



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. 79.69 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.

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. 88.57 crore in current year in comparison of Rs. 72.34 crore in the 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

Sd/-

(Praveen Ostwal)

Managing Director

FINANCIAL HIGHLIGHTS :

(₹ In Lacs)

Particulars	2015-16	2014-15
Net Sales	8857.40	7233.73
Depreciation	556.32	590.06
Misc. Exp. W/off	0.00	0.00
Profit Before Tax	302.74	276.50
Profit After Tax	138.26	98.18
Assets		
Gross Fixed Assets	9890.32	9525.33
Net Fixed Assets	7174.97	7350.26
Capital Work in Progress	810.72	862.67
Non-Current Assets	59.32	95.63
Deferred Tax Assets	62.62	131.99
Current Assets	3622.08	4053.40
Total	11729.71	12493.95
Sources		
Equity Share capital	2100.00	2100.00
Reserves & Surplus	5931.39	5804.39
Non-Current Liabilities	1261.76	1276.81
Current Liabilities	2436.56	3312.75
Total	11729.71	12493.95
Profit Before Tax Margin (%)	3.42	3.82
Profit After Tax Margin (%)	1.56	1.36

NOTICE

NOTICE is hereby given that the 12th Annual General Meeting of the Members of Krishana Phoschem Limited will be held on **Wednesday, 28th September, 2016** at 11:00 A.M. at 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 31st March, 2016 together with Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Sh. Sunil Kothari, 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 converted from proprietor concern to partnership firm) (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 approve the remuneration of the Cost Auditor(s) for the financial year ending March 31, 2017 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 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. 30000 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 31st March, 2017.

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.



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KRISHANA PHOSCHEM LIMITED

- 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

Dated : 01/06/2016

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

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

Item no. 4

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 31st March, 2017. 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 recommends the Ordinary Resolution set out at Item no. 4 for the approval of Members.

Special position of Managing Director

Subject to the article 93 of Article of Association, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation.

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

By Order of the Board
For Krishana Phoschem Limited

Dated : 01/06/2016

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

DIRECTORS' REPORT
For the Year 2015-16

Dear Members,

Your Directors have pleasure in presenting the 12th Annual Report on the business and operations of the Company together with the Audited Accounts of the Company for the year ended 31st March, 2016.

FINANCIAL RESULTS:

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

(₹ in Lacs)

Particulars	2015-2016	2014-2015
Turnover	8857.40	7233.73
Profit Before Taxation	302.74	276.50
Taxation	164.48	178.32
Profit /(Loss) after Tax	138.26	98.18
Profit Before Tax Margin (%)	3.42	3.82
Profit After Tax Margin (%)	1.56	1.36

STATE OF COMPANY'S AFFAIR:

During the year the company could not get raw material from MPSPMC 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. 8857.40 Lacs. The net profit after tax for the current year stands at Rs. 138.26 Lacs. Your Company has achieved production 8046.00 MT of Beneficiated Rock Phosphate & 81850.01 MT of Single Super Phosphate & 22164.00 MT of Granular Single Super Phosphate.

ANNUAL RETURN (SECTION 92):

The information required pursuant to the provisions of Section 134 (3) (a) and Section 92 (3) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014 the extract of the Annual Return in Form MGT-9 for the financial year ended on March 31st, 2016 is provided in Annexure II forming part of this report.

AUDITORS' & AUDITORS' REPORT:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s Ashok Kanther & Associates, Chartered Accountants, has been appointed as the Auditor of the Company for a period of 3 consecutive years from the conclusion of 10th Annual General Meeting held on 13.09.2014 until the conclusion of the Thirteen (13th) Annual General Meeting of the company in the calendar year 2017.

Company has received notice from auditors regarding the conversion of proprietorship firm into partnership firm in 2016 and letter has been received regarding their eligibility and willingness to continue as auditor in capacity of partner. Necessary resolution for ratification of appointment of the said Auditors is included in the Notice of Annual General Meeting for seeking approval of members.

However, their appointment as Statutory Auditors of the Company is subject to ratification by the Members at every Annual General Meeting.

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

COST AUDITORS & AUDITORS' REPORT:

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 will appoint M/s K.C. Moondra & Associates, Cost Accountants (Registration No. 101814), for remuneration at Rs. 30000 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 31st March, 2017. 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.

RESERVES:

The Board of Director of Company proposes to carry the Reserves & Surplus of Rs. 5931.39 Lacs.

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.

DEPOSITS:

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

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.

DIRECTORS:

In accordance with provisions of Companies Act, 2013 and company's Articles of Association, Mr. Sunil Kothari (DIN: 02056569), Director of the Company, retire by rotation and being eligible offers himself for re-appointment. The Board recommends their re-appointment.

Mr. Basant Patwa due to his pre occupation in other works, he resigned from the directorship on 30th March, 2016. Board expresses their sincere thanks for the services rendered by him.

NUMBER OF MEETING OF BOARD OF DIRECTORS:

The Board of Directors duly met 9 (Nine) times 01-05-2015, 18-05-2015, 25-05-2015, 10-07-2015, 14-09-2015, 24-10-2015, 31-12-2015, 01-02-2016 and 30-03-2016 in the 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.

PARTICULARS OF EMPLOYEES:

The particulars of employees as required under section 197(12) and rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have not been furnished as there are no employees falling within the purview of the provisions of said section and the said rule during the period under review.

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

The details as required under section 134 (3) (m) of the Companies Act, 2013 read with the Rule 8 of Companies (Account) Rule, 2014 for conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo are given in Annexure I forming part of this report.

PARTICULAR OF LOAN, GUARANTEE AND INVESTMENT UNDER SECTION 186:

The information required for loans given, investment made or guarantee given or security provided 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 III forming part of this report.

RISK MANAGEMENT:

A proper Risk Management Practices has been followed for the purpose of risk identification, analysis, response planning, and monitoring, controlling, and reporting. Although, all risks cannot be eliminated, but mitigation and contingency plans has been developed to lessen their impact if they occur.

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. The company has not entered into any contract or arrangement covered under section 188 of the Companies Act, 2013 read with the rule 15 of Companies (Meetings of Board and its power) Rule, 2014. 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.

DISCLOSURE UNDER SECTION 149:

The Company has received necessary declaration from each independent Director under Section 149(7) of the Companies Act, 2013, to the effect that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013. The terms and conditions of the independent Directors are incorporated on the website of the Company.

COMMITTEES OF BOARD:**AUDIT COMMITTEE DISCLOSURE UNDER SECTION 177:**

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.

The following Directors are the members of Audit Committee.

- | | | |
|-----|----------------------|----------|
| (1) | Shri Sunil Kothari | Chairman |
| (2) | Shri Pradeep Agrawal | Member |
| (3) | Shri Basant Patwa | Member |
| (4) | Shri Ashish Kothari | Member |

During the year the Committee had 4 Meetings i.e. on 15th May 2015, 20th August 2015, 11th December 2015 and 02nd March 2016.

