

Date: 19th July , 2019

To,
The General Manager,
DCS-CRD
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street Mumbai- 400001(MH)

BSE Scrip Code: 533210

Subject: Filing of Annual Report for 2018-19

Dear Sir/Madam,

We are pleased to submit a copy of the Annual Report for the year 2018-19.

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

Thanking You,
Yours Faithfully,

FOR, KRITI NUTRIENTS LIMITED

SC JAJOO

CHIEF FINANCIAL OFFICER



Kriti Nutrients Ltd.

Corporate Office:
Chetak Chambers, 4th Floor, 14 RNT Marg,
Indore - 452 001 (MP) INDIA

Registered Office:
Mehta Chambers, 34, Siyaganj,
Indore - 452 007 (MP) INDIA

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

Tel.: +91-731-271 9100, 271 9191
E-mail: info@kritiindia.com
CIN: L24132MP1996PLC011245

Quality Business



contents

2	The exciting world of Kriti Nutrients Limited
6	Brand experience
8	How we have grown over the years
10	Chairman and Managing Director's overview
12	Operational review of the last financial year
14	Governance, value and Kriti Nutrients
16	How we enhance value
18	Kriti Nutrients' business model
20	Management discussion and analysis
26	Notice
34	Directors' Report
54	Corporate Governance Report
62	Financial Section

Forward-looking statement

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





Kriti Nutrients. Quality business

A few years ago, Kriti Nutrients made a decisive change in its business model.

The Company selected to transform from a bulk soyabean processing commodity player into a premium products manufacturer across two businesses.

The Company engaged in a number of transformation initiatives.

Trained employees. Prioritised research. Invested in its brand. Benchmarked around global standards. Serviced customers with speed.

The result is that the reinvented Kriti Nutrients reported revenues of ₹486.22cr, cash profit of ₹19.63 crore and RoCE of 38.04% in 2018-19.

Validating its positioning as a Company engaged in building a quality business.

The exciting world of Kriti Nutrients Limited



Vision

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



Mission

Kriti undertakes to dedicate itself and all its resources to achieving global excellence in the present sectors of operations and seeking growth via diversification.



Promoters

The Company was promoted by Mr. Shiv Singh Mehta in 1993, who is now Chairman & Managing Director. His leadership role is complemented by senior executives and 231 employees.



Kriti Group

The Kriti Group comprises three companies called Kriti Industries (India) Limited, Kriti Nutrients Limited and Kriti Auto Engineering & Plastics Pvt. Limited.



Businesses

The Company is engaged in soya bean processing, with the objective of producing and branding refined soya bean oil, and the manufacture of value-added products addressing specialised applications in the food and pharmaceutical sectors.



Location

The Company's soya bean processing plant is located in Dewas (Madhya Pradesh) comprising modern infrastructure and equipment. The state-of-the-art manufacturing complex comprises solvent extraction plants, vegetable oil refinery, lecithin plant, effluent treatment plant, fluidised bed boilers and an in-house tin and jar packaging facility.



Financial performance

In 2018-19, the Company generated revenue of ₹486.22 crore and profit after tax of ₹16.95 crore. Cash profit was ₹19.63 crore while EBITDA margin was 6.55%.



Portfolio

The Company's product portfolio comprises refined soya bean oil and value-added soya bean derivatives.



Brand

The Company's cooking media is marketed under the 'Kriti' brand, respected for trust, dependability and a superior cooking outcome. The brand generated a large portion of the Company's revenue during the year under review.

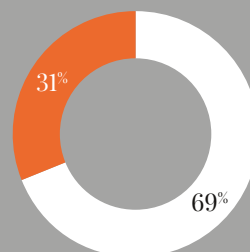


Listing

The Company is listed on the Bombay Stock Exchange. Its market capitalisation was ₹157.33 crore as on 31 March 2019. The promoters accounted for 66.09% stake in the Company's equity.

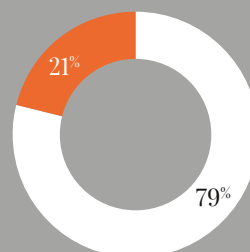
Kriti Nutrients revenues by region

2017-18



■ Domestic ■ Export

2018-19



■ Domestic ■ Export

Quality Business

How Kriti Nutrients has been building a sustainable business



Balance Sheet

The Company has been debt-free since 2017-18

RoCE strengthened from 34.24% to 38.04% in the three years ending 2018-19



Knowledge capital

Increased employees from 223 to 231 in the three years ending 2018-19

Average employee age was 41 years in the three years ending 2018-19

Manufactured B2B products addressing mission-critical customer applications



Long-term

Invested in growing and repeat customer relationships for value-added products

Invested in one of the most sophisticated soya processing complexes in India



Moat

Invested in a B2C edible oil brand addressing the premium end of the market

Generated multi-year relationships with customers in the B2B business



Brand experience

How the ‘Pyar sa pure’ positioning has created a consumer pull

The story is the same in *kirana* shops across Central India.

Ratlam. Neemuch. Indore. Bhopal. Ujjain. Mandwa.

When a home maker walks in to buy edible oil trusted by thousands and seeks the *kirana* shop owner’s advice, the latter usually turns to the same spot on the shelf where the most trusted edible oil brand is positioned.

An increasing number of such *kirana* shop owners in Central India are turning to Kriti for good reasons. No product recalls on account of quality. No consumer complaining about product integrity. No issues related to terms of trade.

And, on top of it all more buyers walking in to ask for Kriti by name, resulting in a distinctive consumer pull.

Generating a larger proportion of income for dealers and retailers from the Kriti brand.

Validating that Kriti is not just good for homemakers and chefs but also for a growing family of trade partners – and the Company’s shareholders.



What makes the Kriti brand the first choice for thousands

Origin

- Extracted from soya bean, increasingly respected as a source of protein
- Consistently high product quality

Brand

- Trusted and validated presence across 26 years
- Respected for being a brand that delivers what it promises – no hype
- Brand recall around ‘trust’ and ‘bharosa’

Background

- Manufactured by an industrial house respected for its ethical commitment
- Leverages the longstanding presence of the Kasta pipes brand from the same Group

Presence

- Available and accessible across 20,000 retail outlets
- Widening focus across Central India

Quality

- Premium product positioning addressing discerning consumers
- Generates superior outcome as an efficient and safe cooking media
- Product superiority reflected in low smokiness, lower oil consumption, fatty acid below ISI norms and high oil purity/clarity

How has a preference for the Kriti brand strengthened financials

High market share at the premium end

Priced at a premium over national edible oil brands

Velocity of sale increased working capital efficiency

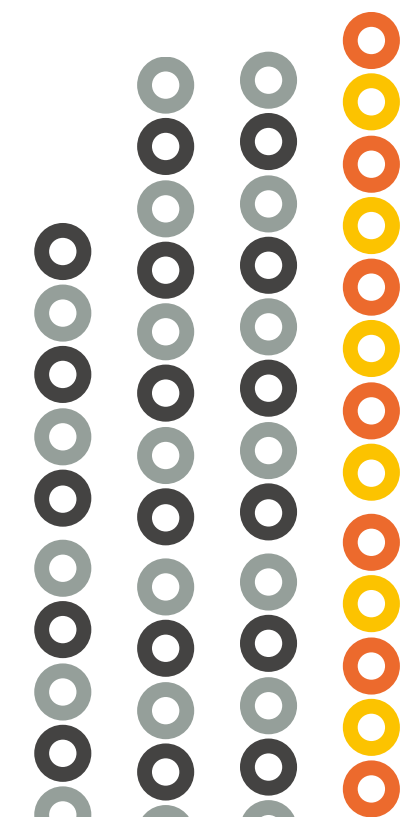
Strong word-of-mouth; high brand spending efficiency

Short receivables cycle; enhanced liquidity

How we have grown over the years

Revenues (₹ crore)

359.13	459.21	462.66	486.22
--------	--------	--------	--------



Definition

Growth in sales net of taxes.

Why this is measured

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

What this means

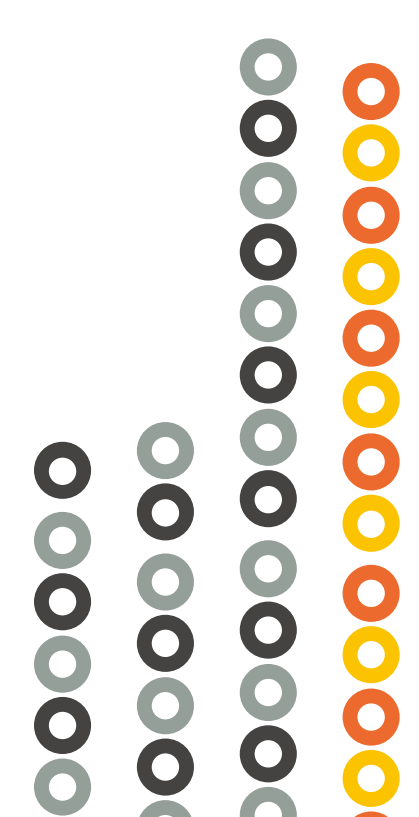
Aggregate sales increased 5.25% to ₹485.23 crore in FY2018-19 due to increased production and offtake.

Value impact

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

EBITDA (₹ crore)

16.03	16.76	32.95	31.87
-------	-------	-------	-------



Definition

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

Why this is measured

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

What this means

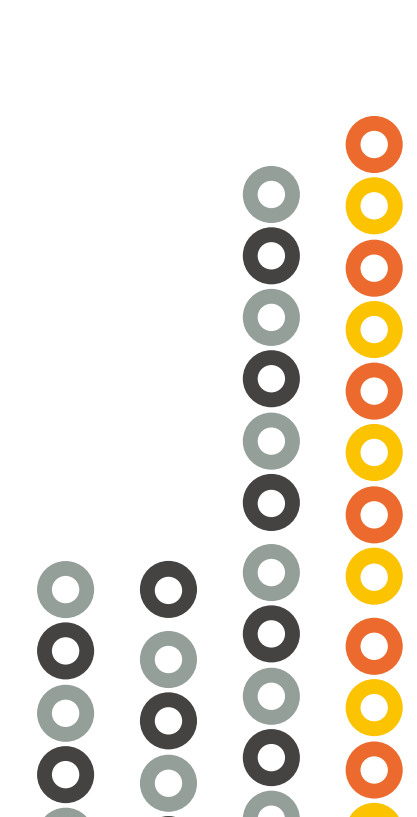
Helps create a robust growth surplus-generating engine that enhances reinvestment.

Value impact

The Company reported a marginal decline in EBITDA in FY2018-19.

Net profit (₹ crore)

6.29	6.28	15.79	16.95
------	------	-------	-------



Definition

Profit after deducting all expenses and provisions.

Why this is measured

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

What this means

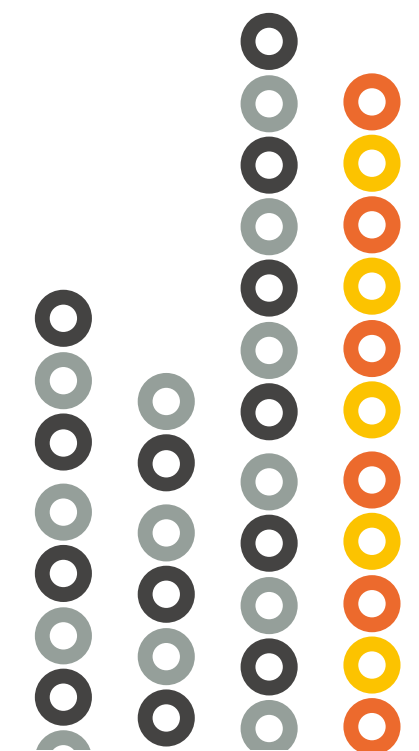
Ensures that adequate cash is available for reinvestment, strengthening sustainability.

Value impact

The Company reported an improvement in net profit in FY2018-19, validating the attractiveness of the business model.

EBITDA margin (%)

4.46	3.65	7.12	6.55
------	------	------	------

**Definition**

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

Why this is measured

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

What this means

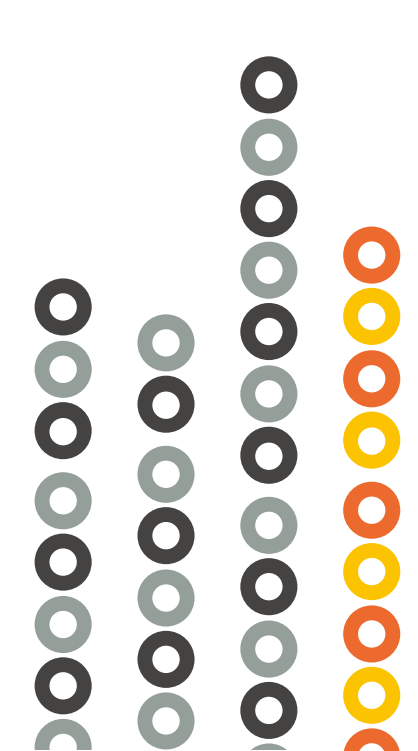
Demonstrates the buffer in the business, which, when multiplied by scale, can potentially enhance the surplus.

Value impact

The Company reported a 57 bps decrease in EBITDA margin on account of resource volatility and business development costs in FY2018-19.

RoCE (%)

34.24	31.61	50.38	38.04
-------	-------	-------	-------

**Definition**

This is a financial ratio that measures the efficiency with which capital is employed in the Company's business - EBITDA / (Equity + Non-Current liabilities).

Why this is measured

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

What this means

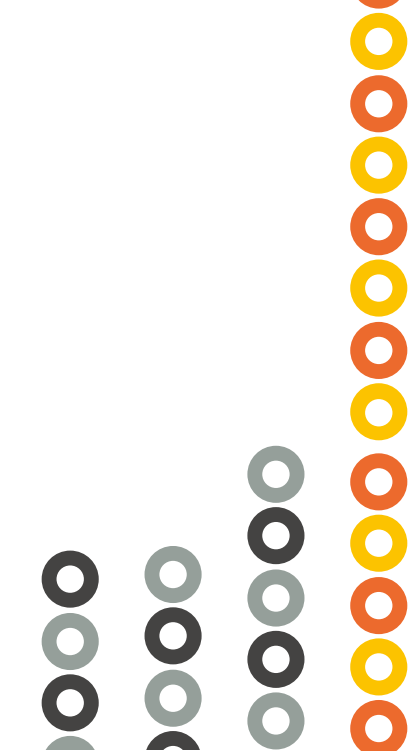
Enhanced RoCE can potentially drive valuations and market perception.

Value impact

The Company reported a 12.34% decline in RoCE in FY2018-19.

Interest cover (x)

4.87	4.92	7.48	19.29
------	------	------	-------

**Definition**

This is derived from the division of EBITDA by interest outflow.

Why this is measured

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

What it means

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

Value impact

The Company strengthened its interest cover from 7.48 in FY2017-18 to 19.29 in FY2018-19.



Chairman and Managing Director's overview

“Our objective will be to conduct our business the way we have been doing, except to make it larger and better.”

Overview

We went into business 26 years ago with the conviction that we needed to maximise the value of soya bean, abundantly available in Madhya Pradesh.

I am pleased to communicate that the time has come when the green shoots of our conviction are becoming increasingly visible and attractive.

Kriti Nutrients reported an attractive performance in 2018-19. The Company delivered profitable growth; revenues increased 5.09 % while profit after tax

strengthened 7.38%. The revenue of ₹486 crore that we reported was the highest in our existence, helping amortise fixed costs effectively. I am pleased to report that the Company reported an attractive 38.04% RoCE during the year under review.

Inflection point

At Kriti Nutrients, we believe that we are at an inflection point for some good reasons.

The Company is an attractive proxy of a modernising world where protein

has emerged as possibly the most decisive long-term dietary preference. Experts have gone on to describe protein as the last macronutrient left standing and an aspirational lifestyle enhancer.

The result is that a Wall Street Journal article was headlined ‘When the Box Says ‘Protein’, Shoppers Say ‘I’ll take it’’, which captures the dynamics of the revolution. The result is evident on Google where a 2019 search for the word ‘protein’ threw up no less than 70 million searches.



Six, we invested in research and development with the conviction that a more specialised product portfolio would strengthen business sustainability.

Growing protein gap

What makes this subject relevant is that there is evidence that a number of countries appear deficient in their protein intake. The Indian Dietetic Association (IDA) claimed that 93% of Indians are unaware of their ideal protein requirement; India's vegetarian diets are 84% protein-deficient on account of poor awareness; 65% Indian non-vegetarian diets are deficient in protein (Source: IDA); more than 70% Indians suffer from poor muscle development on account of protein content (Source: InBody and IPSOS).

What makes this space compelling from a long-term perspective is that by 2050 when the world's population is likely to reach 9.6 billion, an additional 265 million tonnes of protein will be required annually to feed the world (Source: Bühler), making it imperative to increase global protein output by 50% over today's level. Besides, by then, plant proteins could replace three-quarters of animal proteins products consumed today, increasing an emphasis on agriculture.

Our business model

At Kriti Nutrients, we invested in the right business model to address this long-term opportunity.

One, we selected to be present in Madhya Pradesh, which is the soya bean bowl of India.

Two, we escaped the commodity trap by choosing to manufacture value-added products for downstream sectors like food and pharmaceuticals on the one hand and marketed retail-focused branded soya bean oil in Madhya Pradesh on the other.

Three, we invested in state-of-the-art infrastructure that validates our commitment to workplace hygiene and respect among international buyers.

Four, we invested in relationships of mutual dependence as the foundation of our business sustainability – with quality-driven B2B customers in the global markets and primary customers (distributors) in the domestic market.

Five, we differentiated ourselves through the manufacture of value-added products, strengthening our profitability.

Six, we invested in Research & Development with the conviction that a more specialised product portfolio would strengthen business sustainability.

Business impact

I am pleased to report that our business-building has reached a point where our customers have increased, customer wallet share has grown and customer engagements are expanding into multi-year revenue opportunities.

A similar optimism exists on the

other side of our business, where our branded refined soya bean oil addresses discerning customers.

Besides, we possess a debt-free Balance Sheet and high liquidity, a robust foundation for long-term growth.

Outlook

In 2019-20, our objective will be to conduct our business the way we have been doing in the last few years, if only to make the scale larger and business quality better. The second priority is critical; by being able to customise value-added products for global customers, we would be able to increase revenues and enhance margins, strengthening our business profitability.

I am optimistic that we are attractively placed to enhance value in the hands of all our stakeholders.

Shiv Singh Mehta,
Chairman & Managing Director

Operational review of the last financial year

A review by Saurabh Singh Mehta, *Executive Director*



Q Was the management pleased with the performance of the Company during the last financial year?

A From a performance perspective, the Company reported moderate growth. However, when appraised from a qualitative perspective, we sustained our evolution from a bulk commodity to a value-added player.

Q What were the reasons for the transformation?

A The transition was inspired by strategic, ethical and financial reasons. There was a need to extend beyond the commodity trap, escape sectoral volatility, enhance stakeholder value, increase corporate respect and build an institution. We had foreseen that unorganised sectoral practices would yield to an organised way of working

and there would be a growing need to extend one-off profitability to long-term business sustainability.

Q What priorities did the Company address as a part of the transformation journey?

