



## **MANAGING DIRECTOR'S MESSAGE**

**Dear Members,**

It gives me immense pleasure to communicate you every year through this column. Your Company is performing well in such competitive era on all fronts.

The Company has seen ups & down, but becoming more stronger day by day, which may seen through its net worth which were raised up to Rs. 77.72 crore from Rs. 2.09 crore in the year 2007. Board of Directors is keen to reward its members through wealth creation in time horizon.

The year 2014-15 was mixed period for the Company. Two new projects of SSP & GSSP installed during 2012-13 have given best output and has adjusted the shortfall in BRP project. Due to some unavoidable circumstance or say some "Mining Problems" with the MPSMC, being the lead suppliers of ROCK for BRP projects, the Company couldn't achieve rated production which has affected the overall performance of the Company during the year under report. The turnover of the Company is Rs. 72.34 crore in current year in comparison of Rs. 89.87 crore in the last year. This has affected the profitability of the Company.

The legal change in the Companies Act, 2013, has also decreased the profitability of the Company due to depreciation with higher amount in comparison to last year.

However, your board is quite sure to come out with better performance, results overall in the current year.

The Company has started work to diversify with new projects of Sulphuric Acid & Chemical Project for captive consumption mainly, which will decrease its cost of production & resultantly improved profits.

Being part of "Ostwal Group" we express our hearty gratitude to all Directors, Executives, Staff Members & all connected with our group performance which has given their support in making us a grand success.

With Warm Regards

**Regards,**

Sd/-

(Praveen Ostwal)

**Managing Director**

**FINANCIAL HIGHLIGHTS :**

(₹ In Lacs)

Particulars	2014-15	2013-14
Net Sales	7233.73	8986.91
Depreciation	590.06	359.36
Misc. Exp. W/off	0.00	0.00
Profit Before Tax	276.50	747.83
Profit After Tax	98.18	717.63
<b>Assets</b>		
Gross Fixed Assets	9525.33	9249.11
Net Fixed Assets	7350.26	7667.38
Capital Work in Progress	862.67	19.80
Non Current Assets	95.63	141.31
Deferred Tax Assets	131.99	206.22
Current Assets	4053.40	3694.49
<b>Total</b>	<b>12493.95</b>	<b>11729.20</b>
<b>Sources</b>		
Equity Share capital	2100.00	1800.00
Reserves & Surplus	5804.39	5409.47
Non Current Liabilities	1276.81	1264.36
Current Liabilities	3312.75	3255.37
<b>Total</b>	<b>12493.95</b>	<b>11729.2</b>
Profit Before Tax Margin (%)	3.82	8.32
Profit After Tax Margin (%)	1.36	8.00

**NOTICE**

**NOTICE** is hereby given that the **11<sup>th</sup> Annual General Meeting** of the Members of **Krishana Phoschem Limited** will be held on **Monday, 21<sup>st</sup> September, 2015 at 11:00 A.M.** Registered Office situated at 5-O-20, Basement, R. C. Vyas Colony, Bhilwara - 311001 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2015 together with Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Sh. Basant Patwa, who retires by rotation and being eligible, offer himself for re-appointment.
3. To ratify the appointment of Statutory Auditors to hold office from the conclusion of this Meeting, till the conclusion of the next Annual General Meeting of the Company and in this regard, to consider and, if thought fit to pass, with or without modification(s), the following resolution as an Ordinary resolution::

**"RESOLVED THAT** pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014, appointment of , M/s Ashok Kanther & Associates (Firm Registration No.050014C), Chartered Accountant, be and is hereby ratified as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting, till the conclusion of the next Annual General Meeting of the Company, at a remuneration of Rs. 60000/- and out of pocket expenses as incurred in connection with the audit.

**SPECIAL BUSINESS:**

4. To consider and, if thought fit, to pass with or without modification(s) to appoint Sh. Ashish Kothari as an independent director in terms of section 149 of the Companies Act, 2013, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Sh. Ashish Kothari (DIN: 06411429) an Independent Director and in respect of whom the Company has received notice under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years up to the conclusion of the 16<sup>th</sup> AGM of the Company."

5. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** Shareholders hereby ratify the actions of the Board of Directors pursuant to the provisions of Section 148(3) and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, for approving recommendation of Audit Committee for remuneration at Rs. 20000 plus applicable service tax and out of pocket expenses of M/s K.C.Moondra & Associates, Cost Auditor(s) to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2016.

6. To adopt new set of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in Article of Association of the Company submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association;

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**NOTES:**

- a. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member of the company. The proxies to be effective should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.  
As per Section 105 of the Companies Act, 2013 and Rule 19, Sub-Rule (2) of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. Provided that a member holding 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 proxy for any other person or shareholder.
- b. Members seeking any information or clarification are requested to send in written queries to the Company, in advance, before the date of the meeting.
- c. Members/Proxies should bring the Attendance Slip sent herewith, duly filled in, for attending the meeting.
- d. Members are requested to immediately inform their change in address quoting folio number(s) to the Company.
- e. Corporate members intending to send their authorized representative to attend the meeting are requested to send to the company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf.
- f. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 is annexed hereto.
- g. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
- h. Relevant documents referred to in the notice and explanatory statement are open for inspection at the registered office of the company on all working days up to the date of the meeting.

**Registered Office:**  
5-O-20, Basement,  
R.C. Vyas Colony,  
Bhilwara - 311001 Rajasthan

**By Order of the Board**  
For Krishana Phoschem Limited

Sd/-  
(Praveen Ostwal)  
**Managing Director**  
(DIN : 00412207)

**Dated : 25/05/2015**

**Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013**

**Item no. 4**

In accordance with Section 149 and 152 read with Schedule IV of the Companies Act, 2013 that have come into effect from 1<sup>st</sup> April 2014 and subsequent notification by the Ministry of Corporate Affairs vide its General circular no.14/2014 dated 9 June 2014, the Company is required to appoint its Independent Directors, including its existing Independent Directors in accordance with the provisions of the Companies Act, 2013 before 31<sup>st</sup> March 2015. Further, pursuant to the above provisions, the term of such Independent Directors is not liable to determination by rotation. Accordingly, it is proposed to appoint Sh. Ashish Kothari as Independent Director of the Company in accordance with Section 149 of the Companies Act, 2013 not liable to retire by rotation and to hold office as under:

Name	No. of Year	Term
Sh. Ashish Kothari	5 (Five)	Up to the conclusion of 16 <sup>th</sup> AGM

The Company has received from each of Sh. Ashish Kothari (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that they are not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) declaration that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

The Company has also received notice from members along with the deposit of requisite amount under Section 160 of the Act, proposing the candidatures of above mentioned Director for the office of Director of the Company.

In the opinion of the Board, Sh. Ashish Kothari fulfill the conditions for their appointment as Independent Director as specified in the Companies Act, 2013 and are independent of the management.

A copy of the draft letter of appointment setting out the terms and conditions of appointment of Sh. Ashish Kothari is available for inspection, without any fee, by the members at the Company's registered office during normal hours on working days up to the date of the AGM.

**Item No. 5**

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. K. C. Moondra & Associates, to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2016. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution.

The Board commends the Ordinary Resolution set out at Item no. 5 for the approval of Members.

**Item No. 6**

The existing Articles of Association (AOA) are based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956 and some regulations in existing AOA are no longer in conformity with the Companies Act, 2013.

The Companies Act, 2013 is now largely in force. On 12<sup>th</sup> September, 2013, the Ministry of Corporate Affairs (MCA) had notified 98 sections for implementation. Subsequently, on 26<sup>th</sup> March, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction of the National Company Law Tribunal). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Companies Act, 2013 several regulations of the existing AOA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AOA by a new set of articles.

The new AOA to be substituted in place of the existing AOA are based on table 'F' of the Act which sets out the model Articles of Association for a company limited by shares.

Shareholder's attention is invited to certain salient provision in the new draft AOA of the company viz:

**Special position of Managing Director**

Subject to the provisions of the Companies Act, 2013 the Managing Director shall not, while he or they continue to hold that office, be subject to retirement by rotation.

None of the Directors/Key Managerial Personnel of the Company/ their relatives are, in anyway, concerned or interested, financially or otherwise, in the special resolution set out at Item No. 6 of the Notice

The Board commends the special resolution set out at Item No. 6 of the Notice for approval by the shareholders.

**Registered Office:**  
5-O-20, Basement,  
R.C. Vyas Colony,  
Bhilwara - 311001  
Rajasthan

**By Order of the Board**  
For Krishana Phoschem Limited

Sd/-  
(Praveen Ostwal)  
Managing Director  
(DIN : 00412207)

Dated : 25/05/2015

**DIRECTORS' REPORT**  
**For the Year 2014-15**

Dear Members,

Your Directors have pleasure in presenting the 11<sup>th</sup> Annual Report on the business and operations of the Company together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2015.

**FINANCIAL RESULTS:**

The summary of financial results for the year and appropriation of divisible profits is given below:

Particulars	( ₹ in Lacs)	
	<u>2014-2015</u>	<u>2013-2014</u>
Turnover	7233.73	8986.91
Profit Before Taxation	276.50	747.83
Taxation	178.32	30.20
Profit /(Loss) after Tax	98.18	717.63
Profit Before Tax Margin (%)	3.82	8.32
Profit After Tax Margin (%)	1.36	8.00

**PERFORMANCE:**

Due to some administrative & other technical issues, company couldn't get the raw material from MPSMC for its Rock division, for the reason above the Rock division couldn't get rated production however SSP & GSSP division of the company performed well. Your Company has achieved turnover of Rs. 7233.73 Lacs. The net profit after tax for the current year stands at Rs. 98.18 Lacs. Your Company has achieved production 10856.50 MT of Beneficiated Rock Phosphate & 86084.76 MT of Single Super Phosphate & 21632.00 MT of Granular Single Super Phosphate. Profit of company has affected due to change in new company law provision also, otherwise the net profit of the company would have been higher by Rs. 231.75 lacs.

**AUDITORS & AUDITOR'S REPORT**

M/s Ashok Kanther & Associates, Chartered Accountant, Bhilwara, Statutory Auditors of the Company has been appointed as the Auditors of the Company for a period of 3 consecutive years at last Annual General Meeting held on 13/09/2014.

A letter has been received regarding their eligibility and willingness to continue as auditor of the company. Matter is proposed for shareholders ratification for their continued term.

