

GENERAL INFORMATION**Chairman & Managing Director**

Sh. Pankaj Ostwal

Board of Directors

Sh. Sushil Kumar Surana

Sh. Arvind Kothari

Sh. Paras Mal Surana

Sh. Praveen Ostwal

(Additional Director w.e.f. 19th May, 2014)

Company Secretary

Mr. Sanjay Maheswari

Statutory Auditors

M/s Ashok Kanther & Associates

90, Indira Market,

Bhilwara (Raj) 311 001

Ph. No. 01482-227154

Bankers

Indian Overseas Bank

Old RTO Road, Gandhi Nagar,

Bhilwara (Raj.)

Registered & Corporate Office

5-O-1, Basement, R.C. Vyas Colony

Bhilwara (Raj.) 311001

Ph. No. :- 01482-237104

Works

Unit-I : Village- Rajoua

Distt.- Sagar (M.P.)

Unit-II : Village: Sourai

Tehsil- Banda

Distt.- Sagar (M.P.)

Website address

<http://www.mbapl.com>

E-mail Address

accounts@mbapl.com

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MANAGING DIRECTOR'S MESSAGE

Dear Members ,

Your Company believes in continuous transformation to unlock potential and create value for society in many ways. The resources that we bring to the market facilitate economic growth and help improve the quality of life. Over the years, we have taken significant steps to transform ourselves through strategic organic and inorganic growth initiatives. With our sustainability approach and value focused strategy, we are well positioned to create greater opportunities for a rapidly transforming Indian economy.

As we grew over the years, we strongly felt the need to simplify our group structure to take up backward & forward integration project. This was also one of the key suggestions we received from our shareholders, and this led to the creation of Madhya Bharat Agro Product Limited. The Company has delivered a strong performance in FY 2013-14. We are now focusing on optimizing our assets, enhancing production with continued cost rationalization and generating strong cash flows.

'Do Good and Get Good'

Our purpose at the Ostwal Group is:

Do Good and Get Good - This gives us a distinct entity award & satisfaction.

Our purpose and our values of 'Knowledge, Action and Care' are an integral part of the way we work and engage with all our stakeholders at Madhya Bharat Agro Products Limited. In line with our purpose statement, we continued to invest in philanthropic initiatives through the Nirmala Devi Ostwal Seva Sansthan. The Sansthan contributed through its initiatives in education, health and rural empowerment and livelihoods, amongst others.

We continue to invest in each of our operating businesses and equally important, in social initiatives that benefit all stakeholders in order to build a sustainable global enterprise. I thank you for your constant support and faith.

Regards

Sd/-

(Pankaj Ostwal)

Managing Director

DIN 02586806

COMPANY INFORMATION

MBAPL is one of the quality Single Super Phosphate (SSP) fertilizer manufacturers of India in private sector. Present installed capacity of SSP 60000 TPY (200 TPD) & BRP processing is 99000 TPY. Further putting up an infrastructure project comprising of SSP (licensed capacity is 180000 TPY), GSSP (licensed capacity is 180000 TPY) and Sulphuric Acid (licensed capacity is 99000 TPY) are underway at its Unit at Village- Sourai, Dist. Sagar, Madhya Pradesh.

The company is performing well in producing Beneficiated Rock Phosphate (BRP) and Single Super Phosphate (SSP) during the current financial Year 2013-14 and going for SSP, GSSP & Sulphuric Acid and other Allied Product projects in the coming years.

Commercial production of BRP is an important milestone in the fast growth history of company which is make fertilizer unit self sufficient in terms of major raw material input. Production of rock phosphate concentrate is an important achievement for the company as India heavily depends on the imports which render this material quite vulnerable to large fluctuations in quality and prices. Company look for acquire Rock Phosphate Mines, so become independent in Raw Material for BRP production.

Fertilizers generally consist of organic and inorganic fertilizers. Organic manures and some mined minerals have been used for many centuries as organic fertilizers, where as chemically - synthesized inorganic fertilizers were only extensively developed during the industrial revolution.

SSP (Single Super Phosphate)

Single Super phosphate is a fertilizer produced by treating Beneficiated Rock Phosphate with Sulphuric Acid. It is the carrier of phosphate (P_2O_5), the form of phosphorus usable by plant & is one of the world's most important fertilizers. SSP provides the cheapest source of sulphur to the soil also.

BRP (Beneficiated Rock Phosphate)

Phosphorite Phosphate rock or rock phosphate is a non- detrital Sedimentary rock which contains high amounts of phosphate bearing Minerals. Rock phosphate is mainly used for the production of single super phosphate & dia ammonium phosphate, which are mainly used as fertilizers. Phosphorus from rock phosphate is also used in animal feed supplements, food preservatives, anti corrosion agents, cosmetics, fungicides, ceramics, water treatment and metallurgy.

**MADHYA BHARAT AGRO PRODUCTS LIMITED****OSTWAL****FINANCIAL HIGHLIGHTS**

(₹ In Lacs)

Particulars	2013-14	2012-13
Net Sales	5880.35	4547.83
Depreciation	185.17	177.92
Misc. Exp. W/off	13.48	13.48
Profit Before Tax	534.94	532.03
Profit After Tax	359.79	357.67
Financial Position		
Gross Fixed Assets	7322.94	4449.47
Net Fixed Assets	6707.84	4018.62
Non Current Investments	117.00	123.00
Other Non Current Assets	69.45	552.42
Current Assets	1931.66	2589.23
Total Assets	8825.95	7283.27
Equity Share capital	1810.67	1105.81
Reserves & Surplus	5112.05	1471.20
Non Current Liabilities	700.39	2833.31
Current Liabilities	1202.84	1872.95
Total Sources	8825.95	7283.27

Profit Before Tax Margin (%)	9.10	11.70
Profit After Tax Margin (%)	6.12	7.86

PROFIT BEFORE TAX

The Profit before tax for the FY 2013-14 was Rs.534.94 lacs i.e. 9.10% of Net Sales as against Rs. 532.03 lacs i.e.11.70% of Net Sales in FY 2012-13.

TAXATION

Your company's total tax liability for the year was Rs. 107.27 lacs comprising of deferred tax liability of Rs. 67.88 lacs.

PROFIT AFTER TAX

The profit after tax was Rs. 359.79 lacs (6.12% of Net Sales) in current year as compared to Rs. 357.67 lacs (7.86% of Net Sales) in the previous year.

EARNING BEFORE INTEREST, TAX & DEPRECIATION

Your Company achieved EBITD of Rs.1052.29 lacs i.e. 17.89% of Net Sales. The EBITD of the previous year of Rs. 1193.44 lacs i.e 26.24% of Net Sales.

NOTICE

NOTICE is hereby given that the **17th Annual General Meeting of the Members of Madhya Bharat Agro Products Limited** will be held on **Wednesday, 17th day of September, 2014 at 10.00 AM** at Registered Office situated **5-O-1, Basement, R. C. Vyas Colony, Bhilwara 311001 (Rajasthan)** to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Report of the Board of Directors, Profit and Loss Account for the financial year ended on 31st March 2014 and the Balance Sheet as at that date and the report of Auditors, thereon.
2. To appoint a Director in place of Sh. Paras Mal Surana (DIN 06367348), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statuary Auditors to hold office from the conclusion of this Meeting, for 3 (three) consecutive years till the conclusion of the 20th Annual General Meeting of the Company in the Calendar year 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 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, M/s Ashok Kanther & Associates (Firm Registration No.050014C), Chartered Accountants, be and is hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting, for three consecutive years until the conclusion of the 20th Annual General Meeting of the Company in the calendar year 2017, subject to ratification by the shareholders annually, at such remuneration as shall be fixed by the board of Directors of the Company.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification(s) to appoint Sh. Arvind Kothari as an independent director in terms of section 149 of the Companies Act, 2013, the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Sh. Arvind Kothari (DIN: 03268623) an Independent Director and in respect of whom the Company has received notice under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years up to the conclusion of the 22nd AGM of the Company."

5. To consider and, if thought fit, to pass with or without modification(s) to appoint Sh. Sushil Kumar Surana as an independent director in terms of section 149 of the companies act, 2013, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Sh. Sushil Kumar Surana (DIN: 01918651) an Independent Director and in respect of whom the Company has received notice under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years up to the conclusion of the 22nd AGM of the Company."

6. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution to appoint Sh. Praveen Ostwal as a Non Executive Director:

"RESOLVED THAT pursuant to the provisions of Section 152, 161 and any other applicable provisions of the Companies Act, 2013 and any rules made there under read with Schedule IV to the Act, Sh. Praveen Ostwal, who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. May 19, 2014 and who holds office up to the date of this Annual General meeting and in respect of whom the Company has received a notice in writing from a member proposing the candidature of Sh. Praveen Ostwal for the office of the Director of the Company, be and is hereby elected and appointed as an Non-Executive Director, whose period of office shall be liable to retirement of directors by rotation."