A The senior management recognised that the first priority lay in communicating the transformation message through the organisation and generate a buy-in across the team. The management explained that it would be imperative to transform if we were to survive profitably over the long-term. I am pleased to state that the team brought into the decision and the transformation agenda was implemented across every organisational level.

Q What were some of the ways in which the Company responded to this priority?

A During the initial days, the Company encountered fleeting arbitrage opportunities that would have enhanced our profitability but would not have been sustainable. The management sent out an unmistakable message: it walked away from those short-term opportunities because they were not aligned with our long-term direction. The team recognised that this was a more desirable way of doing business and there was a quicker strategic alignment than one would have expected.

Q In what ways were these new priorities increasingly evident?

A There were a number of initiatives in which the new thinking became

evident: the Company graduated its benchmarks from the local to the global, increased training, strengthened processes and enlisted for business-enhancing certifications. In doing so, the management kick-started the transformation, following which manufacturing, quality and packaging standards became benchmarked in line with global standards. Today our global deliveries are not just on-time but also in-full and just-in-time. The result is that a number of our global B2B customers are beginning to refer to Kriti Nutrients as a dependable partner instead of just another vendor.

Q Why were these transformation initiatives important?

A The Company addresses the growing requirements of prominent customer-facing companies in the global foods and pharmaceutical sectors. A few years ago, the Company spent an extended period in getting enlisted as a dependable long-term supplier to these companies. Over time, our products stabilised with a neat fit into the customers' mission-critical manufacturing processes. The result is that the Company generated a corresponding year-on-year increase in the customer's wallet share.

Q What were some of the principal achievements in 2018-19?

A The principal achievement was that we retained our customers with increased offtake. The Company generated growth in volumes without a corresponding widening of the

senior management bandwidth. A streamlined front-end enhanced offtake. A stronger back-end responded sensitively in line with customer requirements. There was an increase in manufacturing efficiency. The turnaround time in responding to customers declined. The result is that the Company's culture graduated from individualisation to institutionalisation.

Q What is the outlook of the Company for 2019-20?

A The principal priority of the Company is to do more of the same: market to more customers, account for a large share of their spending and widen our global footprint, a broad-basing the Company's business risks. Besides, the Company will strengthen its research orientation and investment, develop progressively complex products and deepen engagement with large global brands.

Q How is the Company's refined edible oil segment positioned?

A In this challenging space, the Company's Kriti brand established itself as a superior cooking media among actual users. The Company's brand generated a premium in realisations over competing brands in the region. The outperformance was the result of conscious initiatives: willingness to invest in a modern soya complex, patience to focus on deepening our presence in Central India as opposed to spreading across more markets, capacity to service dealer needs with speed, promoting

the brand to generate a consumer pull, investing in hand-held mobility solutions to enhance field sales effectiveness, capacity to produce edible oil of a consistent quality and the foresight to position the product at a premium.

Q Where does the Company go from here?

A The Company will continue to strengthen its business in 2019-20. Product gaps will be plugged. Increased focus will catalyse new product development and business quality. Revenue growth could be marked by profitable growth.

We expect to report improved margins arising out of increased sales and capacity utilisation, stronger product mix and increased value-addition. In view of these realities, we believe that we are at the cusp of attractive growth in the foreseeable future.

Governance, value and Kriti Nutrients

At Kriti, we believe that the role of governance is integral, especially as we are engaged in the manufacture of edible products whose efficacy and hygiene are continuously tested. At Kriti, this governance framework comprises a number of priorities, some which have been explained in this section.

Think long-term

At Kriti, we keep the long term in mind while investing in any initiative, which is the basis of our governance. This has been influenced by our investments in brand, people, technology, locations, products and selection of trade partners. Inevitably, these investments have translated into the highest standards of technology, integrity and competencies, which represent the basis of our business sustainability.

Singular focus

At Kriti, we are principally a protein derivative products Company. This singular focus deepens excellence, attracts specialists, enriches knowledge, strengthens research and enhances scale.

Steady growth

At Kriti, we believe in the consistency of growth, marked by incremental investments derived from our accruals that do not stretch our Balance Sheet or our management bandwidth. This makes it possible to report consistently controlled and relatively de-risked growth as opposed to one-off spikes.

Doing things the right way

At Kriti, we believe in doing things the right way in addition to doing the right things. The focus on the former is the result of an integrity-first approach that enhances strategic predictability and consistency for all stakeholders. The result is that we have attracted like-minded partners resulting in long-term engagement. This focus on the intensive (as opposed to the extensive) has catalysed our mindset.

Board of Directors

At Kriti, our business sustainability is to a large extent influenced by the composition of our Board of Directors. The Board comprises professionals and industrialists of standing who have enriched our values, experience pool, ground-level business understanding and strategic direction.

Trust

At Kriti, we believe we can best grow business by enhancing a sense of trust – with our customers through superior products, with employees through an assurance of stable career growth, with vendors through an emphasis on the use of the highest product quality standards and with communities through the use of responsible practices and supportive engagement.

Work with delta

At Kriti, we focus on maintaining a delta (margin derived from our raw material processing capability) through market cycles. During good markets, when returns exceed our desired delta, we pass the upside to our trade partners, strengthening their loyalty.

Continuous cost management

At Kriti, we believe that it is not enough to be profitable for the moment but to be sustainable across all market-cycles. This sustainability is largely influenced by a culture of austerity coupled with an obsessive commitment to moderate costs and eliminate waste at all levels. Over the years, we have made prudent investments in this direction, making it possible to enhance manufacturing efficiency (reflected in optimal input-output ratios) and seeking superior processes that conserve time and material use.

Balancing the two businesses

At Kriti, we balance the volume mix between our refined edible oil and value-added products business based on the downstream demand for edible oil products and institutional demand for our value-added products.

No positions taken

At Kriti, we do not take speculative positions on soya bean irrespective of how attractive the price swing or market price is. This moderates periodic profit spikes on the one hand but limits downsides from sharp price declines, on the other hand, strengthening our business surpluses from competent resource processing.

Non-arbitrage discipline

The Company will not seek short-term arbitrage opportunities in the area of soya bean processing.

Balanced approach

At Kriti, we employ a business approach that can be described as a balance of conservatism and measured aggression. The result is a de-risked approach, focus on short-term project paybacks, priority to maximise cash flows, ongoing reinvestment and adequate buffers that protect our profitability across market cycles. This is best reflected in our debt-free status and the ability to fund a sizable part of our expansions through accruals. We believe that large debt on our books could influence our strategic thinking away from the values we have cherished – of remaining a focused quality- and knowledge-driven player in addition to protecting Balance Sheet integrity.

Culture of excellence

At Kriti, we believe that an overarching culture of excellence is derived from components of excellence across the organisation. The result of this commitment is that no improvement initiative is considered too small as we believe that every good thing is connected to another, which in, turn strengthens mindsets and competitiveness.

Process-driven

In a business that has been promoted by entrepreneurs, we believe that growth can be best derived when the promoter charts out a strategic direction and monitors periodic progress while delegating day-to-day management to professionals. The Company invested in processes and systems that enhanced decision-making predictability within enunciated guidelines. This predictability has been reinforced through a progressive investment in information technology tools and support.

Expand incrementally

At Kriti, we address a market that is annually growing in the modest single-digit. To expand aggressively in this market implies that we would need to price below established players that could affect our brand and market stability; aggressive expansion would also result in a large unutilised capacity until market growth caught up with our installed base. We believe that steady growth is the safest response: expenditure that can be largely addressed through accruals, does not compel us to disturb prevailing realisations and does not stretch our managerial bandwidth with a premium on specialised professionals.

How we enhance value

Our resources



Financial capital

The financial resources that we seek are based on the funds we mobilise from investors, promoters, banks and financial institutions in the form of debt, net worth or accruals.



Manufactured capital

Our manufacturing assets, technologies and equipment for production constitute our manufactured capital. The logistics for the transfer of raw materials and finished products are integral to our manufacturing competence.



Human capital

Our management, employees and contract workers form a part of our workforce, the experience and competence enhancing value.



Intellectual capital

Our focus on cost optimisation and operational excellence, as well as our repository of proprietary knowledge account for our intellectual resources.



Natural capital

We depend on raw materials like soya bean sourced from nature that is grown annually, indicating no adverse impact on the natural environment.



Social and relationship capital

Our relationships with communities and partners (vendors, suppliers and customers) influence our role as a responsible corporate citizen.



Value created

Financial capital

Turnover (₹ crore)

485.23

Earnings per share (₹)

3.38

RoCE (%)

38.04

Human capital

Number of employees
(direct and contractual)

231

Total remuneration, 2018-19 (₹
crore)

8.38

Intellectual capital

Experienced senior management

Status of Company: Premium
refined soya oil and soya value-
added products Company.

Kriti Nutrients' business model



Our sectoral context

Population: The global population is expected to increase from around 7.7 billion (Source : Worldometers) today to 9.7 billion by 2050 (Source:UN.org) and the Indian population is expected to grow from around 1.36 billion today to 1.73 billion by 2050 (Source:Population Pyramid), strengthening the demand for protein-rich soya bean products.

Increased incomes: India reported an increase in per capita incomes from ₹1,14,958 in 2017-18 (Source:The Times of India) to ₹1,26,406 in 2018-19. Per capita incomes doubled in seven years ending 2018-19, creating a base for additional consumption. (Source:Business Standard).

Increased aspirations: Modern India is marked by a growth in aspirations, derived from the increased consumption of value-added products.

Food hygiene priority: One of the biggest manifestations of increased per capita income is a preference for enhanced food hygiene (reflected in the use of premium cooking media, among others).

Government priority: The Indian government is encouraging the formalisation of the country's foods sector through the creation of higher food standards and corresponding packaging.

Downstream sectors: The food and pharmaceutical industries are growing the world over, strengthening prospects of the Company's B2B business.

Protein gap: There is a growing protein gap in diets, strengthening prospects for protein-rich soya bean products.

Challenging retail sector: The retail-facing business of branded edible oil manufacture is marked by a high corporate mortality on account of variations in resource availability (availability and cost).



Our business strengths

Location: The Company's soya bean processing business is located in Dewas (Madhya Pradesh), which is in the soya bean-rich belt of Madhya Pradesh (state accounting for 55-60% of India's soya bean output).

Customers: The Company addresses the needs of institutional and retail consumers.

Broadbasing: The Company broad-based itself by spreading its risk across businesses, addressing a growing number of customers, enlarging its portfolio through the introduction of new products, widening its coverage of a larger number of countries (in its B2B business) and more distributors and retailers (B2C business).

Value-added: The Company reoriented from the volatile commodity end to the value-added end across its business.

Research-led: The Company strengthened its B2B business through forward-looking research investments.

State-of-the-art infrastructure: The Company invested consistently in one of the most modern soya bean processing complexes in India, enhancing uptime and operating efficiency. The three-stage refining process helped enhance product purity, translating into a premium.

Cautious growth: The Company selected to grow its business in an incremental way without stretching its managerial, manufacturing or financial bandwidths.

Business sustainability: The Company selected to focus on non-commodity long-term multi-year business profitability as opposed to erratic one-off profit spikes.

Market focus: The Company selected to grow its B2C presence in Central India, strengthening its marketing,

branding, distribution and logistical economies.

Repeat engagement: The Company focuses on increasing its wallet share with existing B2B customers, enhancing revenue visibility and business predictability.

Brand-driven: The Company invested in growing its B2C business through consistent brand investment, strengthening its recall for 'trust'.

Global standard: The Company's branded edible oil business is benchmarked around European Union quality standards.

Premium: The Company manufactured and branded its B2C product (branded edible oil) around the premium needs of retail consumers.

Brand: In the business of edible oil marketing, the biggest asset is the brand. There is a specific reason for this; the product has health implications and the consumer will gravitate to a product that can be most trusted. At Kriti Nutrients, we positioned our brands around 'health', 'affordable' and 'choice', to providing a wide range of safe products across price points. The result is that the **Kriti edible oil brand enjoys a leading market share in the premium segment of Central India.**

Economies: In the business of edible oil manufacture and marketing marked by thin margins, a sustainable competitiveness is derived from the ability to leverage various economies (capacity, procurement, manufacture, branding and distribution). At Kriti, we invested in a showpiece soya bean processing capacity with a distribution that made it possible for our products to be available across 20,000 retail points. As a result, the Company's product basket addresses premium product preferences across the region's aspirational classes.

Logistical advantage: In the business of edible oil manufacture, competitiveness is reinforced through superior logistics management. The Company draws 100% of its raw material from within a radius of 100 kilometres, saving transportation costs.

Technology: In the business of edible oil manufacturing, the efficiency with which raw oil is processed influences competitiveness and quality. The Company invested in cutting-edge technology in its plant to maximise refining efficiencies and report lower energy consumption.

Investments: In a business that is consistently growing in line with population and aspiration growth, the Company is required to invest in capacities, people and technologies even during weak economic cycles.

Closer to customers: In the business of edible oil marketing, reach – wider and deeper – is critical. The larger the quantity the Company's products can be marketed closer to manufacturing plants helps reduce transportation costs and accelerates the Company's ability to respond to demand spikes and market opportunities. Today, the Company's products generally occupy maximum shelf space. The result: a considerable market share in Central India for refined oil products.

Financial discipline: In the business of edible oil manufacture requiring consistent investments in capacities, products and locations, success is derived from a robust Balance Sheet. The Company was debt-free (for long-term debt) as on 31 March 2019.



Outcomes



Profitability: The Company strengthened its business sustainability, reflected in an increase in EBITDA margin from 3.65% in 2016-17 to 6.55% in 2018-19



Growth: The Company grew its revenue from ₹ 459.21 crore in 2016-17 to ₹ 486.22 crore in 2018-19



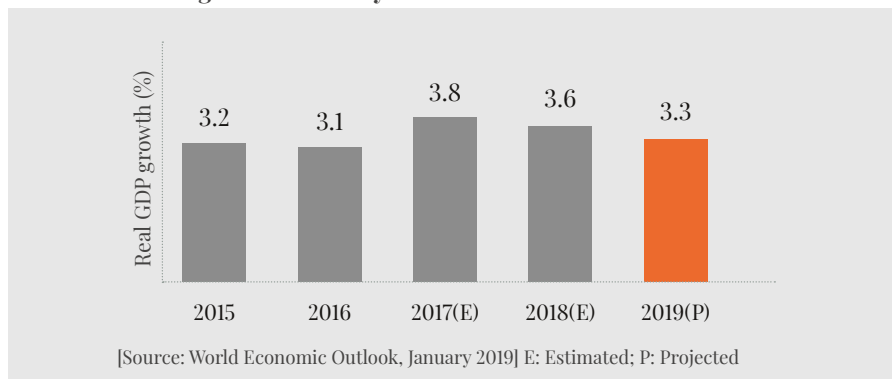
Receivables cycle: The Company had a comfortable receivables cycle in 2018-19

Management discussion and analysis

Global economic overview

The global economy grew 3.6% in 2018 compared with 3.8% in 2017, largely on account of the failure of Brexit negotiations, tightened financial conditions, geopolitical tension and higher crude oil costs. Global growth is estimated at 3.3% in 2019 on account of a sustained weakening in the advanced economies. (Source: World Economic Outlook).

Global economic growth over six years



Indian economic overview

India was the sixth-largest economy and the fastest-growing trillion-dollar economy through a major part of the year under review. However, after growing 7.2% in 2017-18, the Indian economy was expected to grow at 6.8% in 2018-19.

The principal developments during the year under review comprised a sustained increase in per capita incomes, decline in national inflation, steadying interest rates, and weakened consumer sentiment starting from the second half of the financial year. The weaker sentiment was on account of a large non-banking financial company announcing its inability to address liabilities. This affected credit expansion, financial markets and consumer sentiment.

In 2018, the country attracted more foreign inflows than China - ~US\$ 38 billion, higher than China's US\$ 32 billion. India witnessed a 23-notch jump to a record 77th position in the World Bank's latest report on the ease of doing business that captured the performance of 190 countries. The commencement of the US-China trade war opened a new opportunity for India, particularly in the agro

sector. Inflation (including food and energy prices) was pegged at 2.6% on an annual basis, one of the lowest in years and well below the Reserve Bank of India's medium-term target of 4%. The rupee rebounded after touching a low of ₹74.45 to a dollar to close the financial year at ₹69.44. During the fiscal under review, the Indian Government continued to invest deeper in digitisation, renewable energy capacity generation and infrastructure building.

Key government initiatives

***Expanding infrastructure:** The Government of India invested ₹1.52 trillion to construct 6,460 kilometres of roads in 2018. Its expenditure of ₹5.97 trillion (US\$89.7 billion) towards infrastructural development for 2018-19 is expected to strengthen the national economy.

***Increasing MSPs:** The Indian Government fixed MSPs of 22 mandated kharif and rabi crops and FRP for sugarcane. The Indian Government committed to provide a 50% return over the cost of production for all mandated crops, strengthening the rural economy.

***Pradhan Mantri Kisan Samman Nidhi:** The Indian Government announced in February 2019 the Pradhan Mantri Kisan Samman Nidhi, a scheme promising an annual assured income of ₹6,000 (US\$84.5) for any farmer owning ≤2 hectares of farmland. The interim Budget for 2020 allocated ₹75,000 crore for the scheme, benefiting ~120 million land-owning farmer households.

***Direct Benefit Transfer:** The Direct Benefit Transfer initiative re-engineered the cash disbursement process in welfare schemes through simpler and faster flow of information/funds to ensure accurate targeting of beneficiaries, de-duplication and reduction of fraud. In 2018-19 alone, this scheme is estimated to have transferred more than ₹3,14,465 crore and the gains to have accrued since scheme implementation estimated at more than ₹120,000 crore.

Outlook

India's economy is likely to remain sluggish in 2019-20 and improve gradually across the medium-term.

Overview on soya bean

Soya bean is a high-quality protein, one of only two known plant foods (the other being amaranth seed) to contain all the essential amino acids, similar to those found in meat.

Soya bean is a species of legume, produced in the greatest numbers in the United States and South America, but native to East Asia. It is classified as an oilseed, rather than a pulse, like most legumes.

Soya beans contain more protein per acre of land than any other crop. It is high in fibre and protein, low in saturated fat, cholesterol-free, lactose-free, good source of omega-3 fatty acids, source of antioxidants and high in phytoestrogens. In 1999, the United States Food and Drug Administration acknowledged the heart health benefits of including at least 25g soya bean protein daily in a diet low in saturated fat and cholesterol. Besides, soya bean is reputed to reduce blood pressure, improve blood vessels with greater

elasticity of artery walls, reduce osteoporosis risk, protect against cancers (breast, colon, prostate and skin), manage endometriosis and possess anti-inflammatory effects.

Soya beans are an extremely important source of protein. Proteins are the building blocks of cells and blood vessels and basically every essential part of the human body. Proteins from soya beans ensure proper health and cell regrowth if they need to be repaired or replaced. It can be difficult to get enough protein when you follow a vegetarian or vegan lifestyle, so soya beans provide an excellent replacement for proteins normally acquired from red meat, chicken, eggs, dairy products, and fish.

Soya beans have a high vitamin and mineral content and the impressive levels of calcium, magnesium, copper, selenium, and zinc in them are also important for healthy bones. All these elements are essential for promoting

osteotropic activity, which allows for new bones to grow and also speeds up the bone healing process. Eating soya beans can be a long-term solution for problems like osteoporosis, which commonly occurs as one ages.

