cr in EBITDA during the year under review on account of improved demand and margins.



Definition

Profit earned during the year after deducting all expenses and provisions

Why this is measured

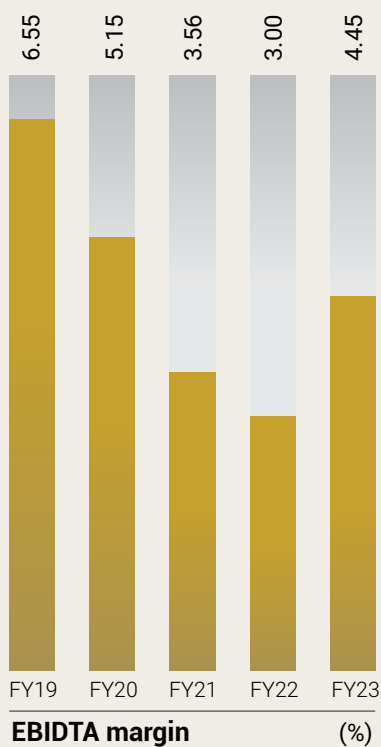
It highlights the strength of the business model in enhancing value for shareholders.

What this means

This ensures that adequate cash is available for reinvestment, strengthening sustainability.

Value impact

The Company's net profit grew by 68.97% to ₹20.80 Cr in FY 2022-23 due to improved demand and margins.



Definition

EBITDA margin is a profitability measure to ascertain a company's operating efficiency

Why this is measured

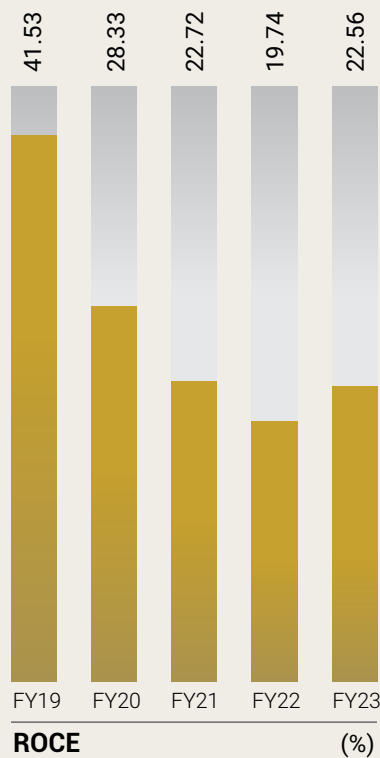
The EBITDA margin provides an idea of how much a company earns (before accounting for interest and taxes) on each rupee of sales.

What this means

This measure demonstrates the buffer in the business, which, when multiplied by scale, can potentially enhance the surplus.

Value impact

The Company reported a 145 bps increase in EBITDA margin on account of improved demand and vast efficiency.



Definition

This is a financial measure of efficiency with which capital is employed in the Company's business - EBIT / (Equity + non-current liabilities)

Why this is measured

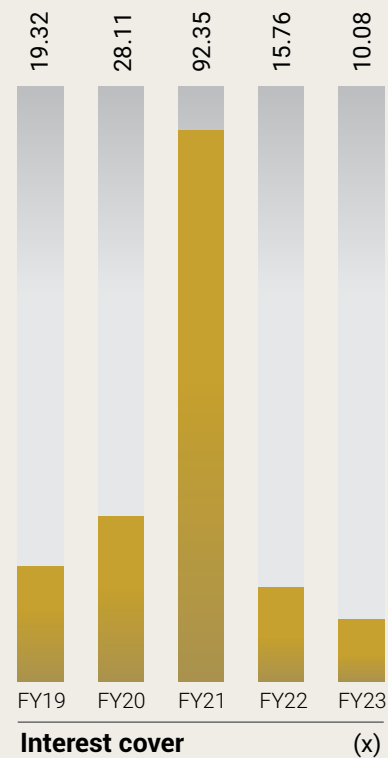
ROCE is an insightful metric to compare profitability across companies based on their respective capital efficiency.

What this means

Enhanced ROCE can potentially drive valuations and market perception.

Value impact

The Company reported a 282 bps increase in ROCE in FY 2022-23 due to improved demand and cost management.



Definition

This is derived through the division of EBITDA by interest outflow

Why this is measured

Interest cover indicates the profit buffer available within the Company to service interest – the higher the better.

What this means

A company's ability to meet its interest obligations, an aspect of its solvency, is arguably one of the most important measures in assuring shareholder returns.

Value impact

The Company's interest cover declined from 15.76 in FY 2021-22 to 10.08 in FY 2022-23 due to enhanced borrowing.

How Kriti Nutrients is capitalising on the India story





Overview

Indian households are protein-deficient for various factors.

One, nearly 95% Indian mothers consider protein as a micro-nutrient and only 3% recognise its key role.

Two, there is a myth that a basic meal comprising dal, roti and rice is sufficient to fulfil daily protein needs.

Three, a majority of the Indian population follows either a vegetarian or a flexitarian diet where a plant-based protein source goes unnoticed.

Four, over 76% Indian mothers believe that vegetarian diets have limited protein options compared to non-vegetarian diets

Kriti Nutrients well-placed to address protein deficiency

Kriti Nutrients has been engaged in soyabean seeds processing and value-addition for years.

Soyabean is not just a rich plant protein source but also rich in iron, fibre, phosphorus and other nutrients. It provides quality vegetable protein that is beneficial for humans and animals. Soyabean makes for superior animal feed in several parts of the world, including India.

Kriti Nutrients is ideally placed to capitalise on soyabean's relevance in our lives. The Company is situated in the soyabean-rich belt of Madhya Pradesh, which accounts for 70 percent of India's soyabean output. The Company is among the largest soyabean processors in that State. The Company established a market-facing presence through its edible oil brand and the development of protein-based food products.

India: Protein-deficient nation

Almost 80% of the Indian population does not fulfil its daily protein requirements. Around 90% of the Indian population is not aware of its daily protein needs. (Source: National Family Health Survey)



We are at the right place and the right time to grow our business sustainably



Overview

My communication to you this year will not be as much about the specifics of our company's performance as much as about the attractiveness of India's foods sector.

Some fundamental questions that will address in my communication are these: What excites me about the way Indian consumers are responded to in branded and packed food products? What is happening on the Indian demographic front that convinces me that one of the biggest upsides is already transpiring within the Indian foods sector?

The Indian foods sector is passing through a structural shift, which is expected to grow it attractively and sustainably across the coming years, a 'structural shift', resulting in a sectorial inflection point.

The Indian consumer will buy more of the branded and packaged when it comes to food products, encouraged by the after-effects of the pandemic. There is a greater priority in buying from organised retail and modern trade; there is a greater priority in buying the packaged.

Consumers are placing a bigger premium on trust. They are willing to pay more for superior branded and packaged products. This is in contrast to a traditional price-sensitivity that was evident for decades in India, translating into the purchase of loose low-priced alternatives. The result is that the growth of the branded segment is faster than alternatives, inspiring a new hope for our sector.

One of the upsides of the pandemic is that consumers are placing a greater attention on eating safe and eating right. The result is that ingredient integrity is now occupying the centre stage in a consumer's mindset.

And lastly, consumers seek to buy in increasing instances from their residence through online channels or from modern retail formats.

This is encouraging food companies like ours to market online or place our products in modern retail formats.

Besides, India is at an attractive point in its per capita income existence.

The number of Indians living in extreme poverty - US\$1.9 or less in purchasing power parity (PPP) terms as per World Bank - was 0.8% of the population in 2019 (Source: IMF). As per capita incomes grow, personal consumption patterns will evolve faster: discretionary spending could rise from 52% in 2005 to 70% in 2025. We believe there is a considerable head room to explore: India's per capita spend of ₹4650 on all packaged food categories is nearly a quarter of, China's per capita spend of ₹16,000 and a fraction of USA's per capita spend of ₹112,500 on all packaged food categories.

The India growth story is so compelling that I feel that any increase in prosperity will translate faster into food consumption. Middle-income households in India are expected to increase from 50 percent of the country's population to around 80 percent by 2030, accounting for around 75 percent of the Indian consumer's spending.

The food spending within an average Indian household is expected to increase - from 33.2 percent in 2005 to 35.4 percent by 2025 (on a larger base). (Source: Fortune India)

India's food processing industry (sixth largest in the world) is expected to grow to ₹40.1 trillion by FY26. Grain share in the daily calorie consumption has declined from 63 percent to 55 percent in the last six decades, corresponded by increased protein consumption by ~15 percent in the last two decades. This indicates that India's food basket is widening.

There is also now a larger mind space for healthy foods; nutri-cereals are beginning to replace conventional staples coupled with enhanced food fortification. Today's consumer is also more informed on food attributes, sources, processing, and traceability.

These realities provide a perspective of why we at Kriti Nutrients are optimistic of our prospects. We are at the right place at the right time. We have extended beyond soyabean oil to a range of edible oils (an initiative that we launched during the last financial year). We are building the business of soya nuggets. We are researching new differentiated products. And while doing all this, we continue to remain debt-free, indicating capital efficiency.

In view of this, we believe that we have an attractive future ahead, marked by topline growth, protected margins and attractive surpluses available for reinvestment. Through this approach, we expect to enhance value for all our stakeholders in a sustainable way.

Shiv Singh Mehta, *Chairman*



EXECUTIVE DIRECTOR'S PERSPECTIVE

We have strengthened our business and expect to respond favourably to market opportunities



Overview

I am pleased to present the performance of our company for FY 2022-23.

The company reported revenue growth of 5.96 per cent and EBITDA growth of 57.17 per cent during the year under review, indicating that the growth had been profitable.

In a normalised commodity year, EBITDA margin strengthened

from 3.00 per cent to 4.45 per cent; Return on Capital Employed strengthened 282 bps to 22.56 per cent.

I am happy to communicate that this improvement cascaded into our financial hygiene as well. The improvement in our performance was in line with what we had communicated in the last Annual Report: that the business of the company was robust and that

once the commodity environment stabilised, our brand-driven strengths would become visible.

This was reflected in our numbers during the last financial year, when we reported a financial improvement with virtually no long-term debt on our books, a strong brand and a protected distribution network. The result is that we are attractively placed to build on last year's performance during the current financial year.

Growing the business

At Kriti Nutrients, we expect to grow our business through various go-to-market approaches. The diversity of our approach indicates that if some initiative is slow to mature, other initiatives could cover up with faster growth.

One, at Kriti Nutrients, we believe that tonnage or revenue growth means little (except perhaps providing us with a cushion to amortise effectively). The focus at our company is to enhance the proportion of value-added products, especially protein derivatives that can be retailed.

Two, we are deepening our technology investments. The company is digitalising its engagements with stakeholders; we are engaging with our trade partners through digital interfaces; we are providing them with a single screen (smartphone) through which they can examine their engagements with our company and enhance their stocking clarity. Besides, we are digitalising our manufacturing operations in exchange for enhanced operational efficiency.

Three, we are examining our feedstock mix and our manufacturing processes with the objective to moderate energy costs. We believe that in a volatile world where even a moderate increase in fuel costs can have a disproportionately larger bearing on our bottomline, there is a premium on the need to reduce the

fuel intensity of our business.

Four, we believe that in a consumption-driven economy, the centre of attention needs to move to where we sell. The time has come to extend to more States; the time has come to increase the retail counters of our presence. During the last couple of years, the company began to address even the smaller retail counters, initiating a relationship that we believe will translate into larger volumes and the ability to capture every demand upturn.

Five, we believe that the customer of today needs choice. The days of riding a single product or brand have been replaced by broad-based portfolios. In view of this, we extended from the longstanding manufacture of soyabean oil to ground nut and mustard oils as well. A wider portfolio is not just good for our company; it is beneficial for our eco-system: our trade partners get the benefit of a larger sales basket; we get to account for a larger share of the trade partner's sales; we are able to get consumers to move from one product to another without exploring a competing brand. On the business-to-business side, we intend to launch more protein products that address existing and new customers.

Rewiring the company

At Kriti Nutrients, we believe that stakeholder value can be attractively created only when we respond with a business as unusual approach. During the last few years, there has been a greater structure in our go-to-market approach. Our ability to service trade partner needs has been strengthened; we have strengthened our sales team; we are visiting our trade partners more often; we are appointing new trade partners; we are providing them with a wider sales basket.

We also believe that time has come to launch more focused projects: graduating business needs from the everyday usualness to a focused

programme that attracts seriousness in planning and execution. We made focused improvements through the Udaan programme in the last few years and the time has come to address specific needs with focused attention.

Optimism

I am optimistic for various reasons.

One, the India consumption story is strengthening, marked by an increase in population and a corresponding increase in aspirations. The result is that we are looking at the market that will not only buy more by quantity but also more of the value-added.

Two, we believe that with commodity prices normalising (and sticker prices of our branded products also declining), there will be greater affordability. This will widen the market and provide us with an incentive to increase our manufacturing capacity.

Three, the Kriti Nutrients of today is driven by systems and processes, leading to a greater predictability in our responses to changes in the marketplace and a stronger traction of our products (B2B and B2C).

Four, we are investing selectively in our brands – our biggest asset – as we believe that they are robust properties capable of attractive revenue accretion.

Summing up

At Kriti Nutrients, we are optimistic of outperforming the growth of our sector across the foreseeable future.

We believe that in the last couple of years – marked by the pandemic and commodity volatility – we have strengthened our business and the time has come for this to be manifested in superior value for all stakeholders.

Saurabh Singh Mehta, Executive Director

Post-Balance Sheet development

Your company reported a sharp improvement in its performance during the first quarter of the current financial year.

Your company reported revenue growth of 9.33 per cent over the corresponding period of the previous year; EBITDA growth was 289 per cent over the first quarter of FY 2022-23, while profit after tax was 4.85 per cent higher than the bottom line of the similar quarter in FY 2022-23.

The quantum of EBITDA reported by your company was the highest in any quarter in the company's existence. The EBITDA reported by the company during the quarter under review was 52.89 per cent of the aggregate EBITDA reported by the company during the last financial year.

The company reported an appreciable increase in its EBITDA margin by 442 bps to 8.87 per cent during the first quarter, compared to an EBITDA margin of 4.45 per cent during FY 2022-23 and 2.49 per cent during the first quarter of the last financial year.

The improvement in your company's performance was the result of a concerted direction in the last few years towards an increase in value-added products, wider products portfolio and a deeper coverage of markets.

This direction is sustainable, which should enhance overall business sustainability, relative resistance to resource commodity price trends. Besides, the movement towards value-added products is expected to moderate seasonable and quarterly variations; the improvement is also likely to become visible when compared with the corresponding quarter of the previous year.

The Kriti brand is expected to emerge stronger, strengthening the company's fundamentals and sustainability, enhancing stakeholder value.

A close-up photograph of a single scoop of vanilla ice cream. The ice cream is light-colored with visible chocolate chips. A thick, dark brown chocolate sauce is being poured from a spoon above, creating a glossy, dripping effect over the top and sides of the scoop. The background is a dark, neutral grey.

How we strengthened our marketing function during FY23

Overview

At Kriti Nutrients, our distribution competence is directed towards an overarching objective: make products available closest to consumers. The Company believes that such a distribution backbone represents a long-term advantage. The network facilitates the launch of products utilising existing trade relationships – a larger share of the retailer's shelf space and correspondingly large wallet share.

This engagement is symbiotic – it provides Kriti Nutrients with the incentive to market more products through this existing relationship, enhancing primary customer (trade partner) loyalty. Besides, the widening portfolio incentivises the accretion of more trade partners, deepening Kriti's market penetration.

Our strategy

The Company sustained supplies through the year under review without interruption in spite of price volatility, global crises and inflation. The Company leveraged its distribution network to address increased customer demand. The Company undertook two projects for urban and rural centres. In the urban centres, the company identified five cities where it enhanced distribution infrastructure and coverage; in rural centres, the company focused on villages in the periphery of existing distributors. The Company serviced wholesalers who addressed rural retailers.

The Company increased its volumes, outperforming category growth. For instance, the Company increased its market share in Madhya Pradesh to 10% as volumes grew 12% when compared with the premium oil category growth of 6%. The Company maintained competitive pricing to retain bulk pack category leadership; it enhanced volumes in the consumer pack category.

Challenges and responses

The Company faced challenges due to raw material price volatility.

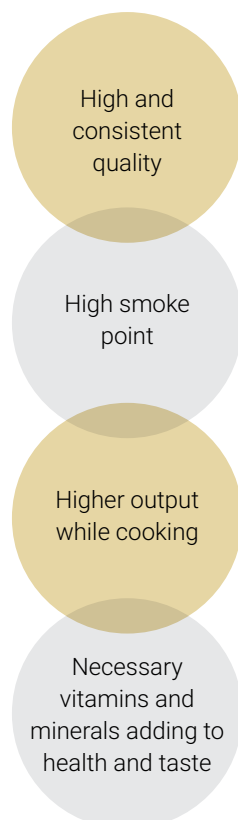
The Company facilitated periodic oil purchases considering plant production and consumer requirement. A coordinated effort between the plant production team, purchase department and packaging department ensured that all consumers were delivered products

at a fixed price.

The Company faced challenges to protect market share on account of a decline in edible oil prices.

Decline in edible oil prices proved to be advantageous for the company because at peak the cost of 15 litre Kriti jars touched ₹2,400. Longstanding Kriti consumers willing to pay a higher premium for Kriti because of its quality and consistency moved from 15 litre packs of Kriti to 10 litre packs.

Our unique selling proposition



Our competitive differentiators

Positioning: The Company's products are positioned with the tagline of 'Pyar sa pure' due to purity, premium and consistency. The Company's products provide health benefits coupled with superior taste.

Diversification: The Company strengthened its product range through the launch of new variants (groundnut oil and mustard oil). Kriti launched soya nuggets, marking its entry in the soya food category.

Consistent quality: The Company enjoys a track record of consistent quality record, strengthening respect as a premier edible oil brand.

Consumer trust: The Company earned respect as a preferred cooking oil brand in Madhya Pradesh. The consumer's trust in the Kriti brand widened its presence and increased market share.

Outreach: The Company's products enjoy a wide reach with a distribution network of more than 15,000 outlets.

Team: The Company's dedicated sales and distribution team widened the company's brand across the State. Around 20% of the company's sales personnel had been with the company for the last five years.

Dealer's trust: The Company earned the trust of channel partners (dealers) through consistent quality and superior service. Around 70% of the company revenues were generated from dealers associated for more than five years.

Highlights, FY 2022-23

- The Company focused on outdoor media and digital marketing.
- The Company promoted the brand on movie screens in semi-urban and rural Madhya Pradesh.
- The Company's visibility and awareness campaigns were conducted in conjunction with social events.
- The Company enhanced visibility through point-of-sale material and branding.
- The Company conducted five retail meets at various places; it added four distributors and 3000 outlets.
- The Company achieved 12% volume growth despite difficult market conditions.

Way forward

The Company intends to enter the select markets of Rajasthan by leveraging Kriti's recognition as an edible oil brand and logistical advantage (nearness of the state from Dewas plant). The Company seeks to grow 20% in FY 2023-24 by widening its distribution presence in urban and rural centres and strengthening its presence in modern trade and outlets.

Case study #1

The Company's marketing team visited a village near Bhopal and an Anganwadi sought to buy 15 tonnes of oil. The customer was consistently insisting on purchasing Kriti even though the retailer informed him about the availability of lesser priced brands. The consumer stood his ground on the argument that with so many people invited, the oil had to be the best.

Case study #2

A trader supplied a competing oil brand to government schools for preparing the mid-day meal. School officials were dissatisfied with this quality and approached Kriti for a replacement. The Company delivered its flagship brand and the school authorities immediately noticed an appreciable improvement in the delivered meal quality.



3000

Number of outlets added in 2022-23



10

% company's market share in Madhya Pradesh



ESG: The platform of Kriti's personality, performance and prospects

Overview

The abbreviation increasingly used the world over to filter companies is 'ESG'. ESG is used by analysts, opinion makers, governance agencies, media, communities and bankers to appraise the quality of corporate managements.

This has helped extend the appraisal discipline beyond the Balance Sheet; in a number of instances, this appraisal has been extended to ESG around the perspective that compliance quality will inevitably translate to the Balance Sheet.

ESG characteristics

At one level, ESG is the abbreviated form of Environment-Social-Governance.

The Environment segment of ESG addresses the various initiatives taken by the Company to moderate its carbon footprint through a more responsible utilisation of finite resources coupled with extensive compliances.

The Social component of ESG comprises a mix of the Company's relationships – with vendors (land, capital equipment and raw materials), employees, customers and communities.

The Governance component comprises a review of how the Company intends to manage its business, comprising an understanding of processes, practices and systems.

The combination of E, S and G covers virtually every relevant aspect of operations of the Company critical to its sustainability. There is a growing recognition that even a company beginning to respect ESG standards is on a journey towards a global benchmark and likely to be evaluated favourably anywhere in the world.

However, there is a contribution of ESG that extends beyond compliance. There is a practical and business-relevant perspective as well. In a world marked by Black Swans, robust governance makes it possible to shorten down cycles coupled with extended up-cycles, enhancing stakeholder confidence and shareholder value.

Kriti and ESG

At Kriti Nutrients, environment-social governance (ESG) is particularly critical as the product needs to be built with inputs derived from nature directly or indirectly and any deviation from the mean or perceived irresponsibility can affect respect or market position.

The environment component at our Company ensures that our

business consumes environmentally responsible resources, consumes only as much as is moderately needed, recycles waste, consumes moderate fossil fuels and builds resistance to climate change. Going forward, the company is targeting 5% reduction of water, power and coal consumption per tonne of output.

The social component addresses the need to invest in employees, vendors, customers and community

engagement, a framework of relationships that protects the Company from unexpected supply or demand or production shocks.

The Company's commitment to governance comprises the articulation of business strategy, values, codes of conduct, Board responsibilities and composition as well as the organisational commitment to UNGC principles.

Environment commitment

Our environment approach has been woven around the elements of Plan Mitigate-Adapt-Resilience

Robust controls: There is a growing commitment to strengthen environmental management systems, conduct environmental due diligence and build disaster planning & response systems across our manufacturing facilities. At Kriti Nutrients, the promoter has charted out a strategic direction and delegated day-to-day management to professionals. The Company has deepened an investment in

processes and systems, especially information technology. Besides, it has strengthened an audit-driven and compliance-driven approach, enhancing process integrity.

Resilience around climate change: There is a commitment to reduce energy intensity, reduce greenhouse emission intensity and graduate to cleaner processes and fuels.

Reduce impact on environment

and nature: The Company has been investing in assets, equipment, people, processes and practices to moderate its carbon footprint.

Audit discipline: The Company comprises an audit and compliance-driven approach, enhancing the credibility of its performance and processes to remain committed beyond the basic compliance requirement.

Environment initiatives

- The Company installed back filters to control the emissions generated from the boilers.
- The Company's facilities ensured zero liquid discharge, which is in compliance with the central and state pollution control boards.
- The Company allocated a larger area to greenery in its plant.
- The Company ensured that water consumption parameters were maintained and the ground water withdrawal was moderated over the

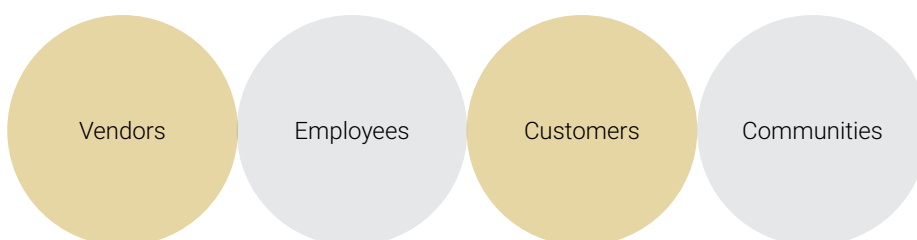
previous financial year.

- The Company initiated the installation of a sewage treatment plant, multi-grade filter activated carbon filter, evaporator and critical sludge beds in the Dewas unit
- The Company intends to introduce the online monitoring of chemical oxygen demand in its Dewas unit
- The Company celebrated Environment Day by undertaking awareness programmes on water conservation and tree plantation.
- The Company plans to convert coal-

fired boilers into a mix of coal and agri-waste.

- The Company implemented reused and recycled water processes for gardening.
- The Company embarked in energy trending and analysis by installing meters in energy-intensive zones.
- The Company installed variable frequency drives to make plants energy-efficient.
- The Company installed flowmeters in the steam line to enhance steam consumption transparency.

Our social component



Social commitment

At Kriti Nutrients, our business is driven by the power of relationships. The strength and stability of these relationships make our business stable.

Passionate employees (youth and experience) drive outperformance. Dedicated vendors enhance

throughput and efficiency. Primary customers relate our end products with quality and attractive pricing.

The Company is not only driven by the need to make the world a better and cleaner place through manufacture of quality products but also through a widening prosperity effect across the marginalised. Kriti's CSR intervention represents an

extension of its prosperity-enhancing ethos marked by social responsibility and environment protection.

The Company takes a holistic approach to sustainable value creation for all its stakeholders (employees, communities and others) by nurturing long-standing relationships and building new ones.

Our employee health focus

The Company prioritises the health of those engaged in its eco-system comprising employees, farmers, vendors, community members and trade partners. The Company ensures

proper housekeeping, work-life balance, periodic health checks, insurance coverage and nutritious canteen facilities. The Company was certified for FSSC 22000 certification in its manufacturing units. The

Company's dispensary across all units conducted frequent health checkups. The Company tied up with reputed hospitals; doctors from these hospitals periodically visited its manufacturing units.

Our employee safety focus

At Kriti Nutrients, operational safety has been embedded into rotary equipment, boiler, working at heights, temperature exposure (welding and cutting), excavation, electrical maintenance, acid / chemical handling and static electricity generation.

There are possibilities of major and minor injuries and accidents in Kriti's workplace. The company enhanced

safety through proactive safeguards: enunciated policy, safety priority by the Board, safety awareness, periodic safety performance reporting, recruitment of experienced professionals, training, mock drills, investment in safe equipment and observation of an annual Safety Week.

A precise documented allocation of employee responsibilities, formal work permit system, elaborate

safety policies, methodical incident / accident reports, personal protective equipment use, relevant signage across manufacturing locations, cautionary advice, controlled access, material visible safety data sheet signage, penal provisions for unsafe acts, comprehensive fire safety system, detailed emergency evacuation plan and periodic safety audit was conducted.

Governance commitment

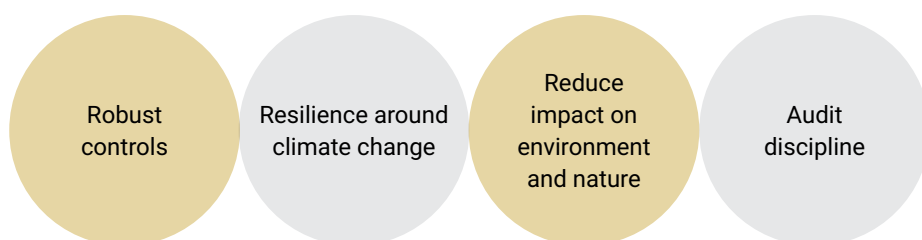
The Governance component comprises a review of how the Company intends to manage its business, comprising an understanding of processes, practices and systems. The Company appointed experienced Directors on the Board with 50% of the Directors being Independent. The Company implemented the whistleblower mechanism that enabled employees to report concerns to the Chairman of

the Audit Committee. The Company addressed investor complaints in time.

The Company encourages auditors to engage in a real-time internal audit; it submitted quarterly audit reports to the Audit Committee and Board along with an Action Taken report. The Company framed necessary policies stipulated by the Companies Act and SEBI Listing Regulations and the endeavors to implement policies. A separate meeting of the Independent

Directors is held every year inter alia to evaluate the performance of individual Directors and the Board. The Board was updated about the latest statutory and regulatory amendments issued by various government departments. The Company maintained transparent shareholder communication and price-sensitive information was provided to shareholders through announcements filed with the stock exchanges

Our environment commitment





Management discussion and analysis

Global economy

Overview: The global economic growth was estimated at a slower 3.2% in 2022, compared to 6% in 2021 (which was on a smaller base of 2020 on account of the pandemic effect). The relatively slow global growth of 2022 was marked by the Russian invasion of Ukraine, unprecedented inflation, pandemic-induced slowdown in China, higher interest rates, global liquidity squeeze and quantitative tightening by the US Federal Reserve.

