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**KRITI NUTRIENTS LIMITED**  
21ST ANNUAL REPORT 2016-2017

### **Board of Directors**

Shri Shiv Singh Mehta, *Managing Director*

Shri Saurabh Singh Mehta, *Executive Director*

Smt. Purnima Mehta

CA Manoj Fadnis

Shri Rakesh Kalra

Shri Bhuwadesh Shastri

### **Auditors**

R. S. Bansal & Co.

Chartered Accountants

Urvashi, 1st Floor, 3 Jaora Compound,

Indore - 452 001 (M.P.)

### **Bankers**

State Bank of India

IDBI Bank Ltd.

The Cosmos Co-Operative Bank Limited

### **Company Secretary**

Shri Vijay Khandelwal

### **Registered Office**

Mehta Chambers, 34, Siyaganj, Indore - 452 007 (M.P.)

### **Corporate Support Center**

Chetak Chambers, 4th Floor, 14 RNT Marg,

Indore - 452 001 (M.P.)

### **Share Transfer Agent**

M/s Ankit Consultancy Pvt. Ltd.

60, Electronic Complex, Pardeshipura,

Indore - 452 010 (M.P.)

**NOTICE**

NOTICE IS HEREBY GIVEN that the **21<sup>st</sup> Annual General Meeting** of the Members of **KRITI NUTRIENTS LIMITED** will be held on **Tuesday, 12<sup>th</sup> September, 2017 at 4.00 P.M.** at Corporate Support Center of the company situated at 4<sup>th</sup> Floor Chetak Chambers, 14 R. N. T. Marg, Indore (M.P.) - 452001 to transact the following businesses:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Statement of Accounts together with Directors Report as also the Auditors Report thereon for the year ended 31<sup>st</sup> March 2017.
2. To declare dividend on the equity shares for the Financial Year ended on 31<sup>st</sup> March, 2017.
3. To appoint a Director in place of Mrs. Purnima Mehta (DIN 00023632), who is liable to retire by rotation, and being eligible offers herself for re-appointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

**“RESOLVED THAT** pursuant to Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 M/s R. S. Bansal and Company, Chartered Accountants (FRN 000939C), appointed as auditors of the company which was subject to ratification at every Annual General Meeting, be and is hereby ratified to hold the office from the conclusion of this Annual General Meeting till the conclusion of 25<sup>th</sup> Annual General Meeting of the company to be held in the year 2021 on such remuneration as may be fixed by the Board.”

**SPECIAL BUSINESS****5. Ratification of Remuneration to Cost Auditor**

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

**“RESOLVED THAT** pursuant to sections 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force) Shri S.P.S Dangi, Cost Accountant (FRN 100004), appointed as Cost Auditor by the Board of Directors of the Company to conduct an audit of the Cost Records of the Company for the financial year ending 31<sup>st</sup> March, 2018 be paid the remuneration as set out in the statement annexed to the notice.”

Place: Indore

Date: 11<sup>th</sup> May, 2017

Kriti Nutrients Ltd

CIN L24132MP1996PLC011245

Regd. Office: Mehta Chamber, 34 Siyaganj,

Indore-452007 (M.P.)

By order of the Board,

Vijay Khandelwal

Company Secretary

**Notes:**

1. **A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting.**  
**A person can act as a proxy on behalf of the members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**
2. **The business set out in the Notice will be transacted through electronic voting system and the company is providing facility for voting by electronic means.** Instructions and other information relating to e-voting are given in this Notice under Note No. 08
3. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto. The Company has notified closure of Register of Members and Share Transfer Books from Wednesday, 6<sup>th</sup> September, 2017 to Tuesday, 12<sup>th</sup> September, 2017 (both days inclusive) for the Annual General Meeting.
4. Relevant documents referred to in the accompanying notice are open for inspection by the members at the Registered office or Corporate Support Center of the Company on all working days between 11.00 A.M. to 1.00 P.M. up to the date of meeting.
5. Members desirous of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
6. Electronic copy of the Annual Report 2017 is being sent to the members whose email Ids are registered with the Company/Depository Participant(s) for communication purpose unless any member has requested for a physical copy of the same.
7. In compliance with the provisions of section 108 of the Act and Rules framed there under and in compliance with regulation 44 of SEBI (LODR) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e – voting services provided by NSDL, on all resolutions set forth in this Notice.
8. The remote e-voting period commences on Saturday, 9<sup>th</sup> September, 2017 (9:00 A.M. IST) and ends on Monday, 11<sup>th</sup> September, 2017 (5:00 P.M. IST). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Tuesday, 5<sup>th</sup> September 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently  
The instructions for e-voting are as under:
  - A. In case a Member receives e-mail from NSDL (for Members whose email addresses are registered with the Company/Depositories):
    - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial Password
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - (iii) Click on Shareholder –Login
    - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - (vii) Select "REVEN" of "Kriti Nutrients Limited".
    - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
    - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
    - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
    - (xii) Corporate / Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen





signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [kriti.scrutinizer@gmail.com](mailto:kriti.scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

(I) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

REVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN

(II) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above to cast vote.

9. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. *If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)*

In case shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID)

In case shareholders are holding shares in Physical mode, USER-ID is the combination of (Even No+Folio No)

10. You 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).
11. 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 of Tuesday, 5<sup>th</sup> September 2017.
12. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on cut-off date i.e. Tuesday, 5<sup>th</sup> September 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA.
13. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
14. 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
15. CS Ishan Jain, Practicing Company Secretary (M. No. ACS 29444 & C.P. No. 13032) and Proprietor of M/s. Ishan Jain & Co., Company Secretaries, Indore has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
16. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
17. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
18. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [kn1.kritiindia.com](http://kn1.kritiindia.com) and on the website of NSDL 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 Limited, Mumbai.
19. 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: [ankit\\_4321@yahoo.com](mailto:ankit_4321@yahoo.com), [info@ankitonline.com](mailto:info@ankitonline.com)
20. Members may also note that the Notice of the 21<sup>st</sup> AGM and the Kriti Nutrients Ltd. Annual Report 2016-17 will be available on the Company's website [kn1.kritiindia.com](http://kn1.kritiindia.com). Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: [info@kritiindia.com](mailto:info@kritiindia.com).



21. Additional information, pursuant to Regulation 36 the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, in respect of the Directors seeking appointment / re-appointment at the AGM, is furnished as annexure to the Notice. The Directors have furnished consent / declaration for their appointment / re appointment required under the Companies Act, 2013 and the Rules thereunder.

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

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

**Item No. 5**

On the recommendations of the Audit Committee, the Board has appointed Shri S.P.S. Dangi, Cost Accountant as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending on 31<sup>st</sup> March, 2018 on a remuneration of Rs. 25000/- (Rupees Twenty Five Thousand Only).

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

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

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

**Details of the directors seeking appointment /reappointment at the Annual General Meeting**

Particulars	Smt. Purnima Mehta (DIN : 00023632)
Date of Birth	25.05.1960
Date of Appointment	26.12.2009
Expertise in specific area	Account & Finance, Purchase, IT, HR and Administration
Qualification	B.A. (Hons), PGDBM
List of Outside Directorship held	Kriti Industries Limited Sakam Trading Private Limited Kriti Specialities Private Limited
Chairman/ Member of the committees of the Board of Directors of the Company	Member: Audit Committee Member: Stakeholders' Relationship Committee Chairman: CSR Committee
Chairman / member of the Committees of Director of other companies in which he/she is a Director	
(a) Audit Committee	Kriti Industries (India)Limited
(b)Stakeholders' Relationship Committee	Kriti Industries (India)Limited
(c) CSR Committee	Kriti Industries (India)Limited
No. & Percentage of Shares held	No. of Shares: 120692, Percentage of Eq. Shares held: 0.24%

Place: Indore

Date: 11<sup>th</sup> May, 2017

Kriti Nutrients Ltd

CIN L24132MP1996PLC011245

Regd. Office: Mehta Chamber, 34 Siyaganj,

Indore-452007 (M.P.)

By order of the Board,

Vijay Khandelwal

Company Secretary



## DIRECTORS' REPORT

Your Directors have pleasure in presenting the **21<sup>st</sup> Annual Report** together with Audited Financial Statements of the Company for the period ended on **31<sup>st</sup> March, 2017**.

### FINANCIAL RESULTS

The performance of the Company for the Year 2016-17 is summarized below:

(Rs. In lacs.)

Particulars	2016-17	2015-16
Total Income	45653.61	35792.31
Profit before Interest, Depreciation & Taxes	1679.93	1605.28
Less: Interest	472.84	455.99
Profit before depreciation	1207.09	1149.28
Less: Depreciation	243.63	229.02
<b>Profit/ (Loss) Before Tax</b>	<b>960.96</b>	<b>917.83</b>
Provision for Taxation	330.42	288.45
<b>Net Profit/(loss)</b>	<b>630.54</b>	<b>629.38</b>

### YEAR IN RETROSPECT

The Company has achieved a total turnover of Rs. 45653.61 lacs (Previous year Rs. 35792.31 Lacs) including exports of Rs. 15011.92 lacs (Previous year Rs. 6783.40 Lacs) and Profit before Tax of Rs. **960.96** lacs (Previous year Rs. **917.83** Lacs) and Profit after Tax of Rs. 630.54 lacs (Previous year Rs. 629.38 Lacs)

Company continues to focus on value added products and its penetration in export market. The company is also expanding sales network for "Kriti" soya refined oil.

### DIVIDEND

Your directors are pleased to recommend a dividend @ 12% (Rs. 0.12/- per equity shares of Rs. 1/- each on 50103520 Equity Shares) for the Financial Year 2016-17 aggregating to Rs. 60.12.

Previous Year the Board of Directors of the company declared and paid interim dividend @12% (Rs. 0.12/-per equity shares of Rs. 1/- each on 50103520 Equity Shares) absorbing a sum of Rs. 60.12 Lacs and the same was considered as final dividend.

### DIRECTORS' RESPONSIBILITY STATEMENT

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

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

- that in the preparation of the annual financial statements for the year ended 31<sup>st</sup> March, 2017, 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 31<sup>st</sup> March, 2017 and of the statement of profit and loss 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.



- f) 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.

**CORPORATE GOVERNANCE**

The Company has complied with the mandatory provisions on Corporate Governance as prescribed in the Regulation 27 of SEBI (Listing obligations and Disclosure Requirement) Regulations, 2015 with the Stock Exchanges. A separate report on Corporate Governance as per schedule V {C} of SEBI (Listing obligations and Disclosure Requirement) Regulations, 2015 is included as a part of the Annual Report along with the Practicing Company Secretary Certificate on its compliance.

**RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were at an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee and there after Board for approval.

Separate disclosure as per regulation 34 (3) and 53 (f) of SEBI (Listing obligations and Disclosure Requirement) Regulations, 2015 is made in the report.

**CORPORATE SOCIAL RESPONSIBILITY**

In CSR account company was to incur Rs. 35.52 Lacs of the Financial Year 2014-15, 2015-16 & 2016-17 and the outstanding amount for the financial year ended 31<sup>st</sup> March, 2017 is Rs. 15.63 Lacs.

During the year the Company made Rs. 25.00 lacs to Sakam Charitable Trust to its corpus for implementation of eligible CSR projects & activities on behalf of the company as covered in Schedule VII of the Companies Act, 2013.

The Annual Report on CSR activities is annexed hereto as Annexure C and forms a part of this Report.

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

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

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

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

**DIRECTORS**

In terms of Section(s) 149, 152 and all other applicable provisions of the Companies Act, 2013, for the purpose of determining the directors liable to retire by rotation, the Independent Directors are not included in the total number of directors of the Company. Accordingly, Smt. Purnima Mehta (DIN 00023632) shall retire by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment as a Director of the Company.

**DECLARATION BY INDEPENDENT DIRECTORS**

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

**KEY MANAGERIAL PERSONNEL**

Smt. Alheena Khan, Company Secretary of the Company resigned w.e.f 31.05.2016 and in place of her Shri Vijay Khandelwal was appointed as Company Secretary w.e.f 27.06.2016

**MEETINGS**

During the Financial year Four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing obligations and Disclosure Requirements) Regulation, 2015.





### PERFORMANCE EVALUATION OF BOARD, COMMITTEES & DIRECTORS

Pursuant to the Provisions of the Companies Act, 2013 and as stipulated under Chapter IV (17) (10) SEBI (Listing obligations and Disclosure Requirements) Regulation, 2015, the Board of Directors adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors. A structured evaluation process covering various aspects of the Boards functioning such as Composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc.

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

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

### RECONSTITUTION OF COMMITTEES

Pursuant to section 178 of the Companies Act, 2013 the rules made there under regulations of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 the Board has re-constituted the Nomination & remuneration Committee, Stakeholders' Relationship Committee & CSR committee during the financial year 2016-17.

### AUDITORS AND AUDITOR REPORT

Pursuant to the provisions of section 139 and other applicable provisions, if any, of Companies Act, 2013 read with Rule 3 of Companies (Audit and Auditors) Rules, 2014, M/s R. S. Bansal and Company, Chartered Accountants (FRN: 000939C) appointed as auditors of the company which was subject to ratification at every Annual General Meeting till the conclusion of 25<sup>th</sup> Annual General Meeting of the company to be held in the year 2021 on such remuneration as may be fixed by the Board.

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

### COST AUDITOR

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 your Directors had, on the recommendation of the Audit Committee, appointed Shri S.P.S. Dangi, proprietor of M/s S.P.S Dangi, Cost Auditor (F.R.No 100004) to audit the cost accounts of the Company for the financial year ending 31.03.2018. Resolution seeking Member's ratification for the remuneration payable to Shri S.P.S. Dangi, proprietor of M/s S.P.S Dangi, Cost Auditor (F.R.No 100004) is included at Item No.5 of the Notice convening the Annual General Meeting.