Soya beans provide a good source of various vitamins and minerals, including Molybdenum, Vitamin K1, Folate, Copper, Manganese, Phosphorus and Thiamine. Protein is the only macronutrient to contain nitrogen, without which we cannot grow or reproduce. There are nine amino-acid proteins – the building blocks of human tissue – that we can only get from food. Without them, we could grow neither healthy hair and nails nor strong bones and muscle, and our immune system would be impaired. A child who lacks vital protein in the first five years of life could suffer from stunting and sometimes wasting, too, as the dreadful persistence of malnutrition in the developing world reminds us.

Global soya bean market overview

The global soya bean market was estimated at US\$ 146.23 billion in 2017. Brazil, United States, Argentina, Canada, Paraguay and Uruguay were the largest producers and exporters of soya bean, accounting for more than ~85% of the global production. The soya bean market is divided into food and beverages, personal care, dietary supplements and animal feed, among others, with animal feed accounting for more than around 75% of the global revenue share. The soya bean meal segment accounts for the largest share in the market, followed by the soy oil segment.

The United States accounts for ~34.3% of the global soya bean production, closely followed by Brazil and Argentina. Soya bean dominates the oilseeds industry, accounting for more than 80% share. Brazil is the largest exporter of soya bean, accounting for ~51% of the global market, despite unfavourable conditions. Total soya

bean production stood at 116 million metric tonnes in 2018-19 compared to 120.8 million tonnes in 2017-18.

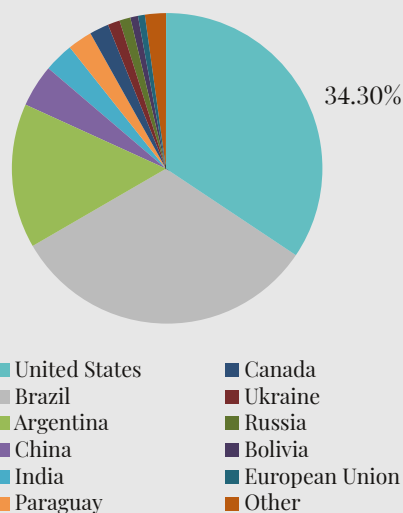
North America, Latin America, Europe, Asia Pacific, Africa and Middle East are the major demand drivers of the global soya bean market. Over time, Asia Pacific is expected to account for the largest demand share, catalysed by a growing population, increased disposable incomes and rising diet hygiene awareness translating into a higher offtake of nutraceuticals and animal feed segments. Asia Pacific and Latin America are projected to account for more than 78% of the global market share by 2025. The global soya bean market is projected to increase at a CAGR of ~5% to reach a value of US\$ 215.75 billion by 2025. (Source: Mordor Intelligence, Transparency Market Research)



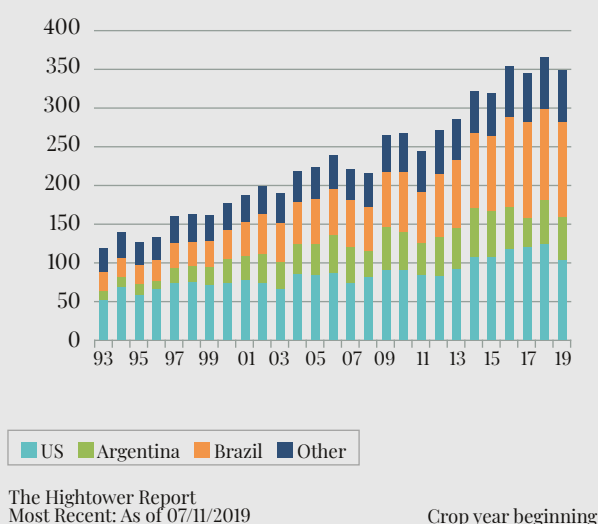
Over time, Asia Pacific is expected to account for the largest demand share, catalysed by a growing population, increased disposable incomes and rising diet hygiene awareness



Major producers of soya bean by volume, 2018



Soyabean Production - Major Exporters



Source: Mordor Intelligence

Indian soya bean market overview

India's total soya bean output stood at 11.48 million tonnes during the ongoing season of 2018-19 compared with 8.36 million tonnes in 2017-18. Soya bean acreage increased ~6.7% to 10.84 million hectares from 10.16 million hectares in the previous season. There was a significant increase in the average yield per hectare from 1,059 kg per hectare in 2018-19 compared to 823 kg in 2017-18, an increase of ~29%.

State	Acreage, 2017 (mn ha)	Acreage, 2018 (mn ha)	Output, 2017 (mn tonnes)	Output, 2018 (mn tonnes)
Madhya Pradesh	5.01	5.41	4.20	5.92
Maharashtra	3.45	3.64	2.91	3.83
Rajasthan	0.92	0.92	0.75	0.94
Telangana	0.17	0.18	0.11	0.16
Karnataka	0.27	0.32	0.17	0.29
Chhattisgarh	0.13	0.12	0.17	0.11
Gujarat	0.12	0.13	0.09	0.12

(Source: Soya bean Processors' Association)

Madhya Pradesh reported a substantial ~41% increase in soya bean output to 5.92 million tonnes compared to 4.2 million tonnes in the previous year. The total average yield in the state was estimated to increase ~30.5% to 1,094 kg per hectare in comparison to 838 kg in the previous year. Acreage under soya bean also increased ~8% to 5.41 million hectares compared to less than 5 million hectares in the previous year.

The growth of the Indian soya bean market is likely to be driven by a substantial growth in animal feed consuming sector; soya bean meal is an important animal feed. The animal feed industry was estimated at ₹817 billion in 2018 and projected to grow at a CAGR of ~12.7% between 2019 and 2024 to an estimated ₹1,683 billion.

The growth of India's soya bean industry is likely to be catalysed by a rising awareness about the benefits of a healthy diet. Most health conscious people have incorporated soya bean into their diets. India's position as the youngest global population is also expected to enhance the acceptability of soya bean, catalysing the growth of this industry.

Despite the increase in overall output, soya bean prices strengthened. The government had fixed soya bean minimum support price at ₹3,399 for 2018-19 in comparison to ₹3,050 a quintal in 2017-18, which influenced output (estimated at ~38% in the 2018-19 season) in addition to favourable climatic conditions in major cultivating states like Madhya Pradesh, Maharashtra and Rajasthan. (Source: Business Standard, Soya bean Processors' Association, IMARC)

Government initiatives and allocations

The Agriculture Export Policy, 2018:

The Government of India aimed to increase India's agricultural exports to US\$ 60 billion by 2022 through various policies.

Pradhan Mantri Annadata Aay

Sanrakshan Abhiyan: The Government of India allocated ₹15.053 crore, under which State governments in partnership with private agencies, can decide compensation schemes to ensure fair prices of farmers.

Pradhan Mantri Gram Sinchai Yojana:

The Government of India introduced this ₹ 50,000 crore scheme to improve irrigation and water efficiency for every farmer with a 'Per Drop More Crop' goal.

Agri-Udaan: The Government of India introduced a new Agri-Udaan programme to boost innovation and entrepreneurship in the agricultural sector, enabling start-ups to connect with potential investors.

Allocation for computerisation:

The Government of India allocated ₹ 2,000 crore for the computerisation of Primary Agricultural Credit Society (PACS), enabling them to capitalise on digital technologies.

Sampada: The Government of India plans to treble food processing sector capacity, making a provision of ₹6,000 crore as investment in mega-food parks as a part of the scheme for Agro-Marine Processing and Development of Agro-Processing Clusters (SAMPADA).

Doubling farm incomes: The Government of India announced a broad plan to double farmers' incomes by 2022.

Growth drivers

Demographic demand: India has a population of 1.35 billion people, which strengthens domestic demand in a sustainable way.

Increasing consumption: Consumer spending is projected to grow from US\$ 1.5 trillion in 2018 to US\$ 6 trillion by 2030, with a cascading impact on the offtake of soya bean processed products. (Source: World Economic Forum)

Emergence as an alternative: Soya bean has emerged as a natural protein alternative for meat and dairy products, driving consumption.

Rising awareness: Rising awareness about the benefits of a healthy lifestyle could strengthen the market for soya bean.

Animal feed market: The animal feed market is projected to grow to ₹1,683 billion by 2024, catalysing the soya bean industry.



The growth of the Indian soya bean market is likely to be driven by a substantial growth in animal feed consuming sector; soya bean meal is an important animal feed.





The Company's overview

The Company is engaged in processing soya beans, oil refining and the production of value-added soya-based products.

Over the years, the Company has established its brand Kriti around consistent product quality and superior service.

The Company's manufacturing facility in Dewas is located in a soya bean-rich belt and spread across 70419 square metres, comprising modern infrastructure and equipment. The ISO-9001:2001-certified plant manufactures products like soya oil and value-added products.

The Company generated around 79% of its 2018-19 revenues from domestic sale and 21% from exports. While its domestic revenues were derived from B2C sales, exports were made to B2B customers, marked by relationship-based repeat business from existing customers from the food, pharmaceutical and nutraceutical segments.

Operational performance

The Company reported a turnover of ₹ 485.23 crore, which was 5.25% higher than in the previous year.

The Company's Profit before Tax of ₹

26.78 crore and Profit after Tax of ₹ 16.95 crore in 2018-19 were 6.38% and 7.42% respectively higher than in the previous year.

The Company reported an EBITDA margin of 6.55% in 2018-19 compared with 7.12% in the previous year.

The Company's earnings per share was ₹ 3.38 in 2018-19 compared with ₹ 3.15 in 2017-18.

The Company's total finance outgo was ₹ 2.42 crore (0.50% of revenues) as against ₹ 5.17 crore (1.12% of revenues) in the previous year.

Key ratios

Particulars	2017-18	2018-19
Turnover (₹ crore)	461.03	485.23
Return on equity (%)	29.50%	24.53%
Book value per share (₹)	10.67	13.79
Earnings per share (₹)	3.15	3.38

Business strategy and outlook

The Company is investing with the objective to maximise value generated from soya bean. This investment is being directed at the development of quality products. The Company expects that these initiatives should translate into broad-based sale across a larger number of customer-segments and value-addition through the manufacture of branded soya bean oil for retail users.

The outlook is optimistic as relationships of mutual dependence can translate into increased revenue visibility, larger volumes, superior margins and enhanced corporate respect.

Threats

- Global warming could affect soya bean availability.
- Decline in soya bean supply could affect plant utilisation and profitability.
- Dollar volatility could affect export revenue.
- Decline in soya bean sowing could affect plant utilisation
- Under-servicing of customers could affect prospective offtake

Opportunities

- There has been no perceptible climate warming impact in Madhya Pradesh, India's soya bean bowl.
- There has been an appreciable increase in yields, acreage and minimum support price, enhancing

soya bean planting profitability for farmers

- Soya bean sowing is on the rise, reflected in increased acreage

Information and technology

The Company invested considerably in information technology over a period of five years to enhance operational efficiencies. The Company implemented SAP Enterprising Resource Planning System, human resource management, customer relationship management and Sales Force Mobility. SAP HANA was also implemented to catalyse business analytics. The increased access to data strengthened the Company's informed decision-making and responsiveness to market developments.

Internal control systems and their adequacy

The Company's internal audit system has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues

are addressed promptly. The audit committee reviews reports presented by the internal auditors on a routine basis. The committee makes note of the audit observations and takes corrective

actions, if necessary. It maintains a constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

Human resources

The quality of employees is key to success. Over the years, the Company provided employees with an invigorating workplace, marked by a respect for human dignity, empowerment, personal and professional growth, defined career

paths and merit-based appraisal. During the year under review, the Company deepened training for technical skills, behavioural competencies, business excellence, general management, advanced management, leadership skills,

customer orientation, safety, values and Code of Conduct. The Company's employee strength stood at 231 as on 31st March 2019; the average age of the Company was 41 years by the close of the year under review.

Cautionary statement

The management discussion and analysis report containing your Company's objectives, projections, estimates and expectation may constitute certain statements, which are forward looking within the meaning of applicable laws and

regulations. The statements in this management discussion and analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include raw material availability and prices, cyclical

demand and pricing in the Company's principal markets, changes in governmental regulations, tax regimes, forex markets, economic development within India and the countries with which the Company conducts business and other incidental factors.

NOTICE

NOTICE IS HEREBY GIVEN that the 23rd ANNUAL GENERAL MEETING (AGM) of the Members of KRITI NUTRIENTS LIMITED will be held on Wednesday, the 14th Day of August, 2019 at 05:00 PM at 8th Floor, Brilliant Sapphire Plot no.10, PSP, IDA ,Scheme No.78, Part II, Indore (M.P.) to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Results of the Company for the Financial Year ended 31st March 2019 and the reports of the Board of Directors and Auditors thereon..
2. To declare dividend on the equity shares for the Financial Year ended 31st March, 2019.
3. To appoint a Director in place of Mrs. Purnima Mehta (DIN: 00023632), who retires by rotation at this Annual General Meeting and being eligible offers herself for re-appointment.

SPECIAL BUSINESS

4. REVISION IN THE REMUNERATION OF SHRI SHIV SINGH MEHTA (DIN: 00023523) THE CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY:

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

RESOLVED THAT in pursuant to the Articles of Association of the Company and in accordance with the provisions of section 196-197 and 203 read with the Schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any re-enactment thereof and upon the recommendation/approval of the Nomination and Remuneration Committee and the Board of Directors, Company do hereby approves the revision in the remuneration payable to Shri Shiv Singh Mehta (DIN:00023523), the Chairman & Managing Director of the Company (Who is also the Chairman and Managing Director of Kriti Industries Ltd.) who was re-appointed at the Extra Ordinary General Meeting held on 18th March, 2019 for a term of 3 years with effect from 12th January 2019 to 11th January, 2022 for the remaining part of his tenure from 1st April, 2019 to 11th January, 2022 as under;

1. Salary: Upto ₹5.00 Lakhs Per Month
2. Perquisite: Upto ₹0.50 Lakhs Per Month
3. Incentive/Commission

The aforesaid salary, perks and incentive/commission

shall be subject to the maximum amount of 5% of the net profits of the Company in the financial year as determined under section 197 and 198 of the Companies Act, 2013. Shri Shiv Singh Mehta shall have the option from which company Kriti Industries (India) Ltd and/or Kriti Nutrients Ltd. he wants to take the amount of incentive/commission recommended by Nomination & Remuneration Committee and approval by the board which shall be paid at the end of the financial year.

RESOLVED FURTHER that Shri Shiv Singh Mehta shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling on minimum remuneration specified here-in-above in accordance with the provisions of Schedule V to the Companies Act, 2013 as amended from time to time or any re-enactment thereof, if the Company has no profits or its profits are inadequate:

- a) contribution to provident, superannuation or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
- b) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- c) encashment of un-availed leave at the end of the tenure.

RESOLVED FURTHER THAT the aforesaid Salary, perquisites, incentives/commission and other benefits/allowances (as per the rules of the Company) as may be decided by the Committee from time to time subject to further approval of the Board of Directors from time to time subject in aggregate to the minimum remuneration as provided in the Schedule V or the maximum of 5% of the net profits of the Company calculated in accordance with the provisions of Section 197 of the Companies Act, 2013.

FURTHER RESOLVED that Shri Shiv Singh Mehta and/or the Company may decide the remuneration to be paid to him from the Company or the other Company Kriti Industries (India) Ltd., in which he is also a Chairman and Managing Director subject to the maximum sanctioned limit in any of the Company Kriti Industries (India) Ltd or Kriti Nutrients Ltd.

FURTHER RESOLVED THAT The Company Secretary and/or CFO or the Chairman and Managing Director be and is hereby authorized to do all such acts, matters, deeds and things to implement the aforesaid Resolution for and on behalf of the Company.

5. RE-APPOINTMENT OF MR. SAURABH SINGH MEHTA AS WHOLE TIME DIRECTOR OF THE COMPANY

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

"RESOLVED THAT in pursuant to the Articles of Association of the Company and in accordance with the provisions of section 196-197 and 203 read with the Schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any re-enactment thereof and upon the recommendation/approval of the Nomination and Remuneration Committee and the Board of Directors, the company hereby approves the re-appointment and the remuneration payable to Mr. Saurabh Singh Mehta (DIN:00023591) as the Whole-time Director of the Company for a term of three years with effect from 1st August, 2019 to 31st July, 2022 on the following remuneration;

1. Salary: Upto ₹4.00 Lakhs Per month.
2. Perquisite: Upto ₹0.50 Lakhs Per month.
3. Incentive/Commission

The aforesaid salary, perks and incentives/Commission shall be subject to the maximum amount of 5% of the net profits of the Company in their financial year as determined under section 197 and 198 of the Companies Act, 2013, which shall be paid at the end of the financial year.

RESOLVED FURTHER that Mr. Saurabh Singh shall also be eligible to the following perquisites which shall not be included in the computation of the ceiling on minimum remuneration specified here-in-above in accordance with the provisions of Schedule V to the Companies Act, 2013 as amended from time to time or any re-enactment thereof, if the Company has no profits or its profits are inadequate:

- d) contribution to provident, superannuation or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
- e) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- f) encashment of un-availed leave at the end of the tenure.

RESOLVED FURTHER THAT the aforesaid Salary, perquisites, incentives/Commission and other benefits/ allowances (as per the rules of the Company) as may be decided by the Committee from time to time subject to further approval of the Board of Directors from time to time subject in aggregate to the minimum remuneration as provided in the Schedule V or the maximum of 5% of the net profits of the Company calculated in accordance with the provisions of Section 197 of the Companies Act, 2013 whichever may be higher.

FURTHER RESOLVED THAT The Company Secretary and/or CFO or the Chairman and Managing Director be and is hereby authorized to do all such acts, matters, deeds and things to implement the aforesaid resolution for and on behalf of the Board of the Company.

6. APPOINTMENT OF SHRI CHANDRANSEKHARAN BHASKAR (DIN: 0003343) AS AN INDEPENDENT DIRECTOR:

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

"RESOLVED THAT pursuant to the provisions of sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Chandransekharan Bhaskar (DIN: 0003343), who was appointed as an Additional Director of the Company in terms of Section 161 of the Act by the Board of Directors with effect from 16th May, 2019 and who holds office upto the date of this Annual General Meeting (AGM) and being eligible, and has submitted a declaration for his independence and upon recommendation of the Nomination and Remuneration Committee and the Board of directors, Shri Chandransekharan Bhaskar (DIN: 0003343) be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years, from the date of this AGM upto the conclusion of the 28th AGM of the Company to be held in respect of Financial Year ending 31st March, 2024."

7. TO RATIFY THE REMUNERATION OF COST AUDITORS FOR THE FINANCIAL YEAR ENDING 31ST MARCH, 2019.

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), the members of the Company be and hereby ratify the payment of remuneration of ₹30,000 (Rupees Thirty Thousand Only), plus applicable taxes and reimbursement of out of pocket expenses at actuals to Mr. S.P.S Dangi, Cost Accountant, Indore (Registration No. 100004) appointed by the Board of Directors of Company on the recommendation of the Audit Committee of the Board, as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2020."