The challenges of 2022 translated into moderated spending, disrupted trade and increased energy costs. Global inflation was 8.7% in 2022, among the highest in decades. US consumer prices decreased about

6.5% in 2022, the highest in four decades. The Federal Reserve raised its benchmark interest rate to its highest in 15 years. The result is that the world ended in 2022 concerned that the following year would be slower.

The global equities, bonds, and crypto assets reported an aggregated value drawdown of USD 26 trillion from peak, equivalent to 26% of the global gross domestic product (GDP). In 2022, there was a concurrently unique decline in bond and equity markets; 2022 was the only year when the S&P 500 and 10-year US treasuries delivered negative returns of more than 10 percent.

Gross FDI inflows – equity, reinvested earnings and other capital – declined

8.4 percent to \$55.3 Billion in April-December. The decline was even sharper in the case of FDI inflows as equity: these fell 15 per cent to \$36.75 Billion between April and December 2022. Global trade expanded by 2.7 per cent in 2022 (expected to slow to 1.7 per cent in 2023).

The S&P GSCI TR (global benchmark for commodity performance) fell from a peak of 4,319.55 in June 2022 to 3495.76 in December 2022. There was a decline in crude oil, natural gas, coal, lithium, lumber, cobalt, nickel and urea realisations. Brent crude oil dropped from a peak of around USD 120 per barrel in June 2022 to USD 80 per barrel at the end of the calendar year following the enhanced availability of low-cost Russian oil.

Regional growth (per cent)	2022	2021
World output	3.2	6.1
Advanced economies	2.5	5
Emerging and developing economies	3.8	6.3

The performance of major economies comprised the following:

United States: Reported GDP growth of 2.1 per cent compared to 5.9 per cent in 2021

China: GDP growth was 3 per cent in 2022 compared to 8.1 per cent in 2021

United Kingdom: GDP grew by 4.1 per cent in 2022 compared to 7.6 per cent in 2021

Japan: GDP grew 1.7 per cent in 2022 compared to 1.6 per cent in 2021

Germany: GDP grew 1.8 per cent compared to 2.6 per cent in 2021

[Source: PWC report, EY report, IMF data, OECD data]

Outlook

The global economy is expected to grow 2.8 per cent in 2023, influenced by the ongoing Russia-Ukraine

conflict. Concurrently, global inflation is projected to fall marginally to 7 per cent. Despite these challenges, there are positive elements within the global economic landscape.

The largest economies like China, the US, the European Union, India, Japan, the UK, and South Korea are not in a recession. Approximately 70 per cent of the global economy demonstrates resilience, with no major financial distress observed in large emerging economies. The energy shock in Europe did not result in a recession, and significant developments, including China's progressive departure from its strict zero-Covid policy and the resolution of the European energy crisis, fostered optimism for an improved global trade performance. Despite high inflation, the US economy demonstrated robust consumer demand in 2022. Driven by these positive factors, global inflation

is likely to be still relatively high at 4.9 per cent in 2024. Interestingly, even as the global economy is projected to grow less than 3 per cent for the next five years, India and China are projected to account for half the global growth (Source: IMF).

Indian economy

Overview: Even as the global conflict remained geographically distant from India, ripples comprised increased oil import bills, inflation, cautious government and a sluggish equity market. India's economic growth is estimated at 7.2 per cent in FY 2022-23. India emerged as the second fastest-growing G20 economy in FY 2022-23. India overtook UK to become the fifth-largest global economy. India surpassed China to become the world's most populous nation (Source: IMF, World Bank)

Growth of the Indian economy

	FY 20	FY 21	FY 22	FY23
Real GDP growth (per cent)	3.7	-6.6 per cent	8.7	7.2

Growth of the Indian economy quarter by quarter, FY 2022-23

	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Real GDP growth (per cent)	13.1	6.3	4.4	6.1

(Source: Budget FY24; Economy Projections, RBI projections)

According to the India Meteorological Department, the year 2022 delivered 8 per cent higher rainfall over the long-period average. Due to unseasonal rains, India's wheat harvest was expected to fall to around 102 Million metric tons (MMT) in 2022-23 from 107 MMT in the preceding year. Rice production at 132 Million metric tons (MMT) was almost at par with the previous year. Pulses acreage grew to 31 Million hectares from 28 Million hectares. Due to a renewed focus, oilseeds area increased 7.31 per cent from 102.36 lakh hectares in 2021-22 to 109.84 lakh hectares in 2022-23.

India's auto industry grew 21 per cent in FY23; passenger vehicle (UVs,

cars and vans) retail sales touched a record 3.9 Million units in FY23, crossing 3.2 Million units in FY19. The commercial vehicles segment grew 33 per cent. Two-wheeler sales fell to a seven-year low; the three-wheeler category grew 84 per cent.

Till the end of Q3FY23, total gross non-performing assets (NPAs) of the banking system fell to 4.5 per cent from 6.5 per cent a year ago. Gross NPA for FY23 was expected to be 4.2 per cent and a further drop is predicted to 3.8 per cent in FY2023-24.

As India's domestic demand remained steady amidst a global slowdown, import growth in FY23

was estimated at 16.5 per cent to \$714 Billion as against \$613 Billion in FY22. India's merchandise exports were up 6 per cent to \$447 Billion in FY23. India's total exports (merchandise and services) in FY23 grew 14 percent to a record of \$775 Billion in FY23 and is expected to touch \$900 Billion in FY24. Till Q3 FY23, India's current account deficit, a crucial indicator of the country's balance of payments position, decreased to \$18.2 Billion, or 2.2 per cent of GDP. India's fiscal deficit was estimated in nominal terms at ~ ₹17.55 lakh Cr and 6.4 per cent of GDP for the year ending 31st March, 2023. (Source: Ministry of Trade & Commerce)

India's headline foreign direct investment (FDI) numbers rose from US\$74.01 Billion in 2021 to a record \$84.8 Billion in 2021-22, a 14 per cent Y-o-Y increase, till Q3FY23. India recorded a robust \$36.75 Billion of FDI. In 2022-23, the government was estimated to have addressed 77 per cent of its disinvestment target (₹50,000 Cr against a target of ₹65,000 Cr).

India's foreign exchange reserves, which had witnessed three consecutive years of growth, experienced a decline of approximately \$70 Billion in 2022, primarily influenced by rising inflation and interest rates. Starting from \$606.47 Billion on 1st April, 2022, reserves decreased to \$578.44 Billion by 31st March, 2023. The Indian currency also weakened during this period, with the exchange rate weakening from ₹75.91 to a US dollar to ₹82.34 by 31st March, 2023, driven by a stronger dollar and increasing current account deficit. Despite these factors, India continued to attract investable capital.

The country's retail inflation, measured by the consumer price index (CPI), eased to 5.66 per cent in March 2023. Inflation data on the Wholesale Price Index, WPI (calculates the overall price of goods before retail) eased to 1.3 per cent during the period. In 2022, CPI hit its highest of 7.79 per cent in April; WPI reached its highest of 15.88 per cent in May 2022. By the close of the year under review, inflation had begun trending down and in April 2023 declined below 5 per cent, its lowest in months.

India's total industrial output for FY23, as measured by the Index of Industrial

Production or IIP, grew 5.1 per cent year-on-year as against a growth of 11.4 per cent in 2021-22.

India moved up in the Ease of Doing Business (EoDB) rankings from 100th in 2017 to 63rd in 2022. As of March 2023, India's unemployment rate was 7.8 per cent.

In 2022-23, total receipts (other than borrowings) were estimated at 6.5 per cent higher than the Budget estimates. Tax-GDP ratio was estimated to have improved by 11.1 per cent Y-o-Y in RE 2022-23.

The total gross collection for FY23 was ₹18.10 lakh Cr, an average of ₹1.51 lakh a month and up 22 per cent from FY22, India's monthly goods and services tax (GST) collections hit the second highest ever in March 2023 to ₹1.6 lakh Cr. For 2022-23, the government collected ₹16.61 lakh Cr in direct taxes, according to data from the Finance Ministry. This amount was 17.6 per cent more than what was collected in the previous fiscal.

Per capita income almost doubled in nine years to ₹172,000 during the year under review, a rise of 15.8 per cent over the previous year. India's GDP per capita was 2,320 USD (March 2023), close to the magic figure of \$2500 when consumption spikes across countries. Despite headline inflation, private consumption in India witnessed continued momentum and was estimated to have grown 7.3 per cent in 2022-23.

Outlook: There are green shoots of economic revival, marked by an increase in rural growth during the last quarter and appreciable decline in consumer price index inflation to less than 5 per cent in April 2023. India is expected to grow around

6-6.5 per cent (as per various sources) in FY2024, catalysed in no small measure by the government's 35 per cent capital expenditure growth by the government. The growth could also be driven by broad-based credit expansion, better capacity utilisation and improving trade deficit. Headline and core inflation could trend down.

Union Budget FY 2023-24 provisions

The Union Budget 2022-23 sought to lay the foundation for the future of the Indian economy by raising capital investment outlay by 33 per cent to ₹10 lakh Cr, equivalent to 3.3 per cent of GDP and almost three times the 2019-20 outlay, through various projects like PM Gatishakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments. An outlay of ₹5.94 lakh Cr was made to the Ministry of Defence (13.18 per cent of the total Budget outlay). An announcement of nearly ₹20,000 Cr was made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An outlay of ₹1.97 lakh Cr was announced for Production Linked Incentive schemes across 13 sectors. The Indian government intends to accelerate road construction in FY24 by 16-21 per cent to 12,000-12,500 km. The overall road construction project pipeline remains robust at 55,000 km across various execution stages. These realities indicate that a structural shift is underway that could strengthen India's positioning as a long-term provider of manufactured products and its emergence as a credible global supplier of goods and services

Global soyabean supply and demand (in Million tonnes)

	FY21	FY22	FY23 P
Opening stocks	54.3	55.5	45.4
Production	370.1	355.8	388.1
Imports	159.2	155.2	167.3
Total availability	424.4	411.4	433.5
Crush	325.5	325.5	335.7
Total consumption	368.8	365.9	379.4
Exports	159.2	155.2	167.3
Ending stocks	55.5	45.5	54.0

(Source: International Grains Council)

Indian soyabean market overview

According to Soyabean Processors Association of India (SOPA), the domestic production of soyabean is expected to reach 120.40 lakh tonnes in the 2022-23 season compared to 118.89 lakh tonnes in the last season. India's soyabean import is pegged lower by 64 per cent at 2 lakh tonnes in 2022-23 season compared to 5.55 lakh tonnes on prospects of higher domestic production. The country's carry-over stock remains higher at 25.15 lakh tonnes as against 1.83 lakh tonnes in the previous year. The total availability of soyabean is estimated at 147.55 lakh tonnes in 2022-23 season compared to 126.27 lakh tonnes in 2021-22 season. Out of the total soyabean, about 100 lakh tonnes would be available for crushing in 2022-23 season as against 84 lakh tonnes in 2021-22

season. Around 13 lakh tonnes are estimated to be retained for sowing, 4 lakh tonnes are estimated to be directly consumed and about 1 lakh tonnes will be exported in the current season.

According to SOPA, soyabean meal production (used as animal feed) is pegged higher at 79.82 lakh tonnes during the 2022-23 season compared to 67.05 lakh tonnes in 2021-22. The country's soyabean meal import is expected to be nil in 2022-23 season compared to 6.45 lakh tonnes in 2021-22 season while exports are expected to reach 82 lakh tonnes in 2022-23 season compared to 73 lakh tonnes in 2021-22 season. The government has set the minimum support price for soyabean at ₹4,300 per 100 kg for the 2022-23 (Oct-Sep) marketing season. Madhya Pradesh,

Maharashtra, Karnataka, Rajasthan and Gujarat are the major soyabean growing states in India. Soyabean production in Maharashtra is pegged at 5.5 to 6.0 Million tonnes in 2022-23 season against 4.5 to 5.0 Million tonnes in 2021-22 season due to adequate rainfall and favourable weather conditions. Madhya Pradesh is the leading soyabean producing state with over 40 per cent share in the country's total production of around 13 Million tonnes. The ban on future and option trade has left soyabean farmers associated with farmer producer organisations in Madhya Pradesh in lurch as they are forced to sell their produce in local mandis to traders and nearby processing plants in the absence of an efficient price discovery process. (Source: Business Standard, Informist)

India: Oilseed, Soyabean, Production, Supply and Distribution

Oilseed, Soybean	2020-21		2021-22		2022-23	
Market Begin Year	Oct-20		Oct-21		Oct-22	
India	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	12700	12700	12700	12700	0	12500
Area Harvested (1000 HA)	12700	12700	12500	12500	0	12300
Beginning Stocks (1000 MT)	472	472	420	420	0	530
Production (1000 MT)	10450	10450	11900	11900	0	11800
MY Imports (1000 MT)	548	548	400	400	0	320
Total Supply (1000 MT)	11470	11470	12720	12720	0	12650
MY Exports (1000 MT)	32	32	200	200	0	160
Crush (1000 MT)	9500	9500	10200	10200	0	10300
Food Use Dom. Cons. (1000 MT)	618	618	660	660	0	660
Feed Waste Dom. Cons. (1000 MT)	900	900	1130	1130	0	1150
Total Dom. Cons. (1000 MT)	11018	11018	11990	11990	0	12110
Ending Stocks (1000 MT)	420	420	530	530	0	380
Total Distribution (1000 MT)	11470	11470	12720	12720	0	12650
Yield (MT/HA)	0.8228	0.8228	0.9520	0.9520	0	0.9593

(Source: National Mission on Edible Oils)

Indian packaged edible oil market

India's edible oil market is estimated at ₹5,19,905 Cr by FY 2027-28 with a CAGR 5 per cent decline in unorganised oil market share. The consumption of edible oils in India is expected to reach 26-27 Million tonnes by 2025-26 according to estimates by Solvent Extractors Association (SEA). India's import of edible oil is expected to be lower

in the oil year 2022-23 (November-October). The domestic edible oil production has not been able to keep pace with the growth in consumption and the country is incurring heavy costs owing to its dependence on imports. Import growth in edible oils during the last decades is around 174 per cent. The ongoing Russia-Ukraine war has once again highlighted that India needs to be self-sufficient in

edible oils. The country's imports are estimated at 13.65 Million tonnes during 2022-23 compared to 13.84 Million tonnes in 2021-22. Edible oil import includes a significant portion (ranging from 1.66 per cent to 2.83 per cent) of total imports during the past ten years. Edible oils are indispensable in the Indian kitchen. The growing consumption of edible oil in the country has been catalysed

by increasing population, changing tastes and preferences of consumers, a shift towards branded oil usage and seamless marketing and distribution efforts by edible oil companies.

Among the leading key edible oil-consuming countries, including the European Union, India's dependency on imported edible oil is significantly higher (close to two times) than that of other major countries. Most of the countries were dependent on imported edible oil in the range of 30 per cent-39 per cent in FY21, whereas India's dependency on imported oil was around 60 per cent, which declined to 55 per cent in FY21 due to the Covid-19- induced decrease in demand. India's oilseed production was also estimated to reach 38-40 Million tonnes in 2025-26 compared to 33 Million tonnes in 2021-22. Domestic vegetable oil production was also estimated to rise to 13.5-14 Million tonnes by 2025-26 compared to 10 Million tonnes in 2021-22.

Indian food processing industry review

The Indian food processing sector is among the largest in India, accounting for over 32 per cent of the total food market, with the gourmet edible oil market rapidly growing at 20 per cent CAGR. India's food processing has been among the key sectors, growing due to its response to the changing demographics and lifestyle, affordable workforce availability, free availability of raw materials, growth in export opportunities and government advocacy to develop food manufacturing. The country's processing sector is the world's biggest in food production, supply and processing, backed by conducive conditions. India's output can touch USD535 Billion by 2025-26, while generating jobs to the tune of 9 Million by 2024.

Apart from processing industry, packaged and ready-to-eat (RTE) food too is poised to see a huge boom. The growth in these sectors was propelled by the pandemic, hike in expendable incomes leading to increasing appetites for discretionary spends on branded items including

Soyabean oil imports jumped sharply to 41.71 lakh tonnes in 2021-22 oil year compared to 28.66 lakh tonnes in 2020-21, while sunflower oil imports rose gradually to 19.44 lakh tonnes in 2021-22 compared to 18.94 lakh tonnes in the year 2020-21.

In order to enhance the production and productivity of oilseed crops and area expansion of oil palm in the country the government is implementing the National Food Security Mission (NFSM) – Oilseeds and Oil Palm with the goal to raise edible oil production. Several interventions like improved seed replacement, increased seed production, large-scale demonstrations, supply of critical inputs, arrangement for life-saving irrigation, mechanisation inputs, post-harvest management and promotion of oilseeds in rice fallow are undertaken. (Source: Economic Times, Mint)

processed food-items, a rejuvenated retail sector and state sponsorship. In the aftermath of the pandemic, consumer preferences switched to health and fitness, demand organic, low calorie and natural or low preservatives in the edibles. The norms of labelling and packaging are changing to assure consumers of their health choice. Growing urbanisation, two-income households and a young population have directly led to the demand for convenient packaged, branded food and beverages.

19

Kgs, India's per capita vegetable oil consumption in 2022
(Source – Fortune India.com)

15.8

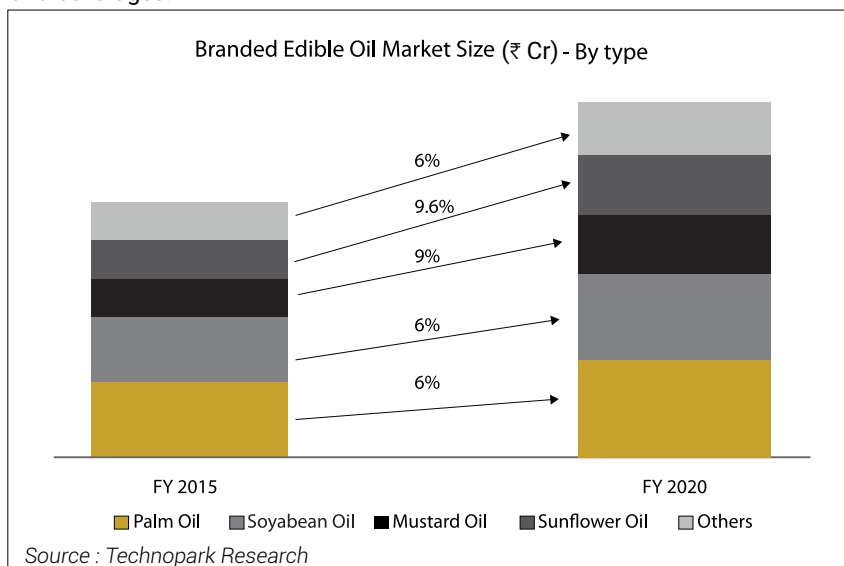
Kgs, India's per capita vegetable oil consumption in 2013
(Source – Fortune India.com)

9.6

Kgs, China's per capita vegetable oil consumption in 2021
(Source – Statista)

8.4

Kgs, USA's per capita vegetable oil consumption in 2021
(Source – Statista)



Growth drivers

Demographic dividend: The Indian median age of 28.4 years compared to the world median age of 30 years. India's young demographics has been a well-documented global story over the past three decades, strengthening domestic demand in a sustainable way. (Source: moneycontrol.com)

Growing population: India is expected to surpass China in 2023 as the most populous country. India's population has grown from 715.4 Million in 1981 to 1.39 Billion in 2021. By 2050, India is expected to have a population of 1.67 Billion, higher than the 1.32 Billion people forecast for China by the middle of the century. (Source: dw.com)

Growing health awareness: There has been a growing awareness towards health consciousness among the people post-Covid. Increasing awareness regarding the nutritional value of soyabean could drive demand.

Growth of the animal feed market: The Indian animal feed market size stood at ₹873.7 Billion in 2021. The market is expected to reach Rs1493.8 Billion by 2027, growing at a CAGR of 9.6 per cent during 2022-2027. This is expected to increase the demand of soyabean over the coming years.

Vegan revolution: Plant-based foods have been dominating consumers for the past couple of years. Growing awareness, animal cruelty and environmental sustainability are expected to catalyse demand for soyabean products over the foreseeable future.

Government initiatives

• As per the Union budget 2022-23, ₹1.24 lakh Cr (US\$ 15.9 Billion) has been allocated to Department of Agriculture, Cooperation and Farmers' Welfare. ₹8,514 Cr (US\$ 1.1 Billion) has been allocated to the Department of Agricultural Research and Education.

• The government launched the Micro food processing Enterprises (PMFME) scheme for providing financial, technical and business support for upgradation of micro

food processing enterprises in the country with an outlay of ₹10,000 Cr (US\$ 1.27 Billion).

- The government is planning to launch Kisan drones for crop assessment, digitisation of land records, spraying of insecticides and nutrients.
- The Government of India approved a PLI scheme for the food processing sector with an incentive outlay of ₹10,900 Cr (US\$ 1,484 Million) over a period of six years starting from FY22.
- In order to speed up the seed replacement rate, 820,600 seed mini-kits will be distributed free of cost in 343 identified districts across 15 major producing States under a special programme.
- The government initiated Digital Agricultural Mission for 2021-25 for agriculture projects based on new technologies such as artificial intelligence, block chain, remote sensing, GIS technology, drones, robots and others.
- The Government plans to triple the capacity of food processing sector in India from the current 10 per cent of agriculture produce
- The Government has also committed ₹6,000 Cr (US\$ 936.38 Billion) as investments for mega food parks in the country, as a part of the Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters (SAMPADA).
- The Government of India allowed 100 per cent FDI in marketing of food products and in food product E-commerce under the automatic route.

Company overview

Incorporated in 1993, Kriti Nutrients Limited is engaged in the business of processing soybean, oil refining and the fabrication of soya-based products. The Company emerged among the most respectable companies due to its commitment towards continuous product quality and customer service. The Company's high tech manufacturing facility is spread across 70420 square metres in Dewas. The manufacturing complex includes solvent extraction plants, vegetable oil refinery, lecithin plant, effluent treatment plant, fluidised bed boilers and an in-house tin and jar packaging facility. The plant is ISO-9001:2001-certified and manufactures products like soya oil and other soya-based products. In FY 2022-23, 86.75 per cent of the company's revenues were generated from domestic sales and 13.25 per cent generated from exports. The Company earns its domestic revenues from B2C sales and export revenues from long-standing B2B customers.

Financial review

Revenues: Revenue during the year stood at ₹801.31 Cr, growing 5.96 per cent as against ₹756.23 Cr in FY 2021-22.

Interest and finance costs: Net interest and finance costs stood at ₹353.24 Cr.

Profit after tax: The Company reported a profit after tax of ₹20.80 Cr compared to ₹12.31 Cr in the previous year.

Key ratios and numbers

Particulars	FY 23	FY22
Turnover (₹ cr)	796.87	752.88
Debt-equity ratio	0.29	0.31
Return on equity (per cent)	17	12
Book value per share (Rs)	26.42	22.45
Earnings per share (Rs)	4.15	2.46

(Source: International Grains Council)

Business strategy and outlook

The business outlook of the company seems positive due to the revenue growth reported in the previous year, which is expected to improve sustainably across the foreseeable future at better margins. Besides, the Company plans to develop products at better margins that should grow by volume and value.

Information and technology

The Company has consistently invested in information technology (IT) to enhance operational efficiencies through the installation of softwares like SAP Enterprising Resource Planning System, CRM, HRM and sales force mobility. SAP HANA was installed to enhance the process of business analytics and increase efficiencies. The Company will ensure continuous investments in cutting edge technologies to benchmark itself with international standards.

Internal control systems and their adequacy

The Company's internal audit system has been continuously reviewed and upgraded to that assets are

protected; existing regulations are followed with and unsettled issues are promptly addressed. The audit committee reviews reports presented by the internal auditors periodically. The committee takes care of the audit observations and takes remedial measures, if necessary. It constantly communicates with statutory and internal auditors to ensure that internal control systems are operating efficiently.

Human resources

The Company believes that its skilled and trained workforce is the biggest asset that it possesses and is instrumental towards the achievement of organisational goals. The Company is dedicated to furnish them with skills, resulting the continuous growth of employees aligning them to endless technological upgradations. During the year under review, the Company conducted training programmes in various areas like technical skills, behavioural skills, business excellence, general management, advanced management, leadership skills, customer orientation, safety, values and code of conduct. The Company's employee strength stood

at 244 as on 31st March, 2023.

Cautionary statement

The management discussion and analysis report containing the Company's objectives, projections, estimates and expectation may constitute certain statements, which are forward looking within the meaning of applicable laws and regulations. The statements in this management discussion and analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in the governmental regulations, tax regimes, forex markets, economic developments within India and the countries with which the Company conducts business and other incidental factors such as changes in the governmental regulations, tax regimes, forex markets, economic developments within India and the countries with which the Company conducts business and other incidental factors.

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present their 27th Directors' Report on the affairs of the Company together with the Audited Financial Statements for the Financial Year ended on 31st March, 2023.

FINANCIAL HIGHLIGHTS

The summarized financial highlights for the year vis-a-vis the previous year are as follows:

(₹ In Lakhs)

PARTICULARS	31.03.2023	31.03.2022
Revenue from Operations	79,687.14	75,288.02
Other Income	443.74	335.38
Total Revenue	80,130.88	75,623.40
Operating Expenses	76,568.06	73,356.28
EBITDA	3,562.82	2,267.12
Finance Cost	353.24	210.55
Depreciation	416.35	373.41
Profit/ (Loss) before Exceptional Items and Tax	2,793.24	1,683.16
Exceptional Items	0.00	0.00
Profit/ (Loss) before Tax	2,793.24	1,683.16
Tax Expenses		
(a) Current and Earlier year Taxes	716.00	455.36
(b) Deferred Tax	(2.58)	(2.72)
Profit/ (Loss) after Tax	2,079.82	1,230.52
Profit/(Loss) from discontinued operations	0.00	0.00
Tax expenses on discontinued operations	0.00	0.00

OPERATIONAL PERFORMANCE

During the Financial Year ended on 31st March, 2023, your Company has achieved an operational turnover of **Rs. 79,687.14 Lakhs** as compared to **Rs. 75,288.02 Lakhs** in the previous Financial Year, and the Profit after Tax is **Rs. 2,079.82 Lakhs** as compared to Profit after Tax of **Rs. 1,230.52 Lakhs** in the previous Financial Year.

DIVIDEND

Your directors were pleased to recommend a dividend @ 25% (Rs.0.25/-per equity shares of Re. 1/- each on 5,01,03,520 Equity Shares) for the Financial Year 2022-23 aggregating to Rs.125.26 Lakhs (Previous year @ 18% [Rs.0.18 per equity shares of Re. 1/- each on 5,01,03,520 Equity Shares aggregating to Rs.90.19 Lakhs]) payable to those Shareholders whose names appear in the Register of Members as on the Book Closure/Record Date.

CHANGE IN CONTROL AND NATURE OF BUSINESS

There is no change in control and nature of business activities during the period under review.

BUSINESS TRANSFER

There is no transfer of business during the period under review.

TRANSFER TO RESERVES

During the year, the Company has transferred Rs. 200.00 Lakhs (Previous year Rs. 125.00 Lakhs) to the general reserves, other than that no amount has been transferred to any other reserve.

SHARE CAPITAL & LISTING OF SHARES

Your Board are pleased to inform and appraise that, the Company's Equity Shares are also additionally listed on NSE Platform w.e.f. 7th October, 2022 apart from BSE Platform in order to provide more liquidity to the stakeholders of the company. Trading Symbol is KRITINUT in the NSE.