NOMINATION & REMUNERATION COMMITTEE:

In pursuant to the provisions of section 178 (4) of the Companies Act, 2013, Nomination and Remuneration Policy recommended by the Nomination and Remuneration committee is duly approved by the Board of Directors of the Company and is given in Annexure IV forming part of this report.

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 Directors /KMPs. During the year the Committee had 1 Meetings i.e. on 12th May, 2015.

CORPORATE SOCIAL RESPONSIBILITIES:

In pursuant to the provisions of section 135 and schedule VII of the Companies Act, 2013, CSR Committee of the Board of Directors was formed to recommend (a) the policy on Corporate Social Responsibility (CSR) and (b) implementation of the CSR Projects or Programs to be undertaken by the Company as per CSR Policy for consideration and approval by the Board of Directors.

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

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



The company has incurred as per recommendation of committee a sum of Rs. 5.53 Lacs during the year 2015-16 as against Rs. 11.81 Lacs as per provisions of Companies Act, 2013.

Several amendments/clarifications were issued by the Government over the year. The Company has been tracking these changes and working towards identifying relevant CSR interventions which meet the intent of the law and the CSR policy.

A dedicated team is working on building a set of projects to deliver meaningful and measurable outcomes. A systematic process is followed for this, based on research, planning, impact assessment, deployment, management and given the delayed commencement and the lead time for developing impactful projects, there has been a shortfall in the CSR spent for this year. The Directors expect that spend targets for next year will be met.

The CSR Report for the financial year ended on March 31st, 2016 is provided in Annexure V forming part of this report.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY:

The Company does not have any Subsidiary, Joint Venture and Associate Company.

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, temporary, trainee) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2015-16.

No. of complaints received: Nil

No. of complaints disposed off: Nil

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013 with respect to Directors Responsibility Statement, it is hereby confirmed that:

- (a) In the preparation of the annual accounts for the Financial Year ended 31st March, 2016, 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 the year under review;
- (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 for the financial year ended 31st March, 2016 on a going concern basis; and
- (e) 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.

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.

**MATERIAL CHANGES AND COMMITMENTS:**

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

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 : 01/06/2016

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

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

ANNEXURE - I

Information pursuant to section 134 (3) (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 31st March 2016.

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:

A. Power & Fuel Consumption:			
		2015-16	2014-15
1	Electricity:		
(A)	Purchase of Units:	1820960	2457080
	Amount in Rs.	16353076	19413287
	Rate / unit Rs.	8.98	7.90
(B)	Own Generation Through Diesel:	NIL	NIL
	Units generated		
	Units per litre of oil		
	Cost/unit (Rs.)		
B. Consumption per unit of production:			
	Electricity (Unit / MT)		
1.	Beneficiated Rock Phosphate	27.33	77.73
2.	Single Super Phosphate	15.75	14.66
	Granular Single Super Phosphate	14.08	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 OUTGO

There is no foreign currency exposure earning & outgoing during the year 2015-16.

ANNEXURE - II
FORM NO. MGT-9

As on the financial year ended on 31.03.2016

[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	Company Limited by Shares/ Non-Govt. Company
v)	Address of the Registered office and contact details	5-O-20, Basement, R.C. Vyas Colony Bhitwara (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	Single Super Phosphate	20122	75.57
2	Granular Single Super Phosphate	20122	22.57

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	23.65	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	
A. Promoters									
1. Indian									
Individual/ HUF	0	3408500	3408500	16.23	0	3408500	3408500	16.23	No Change
Central Govt	-	-	-	-	-	-	-	-	-
State Govt (s)	-	-	-	-	-	-	-	-	-
Bodies Corp.	0	8374000	8374000	39.88	0	9139000	9139000	43.52	3.64



Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	0	11782500	11782500	56.11	0	12547500	12547500	59.75	3.64
2. Foreign									
NRIs -Individuals	-	-	-	-	-	-	-	-	-
Other Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp.	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	0	11782500	11782500	56.11	0	12547500	12547500	59.75	3.64
B. Public Shareholding									
1 Institutions									
Mutual Funds	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt (s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIs	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2 Non-Institutions									
a) Bodies Corp.									
Indian	0	7552500	7552500	35.96	0	7552500	7552500	35.96	No Change
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	7.93	0	900000	900000	4.29	(3.64)
Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	0	9217500	9217500	43.89	0	8452500	8452500	40.25	(3.64)

KRISHANA PHOSCHEM LIMITED



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Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	9217500	9217500	43.89	0	8452500	8452500	40.25	(3.64)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	0	21000000	21000000	100	0	21000000	21000000	100	-

Shareholding of Promoters

S No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	
1	Pankaj Ostwal	540000	2.57	-	540000	2.57	-	No Change
2	Praveen Ostwal	678500	3.23	-	678500	3.23	-	No Change
3	Nitu Ostwal	472500	2.25	-	472500	2.25	-	No Change
4	Ekta Jain	480000	2.29	-	480000	2.29	-	No Change
5	M.K. Ostwal (Karta of M.K. Ostwal HUF)	552500	2.63	-	552500	2.63	-	No Change
6	Pankaj Ostwal (Karta of Pankaj Ostwal HUF)	300000	1.43	-	300000	1.43	-	No Change
7	Praveen Ostwal (Karta of Praveen Ostwal HUF)	300000	1.43	-	300000	1.43	-	No Change
8	Mahendra Kumar Ostwal	85000	0.40	-	85000	0.40	-	No Change
9	Madhya Bharat Agro Products Limited	1785000	8.50	-	1785000	8.50	-	No Change
10	Seasons Agro Chem India Private Limited	2387500	11.37	-	2387500	11.37	-	No Change
11	Ostwal Phoschem (India) Limited	4201500	20.01	-	4966500	23.65	-	3.64

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

Name of Promoter	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
Ostwal Phoschem (India) Limited				
At the beginning of the year	4201500	20.01	4201500	20.01
Received from Share transfer (30.03.2016)	765000	3.64	4966500	23.65
At the End of the year	4966500	23.65	4966500	23.65