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

Date: 16th May, 2019

By order of the Board,

Registered Office:

Regd. Office: Mehta Chamber, 34 Siyaganj,
Indore-452007

Vijay Khandelwal
Company Secretary

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to special business at the meeting is annexed and forms part of the Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/IES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ATTACHED HERewith AND, IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AND SIGNED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF 23rd ANNUAL GENERAL MEETING.
3. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 IN NUMBERS AND HOLDING IN AGGREGATING NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS A PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.
4. Corporate Members are requested to send Board resolution duly certified, authorizing their representative to attend and vote on their behalf at the AGM.
5. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, particulars of Directors seeking appointment / re-appointment/continuance of appointment at this meeting are annexed hereto.
6. Register of Members and Share Transfer Books of the Company will remain closed from 08th August, 2019 to 14th August, 2019 (both days inclusive) for the Annual General Meeting.
7. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
8. Members desirous of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
9. Electronic copy of the Annual Report 2018-19 is being sent to the members whose email Ids are registered with the Company/ Depository Participant(s) for communication purpose unless any member has requested for a physical copy of the same.
10. The Members are requested to:
 - a) Intimate changes, if any, in their registered addresses immediately.
 - b) Quote their ledger folio number in all their correspondence.
 - c) Hand over the enclosed attendance slip, duly signed in accordance with their specimen registered with the Company for admission to the meeting place.

d) Bring their Attendance Slips with them at the EGM venue.

11. Members are requested to notify immediately any change in their address and also intimate their active E-Mail ID to their respective Depository Participants (DPs) in case the shares are held in demat form and in respect of shares held in physical form to the Registrar and Share Transfer Agent Ankit Consultancy Pvt. Ltd., Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.) having email Id ankit_4321@yahoo.com, rtaindore@gmail.com to receive the soft copy of all communication and notice of the meetings etc., of the Company.
12. Voting through electronic means

In compliance with the provisions of section 108 of the Companies Act, 2013 and the Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of SEBI (LODR) Regulation, 2015 the Company is pleased to provide its members the facility to exercise their right to vote at the 23rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL).

The Company shall provide facility for voting through polling paper which shall be available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the meeting.

The Members who have casted their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The cut-off date for the purpose of voting (including remote e-voting) is 7th August, 2019 (Wednesday).

The remote e-voting facility will be available during the flowing period after which the portal shall forthwith be blocked and shall not be available:-

Commencement of remote e-voting	11, August, 2019 (Sunday)
End of remote e-voting	13, August, 2019 (Tuesday)

Once the vote on a resolution is casted by the member, the member shall not be allowed to change it subsequently.

Members are requested to carefully read the below mentioned instructions for remote e-voting before casting their vote.

- (i) The voting period begins on 11th August, 2019 (Sunday) and ends on 13th August, 2019 (Tuesday). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Kriti Nutrients Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION"

and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
13. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
14. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on

the cut-off date 07th August,2019 (Wednesday).

15. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 07th August,2019 (Wednesday), may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA .
16. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
17. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
18. CS Ishan Jain, Practicing Company Secretary (M. No. ACS 29444 & C.P.No. 13032) and Proprietor of M/s. Ishan Jain & Co., Company Secretaries, Indore has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
19. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
20. The Scrutinizer shall after the conclusion of voting at the general

meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

21. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company kiil.kritiindia.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
22. For any other queries relating to the shares of the Company, you may contact the Share Transfer Agents at the following address:
M/s. Ankit Consultancy Pvt. Ltd.
60, Electronic Complex, Pardeshipura, Indore (M.P.) 452010
Tel: 0731-4281333, 4065797/99
E-mail: ankit_4321@yahoo.com, info@ankitonline.com
23. Members may also note that the Notice of the 23rd AGM and the Kriti Nutrients Ltd. Annual Report 2018-19 will be available on the Company's website www.knl.kritiindia.com. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: cs@kritiindia.com.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4:

Shri Shiv Singh Mehta was last re-appointed as Chairman & Managing Director of the Company with effect from 12th January, 2019 for a period of 3 years without any remuneration.

The Remuneration & Nomination Committee and the Board of Directors at their respective meetings held on 16th May, 2019 have unanimously recommended revision in the remuneration payable to Shri Shiv Singh Mehta Chairman & Managing Director of the Company (Who is also the Chairman and Managing Director of Kriti Industries (India) Ltd.) who was re-appointed at the Extra Ordinary General Meeting held on 18th March, 2019 for a term of 3 years with effect from 12th January 2019 to 11th January, 2022, for the remaining part of his tenure from 1st April, 2019 to 11th January, 2022 on the payment of remuneration as proposed in the resolution, subject to the approval of the Members of the Company in General Meeting.

Shri Shiv Singh Mehta's is main promoter of the Company having rich experience of the industry and he has contributed greatly in the

Company achieving its present position. The Company has exhibited a fair and stable performance during his tenure.

Shri Shiv Singh Mehta shall subject to superintendence, control and direction of the Board of Directors, be entrusted with substantial powers of management in respect of the whole of the affairs of the Company and shall perform such duties and exercise such powers as have been or may be entrusted to or conferred upon him by the Board from time to time.

The Board of Directors of the Company considers that the re-appointment of Shri Shiv Singh Mehta as Chairman & Managing Director will prove beneficial to the Company and accordingly recommends the resolution, as set out at Item No. 4 of the Notice convening this meeting, for your approval.

In accordance with the requirements of Schedule V to the Companies Act, 2013, a statement providing the required information for the re-appointment and payment of remuneration to Shri Shiv Singh Mehta is given hereunder:

I. General Information:

1	Nature of Industry	Manufacturing – Oil Seed Extraction & Refining
2	Date or Expected date of commencement of commercial production	Existing Unit since 1996, demerged from Kriti Industries (India) Limited w.e.f. 01.01.2010
3	In case of new companies, expected date of commencement of activities as per projects approved by financial institutions appearing in the prospectus	Not Applicable
4	Financial performance based on given indicators	The turnover (including export sales) and net profit after tax for last three years were as follows:

Year	Total Revenue	Exports	PAT
2018-19	48622.10	9567.02	1695.08
2017-18	46266.44	13355.55	1578.61
2016-17	40622.09	13559.57	628.55

5 Foreign Investments or Collaborations, if any: Not Applicable

II. Information about appointee:

1.	Background details	Shri Shiv Singh Mehta is the main promoter of the Company having rich experience of Oil Seed Extraction & Refining business. During his leadership Company achieved new milestone in refining and soya value added products. He holds a bachelor degree in engineering and masters degree in management.
2.	Past remuneration	Nil
3.	Recognition or Awards	Served as past President of Indore Management Association. Arya Chanakya Award of MP Govt. for corporate governance and social responsibilities.
4.	Job Profile and its Suitability	He is Chairman & Managing Director subject to the superintendence, control and direction of Board of Directors, entrusted with substantial powers of management in respect of the whole of the affairs of the Company and shall perform such duties and exercise such powers as have been or may be entrusted to or conferred upon him by the Board from time to time. He has been associated with the business of the Company since inception. Considering his background and experience, he is eminently suitable to continue to hold the position of Chairman & Managing Director of the Company.
5.	Remuneration proposed	As per details contained in the Notice for the Annual General Meeting.
6.	Comparative remuneration with respect to Industry Standards	The proposed remuneration is in line with remuneration payable to the Directorial personnel holding similar stature/position in the Industry.
7.	Any Pecuniary Relationship	Besides remuneration, Shri Shiv Singh Mehta holds 2028899 (4.05%) of the Equity Shares of the Company.

III. Other Information:

1.	Reasons for loss or inadequate profit	The Company reported a profit in the current year, and has been consistently earning profits since inception, and has a strong net worth and effective capital.
2.	Steps taken/ proposed to be taken for improvement	Your approval is sought by special resolution as stipulated under Part II Section II Para (A) of Schedule V to the Companies Act, 2013.
3.	Expected Increase in productivity and profits in measurable terms	

IV. Disclosures:

The Remuneration details are given in the proposed resolution and Corporate Governance Report.

Item No.5:

Shri Saurabh Singh Mehta was last re-appointed as Whole Time Director of the Company with effect from 01st August, 2016 for a period of 3 years.

The Remuneration & Nomination Committee and the Board of Directors at their respective meetings held on 16th May, 2019 have unanimously recommended reappointment of Shri Saurabh Singh Mehta as Whole Time Director of the Company as per provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 as amended from time to time for a period of three years with effect from 01st August, 2019 on the payment of remuneration as proposed in the resolution, subject to the approval of the Members of the Company in General Meeting.

Shri Saurabh Singh Mehta is having experience of the industry and he has contributed greatly in the Company achieving its exports

business in soya value added products of the Company.

Shri Saurabh Singh Mehta shall subject to superintendence, control and direction of the Board of Directors and shall perform such duties and exercise such powers as have been or may be entrusted to or conferred upon him by the Board from time to time.

The Board of Directors of the Company considers that the re-appointment of Shri Saurabh Singh Mehta as Whole Time Director will prove beneficial to the Company and accordingly recommends the resolution, as set out at Item No. 5 of the Notice convening this meeting, for your approval.

In accordance with the requirements of Schedule V to the Companies Act, 2013, a statement providing the required information for the re-appointment and payment of remuneration to Shri Saurabh Singh Mehta is given hereunder:

I. General Information:

1	Nature of Industry	Manufacturing – Oil Seed Extraction & Refining
2	Date or Expected date of commencement of commercial production	Existing Unit since 1996, demerged from Kriti Industries (India) Limited w.e.f. 01.01.2010 Not Applicable
3	In case of new companies, expected date of commencement of activities as per projects approved by financial institutions appearing in the prospectus	
4	Financial performance based on given indicators	The turnover (including export sales) and net profit after tax for last three years were as follows:

(in ₹ Lakhs)

Year	Total Revenue	Exports	PAT
2018-19	48622.10	9567.02	1695.08
2017-18	46266.44	13355.55	1578.61
2016-17	40622.09	13559.57	628.55

5 Foreign Investments or Collaborations, if any: Not Applicable

II. Information about appointee:

1.	Background details	Shri Saurabh Singh Mehta is associated with the Company since inception and having rich experience of Oil Seed Extraction & Refining business. During his leadership Company achieved new milestone in refining and soya value added products. He holds a bachelor degree in engineering and degree in business management.
2.	Past remuneration	During FY 2018-19, Mr. Saurabh Singh Mehta was paid Salary of ₹2,50,000 per month plus perquisites of ₹50,000 per month and commission within overall ceiling of 3% of the net profits of the Company.
3.	Recognition or Awards	Award of Business of the year – Central 2019 by SPJIMR and active member of Indore Management Association.
4.	Job Profile and its Suitability	He is Whole Time Director subject to the superintendence, control and direction of Board of Directors and shall perform such duties and exercise such powers as have been or may be entrusted to or conferred upon him by the Board from time to time. He has been associated with the business of the Company since inception. Considering his background and experience, he is eminently suitable to continue to hold the position of Whole Time Director of the Company.
5.	Remuneration proposed	As per details contained in the Notice for the Annual General Meeting.
6.	Comparative remuneration with respect to Industry Standards	The proposed remuneration is in line with remuneration payable to the Directorial personnel holding similar stature/position in the Industry.
7.	Any Pecuniary Relationship	Besides remuneration, Shri Saurabh Singh Mehta holds 30440 (0.06%) of the Equity Shares of the Company.

III. Other Information:

1.	Reasons for loss or inadequate profit	The Company reported a profit in the current year, and has been consistently earning profits since inception, and has a strong net worth and effective capital. Your approval is sought by special resolution as stipulated under Part II Section II Para (A) of Schedule V to the Companies Act, 2013.
2.	Steps taken/ proposed to be taken for improvement	
3.	Expected Increase in productivity and profits in measurable terms	

IV. Disclosures:

The Remuneration details are given in the proposed resolution and Corporate Governance Report.

Item No. 6:

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (the Act) and the Articles of Association of the Company, the Board of Directors (the Board) has appointed, Shri Chandransekharan Bhaskar (DIN: 0003343) as an Additional Director of the Company with effect from 16th May, 2019 who would hold office upto the

date of the ensuing Annual General Meeting.

Shri Chandransekharan Bhaskar (DIN: 0003343) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Nomination and Remuneration Committee has recommended

the appointment of Shri Chandransekharan Bhaskar (DIN: 0003343) as an Independent Director for a period of five consecutive years.

The Company has received a declaration from Shri Chandransekharan Bhaskar stating that he meets with the criteria of independence as prescribed under subsection (6) of Section 149 of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). Shri Chandransekharan Bhaskar possesses appropriate skills, experience and knowledge, inter alia, in the field of Corporate and Business' planning, Market Research, Asset Revaluation, Diversification / Disinvestment, Marketing, Operations and Factory Management, a. Brief profile of Shri Chandransekharan Bhaskar as stipulated under Regulation 36(3) of the Listing Regulations is given as an annexure to this Notice.

In the opinion of the Board, Shri Chandransekharan Bhaskar fulfills the conditions for his appointment as an Independent Director as specified in the Act.

Keeping in view his expertise and vast knowledge, it will be in the interest of the Company to appoint Shri Chandransekharan Bhaskar as an Independent Director, not liable to retire by rotation.

Copy of the draft letter of appointment of Shri Chandransekharan Bhaskar as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company on all working days (Monday to Saturday) during business hours, upto the date of the Annual General Meeting.

Except Shri Chandransekharan Bhaskar, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested (financially or otherwise), in this resolution.

Thus, the Members approval is solicited for the resolution set out in Item No. 5 of the Notice by way of an Ordinary Resolution

Item No. 7:

Members are hereby informed that on the recommendation of the Audit Committee, Board of Directors of your Company re-appointed Mr. S.P.S. Dangi, Cost Accountant, Indore as Cost Auditors of the Company for the year 2019-20 on the remuneration of ₹30,000/-, plus applicable taxes and reimbursement of out of pocket expenses at actual.

Consent Cum Declaration issued by the above Auditor regarding his consent and eligibility for appointment as Cost Auditor will be available for inspection of the Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

As per Section 148 (3) read with Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders in General Meeting. Thus, the Members approval is solicited for the resolution set out in Item No. 7 of the Notice by way of an Ordinary Resolution.

None of the Directors / Key Managerial personnel/ their relatives is interested in the above resolution.

Date: 16th May, 2019

Registered Office:

Regd. Office: Mehta Chamber, 34 Siyaganj, Indore-452007

By order of the Board,

Vijay Khandelwal
Company Secretary

ANNEXURE

Details of director seeking appointment/re-appointment/continuance of appointment at forthcoming annual general meeting

Name of the Director	Mrs. Purnima Mehta	Mr Chandrasekharan Bhaskar
DIN	00023632	0003343
Date of Birth	25.05.1960	03.05.1955
Designation	Whole Time Director	Independent Director
Date of Appointment	01.10.1999	-
Qualification	B.A. (Hons), PGDBM	B.Tech.(Chem.) MIMA, PGDM
Expertise in specific area	Accounts, Purchase, HR and Administration	Operational Management, marketing and General Management.
List of Outside Directorship held	Sakam Trading Private Limited, Kriti Nutrients Ltd., Kriti Specialities Private Limited	Kriti Industries (India)limited Xpro India limited Biax Speciality Films Pvt. Ltd. Digjam Limited Organization of Plastics Processors of India Xpro Global Limited Holland & Sherry India Private Limited
Chairman / Member of the Committees of the Board of Directors of the Company	Chairman:- Nil Member:- 1. Audit Committee 2. Stakeholder Relationship Committee 3. Corporate Social Responsibility	Chairman- 1. Stakeholders Relationship Committee Member: 1. Nomination and Remuneration Committee
No. of Equity Shares held	1,25,609	NIL

Directors' Report

Dear Members,

Your Directors are pleased to present their 23rd Annual Report on the affairs of the Company together with Audited Financial Statements for the year ended on 31st March, 2019.

1. FINANCIAL HIGHLIGHTS:

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

(₹ in Lakhs)

PARTICULARS	2018-19	2017-18
Revenue from Operations	48522.77	46103.60
Other Income	99.33	162.84
Total Revenue	48622.10	46266.44
Operating Expenses	45434.93	42971.44
EBIDTA	3187.17	3295.00
Finance Cost	241.49	517.44
Depreciation	268.01	260.54
Profit/ (Loss) before Tax	2677.67	2517.02
Tax Expenses	982.59	938.41
Net Profit/(Loss) after Tax	1695.08	1578.61

2. OPERATIONAL PERFORMANCE

During the Financial Year ended on 31st March, 2019, your Company achieved a turnover of ₹48522.77 Lakhs as against a turnover of ₹46103.60 Lakhs in the previous Financial Year, registering a growth of 5.25%. Profit after Tax was ₹1695.08 as against ₹1578.61 Lakhs in the previous Financial Year, a growth of 7.38%.

3. DIVIDEND

Your Directors have recommended a dividend @ 18% (Rs.0.18 per equity shares of ₹1 each on 50103520 Equity Shares) for the Financial Year 2018-19 aggregating to Rs.90.19 Lakhs payable to those Shareholders whose names appear in the Register of Members as on the Book Closure / Record Date. This is subject to approval of the Members at the forthcoming Annual General Meeting.

4. CHANGE IN CONTROL

There was no change in control during the period under review.

5. BUSINESS TRANSFER

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

6. DEPOSIT

The Company did not receive / accept any deposits from Directors of the Company.

7. AUDITORS & THEIR REPORT

The Shareholders at their 20th Annual General Meeting (AGM) held on 11th August, 2016 had approved the appointment of M/s. R S Bansal & Co., Chartered Accountants (FRN: 000939C), Indore, Statutory Auditors

to hold office for the period of five years from the conclusion of 20th AGM till the conclusion of 25th Annual General Meeting.

The Auditors in their Audit report have not made any adverse remark, qualification or reservation.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

DIRECTORS

The Members at the 22nd Annual General Meeting of the Company held on 31st July, 2019, pursuant to the provisions of Section 152 approved the appointment of Mr. Saurabh Singh Mehta (00023591), Director, who was liable to retire by rotation and being eligible offered himself for reappointment.

The Company has re-designated Mr. Shiv Singh Mehta (DIN 00023523), Managing Director, as Chairman & Managing Director with effect from 31st July, 2018.

During the period under review, the Members at the (01/2018-19) Extraordinary General Meeting of the Company held on 18th March, 2019, pursuant to the provisions of Sections 149, 152, read with Schedule IV of the Companies Act, 2013, consented to the reappointment of:

- i. The Board of Directors at its meeting held on 16th May, 2019 have passed resolution for revision in the remuneration payable to Shri Shiv Singh Mehta (DIN:00023523), Chairman & Managing Director of the Company (who is also the Chairman and Managing Director of Kriti Industries (India) Ltd.), who was re-appointed at the Extra Ordinary General Meeting held on 18th March, 2019 for a term of three 3 years with effect from 12th January 2019 to 11th January, 2022 for the remaining part of his tenure from 1st April, 2019 to 11th January, 2022 as proposed in the resolution, subject to the approval of the Members of the Company in General Meeting.
- ii. The Board of Directors at its meeting held on 16th May, 2019 passed a resolution for the reappointment of Shri Saurabh Singh Mehta as Whole Time Director of the Company as per provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 as amended from time to time for a period of three years with effect from 01st August, 2019 on the payment of remuneration as proposed in the resolution, subject to the approval of the Members of the Company in General Meeting.
- iii. CA. Manoj Fadnis (DIN: 00780354) as Independent Director is not liable to retire by rotation for the period of second term of five years with effect from 01st April, 2019.
- iv. Mr. Rakesh Kalra (DIN: 01087055) as Independent Director is not liable to retire by rotation for the period of second term of five years with effect from 01st April, 2019.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Purnima Mehta (DIN 00023632), Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, has offered herself for re-appointment.