The paid-up Equity Share Capital as on 31st March 2023 was Rs. 501.04 Lakhs divided into 5,01,03,520 equity shares of Re. 1/- each. There is no change in Equity Share Capital of the Company during the year, the shares of the Company are listed and regularly traded at the trading platform of BSE Ltd and National Stock Exchange of India Ltd.

DEPOSITS

Your Company has not accepted deposit from the public falling within the ambit of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules,

2014 and there were no remaining unpaid or unclaimed deposits as on 31st March, 2023. Further, the Company has not accepted any deposit or loans in contravention of the provisions of the Chapter V of the Companies Act, 2013 and the Rules made there under.

S. No.	Particulars	Amt in ₹
1.	Details of Deposits accepted during the year	Nil
2.	Deposits remaining unpaid or unclaimed at the end of the year	Nil
3.	Default in repayment of deposits	N.A.
	At the beginning of the year	
	Maximum during the year	
	At the end of the year	
4.	Deposits not in compliance with law	N.A.
5.	NCLT/ NCLAT orders w.r.t. depositors for extension of time and penalty imposed	N.A.

There is no deposit which are not in compliance with the requirements of Chapter V of the Companies Act, 2013 and rules made thereunder.

DIRECTORS AND KEY MANAGERIAL PERSONNEL DIRECTORS

Directors liable to retire by rotation seeking re-appointment:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, **Shri Saurabh Singh Mehta** (DIN: 00023591) Director of the Company as director liable to retire by rotation and is eligible for re-appointment.

Managing and Whole-time Directors:

Following directors have been re-appointed at the 25th Annual General Meeting held on 7th August, 2021:

- Shri Shiv Singh Mehta** (DIN: 00023523) as the Chairman and Managing Director of the company for a further period of 5 (Five) years w.e.f. 12th January, 2022 to 11th January, 2027 and for attaining the age of 70 years during the tenure.
- Shri Saurabh Singh Mehta** (DIN: 00023591) as the Whole-time Director of the company for a further period of 5 (Five) years w.e.f. 1st August, 2022 to 31st July, 2027.

INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and the SEBI Listing Regulations. The Board considered and formed an opinion that the independent directors meet the criteria of independence as required under the Companies Act, 2013 and the SEBI (LODR) Regulations 2015. All the Independent Directors have also registered themselves with Independent Directors' Databank.

Your Board would like to inform that, the second term of Mr. Rakesh Kalra and Mr. Manoj Fadnis the Independent Director(s) would expire on 15.05.2024, and the board is in search of Independent Director in place of them who is also the registered as an Independent Director with IICA.

During the year under review, the company has not appointed any Independent Director, therefore, the statement regarding opinion of the Board with regard to integrity, expertise and experience of the Independent Director appointed during the year is not applicable.

Pursuant to the provision of section 149(10) of the Companies Act, 2013 a term of 5(five) consecutive years on the Board of the Company of Mr. Chandrasekharan Bhaskar, (DIN:00003343), as Independent Directors will be completed on 15th May, 2024. However, he is eligible for re-appointment on passing of special resolution for a second term of 5 (five) consecutive years. Therefore, the Board at their meeting held on 22nd July, 2023 upon the recommendation of the Nomination and Remuneration Committee has recommended his re-appointment w.e.f. 16th May, 2024 to 15th May, 2029. Your Board of directors recommends to pass necessary **special resolution** to that effect as set out in the notice of the Annual General Meeting.

KEY MANAGERIAL PERSONNEL

The following are the Key Managerial Personnel's (KMPs) of the Company during the period under review:

- Mr. Shiv Singh Mehta (DIN 00023523), Chairman and Managing Director,
- Mr. Saurabh Singh Mehta (DIN 00023591), Whole-time Director,
- Mr. Shashank Belkhede, Chief Financial Officer (Superannuated w.e.f. 21st July, 2022),
- Mr. Indrajeet Singh Arora, Chief Financial Officer (Appointed w.e.f. 9th November, 2022 and ceased w.e.f. 30th November, 2022)
- Mr. Nitin Chhariya, Chief Financial Officer (Appointed w.e.f. 3rd February, 2023)
- Mr. Raj Kumar Bhawsar, Company Secretary and Compliance Officer.

There is no change in the KMP's of the Company except as stated above during the period under review.

BOARD EVALUATION

The Board of Directors of the Company is committed to getting its performance evaluated in order to identify its strengths and areas in which it may improve its functioning. To that end, the Nomination and Remuneration Committee (NRC) has established the process for evaluation of performance of Directors including Independent Directors, the Board and its Committees. The evaluation of the performance of Executive Directors is done by Independent Directors.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria and process for performance evaluation of the Non-Executive Directors and Executive Directors to judge the knowledge to perform the role, time and level of participation, performance of duties, professional conduct, independence etc. The appointment/re-appointment/ continuation of Directors on the Board shall be based on the outcome of the evaluation process.

During the year under review as per the policy for the performance evaluation, formal evaluation of performance of Directors including Independent Directors, the Board and its Committees was made by the Independent Directors and the NRC in their respective meetings and the evaluation result was placed before the Board for its information and consideration.

MEETINGS

During the year total **Five (5)** Board 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/SEBI (LODR) Regulations, 2015.

NOMINATION & REMUNERATION POLICY

The Company has a policy for selection and appointment of Directors, KMPs and Senior Management Personnel and for determination of their remuneration. The salient features of the Nomination & Remuneration Policy is stated in the Corporate Governance Report. The Nomination & Remuneration Policy is duly approved by the Board has been posted on the Company's website <http://kritinutrients.com/>

COMMITTEES OF THE BOARD:

In accordance with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 the Board has the following **Four (4)** committees:

- i). Audit Committee
- ii). Nomination and Remuneration Committee
- iii). Stakeholders' Relationship Committee
- iv). Corporate Social Responsibility Committee

Apart from the aforesaid committees, the Company has also constituted Investment and Finance Committee and Internal Complain Committee (ICC) under the Sexual Harassment of Women at the Workplace (Prevention Prohibition &

Redressal) Act, 2013. A detailed note on the Committees is provided in the Corporate Governance Report.

HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

During the period under review, the Company did not have any Subsidiary, Associate Company or Joint Venture. Therefore, disclosure in the Statement pursuant to section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014 in Form AOC-I is not applicable to the company. However, your company is a subsidiary of Sakam Trading Private Limited which holds about 52.09% of the total paid-up capital of the company.

RELATED PARTY TRANSACTIONS

During the period under review, all related party transactions entered on an arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, KMPs or other designated persons which may have a potential conflict with the interest of the Company at large. Since, there is no material related party transactions in the company. Therefore, the company is not required to annex Form AOC-2 with this report.

Separate disclosure as per regulation 34(3) of SEBI (LODR) Regulations, 2015 is made in the report. The policy on Related Party Transactions duly approved by the Board on the recommendation of the Audit Committee has been posted on the Company's website <http://kritinutrients.com/>.

Your Company has passed an Ordinary Resolution at 26th AGM held on 17th August, 2022 under Regulation 23 of the SEBI (LODR) Regulations, 2015 read with section 188 of the Companies Act, 2013 for entering into transactions for transfer of resources etc. with the related Parties.

Pursuant to SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22/11/2021, Your board is proposing to pass an Ordinary Resolution in the ensuing Annual General Meeting for material related party transaction related to transfer of resources with the Related Party.

CORPORATE SOCIAL RESPONSIBILITY

The Annual Report on CSR activities is attached as "**Annexure A**" and forms a part of this Report. The salient features of CSR policy are stated in the aforesaid Report on CSR activities. The policy on CSR duly approved by the Board has been posted on the Company's website <http://kritinutrients.com/>.

DISCLOSURE FOR PARTICULARS OF EMPLOYEES

The information required pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended in respect of employees of the Company forming part of Directors' Report is given in "**Annexure B**" to this Report. A statement of top-10 employees in terms of remuneration drawn as per rule

5(2) read with rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended may be obtained by request to the Company Secretary of the Company at cs@kritiindia.com.

As per the requirement of the Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company is required to make disclosure in the form of a statement relating to employee drawing remuneration in excess of Rs. 8.50 Lakhs p.m. or Rs. 102.00 Lakhs p.a. detailed as below:

Name & Designation of Employee	Mr. Saurabh Singh Mehta Whole-time Director
Remuneration Received	Rs.143.95 Lakhs
Nature of employment	Contractual
Qualification & Experience of the Employee	B.E., MBA
Date of commencement of employment	26/12/2009
Age	42 years
Past Employment Details	N.A.
% of the Equity shares held by the Employee in the Company	30,440 equity shares of Re. 1/- each (0.06%)
Name of Director or Manager of the Company, relative of such Employee	Mr. Shiv Singh Mehta and Mrs. Purnima Mehta

None of the employees received remuneration in excess of that drawn by the Managing Director or Whole-time director. Except Shri Saurabh Singh Mehta, as he is drawing remuneration more than that drawn by Shri Shiv Singh Mehta, Chairman and Managing Director of the Company.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is attached as **"Annexure C"** and forms part of this Report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The details of the Loans, Guarantees and Investment are given in the notes to the Financial Statements. Hence no further disclosure is being given here to avoid repetition.

CORPORATE GOVERNANCE

The report on Corporate Governance as stipulated under Regulation 34(3) read with Schedule V of the SEBI (LODR) Regulations, 2015 along with the requisite certificate from the Practicing Company Secretary confirming compliance with the conditions of the Corporate Governance is appended and forms a part of this report alongwith the certificate of Disqualification of Directors received from Practicing Company Secretary as the Annexure 1 and 2 of the Corporate Governance Report.

RISK MANAGEMENT

The Company has a well-defined process to ensure the risks are identified and mitigation steps are put in place. The Company's Risk Management process focus on ensuring that these risks are identified on a timely basis and reasonably addressed. The Audit Committee oversees financial risks and controls. Major risks are identified by the businesses and functions and these are systematically addressed through mitigating actions on continuing basis.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a Vigil Mechanism that enables the Directors and Employees to report genuine concerns. The Vigil Mechanism provides for –

- adequate safeguards against victimization of persons who use the Vigil Mechanism; and
- direct access to the Chairperson of the Audit Committee of the Board of Directors of the Company in appropriate or exceptional cases.

Details of the Vigil Mechanism Policy are made available on the Company's website <http://kritinutrients.com/> and have also been provided as **"Annexure D"** of part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134(3)(c) read with section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that: -

- that in the preparation of the annual financial statements for the year ended 31st March, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 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 31st March, 2023 and of the profit of the Company for that period;
- 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;
- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

INTERNAL CONTROL AND THEIR ADEQUACY

The Board of Directors of the Company is responsible for ensuring that Internal Financial Controls have been established in the Company and that such controls are adequate and operating effectively. The Company has laid down certain guidelines and processes which enables implementation of appropriate internal financial controls across the organization. Such internal financial controls encompass policies and procedures adopted by the Company for ensuring orderly and efficient conduct of business, including adherence to its policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of accounting records and the timely preparation of reliable financial information.

The Statutory Auditors in their audit report have opined that these controls are operating effectively. The Audit team develops an audit plan based on the risk profile of the business activities. The annual internal audit plan is approved by the Audit Committee, which also reviews compliance with the plan. The Internal Audit team monitors and evaluates the efficacy and adequacy of internal control systems in the Company, their compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action(s) in their respective area(s) and thereby strengthen the controls. Significant audit observations and corrective action(s) thereon are presented to the Audit Committee.

The Audit Committee reviews the reports submitted by the Internal Auditors.

The Board has implemented systems to ensure compliance with all applicable laws. These systems were effective and operative. At every quarterly interval, the Managing Director and the Company Secretary place before the Board a certificate certifying compliance of laws and regulations as applicable to the business and operations of the Company after obtaining confirmation from all business unit and functional heads responsible for compliance of such applicable laws and regulations.

During the Financial Year, no frauds were reported by auditors in terms of section 143(12) of the Companies Act, 2013.

ANNUAL RETURN

The Annual Return in Form MGT-7 of the Company as at March 31, 2023 is available on the Company's website and can be accessed at <https://kritinutrients.com/annual-return>

AUDITORS AND THEIR REPORT

The shareholders at their 25th Annual General Meeting (AGM) held on 7th August, 2021 upon the recommendation of Audit Committee and Board of Directors of the company had appointed of M/s M Mehta & Co, Chartered Accountants (FRN: 000957C), Indore as Statutory Auditors to hold office for a term of 5 consecutive years from the conclusion of 25th AGM till the conclusion of 30th AGM to be held in the year 2026 on such remuneration as may be mutually decided by

the Auditors and Board of Directors of the company as per the provisions of section 139 of the Companies Act, 2013. As required under Regulation 33(d) of the SEBI (LODR) Regulation, 2015, the auditor has confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Auditors Report and the Notes on financial statement for the year 2022-23 referred to in the Auditor's Report are self-explanatory and do not contain any qualification, reservation or adverse remark, therefore, do not call for any further comments.

COST AUDITOR

Your company is maintaining the cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013. In pursuance of Section 148 of the Companies Act, 2013, your Directors appointed Mr. S.P.S. Dangi, Cost Accountant, (FRN 100004) Indore to conduct the Audit of the Cost Accounting records for the financial year 2022-23.

The Board on the recommendation of the Audit Committee, at its meeting held on 25th May, 2023 has appointed Mr. S.P.S. Dangi, Cost Accountant, (FRN 100004) as the Cost Auditors to conduct the Audit of the Cost Accounting records for the financial year 2023-24. As required under section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the shareholders. Therefore, the Board of Directors recommend the remuneration of Rs. 35,000/- payable to Cost Auditors for the financial year 2023-24 for ratification by the Members in the ensuing Annual General Meeting. The Company has filed the Cost Audit Report for the year 2021-22 to the Central Government.

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 Board appointed M/s. Ajit Jain & Co., Company Secretaries, Indore to conduct Secretarial Audit for the financial year 2022-23.

The Secretarial Audit Report for the financial year ended 31st March 2023 in Form MR-3 is attached as "**Annexure E**" and forms part of this Report. The Report of the Secretarial Auditor does not contain any qualification, reservation or adverse remark, therefore, do not call for any comments. Further, the Board of Directors of the Company on the recommendation of the Audit Committee, at its meeting held on 25th May, 2023 has re-appointed M/s. Ajit Jain & Co., Company Secretaries to conduct Secretarial Audit for the financial year 2023-24.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

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.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") notified by the Ministry of Corporate Affairs, the unclaimed and unpaid dividends amount of Rs. 2,39,668/- and Rs. 2,33,457/- for the year 2014-15 and 2015-16 respectively have been transferred to IEPF within the due date as specified in the Notice of the AGM and 1,06,712 and 21,682 equity shares of face value of Rs. 1/- each of the respective shareholders on which no dividend is claimed for a consecutive 7 (Seven) years are also transferred to IEPF Authority as per the requirement of the IEPF rules. The details related to dividend remains unpaid-unclaimed in the Company have been given in the Corporate Governance Report attached with the annual report of the Company. The details of the nodal officer appointed by the company under the provisions of IEPF is available on the Company's website at <http://kritinutrients.com/>

The investors may claim their unpaid dividend and the shares from the IEPF Authority by applying in the Form IEPF-5 and complying with the requirements as prescribed.

SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. There were no complaints received during the year.

PROVISION OF VOTING BY ELECTRONIC MEANS THROUGH REMOTE E-VOTING AND E-VOTING AT THE AGM:

Your Company is providing E-voting facility as required under section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015. The ensuing AGM will be conducted through Video Conferencing/OAVM and no physical meeting will be held and your company has made necessary arrangements with CDSL to provide facility for remote e-voting and e-voting at AGM. The details regarding e-voting facility is being given with the notice of the Meeting.

GENERAL

Your Directors state that during the year under review:

- a) The Company has not issued shares (including sweat equity shares) to employees of the Company under any scheme.
- b) Neither the Managing Director nor the Whole-time Directors receive any remuneration or commission from its subsidiary.
- c) The Company has complied with the applicable Secretarial Standards under the Companies Act, 2013.
- d) Your Company has not declared and approved any Corporate Action viz buy back of securities, mergers and de-mergers, split and issue of any securities and has not failed to implement or complete the Corporate Action within prescribed timelines. However, the company has declared and paid dividend during the period under review in compliance with the applicable laws of the Companies Act, 2013;
- e) There were no revisions in the Financial Statement and Board's Report;
- f) There have been no material changes and commitments affecting the financial position of the Company which have occurred between financial year ended on 31st March, 2023, to which the financial statements relate and the date of this report.
- g) The company has not filed any application or there is no application or proceeding pending against the company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.
- h) There is no requirement to conduct the valuation by the bank and Valuation done at the time of one-time Settlement during the period under review.
- i) There are no voting rights exercise by any employee of the Company pursuant to the section 67(3) read with the Rule 16 of the Companies (Share Capital and Debenture) Rules, 2014.

ACKNOWLEDGEMENT

Your directors place on record, their sincere appreciation and gratitude for all the cooperation extended by Government Agencies, Bankers, Financial Institutions, Business Associates and Shareholders. The Directors also record their appreciation for the dedicated services rendered by all the Executive Staff and Workers of the Company at all levels in all units and for their valuable contribution in the working of the Company.

For and on behalf of the Board of Directors

Shiv Singh Mehta
Chairman and Managing Director
(DIN: 00023523)

Date: 22nd July, 2023
Place: Indore

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company.

The Corporate Social Responsibility Policy ("Policy") of the Company is in line with the provisions of Section 135 of the Companies Act 2013 ("Act") read with Schedule VII to the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("Rules").

The Policy lays down the guiding principles that shall be applicable to the CSR projects / programme / activities of the Company.

The Board of Directors approved this Policy, on the basis of the recommendations of the CSR Committee.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Purnima Mehta Director	Chairperson	1	1
2.	Saurabh Singh Mehta Whole-time Director	Member	1	1
3.	Rakesh Kalra Independent Director	Member	1	1

3. Web-link: – www.kritinutrients.com.

4. Provide the executive summary alongwith weblink of impact assessment of CSR projects carried out in pursuance of sub rule (3) of Rule 8 if applicable - **Not Applicable**

5. (a) 2% of average net profit of the company as per section 135(5) : **Rs. 39.73 Lakhs**
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. : Nil
- (c) Amount required to be set off for the financial year, if any : Nil
- (d) Total CSR obligation for the financial year (5a+5b-5c) : **Rs. 39.73 Lakhs**
6. (a) Amount spent on CSR Projects (Both Ongoing Projects and Other than Ongoing Project) : **Rs. 6.29 Lakhs**
- (b) Amount spent in Administrative Overheads. : Nil
- (c) Amount spent on Impact Assessment, if applicable. : NA
- (d) Total amount spent for the Financial Year (a+b+c) : **Rs. 6.29 Lakhs**
- (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount Unspent (Rs. In Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
6.29	*34.02	29.04.2023	NA	NA	NA

* The Company has transferred an excess amount of Rs. 0.58 Lakhs to the separate Bank account, which would be adjusted as a surplus amount expended by the Company after utilization of the amount towards the ongoing CSR project activities.

(f) Excess amount for set off, if any: **Nil**

Sl. No.	Particular	Amount (Rs. In Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	39.73
(ii)	Total amount spent for the Financial Year	6.29
	Excess amount carry forward from the previous Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.in Lakhs)	Amount spent in the reporting Financial Year (Rs. In Lakhs).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (Rs. In Lakhs)	Deficiencies if any
				Name of the Fund	Amount (Rs. in Lakhs)	Date of transfer.		
1.	2019-20	N.A.	N.A.	-	-	-	-	-
2.	2020-21	36.51	2.86	33.65	-	-	2.86	-
3.	2021-22	36.60	27.60	9.00	-	-	27.60	--
	Total	73.11	30.46	42.65	-	-	30.46	

8. Whether any Capital Assets have been created or acquired through CSR amount spent in the Financial Year: No

If Yes, enter the number of capital assets created/acquired : **N.A.**

Furnish the details relating to such assets(s) so created or acquired through CSR amount spent in the Financial Year:

Sl. No.	Short Particulars of the Property or assets(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR spent	Details of entity/Authority/ Beneficiary of the Registered Owner		
					CSR Registration Number, if applicable	Name	Registered Address
Nil							

9. Specify the Reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

The Company endeavoured to ensure full utilization of the allocated CSR budget. The CSR activities are scalable with few new initiatives that may be considered in future and moving forward the Company will endeavour to spend the amount on CSR activities in accordance with the statutory requirements

Shiv Singh Mehta Chairman and Managing Director (DIN: 00023523)	Purnima Mehta Chairperson CSR Committee & Director (DIN: 00023632)
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ANNEXURE – B

INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AS AMENDED AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2023.

(A) Particulars of Employees as per [Rule-5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- (i) The ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company for the financial year 2022-23.

S. No.	Name of Director	Ratio of remuneration of each Director to median remuneration of employees (in times)
1	Mr. Shiv Singh Mehta ¹	28.23
2	Mr. Saurabh Singh Mehta	57.43

- (ii) The percentage increase in remuneration of each Executive Director, Chief Financial Officer and Company Secretary in the financial year 2022-23:

S. No.	Name of Director /KMPs	Designation	% increase in remuneration
1	Mr. Shiv Singh Mehta ¹	Chairman and Managing Director	298.50
2	Mr. Saurabh Singh Mehta	Whole-time Director	58.27
3	Mr. Shashank Belkhede ²	Chief Financial Officer	N.A.
4	Mr. Indrajeet Singh Arora ³	Chief Financial Officer	N.A.
5	Mr. Nitin Chhariya ⁴	Chief Financial Officer	N.A.
6	Mr. Raj Kumar Bhawsar	Company Secretary	6.19

¹Mr. Shiv Singh Mehta is also Chairman and Managing Director of the Kriti Industries (India) Limited and drew remuneration over therein previous year within the permissible limits. However, in this FY, he drew salary and perquisites over there and commission from Kriti Nutrients Limited within the permissible limits.

²Mr. Shashank Belkhede ceased w.e.f. 21.07.2022.

³Mr. Indrajeet Singh Arora appointed w.e.f. 09.11.2022 and ceased w.e.f. 30.11.2022.

⁴Mr. Nitin Chhariya appointed w.e.f. 03.02.2023.

- (iii) The percentage increase in the median remuneration of employees in the financial year 2022-23 was 8%.
- (iv) There were 244 permanent employees on the rolls of the Company as on 31st March, 2023.
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

% increase in Average salary of employees other than KMPs for Financial Year 2022-23 has given in point no. (A) (iii) above.

The increase in the salary of KMPs for Financial Year 2022-23 has given in point no. (A) (ii) above.

The increase in remuneration is not solely based on Company's performance but also includes various other factors like individual performance, experience, relevant expertise, skills, academic background, industry trends, economic situation and future growth prospects etc. besides Company's performance.

There were no exceptional circumstances for the increase in managerial remuneration in comparison to remuneration of other employees.

- (vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

ANNEXURE C

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS PER SECTION 134 (3) (M) OF THE COMPANIES ACT, 2013 AND RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014.

A. Conservation of Energy

1) **Steps taken or impact on conservation of energy:**

- A. Done hot insulation on bare position and save steam coal 15.23 kg /hrs. i.e. 72770 Rs/month.
- B. Stopped live steam use in feed water tank and save steam 70 kg/hrs. saving of 126000 Rs/month.
- C. Installed IE3 motor of 10 HP in place of IE1 motor in Refinery section

2) **Steps taken by the company for utilizing alternate sources of energy:**

Approx. 15.24 Lakhs unit used from solar power by open power supply for 2022-2023.

3) **Capital investment on energy conservation equipment:**

Approx. Rs. 8.15 Lakhs

B. Technology Absorption

- 1) Efforts made towards technology absorption: As listed in point A(1) above.
- 2) Benefits derived: As listed in point A(1) above.
- 3) Technology imported during the last three years reckoned from beginning of the financial year:

During the last three years reckoned from beginning of the financial year, the following technology imported:

S.No.	Details of the technology imported	Year of import	Whether the technology has been fully absorbed	If not fully absorbed, reasons thereof
1.	Magnetic separation (Drawer type) installation in flour mill and installation of IE3 motor in refinery.	2022	Yes	NA
2.	Imported world class technology M/c for Soya TVP/ Granules from Urschel USA Approx. Rs. 55 Lakhs.	2021	Yes	NA
3.	No technology imported	2020	NA	NA
4.	Product sizing technology to meet Granulometry of the Product	2019	Yes	NA

C. Foreign Exchange Earning & Outgo (Rs. In Lakhs)

Sr. No.	Particulars	2022-23	2021-22
1.	Foreign Exchange earned in terms of Actual Inflows	10,780.79	11,070.75
2.	Foreign Exchange spent in terms of Actual Outflows	2,615.50	795.75
	• C.I.F. Value of Import (Raw Material)		

VIGIL MECHANISM POLICY

1. PREFACE

- 1.1 Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. Such a vigil mechanism shall provide adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

2. POLICY OBJECTIVES

- 2.1 The Company is committed to adhering to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and provide for direct access to the Chairman of the Audit Committee in exceptional cases.
- 2.2 This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and / or colleagues in general.

3. SCOPE OF THE POLICY

- 3.1 This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

4. DEFINITIONS

- 4.1 **"Alleged wrongful conduct"** shall mean violation of law, Infringement of Company's rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority".

- 4.2 **"Audit Committee"** means a Committee constituted by the Board of Directors of the Company in accordance guidelines of Listing Agreement and Companies Act, 2013.

- 4.3. **"Board"** means the Board of Directors of the Company.

- 4.4. **"Company"** means the Kriti Nutrients Limited, and all its offices.

- 4.5. **"Code"** means Code of Conduct for Directors and Senior Management Executives adopted by Kriti Nutrients Limited

- 4.6. **"Employee"** means all the present employees and whole time Directors of the Company (Whether working in India or abroad).

- 4.7. **"Protected Disclosure"** means a concern raised by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title "SCOPE OF THE POLICY" with respect to the Company. It should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

- 4.8. **"Subject"** means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

- 4.9. **"Vigilance and Ethics Officer"** means an officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.

- 4.10. **"Whistle Blower"** is an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

5. ELIGIBILITY

All Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

6. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES.

- 6.1. All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as

to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English.

- 6.2. The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as "Protected disclosure under the Whistle Blower policy". Alternatively, the same can also be sent through email with the subject "Protected disclosure under the Whistle Blower policy". If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure.

In order to protect identity of the complainant, the Vigilance and Ethics Officer will not issue any acknowledgement to the complainants and they are advised neither to write their name/address on the envelope nor enter into any further correspondence with the Vigilance and Ethics Officer. The Vigilance and Ethics Officer shall assure that in case any further clarification is required he will get in touch with the complainant.

- 6.3. Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer.

- 6.4. The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Vigilance and Ethics Officer / Chairman of the Audit Committee as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

- 6.5. All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee in exceptional cases. The contact details of the Vigilance and Ethics Officer is as under:-

Name and Address – Vigilance and Ethics Officer,
Kriti Nutrients Limited

Brilliant Sapphire, 801-804, 8th Floor, Plot No. 10
Scheme no 78-II, Vijay Nagar, Indore (M.P.) 452010

Email- whistleblower@kritiindia.com

- 6.6. Protected Disclosure against the Vigilance and Ethics Officer should be addressed to the Chairman of the Audit Committee. The contact details of the Chairman of the Audit Committee are as under:

Name and Address of Chairman – Shri Manoj Fadnis,
Chairman Audit Committee

15 HIG Vijay Nagar, AB Road, Indore – 452010

- 6.7. On receipt of the protected disclosure the Vigilance and Ethics Officer / Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not. He shall also carry out initial investigation either himself or by involving any

other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. The record will include:

- a) Brief facts;
- b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
- c) Whether the same Protected Disclosure was raised previously on the same subject;
- d) Details of actions taken by Vigilance and Ethics Officer / Chairman of the Audit Committee for processing the complaint
- e) Findings of the Audit Committee
- f) The recommendations of the Audit Committee/ other action(s).

- 6.8. The Audit Committee, if deems fit, may call for further information or particulars from the complainant.