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	Archid Products Private Limited				
	At the beginning of the year	1771500	8.44	1771500	8.44
	At the End of the year (or on the date of separation, if separated during the year)	1771500	8.44	1771500	8.44
2	Swastik Clothtex Pvt. Ltd.				
	At the beginning of the year	1440000	6.86	1440000	6.86
	At the End of the year (or on the date of separation, if separated during the year)	1440000	6.86	1440000	6.86
3	Vesta Tex Private Limited				
	At the beginning of the year	963750	4.59	963750	4.59
	At the End of the year (or on the date of separation, if separated during the year)	963750	4.59	963750	4.59
4	Chunri Prints Private Limited				
	At the beginning of the year	888000	4.23	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	Paneri Textiles Private Limited				
	At the beginning of the year	824250	3.93	824250	3.93
	At the End of the year (or on the date of separation, if separated during the year)	824250	3.93	824250	3.93
6	Shubhlaxmi Tex Fab Pvt. Ltd.				
	At the beginning of the year	765000	3.64	765000	3.64
	At the End of the year (or on the date of separation, if separated during the year)	765000	3.64	765000	3.64
7	Suswani Textiles Pvt. Ltd.				
	At the beginning of the year	507000	2.41	507000	2.41
	At the End of the year (or on the date of separation, if separated during the year)	507000	2.41	507000	2.41
8	Sh. Shailendra Garg				
	At the beginning of the year	450000	2.14	450000	2.14
	At the End of the year (or on the date of separation, if separated during the year)	450000	2.14	450000	2.14
9	Visualize Tradecom Pvt. Ltd.				
	At the beginning of the year	393000	1.87	393000	1.87
	At the End of the year (or on the date of separation, if separated during the year)	393000	1.87	393000	1.87
10	Smt. Sonali Garg				
	At the beginning of the year	225000	1.07	225000	1.07
	At the End of the year (or on the date of separation, if separated during the year)	225000	1.07	225000	1.07



OSTWAL

KRISHANA PHOSCHEM LIMITED

- 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;
- 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 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, 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 :
- The Company does not have any pending litigations which would impact its financial position;
 - The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

Place : Bhilwara (Raj.)

Date : 01/06/2016

INDEPENDENT AUDITORS' 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, 2016 and the Statement of Profit and Loss and Cash Flow Statement for the year 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.

Auditors' 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 March 31, 2016;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

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;



OSTWAL

KRISHANA PHOSCHEM LIMITED

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)
2014-2015	276.50
2013-2014	747.83
2012-2013	747.53
Total	1771.86
Avg. Profit	590.62

CSR Expenditure - CSR Expenditure for financial year 2015-16 of Company is Rs. 11.81 Lacs i.e. 2% of Rs. 590.62 Lacs.

Details of CSR Spent during the financial year

- (a) Total amount to be spent for the financial year Rs. 11.81Lacs
 (b) Amount unspent for the financial year Rs. 6.28 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 Local Area or other Specify The State and District where Projects or Programs was undertaken	Amount outlay (budget) Project Programs wise	Amount Spent on The Projects or programs Sub heads- (1) Direct Expenditure on project or programs (2) Overheads	Cumulative expenditure Up to the Reporting period	Amount Spent : Direct or Through Implementing Agency
1	Terapanth Professional Forum	Promoting Education	Bhilwara (Raj.)	4.23	2.61	2.61	Direct
2	Nirmala Devi Ostwal Seva Sansthan	Promoting Education	Bhilwara (Raj.)	2.00	0.56	0.56	Direct
3	Medical health checkup camps	Preventive Healthcare	Meghnagar (M.P.)	1.75	0.96	0.96	Direct
4	Tree Plantation	Environmental Sustainability	Meghnagar (M.P.)	1.00	0.36	0.36	Direct
5	Water Hut	Making available drinking water	Meghnagar (M.P.)	2.83	1.04	1.04	Direct
Total				11.81	5.53	5.53	

Sd/-
 (Praveen Ostwal)
 Managing Director

Sd/-
 (Praveen Ostwal)
 Chairman CSR Committee

Sd/-
 (Sunil Kothari)
 Member

ANNEXURE - V

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;
10. Rural development projects;
11. Slum area development;



- (b) Exercise their responsibilities in a bona fide manner in the interest of the Company;
- (c) Devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- (d) Do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (e) Refrain from any action that would lead to loss of his independence
- (f) Inform the Board immediately when they lose their independence,
- (g) Assist the Company in implementing the best corporate governance practices.
- (h) Strive to attend all meetings of the Board of Directors and the Committees;
- (i) Participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (j) Strive to attend the general meetings of the Company;
- (k) Keep themselves well informed about the Company and the external environment in which it operates;
- (l) Do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (m) Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.
- (n) Abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading etc.

Remuneration:

The Committee will recommend the remuneration to be paid to the Managing Director, Whole Time Director, KMP and Senior Management Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks.

Deviations from this policy

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

Chairman:

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

Frequency of Meetings:

The Committee shall meet at such regular intervals as may be required.

Committee Members' Interests:

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

Voting:

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

General Appointment Criteria:

- i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- ii. The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under or any other enactment for the time being in force.
- iii. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, or any other enactment for the time being in force.
- iv. The Company shall not appoint or continue the employment of any person as Managing Director / Whole-time Director / Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly).

Criteria for Evaluation of the Board:

Following are the Criteria for evaluation of performance of the Board:

1. Executive Directors:

The Executive Directors shall be evaluated on the basis of targets / Criteria given to executive Directors by the Board from time to time

2. Non-Executive Director:

The Non-Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:

- (a) Act objectively and constructively while exercising their duties;

**ANNEXURE-IV****NOMINATION AND REMUNERATION POLICY****Introduction:**

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee, in compliances with Section 178 of the Companies Act, 2013 read along with applicable rules thereto.

Objectives of the Committee:

The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- ii. Formulation of criteria for evaluation of the Independent Director and to carry out evaluation of every Director's performance and to provide necessary report to the Board for further evaluation.
- iii. Devising a policy on Board diversity.
- iv. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- v. To provide Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- vi. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- vii. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- viii. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- ix. To perform such other functions as may be necessary or appropriate for the performance of its duties.
- x. To develop a succession plan for the Board and to regularly review the plan.

Definitions:

- **"Board"**:- Board means Board of Directors of the Company.
- **"Director"**:- Directors means Directors of the Company.
- **"Key Managerial Personnel"**:- Key Managerial Personnel (KMP) means-
 - (i) The Chief Executive Officer or the Managing Director or the Manager;
 - (ii) The Whole-Time Director;
 - (iii) The Company Secretary;
 - (iv) The Chief Financial Officer; and
 - (v) Such other officer as may be prescribed under the applicable statutory provisions/ regulations
- **"Nomination and Remuneration Committee"** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.
- **"Remuneration"** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

Unless the context otherwise requires, words and expressions used in this policy and not defined here in but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

ANNEXURE-III**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

[Pursuant to section 186 (4)]

	Particulars	As at 31 st March,2016	As at 31 st March,2015
(A)	Loan Given	-	-
(B)	Investment made	-	-
(C)	Guarantee given*	-	Rs. 2035.00 Lacs
	*To Seasons International Pvt. Ltd. In respect of credit facilities given on 17.11.2014 which has been satisfied on 31.12.2015		