Mr. Bhuwanesh Shastri, Independent Director (DIN: 00104236) has resigned from the Board with effect from 20th April, 2019. The Board at its meeting held on 16th May, 2019 appointed Mr. Chandrasekharan Bhaskar (DIN: 00003343) as an Additional Independent Director of the Company who holds office up to the date of this Annual General Meeting (AGM).

Necessary information on the Director (s) seeking appointment/reappointment will be given in the Notice of the ensuing Annual General Meeting.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149 (6) of the Companies Act, 2013 and the SEBI Listing Regulations.

KEY MANAGERIAL PERSONNEL

The following were the key managerial personnel of the Company during the period under review:

- i) Mr. Shiv Singh Mehta (DIN 00023523), Chairman & Managing Director,
- ii) Mr. Saurabh Singh Mehta (DIN 00023591), Whole Time Director,
- iii) Mr. Suresh Chandra Jajoo, Chief Financial Officer,
- iv) Mr. Vijay Khandelwal, Company Secretary and Compliance Officer (ceased w.e.f. 10th October, 2018) and reappointed w.e.f. 01st November, 2018

BOARD EVALUATION

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

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

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

MEETINGS

During the year, five Board Meetings and five Audit Committee Meetings were convened and held. The details of these are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

NOMINATION & REMUNERATION POLICY

The Company has a policy for the selection and appointment of Directors, key managerial personnel and senior management personnel for the determination of their remuneration. The salient features of Nomination & Remuneration Policy are stated in the Corporate Governance Report.

The Nomination & Remuneration Policy, duly approved by the Board, has been posted on the Company's website www.kritinutrients.com.

9. SUBSIDIARY COMPANY, ASSOCIATE COMPANY AND JOINT VENTURE

During the period under review, the Company did not have any Subsidiary, Associate Company and Joint Venture. A further statement pursuant to Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014 in Form AOC-I, is attached as Annexure A and forms a part of this report.

10. RELATED PARTY TRANSACTIONS

During the period under review, all related party transactions were on an arm's length basis and in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, key managerial personnel or other designated persons, which could have had a potential conflict with the interest of the Company at large.

Separate disclosure as per regulation 34 (3) and 53 (f) of SEBI (Listing obligations and Disclosure Requirement) Regulations, 2015 is made in the report. AOC-II is attached as Annexure B and forms a part of this Report.

The policy on Related Party Transactions, duly approved by the Board on the recommendation of the Audit Committee, was posted on the Company's website www.kritinutrients.com.

11. CORPORATE SOCIAL RESPONSIBILITY

The Annual Report on CSR activities is attached as Annexure C and forms a part of this Report. The salient features of the CSR policy is stated in Annual Report on CSR activities.

The policy on CSR, duly approved by the Board, has been posted on the Company's website www.kritinutrients.com.

12. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE:

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of The Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended in respect of employees of the Company forming part of Directors' Report is given in Annexure D to this Report.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO:

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

14. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

The details of Loans, Guarantees and Investment are given in note no.5 and 12 to the Financial Statements.

15. CORPORATE GOVERNANCE

The report on Corporate Governance as stipulated under Regulation 34 (3), read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, along with the requisite certificate from the Secretarial Auditor of the Company confirming compliance with the conditions of corporate governance, is appended and forms a part of this report.

16. RISK MANAGEMENT

The Company has a defined process to ensure that risks are identified and mitigation steps are put in place. The Company's Risk Management process focuses on ensuring that these risks are identified on a timely basis and reasonably addressed.

The Audit Committee oversees financial risks and controls. Major risks are identified by the businesses and functions and these are systematically addressed through mitigating actions on a continuing basis.

17. VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

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

Details of the Vigil Mechanism Policy are made available on the Company's website www.kritinutrients.com and have also been provided in the Corporate Governance Report forming a part of this Report.

18. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) That in the preparation of the annual financial statements for the year ended 31st March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

- b) That the Directors have selected such accounting policies and applied them consistently and have made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31 March, 2019 and of the statement of profit and loss of the Company for that period;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

19. INTERNAL CONTROL AND THEIR ADEQUACY

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

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

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

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

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

20. EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in Form MGT - 9 under Section 92 of the Companies Act 2013 for the financial year ending 31st March 2019 is annexed hereto as Annexure F and forms a part of this Report.

21. COST AUDITOR

In pursuance of Section 148 of the Companies Act, 2013, your Directors appointed Mr. SPS Dangi, Cost Accountant, Indore, to conduct the audit of the Cost Accounting records for financial year 2018-19.

The Board of Directors of the Company on the recommendation of the Audit Committee, at its meeting held on 16th May, 2019, re-appointed Mr. SPS Dangi as the Cost Auditors of the Company, to conduct the Audit of the Cost Accounting records for the financial year 2019-20. As required under Section 148 (3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the shareholders. Therefore, the Board of Directors recommend the remuneration payable to Mr. SPS Dangi, Cost Auditors, for the financial year 2019-20 for the ratification by Members in the ensuing Annual General Meeting.

22. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board appointed M/s. Kaushal Agrawal & Co., Company Secretaries, Indore, to conduct Secretarial Audit for the financial year 2018-19.

The Board of Directors of the Company on the recommendation of the Audit Committee, at its meeting held on 16th May, 2019 has appointed Kaushal Agrawal & Co. to conduct Secretarial Audit for the financial year 2019-20.

The Secretarial Audit Report for the financial year ended 31st March, 2019 in Form MR-3 is attached as Annexure G and forms part to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

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

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

24. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

An amount of ₹220145 in respect of unpaid/unclaimed dividend declared in FY 2010-2011 was transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2019.

Some 886570 equity shares of face value of ₹1 each, in respect of unpaid/unclaimed dividend declared in FY 2010-2011, was transferred to the IEPF.

The details of the nodal officer appointed by the company under the provisions of IEPF is available on the Company's website at www.knl.kritiindia.com

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

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed of during the year:

Sr. No.	Particulars	No. of complaints
1.	Number of complaints pending at the beginning of the year	-
2.	Number of complaints received during the year	-
3.	Number of complaints disposed off during the year	-
4.	Number of cases pending at the end of the year.	-

26. GENERAL:

Your Directors state that during the year under review:

- The Company had no deposits covered under Chapter V of the Companies Act, 2013.
- There were no changes in the share capital of the Company.
- The Company had not issued equity shares with differential rights as to dividend, voting or otherwise.

- The Company had not issued shares (including sweat equity shares) to employees of the Company under any scheme.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from its subsidiary.
- The Company complied with the applicable Secretarial Standards under the Companies Act, 2013.
- The cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, are required to be maintained by the Company and accordingly such accounts and records are made and maintained.
- There have been no material changes and commitments affecting the financial position of the Company which have occurred between financial year ended on 31st March, 2019, to which the financial statements relate and the date of this report.

27. ACKNOWLEDGEMENTS

Your Directors place on record, their sincere appreciation and gratitude for all the co-operation extended by Government agencies, bankers, financial institutions, business associates and shareholders. The Directors also record their appreciation for the dedicated services rendered by all the executive staff and workers of the Company at all levels in all units and for their valuable contribution to the working of the Company

For and on behalf of the Board of Directors

Date: 16th May, 2019
Place: Indore

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

ANNEXURE A
Form AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129
read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement
of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

NOT APPLICABLE

The Company do not have any subsidiary as on 31st March, 2019.

Sr. No.	Particulars	
1.	Names of subsidiary which is yet to commence operations	-
2.	Names of subsidiary which has been liquidated or sold during the year	-

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

NOT APPLICABLE

The Company do not have any Associates and Joint Ventures as on 31st March, 2019.

Sr. No.	Particulars	
1.	Names of associates or joint ventures which are yet to commence operations	-
2.	Names of associates or joint ventures which have been liquidated or sold during the year	-

ANNEXURE B
Form AOC-II

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act
and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS:

Your Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during Financial Year 2018-19.

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS:

There are no material contracts or arrangement or transactions with related parties made by the Company as per explanation provide in Regulation 23 of SEBI (LODR), 2015. As per Sec 188 of Companies Act 2013 Disclosure of Related party transaction are as follows:

Name(s) of the related party and nature of relationship:	Nature of contracts / arrangements	Duration of the contracts / arrangements	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board
Kriti Industries (India) Ltd.	Sale of Export incentive License	Ongoing	Transactions were entered into, in the ordinary course of business and on arm's length basis	Transactions were approved by the Board in their meetings held on: 16.05.2019
Kriti Industries (India) Ltd.	Sale of Consumable Item	Ongoing		31.07.2018 25.10.2018 24.01.2019 18.02.2019
Kriti Industries (India) Ltd.	Purchase of Consumable Item	Ongoing		

Note:

- Appropriate approval has been taken for related party transactions
- Advance Paid:- Nil

ANNEXURE C

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or Programme:

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

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

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

Objectives of the Policy:

- a. Lay down the broad guidelines for the Company to undertake its CSR projects / programme / activities;
- b. Set up the approach of the Company towards the CSR initiatives;
- c. Define the CSR activities that the Company undertakes to carry out and
- d. Fix the timelines, monitoring and implementation mechanism with respect to CSR activities.

The CSR Policy of the Company is available on Company Website at: www.knl.kritiindia.com.

2. The Composition of CSR Committee is as follows:

- I. Mrs. Purnima Mehta, Chairperson
- II. Mr. Saurabh Singh Mehta, Member
- III. Mr. Rakesh Kalra, Member

3. Average Net Profit of the Company for the last three financial years: ₹1464.61 lakhs

4. Prescribed CSR expenditure

(two percent of the average Net Profit of the Company for the last three financial years) : ₹29.29 Lakhs

5. Details of CSR expenditure for the financial year 2018-19:

I. Total amount spent during the financial year : Nil

II. Amount unspent, if any : ₹29.29 Lakhs

III. Manner in which the amount spent during the financial year 2018-19 is detailed below: Nil

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report:

The Company is looking for suitable proposal to spend the above CSR amount.

7. Responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company:

The CSR Committee affirms that the implementation and monitoring of CSR Policy is in compliance with the CSR Policy and Objectives of the Company.

Date: 16th May, 2019
Place: Indore

Purnima Mehta
Chairperson – CSR Committee

ANNEXURE – D

INFORMATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AS AMENDED AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2019.

1. The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19

Sr. No.	Name of Directors	Ratio
1.	Mr. Shiv Singh Mehta	-
2.	Mrs. Purnima Mehta	0.58
3.	Mr. Saurabh Singh Mehta	47.29
4.	Mr. Rakesh Kalra	0.58
5.	CA Manoj Fadnis	0.58
6.	Mr. Bhuwanesh Shastri	0.33

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year 2018-19

S. No.	Name of Directors/KMP	Designation	% increase (Decrease) in Remuneration Paid
1	Mr. Shiv Singh Mehta	Chairman & Managing Director	-
2	Mrs. Purnima Mehta	Director	-
3	Mr. Saurabh Singh Mehta	Whole Time Director	9.56
4	Mr. Rakesh Kalra	Independent Director	-
5.	CA Manoj Fadnis	Independent Director	-
6.	Mr. Bhuwanesh Shastri	Independent Director	-
7.	Mr. SC Jajoo	Chief Financial Officer	5.27
8.	Mr. Vijay Khandelwal	Company Secretary and Compliance Officer (upto 10th October, 2018)	10.31
9.	Mr. Vijay Khandelwal	Company Secretary and Compliance Officer (w.e.f. 1st November, 2018)	

3. The percentage increase in the median remuneration of employee(s) in the financial year 2018-19: 9%

4. The number of permanent employees on the role of the Company as on 31st March, 2019: 230

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The increase in remuneration is not solely based on Company's performance but also includes various other factors like

individual performance, experience, relevant expertise, skills, academic background, industry trends, economic situation and future growth prospects etc. besides Company's performance. There were no exceptional circumstances for the increase in managerial remuneration in comparison to remuneration of other employees.

6. The remuneration paid to the Directors is as per the Remuneration Policy of the Company.

7. Statement of Particulars of Employees as per Section 197 of The Companies Act, 2013 read with rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, and forming part of the Directors' Report for the year ended 31st March, 2018: Not Applicable

ANNEXURE E

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

A. Conservation Of Energy

1) Steps taken or impact on conservation of energy:

1. Installation of variable frequency drives on higher ratings Motors to reduce electricity consumption resulting in 25% saving on power.
2. PID system implement in ACM machine for consistent feeding resulting in 8% saving on power.
3. Switching off transformers during shutdown periods to save transformer load current resulting in 2% saving on transformer full load current.
4. Conducted process line Audit/study (Thermography) for thermal losses by external competent agency to identify the areas of heat losses resulting in 6 % saving in annual coal consumption.
5. Replacement of old steam piping by adequate size resulting in 1% saving in annual coal consumption.
6. Use of high density insulation to reduce radiation losses resulting in 1 % saving in annual coal consumption.
7. Installation of auto temperature controllers resulting in 0.5% saving in annual coal consumption.
8. PLC based operation to optimize use of steam.
9. Replacement of all conventional lights by LED lights resulting in 50% saving in power consumption.
10. Centralized air compressor resulting in 55% saving in power consumption.
11. Installation of mist cooling tower resulting in 500 KWH per day saving in power consumption.
12. Improvement in lecithin circulation process for sampling purpose resulting in 50 KWH per day saving in power consumption.
13. Improvement in lecithin tanker unloading system to reduce

unloading time resulting in 60 KWH per day saving in power consumption

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

1. Approx. 12 Lacs unit generated from solar power by using open power supply.

3) Capital investment on energy conservation equipment: Approx ₹24 Lakhs

B. Technology Absorption

1) Efforts made towards technology absorption: As listed in point A(1) above.

2) Technology imported during the last three years reckoned from beginning of the financial year:

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

1. Filtration of value added product to meet International standards of Products.
2. Edible oil refining technology to meet European norms.
3. Product sizing technology to meet Granulometry of the Product

3) Expenditure incurred on Research and Development: Nil

C. Foreign Exchange Earning & Outgo

(₹ In Lakhs)

Sr. No.	Particulars	Amount (₹ in Lakhs) earned/spent in FY 2018-19
1.	Foreign Exchange earned in terms of Actual Inflows	8637.19
2.	Foreign Exchange spent in terms of Actual Outflows	56.50

ANNEXURE -H

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

**The Members of
Kriti Industries (India) Limited,**

CIN: L25206MP1990PLC005732

Mehta-Chamber34, Siya Ganj,

Indore MP-452007.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kriti Industries (India) Limited, having CIN L25206MP1990PLC005732 and having registered office at Mehta-Chamber34, Siya Ganj, Indore MP-452007 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN/PAN	Date of appointment in Company
1.	Shiv Singh Mehta	00023523	01/10/2010
2.	Saurabh Singh Mehta	00023591	07/02/2018
3.	Purnima Mehta	00023632	01/10/1999
4.	Rakesh Kalra	00780354	24/06/2006
5.	Manoj Fadnis	01087055	24/06/2006
6.	Chandrasekharan Bhaskar	00003343	12/05/2016

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

Date: 16.05.2019

Place: Indore

For: **D.P. Yadav & Associates**

CS D.P. Yadav

MN. 36395

COP N:13717

ANNEXURE-F
Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2019

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L24132MP1996PLC011245
ii)	Registration Date	24th September, 1996
iii)	Name of the Company	Kriti Nutrients Limited
iv)	Category/Sub-Category of the Company	Company having Share Capital
v)	Address of the Registered office and contact details	Mehta Chambers, 34-Siyaganj, Indore-452007, Tel. No. 0731-2719126 E mail id: cs@kritiindia.com Website: www.kritinutrients.com.
vi)	Whether Listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent if any	Ankit Consultancy Pvt. Ltd, Plot No. 60, Electronic Complex, Pardeshipura, Indore- 452010 Tel. No. 0731-4281333, 4065797/99 E mail id: ankit4321@yahoo.com, info@ankitonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Soya Lecithin Flakes & Flour	10407	36.65%
2.	Soya Crude / Refined Oil	10402	67.63%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Sakam Trading Pvt. Ltd.	U65993MP1986PTC003517	Holding	52.09	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

1. Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the year (As on 01.04.2018)				No. of Shares held at the end of the year (As on 31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter & Promoter Group									
(1) Indian									
a) Individual / HUF	2300047	-	2300047	4.59	2300047	-	2300047	4.59	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	30797631	-	30797631	61.47	30811306	-	30811306	61.50	0.03
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	33097678	-	33097678	66.06	33111353	-	33111353	66.09	0.03
(2) Foreign									

Category of Shareholder	No. of Shares held at the beginning of the year (As on 01.04.2018)				No. of Shares held at the end of the year (As on 31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A) = (A)(1)+(A) (2)	33097678	-	33097678	66.06	33111353	-	33111353	66.09	0.03
B. Public Shareholding									
1 Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	2481	-	2481	0.01	2481	-	2481	0.01	0.00
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FPIs	112447	-	112447	0.22	91911	-	91911	0.18	(0.04)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	114928	-	114928	0.23	94932	-	94932	0.19	(0.04)
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2898968	17600	2916568	5.82	2700594	4800	27005394	5.40	(0.42)
ii) Overseas	-	-	-	-					
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹2 lakh	6528187	2859880	9388067	18.74	7430752	1572680	9003432	17.97	(0.77)

Category of Shareholder	No. of Shares held at the beginning of the year (As on 01.04.2018)				No. of Shares held at the end of the year (As on 31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	4374281	-	4374281	8.73	4045222	-	4045222	8.07	(0.66)
c) Others (NRI & OCB)	175792	-	175792	0.35	245918	-	245918	0.49	0.14
d) Clearing Member	36206	-	36206	0.07	11239	-	11239	0.02	(0.05)
e) IEPF, MCA	-	-	-	-	886570	-	886570	1.77	1.77
Sub-total (B)(2):-	14013434	2877480	16890914	33.71	15320295	1537480	16897775	33.73	0.02
Total Public Shareholding (B)=(B)(1)+ (B)(2)	14128362	2877480	17005842	33.94	15414687	1577480	16992167	33.91	(0.03)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total(A+B+C)	47226040	2877480	50103520	100.00	48526040	1577480	50103520	100.00	-

1. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2018)			Shareholding at the end of the year (As on 31.03.2019)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Sakam Trading Pvt. Ltd.	26099473	52.09	-	26099473	52.09	-	-
2	Chetak Builders Pvt. Ltd.	4608158	9.20	-	4621833	9.23	-	0.03
3	Mr. Shiv Singh Mehta	2028899	4.05	-	2028899	4.05	-	-
4	Mrs. Purnima Mehta	120692	0.24	-	120692	0.24	-	-
5	Kriti Specialities Private Ltd	90000	0.18	-	90000	0.18	-	-
5	Mrs. Raj Kumari Kothari	83280	0.17	-	83280	0.17	-	-
6	Mrs. Devki Mehta Hirawat	36736	0.07	-	36736	0.07	-	-
7	Mr. Saurabh Singh Mehta	30440	0.06	-	30440	0.06	-	-
	Total	33097678	66.06	-	33111353	66.09	-	0.03