7. INVESTIGATION

- 7.1. All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation.

- 7.2. The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.

- 7.3. Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

- 7.4. Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.

- 7.5. Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer / Investigators and/or members of the Audit Committee and/or the Whistle Blower.

- 7.6. Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).

- 7.7. Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.

- 7.8. Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject should be consulted as to whether public

disclosure of the investigation results would be in the best interest of the Subject and the Company.

- 7.9. The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.

8. DECISION AND REPORTING

- 8.1. If an investigation leads the Vigilance and Ethics Officer / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer / Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.
- 8.2. The Vigilance and Ethics Officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.
- 8.3. In case the Subject is related to the Vigilance and Ethics Officer of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- 8.4. If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.
- 8.5. A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Vigilance and Ethics Officer or the Chairman of the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

9. SECRECY / CONFIDENTIALITY

- 9.1. The complainant, Vigilance and Ethics Officer, Members of Audit Committee, the Subject and everybody involved in the process shall:
 - 9.1.1. Maintain confidentiality of all matters under this Policy
 - 9.1.2. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
 - 9.1.3. Not keep the papers unattended anywhere at anytime
 - 9.1.4. Keep the electronic mails / files under password.

10. PROTECTION

- 10.1. No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. The company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties / functions including making further Protected Disclosure. The company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- 10.2. A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- 10.3. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistle Blower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.
- 10.4. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- 10.5. Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he has acted in good faith. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the Rules / certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

11. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

- 11.1. The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

12. COMMUNICATION

- 12.1. A whistle Blower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board and the website of the company.

13. RETENTION OF DOCUMENTS

- 13.1. All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period

of 7 (seven) years or such other period as specified by any other law in force, whichever is more.

14. ADMINISTRATION AND REVIEW OF THE POLICY

- 14.1. The Chief Financial Officer shall be responsible for the administration, interpretation, application and review of this policy. The Chief Financial Officer also shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee.

15. AMENDMENT

- 15.1. The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to them in writing.

ANNEXURE E

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
KRITI NUTRIENTS LIMITED
CIN: L24132MP1996PLC011245
Registered Office: Mehta Chambers,
34-Siyaganj Indore (M.P.) – 452007

Corporate Office: 8th floor, Plot no.10, PSP,
IDA Scheme no. 78-II, Vijay Nagar,
Indore (M.P.) 452010

We have conducted the Secretarial Audit of the compliances 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 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, KMP, Directors and authorized representatives during the conduct of secretarial audit and subject to the note(s) provided, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended March 31, 2023, 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 March 31, 2023, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) 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 to the Company during the audit period)
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable to the Company during the audit period)
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the audit period)
- 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; (Not applicable to the Company during the audit period)
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)

(vi) Other laws are applicable specifically to the Company are as under:

- (a) The Environment (Protection) Act, 1986;
- (b) The water (Prevention and Control of Pollution) Act, 1974;
- (c) The Air (Prevention and Control of Pollution) Act, 1981;
- (d) The Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008;
- (e) Factories Act, 1948;
- (f) Industrial Dispute Act, 1947;
- (g) The Payment of Wages Act, 1936;
- (h) The Minimum Wages Act, 1948;
- (i) The Employee State Insurance Act, 1948;
- (j) The Employee Provident Fund and Miscellaneous Provision Act, 1952;
- (k) The Payment of Bonus Act, 1965;
- (l) The Payment of Gratuity Act, 1972;
- (m) The Income Tax Act, 1961;
- (n) Contract Labour (Regulation and Abolition) Act, 1970;
- (o) The Industrial Employment (Standing Orders) Act, 1946;
- (p) The Goods and Service Tax;
- (q) The Apprentices Act, 1961;
- (r) Food Safety and Standards Act, 2006

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

1. Secretarial Standard issued by the Institute of Company Secretaries of India (ICSI) and applicable mandatorily.
2. Listing Obligations and Disclosure Requirements Regulations, 2015 as amended from time to time.

During the year under review, the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, standard 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 adequately 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 are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company 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 there was no specific events in pursuance of the above referred laws, rules, regulations, guidelines having major bearing on the company' affairs.

For Ajit Jain & Co.
Practicing Company Secretaries

Place: Indore
Date: 25.05.2023

CS Ajit Jain
(Proprietor)
M. No. F3933/C.P. No. 2876
UDIN:F003933E000344515
Peer Review No.: 767/2020
PCS Unique ID No.: S1998MP023400

This report is to be read with our letter of even date which is annexed as 'Annexure-1' and forms an integral part of this report.

'Annexure -1'

To,
The Members
Kriti Nutrients Limited

Our report of even date is to be read along with this letter (forming part of the report)

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and whether applicable reliance have been made on the reports, certificates etc. given to the company by other professionals, competent to issue those certificates to the company.
4. Where ever required, we have obtained the Management representation and certification about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Ajit Jain & Co.
Practicing Company Secretaries

Place: Indore
Date: 25.05.2023

CS Ajit Jain
(Proprietor)
M. No. F3933/C.P. No. 2876
UDIN:F003933E000344515
Peer Review No.: 767/2020
PCS Unique ID No.: S1998MP023400

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Kriti Nutrients Limited ('KNL'/'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 ensures 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 SEBI (LODR) Regulations, 2015.

II. THE GOVERNANCE STRUCTURE

Our governance structure is based on the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibility so as to meet the expectation of all the stakeholders. In line with these principles, the Company has formed three tiers of Corporate Governance structure, viz.

- (i) **The Board of Directors** - The primary role of the Board is to protect the interest and enhance value for all the stakeholders. It conducts overall strategic supervision and control by setting the goals & targets, policies, governance standards, reporting mechanism

& accountability and decision making process to be followed.

- (ii) **Committees of Directors** - The company is having mandatory committees such as Audit Committee, Nomination & Remuneration Committee, CSR Committee, Stakeholders and Relationship committee etc. which are focused on financial reporting, audit & internal controls, compliance issues, appointment and remuneration of Directors and Senior Management Employees and shareholders grievances and implementation and monitoring of CSR activities.
- (iii) **Executive Management** - The entire business including the support services are managed with clearly demarcated responsibilities and authorities at different levels.

III. BOARD OF DIRECTORS

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 composition of the Board also complies with the provisions of the Companies Act, 2013 and the Listing Regulations. As at the end of corporate financial year 2022-23, the total Board consists of **Six (6)** directors, out of which **Four (4)** are Non-Executive Directors including **Three (3)** are Independent Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year under review and at the last Annual General Meeting as also the number of Directorships and Committee Memberships held by them in other companies are given below:

Sr. No.	Name of Directors	Category	Total number Board Meeting eligible to attend during the year	No. of Board Meeting Attended	Attended last AGM held on 17/08/2022	No. of Directorship in other public Companies As on 31.03.2023	No. of Memberships/ Chairmanship in Committee of Directors in all Public Companies [#]		Number of shares held in the Company	Relationship of Directors Inter-se
							Chairman	Member		
1.	Mr. Shiv Singh Mehta Chairman and Managing Director (DIN: 00023523)	Promoter Executive	5	5	Yes	2	0	2	20,40,312 (4.07%)	1) Spouse of Smt. Purnima Mehta-NED; 2) Father of Shri Saurabh Singh Mehta-WTD
2.	Mrs. Purnima Mehta (DIN: 00023632)	Promoter Non-Executive	5	5	Yes	1	1	3	+3,68,657 (0.74%)	1) Spouse of Shri Shiv Singh Mehta-CMD; 2) Mother of Shri Saurabh Singh Mehta-WTD
3.	Mr. Saurabh Singh Mehta (DIN: 00023591)	Whole Time Director	5	5	Yes	2	0	1	30,440 (0.06%)	Son of Shri Shiv Singh Mehta, CMD and Smt. Purnima Mehta NED.

Sr. No.	Name of Directors	Category	Total number Board Meeting eligible to attend during the year	No. of Board Meeting Attended	Attended last AGM held on 17/08/2022	No. of Directorship in other public Companies As on 31.03.2023	No. of Memberships/ Chairmanship in Committee of Directors in all Public Companies [#]		Number of shares held in the Company	Relationship of Directors Inter-se
							Chairman	Member		
4.	Mr. Rakesh Kalra (DIN: 00780354)	Independent Non-Executive	5	5	Yes	3	0	2	Nil	Not Applicable
5.	CA Manoj Fadnis (DIN: 01087055)	Independent Non-Executive	5	5	Yes	3	3	1	Nil	Not Applicable
6.	Mr. Chandrasekharan Bhaskar (DIN: 00003343)	Independent Non-Executive	5	5	Yes	2	1	1	Nil	Not Applicable

[#]Includes only Memberships of the Audit Committee and Stakeholders Relationship Committee.

^{*}Includes 1,47,874 Shares acquired after 31st March, 2023.

S.No.	Name of Director	Name of other Listed entities in which person is Director	Category of Directorship
1.	Mr. Shiv Singh Mehta	Kriti Industries (India) Limited	Chairman and Managing Director, Promoter, Executive
2.	Mrs. Purnima Mehta	Kriti Industries (India) Limited	Whole-time Director, Promoter, Executive
3.	Mr. Saurabh Singh Mehta	Kriti Industries (India) Limited	Non-Executive, Non Independent Director
4.	Mr. Rakesh Kalra	Kriti Industries (India) Limited Jamna Auto Industries Limited	Non-Executive - Independent Director Non-Executive - Independent Director
5.	CA Manoj Fadnis	Kriti Industries (India) Limited The Federal Bank Ltd	Non-Executive - Independent Director Non-Executive - Independent Director
6.	Mr. Chandrasekharan Bhaskar	Kriti Industries (India) Limited Xpro India Limited	Non-Executive - Independent Director Managing Director, Executive

Details about Directors seeking Appointment / Reappointments at the forthcoming Annual General Meeting are given separately along with notice convening the said meeting.

Mr. Raj Kumar Bhawsar is Company Secretary & Compliance Officer of the Company as well as functioning as the Secretary of all committees.

During the financial year 2022-23 the Board of Directors met **Five (5)** times on (i) 4th April, 2022, (ii) 30th May, 2022, (iii) 6th August, 2022, (iv) 9th November, 2022 and (v) 3rd February, 2023.

Skills / Expertise / Competencies of the Board of Directors:

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- Knowledge on Company's businesses, policies and business culture major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.
- Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company,
- Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,
- Financial and Management skills,
- Technical / Professional skills and specialized knowledge in relation to Company's business.

DIRECTORS HAVING SUCH SKILL AND COMPETENCIES

Skills to be possessed by Directors	Mr. Shiv Singh Mehta	Mrs. Purnima Mehta	Mr. Saurabh Singh Mehta	Mr. Rakesh Kalra	CA Manoj Fadnis	Mr. Chandrasekharan Bhaskar
Knowledge on Company's businesses, policies and business culture major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.	Yes	Yes	Yes	Yes	Yes	Yes
Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company,	Yes	Yes	Yes	Yes	Yes	Yes
Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, administration, Decision Making.	Yes	Yes	Yes	Yes	Yes	Yes
Financial and Management skills,	Yes	Yes	Yes	Yes	Yes	Yes
Technical / Professional skills and specialized knowledge in relation to Company's business	Yes	Yes	Yes	Yes	Yes	Yes

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has familiarization program for Independent Directors to provide them with an opportunity to familiarize themselves with the Company, its Management, its operations and the industry in which the Company operates. On his appointment, an Independent Director, receives a formal letter of appointment, setting out in detail the role, functions, duties and responsibilities expected of him as an Independent Director of the Company. Further the Directors of the Company are updated on changes/ developments in domestic/ global corporate and industry scenario including those pertaining to statutes/ legislations and economic environment and on matters related to the Company covering its plants, products, marketing, competitors and other functions. The said familiarisation Programme is available on the Company's Website at <https://www.kritinutrients.com/familiarisation-programme>.

CONFIRMATION THAT IN THE OPINION OF THE BOARD, THE INDEPENDENT DIRECTOR FULFILL THE CONDITION SPECIFIED IN THIS REGULATION AND ARE INDEPENDENT OF THE MANAGEMENT:

All Independent Directors has given disclosure as required under the Companies Act, 2013 and Listing Regulations that they are independent of the management and the Management do hereby confirm their independency.

DETAILED REASON FOR RESIGNATION OF INDEPENDENT DIRECTOR WHO RESIGNS BEFORE THE EXPIRY OF HIS TENURE ALONG WITH THE CONFIRMATION BY SUCH DIRECTOR THAT THERE ARE NO OTHER MATERIAL REASON OTHER THAN THOSE PROVIDED:

There is no resignation of any independent Director during the Financial Year.

IV. AUDIT COMMITTEE

- The Board has constituted a well-qualified Audit Committee. All the members of the Committee are Non-Executive Directors with majority of them are Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.
- The Audit Committee of the Board of Directors in compliance with Regulation 18 of the SEBI (LODR) Regulations, 2015 and section 177 of the Companies Act, 2013 is in place.
- The particulars of Members of the Committee, and the number of Meetings attended by them during the year are as follows:

Sr. No.	Name of the Members	Designation	No. of Meetings Attended
1.	CA Manoj Fadnis	Chairman	5
2.	Mr. Rakesh Kalra	Member	5
3.	Mrs. Purnima Mehta	Member	5

- During the year under review, the Committee met on (i) 4th April, 2022, (ii) 30th May, 2022, (iii) 6th August, 2022, (iv) 9th November, 2022 and (v) 3rd February, 2023.
- All the three members of the audit committee are non-executive directors and two of them are independent.
- Company Secretary acts as Secretary to the Committee.
- CA Manoj Fadnis, Chairman of the Audit Committee was present at the last Annual General Meeting to answer the shareholders queries.

The terms of reference of the Audit Committee mandated by the statutory and regulatory requirements, which are also in line with the mandate given by your Board of Directors, are:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's/Directors' report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.

- c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the Company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of assets of the Company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Review of information by Audit Committee

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
6. Statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/n prospectus/notice in terms of Regulation 32(7).
7. The Audit Committee is also responsible for giving guidance and directions under the SEBI (PIT) Regulations, 2015. and
8. Utilization of loan and advances, if any.

The Audit Committee reviewed the reports of the internal auditors, the reports of the statutory auditors arising out of the quarterly, half-yearly, and annual audit of the accounts; considered significant financial issues affecting the Company and held discussions with the internal and statutory auditors and the Company Management during the year.

V. NOMINATION & REMUNERATION COMMITTEE

The constitution and composition of Nomination and Remuneration Committee of the Board of Directors is in compliance with Regulation 19 of the SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013.

The particulars of Members of the Committee, and the number of Meetings attended by them during the year are as follows:

Sr. No.	Name of the Members	Designation	No. of Meetings Attended
1.	CA Manoj Fadnis	Chairman	3
2.	Mr. Rakesh Kalra	Member	3
3.	Mr. Chandrasekharan Bhaskar	Member	3

- All the three members of the remuneration committee are non-executive and independent directors.
- During the year under review, the Committee met on (i) 30th May, 2022, (ii) 9th November, 2022 and (iii) 3rd February, 2023.

The Committee reviewed and made recommendation at the meetings held on:

- (i) 9th November, 2022, the appointment of Mr. Indrajeet Singh Arora as CFO w.e.f. 9th November, 2022.
- (ii) 3rd February, 2023, the appointment of Mr. Nitin Chhariya as CFO of the Company w.e.f. 3rd February, 2023.

The Committee also taken note of:

1. Superannuation of Mr. Shashank Belkhede as Chief Financial Officer w.e.f. 21st July, 2022;
2. Resignation of Mr. Indrajeet Singh Arora as CFO w.e.f. 30th November, 2022.

The terms of reference of the Nomination and Remuneration Committee mandated by the statutory and regulatory requirements, which are also in line with the mandate given by your Board of Directors, are:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

(1A) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and

capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
 - (3) devising a policy on diversity of board of directors;
 - (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
 - (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
 - (6) recommend to the board, all remuneration, in whatever form, payable to senior management.

Performance Evaluation Criteria for Directors including Independent Directors

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria and process for performance evaluation of the Non-Executive Directors including Independent Directors and Executive Directors to judge the knowledge to perform the role, time and level of participation, performance of duties, professional conduct, independence etc. The appointment/re-appointment/continuation of Directors on the Board shall be based on the outcome of evaluation process.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration Committee has adopted a policy which, inter-alia, deals with the manner of selection of members of the Board including Executive and Non-Executive Directors, Key Managerial Personnel and Senior Management Personnel and their remuneration. The said policy is available on the Company's Website at - <https://www.kritinutrients.com/policies>:

DETAILS OF REMUNERATION PAID TO THE DIRECTORS:

The details of Remuneration to Directors during the financial year 2022-23 are as follows:

Sr. No.	Name of the Directors	Designation	Service Contract	Remuneration drawn Amount (Rs in Lakhs)		Stock Options Granted
				Allowances, Perquisites and Commission	Sitting Fees	
1.	Mr. Shiv Singh Mehta	Chairman and Managing Director	12.01.2022 to 11.01.2027	70.75	-	-
2.	Mrs. Purnima Mehta	Non-Executive Director	-	-	1.05	-
3.	Mr. Saurabh Singh Mehta	Whole Time Director	01.08.2019 to 31.07.2022 and *01.08.2022 to 31.07.2027	143.95	-	-
4.	Mr. Rakesh Kalra	Independent Director	01.04.2019 to 31.03.2024	-	1.05	-
5.	CA Manoj Fadnis	Independent Director	01.04.2019 to 31.03.2024	-	1.05	-
6.	Mr. Chandrasekharan Bhaskar	Independent Director	16.05.2019 to 31.03.2024	-	0.80	-

*Mr. Saurabh Singh Mehta was re-appointed as the Whole-time Director by passing Ordinary Resolution in the 25th AGM held on 07.08.2021 for a period of 5 years w.e.f. 01.08.2022.

VI. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has Stakeholders Relationship Committee. The terms of reference of the Committee are to consider and approve the transfer of shares, consolidation / split of share certificates, issue of duplicate share certificates and other allied matters. The said Committee is also empowered to look into and address Shareholders, Security holders and Investors Grievances in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the financial year ended 31st March, 2023, Seventeen (17) Complaints were received from shareholders and the same were redressed to the satisfaction of the shareholders and no such complaint was pending as on 31st March, 2023.

Presently, Mrs. Purnima Mehta, Non-Executive- Non-Independent Director, is the Chairperson of the Committee and Mr. Shiv Singh Mehta, Chairman and Managing Director, CA Manoj Fadnis, Non-Executive Independent Director are the Members. CS Raj Kumar Bhawsar, Company Secretary of the company shall act as Secretary to the Committee and the Committee has periodic interaction with the representatives of the Registrar and Transfer Agent of the Company. During the financial year ended 31st March, 2023 the **Six (6)** meetings of the Committee were held on 1st July 2022, 25th July 2022, 30th August 2022, 12th October 2022, 6th February 2023 and 24th March 2023 in which all the members were present.

VII. CORPORATE SOCIAL RESPONSIBILITY

The role of CSR Committee of the Board is to review, monitor and provide strategic direction to the Company's CSR practices. The Committee seeks to guide the Company in integrating its social and environmental objectives with its business strategies. The Committee has formulated and monitors the CSR policy and recommends to the Board the annual CSR plan comprising the CSR Budget and CSR activities of the Company in terms of Companies Act, 2013. The composition of the Corporate Social Responsibility Committee and the attendance of Members at the Corporate Social Responsibility Committee meetings is as below:

Sr. No.	Name of the Members	Designation	No. of Meetings Attended
1.	Mrs. Purnima Mehta	Chairperson	1
2.	Mr. Saurabh Singh Mehta	Member	1
3.	Mr. Rakesh Kalra	Member	1

During the year under review, Corporate Social Responsibility Committee met once i.e. on 9th November, 2022.

CS Raj Kumar Bhawsar Company Secretary of the company shall act as Secretary to the Committee

The terms of reference of Corporate Social Responsibility Committee are as under:

- the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
- the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- monitoring and reporting mechanism for the projects or programmes;
- details of need and impact assessment, if any, for the projects undertaken by the company; and
- the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

VIII. INDEPENDENT DIRECTORS' MEETING

The Statutory role of Independent Directors Meeting is to review the performance of Non-Independent Directors, the Board and the Chairman of the Company and also to assess quality, content and timeliness of the flow of information between the Company Management and the Meeting of the Independent Directors of the Company was held on 22nd March, 2023 to review the performance of Non-Independent Directors including the Chairman and the Board as a whole and was attended by all the Independent Directors of the Company.

IX. SENIOR MANAGEMENT

Sr. No.	Name of the Senior Management	Designation in the Company	Type of Change	Date of such change
1.	Raj Kumar Bhawsar	CS and Compliance Officer	-	-
2.	Shrikrishna Kumar Singh	Vice President & Head – Human Resources	Appointment	9th May, 2022
3.	Shashank Belkhede	CFO	Superannuation	21st July, 2022
4.	Indrajeet Singh Arora	CFO	Appointment	9th November, 2022.
5.	Indrajeet Singh Arora	CFO	Cessation	30th November, 2022
6.	Umesh Prakash Sathaye	Vice President – Oil Sales	Appointment	1st December, 2022
7.	Nitin Chhariya	CFO	Appointment	3rd February, 2023
8.	Pradeep Kumar Sharma	Senior General Manager - Operations	Cessation	16th March, 2023
9.	S Sarat Raghava Rao	Vice President - Operations	Appointment	4th February, 2023

X. GENERAL MEETINGS

The location, date and time of the General Meetings held for the last three financial years are as under:

Year	Location	Date	Type of General Meeting	Time	Special Resolutions	Special resolution through postal Ballot
2021-22	Held through VC/OAVM in which Deemed venue for the AGM was at 8th Floor, Brilliant Sapphire, Plot No. 10, PSP, IDA Scheme No. 78-II, Indore -452010 (MP)	17th August, 2022	AGM	4:30 P.M.	No	-
2020-21	Do	7th August, 2021	AGM	4:30 P.M.	Yes (1)	-
2019-20	Do	08th August, 2020	AGM	5:00 P.M.	Yes (1)	-

XI. MEANS OF COMMUNICATION

Effective communication of consistent, comparable, relevant and reliable information is an effective component of Corporate Governance. It is a process of sharing information, thoughts, opinion, and plans to all stakeholders which promote management-shareholder relations.

Quarterly Results: The Company's quarterly results are published in 'Business Standard and Nai Duniya / Chautha Sansar Newspapers and are displayed on its website (<https://www.kritinutrients.com/>).

Website: The Company's website (<https://www.kritinutrients.com/>) contains a separate dedicated section 'Investor Desk' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

Annual Report: The Annual Report containing, inter alia, Audited Annual Financial Statements, Directors' Report and its annexures as required, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussions and Analysis Report forms part of the Annual Report and is displayed on the Company's website (<https://www.kritinutrients.com/>).

BSE Corporate Compliance and Listing Centre (the 'Listing Centre') and NSE's Electronic Application Processing System (NEAPS): BSE's Listing Centre and NSE's NEAPS are web-based application designed for corporate. All periodical compliance filings like financial results, shareholding pattern, corporate governance report, Annual Report, Related Party Transactions, Investors complaint, Annual Secretarial Compliance Report, etc. are also filed electronically on the Listing Centre/NEAPS.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralized data base of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

XII. OTHER DISCLOSURES

1. All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, during the financial year were in the ordinary course of business and on an arm's length pricing basis. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Ind-AS has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

Weblink -<https://www.kritinutrients.com/policies>

2. During the last three years, no non-compliance has been noticed and no penalties, strictures were imposed by stock exchange, SEBI or any statutory authority on the Company or its promoters and directors in respect of any matter related to capital market. The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle Blower Policy under which the employees are free to give their views on the accounting policies and practices of the Company, report unethical or undesirable behavior or practices, actual and suspected fraud taking place in the Company, violations of Company's Code of Conduct or ethics policy. The reportable matters may be disclosed to the Audit Committee through Company Secretary. In exceptional cases, employees may also report directly to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

3. Your Board affirms that, there is no such instances where the Board has not accepted any recommendation of any committee of the Board during the financial year.

4. The Company has not raised money through an issue (public issues, rights issues, preferential issues etc.) during the year under review.
5. The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the financial year 2022-23 are as under:
 - a. Number of complaints filed during the financial year: NIL
 - b. Number of complaints disposed of during the financial year: NIL
 - c. Number of complaints pending as on end of the financial year: NIL
6. The Company complied with all mandatory requirements and has adopted non-mandatory requirement as per details given below:
 - A. The Board:**
The Company does not have Non-Executive Chairman.
 - B. Shareholder's Rights:**
The quarterly and half yearly results are published in the newspaper and also displayed on the website of the Company and are submitted and hosted at the portal of National Stock Exchange of India Ltd. and BSE Ltd., where the shares of the Company are listed.
 - C. Audit Qualification:**
The auditors have not qualified the financial statement of the Company. The Secretarial Auditor have not qualified his report. The Company continues to adopt best practices in order to ensure unqualified financial statements and secretarial audit report.
 - D. Reporting of Internal Auditor:**
The Internal Auditors of the Company report to the Audit Committee
7. Total fees for all services paid by the listed entity, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: The company has paid/ provided Rs. 3.75 Lakhs to M/s M. Mehta & Co. for the year ended 31st March, 2023.
8. Company has also annexed a certificate from M/s Ajit Jain & Co., Company Secretaries, a Practicing company Secretary that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority as at 31.03.2023.
9. The company has a demat suspense account/ unclaimed suspense account. No shares have been credited during the year under review.
10. Secretarial Compliance Report: In compliance of the SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24A(2) of the SEBI (LODR) Regulations, 2015, the Company has engaged the services of CS Ajit Jain (CP No. 2876), Practicing Company Secretary for providing said report. The said Secretarial Compliance Report is in addition to the Secretarial Audit Report provided by Practicing Company Secretaries under Form MR – 3.
11. Disclosure by the company and its subsidiary company of loans and advances in the nature to Firms/companies in which directors are interested: The company has provided Loans to one of its Fellow Subsidiary Kriti Industries (India) Limited in which Shri Shiv Singh Mehta, Chairman and Managing Director, Smt. Purnima Mehta, Non-Executive Director and Shri Saurabh Singh Mehta, Whole-time Director of the company are interested in the said transactions. The said loans were advanced to Kriti Industries (India) Limited for its general working capital requirements and the overall loan provided by the company to Kriti Industries (India) Limited is Rs. 70.40 Crores which was gradually repaid by the Kriti Industries (India) Limited.
12. Since, the company is not having any material subsidiary, therefore, the requirement for furnishing information of material subsidiary company is not applicable.
13. The company has not entered into any type of agreements as prescribed under Clause 5A of Part A of Schedule III of the SEBI (LODR) Regulations, 2015.

XIII. CONFIRMATION OF COMPLIANCE

1. The Company has complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations.
2. The Company has laid down Code of Conduct for the Directors and Senior Management Personnel of the Company and they have affirmed to the Board that they have adhered to the Code of Conduct during the year ended 31st March, 2023 and the declaration to that effect from Chairman and Managing Director is annexed to this report.
3. The compliance Certificate from M/s Ajit Jain & Co., Company Secretaries that the Company has complied with the conditions of Corporate Governance is annexed to the Report of the Board of Directors.
4. Matters required to be covered under Management Discussion and Analysis report are covered in the Report of the Board of Directors under relevant heads, hence not been given separately.