MADHYA BHARAT AGRO PRODUCTS LIMITED

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NOTES

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

Registered Office:
5-O-1, Basement,
R.C. Vyas Colony,
Bhilwara - 311001 (Rajasthan)

By Order of the Board of Directors
For Madhya Bharat Agro Products Limited

Sd/-
(Pankaj Ostwal)
Managing Director
DIN 02586806

Dated : 16.07.2014

Explanatory Statement Pursuant To Section 102 of The Companies Act, 2013

Item No. 3

This explanatory statement is provided though strictly not required as per section 102 of the Act.

M/s Ashok Kanther & Associates (ICAI Firm Registration No. 050014C), Chartered Accountants, Bhilwara was appointed as the statutory auditors of the Company for financial year 2013-14 at the Annual General Meeting (AGM) of the Company held on September 16, 2013.

M/s Ashok Kanther & Associates have been the Auditors of the Company since 2004-05 and have completed a term of ten years. As per the provisions of section 139 of the Act, no prescribed class of company can appoint or re-appoint an individual as auditor for more than one term of five consecutive years. Section 139 of the Act has also provided a transactional period of three years from the date of commencement of the Act to comply with this requirement.

In view of the above, M/s Ashok Kanther & Associates, being eligible for re-appointment and based on the recommendation of the Audit Committee, the Board of Directors has, at its meeting held on July 16, 2014, proposed the appointment of M/s Ashok Kanther & Associates as the statutory auditors of the Company for a period of three years to hold office from the conclusion of this AGM till the conclusion of the 20th AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM).

The Board commends the Resolution at Item No. 3 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or their relatives is concerned or interested in the Resolution at Item No. 3 of the accompanying Notice.

Item no. 4 & 5

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

Name	No. of Years	Term
Sh. Arvind Kothari	5 (Five)	Up to the conclusion of 22 nd AGM
Sh. Sushil Kumar Surana	5 (Five)	Up to the conclusion of 22 nd AGM

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

The Company has also received notices from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of the above Directors for the office of Directors of the Company.

In the opinion of the Board, Sh. Arvind Kothari & Sushil Kumar Surana fulfill the conditions for their appointment as Independent Directors as specified in the Companies Act, 2013 and are independent of the management.

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

Item no. 6

The Board of Directors was appointed as an Additional Director from 19th May 2014 pursuant to Section 161 of the Companies Act, 2013. He holds office till conclusion of this Annual General Meeting. His term of office shall be liable to determination by retirement of directors by rotation.

Mr. Praveen Ostwal is a qualified Chartered Accountant. He specializes in Finance and has over 12 years of experience in various fields covering Business Advisory, Project Consultancies, Direct and Indirect Taxation and Company Law Matters etc and is associated with Krishana Phoschem Limited as a Managing Director.

The Board considers that his continued association would be of immense benefit to the Company and is desirable to continuously avail the services of Mr. Praveen Ostwal as a Non Executive Director and also that he fulfills the conditions specified in the Companies Act, 2013. Accordingly the Board, recommends the passing of the Ordinary Resolution as set out in the Item no. 6 of the Notice.

Except Mr. Praveen Ostwal, being an appointee and Mr. Pankaj Ostwal, Managing Director of the company, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

By Order of the Board of Directors
For Madhya Bharat Agro Products Limited

Registered Office:

5-O-1, Basement,
R.C. Vyas Colony,
Bhilwara - 311 001 (Rajasthan)

Sd/-
(Pankaj Ostwal)
Managing Director
DIN 02586806

Dated : 16.07.2014



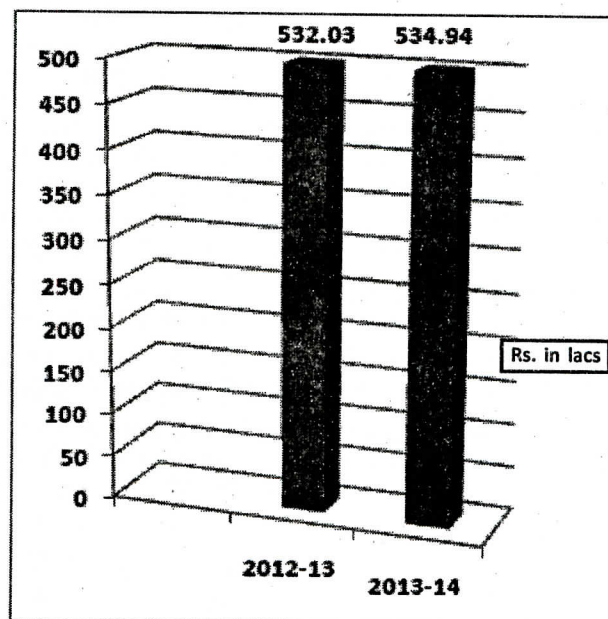
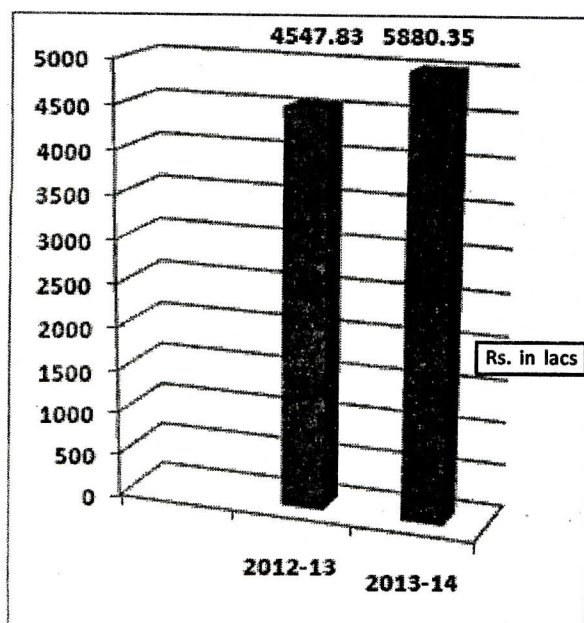
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MADHYA BHARAT AGRO PRODUCTS LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS

(₹ in Lacs)

	2013-14	2012-13
Turnover	5880.35	4547.83
Profit Before Taxation	534.94	532.03
Taxation/Deferred Tax	175.15	174.36
Profit /(Loss) after Tax	359.79	357.67
Add: Balance brought forward from Previous year	1138.36	780.69
Profit transferred to Balance Sheet	1498.15	1138.36



Forward- looking statements

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates'.

All statements that address expectations or projections about the future, including, but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward looking statements.

Forward looking statements are based on certain assumptions and expectations of future events. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements.

MBAPL continued to strengthen its balance sheet and significantly improve liquidity.

REPORT ON CORPORATE GOVERNANCE AND SOCIAL RESPONSIBILITIES**Corporate Governance Report****1. THE COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

The company believes in and practices good Corporate Governance. The company continuously endeavors to improve on these aspects on an ongoing basis. For creation of wealth for shareholders on a sustainable and long term basis and to maximize total returns to shareholder, being the core of the mandate from shareholders, it is imperative for the Management to institutionalize a framework of Corporate Governance and Code of Practices as an enabling methodology to strengthen decision-making processes and organization-wide compliance with core values of ethical integrity and reliability while enhancing effective, harmonious and transparent functioning amongst the Board of Directors, its Committees and the Executive Management to meet challenges and to make the best of opportunities in the years ahead.

2. BOARD OF DIRECTORS

Composition: As on 31st March 2014 there are 4 Directors on the Board of Company, comprising 1 Promoter and Managing Director, 3 Independent and Non-Executive Directors. Composition of the Board of Directors of the Company was as under with details of other directorships and committee memberships: -

Name	Status	Meetings Attend		No. of other Directorship and Committee Memberships	
		Board	Last AGM	Directorship	Committee Memberships
Shri Pankaj Ostwal	Promoters / Managing Director	10	Yes	0	2
Shri Paras Mal Surana	Independent/ Non Executive	10	Yes	0	0
Shri Arvind Kothari	Independent / Non Executive	10	Yes	0	2
Shri Sushil Kumar Surana	Independent / Non Executive	10	Yes	2	2

Note 1: Other Directorships includes Private Limited Companies and Alternate Directorships.

Note 2: Only Audit Committee, Shareholders/Investors Grievance Committee are reckoned for committee membership purpose.

Note 3: The memberships of Company's Directors on the Audit Committee and Shareholders/Investors Grievance Committee is given below elsewhere in this report.

Attendance at Board meetings during the year and last Annual General Meeting.