Place: Bhilwara
Date : 01/06/2016Sd/-
(Praveen Ostwal)
Managing Director
(DIN: 00412207)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Sh. Praveen Ostwal	Sh. Sunil Kothari	
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	2402496	740660	3143156
	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 Suryanshi Jain			
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	77000	-	-	77000
	(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	-	-	-	-
	Total	77000	-	-	77000

PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES -

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

KRISHANA PHOSCHEM LIMITED



OSTWAL

Shareholding of Directors and Key Managerial Personnel:					
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	Sh. Praveen Ostwal				
	At the beginning of the year	678500	3.23	678500	3.23
	At the End of the year	678500	3.23	678500	3.23

INDEBTEDNESS

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

(in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	275836891	44589000		320425891
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	758193	-		758193
Total (i+ii+iii)	276595084	44589000		309890649
Change in Indebtedness during the financial year				
Addition	30000000	38436000		68436000
Reduction	27234208	39736000		66970208
Net Change	2765792	-1300000		1465792
Indebtedness at the end of the financial year				
i) Principal Amount	278602683	43289000		321891683
ii) Interest due but not paid		-		-
iii) Interest accrued but not due	770825	-		770825
Total (i+ii+iii)	279373508	43289000		322662508

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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	740660	3143156
	(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	-	-	-

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 March 31, 2016.

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.
 - c. As per the information given to us the title deeds of the immovable properties are held in the name of the company.
- (ii) As per the information and explanation given to us, the inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on such verification.
- (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 loans to any parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus clause iii (a), iii (b) iii (c) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees and security the provisions of section 185 and 186 of the Companies Act, 2013 has been complied with by the company.
- (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 31st March 2016 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.
- (viii) Based on our audit procedures and the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions or banks. There are no debenture holders of the company.
- (ix) According to the record of the company, no money has been raised by the company by way of initial public offer or further public offer, further company raised money of Rs. 300.00 Lacs by way of term loan. The loan has been utilized for the purpose for which it has been sanctioned.
- (x) 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.



OSTWAL

KRISHANA PHOSCHEM LIMITED

- (xi) According to the records of the company and on the basis of information and explanation given to us, we are of the opinion that the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provision of section 197 read with schedule V to the Companies Act.
- (xii) In our opinion, the Company is not a nidhi. Therefore, clause 12 of the Companies (Auditor's Report) order, 2016 is not applicable to the Company.
- (xiii) In our opinion and according to the record of the company all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards
- (xiv) According to the record of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertibles debentures during the year under review.
- (xv) According to the information and explanations given to us and the records examined by us the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the record of the company, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

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

Place : Bhilwara (Raj.)
Date : 01/06/2016

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

KRISHANA PHOSCHEM LIMITED



OSTWAL

AUDITED BALANCE SHEET AS AT 31ST MARCH, 2016

(₹ in lacs)

Particulars		Note No.	As at 31 st March 2016	As at 31 st March 2015
I.	<u>EQUITY AND LIABILITIES</u>			
1	Shareholders' funds			
	(a) Share capital	2	2100.00	2100.00
	(b) Reserves and surplus	3	5931.39	5804.39
2	Non-current liabilities			
	(a) Long-term borrowings	4	1261.76	1276.81
	(b) Deferred tax liabilities (Net)	5	0.00	0.00
	(c) Other long term liabilities			
3	Current liabilities			
	(a) Short-term borrowings	6	1658.97	1690.01
	(b) Trade payables	7	318.27	1227.61
	(c) Other current liabilities	8	344.27	293.44
	(d) Short-term provisions	9	115.05	101.69
	TOTAL		11729.71	12493.95
II.	<u>ASSETS</u>			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	10	7174.97	7350.26
	(ii) Intangible assets			
	(iii) Capital work-in-progress		810.72	862.67
	(iv) Intangible assets under development			
	(b) Non-current investments	11	0.00	0.00
	(c) Deferred tax Assets (Net)	5	62.62	131.99
	(d) Long-term loans and advances	12	59.32	95.63
	(e) Other non-current assets	13	0.00	0.00
2	Current assets			
	(a) Inventories	14	1527.87	3109.20
	(b) Trade receivables	15	1501.20	480.85
	(c) Cash and cash equivalents	16	6.09	15.31
	(d) Short-term loans and advances	17	586.92	448.04
	(e) Other current assets	18	0.00	0.00
	TOTAL		11729.71	12493.95

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)
Partner
M.No.: 043571

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

Sd/-
(Sunil Kothari)
**Whole Time
Director & CFO**
Din : 02056569

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

Place : Bhilwara (Raj.)
Date : 01/06/2016



OSTWAL

KRISHANA PHOSCHEM LIMITEDAUDITED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ in lacs)

<u>Particulars</u>		Note No.	For the year ended 31 st March 2016	For the year ended 31 st March 2015
I.	Revenue from operations	19	8857.40	7233.73
II.	Other income	20	155.23	444.99
III.	Total Revenue (I + II)		9012.63	7678.72
IV.	Expenses:			
	Cost of materials consumed	21	4202.91	4357.67
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	22	1523.18	(444.09)
	Employee benefits expense	23	167.24	161.45
	Finance costs	24	475.70	549.28
	Depreciation and amortization expense	25	556.32	590.06
	Other expenses	26	1784.54	2187.85
	Total Expenses		8709.89	7402.22
V.	Profit before exceptional and extraordinary items and tax	(III-IV)	302.74	276.50
VI.	Exceptional items		0.00	0.00
VII.	Profit before extraordinary items and tax	(V-VI)	302.74	276.50
VIII.	Extraordinary Items		0.00	0.00
IX.	Profit before tax	(VII- VIII)	302.74	276.50
X.	Tax expense:			
	(1) Current tax		107.34	101.69
	(2) Deferred tax		69.37	74.23
	(3) Earlier Year's Tax		-12.23	2.40
	Total Tax Expenses		164.48	178.32
XI.	Profit (Loss) for the period from continuing operations	(IX-X)	138.26	98.18
XII.	Profit/(loss) from discontinuing operations		0.00	0.00
XIII.	Tax expense of discontinuing operations		0.00	0.00
XIV.	Profit/(loss) from Discontinuing operations (after -tax)	(XII-XIII)	0.00	0.00
XV.	Profit (Loss) for the period	(XI + XIV)	138.26	98.18
XVI.	Earnings per equity share: Basic & Diluted		0.66	0.47

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 DirectorsSd/-
(Ashok Kanther)
Partner
M.No.: 043571Sd/-
(Suryanshi Jain)
Company Secretary
M.No.: A-39739Sd/-
(Sunil Kothari)
Whole Time
Director & CFO
Din : 02056569Sd/-
(Praveen Ostwal)
Managing Director
DIN : 00412207

Place : Bhilwara (Raj.)