The Auditor's Report is self-explanatory and therefore, do not call for any further comments/ clarifications

**COST AUDITORS & AUDITOR'S REPORT**

M/s. K. C. Moondra & Associates, Cost Accountant, was appointed Cost Auditors of your Company for FY 2015-16.

In accordance with the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, and On the recommendation of the Audit Committee, the Board has appoint M/s K.C. Moondra & Associates, Cost Accountants (Registration No. 101814), for remuneration at Rs. 20000/- plus applicable service tax and out of pocket expenses to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2016. The appointment and the remuneration of the Cost Auditor is required to be ratified subsequently by the Members of the Company and further subject to the approval of the Central Government.

**DIRECTORS**

In accordance with provisions of Companies Act, 2013 and Company's Articles of Association, Shri Basant Patwa, Director of the Company, retire by rotation and being eligible, offer himself for re-appointment, which the Board recommends.

Shri Ashish Kothari is appointed as Additional Director of the company w.e.f. 2<sup>nd</sup> March 2015, strengthens to the Board.

**NO DEFAULT**

The company has not defaulted in payment of interest and/or repayment of loan to any of the financial institutions and/or bank.

**DIVIDEND**

Looking to the working capital need and future plans for expansion & diversification in the field of chemical & dyes intermediate, the Directors decided to conserve the profit and hence do not propose any dividend and carried forward the net profit to next year.

**RESERVES**

The Company has Reserves & Surplus of Rs. 5804.39 lacs.

**DEPOSITS**

The Company has not accepted any deposits covered under section 73 of the Companies Act, 2013.

**PARTICULARS OF EMPLOYEES**

During the year under review, no employee of the Company was in respect of remuneration in excess of the limits prescribed under 197 of the Companies Act, 2013 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOING**

The information required under section 134 (c) (m) of the Companies Act, 2013 read with the (Companies (Accounts) Rules 2014), Rule 8 is given in Annexure forming part of this report.

**HEALTH AND SAFETY**

Your company is conscious about its responsibility towards the upkeep of environment and maintenance of high safety and health standards at its work places. The company has been certified by ISO 9001:2008. The company has a philosophy to keep the environmental safe and to maintain high standard safety & health at work place. The company has provided all safety equipment like helmet, safety shoes, dust mask etc. to the worker. Company also installed pollution control equipment like dust collection system, online air monitoring system, recycling water pump at work place.

**INTERNAL CONTROL SYSTEM**

The Company's internal control system comprises audit and compliance by in-house Internal Audit Division supplemented by internal audit checks by the Internal Auditors. The internal auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit compliance is ensured by the direct reporting of Internal Audit Division and Internal Auditors to the Audit Committee of the Board.

**ANNUAL RETURN UNDER SECTION: 92**

The information required under section 92(3) of the Companies Act, 2013 read with the Companies (Management & Administration Rule) is given in Annexure forming part of this report.

**INDEPENDENT DIRECTOR U/S 149 (6)**

The information required under section 149 of the Companies Act, 2013 for declaration by Independent Director under section 149(6) is given in Annexure forming part of this report.

**DISCLOSURE IN THE BOARD REPORT U/S 149 (10)**

"RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Sh. Ashish Kothari (DIN: 06411429) an Independent Director and in respect of whom the Company has received notice under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years up to the



conclusion of the 22<sup>nd</sup> AGM of the Company."

### **LOAN & GUARANTEES**

The information required under section 186 of the Companies Act, 2013 read with the rule 11 of Companies (Meetings of Board and its power) Rule, 2014 is given in Annexure forming part of this report.

### **RELATED PARTY TRANSACTION**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

### **NO. OF MEETING OF BOARD OF DIRECTOR**

The Board of Directors duly met 11 (Eleven) times 03.05.2014, 25.06.2014, 16.07.2014, 05.08.2014, 28.08.2014, 17.10.2014, 17.11.2014, 24.01.2015, 30.01.2015, 02.03.2015 and 24.03.2015, in Financial Year, respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. However, the Board passed no circular resolution.

### **CORPORATE SOCIAL RESPONSIBILITIES**

As per provision of new enacted Companies Act, 2013, the Board of Directors have framed Corporate Social Responsibilities Committee having the following members:-

- |                    |          |
|--------------------|----------|
| 1. Pradeep Agarwal | Chairman |
| 2. Basant Patwa    | Member   |
| 3. Sunil Kothari   | Member   |

The company has incurred as per recommendation of committee a sum of Rs. 3.46 Lacs during the year 2014-15 as against Rs. 13.32 Lacs as per provisions of Companies Act, 2013. There is shortfall due to some delay in policy framing and execution part as well as due to pre-occupation of committee besides some deteriorating financial performance of company. Now the board is to take up the CSR activities in better way in the time to come.

Your company as part of its responsibility towards society has been taking welfare measures from time to time. One of its prominent measures is improving the standard of living of people in its vicinity.

### **DISCLOSURE UNDER SECTION 177**

The information required under section 177 of the Companies Act, 2013 regarding the Audit committee of the Company is given in Annexure forming part of this report.

### **DISCLOSURE UNDER SECTION 178**

The information required under section 178 of the Companies Act, 2013 regarding the committee of Nomination, Remuneration and stakeholders relationship committee is given in Annexure forming part of this report.

### **HOLDING-SUBSIDIARY RELATIONSHIP**

Board of directors are pleased to inform that your company has become associate of Ostwal Phoschem India Ltd. being the flagship company of Ostwal group of industries. Ostwal Phoschem India Ltd hold 20.01% shares of your company, So your company become associate company to the Ostwal Phoschem (India) Ltd u/s 2(6) of Companies Act, 2013, but for the purpose of section 129 of Companies Act, 2013 your company will be considered as subsidiary of the Ostwal Phoschem (India) Ltd.

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti Sexual Harassment Policy in line with the requirement of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, tempo-



rary, trainee) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2014-15.

No. of complaints received: Nil

No. of complaints disposed off: Nil

### **RISK MANAGEMENT**

Risk management planning is the practice of deciding and documenting how to conduct risk management activities such as risk identification, analysis, response planning, and monitoring, controlling, and reporting. Not all risks can be eliminated, but mitigation and contingency plans can be developed to lessen their impact if they occur.

The purpose of conducting risk management planning is to anticipate, identify, and address events that may impact project success. The actual practice of risk management planning identifies, analyzes, and develops strategies to manage, control, and respond to project risk. The objective of project risk management is to increase the probability and impact of events beneficial to the project and to decrease the probability and impact of negative events.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors' Responsibility Statement referred to sec. 134(5) shall state that -

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

**Explanation.**-For the purposes of this clause, the term "internal financial controls" means the policies and procedures adopted by the company 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;

- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **ACKNOWLEDGEMENT**

Your Directors wish to place on record their grateful appreciation for the co-operation and assistance received from Shares Holders, Customers, Banks, Financial Corporations, Madhya Pradesh State Mining Corporation, various Government Authorities for their whole hearted support. Your Directors also recognize and appreciate the efforts and hard work of all employees of the company and their continued contribution to company's progress.

**For and on Behalf of the Board of Directors**

Place : Bhilwara  
Dated : 25/05/2015

Sd/-  
(Praveen Ostwal)  
Managing Director  
(DIN: 00412207)

Sd/-  
(Sunil Kothari)  
Director  
(DIN: 02056569)

**ANNEXURE TO THE DIRECTORS' REPORT**

Information pursuant to section 134 (c) (m) of the Companies Act, 2013 read with Companies (Accounts) rule 2014) Rule, 8 and forming part of the Directors' Report for the year ended 31<sup>st</sup> March 2015.

**CONSERVATION OF ENERGY:**

- (a) The Company takes adequate steps for the conservation of energy at every stage of production and remains conscious about conserving energy resources.
- (b) The Company has made adequate investment on various measures for conservation of energy which has resulted in optimizing energy consumption and saving in cost.
- (c) The information pertaining to total energy consumption and energy generation per unit of production:

<b>A. Power &amp; Fuel Consumption:</b>			
		<b>2014-15</b>	<b>2013-14</b>
<b>1</b>	<b>Electricity:</b>		
	(A) Purchase of Units:		
	Amount in Rs.	2457080	3737920
	Rate / unit Rs.	19413287	27143403
	(B) Own Generation Through Diesel:		
	Units generated	NIL	NIL
	Units per liter of oil		
	Cost/unit (Rs.)		
<b>B. Consumption per unit of production:</b>			
	Electricity (Unit/MT)		
	Beneficiated Rock Phosphate	77.73	34.32
	Single Super Phosphate	14.66	15.28
	Granular Single Super Phosphate	16.23	-

**TECHNOLOGY ABSORPTION**

The Company has strengthened the infrastructure for R & D and carried out improvement in quality systems. This has resulted into consistency in achieving standard quality parameters as per GOI. The Company will continue to thrust on R & D activities of the Company.

**FOREIGN EXCHANGE EARNINGS AND OUTGOING**

There is no foreign currency exposure earning & outgoing during the year 2014-15.

**COMMITTEES OF BOARD:**
**AUDIT COMMITTEE:**

The Audit Committee of the Company consists of 2 Independent Directors and 1 Executive Director as Special Invitee. The Chairman of the Audit Committee is financially literate and majority of them having accounting or related financial management experience. Representative of Statutory Auditor is permanent invitee. Company Secretary acts as Secretary to the Committee.

During the year the Committee had 4 Meetings i.e. on 30<sup>th</sup> April 2014, 07<sup>th</sup> July 2014, 10<sup>th</sup> October 2014 and 12<sup>th</sup> February 2015.

**NOMINATION & REMUNERATION COMMITTEE:**

The following Directors are the members of Remuneration Committee.

- |                          |          |
|--------------------------|----------|
| (1) Shri Pradeep Agrawal | Chairman |
| (2) Shri Ashish Kothari  | Member   |
| (3) Shri Basant Patwa    | Member   |

The Committee will meet as and when any remuneration is to be fixed for any Director /Managing Director. During the year the Committee had 1 Meetings i.e. on 09<sup>th</sup> March, 2015.