10 meetings of the Board were held during the financial year 2013-14 on 05.04.2013, 24.04.2013, 25.05.2013, 30.05.2013, 21.06.2013, 14.08.2013, 01.10.2013, 25.10.2013, 25.01.2014, 31.03.2014. The last Annual General Meeting was held on 16th September 2013.

3. CODE OF CONDUCT

Madhya Bharat Agro Products Limited has laid down a code of conduct for all Board Members and senior management of the Company. All Board Members and designated senior management personnel have affirmed compliance with this code of conduct. The code of conduct is displayed on the website of the Company www.mbapl.com. A declaration to this effect, signed by the Managing Director of the Company is attached at the end of this report.



MADHYA BHARAT AGRO PRODUCTS LIMITED

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4. AUDIT COMMITTEE

a. Terms of reference

The Audit Committee is to oversee the Company's financial reporting process and disclosure of its financial information, to recommend the appointment of Statutory Auditors and fixation of their fees, to review and discuss with the auditors about internal control systems, the scope of audit including the observations of the Auditors, adequacy of the internal audit system, major accounting policies, practices and entries, compliances with accounting standards and Listing Agreement entered into with the Stock Exchanges and other legal requirements concerning financial statements and related party transactions, if any, to review the Company's financial and risk management policies and discuss with the Internal Auditors any significant findings for follow-up thereon, to review the quarterly, half-yearly and annual financial statements before they are submitted to the Board of Directors. The Committee also meets the operating management personnel and reviews the operations, new initiatives and performance of the business units. Minutes of the Audit Committee Meetings are circulated to the Members of the Board, discussed and taken note of.

The terms of reference covers all aspects as stipulated in revised clause 49 of the listing agreement.

b. Constitution

The terms of reference covered all the aspects stipulated by the section 292 (A) of the Companies Act 1956, and the Clause 49 of the Listing Agreement. The Chairman of the Committee is Shri Arvind Kothari, an Independent Director and all members have adequate financial knowledge.

c. Composition

The composition of the Audit Committee as on 31st March, 2014 is as follows:

Shri Pankaj Ostwal	Managing Director
Shri Arvind Kothari	Independent Director
Shri Sushil Kumar Surana	Independent Director

d. Meetings and Attendance

The details of meetings held during the year, and the attendance thereat, are as follows:

Date of meetings - 5 meetings of the Committee of Board of the Company were held during the financial year 2013-14 on 04.04.2013, 20.05.2013, 02.09.2013, 18.11.2013 & 10.03.2014.

Attendance

Name of the Director	No. of meetings attended
Shri Pankaj Ostwal	All
Shri Arvind Kothari	All
Shri Sushil Kumar Surana	All

- Mr. Sanjay Maheshwari Company Secretary & Compliance officer is the Secretary to the Committee.
- All the members attend all the meetings of the Committee as invitee to represent the finance function. The Statutory Auditors of the company also attended the meetings. The Statutory Auditors of the company are invited to join Audit Committee meetings for discussions. The Audit Committee holds discussions with the Statutory Auditors and their report on the audit of the yearly accounts, the yearly audit plan, matters relating to compliance of accounting standards, their observations arising from the limited review report/annual audit of the Company's accounts and other related matters. The Audit Committee during its meetings reviewed with the management all issues, which are required to be reviewed, pursuant to the clause 49 of the listing agreement and provision of the Companies Act, 1956. The Audit Committee has also reviewed the observations of the internal and statutory auditors in relation to all areas of operations of the company and also the internal control systems. In addition, the committee has been examining all areas associated with the taxation matters (direct and indirect) and has reviewed the measures initiated by the company for mitigating the risks. The Audit Committee has also reviewed the actions taken by the company on various observations and queries of the auditors.

5. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

- The committee consist of Shri Pankaj Ostwal, as Managing Director, Shri Arvind Kothari (Chairman of the Shareholders Grievance Committee) and Shri Sushil Kumar Surana as Independent Director.

- Mr. Sanjay Maheshwari Company Secretary & Compliance officer is the Secretary to the Committee.
- The Committee reviews the system of dealing with and responding to correspondence from the investors' viz. - shareholders.
- There is no complain received by the committee, hence it was not placed before this Committee.
- There are no investor grievances pending for a period exceeding one month.
- There are no pending complaints as on 31st March 2014 at present.
- The Board had authorized Mr. Sanjay Maheshwari, Company Secretary & Compliance officer to approve all routine transfers and transmissions of shares. Presently, transfers, transmissions etc. are affected within 12-15 days (as against the stipulated norm of 15 days).
- As on March 31, 2014 there were no requests pending for transfer of shares.

6. GENERAL BODY MEETINGS

Details of location and time of holding the last three Annual General Meetings

Year	Location	Date & Time
14 th AGM 2010-2011	5-O-1, Basement, R.C. Vyas Colony Bhilwara - 311001 (Raj.)	20.09.2011 at 11.00 A.M.
15 th AGM 2011-2012	5-O-1, Basement, R.C. Vyas Colony Bhilwara - 311001 (Raj.)	26.09.2012 at 11.00 A.M.
16 th AGM 2012-2013	5-O-1, Basement, R.C. Vyas Colony Bhilwara - 311001 (Raj.)	16.09.2013 at 11.00 A.M.

7. DISCLOSURES

There have been no materially significant related party transactions with the Company's Promoters, Directors, Management, Subscribers or relatives, which may have potential conflict with the interests of the Company at large except as given in Note No. 26 of notes to accounts under heading related party disclosure.

The company has complied with the requirement of regulatory authorities on capital markets. There have been no instances of non-compliance by the Company on any matters related to the capital markets, nor have any penalty/ strictures been imposed on the company by the stock exchange or SEBI or any other statutory authority on such matters, for the last three years.

8. PATTERN OF SHARE HOLDING AS ON MARCH 31, 2014

Category	No. of Shares held	% of Shareholding
PROMOTERS HOLDING		
(a) Indian Promoters	2291290	12.65
(b) Persons acting in Concerts	-	-
OTHERS		
Mutual Funds and UTI	-	-
Banks, Financial Institution, Insurance Companies (Central/ State Govt. Institutions/ Non Govt. Institutions)	-	-
Foreign Institutional Investors (FIIs)	-	-
Private Corporate Bodies	14285445	78.9
Indian Public	1530000	8.45
NRI's / OCBs	-	-
Trust	-	-
Clearing Members	-	-
Total	18106735	100.00



OSTWAL

MADHYA BHARAT AGRO PRODUCTS LIMITED

DECLARATION OF THE MANAGING DIRECTOR

I hereby declare that all Board Members and designated senior management have affirmed compliance with the code of conduct as laid down by the Board of Directors of the Company for the year ended 31st March, 2014.

Place: Bhilwara
Dated: 16.07.2014

Sd/-
(Pankaj Ostwal)
Managing Director
DIN 02586806

CORPORATE SOCIAL RESPONSIBILITY REPORT

No business can function in a vacuum. There is the society at large with which it engages in innumerable transactions; the more involved the engagement, the better its qualitative and quantitative effect on the business. Aware of this debt to society, a successful company like Madhya Bharat Agro Products Limited is committed to fulfilling its obligations: both as providers of outstanding products as well as sterling community initiatives. The Company is pioneer company in the industry and has contributed to economic and social development in the country.

- 1. Saving Foreign Exchange** - Presently country imports nearly 75% rock phosphate to meet its demand. So production of BRP shall help save precious foreign exchange for the country.
- 2. Easy availability of fertilizers** - In China consumption per hectare of Single Super Phosphate (SSP) is 3 times compared to India. So there is huge vacuum between fertilizer requirement and supply in India. Our industry is doing value addition in agric phosphoric mineral whereby it is converting low grade phosphate rock into high grade beneficiated rock phosphate. Beneficiated Rock Phosphate (BRP) is basic raw material for the manufacture of SSP and is helping to produce cost effective fertilizers improve availability of fertilizer to farmers and this serves the purpose of FOOD SECURITY MISSION OF THE WORLD.
- 3. Promotion of local small scale industries in area** - Many small scale industries have flourished in nearby area to support the regular requirements of the industry which has in turn given large employment to the local people and thus improving the overall economy and social status of the people.
- 4. Infrastructure & Transportation** - Investment in industry contributes and ensures comprehensive development of transportation and Infrastructure facility.
- 5. Social Welfare, Research & Development** - We help the weaker and backward sections of the society, preserve and promote social and cultural values, conserve natural resources, provide assistance in the field of developmental research, science, technology etc.