Date : 01/06/2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

(₹ in lacs)

Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax	302.74	276.50
Adjustments for:		
Depreciation and Amortization	556.32	590.06
Interest Income	(6.18)	(11.07)
Misc Exps write off		
Loss / (Profit) on sale of Fixed Assets	1.60	0.00
Interest Expenses	475.70	549.28
Operating profit before working capital change	1,330.18	1,404.77
Adjustments for:		
Increase/(Decrease) in Trade payable	(909.34)	185.31
Increase/(Decrease) in Other Current Liability	50.82	(116.69)
Increase/(Decrease) in Short Term Provisions	7.71	(0.56)
(Increase)/Decrease in Inventories	1,581.33	139.65
(Increase)/Decrease in Trade Receivable	(1,020.35)	(284.19)
(Increase)/Decrease in Short term Loan and Advances	(155.02)	(255.60)
Increase/(Decrease) in Short term Borrowings	(31.04)	37.81
Net changes in working capital	(475.89)	(294.27)
Cash Generated from/(used in) operations	854.29	1,110.50
Direct Taxes paid	(73.32)	(104.78)
Net cash from/(Used in) operating activities (A)	780.97	1,005.72
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(349.32)	(1,119.09)
Sale/Decrease of Fixed Assets	7.39	0.00
Interest Received	6.18	11.07
(Increase)/decrease in long term loans and advances	36.31	45.69
Net cash from investing activities (B)	(299.44)	(1,062.33)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	0.00	600.00
Proceeds from long term borrowings	(15.05)	12.46
Interest paid	(475.70)	(549.28)
Proceeds from Differed Creditors		
Net cash from financing activities (C)	(490.75)	63.18
Net increase in cash and cash equivalents (A+B+C)	(9.22)	6.57
Cash and cash equivalents as at(Opening Balance) 01.04.2015	15.31	8.74
Cash and cash equivalents as at(Closing Balance) 31.03.2016	6.09	15.31

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)
Partner
M.No.: 043571

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

Sd/-
(Sunil Kothari)
Whole Time
Director & CFO
Din : 02056569

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

Place : Bhilwara (Raj.)
Date : 01/06/2016



Notes to the Financial Statements for the year ended 31st March, 2016.

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 is 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.

Notes to the Financial Statements for the year ended 31st March, 2016

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 31st March 2016.

- a. Bank Guarantee of Rs. 36.12 lacs pledged with Excise authority (Previous year FDR of Rs. 38.73 lacs pledged with Excise authority)

2. SHARE CAPITAL

(₹ in lacs)

<u>Particular</u>	As at 31 st March 2016		As at 31 st March 2015	
	Number	Amount	Number	Amount
<u>Authorized</u>				
Equity Shares of Rs.10/- each	25000000	2500.00	25000000	2500.00
<u>Issued</u>				
Equity Shares of Rs. 10/- each	21000000	2100.00	21000000	2100.00
<u>Subscribed & Paid up</u>				
Equity Shares of Rs 10/- each fully paid	21000000	2100.00	18000000	1800.00
<u>Subscribed but not fully Paid up</u>				
Equity Shares of Rs 10/- each but not fully paid	-	-	-	-
Total	21000000	2100.00	21000000	2100.00

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

<u>Particular</u>	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the period	-	-
Shares Issued during the period	-	-
Shares brought back during the period	-	-
Shares outstanding at the end of the period	-	-

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

<u>Name of Shareholder</u>	As at 31 st March 2016		As at 31 st March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Madhya Bharat Agro Products Limited	1785000	8.50	1785000	8.50
Archid Products Pvt. Ltd.	1771500	8.44	1771500	8.44
Swastik Clothtex Pvt. Ltd.	1440000	6.86	1440000	6.86
Seasons Agro Chem India Private Limited	2387500	11.37	2387500	11.37
Ostwal Phoschem (India) Limited	4966500	23.65	4201500	20.01

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.



OSTWAL

KRISHANA PHOSCHEM LIMITED**Notes to the Financial Statements for the year ended 31st March, 2016**

- 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				
	2015-16	2014-15	2013-14	2012-13	2011-12
Equity Shares:	-	-	-	-	-
Fully paid up pursuant to contract(s)	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	6000000.00
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 st March 2016	As at 31 st March 2015
i)	Revaluation Reserves		
	Opening Balance	3,353.60	3,585.38
	(+) Addition during the year	-	-
	(-) Deduction during the year	11.26	-
	(-) Current year depreciation on revaluation transfer to		
	General Reserve	231.00	231.74
	(-) Yearlier year depreciation charged from revaluation resvere	-	0.04
	Closing Balance	3,111.34	3,353.60
ii)	Surplus		
	Opening Balance	2,150.79	1,824.09
	(+) Net Profit/(Net Loss) For the current year	138.26	98.18
	(+) Transfer from Revaluation Reserves	231.00	231.74
	(-) Depereciation releated to yearlier year	-	3.22
	(-) Proposed Dividends	-	-
	(-) Interim Dividends	-	-
	(-) Bonus issue	-	-
	(-) Transfer to Reserves	-	-
	Closing Balance	2,520.05	2,150.79
iii)	Security Premium		
	Opening Balance	300.00	-
	(+) Addition During the year	-	300.00
	(-) Deduction During the year	-	-
	Closing Balance	300.00	300.00
	Total	5,931.39	5,804.39

4. LONG TERM BORROWINGS

(₹ in lacs)

Particular	As at 31 st March 2016	As at 31 st March 2015
Secured		
(a) Term Loan		
From other Parties - HDFC	828.87	830.92
Total	828.87	830.92

KRISHANA PHOSCHEM LIMITED



OSTWAL

Notes to the Financial Statements for the year ended 31st March, 2016

Particular	As at 31 st March 2016	As at 31 st March 2015
Unsecured		
(a) Other Loans & Advances		
Loans taken from directors, members etc.	432.89	445.89
Total	432.89	445.89
Total	1261.76	1276.81

- 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 10.85% to 10.30%.

(₹ in lacs)

Name of Banks	Date of maturity	No. of Installments outstanding as on 31.03.2016	As at 31 st March 2016			As at 31 st March 2015		
			Total outstanding	Current Maturities	Net Long Term Borrowings	Total outstanding	Current Maturities	Net Long Term Borrowings
HDFC	7-Jan-18	22	159.17	84.25	74.92	234.59	74.63	159.96
HDFC	7-Jun-19	39	667.88	186.32	481.56	833.77	162.81	670.96
HDFC	7-Aug-21	65	300.00	27.61	272.39			
	Total		1,127.05	298.18	828.87	1,068.36	237.44	830.92

- iii) **Guarantors** - Secured loan is guaranteed by personal guarantee of Managing Director Praveen Ostwal & Mahendra Kumar Ostwal, Pankaj Ostwal and Ekta Jain.