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

### SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Kaushal Agrawal & Co., Practising Company Secretaries to undertake the Secretarial Audit of the Company for the Financial Year 2017-18. The Report of the Secretarial Audit Report is annexed herewith.

### STATUTORY INFORMATION

#### PUBLIC DEPOSIT

The company has not received/accepted any deposits from public during the year under review within the meaning of section 73 of the Companies Act, 2013, and the Companies (Acceptance of Deposits) Rules, 2014 and there is no overdue unpaid/unclaimed deposit as at 31<sup>st</sup> March, 2017.

#### PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE

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

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

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



**EXTRACT OF ANNUAL RETURN:**

The extract of Annual Return in Form No.MGT-9 as required under Section 92 of the Companies Act, 2013 for the financial year ending 31<sup>st</sup> March , 2017 is annexed hereto as Annexure D and forms part of this report.

**VIGIL MECHANISM / WHISTLE BLOWER POLICY**

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

**GENERAL**

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

- a) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- c) Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from its subsidiary.
- d) 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.
- e) During the year under review, there were no cases filed or reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- f) There was no amount required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March, 2017.

**ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

Place: Indore

Date: 11<sup>th</sup> May, 2017

Kriti Nutrients Limited

CIN L24132MP1996PLC011245

Regd. Office: Mehta Chamber, 34 Siyaganj,  
Indore-452007 (M.P.)

By order of the Board

Shiv Singh Mehta  
Managing Director  
DIN 00023523

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

Information as per Section 134(3)(m) read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2017.

**A. CONSERVATION OF ENERGY**

I. Steps taken or impact on conservation of energy:

(a) Energy Conservation measures taken

- (1) Energy conservation devices have been installed and the equipments are maintained properly to reduce energy consumption.
- (2) New systems are being devised to reduce electric power, fuel, and water consumption.

(b) Additional Investment and proposals for reduction of consumption of energy:

By relocating, modifying the available equipment, energy, conservation measures are being implemented on continuous Basis.

(c) Impact of above measures:

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

**B. TECHNOLOGY ABSORPTION**

1. The efforts made towards technology absorption:

The company has through R & D developed processes adopted which helped in reducing the energy consumption.

2. Benefits derived like product improvement, cost reduction, product development or import substitution:

Improvement in processes, reduction of cost and product development.

3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Nil

**C. FOREIGN EXCHANGE EARNING & OUTGO**

(Rs. in Lacs)

Particulars	12 Months period ended March, 2017	12 Months period ended March, 2016
1. Earning		
FOB value of Exports	13535.66	6783.40
2. Outgoing		
a) CIF Value of Imports	NIL	67.56
b) Expenditure in Foreign Currency	33.62	62.24

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

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director / KMP & Designation	Remuneration for the FY 2016-17 (Rs. in Lacs)	% increase / (Decrease) in Remuneration in the FY 2016-2017	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Shri Shiv Singh Mehta Managing Director	Nil	Nil	Not Applicable	Profit after tax Increased by 0.18% in F.Y. 2016-17
2	Shri Saurabh Singh Mehta Executive Director	31.02	11.62%	20.14	
3	Shri S.C. Jajoo Chief Financial Officer	23.97	36.12%	Not Applicable	
4	Smt. Alheena Khan Company Secretary (KMP w.e.f. 07.09.2015 to 31.05.2106)	0.40	Not Applicable	Not Applicable	
5	Shri Vijay Khandelwal Company Secretary (KMP w.e.f. 27.06.2016)	2.09	New Incumbent	Not Applicable	

- ii) The median remuneration of employees of the Company during the financial year was Rs. 1.54 Lacs
- iii) In the financial year, there was an increase of 0.13 Lacs in the median remuneration of employees;
- iv) There were 221 permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2017;
- v) The Profit before Tax for the financial year ended March 31, 2017 increased by 4.70%.
- vi) The company has not come out with public issue : The market capitalization as on 31<sup>st</sup> March, 2017 was Rs. 101.21 crore (Rs. 77.41 crore as on 31<sup>st</sup> March, 2016)
- vii) The variable remuneration of the Managing Director / Whole Time Director as a commission base on profit of the company
- viii) The remuneration based on annual appraisals is paid as per the remuneration policy of the company

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

Sr. No.	Particulars	Details
1	Average net profit of the company for last three financial years	Rs. 781.36 Lacs
2	Prescribed CSR expenditure (Two percent of the amount in Sr. No. 1 above) Prescribed CSR expenditure outstanding for the financial year 2014-15 Prescribed CSR expenditure outstanding for the financial year 2015-16 Total CSR Expenditure	Rs. 15.63 Lacs Rs. 8.98 Lacs Rs. 10.49 Lacs Rs. 35.10 Lacs
3	The Composition of the CSR Committee.	Smt. Purnima Mehta Shri Saurabh Singh Mehta Shri Rakesh Kalra
4	a. Total amount spent during financial year b. amount unspent if any c. manner in which the amount spent during the financial year	Rs. 25.00 Lacs Rs. 10.10 Lacs details given below
5	Reason for not spending the amount in its Board's Report	The company has been working on identifying the projects for carrying out CSR activities. The company is now working on projects and the expenditure on these projects shall be accounted for as and when incurred The Company transfer the sum of Rs. 25.00 Lacs (Twenty Five Lacs Rupees only) to Sakam Charitable Trust, Indore to its corpus for implementation of eligible CSR projects & activities on behalf of the company as covered in Schedule VII of the Companies Act, 2013.
6	A responsibility of the CSR committee	The implementation and monitoring of Corporate Social Responsibility policy, is in compliance with CSR objectives and policy of the company

**2. MANNER IN WHICH THE AMOUNT SPENT DURING THE FINANCIAL YEAR.**

Sr No.	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs	Amount Outlay (budget) Project or Programs wise	Amount spent on the Projects or Programs subheads:	Amount Spent direct or through implementing agency
1	CSR PROJECTS & ACTIVITIES	Schedule VII of the Companies Act, 2013	SAKAM CHARITABLE TRUST, INDORE		Rs. 25.00 Lacs	Direct

Purnima Mehta  
Chairman (CSR Committee)  
DIN 00023632

Saurabh Singh Mehta  
Member (CSR Committee)  
DIN 0002391



**Form No. MGT-9****ANNEXURE-D****EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2017**

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

**I. REGISTRATION AND OTHER DETAILS:**

CIN	L24132MP1996PLC011245
Registration Date	24 <sup>th</sup> September, 1996
Name of the Company	Kriti Nutrients Limited
Category/Sub-Category of the Company	Company having Share Capital
Address of the Registered office and contact details	Mehta Chambers, 34-Siyaganj, Indore-452007 (M.P.)
	Tel. No. 0731-2719126
Whether Listed Company	Yes
Name, Address and Contact details of Registrar and Transfer Agent if any	Ankit Consultancy Pvt. Ltd , Plot No. 60, Electronic Complex, Pardeshipura, Indore- 452010 Tel. No. 0731-4281333, 4065797/99 E-mail: ankit_4321@yahoo.com, info@ankitonline.com

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

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

Sr. No.	Name and Description of Main products/Services	NIC Code of the Product / Service	% to total turnover of the company
1	Soya Lecithin Flakes and Flour	10407	39.25%
2	Soya Crude Oil / Refined Oil	10402	60.75%

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

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

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

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



Category of Shareholders	No. of. Shares held at the beginning of the year				No. of. Shares held at the end of the year				% Change during & the year
	Demat	Physical	Total Share	% of Total Share	Demate	Physical	Total Share	% of Total Share	
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoters (A) = (A)(1)+(A)(2)</b>	<b>33096878</b>	-	<b>33096878</b>	<b>66.06</b>	<b>33096878</b>	-	<b>33096878</b>	<b>66.06</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1 Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	1600	-	1600	0.00	1600	-	1600	0.00	0.00
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>1600</b>	-	<b>1600</b>	<b>0.00</b>	<b>1600</b>	-	<b>1600</b>	<b>0.00</b>	<b>0.00</b>
<b>2. Non- Institutions</b>									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	3074102	17600	3091702	6.17	3127073	17600	3144673	6.28	0.11
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	5722048	3108680	8830728	17.62	5892598	3005480	8898078	17.76	0.14
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	4921223	-	4921223	9.82	4816920	-	4816920	9.61	(0.21)
c) Others (NRI & OCB)	142113	-	142113	0.28	123452	-	123452	0.25	(0.03)
d) Other (Clearing Member)	19276	-	19276	0.04	21119	-	21119	0.04	0.00
<b>Sub-total (B)(2):-</b>	<b>13878762</b>	<b>3126280</b>	<b>17005042</b>	<b>33.94</b>	<b>13981162</b>	<b>3023080</b>	<b>17004242</b>	<b>33.94</b>	<b>0.0</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>13880362</b>	<b>3126280</b>	<b>17006642</b>	<b>33.94</b>	<b>13982762</b>	<b>3023080</b>	<b>17005842</b>	<b>33.94</b>	<b>0.0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total(A+B+C)</b>	<b>46977240</b>	<b>3126280</b>	<b>50103520</b>	<b>100</b>	<b>47080440</b>	<b>3023080</b>	<b>50103520</b>	<b>100</b>	<b>0.00</b>


**(ii) Shareholding of Promoters**

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

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

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

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

Sr. No	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	<b>For Each of the Top 10 Shareholders</b>				
1	Chartered Finance And Leasing Limited	2210200	4.41	2210200	4.41
2	Praveen Kumar Kasliwal	1027565	2.05	1027445	2.05
3	Jyoti Kasliwal	673725	1.34	673585	1.34
4	Rahul Chandrasingh Mehta	500000	1.00	500000	1.00
5	Sanjay Kothari	440000	0.88	440000	0.88
6	Sheetal Rahul Mehta	416000	0.83	416000	0.83
7	Varsha Bhavesh Shah	412729	0.82	0.00	0.00
8	Juhi Kasliwal	375725	0.75	375585	0.75
9	Nandita Kasliwal	374543	0.75	374423	0.75
10	Anantroop Financial Advisory Services Pvt.Ltd.	300000	0.60	300000	0.60
11.	Nidhi Jawahar	0	0.00	378304	0.76

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

Sr. No	Particulars	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Shri Shiv Singh Mehta, Managing Director	2028099	4.05	2028099	4.05
2	Shri Saurabh Singh Mehta, Whole-time Director	30440	0.06	30440	0.06
3	Smt. Purnima Mehta, Director	120692	0.24	120692	0.24
4	Shri Rakesh Kalra, Independent Director	-	-	-	-
5	CA Manoj Fadnis, Independent Director	-	-	-	-
6	Shri Bhuwanesh Shastri, Independent Director	-	-	-	-
7	Shri S.C. Jajoo, Chief Financial Officer	100	0.00	100	0.00
8	Smt. Alheena Khan, Company Secretary & Compliance Officer (Resigned w.e.f. 31.05.2016)	5	-	N.A.	N.A.
9	Shri Vijay Khandelwal, Company Secretary & Compliance Officer (Appointed w.e.f. 27.06.2016)	N.A.	N.A.	-	-

**V. INDEBTEDNESS**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1430.80	154.31	NIL	1585.11
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>1430.80</b>	<b>154.31</b>	<b>NIL</b>	<b>1585.11</b>
<b>Change in Indebtedness during the financial year-</b>				
Addition-	2340.44	116.00	NIL	2456.44
Reduction	305.09	110.75	NIL	415.84
<b>Net Change</b>	<b>2035.35</b>	<b>5.25</b>	<b>NIL</b>	<b>2040.60</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3466.06	159.56	NIL	3625.62
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.08	0.00	0.0	0.08
<b>Total (i+ii+iii)</b>	<b>3466.14</b>	<b>159.56</b>	<b>NIL</b>	<b>3625.70</b>

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

(Rs. in lacs)

Sr. No.	Particulars of Remuneration	Name of MD/TWD /Manager		Total Amounts
		Shri Shiv Singh Mehta (MD)	Shri Saurabh Singh Mehta (WHD)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	20.00	20.00
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	-	5.62	5.62
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission-			
	as % of profit	-	3.00	3.00
	others, specify...	-	-	-
5	Employers Provident Fund	-	2.40	2.40
	<b>Total (A)</b>	<b>-</b>	<b>31.02</b>	<b>31.02</b>



## KRITI NUTRIENTS LIMITED

### B. Remuneration to other directors:

(Rs. in lacs)

Sr. No	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	Shri Rakesh Kalra	C.A. Manoj Fadnis	Shri Bhuvnesh Shastri	
	Fee for attending board committee meetings · Commission Others, please specify	0.84	0.84	0.80	2.48
	Total (1)				2.48
2	Other Non-Executive Directors	Smt. Purnima Mehta			
	· Fee for attending board ] committee meetings · Commission · Others, please specify	0.84			0.84
	Total (2)				0.84
	Total (B)=(1+2)				3.32
	<b>TOTAL MANAGERIAL REMUNERATION (A+B)</b>				<b>34.34</b>

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

(Rs. in lacs)

Sr. No	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Shri S.C. Jajoo, CFO	Smt. Alheena Khan, CS	Shri Vijay Khandelwal, CS	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-taxAct, 1961 (c) Profits in lieu of salary under section17(3) Income-taxAct, 1961	23.97	0.40	2.09	26.46
2	Stock Option -	-	-		
3	Sweat Equity -	-	-		
4	Commission- as % of profit-] others,specify...	-	-	-	
5	Others, please specify -	-	-		
	<b>Total</b>	<b>23.97</b>	<b>0.40</b>	<b>2.09</b>	<b>26.46</b>

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty Punishment /compounding fees imposed	Authority (RD) NCLT/ COURT)	Appeal made, if any (give details)
<b>COMPANY/ DIRECTORS / OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		

Place: Indore  
Date: 11<sup>TH</sup> May, 2017  
Kriti Nutrients Ltd.  
CIN L24132MP1996PLC011245  
Regd. Office: Mehta Chamber, 34 Siyaganj,  
Indore-452007 (M.P.)