DIRECTORS' REPORT
For the year 2013-14

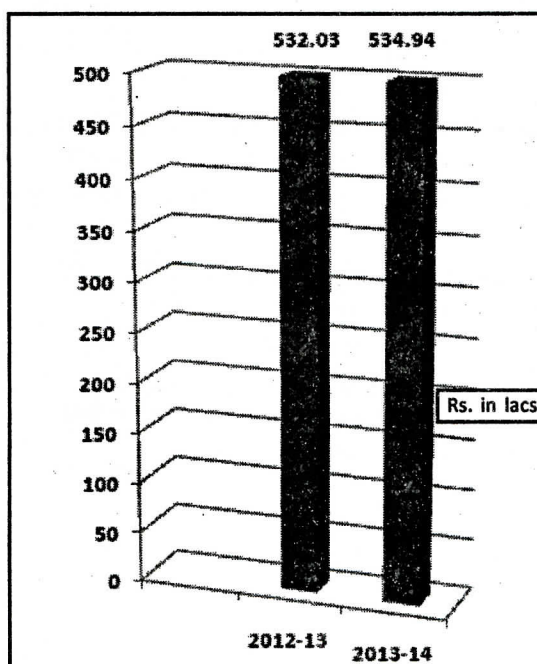
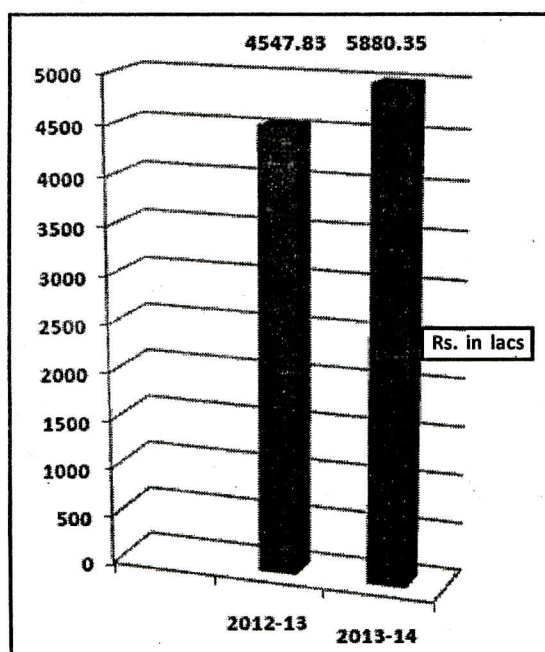
Dear Members,

Your Directors have pleasure in presenting the 17th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2014.

FINANCIAL RESULTS:

(₹ in Lacs)

Particulars	2013-14	2012-13
Turnover	5880.35	4547.83
Profit Before Taxation	534.94	532.03
Taxation/Deferred Tax	175.15	174.36
Profit /(Loss) after Tax	359.79	357.67
Add: Balance brought forward from Previous year	1138.36	780.69
Profit transferred to Balance Sheet	1498.15	1138.36



OPERATING PERFORMANCE

During the year under review, your Company could perform well irrespective of recession period all over the world. Company achieved almost its targets. Your Company has achieved turnover of Rs 5880.35 lacs The net profit after tax for the current year stands at Rs. 359.79 lacs as against Rs. 357.67 lacs in previous year.

FUTURE PROSPECTS:

EXISTING BUSINESS

The Company is engaged in the manufacturing of Beneficiated Rock Phosphate and Single Super Phosphate using rock phosphates are as one of the major raw material. Beneficiated Rock Phosphate is captively consume as indigenous raw material of Single Super Phosphate is used in large quantities for replenishing "P" (Phosphorus) in the soil which gets depleted steadily with each crop.

It may be pertinent to note that Govt. of India thankfully finalized the revised Nutrient Based Subsidy (NBS) Policy effective from 1st May, 2010 and this placed SSP industry at par with other complex Fertilizer. Moreover, the main objective of shifting from product-based subsidy (PBS) to nutrient - based subsidy (NBS) regime was to restore soil health by addressing the nutrient imbalances since sulphur has also been considered as one of the nutrients, which was neglected till now.

EXPANSION- INFRASTRUCTURE PROJECT

After successful completion project, of Mineral Beneficiation as BRP of processing capacity of 99000 MT, your directors have further envisaged to set up a separate Integrated State of art Unit III wherein intends to set up Infrastructure project as SSP having capacity of 180000, GSSP with capacity 180000 MT and Sulphuric Acid having 99000 MT. The Company has acquired necessary land for the said project and financial tie ups are going on.

SHARE CAPITAL

The paid up share capital of the company increased by Rs. 70486450 in FY 2013-14 due to allotment of 7048645 equity shares .

AUDITOR'S AND AUDITOR'S REPORT

M/s Ashok Kanther & Associates, Chartered Accountants, Bhilwara, Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

In accordance with the provisions of section 139, 142 and other applicable provisions of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014, it is proposed to re-appoint him as the Auditors of the Company for a period of 3 consecutive years commencing from the conclusion of this Annual General Meeting, until the conclusion of the 20th Annual General Meeting of the Company in the calendar year 2017.

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

DIRECTORS

In accordance with provisions of Companies Act, 1956 and Company's Articles of Association, Sh. Paras Mal Surana (DIN: 06367348), Director of the Company, retire by rotation and being eligible, offers himself for re-appointment. The Board recommends their re-appointment.

Sh. Arvind Kothari (DIN: 03268623) and Sh. Sushil Kumar Surana (DIN: 01918651) were appointed under the Companies Act 1956 as Directors liable to retire by rotation. In order to give effect to the applicable provisions of sections 149 and 152 of the Act, it is proposed that Sh. Arvind Kothari and Sh. Sushil Kumar Surana be appointed as Independent Directors, to hold office for five consecutive years, for a term up to March 31, 2019.

DIVIDEND

Looking to the working capital needs and expansion project of business in view of future capex plans the Directors decided to retain 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 58A of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

During the year under review, no employees of the Company was in respect of remuneration in excess of the limits prescribed under 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOING

The information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in Annexure forming part of this report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement, it is hereby confirmed:



MADHYA BHARAT AGRO PRODUCTS LIMITED

OSTWAL

1. That in the preparation of the Accounts for the Financial Year ended 31st March, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 profit of the company for the year under review.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the accounts for the financial year ended 31st March, 2014 on a going concern basis.

ACKNOWLEDGEMENT

We wish to take on record the co operation received from the M.P. State Mining Corporation Ltd., Rajasthan State Mines & Minerals Ltd., Shriram Fertilizers & Chemicals and other customers, suppliers, business associates and shareholders of the Company. The Directors also wish to place on record the appreciation to the team of executives, staff and workers, who have shown devotion and efficiency in performing their jobs.

On Behalf of the Board of Directors

Place : Bhilwara (Raj.)
Date : 16.07.2014

Sd/-
(Pankaj Ostwal)
Managing Director
DIN 02586806

Sd/-
(Paras Mal Surana)
Director
DIN 06367348

ANNEXURE TO THE DIRECTORS' REPORT

Information pursuant to section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Director's Report for the year ended 31st March 2014.

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:

		2013-14	2012-13
1	Electricity:		
(a)	Purchase of Units	2889547	3533551
	Amount in Lacs.	208.59	241.73
	Rate / unit Rs.	7.22	6.84
(b)	Own Generation		
	Through Diesel		
	Units generated	44036	127462
	Units per liter of oil	2.54	3.28
	Cost/unit (Rs.)	22.82	14.80
Energy Consumption per unit of production (Unit/MT)			
1.	Single Super Phosphate	14.95	13.11
2.	Beneficiated Rock Phosphate	64.76	99.13

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.

INDEPENDENT AUDITORS' REPORT

To
The Members,
Madhya Bharat Agro Products Limited,
Bhilwara

Report on the Financial Statements

We have audited the accompanying financial statements of MADHYA BHARAT AGRO PRODUCTS LIMITED which comprise the Balance Sheet as at 31st March, 2014 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

Management is responsible for 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 Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 31st March 2014.
- b) In the case of the statement of Profit and Loss Account, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- e) On the basis of written representations received from the directors as on 31st March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2014, from being appointed as a director in terms of section 274(1)(g) of the Act.