XIV. GENERAL SHAREHOLDER INFORMATION

- The Company is registered in the State of Madhya Pradesh, India with the Registrar of Companies, Gwalior. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L24132MP1996PLC011245.
- Annual General Meeting**
 - Date and Time, Venue : 28th August, 2023 at 4.30 P.M.(through VC/OAVM) for which deemed venue is 8th Floor, Brilliant Sapphire, Plot No. 10, PSP, IDA, Scheme No. 78-II, Indore (M.P.) 452010
- Book Closure Date** : 22nd August, 2023 to 28th August, 2023 (both days inclusive)
- Dividend Payment Date** : Dividend of Rs. 0.25(25.00%) per equity share of Rs.1/- each for the financial year ended 31st March, 2023 as recommended by the Board of Directors, if approved at the Annual General Meeting, will be paid to the Members on or before dated 26th September, 2023.
- Financial Year** : April 1 to March 31
- Financial Calendar for the Year ending** : 31st March, 2024

Sr. No.	Particulars	Actual/Tentative Date
1.	Unaudited Financial Results for the First Quarter ending 30th June, 2023	22nd July, 2023
2.	Unaudited Financial Results for the Second Quarter ending 30th September, 2023	On or Before 14th November, 2023
3.	Unaudited Financial Results for the Third Quarter ending 31st December, 2023	On or Before 14th February, 2024
4.	Audited Financial Results for the Fourth Quarter ending 31st March, 2024	On or Before 30th May, 2024
5.	Annual General Meeting for the year ending 31st March, 2024	On or Before 30th September, 2024

- Listing on Stock Exchange**

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G,
Bandra-Kurla Complex, Bandra (E),
Mumbai-400051
Symbol : KRITINUT
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai– 400 001
Scrip Code – 533210
ISIN –INE798K01010
- Annual Listing fees for the year 2023-24 have been duly paid to the above Stock Exchanges and the trading of the shares being regular during the year under review.
- Annual Custody / Issuer fee for the year 2023-24 has been paid to CDSL & NSDL.
- Stock Market Data:**

Data on the closing share prices of the Company on Stock Exchanges during the year under review is as follows:

Month/Year	Kriti		BSE Sensex		Kriti		NIFTY	
	Price (Rs.)		High	Low	Price (Rs.)		High	Low
	High	Low			High	Low		
Apr 2022	74.80	57.15	60845.10	56009.07	-	-	-	-
May 2022	75.90	55.20	57184.21	52632.48	-	-	-	-
June 2022	59.00	42.05	56432.65	50921.22	-	-	-	-
July 2022	49.50	42.70	57619.27	52094.25	-	-	-	-
Aug 2022	52.00	43.90	60411.20	57367.47	-	-	-	-
Sep 2022	62.75	48.50	60676.12	56147.23	-	-	-	-
Oct 2022	59.00	48.55	60786.70	56683.40	57.45	46.50	18022.80	16855.55
Nov 2022	59.70	50.10	63303.01	60425.47	60.00	44.00	18816.05	17959.20
Dec 2022	60.45	44.90	63583.07	59754.10	60.70	44.95	18887.60	17774.25
Jan 2023	51.65	45.50	61343.96	58699.20	51.95	45.80	18251.95	17405.55
Feb 2023	53.15	42.15	61682.25	58795.97	54.00	43.15	18134.75	17255.20
Mar 2023	48.45	37.18	60498.48	57084.91	48.30	37.25	17799.95	16828.35

11. Dividend History:

The Dividend declared and paid during the last five financial years is as under:

Sr. No.	Financial Year	% of Interim Dividend	% of Final Dividend	% of Total Dividend	Dividend Amount Rs. in Lakhs
1.	2021-22	-	18	18	90.19
2.	2020-21	-	18	18	90.19
3.	2019-20	-	18	18	90.19
4.	2018-19	-	18	18	90.19
5.	2017-18	-	18	18	90.19

12. Registrar & Transfer Agent

: Ankit Consultancy Pvt. Ltd
Plot No. 60, Electronic Complex, Pardeshipura
Indore- 452 010 (M.P)
SEBI Reg. No. NR000000767
Tel: 0731-4065797/ 0731-4065799
E-mail: ankit4321@yahoo.com, info@ankitonline.com,
support@ankitonline.com

13. Distribution of Shareholding as on 31st March,2023:

Share Holding of Nominal Value of Rs.	No. of Shareholders	% of Shareholding
1-1000	18257	6.21
1001-2000	944	2.89
2001-3000	272	1.37
3001-4000	198	1.38
4001-5000	72	0.67
5001-10000	122	1.82
10001-20000	66	1.85
20001-30000	12	0.59
30001-40000	11	0.77
40001-50000	4	0.35
50001-100000	12	1.62
100000 Above	15	80.47
Total	19985	100.00

14. Dematerialisation of Shares:

4,91,50,720 Equity Shares i.e. 98.10% of the total Equity Shares have been dematerialized up to 31st March, 2023.

Presently, trading in Equity Shares of the Company on Stock Exchanges is permitted only in dematerialised form as per the Directions issued by the Securities and Exchange Board of India in that behalf.

15. Company has no outstanding GDR's, ADR's, Warrants or any other Convertible Instruments.

16. Commodity price risk or foreign exchange risk and hedging activities:

The Company does not have any exposure hedged through commodity derivatives. During the year 2022-23, the Company had managed the foreign exchange risk and hedged to the extent considered necessary.

The Company enters into forward contracts for hedging foreign exchange exposures against exports.

17. **Plant Location** : Industrial Area No. 3, Dewas, (M.P) 455001

18. Address for Investor Correspondence:

Registered Office:

Kriti Nutrients Limited
34, Mehta Chambers, Siyagunj

Indore 452007 (M.P.)

Tel: 0731-2540963
Email: cs@kritiindia.com

Corporate

Centre:

Kriti Nutrients Limited
Brilliant Sapphire, 801-804, 8th
Floor

Plot No. 10, Sch No.78-II, Vijay
Nagar

Indore 452001 (M.P.)

Tel: 0731-2719100
Email: cs@kritiindia.com

Support

Declaration Regarding Compliance with the Company's Code of Conduct pursuant to Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

As required by Regulation 26 (3), Regulation 34(3) read with Schedule V (D) of the SEBI (LODR) Regulations, 2015, I hereby declare that all the Directors and Senior Management of the Company have confirmed compliance with the Code of Conduct as adopted by the Company.

Place: Indore

Date: 22.07.2023

(Shiv Singh Mehta)
Chairman and Managing Director
DIN : 00023523

Corporate Governance Certificate

To
 The Members of
 KRITI NUTRIENTS LIMITED
 CIN L24132MP1996PLC011245
 Registered Office: Mehta Chambers,
 34-Siyaganj
 Indore (M.P.) – 452007
 Corporate Office: 8th floor, Plot no.10, PSP,
 IDA Scheme no. 78-II,Vijay Nagar,
 Indore (M.P.) 452010

- I, Ajit Jain, Proprietor at Ajit Jain & Co., Practicing Company Secretaries, have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

Managements' Responsibility

- The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Our Responsibility

- Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- We have examined the books, papers, minutes books, forms, returns and other relevant records and documents maintained by the company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

- Based on our examination of the relevant records and according to the information and explanations

provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2023.

- We 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.
- The certificate is issued solely for the purpose of complying with the aforesaid SEBI Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For Ajit Jain & Co.
 Company Secretaries

Place: Indore
 Date: 25/05/2023

CS Ajit Jain
 (Proprietor)
 M.No: F3933
 C.P. No: 2876
 UDIN number:F003933E000344537
 Peer Review Certificate No.: 767/2020
 PCS Unique ID No.: S1998MP023400

ANNEXURE-2

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Kriti Nutrients Limited,
CIN: L24132MP1996PLC011245
Mehta-Chambers 34, Siyaganj,
Indore MP-452007.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Kriti Nutrients Limited**, having **CIN L24132MP1996PLC011245** and having registered office at **Mehta-Chamber 34, Siyaganj, Indore MP-452007** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN/PAN	Date of appointment in Company
1.	Shiv Singh Mehta	00023523	26/12/2009
2.	Saurabh Singh Mehta	00023591	26/12/2009
3.	Purnima Mehta	00023632	26/12/2009
4.	Rakesh Kalra	00780354	27/01/2014
5.	Manoj Fadnis	01087055	26/12/2009
6.	Chandrasekharan Bhaskar	00003343	16/05/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Ajit Jain & Co.
Company Secretaries

Place: Indore
Date: 25/05/2023

CS Ajit Jain
(Proprietor)
M.No: F3933
C.P. No: 2876
UDIN number:F003933E000344561
Peer Review Certificate No.: 767/2020
PCS Unique ID No.: S1998MP023400

Financial Statements

Independent Auditor's Report

To,
The Members of,
Kriti Nutrients Limited

Report on the Audit of the Financial Statements

Opinion:-

1. We have audited the accompanying financial statements of KRITI NUTRIENTS LIMITED, which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow on that date, a summary of the significant accounting policies and other explanatory information.
2. 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 Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2015, as amended and the other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, the Profit and other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section

143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p>Provisions and Contingent liabilities in respect of certain litigations of Assessment of Direct and Indirect Taxes and related to leasehold land of factory building not acknowledged as debt. (Note No.35 read with Note No. 4.8 to the financial statements):</p> <p>The Company has material uncertain tax positions including other matters under dispute which involves significant judgment to determine the possible outcome of these disputes. The Company's assessment is supported by the facts of matter, their own judgment, past experience, and advices from legal and independent tax consultants wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the Company's reported profit and the Balance Sheet.</p> <p>We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters.</p>	<p>Our audit approach involved :-</p> <ol style="list-style-type: none"> a. Understanding the current status of the litigations/tax assessments; b. Examining communication received from various Tax Authorities/ Judicial forums and follow up action thereon; c. Evaluating the merit of the subject matter under consideration with reference to available independent legal / tax advice; and d. Review and analysis of evaluation of the contentions of the Company through discussions, collection of details of the subject matter under consideration and the likely outcome.

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Management and Board of Directors are responsible for the preparation of the other information and presentation of its report (Hereinafter called as "Board Report") which comprises various information required under Section 134(3) of the Companies Act, 2013. However, our opinion on the financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Financial Statements

7. The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("The Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act. 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.
8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

10. Our responsibility is to express an opinion on these standalone financial statements based on our report. In conducting our audit, we have taken into account the provisions of the act: the accounting and auditing standards and matter which are required to be included in audit report under the provisions of the Act and Rules made thereunder.
11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
12. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

16. As required by the Companies (Auditor's Report) order, 2020 ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 we give in the "annexure A" a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

17. 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 of the Company.

- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

- (e) On the basis of the written representations received from the directors as on 31st March, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act

- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B'.

- (g) 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, if any, of pending litigations on its financial position in its Ind AS financial statements – Refer Note-36 to the Ind AS financial statements;
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any on long term long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- (h) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (h) (i) and (h) (ii) contain any material mis-statement.
- (i) The Dividend paid during the year by the Company is in compliance with section 123 of the Act.
- (j) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account

using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

18. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

For M. MEHTA & COMPANY
Chartered Accountants
Firm Regn. No. 000957C

CA Nitin Bandi
(Partner)

Place: Indore
Dated: 25.05.2023

M.No. 400394
UDIN: 23400394BGVLXQ9903

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF KRITI NUTRIENTS LIMITED, ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

- (i) (a) (A) The company has maintained reasonable records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (a) (B) The company has maintained proper records showing full particulars of intangible assets;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular program of verification to cover all the items of Property, Plant and Equipment during the year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of records of Company examined by us we report that, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to information and explanations given to us and result of our audit procedures, in our opinion, no proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) In our opinion and according to the information given to us, the company has maintained proper records of its inventories. No material discrepancies have been noticed on physical verification of stock.
- (b) According to the information and explanations given to us and on the basis of our examination of the records produced of the company, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the company with such banks are in agreement with the books of account of the company other than those as set out below.

Name of Bank			State Bank of India and HDFC Bank	
Aggregate working capital limit sanctioned			2200	
Quarter ended	Amount utilised during the quarter	Amount Disclosed as per quarterly return/statement	Amount as per books of account	Difference (in Lacs)
30.06.2022	0.00	7236.02	7393.03	(157.01)
30.09.2022	1208.55	5801.60	6039.39	(237.79)
31.12.2022	1114.01	8646.30	8665.83	(19.53)
31.03.2023	0	7720.83	7726.42	(5.59)

(iii) The Company has granted loans to one of its Group company during the year.

- (a) Fresh Loan of ₹100 Lacs was given during the year. The amount of loan outstanding as on the Balance sheet Date is ₹2497 Lacs.
- (b) The terms and conditions on which loan has been granted is not prejudicial to the company's interest.
- (c) According to information and explanation given to us, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular.
- (d) According to information and explanation given to us, no amount of loan is overdue as at the year end.
- (e) No Loan has fallen due during the year and no loan has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same party.
- (f) The company has not granted any loans in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of sections 185 and 186 of the Companies Act in respect of loans given.

According to the information and explanations given to us and based on our audit procedure, the company has not accepted any deposits within the meaning of section 73 to 76 of the Act or any other

relevant provisions of the companies Act, 2013.

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 cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained."

- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute, except the following: -

S. No.	Name of the Statute (Nature of the Dues)	Forum where Matter is pending	Period to which the amounts relate to	Amount of Demand (in Lacs)	Amount paid under protest
1.	M.P. Comm. Tax	High Court	2004-05	29.99	8.46
2.	M.P. Comm. Tax	High Court	2005-06	113.08	31.67
3.	Entry Tax	High Court	2005-06	69.89	33.91
4.	M.P. Comm. Tax	Assessing Authority	2006-07	12.13	5.60
5.	Entry Tax	High Court	2006-07	12.92	9.07
6.	Central Sales Tax	High Court	2006-07	127.25	13.00
7.	Entry Tax	High Court	2007-08	36.30	18.08
9.	Entry Tax	High Court	2008-09	8.89	4.98
10.	Entry Tax	High Court	2008-09	27.55	12.76
11.	M.P. Comm. Tax	Appellate Board	2013-14	6.78	1.70
12.	M.P. Comm. Tax	Additional Commissioner	2016-17	0.97	0.24
13.	Central Excise	Commissioner Appeal	2013-14	1.38	0.10
14.	Central Excise	CESTAT	2016-17	2.05	0.20
15.	Income Tax	CIT Appeal	2018-19	18.61	0.00
16.	Income Tax	Commissioner Appeal	2020-21	1322.15	100.00

- (viii) According to the information and explanations given to us, there was no transaction found unrecorded in the books of accounts of the company which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) According to the information and explanations and as verified from books of accounts, the company has not defaulted in repayment of loans or interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the company not obtained any term loan during the year. Accordingly, clause 3(ix)(c) of the order is not applicable.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, clause 3(ix)(e) of the order is not applicable.
- (f) According to the information and explanations given to us and procedures applied by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, clause 3(ix)(f) of the order is not applicable.
- (x) (a) In our opinion and according to the information and explanations given to us, the company has not raised any amount by way of initial public offer/ further public offer (including debt instruments) accordingly clause 3(x)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, the company has not raised funds by way of preferential allotment or private placement of shares or convertible debentures (fully partially or optionally convertible) during the year accordingly clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor we have been informed of such case by the management.
- (b) To the best of our knowledge and information with us there is no instance of fraud reportable under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us the company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where ever applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable Indian Accounting Standards;
- (xiv) (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- (xv) According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us during the course of audit, the group does not have any CICs accordingly clause 3(xvi) (d) of the order is not applicable.
- (xvii) The Company has not incurred cash loss during the year as well as in immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of

one year from the balance sheet date, will discharged by the company as and when they fall due.

(xx) (a) There is no unspent amount other than ongoing projects which were to be transferred to the funds specified in Schedule VII of the Companies Act'2013 in compliance with second proviso to sub-section (5) of section 135 of the said Act.

(b) The Company has transferred the amount remaining unspent under subsection (5) of section 135 of the Companies Act, pursuant to any ongoing project, in compliance with the provision of sub-section (6) of section 135 of the said Act.

For M. MEHTA & COMPANY

Chartered Accountants
Firm Regn. No. 000957C

CA Nitin Bandi

(Partner)

M.No. 400394

Place: Indore

Dated: 25.05.2023

UDIN: 23400394BGLVXQ9903

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF KRITI NUTRIENTS LIMITED, ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Annexure - B

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls over financial reporting of **KRITI NUTRIENTS LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act'2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act'2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M. MEHTA & COMPANY

Chartered Accountants
Firm Regn. No. 000957C

CA Nitin Bandi

(Partner)

M.No. 400394

Place: Indore

Dated: 25.05.2023

UDIN: 23400394BGLXQ9903

Balance Sheet as at March 31, 2023

₹ in Lakhs

Sr. No	Particulars	Note No	As at 31.03.2023	As at 31.03.2022
	ASSETS			
(1)	Non-current assets			
	(a) Property, Plant and Equipment	6	4818.83	4683.45
	(b) Capital work-in-progress	7	649.10	547.36
	(c) Other Intangible assets	8	33.93	45.19
	(d) Financial Assets			
	(i) Loans	9	1000.00	1000.00
	(ii) Other Non Current Assets	10	111.27	131.92
	Total Non-current assets		6613.13	6407.92
(2)	Current assets			
	(a) Inventories	11	6429.50	5139.05
	(b) Financial Assets			
	(i) Trade Receivables	12	1259.75	1157.10
	(ii) Cash and cash equivalents	13	1903.75	371.57
	(iii) Bank balances other than (ii) above	14	270.07	261.65
	(iv) Loans	15	1497.00	1400.00
	(c) Other Current Assets	16	1334.34	2060.76
	Total Current assets		12694.41	10390.13
	Total Assets		19307.54	16798.05
	EQUITY AND LIABILITIES		19307.54	16798.05
	Equity			
	(a) Equity Share capital	17	501.04	501.04
	(b) Other Equity	18	12736.45	10749.38
	Total Equity		13237.49	11250.42
	LIABILITIES			
(1)	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Lease Liability	19	214.54	237.29
	(b) Provisions	20	18.16	11.36
	(c) Deferred tax liabilities (Net)	21	477.48	480.06
	Total Non-current liabilities		710.18	728.71
(2)	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	22	3800.00	3500.00
	(ii) Lease Liability	19	22.75	18.53
	(iii) Trade payables			
	(a) Total outstanding dues of micro enterprises and small enterprises	23	215.87	76.15
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	23	463.75	605.26
	(iv) Others financial liabilities	24	91.79	88.82
	(b) Other current liabilities	25	713.81	435.36
	(c) Provisions	20	33.36	18.92
	(d) Current Tax Liabilities (Net)	26	18.54	75.88
	Total Current liabilities		5359.87	4818.92
	Total Equity and Liabilities		19307.54	16798.05

Significant accounting policies

1-5

Other Notes to the accounts

35-54

This is the Balance Sheet referred to in our report of even date

For M Mehta & Company

Chartered Accountants

FRN:000957C

Nitin Bandi

(Partner)

M.No. 400394

UDIN: 23400394BGVLXQ9903

Place: Indore

Date : 25.05.2023

Shiv Singh Mehta

(Chairman & Managing Director)

DIN 00023523

Nitin Chhariya

(Chief Financial Officer)

For and on behalf of the Board of Directors

Purnima Mehta

(Director)

DIN 00023632

Raj kumar Bhawsar

(Company Secretary)

Statement of Profit & Loss for the year ended March 31, 2023

₹ in Lakhs

Sr. No	Particulars	Note No	For the Year Ended 31.03.2023	For the Year Ended 31.03.2022
1	Income			
	(i) Revenue From Operations	27	79687.14	75288.02
	(ii) Other Income	28	443.74	335.38
	Total Revenue (i+ii)		80130.88	75623.40
2	Expenses			
	(a) Cost of materials consumed		69569.91	67389.43
	(b) Purchases of Stock-in-Trade		1414.45	808.72
	(c) Changes in Inventories of Finished Goods, Stock-in -Trade and Work-in-Progress	29	607.72	(236.53)
	(d) Employee benefits expense	30	1352.04	1213.51
	(e) Finance costs	31	353.24	210.55
	(f) Depreciation and amortization expense	32	416.35	373.41
	(g) Other expenses	33	3623.94	4181.15
	Total expenses		77337.65	73940.24
3	Profit/(loss) before exceptional items and tax (1-2)		2793.24	1683.16
4	Exceptional items		-	-
5	Profit/(loss) before tax (3+4)		2793.24	1683.16
	Tax expense:	34		
	(i) Current tax		716.00	455.36
	(ii) Deferred tax		(2.58)	(2.72)
6	Total Tax Expenses (i+ii+iii)		713.42	452.66
7	Net Profit (Loss) after Tax for the year (5-6)		2079.82	1230.52
	Net Profit (Loss) for the year from discontinued operations		-	-
	Tax expenses of discontinued operations :			
	(i) Current tax		-	-
	(ii) Deferred tax		-	-
	Total Tax Expenses(i+ii)		-	-
8	Net Profit (Loss) after tax for the year from discontinued operations		-	-
9	Net Profit (Loss) after tax for the year (7+8)		2079.82	1230.52
10	Other Comprehensive Income (net of tax)			
a	(i) Items that will be reclassified to Profit and Loss			
	Fair Valuation of Investment through OCI		-	5.16
b	(i) Items that will not be reclassified to Profit and Loss			
	Remeasurement of defined benefits plans		(2.56)	3.75
11	Total comprehensive Income for the year (7+8)		2077.25	1239.43
	Paid up Equity Share Capital (face Value ₹1 Per Share)		501.04	501.04
12	Earning per share (of ₹1/- each)	40		
	(1) Basic		4.15	2.46
	(2) Diluted		4.15	2.46
13	Earning per share of discontinued operations (of ₹1/- each)			
	(1) Basic		-	-
	(2) Diluted		-	-
14	Earning per share of continuing and discontinued operations (of ₹1/- each)			
	(1) Basic		4.15	2.46
	(2) Diluted		4.15	2.46

Significant accounting policies

1-5

Other Notes to the accounts

35-54

This is the Statement of Profit & Loss referred to in our report of even date

For M Mehta & Company

Chartered Accountants

FRN:000957C

For and on behalf of the Board of Directors

Nitin Bandi

(Partner)

M.No. 400394

UDIN: 23400394BGVLXQ9903

Place: Indore

Date : 25.05.2023

Shiv Singh Mehta

(Chairman & Managing Director)

DIN 00023523

Nitin Chhariya

(Chief Financial Officer)

Purnima Mehta

(Director)

DIN 00023632

Raj kumar Bhawsar

(Company Secretary)

Cash Flow Statement as on March 31, 2023

₹ in Lakhs

Particulars	Year Ended 31.03.2023		Year Ended 31.03.2022	
	Amount	Amount	Amount	Amount
Cash Flow From Operating Activities				
Net Profit before Tax		2793.24		1683.16
Adjustments for :				
Depreciation	398.09		348.02	
Depreciation on other tangible Assets	18.26		25.39	
Expected Credit Loss	2.59		0.00	
Sundry Balance Written Off / Bad Debts	0.01		21.32	
Profit / Loss on Sale of Investments	0.00		5.10	
Provision for Advances & Other Current Assets	13.29		0.00	
Financial Income	(443.74)		(335.39)	
Financial Expense	353.24	341.74	210.55	274.98
Cash Operating Profit before working capital changes		3134.98		1958.14
Increase / (Decrease) in Trade Payables	(1.78)		(41.19)	
Increase / (Decrease) in Other Financial Liabilities	(18.53)		(14.81)	
Increase / (Decrease) in Short term Provisions	14.44		4.45	
Increase / (Decrease) in Other Current Liabilities	282.70		(176.06)	
(Increase) / Decrease in Inventories	(1290.46)		(1469.12)	
(Increase) / Decrease in Trade Receivables	(105.25)		(250.15)	
(Increase) / Decrease in Long term Loans & Advances	0.00		0.00	
(Increase) / Decrease in Other Financial Assets	30.23		(9.93)	
(Increase) / Decrease in Other Current Assets	713.13		(635.68)	
		(375.52)		(2592.49)
Tax Paid		(773.35)		(416.66)
Net Cash From Operating Activities (A)		1986.11		(1051.02)
Cash Flow From Investing Activities				
Financial Income	443.74		332.67	
Loans Given / Repaid Back	(97.00)		(1400.00)	
Plant, Property, Equipment including CWIP	(644.79)		(886.13)	
Other Intangible Assets	(7.00)		0.00	
Sale of Investment	0.00		1.17	
"Decrease Investment in Fixed Deposits having maturity of less than twelve months"	(15.10)		(9.16)	
(Increase) / Decrease in Other Bank Balances	6.69		(36.63)	
Net Cash Used In Investing Activities (B)		(313.46)		(1998.08)
Cash Flow From Financing Activities				
Increase / (Decrease) in Short Term Borrowings	300.00		3416.83	
Dividend Paid on Equity Shares	(87.23)		(87.72)	
Financial Expenses	(353.24)		(210.55)	
Net Cash Used In Financing Activities (C)		(140.46)		3118.56
Net Increase In Cash and Cash Equivalents (A + B + C)		1532.18		69.47
ADD :Cash and cash equivalents - Opening - 1st April		371.57		302.11
Cash and cash equivalents - Closing - 31st March		1903.75		371.57

Cash Flow Statement as on March 31, 2023

Footnote to Cash Flow Statement:

1. Components of Cash and Cash Equivalents are produced as under:

₹ in Lakhs

Particulars	2022-23	2020-21
Cash & Cash Equivalent		
Balances with Banks		
Current Account	252.36	62.97
Fixed Deposit having maturity three months or less	1,649.24	306.53
Cash on hand	2.15	2.07
Total of Cash & Cash Equivalent	1903.75	371.57

Significant accounting policies

1-5

Other Notes to the accounts

35-54

This is the Balance Sheet referred to in our report of even date

For M Mehta & Company

Chartered Accountants

FRN:000957C

Nitin Bandi

(Partner)

M.No. 400394

UDIN: 23400394BGVLXQ9903

Place: Indore

Date : 25.05.2023

Shiv Singh Mehta

(Chairman & Managing Director)

DIN 00023523

Nitin Chhariya

(Chief Financial Officer)

For and on behalf of the Board of Directors

Purnima Mehta

(Director)

DIN 00023632

Raj kumar Bhawsar

(Company Secretary)

Statement of Change in Equity for the year ended March 31, 2023

A. Equity Share capital

(1) Current Reporting period

Equity Share Capital	Balances as at 1 st April, 2022	Changes in equity share capital during the year due to prior period item	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at 31 st March, 2023
Paid up Capital	501.04	0.00	0.00	0.00	501.04

₹ In Lakhs

(2) Previous Reporting period

Equity Share Capital	Balances as at 1 st April, 2021	Changes in equity share capital during the year due to prior period item	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at 31 st March, 2022
Paid up Capital	501.04	0.00	0.00	0.00	501.04

₹ In Lakhs

B. Other Equity

(1) Current Reporting period

	Reserves and Surplus						Total
	Capital Reserve	Securities Premium	General Reserve	Contingent Reserves	Retained Earnings	Other Items of Other Comprehensive income	
Balance as at 1 st April 2022	295.56	-	1425.00	25.00	9003.82	0.00	10,749.38
Changes in accounting policies and prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-
Total Comprehensive income for 2022-23	-	-	-	-	(2.56)	-	(2.56)
Dividends	-	-	-	-	(90.19)	-	(90.19)
Transfer of retained earning	-	-	200.00	-	2,079.82	-	2,279.82
Any Other changes	-	-	-	-	(200.00)	-	(200.00)
Balance as at 31 st March 2023	295.56	-	1,625.00	25.00	10,790.88	0.00	12,736.45

₹ In Lakhs

Statement of Change in Equity for the year ended March 31, 2023

(2) Previous Reporting period

₹ In Lakhs

	Reserves and Surplus						Total
	Capital Reserve	Securities Premium	General Reserve	Contingent Reserves	Retained Earnings	Other Items of Other Comprehensive income	
Balance as at 1st April 2021	295.56	-	1,300.00	25.00	7,984.74	(5.16)	9,600.14
Changes in accounting policies and prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-
Total Comprehensive income for 2021-22	-	-	-	-	3.74	5.16	8.90
Dividends	-	-	-	-	(90.19)	-	(90.19)
Transfer of retained earning	-	-	125.00	-	1,230.52	-	1,355.52
Any Other changes	-	-	-	-	(125.00)	-	(125.00)
Balance as at 31st March 2022	295.56	-	1,425.00	25.00	9,003.82	0.00	10,749.38

Other comprehensive income related to Defined Benefit plan are reclassified as part of retained earning as per the requirement of Indas Schedule III amendment 2021.