By order of the Board

Shiv Singh Mehta  
Managing Director  
DIN 00023523





## SECRETARIAL AUDIT REPORT FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

KRITI NUTRIENTS LIMITED

CIN- L24132MP1996PLC011245

Mehta Chambers, 34, Siyaganj, Indore, Madhya Pradesh

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KRITI NUTRIENTS LIMITED** (hereinafter called the Company) having **CIN- L24132MP1996PLC011245**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2017** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **KRITI NUTRIENTS LIMITED** for the financial year ended on **31<sup>st</sup> March, 2017** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 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;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
    - Not applicable as the Company does not have any Employee Stock Option Scheme and Employee Stock Purchase Scheme.
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    - Not applicable as the Company does not have any listed debt securities.
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;



- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and  
· Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;  
Not applicable as the Company has not bought back any of its securities during the financial year under review.
- vi. The laws as are applicable specifically to the Company are as under:
  - 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 Disputes Act, 1947
  - g) The Payment of Wages Act, 1936
  - h) The Minimum Wages Act, 1948
  - i) The Employees 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) Contract Labour (Regulation And Abolition) Act, 1970
  - n) The Industrial Employment (Standing Orders) Act, 1946.
  - o) The Apprentices Act, 1961
  - p) Food Safety And Standards Act, 2006

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements/regulations entered into by the Company with BSE Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:-

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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



We further report that during the audit period:-

1. The Members have accorded their consent to the Board of Directors at the Annual General Meeting held on August 11, 2016 for the following: -

- a) to ratify the remuneration of Mr. S.P.S Dangi, Cost Accountant (FRN 100004), cost auditors of Company appointed by the Board of Directors of the Company to conduct an audit of the Cost Records of the Company for the financial year ending 31.03.2017 on a remuneration of Rs. 25,000/- (Rupees Twenty Five Thousand only).
- b) to re-appoint Mr. Shiv Singh Mehta (DIN:00023523) as a Managing Director of the Company for the term of 3 years on the recommendation of Nomination and Remuneration Committee and Board of Directors of the Company without any remuneration.
- c) to re-appoint Mr. Saurabh Singh Mehta (DIN:00023591) as a Whole time Director of the Company for the term of 3 years on the recommendation of Nomination and Remuneration Committee and Board of Directors of the Company.
- d) to adopt new set of Articles of Association pursuant to section 14 of the Companies Act 2013.

**For Ashish Karodia & Company**

Company Secretary

**CS Ashish Karodia**

MNo. 6549, CP 6375

**Date : 11<sup>th</sup> May 2017**

**Place : Indore**



## CORPORATE GOVERNANCE REPORT

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The **Kriti Nutrients Limited** places great emphasis on values such as empowerment and integrity of its employees, safety of the employees & communities surrounding our plants, transparency in decision making process, fair & ethical dealings with all. These practices being followed since the inception have contributed to the Company's sustained growth.

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

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

In harmony with this philosophy, the Company relentlessly strives for excellence by bench marking itself with esteemed companies with good corporate governance. Your company is compliant with all the provisions SEBI (LODR) Regulations, 2015.

The details of compliance are as follows:

#### 1. The Governance Structure:

Kriti's 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** - such as Audit Committee, Nomination & Remuneration Committee, CSR Committee etc. are focused on financial reporting, audit & internal controls, compliance issues, appointment and remuneration of Directors and Senior Management Employees, implementation and monitoring of CSR activities and the risk management framework.

**(iii) Executive Management** - The entire business including the support services are managed with clearly demarcated responsibilities and authorities at different levels.

#### 2. BOARD OF DIRECTORS

##### A. Composition of Board

The Board of directors of the company consists of an optimum combination of executive, non-executive and independent directors, to ensure the independent functioning of the Board. The composition of the Board also complies with the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. As at the end of corporate financial year 2016-17, the total Board consists of Six (6) directors, out of which four (4) are non-executive directors and out of the Four (4) non-executive directors Three (3) are independent Director.

The composition of the Board of directors and the number of Board Committee in which they are chairman/ member as on 31-March, 2017 are as under:

Name	Category	No. of Directorship in other public Limited Companies	No. of Committee Position held in other Public Limited Companies	
			Chairman	Member
Shri Shiv Singh Mehta	Promoter & MD	Two	Two	Four
Shri Saurabh Singh Mehta	Promoter & ED	Nil	Nil	Nil
Smt. Purnima Mehta	Promoter & NED	One	Nil	Four
CA Manoj fadnis	Independent & NED	One	One	Two
Shri Rakesh Kalra	Independent & NED	Five	Two	Five
Shri Bhuvnesh Shastri	Independent & NED	Nil	Nil	Nil



During the year under review, Four (4) meetings of the Board of directors were held. The dates of the meetings were decided in advance and key information was placed before the Board. The Board of Directors meetings were held on 12<sup>th</sup> May, 2016, 11<sup>th</sup> August, 2016, 10<sup>th</sup> November, 2016, 06<sup>th</sup> February, 2017.

**B. Selection and Appointment/Reappointment of Director:**

The Nomination & Remuneration Committee have approved a Policy for the Selection, Appointment and Remuneration of Directors. Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law and the retirement policy laid down by the Board from time-to-time.

**C. Meetings, agenda and proceedings etc. of the Board Meeting:**

Director attendance record of Board meetings and last Annual General Meeting are as under:

Name of Director	No. of Board Meeting held during the year	No. of Board Meeting Attended	Attendance at the last AGM held on 11 <sup>th</sup> August, 2016
Shri Shiv Singh Mehta	4	4	Yes
Shri Saurabh Singh Mehta	4	4	Yes
Smt. Purnima Mehta	4	4	Yes
CA Manoj fadnis	4	4	Yes
Shri Rakesh Kalra	4	4	Yes
Shri Bhuvnesh Shastri	4	4	Yes

**D. Separate Meeting of Independent Directors:**

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 6th February, 2017 to review the performance of Non-independent Directors (including the Chairman) and the entire Board.

**E. Agenda:**

All the meetings are conducted as per well designed and structured agenda. All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated separately or placed at the meeting) to enable the Board to take informed decisions.

**F. Support and Role of Company Secretary:**

The Company Secretary is responsible for convening the Board and Committee meetings, preparation and distribution of Agenda and other documents and recording of the Minutes of the meetings.

**G. Board Evaluation:**

During the year, the Board started a formal mechanism for evaluating its performance and effectiveness as well as that of its Committees and individual Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees.

**H. Code of Conduct:**

All the Board members and senior management personnel have confirmed compliance with the code. A declaration to that effect signed by the Managing Director is attached and forms part of the Annual Report of the Company.

**I. Prevention of Insider Trading Code:**

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company has appointed Company Secretary as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Company's securities. During the year under review there has been due compliance with the said code.



**J. Disclosure of Relationship between Directors inter-se**

Name of Directors	Relationship	Name of other Directors in Inter-se relationship
Shri Shiv Singh Mehta	Spouse	Smt. Purnima Mehta
Shri Shiv Singh Mehta	Father	Shri Saurabh Singh Mehta
Shri Saurabh Singh Mehta	Son	Smt. Purnima Mehta
Shri Saurabh Singh Mehta	Son	Shri Shiv Singh Mehta
Smt. Purnima Mehta	Spouse	Shri Shiv Singh Mehta
Smt. Purnima Mehta	Mother	Shri Saurabh Singh Mehta

**K. No. of Shares of held by Non-Executive Director**

	No. of Shares Held
Smt. Purnima Mehta	120692
CA Manoj Fadnis	-
Shri Bhuvnesh Shastri	-
Shri Rakesh Kalra	-

**L. Web Link: [knl.kritiindia.com](http://knl.kritiindia.com)****3. AUDIT COMMITTEE****(a) Terms of reference:**

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 Company Secretary acts as secretary to the committee.

The Audit Committee has adequate powers and detailed terms of reference to play effective role as required under the provisions of section 149 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 entered into with the Stock Exchange.

**(b) Constitution and Composition:**

The Audit Committee of the Company as on 31<sup>st</sup> March, 2016 comprises of the following Directors of the Company.

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

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

**(c) Meeting and attendance during the year:**

Four (4) meetings were held during the financial year 2016-17 on 12<sup>th</sup> May, 2016, 11<sup>th</sup> August, 2016, 10<sup>th</sup> November, 2016, & 06<sup>th</sup> February, 2017. The attendance of each member of the committee is as under:

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

CA Manoj Fadnis, Chairman of the Audit Committee was present at the last Annual General Meeting to answer the shareholders queries.



#### 4. NOMINATION & REMUNERATION COMMITTEE

##### (a) Terms of reference:

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

##### (b) Composition:

The Remuneration Committee of the Company as on 31<sup>st</sup> March, 2017 comprises of the following Directors of the Company.

Name of the Director	Designation
CA Manoj Fadnis	Chairman
Shri Rakesh Kalra	Member
Shri Bhunesh Shashtri	Member

All the three members of the Nomination and Remuneration committee are non-executive and independent directors. CS Vijay Khandelwal, Company Secretary acts as the Secretary to the Committee

##### (d) Performance Evaluation for Independent Directors:

Pursuant to the Provisions of the Companies Act, 2013 and as stipulated under regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board of Directors adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors.

##### (e). Remuneration Policy:

The Company follows a policy on remuneration of Directors and Senior Management Employees.

##### Remuneration of Non-Executive Directors:

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. detailed hereunder:

- i. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies Managerial Remuneration Rule, 2014;
- ii. The company is not having any Pecuniary relationship of transaction with Non- Executive director

##### Details of Remuneration to Managing Director, Executive Director & Non- Executive Director:

Shri Shiv Singh Mehta, Managing Director of the Company was appointed without any remuneration; hence no remuneration was paid to him by the Company.

The terms of remuneration of Shri Saurabh Singh Mehta, Executive Director has already been fixed by the Board of directors and was approved by the shareholders.

During the financial year 2016-17, the particulars of remuneration paid to Whole-time Director is as under: -

(Rs. in lacs)

Name of the Director	Salary (Rs.)	Perquisites	Commissions	Stock Option Details	Period of Contract
Shri Saurabh Singh Mehta	22.40	5.62	3.00	NIL	3 Years starting from 1st August, 2016

##### Remuneration/Sitting fee to other Non Executive Directors:

The details of sitting fee paid to each of the other non executive/Independent Directors during the year 2016-17 ended on 31<sup>st</sup> March, 2017 are given below:

(Rs. in lacs)

Name	Sitting Fee	Other Payment	Total
Shri Rakesh Kalra	0.84	-	0.84
CA Manoj Fadnis	0.84	-	0.84
Smt. Purnima Mehta	0.84	-	0.84
Shri Bhunesh Shastri	0.80	-	0.80

**5. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

a) In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The "Stakeholders' Relationship Committee" consisting of:

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

b) CS Vijay Khandelwal, Company Secretary acts as the Secretary to the Committee

c) Share holder Compliant Status during the financial year 2016-17:

No. of Shareholder Compliant received during the financial year 2016-17	No. of Complaint resolved	No. of Complaint Pending
29	29	0

**6. CORPORATE SOCIAL RESPONSIBILITY**

As required under section 135 of the Companies Act, 2013 the company has framed Corporate Social Responsibility Committee (CSR Committee) consisting of the following members:

Name of the Director	Designation
Smt. Purnima Mehta	Chairman
Shri Saurabh Singh Mehta	Member
Shri Rakesh Kalra	Member

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

**7. MD CERTIFICATION**

The MD have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI (LODR), 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report

**8. INFORMATION ON GENERAL BODY MEETINGS**

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

Year	Location	Date	Time	Special Resolutions	Special Resolutions through postal ballot
2015-2016	4 <sup>th</sup> Floor, Chetak Chamber, 14, RNT Marg, Indore	11 <sup>th</sup> August, 2016	5:00 PM	One	No
2014-2015	4 <sup>th</sup> Floor, Chetak Chamber, 14, RNT Marg, Indore	24 <sup>th</sup> September, 2015	4:00 PM	No	No
2013-2014	4 <sup>th</sup> Floor, Chetak Chamber, 14, RNT Marg, Indore	25 <sup>th</sup> September, 2014	4:30 PM	Two	No

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

**9. MEANS OF COMMUNICATION**

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchange immediately after these are approved by the Board. These are widely published in following newspapers. These results are simultaneously posted on the website of the Company at [knl.kritiindia.com](http://knl.kritiindia.com) and also uploaded on the website of the BSE Ltd.



Quarterly Results	News Paper Publication	Displayed in Website
30.06.2016	Naidunia, Indore & Business Standard, Mumbai	knl.kritiindia.com
30.09.2016		
31.12.2016		
31.03.2017		

## 10. GENERAL SHAREHOLDER INFORMATION

### (a) Annual General Meeting:

The **21<sup>st</sup> Annual General Meeting** of the Company will be held on **Tuesday, 12<sup>th</sup> September, 2017** at **4:00 P.M.** at Corporate Support Center of the company situated at "Chetak Chambers" 4<sup>th</sup> Floor, 14 R.N.T. Marg, Indore-452001 (M.P)

### (b) Board Meeting to be held During the Financial Year 2017-18 (1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018)

a.	Un-Audited Results for the first quarter ending 30 <sup>th</sup> June, 2017	On or Before 14 <sup>th</sup> September, 2017
b.	Un-Audited Results for the second quarter ending 30 <sup>th</sup> September, 2017	On or Before 14 <sup>th</sup> December, 2017
c.	Un-Audited Results for the Third quarter ending 31 <sup>st</sup> December, 2017	On or Before 14 <sup>th</sup> February, 2018
d.	Un-Audited Results (Audited) for the fourth quarter ending 31 <sup>st</sup> March, 2018	On or Before 30 <sup>th</sup> May, 2018
e.	Annual General Meeting for the year ending 31 <sup>st</sup> March, 2018	Before end of September, 2018

### (c) Book Closure/Record date:

The Register of Members and the Share Transfer Books of the Company shall remain closed from Wednesday, 6<sup>th</sup> September, 2017 to Tuesday, 12<sup>th</sup> September, 2017 (both days inclusive) for the 21<sup>st</sup> Annual General Meeting.