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

Place : Bhilwara (Raj.)
Date : 16.07.2014

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

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of Madhya Bharat Agro Products Limited for the year ended 31st March, 2014.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals & no material discrepancies were noticed on such verification. In our opinion, periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
(c) No material fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and on the basis of our examination of the records, the Company is maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
(b) The Company has taken unsecured loans from three parties covered in the register maintained under section 301 of the Act. The maximum amount outstanding during the year is Rs. 2393.87 Lacs and at year ended balance is nil.
(c) In our opinion, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the company.
(d) In respect of loans taken, the principal amount is payable on demand in accordance with terms and conditions, and the payment of interest has been regular in accordance with such terms and conditions.
4. In our opinion, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
(b) As explained to us, transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The company has not accepted deposits from the Shareholders/directors and is not subject to the directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Companies Act, 1956.
7. In our Opinion, Company has an internal audit system commensurate with its size and the nature of its business.
8. Maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2014 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. The Company has not defaulted in repayment of dues to a financial institution, bank, There are no debenture holders of the company.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society.
14. According to the information and explanations given to us, the company has maintained proper records of the transactions & contracts in respect of investments held by the company with timely entries and they are held in its own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. According to the information and explanations given to us, the term loans raised during the year have been applied for the purpose for which they were raised.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has made preferential allotment/ private placement of equity shares during the year.
19. The company did not have any outstanding debentures during the year.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

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

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

Place : Bhilwara (Raj.)
Date : 16.07.2014

BALANCE SHEET AS AT 31ST MARCH, 2014

(₹ in lacs)

Particulars		Note No.	As at 31 st March 2014	As at 31 st March 2013
I	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	2	1810.67	1105.81
	(b) Reserves and surplus	3	5112.05	1471.20
2	Non-current liabilities			
	(a) Long-term borrowings	4	431.63	2632.43
	(b) Deferred tax liabilities (Net)	5	268.76	200.88
3	Current liabilities			
	(a) Short-term borrowings	6	535.16	477.23
	(b) Trade payables	7	230.38	343.56
	(c) Other current liabilities	8	278.11	908.44
	(d) Short-term provisions	9	159.19	143.72
	TOTAL		8825.95	7283.27
II	ASSETS			
	Non-current assets			
1	(a) Fixed assets			
	(i) Tangible assets	10	6265.98	3988.66
	(ii) Intangible assets		0.00	0.00
	(iii) Capital work-in-progress		441.86	29.96
	(iv) Intangible assets under development		0.00	0.00
	(b) Non-current investments	11	117.00	123.00
	(c) Deferred tax Assets (Net)		0.00	0.00
	(d) Long-term loans and advances	12	48.70	518.19
	(e) Other non-current assets	13	20.75	34.23
2	Current assets			
	(a) Inventories	14	1210.05	1879.93
	(b) Trade receivables	15	92.38	247.15
	(c) Cash and cash equivalents	16	106.96	156.24
	(d) Short-term loans and advances	17	522.27	305.91
	TOTAL		8825.95	7283.27

Summary of significant accounting policies

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

As per our report of even date

For M/s Ashok Kanther & Associates

Chartered Accountants

FRN 050014C

On Behalf of the Board of Directors

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

Sd/-
(Sanjay Maheshwari)
Company Secretary
ACS 33657

Sd/-
(Paras Mal Surana)
Director
DIN 06367348

Sd/-
(Pankaj Ostwal)
Managing Director
DIN 02586806

Place : Bhilwara (Raj.)

Dated : 16.07.2014

MADHYA BHARAT AGRO PRODUCTS LIMITED



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in lacs)

	Particulars	Note No.	For the year ended 31 st March 2014	For the year ended 31 st March 2013
I.	Gross Sale of Products	18	5909.17	4579.08
	Excise Duty		28.82	31.25
	Net Sale of Products		5880.35	4547.83
II.	Other Income	19	16.13	28.35
III.	Total Revenue	(I + II)	5896.48	4576.18
IV.	Expenses:			
	Cost of materials consumed	20	3195.80	3009.39
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	21	366.31	-885.35
	Employee benefits expense	22	144.98	124.23
	Finance costs	23	332.18	483.49
	Depreciation and amortization expense	24	198.65	191.40
	Other expenses	25	1123.62	1120.99
	Total expenses		5361.54	4044.15
V.	Profit before exceptional and extraordinary items and tax	(III - IV)	534.94	532.03
VI.	Exceptional items		0.00	0.00
VII.	Profit before extraordinary items and tax	(V - VI)	534.94	532.03
VIII.	Extraordinary Items		0.00	0.00
IX.	Profit before tax	(VII- VIII)	534.94	532.03
X.	Tax expense:			
	(1) Current tax		107.27	106.55
	(2) Deferred tax		67.88	67.81
	(3) Earliyer Year's Tax		0.00	0.00
	Total Tax Expense		175.15	174.36
XI.	Profit (Loss) for the period from continuing operations	(IX-X)	359.79	357.67
XII.	Profit/(loss) from discontinuing operations		0	0.00
XIII.	Tax expense of discontinuing operations		0	0.00
XIV.	Profit/(loss) from Discontinuing operations (after -tax)	(XII-XIII)	0	0.00
XV.	Profit (Loss) for the period	(XI-XIV)	359.79	357.67
XVI.	Basic and Diluted Earning per share	Rs.	3.25	3.23

Summary of significant accounting policies

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

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

For and on Behalf of the Board of Directors

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

Sd/-
(Sanjay Maheshwari)
Company Secretary
ACS 33657

Sd/-
(Paras Mal Surana)
Director
DIN 06367348

Sd/-
(Pankaj Ostwal)
Managing Director
DIN 02586806

Place : Bhilwara (Raj.)
Dated : 16.07.2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(₹ in lacs)

Particulars	For the year ended 31 st March 2014	For the year ended 31 st March 2013
A) Cash Flow From Operating Activities:		
Net profit before tax	535	532
Adjustments for:		
Depreciation and Amortisation	199	191
Interest Expenses	329	475
Interest Income	(5)	(11)
Loss on foreign Exchange Fluctuation	(3)	1
Loss / (Profit) on sale of Fixed Assets	4	1
Balance Write off	(7)	-
Provisions Write off	-	(1)
Operating profit before working capital change	1,052	1190
Adjustments for:		
Increase/(Decrease) in Trade payable	(113)	(474)
Increase/(Decrease) in Other Current Liability	(630)	(476)
Increase/(Decrease) in Short Term Provisions	15	26
(Increase)/Decrease in Inventories	670	(1,150)
(Increase)/Decrease in Trade Receivable	155	59
(Increase)/Decrease in Short Term Loan and Advances	(216)	115
Net changes in working capital	(120)	(1,900)
Cash Generated from/(used in) operations	931	(711)
Direct Taxes paid	107	106
Net cash from/(Used in) operating activities (A)	825	(817)
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(591)	(318)
Sale/Decrease of Fixed Assets	17	7
(Increase)/Decrease in Investment	6	0
Interest Received	5	11
(Increase)/Decrease in Long term Loan and Advances	469	(362)
Net cash from investing activities (B)	(94)	(662)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	705	0
Proceeds from issuance of share capital Share Premium	987	
Proceeds/(Repayment) of Long Term Borrowings	(2,201)	1838
Proceeds/(Repayment) of short term borrowings	58	140
Interest paid	(329)	(475)
Net cash from financing activities (C)	(780)	1503
Net increase in cash and cash equivalents (A+B+C)	(49)	24
Cash and cash equivalents as at (Opening Balance)	156	133
Cash and cash equivalents as at (Closing Balance)	107	156
Net Cash Flow During The Year	(49)	24

Summary of significant accounting policies

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

As per our report of even date

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

For and On Behalf of the Board of Directors

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

Sd/-
(Sanjay Maheshwari)
Company Secretary
ACS 33657

Sd/-
(Paras Mal Surana)
Director
DIN 06367348

Sd/-
(Pankaj Ostwal)
Managing Director
DIN 02586806

Place : Bhilwara (Raj.)
Dated : 16.07.2014

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014**1. ACCOUNTING POLICIES****BASIS OF ACCOUNTING:**

The Financial Statements of the Company have been prepared in accordance with the requirements of the Companies Act, 1956, 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 (2008-09) figures based on registered valuers report. The land stated at revalued (2013-14) value done during the year as per registered valuers report.

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 Materials | : At lower of cost or net realisable value |
| b) | Finished Goods | : At lower of cost or net realisable value |
| c) | Stores & spares part | : 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 on fixed assets is provided on Straight-Line Method under triple shift basis in accordance with the Schedule XIV to the Companies Act, 1956. In respect of additions to fixed assets, depreciation is provided on pro-rata basis from the date the assets have been put to use.

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 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.

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.

AMORTIZATION:

Preliminary expenditure is amortized over a period of five years.



MADHYA BHARAT AGRO PRODUCTS LIMITED

OSTWAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

CONTINGENT LIABILITIES:

In the opinion of Board of Directors of the Company there is no contingent Liabilities as on 31st March 2014. except FDR pledge with central excise department.