# KRISHANA PHOSCHEM LIMITED



## FORM NO. MGT-9

As on the financial year ended on 31.03.2015

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

### REGISTRATION AND OTHER DETAILS

i)	CIN	U24124RJ2004PLC019288
ii)	Registration Date	14/05/2004
iii)	Name of the Company	Krishana Phoschem Limited
iv)	Category / Sub-Category of the Company	Public Company
v)	Address of the Registered office and contact details	5-O-20, Basement, R.C. Vyas Colony Bhilwara (Raj.)
vi)	Whether listed company (Yes / No)	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	ROC Jaipur

### PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Beneficiated Rock Phosphate	20121	2.82
2	Single Super Phosphate	20121	73.89
3	Granular Single Super Phosphate	20121	23.29

### PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Ostwal Phoschem India Limited	U26933RJ1989PLC032188	Associate	20.01	2(6) of Companies Act, 2013

### SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

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	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1. Indian</b>									
Individual/ HUF	0	3408500	3408500	18.94	0	3408500	3408500	16.23	(2.71)
Central Govt	-	-	-	-	-	-	-	-	-
State Govt (s)	-	-	-	-	-	-	-	-	-



OSTWAL

**KRISHANA PHOSCHEM LIMITED**

Bodies Corp.	0	5342500	5342500	29.68	0	8374000	8374000	39.88	10.2
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	0	8751000	8751000	48.62	0	11782500	11782500	56.11	7.49
<b>2. Foreign</b>									
NRIs -Individuals	-	-	-	-	-	-	-	-	-
Other Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp.	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A) (2)</b>	0	8751000	8751000	48.62	0	11782500	11782500	56.11	7.49
<b>B. Public Shareholding</b>									
<b>1 Institutions</b>									
Mutual Funds	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt (s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIs	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2 Non-Institutions</b>									
a) Bodies Corp.									
Indian	0	7584000	7584000	42.13	0	7552500	7552500	35.96	(6.17)
Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	-	-	-	-	-	-	-	-
Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	1665000	1665000	9.25	0	1665000	1665000	7.93	(1.32)
Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	0	9249000	9249000	51.38	0	9217500	9217500	43.89	(7.49)

# KRISHANA PHOSCHEM LIMITED



**OSTWAL**

C. Shares held by Custodian for GDRs & ADRs									
	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	0	18000000	18000000	100	0	21000000	21000000	100	-

### Shareholding of Promoters

S No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Pankaj Ostwal	540000	3.00	-	540000	2.57	-	(0.43)
2	Praveen Ostwal	678500	3.77	-	678500	3.23	-	(0.54)
3	Nitu Ostwal	472500	2.63	-	472500	2.25	-	(0.38)
4	Ekta Jain	480000	2.67	-	480000	2.29	-	(0.38)
5	M.K. Ostwal(HUF)	552500	3.07	-	552500	2.63	-	(0.44)
6	Pankaj Ostwal(HUF)	300000	1.67	-	300000	1.43	-	(0.24)
7	Praveen Ostwal (HUF)	300000	1.67	-	300000	1.43	-	(0.24)
8	Mahendrakumar Ostwal	85000	0.47	-	85000	0.40	-	(0.07)
9	M/s Madhya Bharat Agro Products Limited	1785000	9.92	-	1785000	8.50	-	(1.42)
10	M/s Seasons Agro Chem India Private Limited	3557500	19.76	-	2387500	11.37	-	(8.39)
11	Ostwal Phoschem India Limited	0	0	-	4201500	20.01	-	20.01

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

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	8751000	48.62	8751000	48.62
	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):				
	Share transfer (17.11.2014)	3000000		11751000	
	Share transfer (24.03.2015)	31500		11782500	
	At the End of the year	11782500	56.11	11782500	56.11



OSTWAL

**KRISHANA PHOSCHEM LIMITED**

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

S. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	<b>M/s Archid Products Private Limited</b>				
	At the beginning of the year	1771500	9.84	1771500	9.84
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year ( or on the date of separation, if separated during the year)	1771500	8.44	1771500	8.44
2	<b>M/s Swastik Clohtex Pvt. Ltd.</b>				
	At the beginning of the year	1440000	8.00	1440000	8.00
	Date wise Increase / (Decrease) in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year ( or on the date of separation, if separated during the year)	1440000	6.86	1440000	6.86
3	<b>M/s Vesta Tex Private Limited</b>				
	At the beginning of the year	963750	5.35	963750	5.35
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus / sweat equity etc):				
	At the End of the year ( or on the date of separation, if separated during the year)	963750	4.59	963750	4.59
4	<b>M/s Chunri Prints Private Limited</b>				
	At the beginning of the year	919500	5.11	919500	5.11
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus / sweat equity etc): Share transfer (24.03.2015)	(31500)		888000	4.23
	At the End of the year ( or on the date of separation, if separated during the year)	888000	4.23	888000	4.23
5	<b>M/s Paneri Textiles Private Limited</b>				
	At the beginning of the year	824250	4.58	824250	4.58
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus / sweat equity etc):				
	At the End of the year ( or on the date of separation, if separated during the year)	824250	3.93	824250	3.93
6	<b>M/s Shubhlaxmi Tex Fab Pvt. Ltd.</b>				
	At the beginning of the year Date wise Increase / Decrease in Share holding during the year specifying the reasons for	765000	4.25	765000	4.25

# KRISHANA PHOSCHEM LIMITED



OSTWAL

S. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year ( or on the date of separation, if separated during the year)	765000	3.64	765000	3.64
<b>7</b>	<b>M/s Suswani Textiles Pvt. Ltd.</b>				
	At the beginning of the year	507000	2.82	507000	2.82
	Date wise Increase / (Decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus / sweat equity etc):				
	At the End of the year ( or on the date of separation, if separated during the year)	507000	2.41	507000	2.41
<b>8</b>	<b>Sh. Shailendra Garg</b>				
	At the beginning of the year	450000	2.50	450000	2.50
	Date wise Increase / (Decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer /bonus / sweat equity etc):				
	At the End of the year ( or on the date of separation, if separated during the year)	450000	2.14	450000	2.14
<b>9</b>	<b>Visualize Tradecom Pvt. Ltd.</b>				
	At the beginning of the year	393000	2.18	393000	2.18
	Date wise Increase / (Decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus / sweat equity etc):				
	At the End of the year ( or on the date of separation, if separated during the year)	393000	1.87	393000	1.87
<b>10</b>	<b>Smt. Sonali Garg</b>				
	At the beginning of the year	225000	1.25	225000	1.25
	Date wise Increase / (Decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus / sweat equity etc):				
	At the End of the year ( or on the date of separation, if separated during the year)	225000	1.07	225000	1.07

### Shareholding of Directors and Key Managerial Personnel:

<b>1</b>	<b>Sh. Praveen Ostwal</b>				
	At the beginning of the year	678500	3.77	678500	3.77
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer/ bonus/sweat equity etc):	0	0	0	0
	At the End of the year	678500	3.23	678500	3.23
<b>2</b>	<b>Sh. Basant Patwa</b>				
	At the beginning of the year	570000	3.17	570000	3.17

**KRISHANA PHOSCHEM LIMITED**

OSTWAL

Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/sweat equity etc):	0	0.00	0	0.00
At the End of the year	570000	2.71	570000	2.71

**INDEBTEDNESS**

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

(in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	285597246	22059000	-	307656245
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2234404	-	-	2234404
<b>Total (i+ii+iii)</b>	<b>287831649</b>	<b>22059000</b>	<b>-</b>	<b>309890649</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	3780484	32030000	0	35810484
Reduction	13540839	9500000	0	23040753
Net Change	-9760355	22530000	0	12769731
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	275836891	44589000	-	320425891
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	758193	-	-	758193
<b>Total (i+ii+iii)</b>	<b>276595084</b>	<b>44589000</b>	<b>-</b>	<b>321184084</b>

**REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Sh. Praveen Ostwal	Sh. Sunil Kothari	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2402496	619516	3022012
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-



**KRISHANA PHOSCHEM LIMITED****OSTWAL**

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Sh. Praveen Ostwal	Sh. Sunil Kothari	
5	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>2402496</b>	<b>619516</b>	<b>3022012</b>
	Ceiling as per the Act			

B. Remuneration to other directors - N.A.

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD -

S. No.	Particulars of Remuneration	Company Secretary	CEO	CFO	Total Amount
		Miss Meenakshi Anchliya			
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	160101	-	-	160101
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	<b>160101</b>	<b>-</b>	<b>-</b>	<b>160101</b>

PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES- N.A.



OSTWAL

## KRISHANA PHOSCHEM LIMITED

To,  
The Board of Directors,  
Krishana Phoschem Limited  
5-O-20, Basement,  
R.C. Vyas Colony  
Bhilwara Rajasthan 311001

### Sub : Declaration under sub-section (6) of section 149

I, Ashish Kothari, hereby certify that I am a Non-executive Director of Krishana Phoschem Limited and comply with all the criteria of independent director envisaged in applicable provisions of Companies Act, 2013 as & when it may be notified. I hereby certify that:

- I am not a promoter of the company or its holding, subsidiary or associate company;
  - I am not related to promoters or directors in the company, its holding, subsidiary or associate company
  - I have/had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
  - None of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
  - Neither Me nor any of my relatives-
- (i) Holds or has held the position of key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year
- (ii) Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of-
- (A) A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
- (B) Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
- (iii) Holds together with my relatives 2% or more of the total voting power of the company; or
- (iv) Is a Chief Executive or director, by whatever name called, of any non profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- and possess appropriate skills, experience and knowledge in the fields of Business administration and marketing.

Thanking You

Yours Faithfully

Sd/-  
(Ashish Kothari)  
**Director**  
(DIN: 06411429)

Place: Bhilwara  
Date: 25/05/2015

To,  
The Board of Directors,  
Krishana Phoschem Limited  
5-O-20, Basement,  
R.C. Vyas Colony  
Bhilwara Rajasthan 311001

**Sub : Declaration under sub-section (6) of section 149**

I, Pradeep Agarwal, hereby certify that I am a Non-executive Director of Krishana Phoschem Limited and comply with all the criteria of independent director envisaged in applicable provisions of Companies Act, 2013 as & when it may be notified. I hereby certify that:

- I am not a promoter of the company or its holding, subsidiary or associate company;
  - I am not related to promoters or directors in the company, its holding, subsidiary or associate company
  - I have/had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
  - None of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such high amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
  - Neither Me nor any of my relatives-
- (i) Holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year
- (ii) Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of-
- (A) A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
- (B) Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
- (iii) Holds together with my relatives 2% or more of the total voting power of the company; or
- (iv) Is a Chief Executive or director, by whatever name called, of any non profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
- and possess appropriate skills, experience and knowledge in the fields of Business administration and marketing.