### (d) Dividend History

The Dividend history for the past 5 years are as under:

Financial Year	Interim Dividend %	Final Dividend %	Total Dividend %	Amount of Dividend (Rs. in Lacs)
2015-16	12%	-	12%	60.12
2014-15	-	10%	10%	50.10
2013-14	-	10%	10%	50.10
2012-13	-	6%	6%	30.06
2011-12	-	15%	15%	75.16

### (f) Listing on Stock Exchanges

The Company's shares are traded on BSE.

The Company's shares are presently listed on the Bombay Stock Exchange Limited (BSE). The Company has paid annual listing fee for the year 2017-18.

### (g) Stock Code/Details of Scrip

BSE :- 533210  
NSDL & CDSL-ISIN :- INE798K01010

### (h) Market Price Data (Rs.)

The monthly high and low quotations of shares of the Company traded at the Bombay Stock Exchange, Mumbai during the financial year 2016-17 are given below:



Month	High (Rs.)	Low (Rs.)
April, 2016	19.50	14.35
May, 2016	22.40	16.25
June, 2016	19.00	14.30
July, 2016	19.35	15.35
August, 2016	21.40	14.70
September, 2016	19.00	15.00
October, 2016	24.85	14.55
November, 2016	22.00	15.15
December, 2016	21.50	15.70
January, 2017	18.80	15.10
February, 2017	23.80	15.75
March, 2017	22.15	18.75

**(h) Share Transfer Agent****Ankit Consultancy Pvt. Ltd.**

Plot No. 60, Electronic Complex,

Pardeshipura, Indore- 452 010 (M.P)

Tel: 0731-4281333, 0731-4065797/99

Fax: 0731-4065798, E-mail: ankit\_4321@yahoo.com

**(i) Share Transfer System**

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

**(j) Distribution of Shareholding as on 31<sup>st</sup> March, 2017**

No. of Shares	No. of Shareholders	% of Shareholders
1-1000	4419	69.48
1001-2000	1035	16.27
2001-3000	298	4.69
3001-4000	281	4.42
4001-5000	74	1.16
5001-10000	133	2.09
10001-20000	57	0.90
20001-30000	20	0.31
30001-40000	8	0.13
40001-50000	5	0.08
50001-100000	12	0.19
100000 Above	18	0.28

**(k) Dematerialization of Shares & Liquidity**

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

**(l) Details of Demat Shares as on 31<sup>st</sup> March 2017**





	No. of Shareholders/Beneficial Owners	No. of Shares	% of Capital
NSDL	2513	42704635	85.23
CDSL	1524	4375805	8.74
<b>Sub-Total</b>	<b>4037</b>	<b>47080440</b>	<b>93.96</b>
Shares in physical form	2323	3023080	6.03
<b>Grand Total</b>	<b>6360</b>	<b>50103520</b>	<b>100.00</b>

**(m) Reconciliation of Share Capital Audit:**

As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to stock exchanges, and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

**(n) Outstanding Convertible Instruments:**

There are no outstanding warrants or any convertible instruments.

**(o) Plant locations of the Company:**

Industrial Area No. 3, Dewas - 455001 (M.P)

**(p) Address for communication:**

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

**Ankit Consultancy Pvt. Ltd.**

Plot No. 60, Electronic Complex

Pardeshipura, Indore- 452 010 (M.P)

Tel: 0731-4281333, 0731-4065797/99

Fax: 0731-4065798, E-mail: ankit\_4321@yahoo.com

**11. DISCLOSURES**

**(a). Disclosure regarding materially significant related party transactions:**

None of the transaction with any of the related parties were in conflict with the interest of the Company. Attention of members is drawn to the disclosure of transactions with the related parties set out in Note No. 44 of Notes on Accounts, forming part of the Annual report.

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

**(b). Disclosure of non-compliance by the Company:**

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

**(c). Whistle Blower/Vigil Mechanism Policy:**

The Company has laid down a Whistle Blower Policy/vigil mechanism. The company encourages an open door policy where employees have access to the Head of the business/ function. The company takes cognizance of the complaints made and suggestions given by the employees and others. Complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the company has been denied access to the Audit Committee in this regard.

The policy provides a platform to all the employees, vendors and customers to report any suspected or confirmed incident of fraud/misconduct through any of the following reporting protocols:

\* E-mail : info@kritiindia.com, cs@kritiindia.com

\* Written Communication to : Mehta Chamber, 34, Siyaganj, Indore-452007( M.P) / Chetak Chambers" 4<sup>th</sup> Floor, 14 R.N.T. Marg, Indore-452001( M.P)

**d) Web links for policies:**

Particulars	Web links
Material Event Policy	kn1.kritiindia.com/policies/
Related Party Transaction policy	kn1.kritiindia.com/policies/

**MD / CEO CERTIFICATION**

To,  
**The Board of Directors,  
Kriti Nutrients Limited**

Dear Sirs,

We have reviewed the Financial Statement read with the cash flow statement of Kriti Nutrients Limited for the year 31<sup>st</sup> March, 2017 and that to the best of their knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

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

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

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

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

**For : Kriti Nutrients Limited**

**Shiv Singh Mehta**

**Managing Director (DIN 00023523)**

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**DECLARATION REGARDING CODE OF CONDUCT**

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company.

**For : Kriti Nutrients Limited**

**Shiv Singh Mehta, Managing Director (DIN 00023523)**

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

**To the Shareholders of Kriti Nutrients Limited**

We have examined the compliance of the conditions of corporate governance by the **Kriti Nutrients Limited** for the year **31<sup>st</sup> March, 2017** as per Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of the schedule V of the Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015 as applicable.

**Restriction on use:**

This certificate is issued solely for the purpose of complying with the aforesaid regulation as may not be suitable for any other purpose.

Place : Indore

Date: 11<sup>th</sup> May 2017

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

**CS Ashish Karodia**

**M.No. 6549**

**CP No. 6375**



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### OVERVIEW

Your Company is engaged in the business of processing of soyabean seeds, refining of oil for edible use and production of soya based value added products. The soya products are used as nutritive supplement in various food products across the world. Indian soyabean is a non GMO crop and has an advantage over other origins. The demand of non GMO protein rich soya is continuously growing and we are well placed to harness this opportunity.

The Indian agricultural sector reported a creditable performance following healthy monsoon. The agricultural sector grew at 4.15% during FY 2016-17 (significantly higher than 1.2% in FY 2015-16), contributing 17% of India's Gross Value Added. The country's manufacturing sector, one of high-growth sectors of the economy, contributes 16% of India's GDP. According to USDA, world oilseed production was 548.098 MMT out of which Soyabean share was 333.219 MMT.

In India, the largest soybean production state is Madhya Pradesh which is around 50% share of the total production. Soya Industry depends to a large extent on the monsoon. Rainfall during June-September is crucial for soybean, as production is mostly dependent on the monsoon.

### MARKET REVIEW

As per the Estimates of Soybean Processors Association of India (SOPA), India's soybean output was 11.49 million tonnes for the year 2016-17 as compare to the year 2015-16, which was 6.93 million tonnes. With a carryover stock of 441,000 tonnes, overall availability of soybean for crushing and direct consumption stood at 11.93 million tonnes. Around 8.5 million tonnes of the soyabean are estimated to be used for crushing. Increasing the overall availability of soyabean, farmers are likely to use 1.2 million tonnes of sowing for the ongoing kharif season. Apart from that, SOPA estimates 150,000 tonnes for direct consumption and 250,000 tonnes for exports.

### FINANCIAL PERFORMANCE

Your Company has achieved a total turnover of Rs. 45653.61 lacs (Previous year Rs. 35792.31 Lacs) including exports of Rs. 15011.92 lacs (Previous year Rs. 6783.40 Lacs) and Profit before Tax of Rs. 960.96 lacs (Previous year Rs. 917.83 Lacs) and Profit after Tax of Rs. 630.54 lacs (Previous year Rs. 629.38 Lacs).

The total finance cost of the company was Rs. 4.35 crores (0.95% to Sales) as against Rs. 4.55 crores (1.26% to Sales) in the previous year. The interest out go in fund base working capital and term loan was Rs 2.18 crores and Non fund LC/BG discounting was Rs. 1.06 crores. Total commission and charges was Rs. 0.95 crores. The corresponding discounted bills payable have been classified as creditors.

Effective average rate of interest on fund base working capital & term loan was 12.03% and non fund base limit was 8.67%. Bank limits varies from month to month as per business volume in peak/lean session.

### BUSINESS STRATEGY ANALYSIS AND OUTLOOK

Your company has created a niche market segment for itself through its high quality soya products and strong distribution network. "KRITI" brand is positioned strongly in minds of customers and it caters to the premium segment of the market.

With the advent of GST, your company intends to expand its geographical reach by developing strong distribution network outside the existing markets. Your company plans to invest purposefully on focused marketing activities in existing as well as new markets to further strengthen the brand positioning and recall.

Your company has invested in development of new product packaging with improved functionality in terms of convenience to customers and cost optimization in freight.

Your Company is further looking to increase its competitiveness by making investment in modernizing the refinery complex to achieve greater operational efficiency and capability to produce varied products.

Your company differentiates itself from the competition by having developed the capabilities to meet the stringent global quality norms. Your company has got the distinction of being able to produce high quality value added soya products that go into the critical food and pharmaceutical applications.



In order to further improve the overall business margin, your company is working on a strategy to identify high margin value added products for food, pharmaceutical and nutrition industry. These products shall align with our overall product offering and shall be processed in a cost-efficient manner.

Your company is focused on maximizing the profits in the entire value chain from sourcing of soyabean seed to marketing and distribution of refined soya oil.

With continuous focus on innovation, R&D and investment in new technology, your company is confident of developing diversified products that will help us to cater to the needs of our customers and delivering the high return to shareholders.

**THREAT**

Production of Soyabean is highly dependent on the vagaries of monsoon. The delay and uneven monsoon creates shortage of raw material thus, affecting the capacity utilization and profitability of the industry.

Prices depend on real impact of monsoon rains and acreage data in the second half of 2017. Any weather disturbances during sowing and growing periods or in the US, could trigger a sharp recovery in the domestic market.

Soyabean and Soya Oil are actively traded in Indian Commodity Exchanges namely, National Commodity & Derivatives Exchange Limited (NCDEX) and Multi Commodity Exchange of India Limited (MCX). However the trading in these exchanges are now a day in the hand of speculators instead of showing a reasonable trend due to non feasibility of "Free Trade" and "Liquid Market".

**INFORMATION & TECHNOLOGY**

Your Company has implemented SAP HANA which accelerates and analytics. This implementation is to drive business innovation with simplicity by connecting people, devices, and business networks on real time basis. This helps in operational efficiency and cost management.

Your Company views these investments as a strategic tool to enhance its operational efficiencies.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

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

**HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

Human Resources is considered as key to the future growth strategy of the company and looked upon to focus its efforts to further align human resources policies, processes and initiative to meet its business needs. The Management of your Company put utmost efforts to strengthen the existing work force and retaining them to enhance the human resource capability in the Company. In order to focus on keeping employees abreast of technological and technical developments, the company provides opportunity for training and learning. Thus, your company is creating a collaborative and innovation-driven work culture to attract, retain and develop the best talent in the industry.

The Directors of your Company deeply appreciate the spirit and commitment of its dedicated team of employees.

**CAUTIONARY STATEMENT**

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



## Independent Auditors Report to the Members of Kriti Nutrients Limited

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

### Report on the Financial Statements:

We have audited the accompanying financial statements of **KRITI NUTRIENTS LIMITED** ("the Company"), which comprise the Balance Sheet as at **31<sup>st</sup> March, 2017** and the Statement of Profit and Loss and Cash Flow Statement for the year ended **31<sup>st</sup> March, 2017** and a summary of significant accounting policies and other explanatory information.

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

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate financial controls system over financial reporting and the operating effectiveness of such controls.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at



31<sup>st</sup> March, 2017, and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements:**

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2) As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 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 over financial reporting 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 of pending litigations on its financial position in its financial statements- Refer Note 27.3 to the financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 3) As required by Rule 11 of clause (d) of the Companies (Audit and Auditors) Rules, 2014, we report that:

The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. (Refer Note 42 to the financial statements).'

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

Chartered Accountants

FRN : 000939C

**VIJAY BANSAL**

Partner

M. No. : 075344

**Date : May 11<sup>th</sup>, 2017**

**Place : Indore**



**“Annexure A” to the Auditor’s Report as referred in paragraph first of our report of even date to the members of Kriti Nutrients Limited for the year ended 31 March 2017**

As required by the Companies Auditor’s Report Order, 2016 issued by the Central Government in terms of Section 143 of the Companies Act, 2013, we further report that :-

**1. Fixed Assets:**

- a. As informed to us, the Company has maintained proper records, on yearly basis, showing full particulars, including quantitative details and situation of fixed assets. The entire records have been maintained on computer system through SAP.
- b. As informed to us, the management of the Company has physically verified fixed assets at reasonable intervals, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets and no material discrepancies were noticed on such verification.
- c. The land of the Company for the factory is on lease for 99 years since 1984 from Madhya Pradesh Audyogik Kendra Vikas Nigam (Indore) Limited. The lease agreement is executed in the name of the Company.

**2. Inventories:**

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

**3. Loans Granted:**

As per information and explanation given to us, the Company has not granted any secured/unsecured loans to companies, firms, LLP or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

**4. Loan, Investment and Guarantees:**

As per information and explanation given to us, the Company has not granted any loan or given any guarantee on such loans covered under section 185 and neither it has made any investment covered under section 186 of the Companies Act, 2013.