2. SHARE CAPITAL

(₹ in lacs)

SHARE CAPITAL	As at 31 st March 2014		As at 31 st March 2013	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs.10/- each	22,000,000	2200.00	22000000	2200.00
Issued				
Equity Shares of Rs. 10/- each	18,106,735	1810.67	11058090	1105.81
Subscribed & Paid up				
Equity Shares of Rs 10/- each fully paid	18,106,735	1810.67	11058090	1105.81
Subscribed but not fully Paid up				
Equity Shares of Rs 10/- each not fully paid up -	-	-	-	-
Total	18106735	1810.67	11058090	1105.81

- i) A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

(₹ in lacs)

Particulars	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the period	11,058,090	1105.81
Shares Issued during the period (Issue 7048645 Equity Share during the year for consideration of Rs. 24/- Per Equity Share.)	7,048,645	704.86
Shares bought back during the period	-	-
Shares outstanding at the end of the period	18,106,735	1,810.67

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

Name of Shareholder	As at 31 st March 2014		As at 31 st March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sh. Pankaj Ostwal	1220130	6.74%	1195130	10.81%
Smt. Shashi Jain and Smt. Amita Mehta (Partners Radhay Traders)	1030000	5.69%	1030000	9.31%
Paneri Textiles Pvt. Ltd.	1090500	6.02%	1015500	9.18%
Seasons Agro Chem India Pvt. Ltd.	2310800	12.76%	2310800	20.90%
Ostwal Phoschem (India) Limited.	2803750	15.48%	0	0.00%
Chunri Prints Pvt. Ltd.	1207625	6.67%	1089500	9.85%
Vesta Tex Pvt. Ltd.	1000000	5.52%	1000000	9.04%
Suswani Textiles Pvt. Ltd.	1000000	5.52%	1000000	9.04%
Smt. Ekta Jain	661840	3.66%	661840	5.99%
Visualize Tradecom Pvt. Ltd.	846000	4.67%	846000	7.65%

- 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. 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.
- iv) 2983460 equity shares of Rs. 10/- each fully paid up were allotted and issued as bonus shares by capitalisation of reserves in 2009-2010.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

v) Disclosure pursuant to Note no. 6(A)(i) of Part-I of schedule VI to the companies Act, 1956

Particulars	Years				
	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010
Equity Shares:					
Fully paid up pursuant to contract(s)					
Fully paid up by way of bonus shares	-	-	-	-	2983460
Shares Bought back	-	-	-	-	-

3. RESERVES & SURPLUS

(₹ in lacs)

Reserves & Surplus	As at 31 st March 2014	As at 31 st March 2013
i) Revaluation Reserves		
Opening Balance	241.13	251.34
(+) Addition during the year	2,303.40	-
(-) Deduction during the year	-	1.01
(-) Depreciation charged on revaluation	9.15	9.20
Closing Balance	2,535.38	241.13
ii) Surplus		
Opening Balance	1,138.36	780.69
(+) Net Profit/(Net Loss) For the current year	359.79	357.67
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Bonus issue	-	-
(-) Transfer to Reserves	-	-
Closing Balance	1,498.15	1,138.36
iii) Share premium		
Opening Balance	91.71	91.71
(+) Current Year addition	986.81	-
(-) Bonus issue	-	-
Closing Balance	1,078.52	91.71
Total	5,112.05	1,471.20

4. LONG TERM BORROWING

(₹ in lacs)

Long Term Borrowing	As at 31 st March 2014	As at 31 st March 2013
Secured		
(a) Term Loan From Indian Overseas Bank	431.63	633.55
	431.63	633.55
Unsecured		
(a) From Group Companies	-	1,758.88
(b) From Other Companies	-	240.00
	-	1,998.88
Total	431.63	2,632.43

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014
(a) Term Loan

- i) **Nature of Security** – The term loans from are secured by way of 1st charge in the from of mortgage of assets of the company's immovable properties at unit II (present and future) at Village Sorai, Tehsil Banda, Distt Sagar, (MP) owned by the company. Charge on the residual value of the assets including corporate guarantee of M/s Ostwal Phoschem (India) Limited, a group company.
- ii) **Terms of repayment** – The Term loans to be repaid in 24 quarterly installments of Rs.41.67 Lacs. Interest is to be serviced separately as and when debited to the account on actual basis every month.

(₹ in lacs)

Name of Banks	Date of maturity	No. of install-ments outstanding as on 31.03.2014	As at 31 st March 2014			As at 31 st March 2013		
			Total Out-standing	Current Maturi-ties	Net Long Term Borrow-ings	Total Out-standing	Current Maturi-ties	Net Long Term Borrow-ings
Indian Overseas Bank	1 - Dec. 2017	Nil	431.63	-	431.63	799.99	166.44	633.55
	Total		431.63	-	431.63	799.99	166.44	633.55

- iii) Secured loans are guaranteed by personal guarantee of Sh.Pankaj Ostwal, Managing Director.

5. DEFERRED TAX LIABILITIES

- i) The company has recognized a provision for deferred tax liability of Rs. 67.88 Lac, P.Y. Rs. 67.81 Lac in the Profit and Loss A/c. The balance of Deferred Tax liability as on 31.03.14 is Rs. 268.76 Lac (previous year Rs. 200.88 Lac) determined on account of timing differences in accordance with Accounting Standard-22 "Accounting for Taxes on Income" as under :-

(₹ in lacs)

Deferred Tax Liabilities	As at 31st March 2014	As at 31st March 2013
Deffered tax liabilities		
A. Deferred tax liabilities (depreciation on fixed assets)	333.17	268.41
B. Deferred tax assets (disallowances u/s 43B)	-	-
Deffered Tax Liability (A-B)	333.17	268.41
Less Mat Credit	64.41	67.53
Net Deferred Tax Liabilities	268.76	200.88

- 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)

Short Term Borrowing	As at 31st March 2014	As at 31st March 2013
Secured		
(a) Other loans and advances Working Capital Loan from Indian Overseas Bank repayable on demand	535.16	477.23
Total	535.16	477.23

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

- i) **Nature of Security** – The advance shall be secured by 1st charge on Company's movable assets of Unit II including movable plant and machinery, machinery spares, tools and accessories, furnitur, fixture, vehicles, and all other movable assets present and future, intangible, goodwill, uncalled capital, present and future.
- ii) **Terms of repayment** – The bank loan for working capital is repayable on demand and having interest rate 14.00 % as on 31/03/2014
- iii) The bank loan for working capital is guaranteed by personal guarantee of Sh.Pankaj Ostwal, Managing Director.

7. TRADE PAYABLES

(₹ in lacs)

<u>Trade Payables</u>	As at 31st March 2014	As at 31st March 2013
Trade Payables	230.38	343.56
Total	230.38	343.56

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, 2014. 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>Other Current Liabilities</u>	As at 31st March 2014	As at 31st March 2013
a) Current Maturities of Long Term Debt	-	166.44
b) Others Payables	-	
i) Statutory dues including Provident Fund and Tax deducted at source etc.	49.32	97.22
ii) Liability Towards Staff & Workers	28.69	24.99
iii) Advances from Customer	200.10	598.36
iv) Other Liabilities	-	21.43
Total	278.11	908.44

9. SHORT-TERM PROVISION

(₹ in lacs)

<u>Short Term Provision</u>	As at 31st March 2014	As at 31st March 2013
Other (Specify nature)		
a) Provision for income tax	107.27	106.55
b) Provision for expenses	51.92	37.17
Total	159.19	143.72

10. FIXED ASSETS

- i) The Company has provided depreciation on fixed assets on straight line Method on Tripple Shift Basis in accordance with the provisions of Section 205 read with the Schedule XIV to the Companies Act, 1956. 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. 277.93 Lacs (P.Y. Rs. 277.93 Lacs) and Rs. 231.97 Lacs (P.Y. Rs. 241.12 Lacs) respectively on account of revaluation of fixed assets carried out in past by the company. Depreciation of Rs. 9.15 Lacs (P.Y. Rs. 9.20 Lacs) has been charged to revaluation reserve.
- iii) Disposal from Gross Block represents sale of fixed assets.
- iv) Deduction in depreciation is on account of sale of fixed assets.
- v) The further revaluation of companies property viz Land (Industrial & Agriculture Land) has been carried out. As a impact of that a revaluation reserve amounting Rs. 2303.40 Lacs has been created into the books of Accounts of the company. The said revaluation is based on the valuation report of external valuer.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

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.