5. DEFERRED TAX LIABILITIES/ ASSETS

- i) The company has recognized a provision for deferred tax liability of Rs. 69.37 Lac (P.Y. deferred tax liability Rs. 74.23 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)

Particular	As at 31 st March 2016	As at 31 st March 2015
Deferred Tax Liabilities/Assets		
Deferred tax liabilities (depreciation on fixed assets)	902.23	957.83
Deferred tax Assets (Losses to be c/f)	635.23	792.85
Deferred Tax Liabilities/(Assets)	267.10	164.98
Less:MAT Credit	329.72	296.97
Net Deferred Tax Liabilities/(Assets)	(62.62)	(131.99)

- 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)

Particular	As at 31 st March 2016	As at 31 st March 2015
Secured		
a) Other loans and advances		
Working Capital Loan from HDFC Bank repayable on demand	1,658.97	1,690.01
Total	1,658.97	1,690.01



KRISHANA PHOSCHEM LIMITED

OSTWAL

Notes to the Financial Statements for the year ended 31st March, 2016

- 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 10.30% as on 31/03/2016
- iii) The bank loan for working capital is guaranteed by personal guarantee of Managing Director Praveen Ostwal & Mahendra Kumar Ostwal, Pankaj Ostwal and Ekta Jain.

7. TRADE PAYABLES

(₹ in lacs)

<u>Particular</u>		As at 31 st March 2016	As at 31 st March 2015
(a)	Trade Payables	318.27	1,227.61
Total		318.27	1,227.61

There are no Micro, small and medium enterprises to whom the company owes dues, which are outstanding for more than 45 days as at 31st March, 2016. 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)

<u>Particular</u>		As at 31 st March 2016	As at 31 st March 2015
a)	Current Maturities of Long Term Debt (Refer note no.4)	298.18	237.44
b)	Others Payables		
i)	Statutory dues including Provident Fund and Tax deducted at source etc.	21.70	24.98
ii)	Liability Towards Staff & Workers	24.39	19.54
iii)	Other Liabilities	-	7.58
iv)	Advances from Customer	-	3.90
Total		344.27	293.44

9. SHORT TERM PROVISION

(₹ in lacs)

<u>Particular</u>		As at 31 st March 2016	As at 31 st March 2015
Others (Specify nature)			
a)	Provision for income tax	107.34	101.69
b)	Provision for expenses	7.71	-
Total		115.05	101.69

10. FIXED ASSETS

- i) The Company has provided depreciation on fixed assets on the basis of their useful life on single shift used basis on BRP, SSP & GSSP plant, except extra shift depreciation has been provided on SSP & GSSP plant for the actual no. of days for which the plant has been operated on double or triple shift basis 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. 3341.75 Lac (P.Y. Rs. 3353.61 Lac) respectively on account of revaluation of fixed assets carried out in the year 2010-11 by the company. Depreciation of Rs. 231.01 Lac (P.Y. Rs. 231.01 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 31st March, 2016

- 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 st April 2015	Revaluation / (Impairments)	Additions	disposals	As at 31 st March 2016	As at 1 st April 2015	Opening Retain Earning	for the period	On Disposals	As at 31 st March 2016	Balance as at 31 st March 2016	Balance as at 31 st March 2015
a Tangible Assets												
Land & Site Development	1,553.56	-	-	-	1,553.57	-	-	-	-	-	1,553.57	1,553.56
Buildings-Factory	2,241.64	-	82.60	-	2,324.24	224.13	-	72.21	-	296.33	2,027.91	2,017.51
Plant and Equipment	5,387.88	-	296.91	27.73	5,657.06	1,826.48	-	456.71	12.92	2,270.26	3,386.80	3,561.40
Office Equipments	26.70	-	4.09	-	30.79	16.14	-	4.26	-	20.42	10.37	10.56
Computers	12.40	-	-	-	12.40	9.82	-	1.32	-	11.14	1.26	2.58
Furniture & Fixtures	15.92	-	-	-	15.93	7.02	-	1.87	-	8.90	7.03	8.90
Vehicle	56.91	-	13.27	8.57	61.61	11.64	-	7.31	3.13	15.82	45.79	45.27
Energy Saving Equipment	29.35	-	-	-	29.35	14.94	-	1.36	-	16.29	13.06	14.41
Pollution Control Equipment	200.97	-	-	-	200.97	64.90	-	10.97	-	75.87	125.10	136.07
Electric Installations	-	-	4.40	-	4.40	-	-	0.32	-	0.32	4.08	-
Total	9,525.35	-	401.27	36.30	9,890.32	2,175.07	-	556.33	16.05	2,715.35	7,174.97	7,350.26
b Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
c Capital Work In Progress												
Total this year	9,525.35	-	401.27	36.30	9,890.32	2,175.07	-	556.33	16.05	2,715.35	7,985.69	8,212.93
Total previous year	9,249.11	-	276.22	-	9,525.33	1,581.73	3.24	590.10	-	2,175.07	8,212.93	7,687.18

11. NON CURRENT INVESTMENT

(₹ in lacs)

Particular	As at 31 st March 2016	As at 31 st March 2015
	-	-
Total	-	-

12. LONG TERM LOANS AND ADVANCES

(₹ in lacs)

Particular	As at 31 st March 2016	As at 31 st March 2015
(Unsecured considered good unless otherwise stated)		
a. Capital Advances	-	-
b. Security Deposit	59.32	95.63
Total	59.32	95.63



OSTWAL

KRISHANA PHOSCHEM LIMITEDNotes to the Financial Statements for the year ended 31st March, 2016**13. OTHER NON CURRENT ASSETS**

(₹ in lacs)

<u>Particular</u>		As at 31 st March 2016	As at 31 st March 2015
		-	-
	Total	-	-

14. INVENTORIES

(₹ in lacs)

<u>Particular</u>		As at 31 st March 2016	As at 31 st March 2015
a.	Raw materials	293.64	352.63
b.	Finished Goods	1,086.32	2,609.50
c.	Stores & spares	147.91	147.07
	Total	1,527.87	3,109.20

The major components of inventory in case of raw material are Rock-Phosphate, Sulphuric Acid & HDPE Bags, Boron & Zinc Sulphate (Boron & Zinc Sulphate are fortified with SSP) 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)

<u>Particular</u>		As at 31 st March 2016	As at 31 st March 2015
Unsecured, considered good			
a.	Trade receivables outstanding for a period less than six months from the date they are due for payment	1501.20	480.85
b.	Trade receivables outstanding for a period exceeding six months from the date they are due for payment	-	-
	Total	1501.20	480.85

16. CASH AND CASH EQUIVALENT

(₹ in lacs)

<u>Particular</u>		As at 31 st March 2016	As at 31 st March 2015
a)	Balance with Bank	0.72	10.09
b)	Cash in hand	5.37	5.22
	Total	6.09	15.31

17. SHORT TERM LOANS AND ADVANCES

(₹ in lacs)