Thanking You

Yours Faithfully

Sd/-

(Pradeep Agarwal)  
Director  
(DIN: 06458531)

Place: Bhilwara

Date: 25/05/2015



OSTWAL

## KRISHANA PHOSCHEM LIMITED

### Detail of loans, guarantee, security and acquisition made by the company [Pursuant to section 186 (9) & rule 12(1)]

S.No.	Particulars	Remarks
1	Nature of transaction (whether loan/ guarantee/ security/acquisition )	Guarantee
2	Date of making loan/ acquisition/giving guarantee/providing security	18.12.2014
3	Name and address of the person or body corporate to whom it is made or given or whose securities have been acquired (Listed/Unlisted entities)	Seasons International Private Limited. 5-O-20, First Floor, R.C. Vyas Colony Bhilwara
4	Amount of loan/ security/ acquisition /guarantee	Rs. 2035 Lacs
5	Time period for which it is made/ given	One Year
6	Purpose of loan/acquisition /guarantee/ security	In respect of credit facilities
7	% of loan/ acquisition/ exposure on guarantee/ security provided to the paid up capital, free reserves and securities premium account and % of free reserves and securities premium	25.75% of Paid up & Free Reserve, security Premium and 35.06% of Free Reserve, security Premium
8	Date of passing Board resolution	17.11.2014
9	Date of passing special resolution, if required	10.11.2014
10	For loans	
	Rate of interest	-
	Date of maturity	-

Place : Bhilwara

Dated : 25/05/2015

Sd/-  
(Praveen Ostwal)  
Managing Director  
(DIN : 00412207)

## **CORPORATE SOCIAL RESPONSIBILITY REPORT**

At the outset, CSR activities at Krishana Phoschem Limited is already in existence for the benefit of the society and employees. It is recognized that integrating social, environmental and ethical responsibilities into the governance of businesses ensures the long term success, competitiveness and sustainability.

Further, Corporate Social Responsibility makes a business sense as companies with effective CSR, have image of socially responsible companies, achieve sustainable growth in their operations in the long run and their products and services are preferred by the customers.

### **Objective**

The main objective of CSR policy is to make CSR a key business process for sustainable development of the society. Krishana Phoschem Limited will act as a good corporate citizen and aims at supplementing the role of Government in enhancing the welfare measures of the society within the framework of its policy.

This Policy shall be read in line with Section 135 of the Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and such other rules, regulations, circulars, and notifications as may be applicable and as amended from time to time and will, inter alia, provide for the following:

Establishing a guideline for compliance with the provisions of Regulations to dedicate a percentage of Company's profits for social projects.

Creating opportunities for employees to participate in socially responsible initiatives.

### **Measures**

In the aforesaid backdrop, policy on CSR of Krishana Phoschem Limited is broadly framed taking into account the following measures:

The CSR activities shall be undertaken by Krishana Phoschem Limited, as stated in this Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.

The CSR activities which are exclusively for the benefit of Krishana Phoschem Limited employees or their family members shall not be considered as CSR activity.

The following is the list of CSR projects or programs which Krishana Phoschem Limited plans to undertake pursuant to Schedule VII of the Companies Act, 2013:

1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
5. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
6. Measures for the benefit of armed forces veterans, war widows and their dependents;
7. Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports;
8. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;



OSTWAL

## KRISHANA PHOSCHEM LIMITED

10. Rural development projects;
11. Slum area development;
12. Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made thereunder.

### Composition of CSR Committee-

CSR Committee shall consist of following persons:

- |                          |          |
|--------------------------|----------|
| (1) Shri Pradeep Agarwal | Chairman |
| (2) Shri Basant Patwa    | Member   |
| (3) Shri Sunil Kothari   | Member   |

### Average net profit of the company for last three financial years-

Year	Net profit(In Lacs)
2013-2014	747.83
2012-2013	747.53
2011-2012	502.35
Total	1997.71
Avg. Profit	665.90

**CSR Expenditure** - CSR Expenditure for financial year 2014-15 of Company is Rs. 13.32 Lacs i.e. 2% of Rs. 665.90 Lacs.

Details of CSR Spent during the financial year

- (a) Total amount to be spent for the financial year Rs. 3.46 Lacs
- (b) Amount unspent for the financial year Rs. 9.86 Lacs
- (c) Manner in which the amount spent during the financial year is detailed below.

( ₹ in lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR Project or activity Identified	Sector in which the Project is covered	Projects or Programs (1) Local Area or other (2) Specify The State and District where Projects or Programs was undertaken	Amount outlay (budget) Project Programs wise	Amount Spent on The Projects or programs <b>Sub heads-</b> (1) Direct Expenditure On projects or programs (2)Overheads	Cumulative expenditure Up to the Reporting period	Amount Spent : Direct or Through Implementing Agency
1	Education & welfare Society	Education	Others	0.82	Direct Exp.	0.82	Implement Agency
2	Plantation	Plantation	Local Meghnagar Jhabua (M.P.)	2.64	Direct Exp.	2.64	Direct
	<b>Total</b>			<b>3.46</b>		<b>3.46</b>	

Sd/-  
(Praveen Ostwal)  
Managing Director

Sd/-  
(Pradeep Agarwal)  
Chairman CSR Committee

Sd/-  
(Sunil Kothari)  
Member

## AUDITORS' REPORT

### **Independent Auditor's Report**

**To the Members of Krishana Phoschem Limited**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Krishana Phoschem Limited ("the Company"), which comprise the Balance Sheet as at March 31<sup>st</sup>, 2015 and the Statement of Profit and Loss for the year then ended 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 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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 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 true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 :

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date.

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

1. 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 appears from our examination of those books;



OSTWAL

## KRISHANA PHOSCHEM LIMITED

- c) The Balance Sheet and the Statement of Profit and Loss 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 written representations received from the directors as on 31<sup>st</sup> March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015, from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us :
- i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For M/s Ashok Kanther & Associates**  
Chartered Accountants  
FRN-050014C

Place : Bhilwara (Raj.)  
Date : 25/05/2015

Sd/-  
CA. Ashok Kanther  
(Proprietor)  
M.No.: 043571



**ANNEXURE TO THE AUDITORS' REPORT  
(Referred to in our report of even date)**

Annexure referred to in Point 2 of the Auditors' Report of even date to the members of Krishana Phoschem Limited for the year ended as on 31<sup>st</sup> March, 2015.

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under:

- (i) a. The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets.
- b. As per the information and explanations given to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (ii) a. As per the information and explanation given to us, the inventories have been physically verified during the year by the management at reasonable intervals.
- b. In our opinion and according to the information and explanations given to us, procedures of physical verification of inventories followed by the management are 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 explanations given to us, the Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification of inventory by the management as compare to book records.
- (iii) As per the information and explanation given to us and on the basis of our examination of the books of account, the company has not granted short term loans to any parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus clause iii (a) & iii (b) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, with regard to purchase of inventory and fixed assets and for sales of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) In our opinion and as per the information and explanations given to us and on the basis of our examination of the books of account, the company has not accepted any deposits covered under section 73 of the Companies Act, 2013.
- (vi) As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- (vii) a. According to the information and explanations given to us and the records examined by us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues with appropriate authorities wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding, as at 31<sup>st</sup> March 2015 for a period of more than 6 months from the date they became due.
- b. According to the record of the company, there is no amounts payable in respect of income tax or sales-tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess, which have not been deposited on account of any disputes.
- c. According to the record of the company, no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- (vi) As per information & exp.
- (viii) The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) Based on our audit procedures and the information and explanations given by the management, we are of the opinion



O.S.T.W.A.L.

---

---

## KRISHANA PHOSCHEM LIMITED

---

---

that the company has not defaulted in repayment of dues to financial institutions or banks. There are no debenture holders of the company.

- (x) According to the information and explanations given to us, the company given guarantee to HDFC Bank Ltd. of Rs. 20.35 crore against credit facility to our group company, Seasons International Pvt. Ltd.
- (xi) Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
- (xii) Based on our audit procedures performed and on the information and explanations given to us, we have neither come across any instances of fraud on or by the company noticed or reported during the year, nor we have been informed for such case by the management.

**For M/s Ashok Kanther & Associates**  
Chartered Accountants  
FRN-050014C

Sd/-  
CA. Ashok Kanther  
(Proprietor)  
M.No.: 043571

Place : Bhilwara (Raj.)

Date : 25/05/2015

# KRISHANA PHOSCHEM LIMITED



OSTWAL

AUDITED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

( ₹ in lacs)

Particulars	Note No.	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	2100.00	1800.00
(b) Reserves and surplus	3	5804.39	5409.47
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	4	1276.81	1264.36
(b) Deferred tax liabilities (Net)	5	0.00	0.00
(c) Other long term liabilities			
<b>3 Current liabilities</b>			
(a) Short-term borrowings	6	1690.01	1652.20
(b) Trade payables	7	1227.61	1042.30
(c) Other current liabilities	8	293.44	410.13
(d) Short-term provisions	9	101.69	150.74
<b>TOTAL</b>		<b>12493.95</b>	<b>11729.20</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	10	7350.26	7667.38
(ii) Intangible assets		0.00	0.00
(iii) Capital work-in-progress		862.67	19.80
(iv) Intangible assets under development			
(b) Non-current investments	11	0.00	0.00
(c) Deferred tax Assets (Net)	5	131.99	206.22
(d) Long-term loans and advances	12	95.63	141.31
(e) Other non-current assets	13	0.00	0.00
<b>2 Current assets</b>			
(a) Inventories	14	3109.20	3248.85
(b) Trade receivables	15	480.85	196.66
(c) Cash and cash equivalents	16	15.31	8.74
(d) Short-term loans and advances	17	448.04	240.24
(e) Other current assets	18	0.00	0.00
<b>TOTAL</b>		<b>12493.95</b>	<b>11729.20</b>

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statement.

**For M/s Ashok Kanther & Associates**

Chartered Accountants

FRN 050014C

**For and on Behalf of the Board of Directors**

Sd/-

(Ashok Kanther)

**Proprietor**

M.No.: 043571

Sd/-

(Suryanshi Jain)

**Company Secretary**

M.No.: A-39739

Sd/-

(Sunil Kothari)

**Director**

Din : 02056569

Sd/-

(Praveen Ostwal)

**Managing Director**

DIN : 00412207

Place : Bhilwara (Raj.)