**5. Public Deposit:**

In our opinion and according to the information and explanations given to us, the Company neither accepted nor invited any deposits from public within the provisions of Section 73 to 76 of Companies Act, 2013 and rules made thereunder. It is further informed by the Company that no order has been passed by Company Law Tribunal, National Company Law Tribunal, Reserve Bank of India or any other Tribunal in this regards.

**6. Cost Records:**

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



**7. Statutory Dues:**

- a. According to the information and explanation given to us, the Company has been generally regular in depositing undisputed dues relating to Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duties of Customs, Duties of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with appropriate authorities. There are no undisputed statutory dues payable which are outstanding as at 31<sup>st</sup> March, 2017 for a period of more than 6 months from the date they became payable.
- b. According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Customs Duty, Excise Duty & cess which have not been deposited on account of any dispute, except the following –

Sr. No	Name of the Statute (Nature of the Dues)	Forum where Matter is Pending	Period to which the amounts relates	Amounts (in Rs.)
1.	M.P. COMMERCIAL TAX	APPELLATE BOARD, BHOPAL	2004-05	21,55,460
2.	M.P. COMMERCIAL TAX	APPELLATE BOARD, BHOPAL	2005-06	81,41,497
3.	M.P. COMMERCIAL TAX	APPELLATE BOARD, BHOPAL	2005-06	8,95,411
4.	M.P. COMMERCIAL TAX	APPELLATE BOARD, BHOPAL	2006-07	8,70,630
5.	M.P. COMMERCIAL TAX	ADDITIONAL COMMISSIONER	2013-14	5,08,767
6.	CENTRAL SALES TAX	M. P. HIGH COURT, JABALPUR	2006-07	1,14,25,030
7.	CENTRAL SALES TAX	APPELLATE BOARD, BHOPAL	2005-06	32,699
8.	CENTRAL SALES TAX	DEPUTY COMMISSIONER, INDORE	2014-15	84,654
9.	M.P. COMMERCIAL TAX	ADDITIONAL COMMISSIONER	2014-15	1,37,115
10.	ENTRY TAX	SALES TAX COMMISSIONER	2005-06	50,31,195
11.	ENTRY TAX	APPELLATE BOARD, BHOPAL	2006-07	5,13,848
12.	ENTRY TAX	APPELLATE BOARD, BHOPAL	2007-08	18,22,609
13.	ENTRY TAX	APPELLATE BOARD, BHOPAL	2008-09	3,90,591
14.	ENTRY TAX	APPELLATE BOARD, BHOPAL	2008-09	19,71,548

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

Based on our audit and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of any loan from Financial Institutions, Government or Banks. No debentures have been issued by the Company till date.

**9. Utilization of Term Loans and Initial/Further Public offer:**

According to information and explanation given to us, the company has not raised money by way of Initial/Further Public Offer and no term loan has been obtained by the company during the year.

**10. Fraud Noticed or Recorded:**

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

**11. Managerial Remuneration:**

According to the information and explanation given to us, and based on documents provided to us, the managerial remuneration has been provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.

**12. Nidhi Company:**

As explained and informed to us, the Company is not a Nidhi Company and hence this clause is not applicable on it.

**13. Transaction with Related Parties:**

According to the information and explanation given to us and based on document provided to us, all transactions with the related parties are in compliance with section 177 & section 188 of the Companies Act, 2013 and the details of the same have been duly disclosed in the financial statements as required by the applicable accounting standards.

**14. Preferential Allotment/Private Placement:**

According to the information and explanation given to us, the Company has not made any preferential allotment/private placement of shares or fully or partly convertible debenture during the year.

**15. Non-Cash Transactions:**

According to the information and explanation given to us, the Company has not entered into any non-cash transactions with Directors or Persons connected with him.

**16. Registration with Reserve Bank of India:**

The Company is a manufacturing concern and therefore, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Chartered Accountants

FRN : 000939C

**VIJAY BANSAL**

Partner

M. No. : 075344

**Date : May 11<sup>th</sup>, 2017**

**Place : Indore**



**"Annexure B" to the Auditor's Report as referred in paragraph first of our report of even date to the members of Kriti Nutrients Limited for the year ended 31<sup>st</sup> March, 2017.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Kriti Nutrients Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for laying down 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 issued by the Institute of Chartered Accountants of India. 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 Act.

**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 Standards on Auditing, to the extent applicable to an audit of internal financial controls and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note"), both issued by the Institute of Chartered Accountants of India. 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 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.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 issued by the Institute of Chartered Accountants of India.

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

Chartered Accountants

FRN : 000939C

**VIJAY BANSAL**

Partner

M. No. : 075344

**Date : May 11<sup>th</sup>, 2017**

**Place : Indore**



## KRITI NUTRIENTS LIMITED

## Balance Sheet as at 31st March, 2017

(Rs. in Lacs)

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Fund</b>			
(a) Share Capital	2	501.04	501.04
(b) Reserves and Surplus	3	3331.67	2766.98
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	4	0.00	70.00
(b) Deferred Tax Liabilities (Net)	5	547.02	519.91
(c) Other Long Term Liabilities	6	159.56	154.31
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	7	3396.14	1055.69
(b) Trade Payables	8	1739.52	1548.38
(c) Other Current Liabilities	9	298.20	602.04
(d) Short-Term Provisions	10	347.21	329.09
<b>Total</b>		<b>10320.36</b>	<b>7547.44</b>
<b>II. Assets</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	11	3435.18	3428.02
(ii) Intangible Assets	12	71.85	23.79
(iii) Capital Work-In-Progress		0.00	7.01
(b) Non-Current Investments	13	8.41	8.41
(c) Long Term Loans and Advances	14	94.11	47.83
(d) Other non-current assets	15	19.12	19.24
<b>(2) Current Assets</b>			
(a) Inventories	16	3853.93	2443.70
(b) Trade Receivables	17	1465.99	507.36
(c) Cash and Bank Balances	18	193.36	182.31
(d) Short-Term Loans and Advances	19	287.58	426.75
(e) Other Current Assets	20	890.83	453.02
<b>Total</b>		<b>10320.36</b>	<b>7547.44</b>

Significant accounting policies

1

Other Notes to the accounts

26-47

As per Our Report of Even Date Attached

For R.S. Bansal &amp; Company

Chartered Accountants  
FRN 000939C

For and on behalf of the Board of Directors

Vijay Bansal

Partner  
M.No. 075344Shiv Singh Mehta  
(Managing Director)  
DIN 00023523Purnima Mehta  
(Director)  
DIN 00023632S.C. Jajoo  
(Chief Financial officer)Vijay Khandelwal  
(Company Secretary)

Place: Indore

Date:- 11<sup>th</sup> May, 2017



## KRITI NUTRIENTS LIMITED

## STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 31.03.2017

(Rs. in Lacs)

Particulars	Note No.	For the Year 31.03.2017	For the Year 31.03.2016
Revenue from operations	21	45755.04	35895.96
less: Excise Duty		101.43	103.65
		45653.61	35792.31
Other Income	22	267.05	120.99
<b>Total Revenue</b>		<b>45920.66</b>	<b>35913.30</b>
Expenses:			
Cost of materials consumed		39698.44	31190.16
Purchase of Stock in Trade		145.52	134.18
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		51.46	(99.39)
Employee benefit expense	23	677.09	566.62
Financial costs	24	472.84	455.99
Depreciation and amortization expense	11-12	243.63	229.02
Other expenses	25	3668.22	2516.45
<b>Total Expenses</b>		<b>44957.20</b>	<b>34993.03</b>
<b>Profit Before Exceptional and Extraordinary Items &amp; Tax</b>		<b>963.46</b>	<b>920.27</b>
Prior period Expenses		2.50	2.44
<b>Profit Before Extraordinary Items and Tax</b>		<b>960.96</b>	<b>917.83</b>
Extraordinary Items		0.00	0.00
<b>Profit Before Tax</b>		<b>960.96</b>	<b>917.83</b>
<b>Tax expense:</b>			
Current tax		312.50	295.00
Income Tax Earlier Year		(9.19)	0.00
Deferred tax		27.11	(6.55)
<b>Profit/(Loss) for the year</b>		<b>630.54</b>	<b>629.38</b>
Earning per equity share:			
(1) Basic		1.26	1.26
(2) Diluted		1.26	1.26

Significant accounting policies

1

Other notes on accounts

26-47

As per Our Report of Even Date Attached

For R.S. Bansal &amp; Company

Chartered Accountants

FRN 000939C

For and on behalf of the Board of Directors

Vijay Bansal

Partner

M.No. 075344

Shiv Singh Mehta

(Managing Director)

DIN 00023523

Purnima Mehta

(Director)

DIN 00023632

S.C. Jajoo

(Chief Financial officer)

Vijay Khandelwal

(Company Secretary)

Place: Indore

Date:- 11<sup>th</sup> May, 2017


**KRITI NUTRIENTS LIMITED**
**Cash Flow As On 31st March, 2017**

(Rs. in Lacs)

Particulars	Year Ended 31.03.2017		Year Ended 31.03.2016	
	Amount	Amount	Amount	Amount
<b>Cash Flow From Operating Activities</b>				
<b>Net Profit before Tax</b>		<b>960.96</b>		<b>917.83</b>
<b>Adjustments for :</b>				
Depreciation	243.63		229.02	
Dividend Received	(0.08)		(0.12)	
Excess Provision of Income Tax	9.19		0.00	
(Profit)/ Loss on Sale of Fixed Assets	6.54		0.00	
Financial Income	(267.13)		(120.87)	
Financial Expense	472.84	464.98	455.99	564.02
<b>Cash Operating Profit before working capital changes</b>		<b>1425.94</b>		<b>1481.85</b>
Increase / (Decrease) in Trade Payables	191.14		(380.80)	
Increase / (Decrease) in Short term Provisions	(360.22)		(254.42)	
Increase / (Decrease) in Other Current Liabilities	(303.84)		76.90	
(Increase) / Decrease in Inventories	(1410.24)		199.07	
(Increase) / Decrease in Trade Receivables	(958.64)		258.80	
(Increase) / Decrease in Long term Loans & Advances	(46.28)		(6.04)	
(Increase) / Decrease in Other Non Current Assets	0.13		(12.80)	
(Increase) / Decrease in Short term Loans & Advances	139.17		(163.49)	
(Increase) / Decrease in Other Current Assets	(87.66)		67.95	
		<b>(2836.44)</b>		<b>(214.83)</b>
Tax Paid		(350.15)		(71.21)
<b>Net Cash From Operating Activities (A)</b>		<b>(1760.64)</b>		<b>1195.81</b>
<b>Cash Flow From Investing Activities</b>				
Dividend Income	0.08		0.12	
Financial Income	267.13		120.87	
Sale Proceed Of Fixed Assets (Net)	8.69		0.00	
Purchase of Fixed Assets	(307.06)		(201.88)	
Decrease Investment in Fixed Deposits having maturity of more than twelve months	(7.28)		5.73	
(Increase) / Decrease in Non Current Investment	(2.23)		(2.07)	
<b>Net Cash Used In Investing Activities (B)</b>		<b>(40.67)</b>		<b>(77.23)</b>
<b>Cash Flow From Financing Activities</b>				
Proceeds from Long Term Borrowings	0.00		0.00	
Repayment of Long Term Borrowings	(70.00)		(307.52)	
Net Increase / (Decrease) in Long Term Borrowings	(70.00)		(307.52)	
Increase / (Decrease) in Other Long Term Liability	5.25		(1.47)	
Increase / (Decrease) in Short Term Borrowings	2340.44		(220.68)	
Dividend Paid on Equity Shares	0.00		(110.23)	
Dividend Distribution Tax Paid	0.00		(22.44)	
Financial Expenses	(472.84)		(455.99)	



**KRITI NUTRIENTS LIMITED****Cash Flow As On 31st March, 2017**

(Rs. in Lacs)

Particulars	Year Ended 31.03.2017		Year Ended 31.03.2016	
	Amount	Amount	Amount	Amount
<b>Net Cash Used In Financing Activities (C)</b>		<b>1802.85</b>		<b>(1118.33)</b>
Net Increase In Cash and Cash Equivalents (A + B + C)		1.54		(0.25)
Add :Cash and cash equivalents - Opening - 1st April		4.37		4.12
<b>Cash and Cash equivalents - Closing - 31st March</b>		<b>5.91</b>		<b>4.37</b>

**FOOTNOTE TO CASH FLOW STATEMENT:****1. Components of Cash and Cash Equivalents are produced as under:**

(Rs. in Lacs)

Particulars	2016-17	2015-16
<b>Cash &amp; Cash Equivalents</b>		
Balances with Banks		
Current Account	0.74	0.79
Fixed Deposit having original maturity 3 month or less	0.00	0.00
Cheques, Draft on hand	0.00	0.00
Cash on hand	5.17	3.58
<b>Total of Cash &amp; Cash Equivalent</b>	<b>5.91</b>	<b>4.37</b>

(Rs. in Lacs)

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

Particulars	2016-17	2015-16
Cash and cash equivalents as above	5.91	4.37
Add : Other Cash and Bank Balances		
Unpaid Dividend	12.49	10.26
Fixed Deposit account maturity more than 3 month & less than 12 month	174.96	167.68
<b>Cash and Bank Balances classified as Current Assets</b>	<b>193.36</b>	<b>182.31</b>

Significant accounting policies.

1

Other Notes to the accounts

26-47

As per Our Report of Even Date Attached

**For R.S. Bansal & Company**Chartered Accountants  
FRN 000939C

For and on behalf of the Board of Directors

**Vijay Bansal**

Partner

M.No. 075344

**Shiv Singh Mehta**

(Managing Director)

DIN 00023523

**Purnima Mehta**

(Director)

DIN 00023632

**S.C. Jajoo**

(Chief Financial officer)

**Vijay Khandelwal**

(Company Secretary)

Place: Indore

Date:- 11<sup>th</sup> May, 2017

**NOTES - 1****SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS 31.03.2017****1.1. Corporate Information**

Kriti Nutrients Ltd., a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on 24/09/1996 and having its Registered office in Indore (MP). The company's shares are listed on Bombay Stock Exchange (BSE). The Company is in the business of Soya Seed Extraction and Manufacturing & Selling of cooking oil under its own brand "KRITI".