<u>Particular</u>		As at 31 st March 2016	As at 31 st March 2015
Other loans & Advances (Unsecured considered good unless otherwise stated)			
i)	Advance Taxes	57.92	74.06
ii)	Prepaid expenses	30.71	27.69
iii)	Loans to employees	-	5.48
iv)	Advances to suppliers	191.90	66.28
v)	Output VAT Advance	306.39	274.53
	Total	586.92	448.04

KRISHANA PHOSCHEM LIMITED



Notes to the Financial Statements for the year ended 31st March, 2016

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 st March 2016	As at 31 st March 2015
Total	-	-

19. REVENUE

(₹ in lacs)

<u>Particular</u>	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Sale of products	8,699.76	7,280.83
Sale of Services	207.68	-
Less : Excise Duty	50.04	47.10
Net Total	8,857.40	7,233.73

20. OTHER INCOME

(₹ in lacs)

<u>Particular</u>	For the year ended 31 st March 2016	For the year ended 31 st March 2015
a. Interest income	6.18	11.07
b. other non-operating income	149.05	433.92
c. Forex Gain/(Loss)	-	-
Total	155.23	444.99

21. COST OF RAW MATERIAL CONSUMED

(₹ in lacs)

<u>Particular</u>	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Opening Stock	358.22	944.69
Add: Purchases	4,138.33	3,771.20
Less: Closing Stock	293.64	358.22
Total	4,202.91	4,357.67

Details of Raw Material Consumed

(₹ in lacs)

<u>Particular</u>	For the year ended 31 st March 2016		For the year ended 31 st March 2015	
	Qty. (MT)	Amount	Qty. (MT)	Amount
a. Rock phosphate consumed (BRP)	9250.00	484.60	16717.35	503.31
b. Rock phosphate consumed (SSP)	37168.31	2,548.94	37810.54	2,767.37
c. Beneficiated Rock phosphate captive consumed (SSP)	8046.00	-	10063.16	-
d. Sulphuric acid consumed	31739.08	784.70	33870.22	742.77
e. HDPE bags consumed (Nos.)	1784480	233.83	1697180	269.51
f. Boron (Row Decobar) consumed	14.865	6.69	-	-
g. Zinc Sulphate consumed	134.197	33.55	-	-
h. Others	-	110.60	-	74.71
Total	-	4,202.91	-	4,357.67



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KRISHANA PHOSCHEM LIMITEDNotes to the Financial Statements for the year ended 31st March, 2016**22. CHANGES IN INVENTORY OF FINISHED GOODS**

(₹ in lacs)

Particular	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Stock at the beginning of the year (A)	2,609.50	2,165.41
Stock at the end of the year (B)	1,086.32	2,609.50
(Increase)/Decrease in stocks (B-A)	1,523.18	(444.09)

23. EMPLOYEE BENEFIT EXPENSES

(₹ in lacs)

Particular	For the year ended 31 st March 2016	For the year ended 31 st March 2015
a. Salaries & Incentives	145.16	135.34
b. Contribution to Provident Fund & ESI	10.60	11.26
c. Gratuity Fund contribution	0.18	2.48
d. Staff welfare expenses	11.30	12.37
Total	167.24	161.45

- i) The company have incurred retrenchment expenses Rs.42.88 Lacs during the year 2015-16, which is includes in salaries & incentives.

24. FINANCE COSTS

(₹ in lacs)

Particular	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Interest Expenses	469.83	528.79
Other Bank Charges	5.87	20.49
Total	475.70	549.28

25. DEPRECIATION AND OTHER AMORTIZATION EXPENSES

(₹ in lacs)

Particular	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Current year depreciation	325.31	358.31
Add(less) : Revaluation	231.01	231.75
Total	556.32	590.06

26. OTHER EXPENSES

(₹ in lacs)

Particular	For the year ended 31 st March 2016	For the year ended 31 st March 2015
A. Manufacturing Expenses		
Consumption of Stores & Spares parts	132.08	165.63
Power & Fuel	222.20	194.13
Repairs & Maintenance of Plant & Machinery	4.24	1.73
Other manufacturing expenses	344.40	303.42
Total (A)	702.92	664.91
B. Administration Expenses		
Rent	0.88	2.62
Rates & taxes	1.91	0.77



Notes to the Financial Statements for the year ended 31st March, 2016

(₹ in lacs)

<u>Particular</u>	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Insurance	28.65	24.07
Directors' Remuneration	31.40	30.20
Auditors' Remuneration	0.80	0.80
CSR Expenses	5.53	3.46
Forex (Gain)/Loss	0.03	-
Miscellaneous Expenditure	87.83	88.47
Total (B)	157.03	150.39
C. Selling & Distribution Expenses		
Freight & Transport	875.44	1,084.67
Advertisement & Business promotion	1.95	2.62
Godown Rent	40.36	59.58
Others	6.84	225.68
Total (C)	924.59	1,372.55
Grand Total	1,784.54	2,187.85

27. RELATED PARTY TRANSACTIONS

a) Key Managerial persons

- (i) Mr. Praveen Ostwal Managing Director
- (ii) Mr. Sunil Kothari Whole Time Director & Chief Financial Officer
- (iii) Miss. Suryanshi Jain Company Secretary

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.
- (iv) R.V. Spinners Pvt. Ltd.
- (v) Seasons Agro Chem India Pvt. Ltd.

c) Transactions with the related parties

(₹ in lacs)

<u>Particular</u>	For the year ended 31 st March 2016		For the year ended 31 st March 2015	
	Key Management Personal	Enterprises over which significant influence of KMP	Key Management Personal	Enterprises over which significant influence
Remuneration	32.09	-	31.80	-
Purchases of goods	-	1,749.73	-	1,754.69
Sale of goods	-	6.80	-	197.61
Loans given	-	-	13.00	-
Guarantee Given	-	-	-	2,035.00
Rent Paid	-	0.07	-	-

28. EMPLOYMENT BENEFIT PLANS

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



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KRISHANA PHOSCHEM LIMITED

Notes to the Financial Statements for the year ended 31st March, 2016

(a) Defined Benefit Plans:

(₹ in lacs)