Date : 25/05/2015

**KRISHANA PHOSCHEM LIMITED**

OSTWAL

**AUDITED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015**

(₹ in lacs)

<u>Particulars</u>		<u>Note No.</u>	<u>For the year ended 31<sup>st</sup> March 2015</u>	<u>For the year ended 31<sup>st</sup> March 2014</u>
I.	Revenue from operations	19	7233.73	8986.91
II.	Other income	20	444.99	43.30
III.	<b>Total Revenue (I + II)</b>		<b>7678.72</b>	<b>9030.21</b>
IV.	<b>Expenses:</b>			
	Cost of materials consumed	21	4357.67	6263.87
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	22	(444.09)	(944.93)
	Employee benefits expense	23	161.45	170.45
	Finance costs	24	549.28	442.11
	Depreciation and amortization expense	25	590.06	359.36
	Other expenses	26	2187.85	1991.52
	<b>Total Expenses</b>		<b>7402.22</b>	<b>8282.38</b>
V.	<b>Profit before exceptional and extraordinary items and tax</b>	(III-IV)	276.50	747.83
VI.	Exceptional items		0.00	0.00
VII.	<b>Profit before extraordinary items and tax</b>	(V-VI)	276.50	747.83
VIII.	Extraordinary Items		0.00	0.00
IX.	<b>Profit before tax</b>	(VII- VIII)	276.50	747.83
X.	<b>Tax expense:</b>			
	(1) Current tax		101.69	150.18
	(2) Deferred tax		74.23	(113.22)
	(3) Earlier Year's Tax		2.40	(6.76)
	<b>Total Tax Expenses</b>		<b>178.32</b>	<b>30.20</b>
XI.	<b>Profit (Loss) for the period from continuing operations</b>	(IX-X)	98.18	717.63
XII.	Profit/(loss) from discontinuing operations		0.00	0.00
XIII.	Tax expense of discontinuing operations		0.00	0.00
XIV.	<b>Profit/(loss) from Discontinuing operations (after -tax)</b>	(XII-XIII)	0.00	0.00
XV.	<b>Profit (Loss) for the period</b>	(XI + XIV)	<b>98.18</b>	<b>717.63</b>
XVI.	Earnings per equity share:			
	Basic & Diluted		0.47	3.99

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statement.

As per our report of even date

**For M/s Ashok Kanther & Associates**

Chartered Accountants

FRN 050014C

**For and on Behalf of the Board of Directors**

Sd/-

(Ashok Kanther)

**Proprietor****M.No.: 043571**

Sd/-

(Suryanshi Jain)

**Company Secretary****M.No.: A-39739**

Sd/-

(Sunil Kothari)

**Director****Din : 02056569**

Sd/-

(Praveen Ostwal)

**Managing Director****DIN : 00412207**

Place : Bhilwara (Raj.)

Date : 25/05/2015

# KRISHANA PHOSCHEM LIMITED



OSTWAL

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015

( ₹ in lacs )

Particulars	For the year ended 31 <sup>st</sup> March 2015	For the year ended 31 <sup>st</sup> March 2014
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before tax	276.50	747.83
<b>Adjustments for:</b>		
Depreciation and Amortization	590.06	359.36
Interest Income	(11.07)	(18.34)
Misc Exps write off		
Loss / (Profit) on sale of Fixed Assets	0.00	2.91
Interest Expenses	549.28	442.11
<b>Operating profit before working capital change</b>	<b>1,404.77</b>	<b>1,533.87</b>
<b>Adjustments for:</b>		
Increase/(Decrease) in Trade payable	185.31	360.98
Increase/(Decrease) in Other Current Liability	(116.69)	222.24
Increase/(Decrease) in Short Term Provisions	(0.56)	(4.05)
(Increase)/Decrease in Inventories	139.65	(1,397.27)
(Increase)/Decrease in Trade Receivable	(284.19)	376.78
(Increase)/Decrease in Short term Loan and Advances	(255.60)	81.37
Increase/(Decrease) in Short term Borrowings	37.81	491.40
<b>Net changes in working capital</b>	<b>(294.27)</b>	<b>131.45</b>
<b>Cash Generated from/(used in) operations</b>	<b>1,110.50</b>	<b>1,665.32</b>
Direct Taxes paid	(104.78)	(129.02)
<b>Net cash from/(Used in) operating activities (A)</b>	<b>1,005.72</b>	<b>1,536.30</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(1,119.09)	(587.76)
Sale/Decrease of Fixed Assets	0.00	1.21
Interest Received	11.07	18.34
(Increase)/decrease in long term loans and advances	45.69	25.52
<b>Net cash from investing activities (B)</b>	<b>(1,062.33)</b>	<b>(542.69)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of share capital	600.00	0.00
Proceeds from long term borrowings	12.46	(548.11)
Interest paid	(549.28)	(442.11)
Proceeds from Differed Creditors		
<b>Net cash from financing activities (C)</b>	<b>63.18</b>	<b>(990.22)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>6.57</b>	<b>3.39</b>
Cash and cash equivalents as at(Opening Balance) 01.04.2014	8.74	5.35
Cash and cash equivalents as at(Closing Balance) 31.03.2015	15.31	8.74

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statement.

As per our report of even date

**For M/s Ashok Kanther & Associates**

Chartered Accountants

FRN 050014C

Sd/-

(Ashok Kanther)

**Proprietor**

M.No.: 043571

Place : Bhilwara (Raj.)

Date : 25/05/2015

**For and on Behalf of the Board of Directors**

Sd/-  
(Suryanshi Jain)  
**Company Secretary**  
M.No.: A-39739

Sd/-  
(Sunil Kothari)  
**Director**  
Din : 02056569

Sd/-  
(Praveen Ostwal)  
**Managing Director**  
DIN : 00412207



Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2015.

## 1. ACCOUNTING POLICIES

### **BASIS OF ACCOUNTING:**

The Financial Statements of the Company have been prepared in accordance with the requirements of the Companies Act, 2013, including the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India, as per the historical cost convention, going concern concept and on the accrual system of accounting.

### **FIXED ASSETS:**

The Fixed Assets are stated at revalued (2010-11) figures based on registered valuers report. The land and plant & machinery stated at further revalued (2013-14) value done during the year as per registered valuers report. The basis of valuation/ revaluation as mentioned into the report of external valuer is market rate in the case of land and Plant & Machinery. In respect of major projects involving construction / fabrication, related pre-operational expenses from part of the value of the assets, which are allocated on the respective assets in the year of commencement of the project. An expenses capitalized also includes applicable borrowing cost.

No amortization is provided in the accounts in respect of leasehold land in view of long-term tenure, which is akin to ownership.

### **INVENTORIES:**

Inventories are valued as:

- |                          |  |
|--------------------------|--|
| a) Raw Material :        | At lower of cost or net realizable value |
| b) Finished goods        | At lower of cost or net realizable value |
| c) Stores & spares parts | At cost price                            |

Cost of inventories comprise of all cost of purchase. Cost of conversion and other cost incurred in bringing them to their respective present location and condition.

### **BORROWING COST:**

Borrowing cost that is attributable to the acquisition of qualifying assets is capitalized as a part of cost of such assets. All other borrowing costs are charged to revenue.

### **DEPRECIATION:**

- Depreciation for the year on fixed assets has been provided on straight line method as per useful life and in the manner specified in Schedule II of the Companies Act, 2013.
- Useful life of assets used for double shift / triple shift has been reviewed and readjusted on each Balance Sheet date on the basis of shift used / depreciation charged.
- Scrap value of the assets are determined at the rate of 5% of original cost.

### **INCOME RECOGNITION:**

Revenue in respect of purchases/sale of product and scraps in recognized at the point of receipt/dispatch from parties at/ from factory.

Income and expenditures are recognized on accrual basis. However, since it is not possible to ascertain with reasonable accuracy, the quantum of accrual in respect of discount receivable/payable from/to parties, the same continue to be accounted for as and when received/settled.

### **PRICE CONCESSION FROM GOVERNMENT:**

The price concession from Government on sale of single super phosphate & granular single super phosphate is recognized at the point of sale at the prevailing rates announced by the Government of India. Any shortfall in actual receipt or deduction made by the Government is written off as an expense in the year in which the same is determined. The Company treats the price concession as part of the sale proceeds.

### **BENEFITS TO WORKMEN:**

Contributions to employee benefits plan in the form of Provident Fund and Gratuity are charged to the profit & Loss Account of the year when the contributions are due, as per the provisions of the respective statutes. The company has taken group gratuity policy with Life Insurance Corporation of India (LIC) for future payment of gratuity. The gratuity liability is determined on the basis of an actuarial valuation performed by LIC.

# KRISHANA PHOSCHEM LIMITED



**Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2015**

## TAXES ON INCOME:

Provision for current tax is determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax expenses or benefits are recognized for timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted as on the balance sheet date.

## CONTINGENT LIABILITIES:

In the opinion of Board of Directors of the Company following are the contingent Liabilities as on 31<sup>st</sup> March 2015.

- a. FDR of Rs. 38.73 lacs pledged with Excise authority (Previous year FDR of Rs. 17.03 lacs & bank guarantee of Rs 37.35 lacs pledged with Excise authority)
- b. Corporate guarantee of Rs. 2035.00 lacs given to HDFC Bank Ltd. for granting loan to group company.

## 2. SHARE CAPITAL

( ₹ in lacs)

Particular	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	Number	Amount	Number	Amount
<b>Authorized</b>				
Equity Shares of Rs.10/- each	25000000	2500.00	20000000	2000.00
<b>Issued</b>				
Equity Shares of Rs. 10/- each	21000000	2100.00	18000000	1800.00
<b>Subscribed &amp; Paid up</b>				
Equity Shares of Rs 10/- each fully paid	21000000	2100.00	18000000	1800.00
<b>Subscribed but not fully Paid up</b>				
Equity Shares of Rs 10/- each but not fully paid	-	-	-	-
<b>Total</b>	<b>21000000</b>	<b>2100.00</b>	<b>18000000</b>	<b>1800.00</b>

i) a reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particular	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the period	18000000	1800.00
Shares Issued during the period	3000000	300.00
Shares brought back during the period	-	-
Shares outstanding at the end of the period	21000000	2100.00

ii) Details of shares held by shareholders holding more than 5% shares of the company

Name of Shareholder	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Madhya Bharat Agro Products Limited	1785000	8.50	1785000	9.92
Vesta Tex Pvt. Ltd.	0.00	0.00	963750	5.35
Archid Products Pvt. Ltd.	1771500	8.44	1771500	9.84
Chunri Prints Pvt. Ltd.	0.00	0.00	919500	5.11
Swastik Clothtex Pvt. Ltd.	1440000	6.86	1440000	8.00
M/s Seasons Agro Chem India Private Limited	2387500	11.37	3557500	19.76
Ostwal Phoschem (India) Limited	4201500	20.01	0.00	0.00

iii) The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held.

**Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2015**

- iv) 60,00,000 Equity Shares has been issued as bonus share in the ratio of 1:1 in the year 2011-12.  
v) Disclosure pursuant to Note no. 6(A)(i) of part-I of schedule III to the Companies Act, 2013

Particular	Years				
	2014-15	2013-14	2012-13	2011-12	2010-11
<b>Equity Shares:</b>	-	-	-	-	-
Fully paid up pursuant to contract(s)	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	60,00,000.00	-	-
Shares Brought back	-	-	-	-	-

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**3. RESERVES & SURPLUS**

(₹ in lacs)

Particular		As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
i)	Revaluation Reserves		
	Opening Balance	3,585.38	1,520.66
	(+) Addition during the year	-	2,211.19
	(-) Current year depreciation on revaluation transfer to General Reserve	231.74	146.47
	(-) Yearlier year depreciation charged from revaluation resvere	0.04	-
	<b>Closing Balance</b>	<b>3,353.60</b>	<b>3,585.38</b>
ii)	<b>Surplus</b>		
	Opening Balance	1,824.09	1,106.46
	(+) Net Profit/(Net Loss) For the current year	98.18	717.63
	(+) Transfer from Revaluation Reserves	231.74	-
	(-) Depereciation related to yearlier year	3.22	-
	(-) Proposed Dividends	-	-
	(-) Interim Dividends	-	-
	(-) Bonus issue	-	-
	(-) Transfer to Reserves	-	-
	<b>Closing Balance</b>	<b>2,150.79</b>	<b>1,824.09</b>
iii)	<b>Security Premium</b>		
	Opening Balance	-	-
	(+) Addition During the year	300.00	-
	(-) Deduction During the year	-	-
	<b>Closing Balance</b>	<b>300.00</b>	<b>-</b>
	<b>Total</b>	<b>5,804.39</b>	<b>5,409.47</b>

(₹ in lacs)

**4. LONG TERM BORROWINGS**

Particular		As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Secured</b>			
(a)	<b>Term Loan</b>		
	From other Parties - MPFC	-	1,043.77
	From other Parties - HDFC	830.92	-
	<b>Total</b>	<b>830.92</b>	<b>1,043.77</b>



**Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2015**

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Unsecured</b>		
<b>(a) Other Loans &amp; Advances</b>		
Loans taken from directors, members & relatives etc.	445.89	220.59
<b>Total</b>	<b>445.89</b>	<b>220.59</b>
<b>Total</b>	<b>1,276.81</b>	<b>1,264.36</b>

- i) **Nature of Security** – The term loans from HDFC are secured by way of equitable mortgage of land, factory building, plant and machinery, furniture & fixtures (existing & future) of the company.
- ii) **Terms of repayment** – Term loans from HDFC are repayable in monthly installments and having floating net interest rates ranging from 11%.

( ₹ in lacs)

Name of Banks	Date of maturity	No. of Installments outstanding as on 31.03.2015	As at 31 <sup>st</sup> March 2015			As at 31 <sup>st</sup> March 2014		
			Total outstanding	Current Maturities	Net Long Term Borrowings	Total outstanding	Current Maturities	Net Long Term Borrowings
MPFC	N.A.	N.A.	-	-	-	282.01	60.00	222.01
MPFC	N.A.	N.A.	-	-	-	921.76	100.00	821.76
HDFC	7-Jan-18	34	234.59	74.63	159.96	-	-	-
HDFC	7-Jun-19	51	833.77	162.81	670.96	-	-	-
	<b>Total</b>		<b>1,068.36</b>	<b>237.44</b>	<b>830.92</b>	<b>1,203.77</b>	<b>160.00</b>	<b>1,043.77</b>

- iii) Secured loans are guaranteed by personal guarantee of Managing Director.

**5. DEFERRED TAX LIABILITIES/ ASSETS**

- i) i) The company has recognized a provision for deferred tax liability of Rs. 74.23 Lac (P.Y. deferred tax assets Rs. 113.23 Lac ) in P&L account determined on account of timing differences in accordance with Accounting Standard-22 "Accounting for Taxes on Income" as under :-

( ₹ in lacs)

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Deferred Tax Liabilities/Assets</b>		
Deferred tax liabilities (depreciation on fixed assets)	957.83	1,039.24
Deferred tax Assets (Losses to be c/f)	792.85	945.71
<b>Deferred Tax Liabilities/(Assets)</b>	<b>164.98</b>	<b>93.53</b>
Less:MAT Credit	296.97	299.75
<b>Net Deferred Tax Liabilities/(Assets)</b>	<b>(131.99)</b>	<b>(206.22)</b>

- ii) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

**6. SHORT-TERM BORROWING**

( ₹ in lacs)

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Secured</b>		
<b>a) Other loans and advances</b>		
Working Capital Loan from SBBJ Bank repayable on demand	-	1,652.20
Working Capital Loan from HDFC Bank repayable on demand	1,690.01	-
<b>Total</b>	<b>1,690.01</b>	<b>1,652.20</b>



## KRISHANA PHOSCHEM LIMITED

### Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2015

- i) **Nature of Security** – The bank loan for working capital is secured against hypothecation of company's entire current assets including raw material, stock in process, finished goods, store & spares, book debts, receivables including goods in transit along with document proof title to goods such as MTRs/RRs/bills of lading etc. The same is also secured by second charge over fixed assets (present & future) of the company.
- ii) **Terms of repayment** – The bank loan for working capital is repayable on demand and having interest rate 11% as on 31/03/2015
- iii) The bank loan for working capital is guaranteed by personal guarantee of Managing Director Praveen Ostwal & Ekta Jain and corporate guarantee of Seasons Agro Chem India Pvt. Ltd.

#### 7. TRADE PAYABLES

( ₹ in lacs)

	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Particular</b>		
(a) Trade Payables	1227.61	1042.30
<b>Total</b>	<b>1227.61</b>	<b>1042.30</b>

There are no Micro, small and medium enterprises to whom the company owes dues, which are outstanding for more than 45 days as at 31<sup>st</sup> March, 2015. This information as required to be disclosed under the Micro-small and medium enterprises development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

#### 8. OTHER CURRENT LIABILITIES

( ₹ in lacs)

	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Particular</b>		
a) Current Maturities of Long Term Debt ( Refer note no.4)	237.44	160.00
b) Others Payables		
i) Statutory dues including Provident Fund and Tax deducted at source etc.	24.98	31.40
ii) Liability Towards Staff & Workers	19.54	24.06
iii) Other Liabilities	7.58	22.34
iv) Advances from Customer	3.90	172.33
<b>Total</b>	<b>293.44</b>	<b>410.13</b>

#### 9. SHORT TERM PROVISION

( ₹ in lacs)

	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Particular</b>		
<b>Others (Specify nature)</b>		
a) Provision for income tax	101.69	150.18
b) Provision for expenses	-	0.56
<b>Total</b>	<b>101.69</b>	<b>150.74</b>

#### 10. FIXED ASSETS

- i) The Company has provided depreciation on fixed assets on useful life of assets on triple shift basis on SSP & GSSP plant and single shift basis on BRP plant in accordance with the provisions of Section 123 read with the Part C of Schedule II to the Companies Act, 2013. Depreciation on the additions to fixed assets during the year has been provided on pro-rata basis from the date when put to use.
- ii) Gross block and Net Block of fixed assets includes Rs. 4024.79 Lac (P.Y. Rs. 4024.79 Lac) and Rs. 3353.61 Lac (P.Y. Rs. 3585.39 Lac) respectively on account of revaluation of fixed assets carried out in the year 2010-11 by the company. Depreciation of Rs. 231.75 Lac (P.Y. Rs. 146.47 Lac) has been charged to profit & loss A/c.
- iii) Disposal from Gross Block represents sale of fixed assets.

**Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2015**

- iv) Deduction in depreciation is on account of sale of fixed assets.
- v) No provision is required for impairment of assets according to AS-28 'Impairment of Assets' as the value in use as estimated by the management, is higher than the carrying amount of the assets as on Balance Sheet date. In order to arrive at the value in use, the company has reviewed the future earnings of the remaining useful life of all its cash generating units as at Balance Sheet date which has been discounted at the average long term lending rate of the Company.