Significant accounting policies 1-5

Other Notes to the accounts 35-54

This is the Statement of changes in Equity referred to in our report of even date

For M Mehta & Company

Chartered Accountants

FRN:000957C

Nitin Bandi

(Partner)

M.No. 400394

UDIN: 23400394BGVLXQ9903

Place: Indore

Date : 30.05.2022

Shiv Singh Mehta

(Chairman & Managing Director)

DIN 00023523

Nitin Chhariya

(Chief Financial Officer)

Purnima Mehta

(Director)

DIN 00023632

Raj kumar Bhawsar

(Company Secretary)

For and on behalf of the Board of Directors

Significant accounting policies and notes to the accounts 31.03.2023

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

Note No - 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".

Note No - 2 Statement of Compliance of Indian Accounting Standards (Ind AS)

These financial statements are separate financial statements of the Company (also called standalone financial statements). The Company has prepared and presented the financial statements for the year ended March 31, 2023, together with the comparative period information as at and for the year ended March 31, 2022, in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

Note No - 3 Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value

- i) Certain financial assets and liabilities (including derivative instruments),
- ii) Defined benefit plans - plan assets

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Company's financial statements are presented in Indian Rupees (INR), which is also its functional currency.

The company has consistently applied the accounting policies to all periods presented in these financial statements.

Historical cost measures provide monetary information about assets, liabilities and related income and expenses, using information derived, at least in part, from the price of the transaction or other event that gave rise to them. Unlike current value, historical cost does not reflect changes in values, except to the extent that those changes relate to impairment of an asset or a liability becoming onerous.

Fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;"
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and "
- Level 3 inputs are unobservable inputs for the asset or liability.

Note No - 4 Summary of Significant Accounting Policies

4.1 Property, Plant and Equipment

- (a) Property, Plant and Equipment (PPE) are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.
- (b) Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

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- (c) In the carrying amount of an item of Property, Plant and Equipment, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.
- (d) Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.
- (e) Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Each part of an item of Property, Plant & Equipment with a cost that is significant in relation to total cost of the Machine is depreciated separately, if its useful life is different than the life of the Machine.
- (f) The depreciation for each year is recognised in the Statement of Profit & Loss unless it is included in the carrying amount of another asset
- (g) Based on the technical evaluation, the management believes that the useful life of Dies and Moulds is 6 years.
- (h) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- (i) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.
- (j) Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.
- (k) Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognised when no future economic benefits are expected from their use or upon disposal. Other machinery spares which are not consumed are treated as "Stores & Spares" and carried as inventory.

4.2 Leases

- (i) The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.
- (ii) The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.
- (iii) For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.
- (iv) Lessors will continue to classify all leases under same classification principles and distinguish them between two types of leases i.e. Finance Lease and Operating Lease.

4.3 Intangible assets

- (a) Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

- (b) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.
- (c) Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.
- (d) Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.
- (e) The amortisation period and the amortisation method for intangible asset with a finite useful life are reviewed at each financial year end. If the expected useful of such asset is different from the previous estimates, the changes are accounted for as change in an accounting estimate.
- (f) Intangible assets which are finite are amortized on a straight-line basis over their estimated useful lives. The residual value of such intangible assets is assumed to be zero. An intangible asset with an indefinite useful life is tested for impairment by comparing its recoverable amount with its' carrying amount (a) annually and (b) whenever there is an indication that the intangible asset may be impaired.

4.4 Capital Work in Progress

- (a) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- (b) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Capital works in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.
- (c) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under "Capital work in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

4.5 Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.

4.6 Finance Cost

- (a) Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.
- (b) Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.
- (c) All other borrowing costs are expensed in the period in which they occur.

4.7 Inventories

- (a) Items of inventory of finished goods are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads, net of recoverable taxes incurred in bringing them to their respective present location and condition.
- (b) Cost of Inventory of raw materials, stores and spares, packing materials, trading and other products are determined using the First-In First-Out(FIFO) basis on moving average prices .

4.8 Provisions, Contingent Liabilities and Contingent Assets and Commitments

- (a) Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.
- (b) If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.
- (c) Contingent liabilities are disclosed on the basis of judgment of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.
- (d) Contingent assets are not recognized but are disclosed in the financial statements when inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

4.9 Employee Benefits Expense

Short Term Employee Benefits

- a) The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

- b) A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

- c) The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- d) The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.
- e) The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees.
- f) The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.
- g) Re-measurement of defined benefit plans in respect of post- employment are charged to the Other Comprehensive Income.

4.10 Income Taxes

- (a) The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current tax

- (a) Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.
- (b) Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

- (a) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.
- (b) Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.
- (c) Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

4.11 Foreign currencies transactions and translation

- (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 and loss account 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/ forward contract booked (if any) and the resultant exchange differences are recognized in the Statement of profit and loss account.
- (c) Realized gain or loss on cancellation of forward exchange contract is recognized in the Statement of Profit and 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 "Designated Cash flow Hedge Reserve"

4.12 Revenue recognition

I Sale of Goods

- (a) Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.
- (b) Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.
- (c) Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.
- (d) Revenue from operations includes sale of goods, services, excise duty and adjusted for discounts (net), and gain/ loss on corresponding hedge contracts.

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II Interest income

Interest income from a financial asset is recognised using effective interest rate (EIR) method.

III Dividends

Revenue is recognised when the Company's right to receive the payment has been established, which is generally when shareholders approve the dividend.

IV Insurance Claims

Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted to the extent that there is no uncertainty in receiving the claims.

V Government Grants

Government grants, including non- monetary grants at fair value, are recognised when there is reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received.

VI Other Operating Income

Export incentives receivable are accounted for when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of export proceeds.

4.13 Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (I) Financial instruments – initial recognition and subsequent measurement.

4.14 Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognised as an expense in the period in which related revenue is recognised.

4.15 Financial instruments

I Financial Assets

(a) Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through statement of profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

(b) Subsequent measurement

(i) Financial assets carried at amortised cost (AC)

financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through statement of profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

(c) Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

(d) Impairment of financial assets

- (i) In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through Statement of profit and loss (FVTPL).
- (ii) Expected credit losses are measured through a loss allowance at an amount equal to:
 - The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
 - Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)
- (iii) For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.
- (iv) For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

II Financial liabilities

(a) Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

(b) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

III Derivative financial instruments

- (a) The Company uses various derivative financial instruments such as forwards & options and commodity contracts to mitigate the risk of changes in exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.
- (b) At the inception of the hedging relationship there is a formal designation and documentation of the hedging relationship in accordance with the risk management objective and strategy for undertaking the hedge.
- (c) Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.
- (d) The gains/losses on derivative contracts to hedge the cost of raw materials are adjusted in the raw material consumption.

IV Hedge Accounting

Hedges that meet the criteria for hedge accounting are accounted for as follows:

(a) Cash flow hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange

exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

(b) Fair Value Hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

V Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

VI Impairment of non-financial assets - property, plant and equipment and intangible assets

- (a) The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.
- (b) An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.
- (c) The impairment loss recognized in prior period accounting period is reversed if there has been a change in the estimate of recoverable amount.

4.16 Operating Cycle

- (a) The Company presents assets and liabilities in the balance sheet based on current / non-current classification based on operating cycle.

An asset is treated as current when it is:

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Expected to be realized within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

- (b) A liability is current when:
- i. It is expected to be settled in normal operating cycle;
 - ii. It is held primarily for the purpose of trading;
 - iii. It is due to be settled within twelve months after the reporting period, or
 - iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The company has identified twelve months as its operating cycle.

4.17 Earnings Per Share

- (a) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.
- (b) For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

4.18 Dividend Distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the Company's shareholders.

4.19 Statement of Cash Flows

(a) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

- (b) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the Indian Accounting Standard - 7 'Statement of Cash Flows'.

Note No - 5A Critical accounting Judgment and key sources of estimation uncertainty

The preparation of the financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

5A.1 Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

5A.2 Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counter party, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

5A.3 Provisions

“Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances. “

5A.4 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

5A.5 Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

5A.6 Employee retirement plans

The Company provides both defined benefit employee retirement plans and defined contribution plans. Measurement of pension and other superannuation costs and obligations under such plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality.

NOTE No -5B Recent Pronouncements :

Standards issued but not yet effective and not early adopted by the Company

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below.

5B.1 Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

5B.2 Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

5B.3 Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No. - 6-7-8 Property Plant & Equipments (2022-23)

(₹ In Lakhs)

NOTE	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		01.04.2022	Additions	Deduction	Total	01.04.2022	For Year	Written back	Total	31.03.2023	31.03.2022
6	Property Plant & Equipment										
6.1	TANGIBLE ASSET										
6.1.1	Free hold Land	53.59	-	-	53.59	-	-	-	-	53.59	53.59
6.1.2	Building	1,061.11	51.77	-	1,112.88	264.00	54.13	-	318.14	794.74	797.11
6.1.3	Plant & Equipment	4,699.15	469.40	-	5,168.55	1,213.13	304.83	-	1,517.96	3,650.59	3,486.02
6.1.4	Furniture & Fixture	51.45	11.56	-	63.01	12.24	5.69	-	17.92	45.09	39.21
6.1.5	Vehicles	36.73	-	-	36.73	33.59	1.48	-	35.07	1.66	3.14
6.1.6	Office Equipment	55.28	0.74	-	56.02	27.08	9.33	-	36.41	19.61	28.20
	Total (6.1)	5,957.31	533.47	-	6,490.78	1,550.04	375.46	-	1,925.50	4,565.28	4,407.27
6.2	ROU ASSETS										
6.2.1	Leasehold Land	72.36	-	-	72.36	5.59	0.97	-	6.56	65.80	66.77
6.2.2	Office Building	288.83	-	-	288.83	79.43	21.66	-	101.09	187.74	209.41
	Total (6.2)	361.19	-	-	361.19	85.02	22.63	-	107.65	253.54	276.18
	Total 6	6,318.50	533.47	-	6,851.98	1,635.06	398.09	-	2,033.15	4,818.82	4,683.45
7	Work In Progress										
7.1	AUC Building	34.71	356.27	51.77	339.22	-	-	-	-	339.22	34.71
7.2	AUC Plant & Equipment	512.65	266.64	469.40	309.88	-	-	-	-	309.88	512.66
7.3	AUC Furniture & Fixture	-	11.56	11.56	-	-	-	-	-	-	-
7.4	AUC Office Equipment	-	0.74	0.74	-	-	-	-	-	-	-
7.5	AUC Software	-	7.00	7.00	-	-	-	-	-	-	-
	Total (7)	547.36	642.21	540.47	649.10	-	-	-	-	649.10	547.37
8	Other Intangible Aseets										
8.1	Computer Software	-	-	-	-	-	-	-	-	-	-
8.2	License (SAP)	174.73	7.00	-	181.73	129.54	18.26	-	147.80	33.93	45.19
8.3	Goodwill	-	-	-	-	-	-	-	-	-	0.00
	Total (8)	174.73	7.00	-	181.73	129.54	18.26	-	147.80	33.93	45.19
	TOTAL RS.	7,040.60	1,182.68	540.47	7,682.81	1,764.60	416.35	-	2,180.96	5,501.86	5,276.01

Note No. - 6-7-8 Property Plant & Equipments (2021-22)

(₹ In Lakhs)

NOTE	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		01.04.2020	Additions	Deduction	Total	01.04.2020	For Year	Written back	Total	31.03.2022	31.03.2020
6	Property Plant & Equipment										
6.1	TANGIBLE ASSET										
6.1.1	Free hold Land	53.59	-	-	53.59	-	-	-	-	53.59	53.59
6.1.2	Building	1,003.65	57.46	-	1,061.11	212.84	51.16	-	264.00	797.11	790.81
6.1.3	Plant & Equipment	4,083.83	615.31	-	4,699.15	962.40	250.73	-	1,213.13	3,486.02	3,121.44
6.1.4	Furniture & Fixture	51.40	0.05	-	51.45	7.33	4.90	-	12.24	39.21	44.07
6.1.5	Vehicles	32.88	3.85	-	36.73	32.30	1.29	-	33.59	3.14	0.57
6.1.6	Office Equipment	52.55	2.73	-	55.28	16.75	10.33	-	27.08	28.20	35.79
	Total (6.1)	5,277.90	679.41	-	5,957.31	1,231.63	318.41	-	1,550.04	4,407.27	4,046.27
6.2	ROU ASSETS										
6.2.1	Leasehold Land	72.36	-	-	72.36	4.86	0.73	-	5.59	66.77	67.50
6.2.2	Office Building	288.83	-	-	288.83	50.55	28.88	-	79.43	209.41	238.29
	Total (6.2)	361.19	-	-	361.19	55.41	29.61	-	85.02	276.18	305.79
	Total 6	5,639.10	679.41	-	6,318.50	1,287.04	348.02	-	1,635.06	4,683.45	4,352.06
7	Work In Progress										
7.1	AUC Building	6.07	86.10	57.46	34.71	-	-	-	-	34.71	6.07
7.2	AUC Plant & Equipment	250.49	877.48	615.31	512.66	-	-	-	-	512.66	250.49
7.3	AUC Office Equipment	-	2.73	2.73	-	-	-	-	-	-	-
7.4	AUC Vehicle	-	3.85	3.85	-	-	-	-	-	-	-
	Total (7)	256.57	970.16	679.35	547.37	-	-	-	-	547.37	256.57
8	OTHER INTANGIBLE ASEETS										
8.1	Computer Software	-	-	-	-	-	-	-	-	-	-
8.2	License (SAP)	174.73	-	-	174.73	104.15	25.39	-	129.54	45.19	70.58
8.3	Goodwill	0.00	-	-	0.00	-	-	-	-	0.00	0.00
	Total (8)	174.73	-	-	174.73	104.15	25.39	-	129.54	45.19	70.58
	TOTAL RS.	6,070.39	1,649.57	679.35	7,040.61	1,391.19	373.41	-	1,764.60	5,276.01	4,679.20

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No. - 6-7-8 Property Plant & Equipments (contd.)

Note:

- All the title deeds related to immovable properties are in the name of the Company and the company is in possession of all the Lease agreements in respect of the ROU Assets.
- The company has not revalued any of its Plant, Property Equipment and intangible assets

CWIP Aging schedule

Ageing schedule of capital work-in-progress

As at 31 March 2023	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	507.98	54.26	86.86		649.10
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	457.63	89.74	-	-	547.37
Projects temporarily suspended	-	-	-	-	-

Note No.-9 Loans

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
9.1 Non Trade Investment		
(a) To Related Parties		
9.1.1 Loans Receivables considered good - Secured;	0.00	0.00
9.1.2 Loans Receivables considered good - Unsecured;	1000.00	1000.00
9.1.3 Loans Receivables which have significant increase in Credit Risk; and	0.00	0.00
9.1.4 Loans Receivables - credit impaired;	0.00	0.00
(b) To Others		
9.1.5 Loans Receivables considered good - Secured;		
9.1.6 Loans Receivables considered good - Unsecured;	0.00	0.00
9.1.7 Loans Receivables which have significant increase in Credit Risk; and	0.00	0.00
9.1.8 Loans Receivables - credit impaired;	0.00	0.00
Total	1000.00	1000.00

Note No - 10 Other Non Current Assets

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Unsecured considered good		
10.1 Capital Advances	9.58	0.00
10.2 Tenancy Deposit	55.43	55.43
10.3 Security Deposits	46.26	76.49
Total	111.27	131.92

Note No -11 Inventories

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
11.1 Raw Material	3826.59	1815.46
11.2 Finished Goods	1830.98	2518.52
11.3 Stores and Spares & others	532.42	645.37
11.4 Stock In Transit Finished Goods	239.51	159.70
Total	6429.50	5139.05

(Inventory valued at Cost or NRV which ever is lower)

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No - 12 Trade Receivable

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
12.1 Trade Receivables considered good- Secured	0.00	10.32
12.2 Trade Receivables considered good- Unsecured	1296.92	1180.96
12.3 Trade Receivables which have significant increase in Credit Risk; and	0.00	0.40
12.4 Trade Receivables- credit impaired.	0.00	0.00
Total	1296.92	1191.68
Less : Allowance for Expected bad and doubtful debts	37.17	34.58
	1259.75	1157.10

Ageing schedule of trade receivables

(₹ in Lakhs)

As at 31 March 2023	Outstanding from the due date of payment						Total
	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	1,268.32	27.71	0.60	0.26	-	-	1,296.89
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	0.03	0.03
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables – considered goods	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

(₹ in Lakhs)

As at 31 March 2022	Outstanding from the due date of payment						Total
	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	928.42	256.16	5.46	1.23	0.0	-	1,191.28
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	0.40	0.40
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables – considered goods	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

Note No - 13 Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
13.1 Cash & Cash Equivalents		
13.1.1 Balances with Banks	252.36	62.97
13.1.2 Fixed deposit	1649.24	306.53
13.1.3 Cash on hand	2.15	2.07
Total	1903.75	371.57

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No - 14 Other Bank Balances

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
14.1 Other Bank Balances		
14.1.1 Earmarked Balance for Unclaimed dividend	16.52	17.16
14.1.2 Earmarked Balance for CSR	30.46	36.51
14.1.3 Fixed deposit with banks held as margin money against borrowing (Maturity less than 12 Months)	223.09	207.98
Total	270.07	261.65

Note No - 15 Loans

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
(a) To Related Parties		
15.1 Loans Receivables considered good - Secured;	0.00	0.00
15.2 Loans Receivables considered good - Unsecured;	1497.00	1400.00
15.3 Loans Receivables which have significant increase in Credit Risk; and	0.00	0.00
15.4 Loans Receivables - credit impaired;	0.00	0.00
Total	1497.00	1400.00

Note No -16 Other Current Assets

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Unsecured, Considered good		
16.1 Sundry Deposits	9.10	9.10
16.2 Central Excise Appeal	0.31	0.31
16.3 Income Tax Appeal	100.00	0.00
16.4 Accrued Interest/ Income	32.64	156.40
16.5 Advances recoverable in cash or kind or for value to be received		
16.5.1 Advances to Suppliers	616.49	662.36
16.5.2 Advances to employee	8.53	4.57
16.5.3 Deposit with Government Authorities	141.50	141.50
16.5.4 Input Claim and utilized Tax Credits	373.22	734.54
16.5.5 MEIS license in hand	0.00	297.56
16.5.6 Prepaid Expenses	52.56	30.94
16.5.7 Interest Accrued and Due on Loans	0.00	23.47
	1334.34	2060.76
Unsecured, Considered Doubtful	13.29	0.00
16.5.8 Input Claim and utilized Tax Credits	(13.29)	0.00
16.5.9 Less: Provision for Doubtful Advances	0.00	0.00
Total	1334.34	2060.76

Note No -17 Equity Share Capital

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
17.1 AUTHORIZED		
17.1.1 100000000 Equity Shares of ₹1/- each (Previous Year 100000000 Equity Shares of ₹1/- each)	1000.00	1000.00
17.2 ISSUED, SUBSCRIBED AND PAID UP		
17.2.1 50103520 equity shares of ₹1/- each fully paid up. (Previous year 50103520 shares of ₹1/- each)		
17.2.2 Reconciliation of shares		
17.2.2.1 Opening Balance of 50103520 equity shares of ₹1/- each (Nos)	50103520	50103520
17.2.2.2 Issued during the year	0.00	0.00
17.2.2.3 Closing Balance 50103520 equity shares of ₹1/- each	501.04	501.04
	501.04	501.04

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No. -17 Equity Share Capital (contd.)

17.3 Rights, Preference and restrivitions attached to equity shares

The company has only one class of shares referred to as equity shares having a par value of ₹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.

17.4 Shareholder holding more than 5 % of shares of the company and its percentage

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
17.4.1 SAKAM TRADING PRIVATE LIMITED (HOLDING COMPANY)		
No. of Shares	26099473	26099473
% of Shares	52.09%	52.09%
17.4.2 CHETAK BUILDERS PRIVATE LIMITED (FELLOW SUBSIDIARY)		
No. of Shares	4732751	4732751
% of Shares	9.45%	9.45%

17.5 Promoter's Share holding

For the year 2022-23

Name of promoter	As at 31 March 2023		As at 31 March 2022		% Change during the year
	Number of shares	% of total shares	Number of shares	% of total shares	
Shiv Singh Mehta	2040312	4.07	2040312	4.07	0.00
Purnima Mehta	220783	0.44	220783	0.44	0.00
Devki Mehta	38736	0.08	38736	0.08	0.00
Saurabh Mehta	30440	0.06	30440	0.06	0.00
Sakam Trading Private Limited	26099473	52.09	26099473	52.09	0.00
Chetek Builders Private Limited	4732751	9.45	4732751	9.45	0.00
Kriti Specialties Private Limited	90,000	0.18	90,000	0.18	0.00
Total	33252495	66.37	33252495	66.37	0.00

For the year 2021-22

Name of promoter	As at 31 March 2022		As at 31 March 2021		% Change during the year
	Number of shares	% of total shares	Number of shares	% of total shares	
Shiv Singh Mehta	2040312	4.07	2040312	4.07	0.00
Purnima Mehta	220783	0.44	213809	0.43	0.01
Devki Mehta	38736	0.08	36736	0.07	0.01
Saurabh Mehta	30440	0.06	30440	0.06	0.00
Sakam Trading Private Limited	26099473	52.09	26099473	52.09	0.00
Chetek Builders Private Limited	4732751	9.45	4732751	9.45	0.00
Kriti Specialties Private Limited	90,000	0.18	90,000	0.18	0.00
Total	33252495	66.37	33243521	66.35	0.02

17.6 The company during the preceding five years

17.6.1 has not allotted shares pursuant to the contract without payment being received in cash;

17.6.2 has not issued shares by way of bonus shares

17.6.3 has not bought back any shares

17.7 The Board of Directors of the Company has recommended Final dividend of Rs 0.25/- per share (Pervious year Rs 0.18/- per share) aggregating to Rs 125.26 Lacs which has not been recognized in the Financial Statements

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No. -18 Other Equity

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
18.1 RESERVES		
18.1.1 General Reserve		
18.1.1.1 Opening Balance	1425.00	1300.00
18.1.1.2 Add: Transfer from Statement of Profit & Loss	200.00	125.00
18.1.1.3 Closing Balance	1625.00	1425.00
18.2 Capital Reserve		
18.2.1 Opening Balance	295.56	295.56
18.2.2 Transfer during the year	0.00	0.00
Closing Balance	295.56	295.56
18.3 Contingency Reserve(Free Reserve)		
18.3.1 Opening Balance	25.00	25.00
18.3.2 Add: Transfer from Statement of Profit & Loss	0.00	0.00
Closing Balance	25.00	25.00
18.4 RETAINED EARNINGS		
18.4.1 Statement of Profit & Loss		
18.4.2 Opening Balance	9009.02	7993.68
18.4.3 Add Profit & Loss during the year	2079.82	1230.52
Less:		
18.4.4 Final Dividend @ ₹0.18 Per Share	(90.19)	(90.19)
18.4.5 Corporate Dividend Tax	0.00	0.00
18.4.6 Transferred to General Reserve	(200.00)	(125.00)
Balance in Surplus	10798.65	9009.02
18.5 Other Reserves		
18.5.1 Opening Balance	(5.19)	(14.10)
18.5.2 Other Comprehensive Income during the year	(2.56)	8.90
18.5.3 Closing Balance	(7.75)	(5.19)
	10790.89	9003.83
Total Other Equity	12736.45	10749.39

18.6 Brief Description of items of Other Equity are as given under:

18.6.1 General Reserve

The Company has created this reserve by transferring certain amount out of the profit at the time of distribution of dividend

18.6.2 Capital Reserve

(Arisen due to scheme of arrangement as approved by the Hon'ble High Court of M.P.,Indore Bench)

18.6.3 Contingency Reserve(Free Reserve)

Contingency Reserve has been created to meet any known / unknown risk which may occur in future

18.6.4 Retained Earnings

Amount of retained earnings represents accumulated profit & losses of the Company as on the date of Balance sheet. Such profit and loss after adjustment of payment of dividend, transfer of any reserve as required by any statute

18.6.5 Other Reserves

Other reserves represents gain / loss on remeasurrment of equity and debt instruments and measurement of defined plans.

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No. -19 Lease Liabilities

19.1 The Company has entered into lease contract for its office building and as per IND AS 116, the Right of use Assets have been created and Lease Liability for the same has been accounted for.

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
19.2 Reconciliation of Lease Liabilities		
Opening Balance as on 01st April	255.82	270.63
Addition during the year	0.00	0.00
Deletions during the year	0.00	0.00
Accredition of Interest	0.00	0.00
Lease Liabilities paid during the year	18.53	14.81
Balance as on 31st March	237.29	255.82
Out of Above		
Current Liability	22.75	18.53
Non Current Laibility	214.54	237.29
19.3 Amounts recognized in Statement of Profit & Loss		
Depreciation on right of use assets	22.63	29.61
Interest Expenses on lease liabilities	26.32	27.90
Expenses relating to short term leases	0.24	0.24
Expenses relating to low value assets lease	4.56	4.56
Variable lease payments	0.00	0.00

Note No. -20 Provisions

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
20.1 Provision for Employees Benefits (Gratuity)	51.52	30.28
Total	51.52	30.28
Out of Above		
Current Liability	33.36	18.92
Non Current Laibility	18.16	11.36
	51.52	30.28

(Refer Note No. 38 for detailed disclosure relating to Employee Benefits)

Note No. -21 Deferred Tax Liability

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
21.1 Deferred Tax Liability (Net)	477.48	480.06
Total	477.48	480.06
21.2 Component of Deferred Tax Asset / Liabilities		
Difference on account of Propoerty Plant & Equipment	504.25	500.92
Difference on account of Employee related Payments	(17.41)	(12.16)
Difference on Provision deductible for tax purpose in future period	(9.36)	(8.70)
Total Deferred Asset/(Liability) on Timing Difference	477.48	480.06
Closing Balance of Deferred Tax Asset/(Liability)	477.48	480.06
Less: Opening Balance of Deferred Tax Asset/ (Liability)	480.06	482.78
Deferred Tax Asset/(Liability) for the year	(2.58)	(2.72)

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No. - 22 Short Term Borrowings

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
22. 1 Loans repayable on Demand		
22.1.1 SECURED		
From banks	0	0
(Loan is Secured by hypothecation of finished goods, Raw material, Stock in process, stores and spares, Trade receivables and charge on fixed assets of the company and personal guarantee of Executive Director) (Interest is payable @ 7.95% on 3500 lakhs and @ 7.69% on 300 lakhs.)	3800.00	-
22.1.2 UNSECURED		
From banks	-	3500.00
Total	3800.00	3500.00

The company has utilized the borrowings from the Banks for the specific purpose for which the same is taken

Note No. - 23 Trade Payables

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
23.1 Trade Payable		
(a) total outstanding dues of micro enterprises and small enterprises and	215.88	76.15
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	463.75	605.26
Total	679.63	681.41

Ageing schedule of trade payables

(Amount in ₹)

As at 31 March 2023	Outstanding from the due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro, small and medium enterprises	208.79	7.09	-	-	-	215.88
Others	241.01	188.75	31.44	0.44	2.11	463.75
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-

(Amount in ₹)

As at 31 March 2022	Outstanding from the due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro, small and medium enterprises	70.75	5.40	-	-	-	76.15
Others	440.04	155.81	4.29	1.31	3.81	605.26
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2023 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the company

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
a) The principal amount remaining unpaid to any supplier at the end of the year	215.88	76.15
b) Interest due remaining unpaid to any supplier at the end of the year	0.00	0.00
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	0.00	0.00
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	0.00	0.00

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No. - 23 Trade Payables (contd.)