	For the year ended 31 st March 2016	For the year ended 31 st March 2015	
Particular			
i) Reconciliation of opening and closing balances of defined benefit obligation			
a) At the beginning of the year	22.80	20.78	
b) Current Service Cost	3.63	3.95	
c) Interest Cost	1.82	1.66	
d) Actuarial (Gain) Loss	2.79	-3.59	
e) Benefits paid	-16.33	0.00	
f) Defined Benefits Obligation at year end	14.71	22.80	
ii) Reconciliation of opening and closing balances of fair value of plan assets			
a) At beginning of the year	28.37	25.33	
b) Expected Return on plan assets	2.03	3.62	
c) Actuarial Gain / (Loss)	0.00	0.00	
d) Employer Contributions	0.00	-0.58	
e) Benefits paid	-16.33	0.00	
f) Fair Value of the plan assets at the year end	14.07	28.37	
iii) Reconciliation of fair value of obligation and Assets			
a) Present value of obligation as at year end	14.71	22.8	
b) Fair value of plan assets as at year end	14.07	28.37	
c) Amount recognized in Balance Sheet (a-b)	0.64	-5.57	
iv) Expense recognized during the year:			
a) Current Service Cost	3.63	3.95	
b) Interest Cost	1.82	1.66	
c) Expected return on plan assets	-2.03	-3.62	
d) Actuarial (gain) / loss	2.79	-3.59	
e) Net Cost (a+b+c+d)	6.21	-1.60	
v) Investment Details of Plan Assets :			
Name of retirement benefit	Name of Trust	Policy No.	Investment with
Gratuity	Krishana Phoschem Limited Employees Group Gratuity Trust	GGCA 101000041	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			
	31st March 2016	31st March 2015	
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.			
ix) Experience Adjustment:			

Notes to the Financial Statements for the year ended 31st March, 2016

Gratuity		31st March 2016	31st March 2015
Defined Benefits Obligation		14.71	22.80
Plan assets		14.07	28.37
Surplus/(deficit)		-0.64	5.57
Experience adjustment on plan Liabilities (loss)/ gain		-2.79	3.59
Experience adjustment on plan Assets (loss)/ gain		0.00	0.00
(b) Defined Contribution Plans:			
Amount recognized as an expense and also included in the Note no. 21			
	Particulars	31st March 2016	31st March 2015
i)	Employers Contribution to Provident Fund	10.60	11.24

29. FOREIGN CURRENCY EXPOSURE

<u>Products</u>	Purchase	Sale	Expenses against foreign tour	Gain/ (Loss) (In Rs.)
USD Dollar	3000.00	0.00	3000.00	-
Thai (Thailand)	25000.00	19709.00	5291.00	2168.00
Euro	1200.00	1000.00	200.00	670.00

Previous year 2014-15, there no foreign currency exposure made by the company.

30. EARNING PER SHARE

(₹ in lacs)

<u>Particular</u>	For the year ended 31st March 2016	For the year ended 31st March 2015
Net profit available to equity shareholders (Rs. in lacs)	138.26	98.18
Weighted average number of equity shares outstanding during the year (Nos.)	21,000,000	21,000,000
Basic and Diluted Earnings (Rs. per Share)	0.66	0.47

31. PAYMENT TO AUDITOR

(₹ in lacs)

<u>Particular</u>	For the year ended 31st March 2016	For the year ended 31st March 2015
To Statutory Auditor	0.60	0.60
To Cost Auditor	0.20	0.20
Total	0.80	0.80

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 30250 MT through high sea sale agreement.

33. STATEMENT OF ADDITIONAL INFORMATIONS:

a) **Particulars of installed capacity:**

(As certified by management being technical matter)

(MT)

<u>Products</u>	2015-2016		2014-2015	
	Licensed	Installed	Licensed	Installed
i) Beneficiated Rock Phosphate	200000	200000	200000	200000
ii) Single Super Phosphate (Powder)	120000	120000	120000	120000
iii) Single Super Phosphate (Granular)	90000	90000	90000	90000

**KRISHANA PHOSCHEM LIMITED**

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Notes to the Financial Statements for the year ended 31st March, 2016**b) Details of Production & Sales**

(₹ in lacs)

Products	2015-2016		2014-2015	
	Qty(MT)	Value	Qty(MT)	Value
i) Production				
Beneficiated Rock Phosphate	8046.00		10856.50	
Single Super Phosphate-Green (Powder)	81850.01		86084.76	
Single Super Phosphate (Granular)	22164.00		21632.00	
ii) Sales				
Beneficiated Rock Phosphate	0.00		2841.39	205.46
Single Super Phosphate (Powder)	81471.55	6693.79	63430.45	5380.01
Single Super Phosphate(Granular)	22285.80	1999.31	18199.85	1695.36
Sale of By-Product	0.00	6.65	0.00	0.00

c) Closing Stocks of finished goods

(₹ in lacs)

Products	31.03.2016		31.03.2015	
	Qty(MT)	Value	Qty(MT)	Value
i) Beneficiated Rock Phosphate	0.00	0.00	0.00	0.00
ii) Single Super Phosphate-Green (Powder)	7003.24	477.33	28788.78	2069.76
iii) Single Super Phosphate (Granular)	6709.30	609.00	6831.10	539.74

- i) Production of SSP-Green (Powder) includes consumption of Boron Qty 14.865 MT & Zinc Sulphate Qty 33.55 MT.
- ii) Sales of Single Super Phosphate had included sales of Bronated(PSSP) with Qty 988.00 MT & Zincated (PSSP) with Qty 7686.00 MT.
- iii) Closing Stock of Single Super Phosphate had included closing stock of Bronated(PSSP) with Qty 3.00 MT & Zincated (PSSP) with Qty 8.00 MT.
34. The company has taken a plan from SBI Life in compliance of terms of sanction of Cash Credit Limit taken from SBBJ. The company has paid premium & debited to the profit & Loss account. As per the assignment of the policy the maturity value will be received to Managing Director Mr. Praveen Ostwal. The Managing Director Mr. Praveen Ostwal of the company has been duly undertake to derive no benefit out of that & consented to deposit the entire amount into the company as and when received to him. The maturity value will be credited to profit & Loss A/c in the year of receipt.
35. 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)
Partner
M.No.: 043571

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

Sd/-
(Sunil Kothari)
Whole Time
Director & CFO
Din : 02056569

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

Place : Bhilwara (Raj.)
Date : 01/06/2016

KRISHANA PHOSCHEM LIMITED



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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
12th Annual General Meeting - 28th September 2016

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 **12th Annual General Meeting** of the Company, to be held on the **Wednesday, 28th day of September, 2016** at 11.00 A.M. at 5-O-20, Basement, R.C. Vyas Colony, Bhilwara Rajasthan 311001 and any adjournment thereof in respect of such as are indicated below:

Resolution No.	Particulars of Resolution	Vote Option*		
		For	Against	Abstain
	Ordinary Business			
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 st March, 2016.			
2	Appoint a director in place of Sh.Sunil Kothari, who retires by rotation and being eligible, seeks Re-appointment.			
3	Appointment of Sh. Ashok Kanther as Statutory Auditor of the Company.			
	Special Business			
4	Appointment of Sh. M/s K.C.Moondra & Associates as Cost Auditor of the Company			

Signed thisday of2016

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 entitle to vote in the manner as he/she may deem appropriate.



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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

12th Annual General Meeting - 28th September 2016

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 12th Annual General Meeting of the Company at the registered office 5-O-20, Basement, R.C.Vyas Colony, Bhilwara 311001, Rajasthan on **Wednesday, 28th September, 2016 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.