(₹ in lacs)

Fixed Assets	Gross Block					Accumulated Depreciation					Net Block	
	As at 1 <sup>st</sup> April 2014	Revaluation	Additions	disposals	As at 31 <sup>st</sup> March 2015	As at 1 <sup>st</sup> April 2014	Opening Retain Earning	for the period	On Disposals	As at 31 <sup>st</sup> March 2015	Balance as at 31 <sup>st</sup> March 2015	Balance as at 31 <sup>st</sup> March 2014
<b>a</b> Tangible Assets										-		
Land & Site Development	1,553.56	-	-	-	1,553.56	-	-	-	-	224.13	1,553.56	1,553.56
Buildings-Factory	1,972.94	-	268.70	-	2,241.64	159.42	-	64.71	-	1,826.48	2,017.51	1,813.52
Plant and Equipment	5,386.88	-	1.00	-	5,387.88	1,333.67	0.02	492.79	-	16.14	3,561.40	4,053.21
Office Equipments	22.88	-	3.82	-	26.70	4.21	2.96	8.97	-	9.82	10.56	18.67
Computers	11.45	-	0.95	-	12.40	7.49	0.27	2.06	-	7.02	2.58	3.96
Furniture & Fixtures	15.05	-	0.87	-	15.92	4.63	-	2.39	-	11.64	8.90	10.42
Vehicle	56.03	-	0.88	-	56.91	4.80	-0.01	6.85	-	14.94	45.27	51.23
Energy Saving Equipment	29.35	-	-	-	29.35	13.58	-	1.36	-	64.90	14.41	15.77
Pollution Control Equipment	200.97	-	-	-	200.97	53.93	-	10.97	-	-	136.07	147.04
<b>Total</b>	<b>9,249.11</b>		<b>276.22</b>	<b>-</b>	<b>9,525.33</b>	<b>1,581.73</b>	<b>3.24</b>	<b>590.10</b>	<b>-</b>	<b>2,175.07</b>	<b>7,350.26</b>	<b>7,667.38</b>
<b>b</b> Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>c</b> Capital Work In Progress											862.67	19.80
<b>Total this year</b>	<b>9,249.11</b>		<b>276.22</b>	<b>-</b>	<b>9,525.33</b>	<b>1,581.73</b>	<b>3.24</b>	<b>590.10</b>	<b>-</b>	<b>2,175.07</b>	<b>8,212.93</b>	<b>7,667.18</b>
<b>Total previous year</b>	<b>5,570.16</b>	<b>2,211.19</b>	<b>1,473.27</b>	<b>5.51</b>	<b>9,249.11</b>	<b>1,077.29</b>	<b>-</b>	<b>505.83</b>	<b>1.39</b>	<b>1,581.73</b>	<b>7,687.18</b>	<b>5,398.19</b>

**11. NON CURRENT INVESTMENT**

(₹ in lacs)

Particular	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
	-	-
<b>Total</b>	-	-

**12. LONG TERM LOANS AND ADVANCES**

(₹ in lacs)

Particular	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
(Unsecured considered good unless otherwise stated)		
<b>a.</b> Capital Advances	-	-
<b>b.</b> Security Deposit	95.63	141.31
<b>Total</b>	<b>95.63</b>	<b>141.31</b>



OSTWAL

**KRISHANA PHOSCHEM LIMITED**Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2015**13. OTHER NON CURRENT ASSETS**

(₹ in lacs)

Particular		As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
		-	-
	<b>Total</b>	-	-

**14. INVENTORIES**

(₹ in lacs)

Particular		As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
a.	Raw materials	352.63	944.69
b.	Finished Goods	2,609.50	2,165.41
c.	Stores & spares	147.07	138.75
	<b>Total</b>	<b>3,109.20</b>	<b>3,248.85</b>

The major components of inventory in case of raw material are Rock-Phosphate, Sulphuric Acid & HDPE Bags and in case of finished goods its includes Beneficiated Rock Phosphate(BRP), Single Super Phosphate(SSP) & Granular Single Super Phosphate(GSSP).

**15. TRADE RECEIVABLES**

(₹ in lacs)

Particular		As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Unsecured, considered good</b>			
a.	Trade receivables outstanding for a period less than six months from the date they are due for payment	480.85	196.66
b.	Trade receivables outstanding for a period exceeding six months from the date they are due for payment	-	-
	<b>Total</b>	<b>480.85</b>	<b>196.66</b>

**16. CASH AND CASH EQUIVALENT**

(₹ in lacs)

Particular		As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
a)	Balance with Bank	10.09	4.10
b)	Cash in hand	5.22	4.64
	<b>Total</b>	<b>15.31</b>	<b>8.74</b>

**17. SHORT TERM LOANS AND ADVANCES**

(₹ in lacs)

Particular		As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Other loans &amp; Advances</b> (Unsecured considered good unless otherwise stated)			
i)	Advance Taxes	74.06	121.86
ii)	Prepaid expenses	27.69	38.17
iii)	Loans to employees	5.48	2.54
iv)	Advances to suppliers	66.28	77.67
v)	Output VAT Advance	274.53	-
vi)	Other	-	-
	<b>Total</b>	<b>448.04</b>	<b>240.24</b>

**Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2015**

Short Term Loan and advances includes Rs. Nil (Previous year Rs. Nil) receivable from Directors/Officers/Companies and firms under same management.

**18. OTHER CURRENT ASSETS**

( ₹ in lacs)

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
	-	-
<b>Total</b>	-	-

**19. REVENUE**

( ₹ in lacs)

<u>Particular</u>	For the year ended 31 <sup>st</sup> March 2015	For the year ended 31 <sup>st</sup> March 2014
Sale of products	7,280.83	9,040.40
Less : Excise Duty	47.10	53.49
<b>Net Total</b>	<b>7,233.73</b>	<b>8,986.91</b>

**20. OTHER INCOME**

( ₹ in lacs)

<u>Particular</u>	For the year ended 31 <sup>st</sup> March 2015	For the year ended 31 <sup>st</sup> March 2014
a. Interest income	11.07	18.34
b. other non-operating income	433.92	24.96
c. Forex Gain/(Loss)	-	-
<b>Total</b>	<b>444.99</b>	<b>43.30</b>

**21. COST OF RAW MATERIAL CONSUMED**

( ₹ in lacs)

<u>Particular</u>	For the year ended 31 <sup>st</sup> March 2015	For the year ended 31 <sup>st</sup> March 2014
Opening Stock	944.69	536.98
Add: Purchases	3,771.20	6,671.58
Less: Closing Stock	358.22	944.69
<b>Total</b>	<b>4,357.67</b>	<b>6,263.87</b>

**Details of Raw Material Consumed**

( ₹ in lacs)

<u>Particular</u>	For the year ended 31 <sup>st</sup> March 2015		For the year ended 31 <sup>st</sup> March 2014	
	Qty. (MT)	Amount	Qty. (MT)	Amount
a. Rock phosphate consumed (BRP)	16717.35	503.31	98568.15	3,858.37
b. Rock phosphate consumed (SSP)	37810.54	2,767.37	15182.11	1,137.65
c. Beneficiated Rock phosphate captive consumed (SSP)	10063.16	-	44397.47	-
d. Sulphuric acid consumed	33870.22	742.77	37824.20	791.72
e. HDPE bags consumed (Nos.)	1697180	269.51	1972580	312.96
f. Others		74.71		163.17
<b>Total</b>		<b>4,357.67</b>		<b>6,263.87</b>



OSTWAL

**KRISHANA PHOSCHEM LIMITED**Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2015**22. CHANGES IN INVENTORY OF FINISHED GOODS**

(₹ in lacs)

Particular	For the year ended 31 <sup>st</sup> March 2015	For the year ended 31 <sup>st</sup> March 2014
Stock at the beginning of the year (A)	2,165.41	1,220.48
Stock at the end of the year (B)	2,609.50	2,165.41
(Increase)/Decrease in stocks (B-A)	(444.09)	(944.93)

**23. EMPLOYEE BENEFIT EXPENSES**

(₹ in lacs)

Particular	For the year ended 31 <sup>st</sup> March 2015	For the year ended 31 <sup>st</sup> March 2014
a. Salaries & Incentives	135.34	144.67
b. Contribution to Provident Fund & ES	11.26	9.78
c. Gratuity Fund contribution	2.48	1.81
d. Staff welfare expenses	12.37	14.19
<b>Total</b>	<b>161.45</b>	<b>170.45</b>

**24. FINANCE COSTS**

(₹ in lacs)

Particular	For the year ended 31 <sup>st</sup> March 2015	For the year ended 31 <sup>st</sup> March 2014
Interest Expenses	528.79	425.17
Other Bank Charges	20.49	16.94
<b>Total</b>	<b>549.28</b>	<b>442.11</b>

**25. DEPRECIATION AND OTHER AMORTIZATION EXPENSES**

(₹ in lacs)

Particular	For the year ended 31 <sup>st</sup> March 2015	For the year ended 31 <sup>st</sup> March 2014
Current year depreciation	358.31	505.83
Add(less) : Revaluation	231.75	(146.47)
<b>Total</b>	<b>590.06</b>	<b>359.36</b>

**26. OTHER EXPENSES**

(₹ in lacs)

Particular	For the year ended 31 <sup>st</sup> March 2015	For the year ended 31 <sup>st</sup> March 2014
<b>A. Manufacturing Expenses</b>		
Consumption of Store & Spares parts	165.63	187.25
Power & Fuel	194.13	270.79
Repairs & Maintenance to Plant & Machinery	1.73	3.50
Other manufacturing expenses	303.42	411.21
<b>Total (A)</b>	<b>664.91</b>	<b>872.75</b>
<b>B. Administration Expenses</b>		
Rent	2.62	3.10
Rates & taxes	0.77	0.71
Insurance	24.07	13.97

**Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2015**

(₹ in lacs)

<u>Particular</u>		For the year ended 31 <sup>st</sup> March 2015	For the year ended 31 <sup>st</sup> March 2014
	Repairs to buildings	-	-
	Directors' Remuneration	30.20	29.77
	Auditors' Remuneration	0.80	0.80
	CSR Expenses	3.46	3.33
	Forex (Gain)/Loss	-	28.92
	Miscellaneous Expenditure	88.47	64.40
	<b>Total (B)</b>	<b>150.39</b>	<b>145.00</b>
<b>C.</b>	<b>Selling &amp; Distribution Expenses</b>		
	Freight & Transport	1,084.67	927.54
	Advertisement & Business promotion	2.62	1.71
	Godown Rent	59.58	25.99
	Others	225.68	18.53
	<b>Total (C)</b>	<b>1,372.55</b>	<b>973.77</b>
	<b>Grand Total</b>	<b>2,187.85</b>	<b>1,991.52</b>

**27. RELATED PARTY TRANSACTIONS**

**a) Key Managerial persons**

- (i) Mr. Praveen Ostwal
- (ii) Mr. Sunil Kothari
- (iii) Ms. Suryanshi Jain

**b) Enterprises over which Key Managerial persons exercises significant influence:**

- (i) Madhya Bharat Agro Products Ltd.
- (ii) Ostwal Phoschem (India) Ltd. (Formerly known as Tedco Granite Limited)
- (iii) Seasons International Pvt. Ltd.