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

Particular	Shareholding at the beginning of the year (As on 01.04.2018)		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	33097678	66.06	33097678	66.06
Increase / Decrease in Promoters Share holding during the year	13675	0.03	-	-
At the End of the year	33111353	66.09	33111353	66.09

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

Sl. No.	Name of Shareholders	Shareholding at the beginning of the year (As on 01.04.2018)		Shareholding at the end of the year (As on 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Chartered Finance and Leasing Limited	2210200	4.41	2210200	4.41
2.	Mr. Pravin Kumar Kasliwal	1401368	2.80	1401368	2.80
3.	Investor Education and Protection Fund Authority	-	-	886570	1.77
4.	Ms. Jyoti Kasliwal	673335	1.34	673335	1.34
5.	Mr. Rahul Chandrasingh Mehta	500000	0.99	639040	1.27
6.	Mr. Sanjay Kothari	440000	0.88	440000	0.88
7.	Ms. Sheetal Rahul Mehta	416000	0.83	416000	0.83
8.	Ms. Juhi Singhvi	375335	0.75	375335	0.75
9.	Anantroop Financial Advisory Services Private Ltd	300000	0.60	300000	0.60
10.	Ms. Usha Chandrasingh Mehta	239184	0.48	239184	0.48
	Total	6694462	13.08	7581032	15.13

5. Shareholding of Directors and Key Managerial Personnel

Sl. No.	Particular	Shareholding at the beginning of the year (As on 01.04.2018)		Shareholding at the End of the year (As on 31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Shiv Singh Mehta	2028899	4.05	2028899	4.05
2.	Mrs. Purnima Mehta	120692	0.24	120692	0.24
3.	Mr. Saurabh Singh Mehta	30440	0.06	30440	0.06
4.	Mr. Rakesh Kalra	-	-	-	-
5.	CA Manoj Fadnis	-	-	-	-
6.	Mr. Bhuvanesh Shastri	-	-	-	-
7.	Mr. Suresh Chandra Jajoo	100	-	100	-
11.	Mr. Vijay Khandelwal	1	-	1	-

V. INDEBTEDNESS:

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

(₹ in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2018)				
i) Principal Amount	1958.63	1043.56	-	3002.19
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
TOTAL (i + ii + iii)	1958.63	1043.56	-	3002.19
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	723.06	1009.10	-	1732.16
Net Change	723.06	1009.10	-	1732.16
Indebtedness at the end of the financial year (31.03.2019)				
i) Principal Amount	1235.57	34.46	-	1270.03
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
TOTAL (i + ii + iii)	1235.57	34.46	-	1270.03

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Mr. Shiv Singh Mehta Chairman & Managing Director	Mr. Saurabh Singh Mehta Whole Time Director	Total Amount
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	26.88	26.88
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	6.00	6.00
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of Profits	-	50.00	50.00
	- others, specify Employers Provident Fund Contribution	-	-	-
	Total (A)	-	82.88	82.88

B. Remuneration to other Directors:

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	Mr. Rakesh Kalra	CA Manoj Fadnis	Mr. Bhuwanesh Shastri	
	Fee for attending Board/ Committee meetings	1.05	1.05	0.60	2.70
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	1.05	1.05	0.60	2.70
2.	Other Non-Executive Directors	Mrs. Purnima Mehta			
	Fee for attending Board/ Committee meetings	1.05			1.05
	Commission	-			-
	Others, please specify	-			-
	Total (2)	1.05			1.05
	Total (B)=(1+2)	3.75			
	Total Managerial Remuneration(A+B)	89.51			
	Overall Ceiling as per the Act	Being 11% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013 and for Sitting Fee ₹1.00 Lakh per meeting of the Board Audit Committee Meetings.			

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Mr. Suresh Chandra Jajoo Chief Financial Officer	Mr. Vijay Khandelwal Company Secretary (upto 10.10.18)	Mr. Vijay Khandelwal Company Secretary (w.e.f. 01.11.18)	Total Amount
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	27.15	2.06	1.90	31.11
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of Income- tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of Profits	-	-	-	-
	- others, specify	-	-	-	-
	Total (A)	27.15	2.06	1.90	31.11

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment /Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY / DIRECTORS / OTHER OFFICERS IN DEFAULT					
Penalty			-		
Punishment			-		
Compounding			-		

For and on behalf of the Board of Directors

Date: 16th May, 2019
Place: Indore**Shiv Singh Mehta**
Chairman & Managing Director
(DIN: 00023523)

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2019

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

To,

**The Members of
Kriti Industries (India) Limited,**
CIN: L25206MP1990PLC005732
Mehta-Chamber 34, Siya Ganj,
Indore MP-452007.

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents, KMP, Directors and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2019, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by KRITI NUTRIENTS LIMITED for the financial year ended on March 31, 2019, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase

Scheme) Guidelines, 1999; (Not Applicable to the Company during the audit period)

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the audit period)
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the Company during the audit period)
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- (vi). Other laws are applicable specifically to the Company are as under:
 - (a) The Environment (Protection) Act, 1986;
 - (b) The water (Prevention and Control of Pollution) Act, 1974;
 - (c) The Air (Prevention and Control of Pollution) Act, 1981;
 - (d) The Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008;
 - (e) Factories Act, 1948;
 - (f) Industrial Dispute Act, 1947;
 - (g) The Payment of Wages Act, 1936;
 - (h) The Minimum Wages Act, 1948;
 - (i) The Employee State Insurance Act, 1948;
 - (j) The Employee Provident Fund and Miscellaneous Provision Act, 1952;
 - (k) The Payment of Bonus Act, 1965;
 - (l) The Payment of Gratuity Act, 1972;
 - (m) The Income Tax Act, 1961;
 - (n) Contract Labour (Regulation and Abolition) Act, 1970;
 - (o) The Industrial Employment (Standing Orders) Act, 1946;
 - (p) The Goods and Service Tax;
 - (q) The Apprentices Act, 1961;
 - (r) Food Safety and Standards Act, 2006

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

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

2015 as amended from time to time. (Earlier The Listing Agreement entered into by the Company with BSE Limited read with the Securities and Exchange Board of India)

During the year under review, the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, standard etc. mentioned above subject to the following observations:-

- (i) The company has not expended any amount of CSR as required under section 135 of the Act. An amount of Rs.29.29 Lakhs for the current financial year remains unexpended till 31.03.2019
- (ii) Some of the e-Forms / Returns/ information required to file by the company to the Registrar /other authorities have filed belatedly with requisite amount of additional fees (whether applicable).

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before

the meeting and for meaningful participation at the meeting.

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

We further report that as per the explanations given to us and the representations made by the Management and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there was no specific events in pursuance of the above referred laws, rules, regulations, guidelines having major bearing on the company's affairs.

For **Kaushal Agrawal & Co.,**
Practicing Company Secretaries
CS Kaushal Kumar Agrawal
M. No. F4985
C.P. No. 3457

Place: Indore

Dated: - 16.05.2019

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

'Annexure -1'

To,
The Members
Kriti Nutrients Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records, statements, and Books of Accounts of the company and whether applicable reliance have been made on the reports, certificates etc., given to the company by other professionals, competent to issue those certificates to the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Kaushal Agrawal & Co.,**
Practicing Company Secretaries
CS Kaushal Kumar Agrawal
M. No. F4985
C.P. No. 3457

Place: Indore

Dated:16.05.2019

Corporate Governance Report

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

II. THE GOVERNANCE STRUCTURE

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

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

standards, reporting mechanism & accountability and decision making process to be followed.

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

III. BOARD OF DIRECTORS

The Board of directors of the company consists of an optimum combination of executive, non-executive and independent directors, to ensure the independent functioning of the Board. The composition of the Board also complies with the provisions of the Companies Act, 2013 and the Listing Regulations. As at the end of corporate financial year 2018-19, the total Board consists of Six (6) directors, out of which for (4) are non-executive directors and out of the four (4) non-executive directors three (3) are independent Director.

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

Sr. No.	Name of Directors	Category	No. of Board Meeting Attended	Attended last AGM held on 31.07.2018	No. of Directorship in other public Companies As on 31.03.2019	No. of Memberships/ Chairmanship in Committee of Directors in all Companies**	
						Chairman	Member
1.	Mr. Shiv Singh Mehta Chairman & Managing Director (DIN: 00023523)	Promoter Executive	5	Yes	Three	Nil	Three
2.	Mrs. Purnima Mehta Director (Din: 00023632)	Promoter Non-Executive	5	Yes	One	Four	One

Sr. No.	Name of Directors	Category	No. of Board Meeting Attended	Attended last AGM held on 31.07.2018	No. of Directorship in other public Companies As on 31.03.2019	No. of Memberships/ Chairmanship in Committee of Directors in all Companies**	
						Chairman	Member
3.	Mr. Saurabh Singh Mehta Whole Time Director (DIN: 00023591)	Promoter Executive	5	Yes	Two	Nil	One
4.	Mr. Rakesh Kalra Director (DIN: 00780354)	Independent Non-Executive	5	Yes	Five	Four	Nil
5.	CA Manoj Fadnis Director (DIN: 01087055)	Independent Non-Executive	5	Yes	Four	Two	Three
6.	Mr. Bhuwanesh Shastri** Director (DIN: 00104236)	Independent Non-Executive	4	Yes	-	-	-

* Includes only Audit Committee and Stakeholders' Relationship Committee.

** Mr. Bhuwanesh Shastri has been resigned from the office of Director w.e.f 20th April, 2019.

None of the Directors of the Company are inter-se related to each other except Mr. Shiv Singh Mehta, Chairman & Managing Director, Mrs. Purnima Mehta, Non Executive Director and Mr. Saurabh Singh Mehta, Whole Time Director, who are wife and son respectively of Mr. Shiv Singh Mehta.

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

Mr. Vijay Khandelwal is Company Secretary & Compliance Officer of the Company.

Five (5) meetings of the Board of directors were held during the year ended 31st March, 2019. The dates of the meetings were decided in advance and key information was placed before the Board. The Board Meetings were held on i) 16th May, 2018, ii) 31st July, 2018, iii) 25th October, 2018, iv) 24th January, 2019 and v) 18th February, 2019.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has adopted a policy on familiarization program for Independent Directors to provide them with an opportunity to familiarize themselves with the Company, its Management, its operations and the industry in which the Company operates. On his appointment, an Independent Director, receives a formal letter of appointment, setting out in detail the role, functions, duties and responsibilities expected of him as an Independent Director of the Company. Further the Directors of the Company are updated on changes/ developments in domestic/ global corporate and industry scenario including those pertaining to statutes/ legislations and economic environment and on matters related to the Company covering its plants, products, marketing, competitors and other functions.

IV. AUDIT COMMITTEE

The Board has constituted a well-qualified Audit Committee. All the members of the Committee are Non-Executive Directors with

majority of them are Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

The Audit Committee of the Board of Directors in compliance with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 is in place.

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

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

During the year under review, the Committee met on i) 15th May, 2018, ii) 31st July, 2018, iii) 25th October, 2018, iv) 24th January, 2019 and v) 18th February, 2019.

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

Company Secretary, acts as Secretary to the Committee

CA Manoj Fadnis, Chairman of the Audit Committee was present at

the last Annual General Meeting to answer the shareholders queries.

The role and terms of reference of the Audit Committee are:

1. examination of the financial statements and the Auditors' Report thereon,
2. to ensure compliance of internal control systems,
3. investigating into any matters as may be referred to it by the Board,
4. to seek information from employees, obtain outside legal / professional advice on the matters before it,
5. to review internal financial control and risk management policies of the Company,
6. the recommendation for appointment, remuneration and terms of appointment of auditors of the Company,
7. to review and monitor the auditor's independence and performance, and effectiveness of audit process,
8. approval or any subsequent modification of transactions of the Company with related parties,
9. scrutiny of inter-corporate loans and investments,
10. valuation of undertakings or assets of the Company, wherever it is necessary,
11. to perform all other functions as are required under the Listing Regulations

V. NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board of Directors in compliance with Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013 is in place.

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

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

All the three members of the remuneration committee are non-executive and independent directors.

During the year under review, the Committee met on i) 25th October, 2018

At the meeting held on 25th October, 2018, the Committee reviewed and recommended the following:

- i) Reappointment of Mr. Shiv Singh Mehta as Chairman & Managing Director of the Company for a period of 3 years w.e.f. 12th January, 2019 without any remuneration.
- ii) Appointment of Mr. Vijay Khandelwal as Company Secretary & Compliance Officer of the Company w.e.f. 01st November, 2018.

Performance Evaluation Criteria for Directors including Independent Directors

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual

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

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration Committee has adopted a policy which, inter-alia, deals with the manner of selection of members of the Board including Executive and Non-Executive Directors, Key Managerial Personnel and Senior Management Personnel and their remuneration. The said policy is available on the Company's Website at - http://kritinutrients.com/wp-content/uploads/2019/03/KNL_NOMI.pdf. The details of the policy are as follows:

1. APPOINTMENT CRITERIA AND QUALIFICATION:

- a. The NRC shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMPs or Senior Management level and recommend to the Board his/her appointment.
- b. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c. The Company shall not appoint or continue the employment of any person as Managing Director or Whole- time Director who has attained the age of 70 (seventy years) and the non executive director who has attained the age of 75 (seventy five years). Provided that the term of the person holding this position(s) may be extended beyond the age of seventy/seventy five years as the case may be 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/seventy five years.
- d. The committee shall confirm and verify that a person proposed for appointment as director is not debarred from holding the office of director pursuant to any SEBI order and in case an existing director is restrained from acting as a director by virtue of any SEBI order or any other such authority, the committee shall intimate such director for his/her voluntarily resignation with immediate effect and if such director does not resign then in that case committee shall inform the Board to initiate the process of removal of such director in terms of relevant sections of the Companies Act, 2013.

2. REMUNERATION:

- a. Remuneration to Managing/ Whole-Time /Executive/Managing Director:

The Remuneration/ Compensation/ Commission etc. to be paid to Director/Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

b. Remuneration to Non-Executive/Independent Director:

The Non-Executive/Independent Director may receive remuneration/ compensation/ commission as per the provisions of the Companies Act, 2013. The amount of sitting fees shall be subject to limits as provided under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

c. Remuneration to KMP (except MD/WTM) and Senior Management Personnel:

- i) The remuneration for KMP (except WTD/MD) and Senior Management Personnel is determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and market conditions.
- ii) The various remuneration components, basic salary, allowances, perquisites etc. may be combined to ensure an appropriate and balanced remuneration package.
- iii) The annual increments to the remuneration paid to KMP (except MD/WTM) and Senior Management Personnel shall be determined based on their performance as reviewed by the committee.

3. TERM:**a. Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its

Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time subject to the approval by way of ordinary/special resolution if any as may be required. No reappointment shall be made earlier than one year before the expiry of term.

b. Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly

4. REMOVAL:

Due to reasons for any disqualifications mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

5. DETAILS OF REMUNERATION PAID TO THE DIRECTORS:

The details of Remuneration to Directors during the financial year 2018-19 are as follows:

Sr. No.	Name of the Directors	Designation	Service Contract	Remuneration drawn Amount (Rs in lacs) Stock option Details		Stock Options Granted
				Salary, Allowances & Perquisites	Sitting Fees	
1.	Mr. Shiv Singh Mehta	Chairman & Managing Director	12.01.2019 to 11.01.2022*	-	-	-
2.	Mrs. Purnima Mehta	Non Executive Director	-	-	1.05	-
3.	Mr. Saurabh Singh Mehta	Whole Time Director	01.08.2016 to 31.07.2019	32.88	-	-
4.	Mr. Rakesh Kalra	Independent Director	01.04.2019 to 31.03.2024	-	1.05	-
5.	CA Manoj Fadnis	Independent Director	01.04.2019 to 31.03.2024	-	1.05	-
6.	Mr. Bhuwanesh Shastri**	Independent Director	11.08.2015 to 10.08.2020	-	0.60	-

* Proposed to be reappointed afresh on revised remuneration from 16th May, 2019 for five years subject to the approval of shareholders.

** Mr. Bhuwanesh Shastri has been resigned from the office of Director w.e.f 20th April, 2019.

VI. STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

During the financial year ended 31st March, 2019, fifty two (52) Complaints were received from shareholders and the same were redressed to the satisfaction of the shareholders and no such complaint was pending as on 31st March, 2019.

Presently, Mrs. Purnima Mehta, Non-Executive- Independent Director, is the Chairperson of the Committee. While Mr. Shiv Singh Mehta, Chairman & Managing Director, CA Manoj Fadnis, Non Executive Independent Director are the Members.

The Committee has periodic interaction with the representatives of the Registrar and Transfer Agent of the Company. During the financial year ended 31st March, 2019 the Committee met eleven (11) times on i) 11th May, 2018, ii) 23rd May, 2018, iii) 07th July, 2018, iv) 29th August, 2018, v) 03rd October, 2018, vi) 30th October, 2018, vii) 09th November, 2018, viii) 23rd November, 2018, ix) 26th December, 2018, x) 28th February, 2019, xi) 15th March, 2019

VII. CORPORATE SOCIAL RESPONSIBILITY

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

The composition of the Corporate Social Responsibility Committee and the attendance of Members at the Corporate Social Responsibility Committee meetings is as below:

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

During the year under review, Corporate Social Responsibility Committee met one (1) time on 24th October 2018.

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

1. To formulate and recommend to the Board a Corporate Social Responsibility Policy which shall indicate the CSR activities that the Company shall pursue within the framework of activities mentioned in Schedule VII of the Companies Act, 2013 as amended from time to time.
2. To recommend the amount of expenditure to be incurred by the Company on the activities proposed to be carried out under the head CSR during the relevant financial year.
3. To monitor the Corporate Social Responsibility Policy of the Company from time to time.
4. To comply with the directions of the Board as may be given from time to time in connection with pursuing CSR activities, expenditure thereon and such other matters related thereto.

VIII. INDEPENDENT DIRECTORS' MEETING

The Statutory role of Independent Directors Meeting is to review the performance of Non-Independent Directors, the Board and the Chairman of the Company and also to assess quality, content and timeliness of the flow of information between the Company Management and the Board and its Committees. Meeting of the Independent Directors of the Company was held on 25th October, 2018 to review the performance of Non-Independent Directors including the Chairman and the Board as a whole and was attended by all the Independent Directors of the Company

IX. GENERAL MEETINGS

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

Year	Location	Date	Type of General Meeting	Time	Special Resolutions	Special resolution through postal Ballot
2018-2019	4th Floor, Chetak Chamber, 14, RNT Marg, Indore	18th March, 2019	EGM	04:00 P.M.	4	-
2017-2018	4th Floor, Chetak Chamber, 14, RNT Marg, Indore	31st July, 2018	AGM	04:00 P.M.	-	-
2016-2017	4th Floor, Chetak Chamber, 14, RNT Marg, Indore	12th September, 2017	AGM	04:00 P.M.	-	-

VII. MEANS OF COMMUNICATION

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

Quarterly Results: The Company's quarterly results are published in 'Business Standard and Nai Duniya Newspapers and are displayed on its website (www.knl.kritiindia.com).

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

Annual Report: The Annual Report containing, inter alia, Audited Annual Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussions and Analysis Report forms part of the Annual Report and is displayed on the Company's website (www.knl.kritiindia.com).

BSE Corporate Compliance and Listing Centre (the 'Listing Centre'): BSE's Listing Centre is a web-based application designed for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, etc. are also filed electronically on the Listing Centre.