Shedule - V

Schedule of Fixed Assets forming part of Accounts for the year ended 31-03-2014

FIXED ASSETS

(₹ in lacs)

PARTICULARS	GROSS BLOCK					ACCUMULATED DEPRECIATION						NET BLOCK		
	Opening Balance	Rate	Revalued during the year	Addition During the year	Deduction During the year	Total 31 st March 2014	Upto 1 st April 2013	For the period On Original Value	On re-valuation	Total	With Drawn	Upto 31 st March 2014	As at 31 st March 2014	As at 31 st March 2013
Land & Site Development	138.46	0.00%	2303.40	122.03	-	2563.89	0.00	0.00	0.00	0.00	0.00	0.00	2563.89	138.46
Factory Building	1608.54	3.34%	0	1.92	-	1610.46	85.44	49.82	3.95	53.77	0.00	139.21	1471.25	1523.11
Plant & Machinery	2073.70	5.28%	0	13.54	-	2087.24	268.95	105.49	4.45	109.94	0.00	378.89	1708.34	1804.75
Office Building	125.27	1.63%	0	38.20	-	163.46	4.88	2.43	0.07	2.50	0.00	7.37	156.09	120.39
Plant Electricals	342.03	5.28%	0	0.00	-	342.03	43.50	17.46	0.60	18.06	0.00	61.56	280.47	298.53
OE-Office Equipments	9.32	4.75%	0	1.53	-	10.85	0.75	0.50	0.00	0.50	0.00	1.24	9.61	8.57
Tools & Spares	1.80	5.28%	0	0.00	-	1.80	0.74	0.07	0.03	0.09	0.00	0.84	0.96	1.05
Furniture & Fixtures	29.32	6.33%	0	0.51	-	29.83	2.95	1.87	0.00	1.87	0.00	4.82	25.00	26.37
Vehicles	68.84	9.50%	0	1.62	21.25	49.21	17.22	5.29	0.00	5.29	10.07	12.43	36.78	51.62
Commercial Vehicles	0.00	16.21%	0	0.00	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Quality Control Laboratory	11.43	4.75%	0	0.00	-	11.43	1.80	0.49	0.05	0.54	0.00	2.34	9.09	9.63
Computers	10.66	16.21%	0	0.09	-	10.75	4.59	1.73	0.00	1.73	0.00	6.32	4.43	6.07
Gas Cylinder	0.14	16.21%	0	0.00	-	0.14	0.04	0.02	0.00	0.02	0.00	0.06	0.08	0.10
Total:	4419.51		2303.40	179.43	21.25	6881.08	430.85	185.17	9.15	194.32	10.07	615.09	6265.98	3988.66
Previous Year	4145.31		0.00	288.05	13.85	4419.51	248.13	177.92	9.20		4.40	430.85	4018.62	3897.30

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

11. NON-CURRENT INVESTMENT

(₹ in lacs)

<u>Name of Investment</u>	<u>As at 31st March 2014</u>	<u>As at 31st March 2013</u>
Fully paid up Equity Share of Krishana Phoschem Ltd. (No. of Shares 1785000/-)	117.00	123.00
Total	123.00	123.00

12. LONG TERM LOANS AND ADVANCES

(₹ in lacs)

<u>Long Term Loans and Advances</u>		<u>As at 31st March 2014</u>	<u>As at 31st March 2013</u>
a.	Capital Advances Unsecured, considered good	-	-
	Total	-	-
b.	Security Deposit Unsecured, considered good	48.70	37.92
	Total	48.70	37.92
c.	Other Loan & advances VAT Credit	0.00	480.27
	Total	0.00	480.27
	Total	48.70	518.19

13. OTHER NON-CURRENT ASSETS

(₹ in lacs)

<u>Other non-current assets</u>		<u>As at 31st March 2014</u>	<u>As at 31st March 2013</u>
a.	Preliminary expenses	20.75	34.23
	Total	20.75	34.23

14. INVENTORIES

(₹ in lacs)

<u>Inventories</u>		<u>As at 31st March 2014</u>	<u>As at 31st March 2013</u>
a.	Raw materials	416.15	691.42
b.	Finished Goods	606.47	881.24
c.	Finished Goods WIP	33.73	125.27
d.	Stores & spares	125.68	125.58
e.	Other Consumables	28.02	56.42
	Total	1,210.05	1,879.93

The major components of inventory in case of raw material are rock-phosphate, sulphuric acid & Hdpe bags and BRP at SSP unit as Finished Goods WIP, single super phosphate(SSP) and Beneficiated Rock Phosphate in case of finished goods.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014
15. TRADE RECEIVABLES

(₹ in lacs)

Trade Receivables		As at 31st March 2014	As at 31st March 2013
Unsecured, considered good			
a.	Trade receivables outstanding for a period less than six months from the date they are due for payment	84.72	247.15
b.	Trade receivables outstanding for a period exceeding six months from the date they are due for payment-	7.66	
	Total	92.38	247.15

16. CASH AND CASH EQUIVALENT

(₹ in lacs)

Cash And Cash Equivalent		As at 31st March 2014	As at 31st March 2013
a)	Balance with Bank	56.89	107.10
b)	Cash in hand	24.04	13.80
c)	Fixed Deposit with Bank	26.03	35.34
	Total	106.96	156.24

17. SHORT TERM LOANS AND ADVANCES

(₹ in lacs)

Short Term Loans and Advances		As at 31st March 2014	As at 31st March 2013
	Other loans & Advances (Unsecured considered good unless otherwise stated)		
i)	Advance Taxes [including TDS received Rs. 2.69 lac]	84.98	108.78
ii)	Prepaid expenses	3.95	5.61
iii)	Loans to employees	0.91	1.56
iv)	Advances to suppliers	33.52	24.47
v)	VAT Credit	398.55	46.83
Vi)	Other loans & Advances	0.36	118.66
	Total	522.27	305.91

18. GROSS SALES

(₹ in lacs)

Particulars		For the year ended 31st March 2014	For the year ended 31st March 2013
	Sale of products	5,909.17	4,579.08
	Total	5,909.17	4,579.08

19. OTHER INCOME

(₹ in lacs)

Particulars		For the year ended 31st March 2014	For the year ended 31st March 2013
a.	Interest income	5.03	10.68
b.	other non-operating income	11.10	17.67
	Total	16.13	28.35

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

20. COST OF RAW MATERIAL CONSUMED

(₹ in lacs)

<u>Particulars</u>	For the year ended 31st March 2014	For the year ended 31st March 2013
Opening Stock	747.84	575.15
Add: Purchases	2,892.12	3,182.08
Less: Closing Stock	444.16	747.84
Total	3,195.80	3,009.39

DETAILS OF RAW MATERIAL CONSUMED

(₹ in lacs)

<u>Particulars</u>		For the year ended 31st March 2014		For the year ended 31st March 2013	
		Qty. (MT)	Amount	Qty. (MT)	Amount
a.	Rock phosphate consumed	60495.03	1,305.70	53503.00	545.79
b.	Beneficiated Rock Phosphate consumed	10352.308	827.31	19100.617	1,177.34
c.	Sulphuric acid consumed	18952.224	648.14	19296.494	851.53
d.	HDPE bags consumed (Nos.)	1075221	176.43	1100710	150.89
e.	Others (Re-agents)	-	238.22	-	283.86
	Total		3,195.80		3,009.41

21. CHANGES IN INVENTORY OF FINISHED GOODS

(₹ in lacs)

<u>Particulars</u>	For the year ended 31st March 2014	For the year ended 31st March 2013
Stock at the beginning of the year (A)	881.24	118.53
Stock at the end of the year (B)	606.47	881.24
(Increase)/Decrease in stocks (A-B)	274.77	(762.71)
WIP Stock at the beginning of the year (A)	125.27	2.63
WIP Stock at the end of the year (B)	33.73	125.27
(Increase)/Decrease in stocks (A-B)	91.54	(122.64)
Total (Increase)/Decrease in stocks	366.31	(885.35)

22. EMPLOYEE BENEFIT EXPENSES

(₹ in lacs)

<u>Particulars</u>	For the year ended 31st March 2014	For the year ended 31st March 2013
a. Salaries & Incentives	107.37	105.87
b. Contribution to Provident Fund & ESI	7.53	7.10
c. Gratuity Fund contribution	4.05	3.45
d. Staff welfare expenses	19.90	7.81
e. CSR	6.13	-
Total	144.98	124.23

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014
23. FINANCE COSTS

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2014	For the year ended 31 st March 2013
Interest Expenses	328.58	475.29
Other Bank Charges	3.60	8.20
Total	332.18	483.49

24. DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2014	For the year ended 31 st March 2013
Current year depreciation	194.32	187.12
less: Charged from revaluation reserve	9.15	9.20
Total	185.17	177.92
Preliminary exp write off	13.48	13.48
Total	198.65	191.40

25. OTHER EXPENSES

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2014	For the year ended 31 st March 2013
A. Manufacturing Expenses		
Consumption of Stores & Spares parts	297.21	183.24
Power & Fuel	218.64	260.58
Repairs & Maintenance to Plant & Machinery	3.26	3.52
Other manufacturing expenses	182.00	306.21
Total (A)	701.11	753.55
B. Administration Expenses		
Insurance	9.83	9.79
Repairs to buildings	2.84	6.17
Directors' Remuneration	24.02	25.32
Auditors' Remuneration	0.77	0.71
Miscellaneous Expenditure	76.61	76.97
Total (B)	114.07	118.96
C. Selling & Distribution Expenses		
Freight & Transport	256.07	234.12
Advertisement & Business promotion	2.44	6.22
Others	49.93	8.14
Total (C)	308.44	248.48
Total	1,123.62	1,120.99