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

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

**1.2.2 Use of Estimates**

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

**1.2.3 Fixed Assets and Depreciation**

**The company has adopted cost model as prescribed in Accounting Standard AS-10 (Revised) "Property, Plant & Equipment".**

**Recognition**

The cost of an item of property, plant and equipment is recognised as an asset if, and only if:

- (a) it is probable that future economic benefits associated with the item will flow to the enterprise; and
- (b) the cost of the item can be measured reliably.

**Subsequent Cost**

The Company recognizes in the carrying amount of an item of Property, Plant & Equipment, the cost of replacing a part of an item, when that cost is incurred provided the recognition criteria as mentioned above are met. The carrying amount of those parts that are replaced is derecognized in accordance with the de-recognition provisions mentioned in the Accounting Standard. The cost of day to day servicing of an item of Property, Plant & Equipment is recognized in the Statement of Profit & Loss as and when incurred.

**Measurement**

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

**Depreciation**

Depreciation is provided on the straight-line method ('SLM'). The technical estimates of useful life are in confirmatory with those prescribed in Schedule II of 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.

Based on the technical evaluation, the management believes that the useful life of Dies and Moulds is 6 years.

The depreciation on the assets capitalized/sold during the year is charged on prorata basis.

**Capital Work in Progress**

Capital Work-In-Progress includes the cost of fixed assets that are not ready to use at the Balance Sheet date. Advances paid for Capital Assets are not considered as Capital Work-in-Progress but classified as Long Term Advances.

**1.2.4 Impairment of Assets**

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

**1.2.5 Investments**

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

**1.2.6 Inventories**

1. **Stores and Spares Parts, etc:** At Cost, with moving average price on FIFO basis.
2. **Raw Materials:** At cost, with moving average price on FIFO basis.
3. **Finished Goods:** At estimated cost or net realizable value (whichever is lower).
4. **By Products:** At net realizable value.



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

#### 1.2.7 Revenue Recognition

- (a) Revenue from sale of products is recognized on transfer of all significant risk and rewards of ownership of products to the customers, which is generally on dispatch of goods. Sales are stated exclusive of Value Added Tax.
- (b) Dividend income is recognized when the right to receive the dividend is established.
- (c) Export incentives receivable are accrued for when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of export proceeds.

#### 1.2.8 Employee Benefits

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

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

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

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

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

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

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

#### 1.2.9 Foreign Currency Transactions

- (a) Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit & Loss of the year.
- (b) Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit & Loss.
- (c) Realized gain or loss on cancellation of forward exchange contract is recognized in the Statement of Profit & Loss for the year.
- (d) Gain / Loss on exchange difference on pending forward exchange contract which are yet to be executed are measured on the basis of difference between spot rate at year end and with forward contract exchange rate (premium adjusted) of respective date through "Exchange Fluctuation Hedge Reserve" carved out of free reserve in Balance Sheet.

#### 1.2.10 Borrowing Costs

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

#### 1.2.11 Taxation

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

#### 1.2.12 Earning Per Share

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

#### 1.2.13 Provisions for Contingencies

- (a) Provisions comprise liabilities of uncertain timing or amount. Provisions are recognized when the company recognizes it has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.
- (b) Disclosures for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources when there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.
- (c) Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.



## KRITI NUTRIENTS LIMITED

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

(Rs. in Lacs)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>NOTE NO. 2 SHARE CAPITAL</b>		
<b>2.1 AUTHORIZED</b>		
2.1.1 100000000 Equity Shares of Re. 1/- each	1000.00	1000.00
<b>2.2 ISSUED, SUBSCRIBED AND PAID UP</b>		
<p><b>2.2.1</b> 50103520 equity shares of Rs 1/- each fully paid up. Out of which 49603520 shares issued on 27.01.2010 as fully paid up on account of scheme of arrangement as approved by The Hon'ble High Court of M.P.Indore Bench</p> <p>The company has only one class of shares referred to as equity shares having a par value of Rs.1 each holder of the equity share as referred in the records of the company as of date of the shareholder meeting is referred to one vote in respect of each share held for all matter submitted to vote in the shareholder meeting.</p> <p>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.</p>		
<b>2.2.2 Reconciliation of shares</b>		
<b>2.2.2.1</b> Opening Balance of 50103520 equity shares of Rs. 1/- each	501.04	501.04
<b>2.2.2.2</b> Issued during the year NIL	0.00	0.00
<b>2.2.2.3</b> Closing Balance 50103520 equity shares of Rs. 1/- each	501.04	501.04
<b>Total</b>	<b>501.04</b>	<b>501.04</b>
<b>2.3 SHAREHOLDER HOLDING MORE THAN 5 % OF SHARES OF THE COMPANY AND ITS PERCENTAGE</b>		
<b>2.3.1 SAKAM TRADING PRIVATE LIMITED (HOLDING COMPANY)</b>		
No. of Shares	26099473	26099473
% of Shares	52.09%	52.09%
<p>Pursuant to the Hon'ble High Court of M.P. order dated 1.11.2011 approving the scheme of amalgamation of promoter group companies viz Kriti Corporate Services Pvt Ltd., Kriti Auto Accessories Private Ltd., Kasta Pipes Pvt. Ltd. and Shipra Pipes Pvt Ltd. with Sakam Trading Pvt. Ltd., the Shareholding of the above transferor companies are vested in Sakam Trading Pvt. Ltd. Thus Sakam Trading Pvt. Ltd. becomes holding company w.e.f.27.02.2012 of Kriti Nutrients Ltd.</p>		
<b>2.3.2 CHETAK BUILDERS PRIVATE LIMITED (ASSOCIATE COMPANY)</b>		
No. of Shares	4608158	4608158
% of Shares	9.20%	9.20%
<b>NOTE NO. 3 RESERVES &amp; SURPLUS</b>		
<b>3.1 RESERVES</b>		
<b>3.1.1 General Reserve</b>	650.00	550.00
Add: Transfer from Statement of Profit & Loss	100.00	100.00
<b>Closing Balance</b>	<b>750.00</b>	<b>650.00</b>
<b>3.2 Capital Reserve</b>		
(Arosen due to scheme of arrangement as approved by the Hon'ble High Court of M.P., Indore Bench)	295.56	295.56
<b>3.3 Contingency Reserve(Free Reserve)</b>		
3.3.1 Opening Balance	25.00	25.00
Add: Transfer from Statement of Profit & Loss	0.00	0.00
	<b>25.00</b>	<b>25.00</b>
<b>3.4 Exchange Fluctuation Reserve</b>	0.00	65.85
<b>3.5 SURPLUS</b>		
<b>3.5.1</b> Statement of Profit & Loss	1730.57	1273.55
3.5.1.1 Opening Balance	630.54	629.38
3.5.1.2 Add : Profit & Loss during the period	2361.11	1902.93

**KRITI NUTRIENTS LIMITED****NOTES Forming Part of The Balance Sheet and Statement of Profit & Loss**

(Rs. in Lacs)

Particulars	As at 31.03.2017	As at 31.03.2016
Less:		
3.5.2 Interim Dividend @ Rs.0.12 per share (It will be treated as Final Dividend)	0.00	60.12
3.5.3 Corporate Dividend Tax	0.00	12.24
3.5.4 Transferred to General Reserve	100.00	100.00
<b>Balance in Surplus</b>	2261.11	1730.57
<b>Total</b>	<b>33331.67</b>	<b>2766.98</b>
<b>NOTE NO -4 LONG TERM BORROWINGS</b>		
<b>4.1 TERM LOAN</b>		
(Installment due within 12 months shown in Current Liabilities)		
<b>4.1.1 SECURED</b>		
<b>4.1.1.1 From Banks</b>		
a) COSMOS Bank	0.00	70.00
Repayable in 72 monthly installments of Rs.11.89 lacs each, (Last installment due on 31st December, 2019) Rate of Interest: 13.00% p. a. at year end (Above loans are secured / to be secured by First charge/ Mortgage on fixed assets on paripassu basis of the company and personal guarantee of Managing Director and Executive Director)		
<b>Total</b>	<b>0.00</b>	<b>70.00</b>
<b>NOTE NO-5 DEFERRED TAX LIABILITY NET</b>		
<b>5.1 Deferred Tax Liability (Net)</b>		
On account of tax effect on timing difference arising due to difference in depreciation	547.02	519.91
<b>Total</b>	<b>547.02</b>	<b>519.91</b>
<b>NOTE NO -6 OTHER LONG TERM LIABILITIES</b>		
<b>UNSECURED</b>		
<b>6.1 Loans and advances from related parties</b>	114.00	100.00
<b>6.2 Security Deposits from Dealers ( Please Refer Note No. 34)</b>	45.56	54.31
<b>Total</b>	<b>159.56</b>	<b>154.31</b>
<b>NOTE NO -7 SHORT TERM LIABILITIES</b>		
<b>7. 1 Loans repayable on Demand</b>		
<b>7.1.1 SECURED</b>		
From banks	3396.14	1055.69
(Secured by hypothecation of finished goods, Raw material, Stock in process, store and spares, sundry debtors, export bills receivables and second charge on fixed assets of the company and personal guarantee of Managing Director and Executive Director)		
<b>Total</b>	<b>3396.14</b>	<b>1055.69</b>
<b>NOTE NO -8 TRADE PAYABLES</b>		
<b>8.1 Trade Payable</b>	1739.52	1548.38
<b>Total</b>	<b>1739.52</b>	<b>1548.38</b>
<b>NOTE NO -9 OTHER CURRENT LIABILITIES</b>		
<b>9.1 Outstanding Expenses</b>	100.12	97.75
<b>9.2 Statutory Liabilities</b>	43.00	57.37
<b>9.3 Current maturities of Long term debt</b>	70.01	305.11
<b>9.4 Unpaid dividends</b>	12.49	10.26
<b>9.5 Customer Credit Balance</b>	72.58	131.55
<b>Total</b>	<b>298.20</b>	<b>602.04</b>
<b>NOTE NO -10 SHORT TERM PROVISIONS</b>		
<b>10.1 Provision for Employees Benefits (Bonus)</b>	34.71	34.09
<b>10.2 Provision of Income Tax</b>	312.50	295.00
<b>Total</b>	<b>347.21</b>	<b>329.09</b>



# KRITI NUTRIENTS LIMITED

## KRITI NUTRIENTS LIMITED Schedule II Forming Part of the Balance Sheet and Profit & Loss Accounts (AS PER COMPANIES ACT 2013)

### NOTE NO. 11-12 FIXED ASSETS (2016-17)

(Rs. in Laos)

NOTE	PARTICULARS	LIFE	GROSS BLOCK			DEPRECIATION/AMORTIZATION			NET BLOCK	
			01.04.2016	Additions	Deduction	TOTAL	01.04.2016	For The Year	Written Back	TOTAL
11	TANGIBLE	In Years								
11.2	Land	0	53.59	0.00	0.00	53.59	0.00	0.00	0.00	53.59
	Lease Hold Land		78.31	0.00	0.00	78.31	0.00	0.00	0.00	78.31
11.2	Factory Building	30	1114.07	43.88	0.00	1157.96	443.41	38.53	0.00	481.95
11.3	Plant & Machinery	25	4586.41	194.98	109.57	4671.82	2131.76	133.43	94.34	2170.84
11.4	Testing & Lab Machine	10	97.42	1.44	0.00	98.86	45.82	8.01	0.00	53.84
11.5	Electrical Installation	10	249.23	2.09	0.00	251.32	174.32	31.04	0.00	205.37
11.6	Dies & Moulds	6	38.07	1.53	0.00	39.60	24.36	3.54	0.00	27.91
11.7	Vehicles	8								
	Car		46.83	0.00	5.42	41.42	29.23	7.25	5.42	31.07
	Fork Lift		9.91	0.00	0.00	9.91	2.20	0.00	0.00	2.20
11.8	Furniture & Fixture	10	27.77	0.00	0.00	27.77	24.95	0.07	0.00	25.01
11.9	Office Equipment	5	14.74	0.80	0.00	15.54	12.77	1.25	0.00	14.01
11.10	Computer	3	8.00	1.32	0.00	9.31	7.52	0.52	0.00	8.04
	Total		6324.36	246.03	114.99	6455.40	2896.34	223.65	99.76	3020.23
12	INTANGIBLE									
12.1	SOFTWARE	0	0.95	0.00	0.00	0.95	0.95	0.00	0.00	0.95
12.2	LICENCE(SAP)	6	72.25	68.05	0.00	140.31	48.47	19.98	0.00	68.45
12.3	Goodwill	0	7.98	0.00	0.00	7.98	7.98	0.00	0.00	7.98
	Total		81.18	68.05	0.00	149.23	57.40	19.98	0.00	77.38
	TOTAL RS.		6405.54	314.08	114.99	6604.64	2953.74	243.63	99.76	3097.61
	Previous Balance		6196.38	229.46	20.29	6405.54	2745.01	229.02	20.29	2953.74
										3451.81