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

VIII. OTHER DISCLOSURES

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

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

Weblink - http://kritinutrients.com/wp-content/uploads/2019/03/KNL_RELATED.pdf

2. During the last three years, no non-compliance has been made by the Company and no penalties, strictures imposed on the Company by stock exchange, SEBI or any statutory authority in respect of any matter related to capital market.

3. The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle Blower Policy under which the employees are free to give their views on the accounting policies and practices of the Company, report unethical or undesirable behavior or practices, actual and suspected fraud taking place in the Company, violations of Company's Code of Conduct or ethics policy. The reportable matters may be disclosed to the Audit Committee through Company Secretary. In exceptional cases, employees may also report directly to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

IX. CONFIRMATION OF COMPLIANCE

1. The Company has complied with the requirements specified in Regulations 17 to 20, 22 to 27 of the Listing Regulations.
2. The Company has laid down Code of Conduct for the Directors and Senior Management Personnel of the Company and they have affirmed to the Board that they have adhered to the Code of Conduct during the year ended 31st March, 2019 and the declaration to that effect from Chairman & Managing Director is annexed to this report.
3. The Secretarial Auditors' Certificate that the Company has complied with the conditions of Corporate Governance is annexed to the Report of the Board of Directors.
4. Matters required to be covered under Management Discussion and Analysis report are covered in the Report of the Board of Directors under relevant heads, hence not been given separately.

XIII. GENERAL SHAREHOLDER INFORMATION

1. The Company is registered in the State of Madhya Pradesh, India with the Registrar of Companies, Gwalior. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L24132MP1996PLC011245.

2. Annual General Meeting

Date and Time, Venue	: 31st July, 2018 at 04.00 P.M. : 04th Floor, Chetak Chambers, 14 RNT Marg, Indore,
-----------------------------	--

3. **Book Closure Date** : 25th July, 2018 to 31st July, 2018 (both days inclusive)

4. **Dividend Payment Date** : 06th August, 2018

5. **Financial Year** : April 1 to March 31

6. **Financial Calendar for the Year ending** : 31st March, 2020

Sr. No.	Particulars	Tentative Date
1.	Unaudited Financial Results for the First Quarter ending 30th June, 2019	On or Before 14th August, 2019
2.	Unaudited Financial Results for the Second Quarter ending 30th September, 2019	On or Before 14th November, 2019
3.	Unaudited Financial Results for the Third Quarter ending 31st December, 2019	On or Before 14th February, 2020
4.	Audited Financial Results for the Fourth Quarter ending 31st March, 2020	On or Before 30th May, 2020
5.	Annual General Meeting for the year ending 31st March, 2020	On or 30th September, 2020

7. Listing on Stock Exchange : BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
Scrip Code – 533210
ISIN – INE798K01010
8. Annual Listing fees for the year 2019-20 have been duly paid to the above Stock Exchange.
9. Annual Custody / Issuer fee for the year 2019-20 has been paid to CDSL & will be paid to NSDL on receipt of the invoice.

10. Stock Market Data:

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

Month/Year	BSE Limited	
	Price	
	High (Rs.)	Low (Rs.)
Apr 2018	52.50	46.05
May 2018	48.50	32.35
June 2018	40.00	27.55
July 2018	36.50	24.55
Aug 2018	42.75	34.85
Sep 2018	38.90	30.30
Oct 2018	37.90	28.20
Nov 2018	38.40	32.55
Dec 2018	40.50	29.30
Jan 2019	39.00	27.65
Feb 2019	35.80	30.00
Mar 2019	34.50	26.00

11. Dividend History:

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

Sr. No.	Financial Year	% of Interim Dividend	% of Final Dividend	% of Total Dividend	Dividend Amount in Lakhs
1.	2017-18	-	18	18	90.19
2.	2016-17	-	12	12	60.12
3.	2015-16	12	-	12	60.12
4.	2014-15	-	10	10	50.10
5.	2013-14	-	10	10	50.10

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

13. Share Transfer and Investors Grievances Redressal System Equity Shares:

a. Physical Form

The Company has appointed Ankit Consultancy Pvt. Ltd. as its Registrar and Transfer Agent to look into various issues relating to the investors including share transfers. Share transfers in physical form are registered and returned within a period of 30 days from the date of receipt, subject to the documents being valid and complete in all respects. The Company gets report of the share transfers, etc. periodically from Registrar and Transfer Agent.

During the year, the Company has received fifty two (52) investor complaints, regarding non-receipt of exchanged share certificate, Non-receipt of Annual Report, Complaints/Grievances were duly addressed and resolved within 15 days from the date of receipt.

b. Electronic Form

The Company's Equity Shares are admitted into the Depository System of National Securities Depository Limited and Central Depository Services (India) Limited, as an eligible security under the Depositories Act, 1996.

As such, facilities for dematerialization of the Company's Equity Shares is already operational vide ISIN: INE479D01038 at both the Depositories. Investors are required to establish an account with a Depository Participant to hold and trade shares in the dematerialized form. Requests received from Shareholders through their Depository Participants for dematerializing the Equity Shares of the Company are processed by the Registrar within a period of 30 days from the date of receipt of such requests and are approved where requests are complete and in order in all respect.

14. Distribution of Shareholding as on 31st March, 2019:

Share Holding of Nominal Value of Rs.	No. of Shareholders	% of Shareholding
1-1000	6435	78.69
1001-2000	936	11.45
2001-3000	270	3.30
3001-4000	226	2.76
4001-5000	46	0.56
5001-10000	143	1.75
10001-20000	57	0.70
20001-30000	14	0.17
30001-40000	14	0.17
40001-50000	7	0.09
50001-100000	13	0.16
100000 Above	17	0.21

15. Dematerialisation of Shares:

48526040 Equity Shares i.e. 96.85% of the total Equity Shares have been dematerialized up to 31st March, 2019.

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

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

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

The Company does not have any exposure hedged through commodity derivatives. During the year 2018, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports.

18. The Certificate of Non Disqualification of Directors under Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015 is attached as "Annexure G" and forms a part of this Report.

19. Plant Location : Industrial Area No. 3, Dewas 455001

20. Address for Investor Correspondence:

Registered Office:

Kriti Nutrients Limited
34, Mehta Chambers, Siyagunj
Indore 452007 (M.P.)
Tel: 0731-2540963
Email: cs@kritiindia.com

Corporate Support Centre:

Kriti Nutrients Limited
04th Floor, Chetak Chambers,
14 RNT Marg
Indore 452001 (M.P.)
Tel: 0731-2719100
Email: cs@kritiindia.com

Registrar & Transfer Agent:

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

MD/CFO CERTIFICATE

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

Dear Sirs

We Shiv Singh Mehta, Chairman & Managing Director and Suresh Chandra Jajoo, Chief Financial Officer of Kriti Nutrients Limited certify that:

- A. We have reviewed the financial statements and cash flow statement for the year ended on 31st March, 2019 and to the best of our knowledge and belief :
 - I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - II. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
 - B. To the best of our knowledge and belief, no transactions entered
- into by the Company during the financial year ended on 31st March, 2019 are fraudulent, illegal or violate the Company's code of conduct.
 - C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have not noticed any deficiency that need to be rectified or disclosed to the Auditors.
 - D. I. There has not been any significant change in internal control over financial reporting during the year under review;
 - II. There has been not any significant change in accounting policies during the year under review and
 - III. We are not aware of any instance during the year, of any significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Date: 16th May, 2019
Place: Indore

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

Suresh Chandra Jajoo
Chief Financial Officer

REPORT ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
**The Members of
Kriti Nutrients Limited
CIN L24132MP1996PLC011245**

1. We, Kaushal Agrawal & Co., Practicing Company Secretaries, have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

Managements' Responsibility

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

Our Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial

statements of the Company.

4. We have examined the books, papers, minutes books, forms, returns and other relevant records and documents maintained by the company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

5. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2019.
6. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

FOR KAUSHAL AGRAWAL & CO.
Practising Company Secretaries

Date: 16.05.2019
Place: Indore

Proprietor
Kaushal Kumar Agrawal
FCS 4985 CP 3457

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying Financial Statements of Kriti Nutrients Limited, ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit & Loss (including other comprehensive income), and the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p>Provisions and Contingent liabilities in respect of certain litigations of Assessment of Direct and Indirect Taxes not acknowledged as debt. (Note No. 32.3 read with Note No. 2.2.9 and 2.2.11 to the financial statements):</p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. The Company's assessment is supported by the facts of matter, their own judgment, past experience, and advices from legal and independent tax consultants wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the Company's reported profit and the Balance Sheet.</p> <p>We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters.</p>	<p>Our audit approach involved :-</p> <ol style="list-style-type: none">Understanding the current status of the litigations/tax assessments;Examining communication received from various Tax Authorities/ Judicial forums and follow up action thereon;Evaluating the merit of the subject matter under consideration with reference to available independent legal / tax advice; andReview and analysis of evaluation of the contentions of the Company through discussions, collection of details of the subject matter under consideration and the likely outcome.

Going Concern

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS financial

statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, cash flows and Statement of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates

that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements based on our audit. We have taken in to 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of their risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor consider internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Account) Rules, 2014.
- (e) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B".
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **R.S. BANSAL & Co.**
Chartered Accountants
FRN: 000939C

(CA. Vijay Bansal)
Partner
M No : 075344

Place: Indore
Date: 16.05.2019

Annexure – A to the Auditors’ Report

As referred to in our Independent Auditor’s Report of even date to the members of Kriti Nutrients Limited for the year ended March 31, 2019

1. Fixed Assets:

- As informed to us, the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The entire records have been maintained on computer system through SAP.
- As informed and explained to us, the management, during the year, has physically verified the items of the fixed assets of the company at reasonable interval and no significant discrepancies were noticed on such physical verification.
- The land of the company for the factory is on Lease for 99 years since 1984 from Madhya Pradesh Audhyogik Kendra Vikas Nigam (Indore) Limited. The lease agreement is executed in the name of company.

2. Inventory:

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

3. Loans granted:

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

4. Loan, Investment and Guarantees:

In our opinion and according to the information and explanations give to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

5. Public Deposit:

According to the information and explanations given to us, the company has not accepted any deposits under sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.

6. Cost Records:

We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained

7. Statutory Dues

- According to the books of accounts and records examined by us according to generally accepted auditing practices in India, in our opinion, the company has been regular in depositing undisputed statutory dues. According to the information and explanations given to us, there were no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income tax, Sales Tax, Customs Duty, Excise Duty, Service Tax, Cess and other material statutory dues which have remained outstanding as at 31st March 2019 for a period of more than six months from the date they became payable.
- According to the information and explanations given to us , there are no dues of Sales Tax, Income Tax, Custom Duty, Excise Duty, Goods and Service Tax & Cess which have not been deposited on account of any dispute, except the following :-

S. No.	Name of the Statute (Nature of the Dues)	Forum where Matter is pending	Period to which the amounts relates	Amount (in ₹)
1.	M.P. COMMERCIAL TAX	APPELLATE BOARD, BHOPAL	2004-05	21,55,460
2.	M.P. COMMERCIAL TAX	HIGH COURT	2005-06	81,41,497
3.	M.P. COMMERCIAL TAX	APPELLATE BOARD, INDORE	2005-06	8,95,411
4.	M.P. COMMERCIAL TAX	APPELLATE BOARD, INDORE	2006-07	8,70,630
5.	M.P. COMMERCIAL TAX	ADDITIONAL COMMISSIONER , INDORE	2013-14	5,08,767
6.	CENTRAL SALES TAX	M. P. HIGH COURT, JABALPUR	2006-07	1,14,25,030
7.	CENTRAL SALES TAX	APPELLATE BOARD, BHOPAL	2005-06	32,699
8.	M.P. COMMERCIAL TAX	ADDITIONAL COMMISSIONER, INDORE	2015-16	86,821
9.	M.P. COMMERCIAL TAX	ADDITIONAL COMMISSIONER , INDORE	2014-15	1,37,115
10.	M.P. COMMERCIAL TAX	ADDITIONAL COMMISSIONER , INDORE	2015-16	1,27,843
11.	ENTRY TAX	SALES TAX COMMISSIONER	2005-06	50,31,195
12.	ENTRY TAX	APPELLATE BOARD, BHOPAL	2007-08	18,22,609
13.	ENTRY TAX	APPELLATE BOARD, BHOPAL	2008-09	3,90,591
14.	ENTRY TAX	HIGH COURT	2006-07	3,85,348
15.	ENTRY TAX	HIGH COURT	2008-09	14,78,648
16.	CENTRAL SALES TAX	DEPUTY COMMISSIONER, INDORE	2016-17	36,756

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

According to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.

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

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

10. Fraud Noticed or Recorded:

According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year under audit.

11. Managerial Remuneration:

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

12. Nidhi Company:

In our opinion, the company is not a chit fund or a Nidhi mutual benefit fund/ society. Therefore, the provisions of clause (xii) of Para 3 of the said order are not applicable to the company.

13. Transaction with Related Parties:

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of

the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. Preferential Allotment/Private Placement:

According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. Non-Cash Transactions:

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

16. Registration with Reserve Bank of India:

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **R.S. BANSAL & Co.**
Chartered Accountants
FRN: 000939C

(CA. Vijay Bansal)
Partner
M No : 075344

Place: Indore
Date: 16.05.2019

Annexure – B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting KRITI NUTRIENTS LIMITED, ("the Company"), as of 31 March 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company;
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **R.S. BANSAL & Co.**
Chartered Accountants
FRN: 000939C

(**CA. Vijay Bansal**)
Partner
M No : 075344

Place: Indore
Date: 16.05.2019

Balance Sheet as on 31.03.2019

(₹ in Lakhs)

Particulars	Note No	As at 31.03.2019	As at 31.03.2018
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	3950.58	3959.58
(b) Capital work-in-progress		10.54	35.63
(c) Other Intangible assets	4	74.38	52.43
(d) Financial Assets			
(i) Investments	5	14.03	13.33
(ii) Loans /Advances/Deposits	6	874.90	71.11
(iii) Other financial assets	7	0.00	22.50
Total Non-current assets		4924.43	4154.58
(2) Current assets			
(a) Inventories	8	2710.93	3498.06
(b) Financial Assets			
(i) Trade receivables	9	1314.00	1237.98
(ii) Cash and cash equivalents	10	120.11	99.35
(iii) Bank balances other than (ii) above	11	71.13	45.96
(iv) Loans and Advance	12	835.42	470.86
(c) Current Tax Assets (Net)		0.00	0.00
(d) Other current assets	13	360.88	1557.27
Total Current assets		5412.47	6909.48
Total Assets		10336.90	11064.06
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	501.04	501.04
(b) Other Equity	15	6410.17	4849.84
Total Equity		6911.21	5350.88
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	0.00	0.00
(b) Deferred tax liabilities (Net)	17	729.04	628.96
(c) Other non-current liabilities	18	34.46	43.56
Total Non-current liabilities		763.50	672.52
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	1235.56	2958.63
(ii) Trade payables	20		
(a) total outstanding dues of micro enterprises and small enterprises and		0.26	1.30
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		1049.86	907.90
(iii) Others financial liabilities	21	13.89	14.88
(b) Other current liabilities	22	271.15	256.48
(c) Provisions	23	59.36	54.97
(d) Current Tax Liabilities (Net)	24	32.11	846.50
Total Current liabilities		2662.19	5040.66
Total Equity and Liabilities		10336.90	11064.06

Significant accounting policies

1-2

Other Notes to the accounts

31-48

As per our Report of even date attached

For **R. S. Bansal & Company**

Chartered Accountants

FRN:000939C

For and on behalf of the Board of Directors

Vijay Bansal

(Partner)

M.No. 075344

Shiv Singh Mehta

(Chairman & Managing Director)

DIN 00023523

Purnima Mehta

(Director)

DIN 00023632

S.C.Jajoo

(Chief Financial Officer)

Vijay Khandelwal

(Company Secretary)

Place: Indore

Date:- 16-05-2019

Statement of Profit & Loss for the period ended on 31.03.2019

(₹ in Lakhs)

Particulars	Note No	For the period ended 31.03.2019	For the year ended 31.03.2018
1 Income			
(i) Revenue From Operations	25	48522.77	46103.60
(ii) Other Income	26	99.33	162.84
Total Revenue (i+ii)		48622.10	46266.44
2 Expenses			
(a) Cost of materials consumed		39885.66	38513.38
(b) Purchases of Stock-in-Trade		558.84	500.64
(c) Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	479.25	(601.99)	
(d) Excise Duty	27	0.00	36.17
(e) Employee benefits expense	28	838.04	750.15
(f) Finance costs	29	241.49	517.44
(g) Depreciation and amortization expense	3-4	268.01	260.54
(h) Other expenses	30	3673.14	3773.09
Total expenses		45944.43	43749.42
3 Profit/(loss) before exceptional items and tax (1-2)		2677.67	2517.02
4 Exceptional items		0.00	0.00
5 Profit/(loss) before tax (3+4)		2677.67	2517.02
6 Tax expense:			
(i) Current tax		882.52	856.47
(ii) Deferred tax		100.07	81.94
Total Tax Expenses(i+ii)		982.59	938.41
7 Net Profit (Loss) after Tax for the period from continuing operations (5-6)		1695.08	1578.61
Net Profit (Loss) for the period from discontinued operations		0.00	0.00
Tax expenses of discontinued operations :			
(i) Current tax		0.00	0.00
(ii) Deferred tax		0.00	0.00
Total Tax Expenses(i+ii)		0.00	0.00
8 Net Profit (Loss) after tax for the period from discontinued operations		0.00	0.00
9 Net Profit (Loss) after tax for the period (7+8)		1695.08	1578.61
10 Other Comprehensive Income (net of tax)			
a (i) Items that will be reclassified to Profit and Loss			
Fair Valuation of Investment through OCI		0.70	0.72
Designated Cash Flow Hedges		0.00	25.49
b (i) Items that will not be reclassified to Profit and Loss			
Remeasurement of defined benefits plans		(4.62)	(5.24)
11 Total comprehensive Income for the Period (9+10)		1691.16	1599.58
Paid up Equity Share Capital (face Value ₹1 Per Share)		501.04	501.04
12 Earning per share of continuing operations (of ₹1/- each)			
(1) Basic		3.38	3.15
(2) Diluted		3.38	3.15
13 Earning per share of discontinued operations (of ₹1/- each)			
(1) Basic		0.00	0.00
(2) Diluted		0.00	0.00
14 Earning per share of continuing and discontinued operations (of ₹1/- each)			
(1) Basic		3.38	3.15
(2) Diluted		3.38	3.15

Significant accounting policies

1-2

Other Notes to the accounts

31-48

As per our Report of even date attached

For R. S. Bansal & Company

For and on behalf of the Board of Directors

Chartered Accountants

FRN:000939C

Vijay Bansal

Shiv Singh Mehta

Purnima Mehta

S.C.Jajoo

Vijay Khandelwal

(Partner)

(Chairman & Managing Director)

(Director)

(Chief Financial Officer)

(Company Secretary)

M.No. 075344

DIN 00023523

DIN 00023632

Place: Indore

Date:- 16-05-2019

Cash Flow as on 31.03.2019

(₹ in Lakhs)