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.00	0.00
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	0.00	0.00

Note No. - 24 Other Financial Liabilities

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
24.1 Unpaid dividends	16.52	17.16
24.2 Employees Payable	75.27	71.66
Total	91.79	88.82

Note No. - 25 Other Current Liabilities

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
25.1 Outstanding Expenses	270.55	243.66
25.2 Statutory Liabilities	35.86	35.91
25.3 Customer Credit Balance	346.67	87.70
25.4 Provision for Employees Benefits	46.93	44.68
25.5 Security Deposits from Dealers	13.81	23.41
Total	713.81	435.36

Note No. - 26 Current Tax Liabilities

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
26.1 Provision of Income Tax (Net of Advance Tax and TDS)	18.54	75.88
Total	18.54	75.88

Note No. - 27 Revenue From Operations

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
27.1 Sale of Products	79635.93	75101.56
27.2 Other Operating Revenues (DDB & MEIS)	51.21	186.46
Total	79687.14	75288.02

Note No. - 28 Other Income

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
28.1 Interest On FDR	14.97	15.52
28.2 Interest From Related Parties	172.35	114.76
28.3 Interest On Deposit	2.93	2.87
28.4 Interest Others	0.03	0.06
28.5 Other Mis Income	90.51	8.01
28.6 Provision for credit loss written back (net)	0.00	2.71
28.7 Net gain/ loss on foreign currency transactions	162.95	191.45
Total	443.74	335.38

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No. - 29 Changes in inventories of finished and semi-finished goods, stock-in-trade and work-in-progress

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
29.1 Inventory at The End of Year		
(a) Finished and semi finished goods	1830.98	2518.52
(b) Stock-in-Trade	239.51	159.70
	2070.49	2678.22
29.2 Inventory at the beginning of the year		
(a) Finished and semi finished goods	2518.52	2286.43
(b) Stock-in-Trade	159.70	155.25
	2678.22	2441.68
30.3 Increase/(decrease)	607.72	(236.53)

Note No. - 30 Employee Benefits Expenses

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
30.1 Salaries & Wages	1019.92	993.36
30.1.1 Director Remuneration	208.94	102.95
30.1.2 P.F on Director Remuneration	5.76	5.76
30.2 Contribution to provident and other fund	88.23	83.94
30.3 Staff Welfare Expenses	29.19	27.50
Total	1352.04	1213.51

Note No. - 31 Financial Cost

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
31.1 Interest Expenses	280.17	143.82
31.2 Other Borrowing Cost	46.75	38.83
31.2 Finance Cost Lease	26.32	27.90
Total	353.24	210.55

Note No. - 32 Depreciation and Amortization

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
32.1 Depreciation on Property, Plant & Equipment	375.46	318.41
32.2 Depreciation on Right of Use Assets	22.63	29.61
32.3 Amortization of Intangible Assets	18.26	25.39
Total	416.35	373.41

Note No. - 33 Other Expenses

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
(I)		
33.1 Stores and Spares Consumed	240.17	341.50
33.2 Hexane Consumed	64.08	150.62
33.3 Chemicals Consumed	492.03	379.33
33.4 Coal Consumed	713.93	584.00
33.5 Power Charges	513.43	545.34
33.6 Freight & Cartage	135.00	167.66
33.7 Repairs & Maintenance	58.10	73.86
33.8 Insurance Charges	55.88	64.82
33.9 Water Charges	43.98	44.72
33.10 Miscellaneous Manufacturing Expenses	71.12	79.36
Sub Total (I)	2387.72	2431.19

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No. - 33 Other Expenses

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
(II) (contd.)		
33.11 Stationery & Printing	12.74	15.98
33.12 Rent, Rates and Taxes	3.15	9.07
33.13 Postage, Telegram and Telephones	22.05	12.99
33.14 Payment to Auditors	3.75	2.75
33.15 Conveyance Expenses	13.83	14.74
33.16 Legal & Professional Charges	133.89	195.52
33.17 Director's Meeting Fee	3.95	3.32
33.18 Miscellaneous Expenses	48.11	47.95
33.19 Loss on Sale of Investment	0.00	5.10
33.20 Corporate Social Responsibility	39.73	46.39
33.21 S Balances Written Off	0.00	9.66
33.22 Bad debts	0.01	11.65
Sub Total (II)	281.21	375.12
(III)		
33.23 Advertisement & Publicity	24.42	2.62
33.24 Sales Promotion Expenses	160.63	195.37
33.25 Brokerage & Commission	11.88	10.63
33.26 Freight Outward	201.47	308.25
33.27 Sales Tax ,Octroi & GST Expenses	0.24	3.95
33.28 Provision for Advances & Other Current Assets	13.29	0.00
33.29 Export Expenses	441.51	790.06
33.30 Provision for Expected Credit Loss	2.59	0.00
33.31 Travelling Expenses	98.97	63.96
Sub Total (III)	955.00	1374.84
TOTAL (I+II+III)	3623.94	4181.15
Breakup of Payment to Auditors		
Statutory Audit Fees	1.80	1.30
Tax Audit Fees	0.50	0.25
Limited Review Report	1.20	1.20
Certification Charges & Other matters.	0.25	0.00
	3.75	2.75

Note No. - 34 Tax Expenses

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
34.1 Income tax expenses recognized in Statement of Profit & Loss		
Current Tax Expenses	716.00	455.36
Defferd Tax for the year	(2.58)	(2.72)
	713.42	452.64
34.2 Reconciliation of estimated income tax to income tax expense		
Profit Before Tax as per P&L	2793.24	1683.16
Expected income tax expense at statutory income tax rate of 25.168 % (Previous year : 25.168 %)	703.28	423.62
Tax Effect of adjustments to reconcile Income Tax Expenses reported		
Long Term Capital Gains / Losses	0.00	1.28
Expenses not deductible in determining Taxable Profit	124.95	122.27
Expenses deducted in determining Taxable Profit	(109.23)	(97.17)
Difference in Previous year Tax due to disallowances	(3.00)	5.36
Total Adjustment	12.72	31.75
Income Tax Expenses recognized in the Statement of Profit and Loss	716.00	455.36

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No. - 35 Contingent liabilities and Commitments

35.1 Contingent Liabilities to the extent not provided for

35.1.1 Claims against company not acknowledge as debt by the company are as under: (in Lacs)

S. No.	Particulars	As on 31.03.2023		As on 31.03.2022	
		Amount of Demand	Amount deposited agaisnt Demand	Amount of Demand	Amount deposited agaisnt Demand
1	Demand for MP VAT Tax various years pending appeals at various levels	162.96	47.67	162.96	47.67
2	Demand for Entry Tax Act various years pending appeals at various levels	155.55	78.80	155.55	78.80
3	Demand for Central Sales Tax Act various years pending appeals at various levels	127.25	13.00	127.25	13.00
4	Demand for Income Tax Act against financial year 2020-21 pending appeals at National Faceless Assessment Centre.	1322.55	100.00	0.00	0.00
5	CENVAT	3.44	0.31	3.44	0.31
6	Civil case	75.16	0.00	31.71	0.00

35.1.2 In year 2010 Kriti Industries (India) Limited demerged their oil division in 3 companies and one out of them was Kriti Nutrients Limited, Dewas. The Kriti Nutrients Limited's factory is situated in Dewas on MPAKVN Land. MPAKVN has demanded lease rent of Rs 117.47 Lakhs for transfer of land in the name Kriti Nutrient Limited. But as per the legal opinion this is not transfer of land since the Management and the Managing Director is same. Hence the company has filed a case in High Court vide Case No. 3111/2012, dated 22/03/2012, against MPAKVN and obtained stay order against payment of demand for lease rent. Based on the High Court's order the company has provided Bank Guarantee for Rs 117.47 Lakhs till final decision of the matter.

35.1.3 Bank has given guarantee on behalf of the Company to various parties to the extent of ₹146.97 Lakhs including ₹117.47 Lakhs mentioned in the point above (Previous Year ₹137.73 Lakhs.).

35.2 Commitments

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
35.2.1 Capital Commitments		
Estimated amount of contracts remaining to be executed on Capital Account	30.35	0.00

Note No. - 36 Remuneration Paid/Payable to Managing Director / Executive Director (₹ in Lakhs)

Paid / Payable	31.03.2023	31.03.2022
Remuneration	59.76	59.76
Commission	154.94	48.95

Note No. - 37 Corporate Social Responsibility

(₹ in Lakhs)

	31.03.2023	31.03.2022
(i) Amount required to be spent by the company during the year	39.73	46.39
(ii) Amount spent during the year	6.29	9.85
(iii) Shortfall at the end of the year	33.44	36.54
(iv) Total of previous years shortfall	73.05	36.51
(v) Amount spent against previous year short fall	42.65	0.00
(vi) Balance amount of previous year shortfall yet to be spent	30.46	36.51
(vii) Amount deposited in a Separate Bank Account towards Projects for FY 22-23	34.02	36.60
(viii) Nature of CSR activities	Promoting Education, Health Care and measure for the benefit of armed forces veterans etc.	Promoting Education, Health Care and measure for the benefit of armed forces veterans etc.
(ix) Details of related party transaction	-	-
(x) Any amount paid under contractual agreement	-	-

(xi) Reason for shortfall: The Company endeavored to ensure full utilization of the allocated CSR budget. The CSR activities are scalable with few new initiatives that may be considered in future and moving forward the Company will endeavor to spend the amount on CSR activities in accordance with the statutory requirements.

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No. - 38 Employee Benefit Obligations

The disclosure required as per Indian Accounting Standard 19 "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.

38.1 Defined Benefit Plans

(i) Gratuity

The Company has schemes (funded) for payment of gratuity to all eligible employees calculated at specified number of days of last drawn salary depending upon the tenure of service for each year of completed service subject to minimum service of five years payable at the time of separation upon superannuation or on exit otherwise. These defined benefit gratuity plans are governed by Payment of Gratuity Act, 1972

The company has taken Group Gratuity and Cash Accumulation Policy issued by the LIC, which is a defined benefit plan.

(a) Funded status of the plan (₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Present value of unfunded obligations	0.00	0.00
Present value of funded obligations	164.46	140.64
Fair value of plan assets	(112.94)	(110.36)
Net Defined Benefit Liability/(Assets)	51.52	30.28

(b) Profit and loss account for the period (₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Service cost:		
Current service cost	17.95	14.47
Net interest cost	1.36	0.78
Expected Return on Plan Assets	0.00	0.00
Actuarial Gain Loss	0.00	0.00
Total included in 'Employee Benefit Expenses/(Income)	19.31	15.25

(c) Other Comprehensive Income for the period (₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Components of actuarial gain/losses on obligations:		
Due to change in financial assumptions	(7.04)	(1.58)
Due to experience adjustments	8.88	1.55
Return on plan assets excluding amounts included in interest income	0.72	(3.72)
Amounts recognized in Other Comprehensive (Income) / Expense	2.56	(3.75)

(d) Reconciliation of defined benefit obligation (₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Opening Defined Benefit Obligation	140.64	136.47
Current service cost	17.95	14.47
Interest cost	8.62	8.01
Components of actuarial gain/losses on obligations:		
Due to financial assumption	(7.04)	(1.58)
Due to experience adjustments	8.88	1.55
Benefit paid from fund	(4.60)	(18.29)
Closing Defined Benefit Obligation	164.46	140.64

(e) Reconciliation of plan assets (₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Opening value of plan assets	110.36	117.01
Interest Income	7.26	7.24
Return on plan assets excluding amounts included in interest income	(0.72)	3.72
Contributions by Employer	0.63	0.68
Benefits paid	(4.60)	(18.29)
Closing value of plan assets	112.94	110.36

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No. - 38 Employee Benefit Obligations (contd.)

(f) **Reconciliation of asset Ceiling** (₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Opening value of asset ceiling	0.00	0.00
Interest on opening value of asset ceiling	0.00	0.00
Loss/(gain) on assets due to surplus/deficit	0.00	0.00
Closing value of plan asset ceiling	0.00	0.00

(g) **Composition of the plan assets**

Particulars	31.03.2023	31.03.2022
Government of India Securities	0%	0%
State Government Securities	0%	0%
High quality corporate bonds	0%	0%
Equity shares of listed companies	0%	0%
Property	0%	0%
Special Deposit Scheme	0%	0%
Policy of insurance	100%	100%
Bank Balance	0%	0%
Other Investments	0%	0%
Total	100%	100%

(h) **Reconciliation of Net Defined Benefit Liability/(Assets)** (₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Net opening provision in books of accounts	30.28	19.46
Transfer in/(out) obligation	0.00	0.00
Transfer (in)/out plan assets	0.00	0.00
Employee Benefit Expense as per (b)	19.31	15.25
Amounts recognized in Other Comprehensive (Income) / Expense	2.56	(3.75)
	52.15	30.96
Benefits paid by the Company	0.00	0.00
Contributions to plan assets	(0.63)	(0.68)
Closing provision in books of accounts	51.52	30.28

(i) **Principle actuarial assumptions**

Particulars	31.03.2023	31.03.2022
Discount Rate	7.35% p.a.	6.55% p.a.
Salary Growth Rate	7.00% p.a.	7.00% p.a.
Withdrawal Rates	10.00% p.a at all ages	10.00% p.a at all ages
Rate of Return on Plan Assets	7.35% p.a.	6.55% p.a.

(j) **Sensitivity to key assumptions**

Particulars	31.03.2023	31.03.2022
Discount rate Sensitivity		
Increase by 0.5%	160.34	136.84
(% change)	(2.50%)	(2.70%)
Decrease by 0.5%	168.79	144.65
(% change)	2.63%	2.85%
Salary growth rate Sensitivity		
Increase by 0.5%	168.31	144.46
(% change)	2.32%	2.72%
Decrease by 0.5%	160.70	136.86
(% change)	(2.29%)	(2.69%)
Withdrawal rate (W.R.) Sensitivity		
W.R. x 110%	164.78	140.18
(% change)	0.20%	(0.33%)
W.R. x 90%	164.07	141.11
(% change)	(0.24%)	(0.33%)

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No. - 38 Employee Benefit Obligations (contd.)

(k) A description of methods used for sensitivity analysis and its Limitations

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

(l) A Description of any Asset-Liability Matching Strategies

It was informed by the company that Gratuity Benefits liabilities of the company are Funded. There are no minimum funding requirements for a Gratuity Benefits plan and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan.

The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

(m) The Effect of the Plan on the Entity's Future Cash Flows

The Company has Purchased an Insurance policy to settle the Gratuity Payment to their employees. Company may do the contribution every years based on the funding valuation carry out by insurance company based on the latest data provided by Company.

(ii) Leave Encashment

The leave obligation cover the Company's liability for earned leave. The entire amount of the provision of ₹17.67 Lacs (year ended 31/03/2022 ₹18.02 Lacs) is presented as current, since the company does not have an unconditional right to defer settlement for these obligations. Expected amount towards settlement of Leave for the next 12 months are ₹17.67 Lacs (year ended 31/03/2022 ₹18.02 Lacs).

39.2 Defined Contribution Plans

(i) Provident Fund

The Company contribution towards Provident Fund is paid to the Central Government is debited to the statement of profit and loss. The amount debited to the statement of profit and loss during the year was ₹27.82 Lacs (year ended 31/03/2022 ₹21.71 Lacs).

Note No. - 39 Segment Reporting

(a) The Company is primarily in the business of Oil Seed extraction and refining. The CMD of the Company, who has been identified as the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is no other reportable segment for the Company as per Ind AS 108-Operating Segments

(b) Other Disclosure

Particulars	31.03.2023	31.03.2022
(i) Revenue from Operations		
With in India	69132.54	63768.22
Outside India	10554.60	11519.8
Total	79687.14	75288.02
(ii) Non Current Assets		
With in India	6613.13	6407.92
Outside India	0.00	0.00
Total	6613.13	6407.92

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No. - 39 Segment Reporting (contd.)

(c) Other Information

- (i) No customer individually accounted for more than 10% of the company's revenue.
- (ii) Domestic information includes sales to customers located in India.
- (iii) Overseas information includes sales rendered to customers located outside India.
- (iv) Non-current segment assets includes property, plant and equipment, capital work in progress, intangible assets, capital advances and right of use assets

Note No. - 40 Earning per Share

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Number of Shares	50103520	50103520
Profit contribution for Basic EPS (Rs in Lakhs)	2079.82	1230.52
Basic Earnings Per Share	4.15	2.46
Diluted Earning Per Share	4.15	2.46
Nominal Value Per Share	1	1

Note No. - 41 Related Party Transactions

41.1 Names of Related Parties and Related Party Relationship

(i) Key Management Personnel:

- Shri Shiv Singh Mehta, Chairman & Managing Director
- Shri Saurabh Singh Mehta, Executive Director
- Smt. Purnima Mehta, Director
- Shri Manoj Fadnis , Independent Director
- Shri Chandrasekharan Bhaskar, Independent Director
- Shri Rakesh Kalra , Independent Director
- Shri Shashank Belkhede, Chief Financial Officer (retired w.e.f.21st July 2022)
- Shri Indrajeet Singh Arora, Chief Financial Officer (appointed w.e.f. 9th November 2022 & ceased w.e.f. 30th November 2022)
- Shri Nitin Chhariya, Chief Financial Officer (appointed w.e.f. 3rd February 2023)
- Smt Swati Tiwari, Company Secretary (ceased w.e.f. 16 August 2021)
- Shri Raj Kumar Bhawsar, Company Secretary (appointed w.e.f. 16 August 2021)

(ii) Relatives of Key Management Personnel

- Smt. Devki Hirawat (Daughter of Chairman & Managing Director)
- Smt. Nidhi Mehta (Wife of Executive Director)

(iii) Parent Company

- Sakam Trading Pvt. Ltd. (Holding Company)

(iv) Companies/Entities under the control of Key Management Personnel

- Kriti Industries (I) Ltd. (Fellow Subsidiary.)
- Chetak Builders Pvt. Ltd. (Fellow Subsidiary.)
- Kriti Auto & Engineering. Plastics Pvt. Ltd. (Wholly owned subsidiary of Kriti Industries (I) Ltd)
- Sakam Charitable Trust, Indore

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No. - 41 Related Party Transactions (contd.)

41.2 The details of the related party transactions entered into by the Company

41.2.1 Remuneration to KMP

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Shri Saurabh Singh Mehta	143.95	90.95
Shri Shiv Singh Mehta	70.75	17.75
Shri Shashank Belkhede, Chief Financial Officer (retired w.e.f.21st July 2022)	13.01	34.98
Shri Indrajeet Singh Arora, Chief Financial Officer (appointed w.e.f. 9th Nov. 2022 & ceased w.e.f. 30th Nov. 2022)	1.72	0.00
Shri Nitin Chhariya, Chief Financial Officer (appointed w.e.f. 3rd February 2023)	3.20	0.00
Smt Swati Tiwari, Company Secretary (ceased w.e.f. 16 August 2021)	0.00	2.28
Shri Raj Kumar Bhawsar, Company Secretary (appointed w.e.f. 16 August 2021)	13.85	9.78

41.2.2 Sales of export scheme incentive License

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Kriti Industries (I) Ltd. (Fellow Subsidiary.)	326.31	67.69

41.2.3 Sale of Consumable Items

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Kriti Industries (I) Ltd. (Fellow Subsidiary.)	25.93	0.00

41.2.4 Purchase of Consumable Items

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Kriti Industries (I) Ltd. (Fellow Subsidiary.)	0.36	8.45

41.2.5 Sale of Capital Items

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Kriti Industries (I) Ltd. (Fellow Subsidiary.)	1.57	0

41.2.6 Purchase of Machinery

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Kriti Auto & Engineering, Plastics Pvt. Ltd. (Wholly owned subsidiary of Kriti Industries (I) Ltd)	0.00	43.26

41.2.7 Unsecured Loan Given

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Kriti Industries (I) Ltd. (Fellow Subsidiary.)	7040.00	5550.00

41.2.8 Unsecured Loan Received Back

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Kriti Industries (I) Ltd. (Fellow Subsidiary.)	6943.00	4150.00

41.2.9 Interest Received on Loan

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Kriti Industries (I) Ltd. (Fellow Subsidiary.)	172.35	114.76

41.2.10 Rent Paid

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Shri Shiv Singh Mehta, Chairman & Managing Director	0.26	0.24

41.2.11 Director Sitting Fees

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Shri Manoj Fadnis , Independent Director	1.05	0.84
Shri Chandrasekharan Bhaskar, Independent Director	0.80	0.80
Shri Rakesh Kalra , Independent Director	1.05	0.84
Smt. Purnima Mehta(Wife of Chairman & Managing Director)	1.05	0.84

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No. - 41 Related Party Transactions (contd.)

41.3 The details of closing Balances of the related party

41.3.1 Remuneration Payable

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Shri Saurabh Singh Mehta, Executive Director	87.66	33.54
Shri Shiv Singh Mehta, Chairman & Managing Director	70.75	17.75
Shri Shashank Belkhede, Chief Financial Officer	-	1.91
Shri Nitin Chhariya, Chief Financial Officer (appointed w.e.f. 3rd February 2023)	1.36	-
Shri Raj Kumar Bhawsar, Company Secretary (appointed w.e.f. 16 August 2021)	1.14	1.43

41.3.2 Recievable

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Kriti Industries (I) Ltd. (Fellow Subsidiary.)	0.00	68.13

41.3.2 Payable

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Kriti Industries (I) Ltd. (Fellow Subsidiary.)	0.021	0.00

41.3.4 Unsecured Loan given

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Kriti Industries (I) Ltd. (Fellow Subsidiary.)	2497.00	2400.00

41.3.5 Interest Receivable on Loan

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Kriti Industries (I) Ltd. (Fellow Subsidiary.)	0.00	28.52

41.3.6 Current Liabilities

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Shri Shiv Singh Mehta, Chairman & Managing Director	0.10	0.06

41.3.7 Rent Deposit

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Shri Shiv Singh Mehta, Chairman & Managing Director	0.48	0.48

Note No. - 42 Capital Management

42.1 Capital Management

For the purpose of Company's Capital Management, capital includes Issued Equity Capital, Securities Premium, and all other Equity Reserves attributable to the Equity Holders of the Company. The primary objective of the Company's Capital Management is to maximize the Share Holder Value.

The Company monitors using a gearing ratio which is net debts divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, less cash and short-term deposit.

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Interest Bearing Loans and Borrowings	3800.00	3500.00
Current maturities of Long Term debts	0.00	0.00
Gross Debt	3800.00	3500.00
Less: Cash and Cash Equivalentents	1903.75	371.57
Net Debt(A)	1896.25	3128.43
Total Equity (as per Balance Sheet) (B)	13237.49	11250.42
Net Gearing (A/B)	0.14	0.28

42.2 Financial Risk Management

The Company's principal financial liabilities comprise Working Capital borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Company. The principal financial assets include trade and other receivables and cash and short-term deposits.

The Company has assessed market risk, credit risk and liquidity risk to its financial liabilities.

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No. - 42 Capital Management (contd.)

(i) Market Risk

Is the risk of loss of future earnings, fair values or cash flows that may result from change of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, primarily include borrowings.

Company's Working Capital interest rates are linked to 6 M MCLR rate, reset annually. Short Term Borrowings as and when taken are governed by prevailing rates at the time of disbursement.

If the interest rates had been 1% higher / lower and all other variables held constant, the company's profit for the year ended 31st March, 2023 would have been decreased/ increased by ₹33.57 Lakhs (Previous year 19.06 Lakhs)

The Company is affected by the price volatility of Soya seed and oil prices. The export receivables are subject to Forex rate volatility. Company hedges foreign exchange receivables to balance financial risk.

(ii) Credit Risk

Company sales Soya edible oil in domestic market through company's dealers network on receipt before dispatch basis.

Exports of Soya products are partly against Letter of Credit basis or Cash Against Document (CAD) basis and to reputed overseas customers on 90 days credit basis. Hence the receivable risk is minimum.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix.

(iii) Liquidity Risk

The Company manages liquidity risk by maintaining adequate surplus, banking facilities and reserve borrowings facilities by continuously monitoring forecasts and actual cash flows.

The Company has a system of forecasting next twelve months cash inflow and outflow and all liquidity requirements are planned.

Trade and other payables are plugged as per credit terms and paid accordingly.

All payments are made along due dates and requests for early payments are entertained after due approval and availing early payment discounts .

Note No. - 43 Financial Instruments

A Fair Value Measurement

The following table shows the carrying amounts of Financial Assets and Financial Liabilities by category: : (₹ in Lakhs)

	31.03.2023		31.03.2022	
	Amortised Cost	FVTOCI	Amortised Cost	FVTOCI
Financial Assets:				
(i) Loans	2497.00		2400.00	
(ii) Trade Receivables	1259.75		1157.10	
(iii) Cash and cash equivalents	1903.75		371.57	
(iv) Bank balances other than above	270.07		261.65	
Financial Liabilities:				
(i) Lease Liability	237.29		255.82	
(ii) Other Financial Non Current Liabilities				
(iii) Borrowings	3800.00		3500.00	
(iv) Trade payables	679.62		681.41	
(v) Others financial liabilities	91.79		88.82	

Note: No Assets and Liabilities have been measured on FVTPL.

B Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Notes Forming Part of the Balance Sheet and Profit & Loss Account

Note No. - 44 Financial Instruments (contd.)

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This Level consists of investment in quoted equity shares and mutual funds.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair value is determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Note: No Investments have been measured using Level 2 and Level 3 Valuation technique

Note No. - 44 Loans Given & Investment made in accordance with section 186 of Companies Act 2013

a Loans and Financial Guarantees given below

(₹ in Lakhs)

Name of Company	Relationship	Nature of Transaction	31.03.2023	31.03.2022
Kriti Industries India Limited	Fellow Subsidiary	Loan	2497.00	2400.00

b Disclosure relating to amount outstanding at year end and maximum outstanding during the year of loans and advances, in nature of loan, required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are given below

(₹ in Lakhs)

Name of Company	31.03.2023	Maximum Outstanding during 22-23	31.03.2022	Maximum Outstanding during 21-22
Kriti Industries India Limited	2497.00	2500.00	2400.00	2400.00

Note No. - 45 :

The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of account other than those as set out belows.

(₹ in Lakhs)

Name of Bank		State Bank of India and HDFC		
Aggregate working capital limits sanctioned		2200		
Quarter ended	Amount utilised during the quarter	Amount Disclosed as per quarterly return/ statement	Amount as per books of account	Difference
30.06.2022	0.00	7,236.02	7,393.03	(157.01)
30.06.2021	209.60	5,423.08	5,540.81	(117.73)
30.09.2022	1208.55	5,801.60	6,039.39	(237.79)
30.09.2021	0.00	2,578.58	2,630.03	(51.45)
31.12.2022	1114.01	8,646.30	8,665.83	(19.53)
31.12.2021	937.63	9,563.87	10,421.61	(857.74)
31.03.2023	0.00	7,720.83	7,726.42	(5.59)
31.03.2022	0.00	6,972.13	6972.13	-

Reason for variance in all the quarters: Few Material items not considered in stock statement.

Notes Forming Part of the Balance Sheet and Profit & Loss Account

NOTE NO - 46 : Ratios

(₹ in Lakhs)

46.1	Particulars	31.03.2023	31.03.2022	% Variance
(i)	Current Ratio (Current assets / Current Liabilities)	2.37	2.16	10%
(ii)	Debt to Equity Debts / shareholder's Equity	0.29	0.31	(7%)
(iii)	Debt Service Coverage ratio* (Profit after tax+Depreciation+Finance Cost)/(interest and lease payment+ principal)	8.07	8.64	(7%)
(iv)*	Return on Equity (PAT / Average shareholder Equity)	17.00%	12.00%	42%
(v)	Inventory Turnover ratio (COGS / Average Inventory)	13.09	16.33	(20%)
(vi)	Trade receivable Turover ratio (Revenue from operations / Average Debtors)	65.94	72.30	(9%)
(vii)	Trade payable Turover ratio (Raw material+Other expenses / Average Trade payable)	109.63	103.10	6%
(viii)	Net capital turnover ratio (Revenue from operation/Average working capital)	12.35	14.30	(14%)
(ix)**	Return on Sales (PA T / Sales)	2.61%	1.64%	59%
(x)**	Return on capital Employed (EBIDT / E.Capital + Reserves & Surplus + Lease liability)	26.49%	19.74%	34%
(xi)	Return on Investment (Increase/ (decrease) in market price of Investment/ Opening Market price of investment)	N.A.	N.A	N.A

46.2 Reason for variation more than 25%

- * The ratio is improved due to increase in gross profit margin.
- ** The ratio is improved due to decrease in material cost.