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

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

**KRITI NUTRIENTS LIMITED****NOTES Forming Part of The Balance Sheet and Statement of Profit & Loss**

(Rs. in Lacs)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>NOTE NO. 13 NON- CURRENT INVESTMENT</b>		
<b>Non Trade Investment in Equity Instruments</b>		
<b>13.1 Unquoted</b>		
13.1.1 The Cosmos Co-operative Bank Ltd. 10000 Equity Shares of Rs. 10/- each ( Prev. Yr. Rs. 1.00 lacs )	1.00	1.00
<b>13.2 Quoted</b>		
13.2.1 I.D.B.I (2880 Equity Shares of Rs. 10/- each (Market Price as on 31.03.2017 Rs. 2.16 lacs ( Prev. Yr. Rs. 2.00 lacs))	2.34	2.34
13.2.2 Reliance Power Ltd (25 shares of Rs. 10/- each) (Market value as on 31.03.2017 Rs 0.01 lacs (Prev. Yr. Rs. 0.01 lacs))	0.07	0.07
Investment in Mutual Fund		
<b>13.3 SBI Mutual Fund 50000 units of Rs. 10 each</b> (Market price as on 31.03.2017 Rs. 10.44 lacs (Prev. Yr. Rs.8.33 lacs)	5.00	5.00
<b>Total</b>	<b>8.41</b>	<b>8.41</b>
<b>NOTE NO. 14 LONG TERM LOANS AND ADVANCES</b>		
<b>14.1 Security Deposits</b>	51.58	47.83
14.2 Advance to Creditors for Capitals Items	42.53	0.00
<b>Total</b>	<b>94.11</b>	<b>47.83</b>
<b>NOTE NO. 15 OTHER NON CURRENT ASSETS</b>		
<b>15.1 Fixed deposit with banks against margin money</b> (Maturity More than 12 Months)	19.12	19.24
<b>Total</b>	<b>19.12</b>	<b>19.24</b>
<b>NOTE NO. 16 INVENTORIES</b>		
16.1 Raw Material	2027.59	572.86
16.2 Finished Goods	1442.73	1494.19
16.3 Stores and Spares & others (Mode of valuation of above stocks are as per point no. 1.2.6 )	383.61	376.65
<b>Total</b>	<b>3853.93</b>	<b>2443.70</b>
<b>NOTE NO. 17 TRADE RECEIVABLES</b>		
<b>17.1 Unsecured Considered Good</b>		
Over Six months from the date they become due	1.25	1.40
Others	1459.73	500.95
<b>17.2 Doubtful</b>		
Over Six months from the date they become due	16.66	16.66
Less : Provision for Bad & Doubtfull debts	(11.65)	(11.65)
<b>Total</b>	<b>1465.99</b>	<b>507.36</b>
<b>NOTE NO. 18 CASH AND BANK BALANCES</b>		
<b>18.1 Cash &amp; Cash Equivalents</b>		
18.1.1 Balances with Banks	0.74	0.79
18.1.2 Cash on hand	5.17	3.58
<b>18.2 Other Bank Balances</b>		
18.2.1 Unpaid dividend	12.49	10.26
18.2.2 Fixed deposit with banks held as margin money against borrowing ( Maturity less than 12 Months )	174.96	167.68
<b>Total</b>	<b>193.36</b>	<b>182.31</b>





## KRITI NUTRIENTS LIMITED

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

(Rs. in Lacs)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>NOTE NO. 19 SHORT-TERM LOANS AND ADVANCES</b>		
<b>19.1 Unsecured, Considered good</b>	287.58	426.75
Advances recoverable in cash or kind or for value to be received		
<b>Total</b>	<b>287.58</b>	<b>426.75</b>
<b>NOTE NO. 20 OTHER CURRENT ASSETS</b>		
<b>20.1 Sundry Deposits</b>	14.89	14.39
<b>20.2 Advance Tax/ Tax Deducted at source</b>	282.57	212.52
<b>20.3 CENVAT</b>	71.51	81.18
<b>20.4 Accrued Interest/ Income</b>	521.85	137.82
<b>20.5 Insurance Claim Receivable</b>	0.00	7.11
<b>Total</b>	<b>890.83</b>	<b>453.02</b>
<b>NOTE NO. 21 REVENUE FROM OPERATIONS</b>		
<b>21.1 Sale of Products</b>	44979.17	35531.76
<b>21.2 Other operating revenues</b>	775.87	364.20
	45755.04	35895.96
<b>21.3 Less : Excise Duty</b>	101.43	103.65
<b>Total</b>	<b>45653.61</b>	<b>35792.31</b>
<b>NOTE NO. 22 OTHER INCOME</b>		
<b>22.1 Interest Income</b>	17.70	20.03
<b>22.2 Dividend Income</b>	0.08	0.12
<b>22.3 Other Non-operating Income</b>	2.93	12.13
<b>22.4 Net gain/ loss on foreign currency transactions</b>	246.34	88.71
<b>Total</b>	<b>267.05</b>	<b>120.99</b>
<b>NOTE NO. 23 EMPLOYEE BENEFITS EXPENSES</b>		
<b>23.1 Salaries &amp; Wages</b>	581.18	473.43
<b>23.1.1 Director Remuneration</b>	29.16	26.35
<b>23.1.2 P.F on Director Remuneration</b>	2.40	1.44
<b>23.2 Contribution to provident and other fund</b>	45.44	34.53
<b>23.3 Staff Welfare Expenses</b>	18.91	30.87
<b>Total</b>	<b>677.09</b>	<b>566.62</b>
<b>NOTE NO. 24 FINANCIAL COST</b>		
<b>24.1 Interest Expenses</b>	340.66	329.25
<b>24.2 Other Borrowing Cost</b>	132.18	126.74
<b>Total</b>	<b>472.84</b>	<b>455.99</b>
<b>NOTE NO. 25 OTHER EXPENSES</b>		
<b>(i) Manufacturing Expenses</b>		
<b>25.1 Stores and Spares Consumed</b>	262.74	190.29
<b>25.2 Hexane Consumed</b>	127.09	44.87
<b>25.3 Chemicals Consumed</b>	295.73	270.10
<b>25.4 Coal Consumed</b>	560.46	367.98
<b>25.5 Power Charges</b>	504.51	387.59
<b>25.6 Freight &amp; Cartage</b>	177.94	104.54
<b>25.7 Repairs &amp; Maintenance</b>	56.29	59.13
<b>25.8 Insurance Charges</b>	27.51	25.74
<b>25.9 Water Charges</b>	18.69	13.37
<b>25.10 Miscellaneous Manufacturing Expenses</b>	53.94	62.37
<b>Sub Total (i)</b>	<b>2084.90</b>	<b>1525.98</b>

**KRITI NUTRIENTS LIMITED****NOTES Forming Part of The Balance Sheet and Statement of Profit & Loss**

(Rs. in Lacs)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>(II) Administrative Expenses</b>		
25.11 Stationery & Printing	3.36	2.81
25.12 Rent, Rates and Taxes	77.23	54.60
25.13 Postage, Telegram and Telephones	12.81	13.05
25.14 Auditor's Fees	2.01	1.74
25.15 Conveyance Expenses	16.20	10.28
25.16 Legal & Professional Charges	46.81	26.01
25.17 Director's Meeting Fee	3.32	0.31
25.18 Miscellaneous Expenses	59.73	24.19
25.19 Corporate Social Responsibility	25.00	0.42
<b>Sub Total (II)</b>	<b>246.48</b>	<b>133.41</b>
<b>(III) Selling &amp; Distribution Expenses</b>		
25.21 Advertisement & Publicity	30.58	17.36
25.22 Sales Promotion Expenses	97.37	132.87
25.23 Brokerage & Commission	10.85	9.59
25.24 Freight Outward	115.06	64.13
25.25 Sales Tax & Octroi	12.28	0.51
25.26 Export Expenses	1008.77	567.67
25.27 Bad Debts	0	3.19
25.28 Provision For Doubtfull Debts	0	3.32
25.29 Travelling Expenses	61.93	58.42
<b>Sub Total (III)</b>	<b>1336.84</b>	<b>857.06</b>
<b>TOTAL (I+II+III)</b>	<b>3668.22</b>	<b>2516.45</b>

**26. Other Notes to Accounts**

26.1 Previous year figure have been reclassified /regrouped wherever necessary to make it comparable with the current year figure and for better presentation.

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

**27. Contingent liabilities**

27.1 Estimated amount of contracts remaining to be executed on Capital Account is Rs.57.08 Lacs net of advance given (Previous Year Rs.18.83 Lacs).

27.2 Bank has given guarantee on behalf of the Company to various parties to the extent of Rs.134.39 Lacs (Previous Year Rs.134.69 Lacs).

27.3 Claims not acknowledge by the company on Commercial tax matters Rs. 339.81 Lacs (Previous Year Rs. 346.61 Lacs).

28. Company's Income tax assessments have been completed up to Assessment year 2015-2016. In the opinion of Board of Directors provision for income tax made is adequate.

29. Remuneration Paid/Payable to Executive Director:-

Sr. No.	Paid/Payable	Current Year	Previous Year
a.	Remuneration	28.56	18.44
b.	Commission	3.00	9.35

30. Unpaid overdue amount due on March 31, 2017 to Micro Small and Medium Enterprises and/or ancillary industrial suppliers on account of principal together with interest aggregate to Rs. Nil.

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



31. The amount of Foreign Exchange Gain/ (Loss) included in the statement of profit & loss is Rs. 246.34 Lakhs as gain (Previous Year Gain Rs. 88.71 Lakhs). Current year gain included in Other Income & Previous Year Gain amount is included in Other Income.

**32. Corporate Social Responsibilities**

Sr. No.	Particulars	Current Year	Previous Year
a.	Amount required to be spent	15.63	10.91
b.	Amount spent during the year	25	0.42

33. In the opinion of the Board, all the current assets shall be realized, in the ordinary course of business, at the value on which they are stated. Balances of Sundry Debtors and Creditors are subject to confirmation and reconciliation, if any.

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

35. The Company has initiated legal action against certain debtor's amount outstanding of Rs. 16.66 Lacs.

The Company is assured of recovery of the amount on the basis of these legal cases, however a provision of Rs. 11.65 Lacs (16.66 lacs less 5.01 lacs security deposit) is provided on prudent basis. The provision for the same is netted off from the amount of debtors.

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

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

	31/03/2017	31/03/2016
<b>(b) Table showing changes in present value of obligations as on</b>		
Present value of obligations as at beginning of the year	56.51	53.14
Interest Cost	4.52	4.25
Current Service Cost	6.77	7.53
Benefit Paid	(2.12)	(4.06)
Actuarial (gain)/loss on obligations	3.81	(4.35)
Present Value obligations as at end of the year	69.49	56.51
<b>(c) Table showing changes in the fair value of plan assets as on</b>	<b>31/03/2017</b>	<b>31/03/2016</b>
Fair value of plan assets at beginning of the year	66.13	64.99
Expected return on plan assets	5.45	5.20
Contribution	7.08	0.00
Benefit Paid	(2.12)	(4.06)
Actuarial gain/(loss) on plan assets	NIL	NIL
Fair Value of the plan assets at the end of the year	76.55	66.13
<b>(d) Table showing fair value of plan assets as on</b>	<b>31/03/2017</b>	<b>31/03/2016</b>
Fair value of plan assets at beginning of the year	66.13	64.99
Actual return on plan assets	5.45	5.20
Contribution	7.08	0.00
Benefit Paid	(2.12)	(4.06)
Fair Value of the plan assets at the end of the year	76.55	66.13
Funded status	7.65	9.62
Excess of actual over estimated return on plan assets	NIL	NIL
(Actual Rate of return = estimated rate of return as ARD falls on 31/03/2017)		
<b>(e) Actuarial Gain/Loss recognized as on</b>	<b>31/03/2017</b>	<b>31/03/2016</b>
Actuarial (Gain)/Loss for the year-obligation	(3.81)	4.35
Actuarial (Gain)/Loss for the year-plan assets	NIL	NIL
Total (Gain)/Loss for the year	3.81	(4.35)
Actuarial (Gain)/Loss recognized for the year	3.81	(4.35)
<b>(f) Expenses recognized in statement of profit and loss</b>	<b>31/03/2017</b>	<b>31/03/2016</b>
Current Service Cost	6.77	7.53
Interest cost	4.52	4.25
Expected return on Plan Asset	(5.45)	(5.20)
Net Actuarial (Gain)/Loss recognized in the year	3.81	(4.35)
Expenses recognized in the Statement of Profit & Loss	9.65	2.23

**(g) Assumption**

Discount rate	8%	8%
Salary Escalation	7%	7%

37. The company has only one Business Segment to be reported namely oil seed extraction and refining, as per Accounting Standard -17.

**38. Changes in Accounting Policy**

The Ministry of Corporate Affairs, Government of India has vide Notification No. G.S.R. 364(E) dated 30.03.2016 amended Accounting Standard (AS 4)- "Contingencies and Events Occurring After the Balance Sheet Date" and has substituted Accounting Standard (AS 10)- "Property, Plant & Equipment" in place of the existing Accounting Standard (AS-10) – "Fixed Assets", together with consequential amendments in other Accounting Standards. These amended/substituted Accounting Standards have become mandatory for accounting periods commencing from 01.04.2016.

In view of the Revised Accounting Standards AS 4-Contingencies and Events Occurring After the Balance Sheet Date", the Company has made following changes to it's Accounting Policies:

**AS 4- Contingencies and Events Occurring After the Balance Sheet Date**

No provision has been made for Dividend proposed for the year ended on 31st March 2017 amounting to Rs. 72.36 Lacs including Corporate Dividend Tax of Rs. 12.24 Lacs. Due to the said change in the Accounting Policy, the Reserves & Surplus is overstated and the Short Term Provisions are understated to that extent.

**AS 10- Property, Plant & Equipment**

There is no impact of substituted Accounting Standard (AS 10) on Company for accounting period 2016-17.