**c) Transactions with the related parties**

(₹ in lacs)

<u>Particular</u>	For the year ended 31 <sup>st</sup> March 2015		For the year ended 31 <sup>st</sup> March 2014	
	Key Management Personal	Enterprises over which significant influence of KMP	Key Management Personal	Enterprises over which significant influence
Remuneration	31.80	-	31.26	-
Purchases of goods	-	1,754.69	-	1,343.03
Sale of goods	-	197.61	-	1,498.22
Loans given	13.00	-	-	-
Guarantee Given	-	2,035.00	-	-
Guarantee Taken	-	-	-	3,150.00

**28. EMPLOYMENT BENEFIT PLANS**

The Company has complied with Accounting Standard 15 (Revised 2005) and the required disclosure are given here under:



OSTWAL

**KRISHANA PHOSCHEM LIMITED**Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2015

## (a) Defined Benefit Plans:

(₹ in lacs)

Particular		For the year ended 31 <sup>st</sup> March 2015	For the year ended 31 <sup>st</sup> March 2014
i)	<b>Reconciliation of opening and closing balances of defined benefit obligation</b>		
a)	At the beginning of the year	20.78	16.67
b)	Current Service Cost	3.95	3.86
c)	Interest Cost	1.66	1.33
d)	Actuarial (Gain) Loss	-3.59	-0.57
e)	Benefits paid	0.00	-0.51
f)	Defined Benefits Obligation at year end	22.80	20.78
ii)	<b>Reconciliation of opening and closing balances of fair value of plan assets</b>		
a)	At beginning of the year	25.33	22.09
b)	Expected Return on plan assets	3.62	2.03
c)	Actuarial Gain / (Loss)	0.00	0.00
d)	Employer Contributions	-0.58	1.72
e)	Benefits paid	0.00	-0.51
f)	Fair Value of the plan assets at the year end	28.37	25.33
iii)	<b>Reconciliation of fair value of obligation and Assets</b>		
a)	Present value of obligation as at year end	22.80	20.78
b)	Fair value of plan assets as at year end	28.37	25.33
c)	Amount recognized in Balance Sheet (a-b)	-5.57	-4.55
iv)	<b>Expense recognized during the year:</b>		
a)	Current Service Cost	3.95	3.86
b)	Interest Cost	1.66	1.33
c)	Expected return on plan assets	-3.62	-2.03
d)	Actuarial (gain) / loss	-3.59	-0.57
e)	Net Cost (a+b+c+d)	-1.60	2.59
v)	<b>Investment Details of Plan Assets :</b>		
	Name of retirement benefit	Name of Trust	Policy No.
	Gratuity	Krishana Phoschem Limited Employees Group Gratuity Trust	GGCA 101000041
			Investment with LIC of India
vi)	There are no amount included in the fair value of plan assets for		
	i) Company's own financial instruments.		
	ii) Property occupied by or other assets used by the Company.		
vii)	Principal Actuarial Assumptions at the Balance Sheet date		
		<b>31<sup>st</sup> March 2015</b>	<b>31<sup>st</sup> March 2014</b>
	i) Discount Rate	8% per annum	8% per annum
	ii) Expected Rate of return on plan assets	8% per annum	8% per annum
	iii) Future Salary Increase	8% per annum	8% per annum
viii)	The overall expected rate of return on assets is assumed based on the market prices prevailing on that date over the accounting period. The Company is having approved gratuity trust and leave encashment policy, which is having insurer Managed Fund.		



**Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2015**

<b>ix)</b>	<b>Experience Adjustment:</b>		
	<b>Gratuity</b>	<b>31<sup>st</sup> March 2015</b>	<b>31<sup>st</sup> March 2014</b>
	Defined Benefits Obligation	22.80	20.78
	Plan assets	28.37	25.33
	Surplus/(deficit)	5.57	4.55
	Experience adjustment on plan Liabilities (loss)/ gain	3.59	0.57
	Experience adjustment on plan Assets (loss)/ gain	0.00	0.00
	<b>(b) Defined Contribution Plans:</b>		
	Amount recognized as an expense and also included in the Note no. 21		
	<b>Particulars</b>	<b>31<sup>st</sup> March 2015</b>	<b>31<sup>st</sup> March 2014</b>
i)	Employers Contribution to Provident Fund	11.24	9.43

**29. FOREIGN CURRENCY EXPOSURE**

During the year 2014-15, there no foreign currency exposure made by the company. Previous year 2013-14 company had imported Rock Phosphate and amount paid in USD 2510517.89 & foreign exchange loss was Rs. 2891813/-.

**30. EARNING PER SHARE**

(₹ in lacs)

<b>Particular</b>	<b>For the year ended 31<sup>st</sup> March 2015</b>	<b>For the year ended 31<sup>st</sup> March 2014</b>
Net profit available to equity shareholders (Rs. in lacs)	98.18	717.63
Weighted average number of equity shares outstanding during the year (Nos.)	21,000,000	18,000,000
Basic and Diluted Earnings (Rs. per Share)	0.47	3.99

**31. PAYMENT TO AUDITOR**

(₹ in lacs)

<b>Particular</b>	<b>For the year ended 31<sup>st</sup> March 2015</b>	<b>For the year ended 31<sup>st</sup> March 2014</b>
To Statutory Auditor	0.60	0.60
To Cost Auditor	0.20	0.20
<b>Total</b>	<b>0.80</b>	<b>0.80</b>

**32. IMPORTED & INDIGENOUS RAW MATERIAL, COMPONENTS AND SPARE PARTS CONSUMED –**

All raw material, components and spare parts consumed by the company are indigenous except company has imported Rock Phosphate of 33620 MT through high sea sale agreement.

**33. STATEMENT OF ADDITIONAL INFORMATIONS:**

**a) Particulars of installed capacity:**

(As certified by management being technical matter)

(MT)

<b>Products</b>	<b>2014-2015</b>		<b>2013-2014</b>	
	<b>Licensed</b>	<b>Installed</b>	<b>Licensed</b>	<b>Installed</b>
i) Beneficiated Rock Phosphate	200000	200000	200000	200000
ii) Single Super Phosphate	120000	120000	120000	120000
iii) Granular Single Super Phosphate	90000	90000	90000	90000



OSTWAL

**KRISHANA PHOSCHEM LIMITED**Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2015**b) Details of Production & Sales**

(₹ in lacs)

Products	2014-2015		2013-2014	
	Qty(MT)	Value	Qty(MT)	Value
<b>i) Production</b>				
Beneficiated Rock Phosphate	10856.50		63399.00	
Single Super Phosphate	86084.76		102277.50	
Granular Single Super Phosphate	21632.00		9554.00	
<b>ii) Sales</b>				
Beneficiated Rock Phosphate	2841.39	205.46	19019.73	1542.41
Single Super Phosphate	63430.45	5380.01	82786.60	7079.73
Granular Single Super Phosphate	18199.85	1695.36	6155.05	364.77

**c) Closing Stocks of finished goods**

(₹ in lacs)

Products	31.03.2015		31.03.2014	
	Qty(MT)	Value	Qty(MT)	Value
a. Beneficiated Rock Phosphate	0.00	0.00	2048.045	150.62
b. Single Super Phosphate	28788.78	2069.76	27766.47	1765.62
c. Granular Single Super Phosphate	6831.10	539.74	3398.95	249.17

- 31 a) Figures of Previous year have been regrouped, rearranged and/or reclassified wherever consider necessary to make these comparable with the current year.  
b) Amount have been shown in Lacs, except otherwise stated.

As per our report of even date.

For M/s Ashok Kanther & Associates  
Chartered Accountants  
FRN 050014C

For and on Behalf of the Board of Directors

Sd/-  
(Ashok Kanther)  
Proprietor  
M.No.: 043571

Sd/-  
(Suryanshi Jain)  
Company Secretary  
M.No.: A-39739

Sd/-  
(Sunil Kothari)  
Director  
Din : 02056569

Sd/-  
(Praveen Ostwal)  
Managing Director  
DIN : 00412207

Place : Bhilwara (Raj.)

Date : 25/05/2015

# KRISHANA PHOSCHEM LIMITED



## PROXY FORM

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

**Krishana Phoschem Limited**  
**CIN: U24124RJ2004PLC019288**

Registered Office: 5-O-20, Basement, R.C. Vyas Colony, Bhilwara 311001, Rajasthan  
www.krishnaphoschem.com, info@krishnaphoschem.com  
**11<sup>th</sup> Annual General Meeting - 21<sup>st</sup> September 2015**

Name of the member's : .....

Registered Address : .....

E-mail ID : .....

Folio No./ Client ID : .....

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

S.No.	Name	Address	E-mail ID	Signature
1				
2				
3				

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **11<sup>th</sup> Annual General Meeting** of the Company, to be held on the Monday, **21<sup>st</sup> day of September, 2015 at 11:00 A.M.** at 5-O-20, Basement, R. C. Vyas Colony, Bhilwara 311001, Rajasthan and any adjournment thereof in respect of such as are indicated below:

Resolution No.	Particulars of Resolution	Vote Option*		
		For	Against	Abstain
	<b>Ordinary Business</b>			
1	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the financial year ended on 31 <sup>st</sup> March, 2015.			
2	Appoint a director in place of Sh. Basant Patwa, who retires by rotation and being eligible, seeks Re-appointment.			
3	Appointment of Sh. Ashok Kanther as Statutory Auditor of the Company.			
	<b>Special Business</b>			
4	To Appoint Sh. Ashish Kothari as an Independent Director of the Company for Five years.			
5	Appointment of Sh. M/s K.C.Moondra & Associates as Cost Auditor of the Company			
6	To Adopt new set of Articles of Association of the Company.			

Signed this .....day of .....2015

Signature of the member .....

Signature of Proxy holder(s) .....

-----  
| Affix Revenue |  
| Stamp of not |  
| less than Rs. |  
0.15

**Note:** 1. This form, in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. \*It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.



OSTWAL

---

---

**KRISHANA PHOSCHEM LIMITED**

---

---

**ATTENDANCE SLIP**

**Krishana Phoschem Limited  
CIN: U24124RJ2004PLC019288**

**Registered Office: 5-O-20, Basement, R.C. Vyas Colony, Bhilwara 311001, Rajasthan  
www.krishnaphoschem.com, info@krishnaphoschem.com  
11<sup>th</sup> Annual General Meeting - 21<sup>st</sup> September 2015**

Registered Folio No. ....

Number of Shares Held .....

I certify that I am a member/proxy for the member of the company.

I hereby record my presence at the 11<sup>th</sup> Annual General Meeting of the Company at the registered office 5-O-20, Basement, R.C.Vyas Colony, Bhilwara 311001, Rajasthan on **Monday, 21<sup>st</sup> September, 2015 at 11:00 A.M.**

Name of the Member/Proxy .....

Signature of the Member/Proxy .....

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.