26. RELATED PARTY TRANSACTIONS

a) Key Managerial persons & their relatives

- i) Mr. Pankaj Ostwal
- ii) Mr. Sourabh Gupta
- iii) Mr. Sanjay Maheshwari

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

- b) Enterprises over which Key Management Personnel exercises significant influence
- i) Krishana Phoschem Limited
 - ii) Seasons Agro Chem India Pvt. Ltd.
 - iii) Ostwal Phoschem (India) Ltd. (formally known as Tedco Granite Ltd.)
 - iv) Nirmala Realinfrastructure Pvt. Ltd.
- c) Transactions with the related parties

<u>Particulars</u>	For the year ended 31st March 2014	For the year ended 31st March 2013
Key Management Personnel		
Salary/Remuneration	28.23	27.91
Personnel Guarantee from Managing Director.	601.68	601.68
Sale of Investment	6.00	-
Enterprises in which relative of Key Management Personnel having significant influence		
Purchases of goods	258.80	467.60
Sale of goods	3.58	0.17
Loan and advances taken	2,859.50	3,458.50
Loan and advances repayment	3,945.48	3,205.01
Interest Paid	72.90	176.84
Corporate Guarantee from enterprises in which relative of Key Management Personnel having significant influence.	1,550.00	1,550.00

27. EMPLOYMENT BENEFIT PLANS

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

(a) Defined Benefit Plans:

(₹ in lacs)

<u>Particulars</u>	For the year ended 31st March 2014	For the year ended 31st March 2013
i) Reconciliation of opening and closing balances of defined benefit obligation		
a) At the beginning of the year	10.25	7.31
b) Current Service Cost	3.15	2.42
c) Interest Cost	0.82	0.57
d) Actuarial (Gain) Loss	0.20	0.34
e) Benefits paid	(0.21)	0.00
f) Defined Benefits Obligation at year end	14.21	10.25
ii) Reconciliation of opening and closing balances of fair value of plan assets		
a) At beginning of the year	14.2	10.20
b) Expected Return on plan assets	1.37	1.06
c) Actuarial Gain / (Loss)	0.00	0.00
d) Employer Contributions	3.74	3.15
e) Benefits paid	(0.21)	0.00
f) Fair Value of the plan assets at the year end	19.10	14.20
iii) Reconciliation of fair value of obligation and Assets		
a) Present value of obligation as at year end	14.20	10.25
b) Fair value of plan assets as at year end	19.10	14.20
c) Amount recognized in Balance Sheet (a-b)	4.90	3.95

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

iv)	Expense recognized during the year:		
	a) Current Service Cost	3.15	2.42
	b) Interest Cost	0.82	0.57
	c) Expected return on plan assets	(1.37)	(1.06)
	d) Actuarial (gain) / loss	0.20	0.35
	e) Net Cost (a+b+c+d)	2.8	2.28
v)	Investment Details of Plan Assets :		
	Name of retirement benefit	Name of Trust	Policy No.
	Gratuity	Madhya Bharat Agro Products Limited., Employees Group Gratuity Trust	G.G. TRU 325348
			Investment with
			LIC of India
vi)	There are no amount included in the fair value of plan assets for		
	i) Company's own financial instruments.		
	ii) Property occupied by or other assets used by the Company.		
vii)	Principal Actuarial Assumptions at the Balance Sheet date		
		31st March 2014	31st March 2013
	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:		
	Gratuity	As at 31st March 2014	As at 31st March 2013
	Defined Benefits Obligation	14.21	10.25
	Plan assets	19.10	14.20
	Surplus/(deficit)	4.90	3.95
	Experience adjustment on plan Liabilities (loss)/ gain	0.20	0.34
	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		
			31st March 2013
i)	Employers Contribution to Provident Fund		7.10

28. EARNING PER SHARE

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
Net profit available to equity shareholders (₹ in lacs)	360.	357.67
Weighted average number of equity shares outstanding during the year (Nos.)	11,077,401	11,058,090
Basic and Diluted Earnings (₹ per Share)	3.25	3.23

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

29. PAYMENT TO AUDITOR

<u>Particulars</u>	For the year ended 31 st March 2014	For the year ended 31 st March 2013
To Statutory Auditor	0.60	0.60
To Cost Auditor	0.11	0.11
Total	0.71	0.71

30. IMPORTED & INDIGENOUS RAW MATERIAL, COMPONENTS AND SPARE PARTS CONSUMED

All raw material are indigenous except partly raw material (rock phosphate) imported through high sea agreement basis, components and spare parts consumed by the company are indigenous.

QUANTITATIVE DETAIL OF RAW MATERIAL

S.No.	<u>Particulars</u>	Rock Phosphate (MT)		Sulphuric Acid	Bags
		Unit I	Unit II	(MT)	(Nos)
1	Opening Stock	3462.590	36921.880	517.956	21,580
2	Purchased during the year	8158.820	28,789.410	19,860.070	1,141,415
3	Consumption during the year	10352.308	60,495.030	18,952.224	1,075,221
	Inter Unit BRP Consumed	20392.851			
4	Sales during the year			-	-
5	Yield of finished product (MT)	10352.308	60495.030	18,952.224	1,075,221.000
	during the year				
6	Closing Stock -				
	at Factory	1,269.102	5,216.260	1,425.802	87,774
7	Percent of yield	100%	100%	100%	100%

31. QUANTITATIVE DETAIL OF FINISHED GOODS

S.No.	<u>Particulars</u>	SSP (MT)
		Unit I
1	Opening Stock	9,602.854
2	Qty Manufactured during the year	54,918.871
3	Sales during the year	55,270.200
4	Closing Stock at the end of the year	9,251.075
5	Shortage/destroyed	0.450

S.No.	<u>Particulars</u>	BRP (MT)
		Unit II
1	Opening Stock	4,988.105
2	Qty Manufactured during the year.	32615.49
3	Transfer to Unit-I during the year	19,640.550
4	Sales during the year	16,486.375
5	Closing Stock at the end of the year	495.205
6	Shortage/Destroyed	981.465

SSP
SAZPL
KPL
DIPL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

32. QUANTITATIVE DETAIL OF FINISHED GOODS WIP

S.No.	Particulars	Inter Unit BRP (MT)
		Unit I
1	Opening Stock	1,983.408
2	Received from Unit-II during the year	19,640.550
3	Consumed during thr year	20,392.851
4	Closing Stock at the end of the year	481.554
5	Shortage/destroyed	749.553

Signatures to Notes 1 to 32

As per our report of even date

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

For and On Behalf of the Board of Directors

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

Sd/-
(Sanjay Maheshwari)
Company Secretary
ACS 33657

Sd/-
(Paras Mal Surana)
Director
DIN 06367348

Sd/-
(Pankaj Ostwal)
Managing Director
DIN 02586806

Place : Bhilwara (Raj.)
Dated : 16.07.2014

MADHYA BHARAT AGRO PRODUCTS LIMITED**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies

(Management and Administration) Rules, 2014]

MADHYA BHARAT AGRO PRODUCTS LIMITED

CIN: U24121RJ1997PLC029126

Registered Office: 5-O-1, Basement, R.C. Vyas Colony, Bhilwara 311001 Rajasthan

www.mbapl.com, accounts@mbapl.com

17th Annual General Meeting - 17th September 2014

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 17th Annual General Meeting of the Company, to be held on the Wednesday, 17th day of September, 2014 at 10.00 A.M. at 5-O-1, 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, 2014.			
2	Appoint a director in place of Sh. Paras Mal Surana, 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	Appoint Sh. Arvind Kothari as an Independent Director of the Company for five years.			
5.	Appoint Sh. Sushil Kumar Surana as an Independent Director of the Company for five years.			
6.	Appoint Sh. Praveen Ostwal as Non.Executive Director of the Company.			

Signed thisday of2014

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.

ATTENDANCE SLIP

MADHYA BHARAT AGRO PRODUCTS LIMITED

CIN: U24121RJ1997PLC029126

Registered Office: 5-O-1, Basement, R.C. Vyas Colony, Bhilwara 311001 Rajasthan

www.mbapl.com, accounts@mbapl.com

17th Annual General Meeting - 17th September 2014

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 17th Annual General Meeting of the Company at the registered office 5-O-1, Basement, R.C. Vyas Colony, Bhilwara 311001 Rajasthan on **Wednesday, 17th September, 2014 at 10.00 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.