**39. DEFERRED TAX CALCULATIONS**

DEFERRED TAX LIABILITY/(ASSETS)	Current Year	Previous Year
WDV of Fixed Assets as per Income Tax Act	1849.82	1862.74
WDV of Fixed Assets as per Companies Act	3507.03	3451.80
Deferred Asset/(Liability) Timing Difference of Depreciation <b>(a)</b>	(1657.20)	(1589.06)
Deferred Asset/(Liability) Timing Difference of Provision for Bonus and Leave Encashment <b>(b)</b>	2.72	16.58
Total Deferred Asset/(Liability) on Timing Difference <b>(a+b)</b>	(1654.48)	(1572.48)
Closing Balance of Deferred Tax Asset/(Liability)	(547.02)	(519.91)
Less: Opening Balance of Deferred Tax Asset/(Liability)	(519.91)	(526.46)
Deferred Tax Asset/(Liability) for the year	(27.11)	6.55

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

41. The Company has entered into leasing agreement with Chetak Builders Pvt. Ltd. for the lease of Commercial Premises. The disclosure as per Para 25 of Accounting Standard – 19 "LEASES" is as under:

Sr. No.	Particulars	Current Year	Previous Year
a.	Not Later than One Year	8.93	9.30
b.	Later than One Year Not Later than Five Years	38.42	40.00
c.	Lease payment recognized in Profit & Loss A/c for the Period	7.77	8.09

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

42. "Annexure C" to the Auditor's Report as referred in paragraph first of our report of even date to the members of Kriti Nutrients Limited for the year ended 31st March 2017. Report on the Disclosures in Financial Statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016.

			Amount in Rs.
	SBN's	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	749500	97378	846878
(+) Permitted Receipts	-	617244	617244
(-) Permitted Payments	-	(397878)	(397878)
(-) Amounts deposited in Banks	749500	-	749500
<b>Closing cash in hand as on 30.12.2016</b>	<b>-</b>	<b>316744</b>	<b>316744</b>

**43. EARNING PER SHARE**

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

Sr. No.	Nature of Transaction	Current Year	Previous Year
1.	Number of Shares	50103520	50103520
2.	Profit contribution for Basic EPS (Rs in lacs)	630.54	629.38
3.	Extra Ordinary Items (Within the meaning of AS-5, Net Profit or loss for the period, Prior Period items and Changes in the Accounting Policies)	Nil	Nil
4.	Basic Earnings Per Share	1.26	1.15
5.	Nominal Value Per Share	1	1

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

**(a) Name of the related party and description of relationship:****i. Key Management Personnel:**

Shri Shiv Singh Mehta, Managing Director  
 Smt. Purnima Mehta, Director  
 Shri Saurabh Singh Mehta, Executive Director  
 Shri S.C. Jajoo, Chief Financial Officer  
 Smt. Alheena Khan, Company Secretary (Ceased w.e.f. 31.05.2016)  
 Shri Vijay Khandelwal, Company Secretary (Appointed w.e.f. 27.06.2016)

**ii. Relatives of Key Management Personnel**

Smt. Devki Hirawat (Daughter of Managing Director)  
 Smt. Nidhi Mehta (Wife of Executive Director)

**iii Companies/Entities under the control of Key Management Personnel**

- 1) Sakam Trading Pvt. Ltd. (Holding Company)
- 2) Kriti Industries (India) Ltd. (Another Subsidiary of Holding Company Sakam Trading Pvt. Ltd.)
- 3) Chetak Builders Pvt. Ltd. (Another Subsidiary of Holding Company Sakam Trading Pvt. Ltd.)
- 4) Kriti Auto & Engineering Plastics Pvt. Ltd. (Wholly owned subsidiary of Kriti Industries (I) Ltd)
- 5) Sakam Charitable Trust, Indore

**The following transactions were carried out with the Related Parties in ordinary course of business (Rs. in Lacs)**

Sr. No.	Nature of Transaction	Subsidiary	Key Management Personnel	Relatives of Key Management Personnel	Companies/entities under the control of Key Management Personnel
1	Remuneration	NIL (NIL)	58.02 (47.12)	NIL (NIL)	NIL (NIL)
2	Sales of export Scheme Incentive License	NIL (NIL)	NIL (NIL)	NIL (NIL)	180.13 (294.60)
3	Purchase of export scheme incentive License	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
4	Sale of Consumable Items	NIL (NIL)	NIL (NIL)	NIL (NIL)	1.37 (0.13)
5	Purchase of Consumable Items	NIL (NIL)	NIL (NIL)	NIL (NIL)	99.46 (132.99)
6	Purchase of Machinery	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)



The following transactions were carried out with the Related Parties in ordinary course of business (Rs. in Lacs)

Sr. No.	Nature of Transaction	Subsidiary	Key Management Personnel	Relatives of Key Management Personnel	Companies/entities under the control of Key Management Personnel
7	Unsecured Loan Given	NIL	NIL	NIL	NIL
	Taken	(NIL)	(NIL)	(NIL)	(NIL)
		NIL	114	NIL	NIL
		(NIL)	(NIL)	(NIL)	(NIL)
8	Interest Given	NIL	6.20	NIL	6.73
		(NIL)	(NIL)	(NIL)	(14.72)
9	Interest Taken	NIL	NIL	NIL	(NIL)
		(NIL)	(NIL)	(NIL)	NIL
10	Rent	NIL	NIL	NIL	7.77
		(NIL)	(NIL)	(NIL)	(8.09)
11	CSR Expenses	NIL	NIL	NIL	25.00
		(NIL)	(NIL)	(NIL)	(NIL)
12	Travelling Expenses	NIL	NIL	NIL	0.25
		(NIL)	(NIL)	(NIL)	(NIL)

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

45. Additional information required under Para (v) of Revised Schedule III of the Companies Act, 2013, is follows:

(Rs. in Lacs)

Sr. No.	Particulars	31.03.2017	31.03.2016
a	Value of Import on C.I.F. basis		
	i. Raw Material	Nil	Nil
	ii. Components & Spare Parts (Chemical)	Nil	67.57
	iii. Capital Goods	Nil	Nil
b	Value of imported components & spare parts (chemical) consumed & percentage to the total consumption		
	i. Imported	Nil	94.11
	% of total Spare Parts (Chemical) consumed	Nil	34.84%
	ii Indigenous	295.73	175.99
	% of total Spare Parts (Chemical) consumed	100.00%	65.16%
c	Earning in foreign Currency		
	i. Exports on F.O.B. basis	13535.66	6783.40
d	Expenditure in Foreign currency		
	i. Interest	Nil	Nil
	ii Commission	22.15	21.87
	iii. Others	11.47	40.38

46. Auditor's Remuneration

(Rs. in Lacs)

Sr. No.	Auditor's Remuneration	31.03.2017	31.03.2016
a.	Statutory Audit Fees(Including Service Tax)	1.73	0.86
b.	Tax Audit Fees(Including Service Tax)	0.28	0.28
c.	Certification Charges & Other matters.(Including Service Tax)	0.69	0.60



## 47. Information related to Raw Material &amp; Finished goods

(Rs. in Lacs)

PARTICULARS	CONSUMPTION	PARTICULARS	SALES
<b>RAW MATERIAL</b>		<b>MANUFACTURED PRODUCT</b>	
SOYABEAN SEED	19966.94 (8022.67)	SOYA MEAL	15556.64 ( 6868.32)
SOYA CRUDE OIL	17016.58 ( 19752.02)	REFINED OIL	27741.50 (26679.37)
OTHERS	2714.92 (3415.47)	OTHERS	2184.95 (2089.49 )
TOTAL	39698.44 (31190.16)	<b>TRADED PRODUCT</b>	
<b>TRADED PRODUCT</b>	<b>PURCHASES</b>	SUNFLOWER OIL	170.52 ( 155.13)
SUNFLOWER OIL	145.52 (134.18)	<b>TOTAL</b>	<b>45653.61</b> <b>(35792.31)</b>
TOTAL	<b>145.52</b> <b>(134.18)</b>		

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

As per Our Report of Even Date Attached

**For R.S. Bansal & Company**Chartered Accountants  
FRN 000939C

For and on behalf of the Board of Directors

**Vijay Bansal**Partner  
M.No. 075344**Shiv Singh Mehta**(Managing Director)  
DIN 00023523**Purnima Mehta**(Director)  
DIN 00023632**S.C. Jajoo**

(Chief Financial officer)

**Vijay Khandelwal**

(Company Secretary)

Place: Indore

Date:- 11<sup>th</sup> May, 2017





## KRITI NUTRIENTS LIMITED

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

### ECS MANDATE FORM

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

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

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

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

Date

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

#### Certificate of the Investor's bank

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

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





**PROXY FORM**  
**FORM MGT- 11**

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

Name : **KRITI NUTRIENTS LIMITED**  
CIN : **L24132MP1996PLC011245**  
Regd office : **MEHTA CHAMBER, 34 SIYAGANJ, INDORE-452007(M.P)**

Name of the member (s):

Registered address :  
E-mail Id :  
Folio No/ Client Id :  
DP ID :

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

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

as my/our proxy to attend and vote on a poll for me/us and on my/our behalf at **Tuesday, 21<sup>st</sup> Annual General Meeting of the Company, to be held on the 12<sup>th</sup> September, 2017** At the Corporate Support Center, **4<sup>th</sup> Floor Chetak Chamber, 14 RNT Marg, Indore (M.P.)** at **4:00P.M.** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	
1.	Consider and adopt Audited Statement of accounts, Reports of the Board of Directors and Auditor.
2.	Declaration of Dividend on Equity Shares for the financial year ended 31 <sup>st</sup> March, 2017.
3.	Re-appointment of Mrs. Purnima Mehta ( DIN: 00023632)
4.	Ratification of appointment of Auditor
5.	Ratification of remuneration of Cost Auditor.

Signed this..... day of..... 2017

Signature of shareholder



Signature of Proxy holder(s)

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

**ATTENDANCE SLIP**

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

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

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

(Shareholders' name in block letters)

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

I/We hereby record my/our presence at the **21<sup>st</sup> Annual General Meeting** of the company at the Registered office of the company **12<sup>th</sup> September, 2017.**

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

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

\_\_\_\_\_  
(Shareholders/proxy's Signature)

Note:

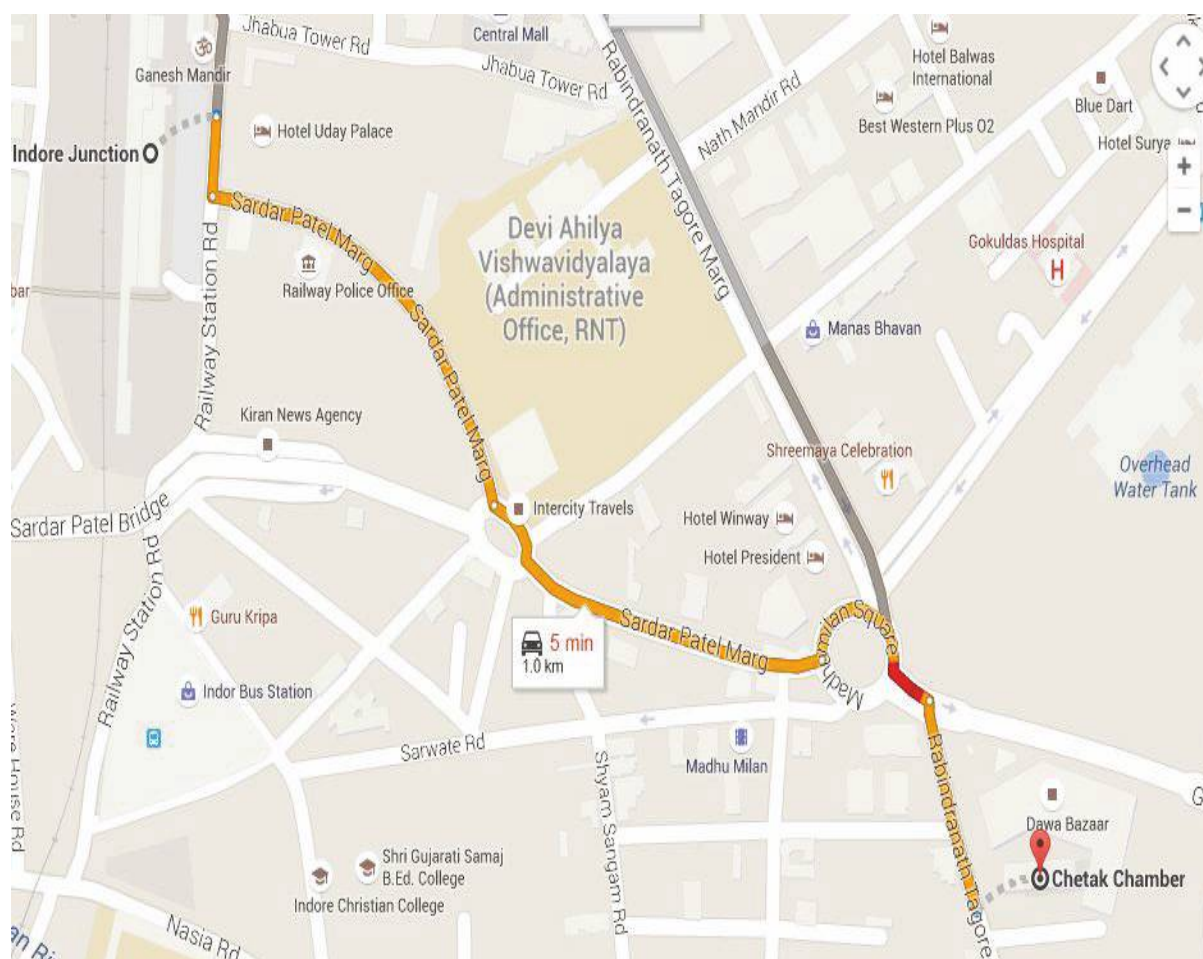
- Shareholders / proxy holders are requested to bring the attendance Slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
- If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered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





## ROUTE MAP TO THE AGM VENUE

**VENUE:** Chetak Chambers, 04<sup>th</sup> Floor, 14 R.N.T. Marg, Indore (M.P.) 452001



**LANDMARK:** NEXT TO DAWA BAZAR

**DISTANCE FROM INDORE JUNCTION TO AGM VENUE:** 1 KM (by vehicle)

[illegible]



**KRITI NUTRIENTS LTD.**  
M/s Ankit Consultancy Pvt. Ltd.  
60, Electronic Complex, Pardeshipura,  
Indore - 452 010 (M.P.)