Note No. - 47

The amount of Foreign Exchange gain/ (loss) included in the statement of profit & loss account is ₹162.95 Lakhs (Previous Year gain/ (loss) ₹191.45 Lakhs).

Note No.- 48

The company has not entered into derivative contracts on NCDEX to hedge the cost of raw material. At the inception of the hedging relationship there is a formal designation and documentation of the hedging relationship in accordance with the risk management objective and strategy for undertaking the hedge. Current year the gain of Rs Nil (previous year gain of ₹170.25 Lacs) on such derivative contracts have been adjusted against the raw material consumption.

Note No. - 49 Events after the reporting period

The Board of Directors have recommended dividend of ₹0.25/- per fully paid up equity share of ₹1/- each, aggregating ₹/- 12525880 for the financial year 2022-23, which is based on relevant share capital as on March 31,2023. The actual dividend amount will be dependent on the relevant share capital outstanding as on the record date/book closure.

Note No. - 50 - Other Regulatory Disclosures

- 50.1 No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the Rules made thereunder
- 50.2 The Company has not been declared willful defaulter by any bank or financial institution or other lender.
- 50.3 The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956
- 50.4 The Company has complied the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

Notes Forming Part of the Balance Sheet and Profit & Loss Account

- 50.5 No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the current as well as the previous year.
- 50.6 The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries,
- 50.7 The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 50.8 The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- 50.9 The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year as well as in the previous financial year.
- 50.10 The Company has not made any contribution to any political party during the current financial year as well as in the previous financial year.
- 50.11 The Company has got registration of all the charges and satisfaction with Registrar of the Companies.

NOTE NO - 51

- 51.1 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.
- 51.2 In the opinion of the Board, all assets other than Property, Plant and Equipment, intangible assets and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

NOTE NO - 52

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective

NOTE NO - 53

Previous year figures have been recasted/restated wherever necessary including those as required in keeping with revised Schedule III amendments

NOTE NO - 54

The financial statements are approved for issue by the Board of Directors in their meeting held on 25.05.2023.

This is as per our report of even date

For M Mehta & Company

Chartered Accountants

FRN:000957C

Nitin Bandi

(Partner)

M.No. 400394

UDIN: 23400394BGVLXQ9903

Place: Indore

Date : 25.05.2023

Shiv Singh Mehta

(Chairman & Managing Director)

DIN 00023523

Nitin Chhariya

(Chief Financial Officer)

For and on behalf of the Board of Directors

Purnima Mehta

(Director)

DIN 00023632

Raj kumar Bhawsar

(Company Secretary)

CORPORATE INFORMATION

Board of Directors

Mr. Shiv Singh Mehta

Chairman & Managing Director

Smt. Purnima Mehta

Director

Mr. Saurabh Singh Mehta

Executive Director

Mr. Rakesh Kalra

Independent Director

CA Manoj Fadnis

Independent Director

Mr. Chandrasekharan Bhaskar

Independent Director

Auditors

M. Mehta & Co.

Chartered Accountants

201, President Tower,

Madhumilan Square,

Indore - 452001 (M.P.)

Secretarial Auditors

Ajit Jain & Company

Company Secretaries

'PREM VILLA' 84, Kailash Park Colony

Near Geeta Bhawan

INDORE - 452 001 (M.P.)

Bankers

State Bank of India

HDFC Bank Ltd.

Company Secretary

CS Raj Kumar Bhawsar

Registered Office

Mehta Chambers, 34, Siyaganj,

Indore – 452 007 (M.P.)

Corporate Support Center

Brilliant Sapphire, 801-804, 8th Floor, plot No.

10, scheme No. 78- II, Vijay Nagar, Indore

(MP) - 452010

Share Transfer Agent

M/s Ankit Consultancy Pvt. Ltd.

60, Electronic Complex, Pardeshipura,

Indore – 452 010 (M.P.)



Kriti Nutrients Limited

Mehta Chambers,
34, Siyaganj,
Indore – 452 007 (M.P.)

NOTICE

NOTICE is hereby given that the **27th Annual General Meeting** of the Members of **Kriti Nutrients Limited ("KNL")** will be held on **Monday the 28th August, 2023 at 4:30 PM** through Video Conferencing("VC") or Other Audio Visual Means ("OAVM") for which purposes the Corporate Office of the Company situated at **8th Floor, Brilliant Sapphire Plot No.10, PSP, IDA, Scheme No.78, Part II, Indore (M.P.)452010** shall be deemed as the venue for the Meeting and the proceedings of the 27th AGM shall be deemed to be made thereat, to transact the following businesses:

ORDINARY BUSINESSSES:

1. To consider and adopt the Audited Financial Statements containing the Balance Sheet as at 31stMarch, 2023, the Statement of Profit & Loss, Statement of Cash Flow, Change in Equity and notes thereto of the Company for the Financial Year ended 31st March, 2023 and the reports of the Board of directors and Auditors thereon as on that date.
2. To consider and declare Dividend on the 5,01,03,520 Equity Shares of Re.1/- each for the Financial Year ended 31stMarch, 2023.
3. To appoint a director in place of **Mr. Saurabh Singh Mehta** (DIN:00023591) who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

SPECIAL BUSINESSSES:

4. To ratify the remuneration payable to the 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 the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), the Members of the Company be and hereby ratify the payment of remuneration of Rs.35,000 (Rupees Thirty Five Thousand Only), plus applicable taxes and reimbursement of out of pocket expenses at actuals, if any to Mr. S.P.S Dangi, Cost Accountant, (Registration No. 100004) as appointed by the Board of Directors on the recommendation of the Audit Committee of the Board, as Cost Auditor to conduct the audit of the Cost Records for the Financial Year ending 31st March, 2024;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution".

5. To approve the transactions/contracts/arrangements with related parties under regulation 23 of the SEBI(LODR) regulations, 2015:

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 of the SEBI (LODR) Regulations, 2015 ("SEBI Listing Regulations") and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 read with the provisions of section 188 and 185 of the Companies Act, 2013 and other applicable provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Company's policy on Related Party Transactions, consent of the members of the company be and is hereby accorded to enter into transactions/ contracts / arrangement, in the ordinary course of its business and on arm's length basis, for purchase, sale or deal in the products, goods, stock in trade, Transfer of Resources including receiving/ providing loans and advances or such other transactions, on such terms and conditions as may be mutually agreed upon between the company and all related party for an aggregate amount upto **Rs.100 Crores (Rupees One Hundred Crore only)** in each financial year;

RESOLVED FURTHER THAT the Board of Directors of the company, jointly and/or severally, be and is hereby authorized to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party, finalize the terms and conditions as may be considered necessary, expedient or desirable and execute such agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this Resolution in the interest of the company."

6. To approve the payment of remuneration to the Executive Director under Regulation 17(6)(e) of the SEBI (LODR) Regulations, 2015:

To consider and if thought fit to pass with or without modification(s) the following resolution as a **Special Resolution**.

“RESOLVED THAT pursuant to Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the applicable provisions of the Companies Act, 2013 and as per the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the company, the consent of the members be and is hereby accorded to the continuation of payment of remuneration, as per existing terms and conditions as approved by the shareholders at the Annual General Meeting held on 07.08.2021, to Mr. Saurabh Singh Mehta, Whole-time Director, who belongs to Promoter Group, from 01.08.2022 upto 31.07.2027, notwithstanding that the aggregate annual remuneration exceeds 5% (Five per cent) of the net profits of the company calculated as per the provisions of Section 198 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all steps as maybe necessary, proper and expedient to give effect to the foregoing Resolution.”

7. To confirm the re-appointment of Mr. Chandrasekharan Bhaskar (DIN: 00003343) as an Independent Director:

To consider and, if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2015 read with Schedule IV of the Companies Act, 2013 and the provisions of the SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. Chandrasekharan Bhaskar** (DIN: 00003343), whose first term of 5 years is upto 15th May, 2024 as an Independent Director, and a declaration has been received from him confirming that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of 5 (Five) Consecutive Years w.e.f. 16th May, 2024 till 15th May, 2029 and his office shall not be liable to retire by rotation.

Date: 22nd July, 2023

Place: Indore

Kriti Nutrients Limited

CIN: L24132MP1996PLC011245

Registered Office: Mehta Chamber, 34 Siyaganj,

Indore (M.P.) 452007

By order of the Board

Raj Kumar Bhawsar

Company Secretary

F7186

NOTES:

1. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs (MCA) followed by Circular No. 20/2020 dated 5th May, 2020 Circular No. 2/2021 dated 13th January, 2021, Circular No. 2/2022 dated 5th May, 2022 and Circular No. 10/2022 dated 28th December, 2022 (Collectively Known as MCA Circulars), physical attendance of the Members to the AGM venue is not required and Annual General Meeting (AGM) be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM only and no physical presence at the meeting is required.
2. Pursuant to the MCA Circulars issued by the MCA, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on a first come first served basis. However, this number does not include the large Shareholders holding 2% or more share capital, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Secretarial Auditors, Scrutinizers, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the MCA Circulars issued by the MCA the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has made an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, and independent agency for providing necessary platform for Video Conference/OAVM and necessary technical support as may be required. Therefore, the facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by CDSL. The Notice calling the AGM along with the complete Annual Report has been uploaded on the website of the Company. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Ltd. at www.bseindia.com and National Stock Exchange of India Ltd at www.nseindia.com, and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility and providing necessary platform for Video Conference/OAVM) i.e. www.evotingindia.com.
6. This AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars issued by MCA.
7. The recorded transcript of the forthcoming AGM shall also be made available on the website of the Company - <http://kritinutrients.com/> as soon as possible after the Meeting is over.
8. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose mail addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website - <http://kritinutrients.com/>, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Ltd at www.nseindia.com, and on the website of CDSL <https://www.evotingindia.com>. However, if any specific request received from the members for demanding of the physical copy of the Annual Report will be provided by the company.
9. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
10. Pursuant to Finance Act, 2020, dividend income if any declared by the Company will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company shall be required to deduct tax at source from dividend paid to shareholders at the prescribe date. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Ankit Consultancy Private Limited, the Share Transfer Agent (in the case of shares held in physical mode) and to the concerned depositories. (In case of shares held in demat mode).

A Resident individual shareholder with PAN and who's not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to cs@kritiindia.com by 11:59 p.m. IST on or before 22nd August, 2023. Shareholders are requested to note that in case if their PAN is not registered, the taxes will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to cs@kritiindia.com. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on or before 22nd August, 2023.

11. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013, which sets out details relating to special business at the meeting is annexed and forms part of the Notice.
12. Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, 22nd August, 2023 to Monday, 28th August, 2023 (both days inclusive)** for the purposes of the 27th AGM and ascertainment for entitlement of payment of dividend to the members whose names appear in the Register of members and the records of the beneficiaries of the CDSL and NSDL on the date of the Annual General Meeting.

The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date **21st August, 2023, (Monday)**.

13. CS Ishan Jain, Practicing Company Secretary (F.R.No. S2021MP802300, M. No. FCS 9978 & C.P. No. 13032) and Proprietor of M/s. Ishan Jain & Co., Company Secretaries, Indore has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
14. 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 at its email ID cs@kritiindia.com so that the information required may be made available at the Meeting.
15. The Members are requested to:
 - a) Intimate changes, if any, in their registered addresses immediately.
 - b) Quote their ledger folio number in all their correspondence.
 - c) Send their Email address to us for prompt communication and update the same with their D.P. to receive softcopy of the Annual Report of the Company
16. Members are requested to notify immediately any change in their address and also intimate their active E-Mail ID to their respective Depository Participants (DPs) in case the shares are held in demat form and in respect of shares held in physical form to the Registrar and Share Transfer Agent Ankit Consultancy Pvt. Ltd., Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.) having email Id: investor@ankitonline.com, compliance@ankitonline.com to receive the soft copy of all communication and notice of the meetings etc., of the Company.
17. The report on the Corporate Governance and Management Discussion and Analysis also forms part to the report of the Board.
18. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the directors are interested, maintained under the Companies Act, 2013 will be available for inspection by the Members electronically till the conclusion the 27th AGM. Members seeking to inspect such documents can send an email to cs@kritiindia.com.
19. Pursuant to the Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (Rules), the Company is in process to transfer the equity shares in respect of which dividend has not been claimed encashed for 7 or more consecutive years to the Investor Education and Protection Fund Authority (IEPF) of the Central Government. The Company has sent letters to the concerning shareholders whose dividend has not been claimed/ encashed for 7 or more consecutive years. The details of such shareholders are posted on the website of the Company at <http://kritinutrients.com/>. Please note that the shares transferred to the IEPF can be claimed from the IEPF Authority as per the procedure prescribed under the Rules.
20. As per SEBI Circular dated 20th April, 2018 such shareholders holding shares of the company in the physical form are required to provide details of the Income Tax Permanent Account No. and Bank Account Details to the Share Transfer Agent of the Company, Ankit Consultancy Pvt. Ltd., Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.) having email Id investor@ankitonline.com, compliance@ankitonline.com.
21. SEBI has mandated submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their depository participants. Members holding shares in physical form are requested to submit their PAN details to the company's RTA.
22. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number ('PAN'), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,

- **For shares held in electronic form:** to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the Members.
 - **For shares held in physical form:** to the Company's RTA in prescribed Form ISR -1 and other forms pursuant to SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 3, 2021, as per instructions mentioned in the form. The said form can be downloaded from the Members' Reference available on the Company's website <http://kritinutrients.com/> under Standard documents for Investors and is also available on the website of the RTA.
23. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz., Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form can be downloaded from the Standard documents for Investors available on the Company's website <http://kritinutrients.com/> and is also available on the website of the RTA. It may be noted that any service request can be processed only after the folio is KYC Compliant.
24. SEBI, vide its circular nos. SEBI/HO/MIRSD/MIRSDRTAMB/P/CIR/2021/655 dated November 03, 2021, SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, has mandated Members holding shares in physical form to submit PAN, nomination, contact details, bank account details and specimen signature in specified forms. Members may access www.kritinutrients.com for Form ISR-1 to register PAN/email id/bank details/other KYC details, Form ISR-2 to update signature and Form ISR-3 for declaration to opt out. Members may make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, the format of which is available on the Company's website and on the website of the Company's Registrar and Transfer Agent.
25. In case a holder of physical securities fails to furnish PAN, nomination, contact details, bank account details and specimen signature by October 1, 2023, Ankit Consultancy Pvt Ltd will be obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments(including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the Registrar/the Company shall refer such securities to the administering authority under the Benami Transactions(Prohibitions) Act, 1988, and/or the Prevention of Money Laundering Act, 2002.
- In compliance with SEBI guidelines, the Company sent communication intimating about the submission of above details to all the Members holding shares in physical form to the RTA/Company.
26. Dispute Resolution Mechanism at Stock Exchanges-SEBI, vide its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/76 dated May 30, 2022, provided an option for arbitration as a Dispute Resolution Mechanism for investors. As per this circular, investors can opt for arbitration with Stock Exchanges in case of any dispute against the Company or its Registrar and Transfer Agent on delay or default in processing any investor services related request.
- In compliance with SEBI guidelines, the Company had sent communication intimating about the said Dispute Resolution Mechanism to all the Members holding shares in physical form.
27. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members may contact the Company or RTA, for assistance in this regard.
28. Due dates for transfer of unclaimed/unpaid dividends and the amount remained unclaimed which may be transferred if continuing remain unpaid and or the balance amount if claimed by the shareholders for transfer thereafter the same to IEPF are as under:

F.Y. Ended	Declaration Date	Due Date for transfer to IEPF	Amount remains unpaid/unclaimed as at 31.03.2023 (Rs.)
*2015-16	12/03/2016	18/04/2023	2,33,547.00
2016-17	12/09/2017	19/10/2024	2,53,411.40
2017-18	31/07/2018	06/09/2025	3,89,489.62
2018-19	14/08/2019	20/09/2026	2,24,293.32
2019-20	08/08/2020	15/09/2027	1,89,455.58
2020-21	07/08/2021	13/09/2028	1,85,028.28
2021-22	17/08/2022	23/09/2029	1,76,509.94*

* Transferred to IEPF Authority after closure of Financial Year.

29. Voting through electronic means

Members are requested to carefully read the below mentioned instructions for remote e-voting before casting their vote.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- i. The voting period begins on **25th August, 2023 (Friday)** and ends on **27th August, 2023, (Sunday)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **21st August 2023 (Monday)** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (LODR) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- iv. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none">1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/ Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINK INTIME, so that the user can visit the e-Voting service providers' website directly.3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- v. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
 1. The shareholders should log on to the e-voting website www.evotingindia.com.
 2. Click on "Shareholders" module.
 3. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the relevant <Kriti Nutrients Limited> on which you choose to vote.
- x. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xii. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xv. If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- xvii. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
 - a. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - c. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - d. The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - e. It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- f. Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@kritiindia.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

Instructions for Shareholders attending the AGM through VC/OAVM & E-Voting during meeting are as under:

1. The procedure for attending meeting & e-Voting on the day of the 27thAGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@kritiindia.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@kritiindia.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective **Depository Participant (DP)**.
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25thFloor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

4. Members can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
5. Any person, who acquires shares of the Company and become member of the Company after mailing of the notice and holding shares as on the **cut-off date i.e. 21st August,2023 (Monday)** may obtain the login ID and password by sending a request at investor@ankitonline.com.

6. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. **21st August, 2023 (Monday)** only shall be entitled to avail the facility of remote e-voting as well as e- voting at the AGM.
7. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow e-voting to all those members who are present/logged in at the AGM but have not cast their votes by availing the remote e-voting facility.
8. The Results of the voting on the resolutions alongwith the report of the Scrutinizer shall be declared and placed on the website of the Company- <http://kritinutrients.com/> and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Ltd. and National Stock Exchange of India Limited.
9. 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
Tel: 0731-4281333,4065797/99, E-mail: investor@ankitonline.com, info@ankitonline.com
10. As the 27th AGM is being held through VC, the route maps are not required to be annexed to this Notice.

DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT/CONTINUANCE OF APPOINTMENT AT FORTH COMING ANNUAL GENERAL MEETING

Name of the Director	Mr. Saurabh Singh Mehta	Mr. Chandrasekharan Bhaskar
DIN	00023591	00003343
Date of Birth	29.07.1981	03.05.1955
Date of Appointment	26.12.2009	16.05.2019
Qualification	BE, MBA	B.Tech.(Chem.) MIMA, PGDM
Expertise in specific area	Administration, Marketing & IT	
List of Outside Directorship held	Kriti Industries (India) Limited Kriti Auto & Engineering Plastics Pvt. Ltd. Sakam Trading Private Limited Kriti Specialties Private Limited Organization of Plastics Processors of India	Kriti Industries (India) Limited Xpro India Limited Organization of Plastics Processors of India Xpro Global Limited Holland & Sherry India Private Limited
Chairman / Member of the Committees of the Board of Directors of the Company	Chairman: -Nil Member: -1. Corporate Social Responsibility Committee	Chairman: -Nil Member: -1. Nomination and Remuneration Committee
No. of Equity Shares held	30440(0.06%)	Nil
Brief Resume	Mr. Saurabh Singh Mehta is BE in Computer Science from Ohio State University and MBA in family business from S.P Jain Institute of Management & Research. In past he was involved in various sports activities at regional and Past President, Leo Club Indore and received the award of Best President and best Club leader award in district and also interested in western Music having pass grade from Associated Board of Royal School of Music, London. He has over 11 years of diverse experience in the Industry.	Mr. Chandrasekharan Bhaskar is a B.Tech. (Chem.), MIMA, PGDM (IIM-Cal). He is also Elected Fellow of the Indian Plastics Institute. He has overall experience of over 43 years in consulting and in Industry including 5 years with Tata Sons Limited/Tata Economic Consultancy service and 38 years with Xpro India Limited. He has expertise in the areas of Corporate and Business Planning, Market research, Asset Revaluation, Diversification/Disinvestment, Marketing, operations and factory management and as divisional/ Business head. He is also involved in Industry Associations (including in the past as Vice President of the All India Plastics Manufacturers Association, and presently as Chairman/member of Committees of the Plastindia Foundation and as Member of the Executive Committee & Immediate Past President of Organization of Plastics Processors of India).

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4:

Members are hereby informed that on the recommendation of the Audit Committee, Board of Directors of your Company appointed Mr. S.P.S Dangi, Cost Accountant(Registration No. 100004), Cost Accountant, Indore as Cost Auditors of the Company for the year 2023-24 on the remuneration of Rs. 35000/-, plus applicable taxes and reimbursement of out of pocket expenses if any, at actual basis.

Consent Cum Declaration has been received from the above Cost Auditor regarding his consent and eligibility for appointment as Cost Auditor will be available for inspection of the Members electronically during the 27th AGM. Members seeking to inspect such documents can send an email to cs@kritiindia.com, during business hours up to the date of the Meeting.

As per Section 148(3) read with Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders in 27th AGM.

None of the Directors / Key Managerial personnel/ their relatives is interested in the above resolution.

The Board of Directors recommend to pass necessary resolution as set out in Item No. 4 of the Notice by way of an **Ordinary Resolution**.

ITEM NO. 5:

Details of the proposed RPTs between the Company and Kriti Industries (India) Limited (KIIL) including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

S. No.	Description	Details of proposed RPTs between the Company and Kriti Industries (India) Limited (KIIL)
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
	a. Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	The Company (KNL) and Kriti Industries (India) Limited (KIIL) are under the control of common KMP's. KIIL is engaged in the business of manufacturing of premium quality piping products and solution, accessories, gas piper, telecom ducts, submersible pipes and casing pipes. These comprised Poly Vinyl Chloride (PVC) and Poly Ethylene (PE) used in downstream applications of potable water supply, irrigation, building construction and infrastructure KIIL is a Related Party of the Company, as on the date of this Notice (being fellow subsidiary of Kriti Nutrients Limited)
	b. Type, material terms, monetary value and particulars of the proposed RPTs.	The Company and KIIL have entered into/proposed to enter into transactions w.r.t. Transfer of Resources, purchase, sale or other services for an aggregate value not exceeding Rs. 100 crore (Rs. One Hundred Crores).
	c. Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	12.55% on the basis of the proposed transaction of Rs. 100.00 Crores and the audited turnover as on 31.03.2023.
2.	Justification for the proposed RPTs.	The entered/proposed to enter related party transactions will help the KIIL/KNL for smooth functioning of the regular and day to day business transactions and w.r.t. transfer of resources it will help to maintain the liquidity levels of KIIL with low cost of interest as compared to Banks.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary.	
	a. Details of the source of funds in connection with the proposed transaction.	Own share capital/Internal accruals of the Company.
	b. Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness, - Cost of funds and - Tenure.	Not applicable.

S. No.	Description	Details of proposed RPTs between the Company and Kriti Industries (India) Limited (KIIL)
	c. Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.	Inter-corporate Deposits within the overall limit of Rs.100 Crores. <ul style="list-style-type: none"> • Interest rate: State Bank of India CC Rate of interest Minus (-) 50 Basis Point for loan given by KNL, if any; • Interest rate: State Bank of India CC Rate of interest Plus (+) 50 Basis Point for loan taken by KNL if any; • Repayment Schedule/Tenure: On demand • Nature: Short-term/Long-term •The above inter-corporate deposits are under unsecured category.
	b. The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	To meet working capital and other financial requirements.
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The interest shall be not less than as specific u/s 186 of the Companies Act, 2013 which is deemed to be at Arm Length Basis. However, the said transaction does not require any valuation or other external report.
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any, and the nature of their relationship.	Mr. Shiv Singh Mehta, Chairman & Managing Director, Shri Saurabh Singh Mehta, Whole-time director and Mrs. Purnima Mehta, Director of the Company are also Directors on the Board of KIIL and Ms. Devki Mehta and Ms. Nidhi Mehta being the relative of the aforesaid directors/promoters, their interest or concern or that of their relatives, are limited only to the extent of their shareholding in the Company and KIIL, if any. None of the other KMP's or their relative are concerned or interested in any manner.
6.	Any other information that may be relevant.	N.A.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 5 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 5 of the Notice, whether the entity is a Related Party to the particular transaction or not.

ITEM NO. 6:

In accordance with the provisions of Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015, the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if - (i) the annual remuneration payable to such executive any where director exceeds Rs. 5 crore or 2.5% of the net profits of the company, whichever is higher; or (ii) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5% of the net profits of the company. Provided that the approval of the shareholders under this provision shall be valid only till the expiry of the term of such director. The net profits shall be calculated as per section 198 of the Companies Act, 2013.

The Board of Directors of your company comprises of two executive directors i.e. Mr. Shiv Singh Mehta, Chairman and Managing Director and Mr. Saurabh Singh Mehta, Whole time Director, both belonging to Promoter Group.

The members are requested to note that the company had approved the appointment and remuneration payable to Mr. Saurabh Singh Mehta-Whole-time Director at its Annual General Meeting held on 07.08.2021.

In view of that approval of the members by way of a special resolution is being sought for retaining all existing terms and conditions of appointment of aforesaid Executive Director including remuneration payable to him and for payment of the aggregate annual remuneration to the Executive Director may be exceeding 5 per cent of the net profits of the company, till the expiry of his term.

In consideration of the continued valuable contributions of Mr. Saurabh Singh Mehta, Whole-time Director in the growth and sustainability of the company, the remuneration paid/proposed to pay to him is justified.

Mr. Saurabh Singh Mehta, Whole-time Director, may be deemed to be financially interested to the extent of his remuneration. Mr. Shiv Singh Mehta, Chairman and Managing Director, Mrs. Purnima Mehta, Director and their relatives, none of the other Directors/Key Managerial Personnel of the company and their respective relatives may be concerned or interested, otherwise, in the resolution set out at Item No. 6 of the accompanying Notice.

Thus, the Members approval is solicited for the resolution set out in Item No. 6 of the Notice by way of a Special Resolution.

ITEM NO. 7:

The Nomination and Remuneration Committee has recommended the reappointment of Shri Chandrasekharan Bhaskar (DIN: 0003343) as an Independent Director for a period of five consecutive years w.e.f. 15th May, 2024.

Aforesaid independent director proposed for reappointment is not disqualified to act as a Director in terms of section 164 of the Act and other applicable laws and has given his consent to act as a Director. The Company has also received a declaration from him stating that he meets the criteria of independence as prescribed under section 149(6) of the Act and under the SEBI (LODR) Regulations, 2015. In the opinion of the Board, he fulfils the criteria of independency and the conditions for his reappointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (LODR) Regulation, 2015 and further he is also registered under the Independent Directors Databank maintained by IICA.

The resolution set out in Item No. 7 seeks the approval of members for the reappointment of Shri Chandrasekharan Bhaskar (DIN: 0003343) as an Independent Director of the Company for a second term of 5 (five) consecutive years w.e.f. 16th May, 2024 to 15th May, 2029; pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder. His office shall not be liable to retire by rotation. The brief profile of Shri Chandrasekharan Bhaskar (DIN: 0003343) is given in the Notice of AGM with the details of the directors seeking appointment/re-appointment.

The aforesaid director may be considered as financially interested in the resolution to the extent of the sitting fees as may be paid to him for attending the Board/committee meeting. Except that none of the Directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Special Resolution.

Copy of draft letter of reappointment setting out the terms and conditions of reappointment is available for inspection by the members at the registered office of the Company.

Shri Chandrasekharan Bhaskar (DIN: 0003343) does not hold any shares in the Company.

Thus, the Members approval is solicited for the resolution set out in Item No. 7 of the Notice by way of a Special Resolution

Date: 22nd July, 2023

Place: Indore

Kriti Nutrients Limited

CIN: L24132MP1996PLC011245

Registered Office: Mehta Chamber, 34 Siyaganj,
Indore (M.P.) 452007

By order of the Board

Raj Kumar Bhawsar

Company Secretary

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