Particulars	Year ended 31.03.2019		Year ended 31.03.2018	
	Amount	Amount	Amount	Amount
Cash Flow From Operating Activities				
Net Profit before Tax		2677.67		2517.02
Adjustments for :				
Depreciation	268.01		260.54	
Dividend Received	0.00		0.00	
Excess Provision of Income Tax	3.39		0.00	
(Profit)/ Loss on Sale of Fixed Assets	0.00		(4.99)	
Financial Income	(99.33)		(157.85)	
Financial Expense	241.49	413.56	517.44	615.14
Cash Operating Profit before working capital changes		3091.22		3132.16
Increase / (Decrease) in Trade Payables	140.92		(785.87)	
Increase / (Decrease) in Other Financial Liabilities	(0.99)		(67.62)	
Increase / (Decrease) in Short term Provisions	(25.02)		22.27	
Increase / (Decrease) in Current Tax Liabilities (Net)	(1696.91)		(322.47)	
Increase / (Decrease) in Other Current Liabilities	14.67		(3.70)	
(Increase) / Decrease in Inventories	787.13		355.88	
(Increase) / Decrease in Trade Receivables	(76.02)		239.66	
(Increase) / Decrease in Long term Loans & Advances	(803.79)		23.00	
(Increase) / Decrease in Other Financial Assets	22.50		(3.38)	
(Increase) / Decrease in Short term Loans & Advances	(364.56)		(183.27)	
(Increase) / Decrease in Other Current Assets	2206.05		14.74	
		203.99		(710.76)
Tax Paid		(1009.66)		(681.18)
Net Cash From Operating Activities (A)		2285.55		1740.22
Cash Flow From Investing Activities				
Dividend Income	0.00		0.00	
Financial Income	99.33		157.85	
Sale Proceed Of Fixed Assets (Net)	0.00		19.30	
Purchase of Fixed Assets	(255.87)		(822.38)	
Decrease in Investment	(0.70)		0.28	
Decrease Investment in Fixed Deposits having maturity of less than twelve months	(26.16)		121.79	
(Increase) / Decrease in Non Current Investment	0.99		(2.39)	
Net Cash Used In Investing Activities (B)		(182.40)		(525.55)
Cash Flow From Financing Activities				
Proceeds from Long Term Borrowings	0.00		0.00	
Repayment of Long Term Borrowings	0.00		(0.00)	
Net Increase / (Decrease) in Long Term Borrowings	0.00		(0.00)	
Increase / (Decrease) in Other Long Term Liability	(9.10)		(116.00)	
Increase / (Decrease) in Short Term Borrowings	(1723.07)		(437.51)	
Dividend Paid on Equity Shares	(90.19)		-60.12	
Dividend Distribution Tax Paid	(18.54)		-12.24	
Financial Expenses	(241.49)		(517.44)	
Net Cash Used In Financing Activities (C)		(2082.38)		(1143.31)
Net Increase In Cash and Cash Equivalents (A + B + C)		20.76		71.35
ADD :Cash and cash equivalents - Opening - 1st April		99.35		28.00
Cash and cash equivalents - Closing - 31st March ,2019		120.11		99.35

Kriti Nutrients Limited

CIN No. L24132MP1996PLC011245

Cash Flow as on 31.03.2019

Footnote to Cash Flow Statement:

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

(₹ in Lakhs)

Particulars	2018-19	2017-18
Cash & Cash Equivalents		
Balances with Banks		
Current Account	0.36	95.06
Fixed Deposit having maturity 3 month or less	118.00	0.16
Cheques, Draft on hand	0.00	0.00
Cash on hand	1.75	4.13
Total of Cash & Cash Equivalent	120.11	99.35

Significant accounting policies 1-2
Other notes on accounts 31-48

As per our Report of even date attachedFor **R. S. Bansal & Company**

Chartered Accountants

FRN:000939C

Vijay Bansal

(Partner)

M.No. 075344

Place: Indore

Date:- 16-05-2019

Shiv Singh Mehta
(Chairman & Managing Director)
DIN 00023523

For and on behalf of the Board of Directors

Purnima Mehta
(Director)
DIN 00023632

S.C.Jajoo
(Chief Financial Officer)

Vijay Khandelwal
(Company Secretary)

Statement of Change in Equity for the Year Ended 31st March 2019

(₹ in Lakhs)

Particulars	Balance as at 1st April, 2017	Changes in equity share capital during the year	Balance as at 31.03.2018	Balance as at 01.04.2018	Changes in equity share capital during the year	Balance as at 31.03.2019
Paid up Capital	501.04	0.00	501.04	501.04	0.00	501.04

Other Equity

Particulars	Reserves and Surplus					Other Comprehensive Income				Total
	General Reserve	Capital Reserve	Contingency Reserve	Share Forfeiture Account	Retained Earning	Total	Fair Valuation of Investment through OCI	Designated Cash Flow	Other Comprehensive Income Total	
Balance as at 01st April, 2017	750.00	295.56	25.00	0.00	2250.29	3320.86	1.77	0.00	1.77	3322.62
Profit for the year					1,578.61	1578.61				1578.61
Other Comprehensive Income:					(5.24)	(5.24)	0.72	25.49	26.21	20.97
Amortization of Leasehold Land					-	-				-
Final Dividend paid including corporate dividend tax					(72.36)	(72.36)				(72.36)
Transfer to General Reserve	100.00				(100.00)	0.00				0.00
Transfer from Statement of Profit & Loss						0.00				0
Balance as at 31st March, 2018	850.00	295.56	25.00	0.00	3651.30	4821.87	2.49	25.49	27.98	4849.84
Profit for the year					1,695.08	1695.08				1695.08
Other Comprehensive Income:					(4.62)	(4.62)	0.70	(25.49)	(24.79)	(29.41)
Amortization of Leasehold Land					-	-				-
Excess IT Provision Reversed(FY 2017-18)					3.39	3.39				3.39
Final Dividend paid including corporate dividend tax					(108.73)	(108.73)				(108.73)
Transfer to General Reserve	150.00				(150.00)	0.00				0.00
Transfer from Statement of Profit & Loss						0.00				0
Balance as at 31st March, 2019	1000.00	295.56	25.00	0.00	5086.42	6406.99	3.19	0.00	3.19	6410.17

General Reserve

General reserves are the retained earnings of a company which are kept aside out of company's profits to meet future (known or unknown) obligations.

Share Premium Account

Share premium to be used in future to pay the expenses of issuing equity, such as underwriter fees or for issuing bonus shares to shareholders

Contingency Reserve

Contingency Reserve is created to meet any known unknowns risk which may occur in future.

Significant Accounting Policies and Notes to the Accounts 31.03.2019

1. Corporate Information

Kriti Nutrients Ltd., a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on 24.09.1996 and having its Registered office in Indore (MP). The company's shares are listed in the Bombay Stock Exchange (BSE). The Company is in the business of Soya Seed Extraction and Manufacturing & Selling of cooking oil under its own brand "KRITI".

2. Significant Accounting Policies

2.1 Basis of Preparation and Presentation

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

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

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

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

2.2 Summary of Significant Accounting Policies

2.2.1. Property, Plant and Equipment

- a) Property, Plant and Equipment (PPE) are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.
- b) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. In the carrying amount of an item of Property, Plant and Equipment, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.
- c) Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.
- d) Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Each part of an item of Property, Plant & Equipment with a cost that is significant in relation to total cost of the Machine is depreciated separately, if its useful life is different than the life of the Machine.

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

- e) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- f) Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.
- g) Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares which are not consumed are treated as "Stores & Spares" carried as inventory.

2.2.2. Leases

- a) Leases are classified as finance leases wherever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.
- b) Leased assets: Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.
- c) Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Significant Accounting Policies and Notes to the Accounts 31.03.2019

- d) A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.
- e) Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

2.2.3. Intangible assets

- a) Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.
- b) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.
- c) Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

2.2.4. Capital Work in Progress

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

2.2.5. Research and Development Expenditure

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

2.2.6. Finance Cost

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

2.2.7. Inventories

- a) Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of

Significant Accounting Policies and Notes to the Accounts 31.03.2019

conversion and other costs including manufacturing overheads, net of recoverable taxes incurred in bringing them to their respective present location and condition.

- b) Cost of Inventory of raw materials, stores and spares, packing materials, trading and other products are determined using the First-In First-Out(FIFO) basis on moving average prices .

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

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

2.2.9. Provisions, Contingent Liabilities and Contingent Assets and Commitments

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

2.2.10. Employee Benefits Expense

Short Term Employee Benefits

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

Post-Employment Benefits

Defined Contribution Plans

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

Defined Benefit Plans

- c) The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- d) The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

Significant Accounting Policies and Notes to the Accounts 31.03.2019

- e) The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees.
- f) The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.
- g) Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

2.2.11. Tax Expenses

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

Current tax

- b) Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

Deferred tax

- c) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.
- d) Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

2.2.12. Foreign currencies transactions and translation

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

2.2.13. Revenue recognition

- a) Ind AS 115- Revenue from contracts with customers, mandatory for reporting period beginning on or after 1st April, 2018 replaces existing revenue recognition requirements. Under the modified retrospective approach, there were no significant adjustments required to the retained earning as at 1st April, 2018. Also the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results of the Company..
- b) Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.
- c) Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.
- d) Revenue from operations includes sale of goods, services, excise duty and adjusted for discounts (net), and gain/ loss on corresponding hedge contracts.

Interest income

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

Dividends

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

Significant Accounting Policies and Notes to the Accounts 31.03.2019

2.2.14. Insurance Claims

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

2.2.15. Government Grants

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

2.2.16. Financial instruments

I. Financial Assets

a. Initial recognition and measurement

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

b. Subsequent measurement

i. Financial assets carried at amortised cost (AC)

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

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

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

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

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

c. Other Equity Investments

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

d. Impairment of financial assets

i. In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through Statement of profit and loss (FVTPL).

ii. Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

iii. For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

iv. For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

II. Financial liabilities

a. Initial recognition and measurement

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

Significant Accounting Policies and Notes to the Accounts 31.03.2019

b. Subsequent measurement

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

i Hedge Accounting

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

a) Cash flow hedge

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

b) Fair Value Hedge

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

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

ii Derecognition of financial instruments

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

2.2.17. Operating Cycle

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

- b. A liability is current when:

- i. It is expected to be settled in normal operating cycle;
- ii. It is held primarily for the purpose of trading;
- iii. It is due to be settled within twelve months after the reporting period, or

Significant Accounting Policies and Notes to the Accounts 31.03.2019

- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

The company has identified twelve months as its operating cycle.

2.2.18. Earnings Per Share

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

2.2.19. Dividend Distribution

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

2.2.20. Statement of Cash Flows

- a. **Cash and Cash equivalents**
For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.
- b. Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the relevant Accounting Standard.

2.3 Critical accounting Judgment and key sources of estimation uncertainty

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

2.3.1. Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

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

2.3.2. Recoverability of trade receivable

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

2.3.3. Provisions

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

Significant Accounting Policies and Notes to the Accounts 31.03.2019

2.3.4. Impairment of non-financial assets

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

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

2.3.5. Impairment of financial assets

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

NOTE NO. -3-4 FIXED ASSETS (2018-19)

(₹ in Lakhs)

Note	Particulars	Gross Block			Depreciation			Net Block 31.03.2019	Net Block 31.03.2018
		01.04.2018	Additions	Deduction	TOTAL	01.04.2018	For Year	Writtern back	TOTAL
3	TANGIBLE ASSET								
3.1	Land								
3.1.1	Free hold Land	53.59	-	-	53.59	-	-	-	53.59
3.1.2	Leasehold Land	72.36	-	-	72.36	1.94	0.97	-	69.44
3.2	Building	724.34	70.07	-	794.40	78.59	41.45	-	120.05
3.3	Plant & Equipment	3,526.82	159.73	-	3,686.55	360.24	198.78	-	559.02
3.4	Furniture & Fixture	2.83	1.19	-	4.02	0.12	0.09	-	0.21
3.5	Vehicles	32.35	-	-	32.35	14.61	7.93	-	22.55
3.6	Office Equipment	6.47	11.71	0.00	18.18	3.66	2.47	0.00	6.13
	Total (3)	4,418.76	242.70	0.00	4,661.45	459.18	251.70	0.00	710.87
4	OTHER INTANGIBLE ASEETS								
4.1	Computer Software	0.00	-	-	0.00	-	-	-	0.00
4.2	License (SAP)	95.06	38.27	-	133.32	42.63	16.31	-	58.94
4.3	Goodwill	0.00	-	-	0.00	-	-	-	0.00
	Total (5)	95.06	38	-	133.32	42.63	16.31	-	58.94
	TOTAL RS.	4,513.82	281	0	4,794.78	501.80	268.01	0.00	769.81
									4,024.96
									52.43
									4,012.01

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

NOTE NO-5 INVESTMENT

(₹ in Lakhs)

Particulars	31.03.2019	31.03.2018
Non Trade Investment in Equity Instruments		
5.1 Unquoted		
5.2 Quoted		
5.2.1 I.D.B.I (2880 Equity Shares of ₹10/- each) (Cost Price 2.34 Lakhs) (Market Price as on 31.03.2019 ₹1.34 lakhs (Prv. Yr. ₹2.08 lakhs))	1.34	2.08
5.2.2 Reliance Power Ltd (25 shares of ₹10/- each) (Cost Price 0.07 Lakhs) (Market value as on 31.03.2019 ₹0.002 lakhs (Prv. Yr. ₹.01 lakhs))	0.00	0.01
Investment in Mutual Fund		
5.3 SBI Magnum Equity Fund - Regular Plan Growth 12136.374 units (Cost Price 5.00 Lakhs) (Market price as on 31.03.2019 ₹12.69 lakhs (Prv. Yr. ₹11.82 lakhs))	12.69	11.24
Total	14.03	13.33

NOTE NO -6 LOANS/ADVANCE/DEPOSITS

6.1 SECURITY DEPOSITS	72.02	71.11
6.2 Long Term Loan Receivable		
6.2.1 Loans Receivables considered good - Secured;	0.00	0.00
6.2.2 Loans Receivables considered good - Unsecured;	800.00	0.00
6.2.3 Loans Receivables which have significant increase in Credit Risk; and	0.00	0.00
6.2.4 Loans Receivables - credit impaired	0.00	0.00
6.3 Advance to Creditors for Capital Items	2.88	0.00
Total	874.90	71.11

NOTE NO -7 OTHER FINANCIAL ASSETS

7.1 Fixed deposit with banks against margin money (Maturity More than 12 Months)	0.00	22.50
Total	0.00	22.50

NOTE NO -8 INVENTORIES

8.1 Raw Material	769.32	1049.57
8.2 Finished Goods	1565.47	2044.72
8.3 Stores and Spares & others	376.14	403.77
Total	2710.93	3498.06

NOTE NO -9 TRADE RECEIVABLE

9.1 Trade Receivables considered good - Secured;	0.00	0.00
9.2 Trade Receivables considered good - Unsecured;	1297.34	1221.32
9.3 Trade Receivables which have significant increase in Credit Risk; and	16.66	16.66
9.4 Trade Receivables - credit impaired";	0.00	0.00
	1314.00	1237.98

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

NOTE NO -10 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	31.03.2019	31.03.2018
10.1 Cash & Cash Equivalents		
10.1.1 Balances with Banks	0.36	95.06
10.1.2 Fixed deposit with banks against margin money	118.00	0.16
10.1.3 Cash on hand	1.75	4.13
Total	120.11	99.35

NOTE NO-11 OTHER BANK BALANCES

11.1 Other Bank Balances		
11.1.1 Unpaid dividend	13.89	14.88
11.1.2 Fixed deposit with banks held as margin money against borrowing (Maturity less than 12 Months but more than 3 Months)	57.24	31.08
Total	71.13	45.96

NOTE NO-12 LOANS AND ADVANCES

12.1 Unsecured, Considered good	835.42	470.86
Advances recoverable in cash or kind or for value to be recieved		
Total	835.42	470.86

NOTE NO -13 OTHER CURRENT ASSETS

13.1 Sundry Deposits	15.32	15.32
13.2 Advance Tax/ Tax Deducted at source	0.00	681.97
13.3 CENVAT	0.31	0.43
13.4 Accrued Interest/ Income	345.25	859.55
13.5 Insurance Claim Receivable	0.00	0.00
Total	360.88	1557.27

NOTE NO -14 EQUITY SHARE CAPITAL

14.1 AUTHORIZED		
14.1.1 100000000 Equity Shares of ₹1/- each	1000.00	1000.00
14.2 ISSUED, SUBSCRIBED AND PAID UP		
14.2.1 50103520 equity shares of ₹1/- each fully paid up. Out of which 49603520 shares issued on 27.01.2010 as fully paid up on account of scheme of arrangement as approved by The Hon'ble High Court of M.P., Indore Bench		
The company has only one class of shares referred to as equity shares having a par value of ₹1 each holder of the equity share as referred in the records of the company as of date of the shareholder meeting is referred to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.		
The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.		
In the event of liquidation of the company the holders of equity shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts.		
14.2.2 Reconciliation of shares		
14.2.2.1 Opening Balance of 50103520 equity shares of ₹1/- each	501.04	501.04
14.2.2.2 Issued during the year	0.00	0.00
14.2.2.3 Closing Balance 50103520 equity shares of ₹1/- each	501.04	501.04
	501.04	501.04

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

NOTE NO -14 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	31.03.2019	31.03.2018
14.3 SHAREHOLDER HOLDING MORE THAN 5 % OF SHARES OF THE COMPANY AND ITS PERCENTAGE		
14.3.1 SAKAM TRADING PRIVATE LIMITED (HOLDING COMPANY)		
No. of Shares	26099473	26099473
% of Shares	52.09%	52.09%
Pursuant to the Hon'ble High Court of M.P. order dated 1.11.2011 approving the scheme of amalgamation of promoter group companies viz Kriti Corporate Services Pvt.Ltd., Kriti Auto Accessories Private Ltd., Kasta Pipes Pvt.Ltd.and Shipra Pipes Pvt Ltd. with Sakam Trading Pvt.Ltd., the Shareholding of the above transferor companies are vested in Sakam Trading Pvt.Ltd. Thus Sakam Trading Pvt.Ltd. becomes holding company w.e.f.27.02.2012 of Kriti Nutrients Ltd.		
14.3.2 CHETAK BUILDERS PRIVATE LIMITED (ASSOCIATE COMPANY)		
No. of Shares	4621833	4608158
% of Shares	9.22%	9.20%

NOTE NO -15 OTHER EQUITY

15.1 RESERVES		
15.1.1 General Reserve	850.00	750.00
Add: Transfer from Statement of Profit & Loss	150.00	100.00
Closing Balance	1000.00	850.00
15.2 Capital Reserve		
(Arosen due to scheme of arrangement as approved by the Hon'ble High Court of M.P.,Indore Bench)	295.56	295.56
	295.56	295.56
15.3 Contingency Reserve (Free Reserve)		
15.3.1 Opening Balance	25.00	25.00
Add: Transfer from Statement of Profit & Loss	0.00	0.00
	25.00	25.00
15.4 SURPLUS		
15.4.1 Statement of Profit & Loss		
15.4.1.1 Opening Balance	3651.30	2250.29
15.4.1.2 Add Profit & Loss during the period	1695.08	1578.61
Less:		
15.4.2 Final Dividend @ ₹0.18 Per Share	(90.19)	(60.12)
15.4.3 Corporate Dividend Tax	(18.54)	(12.24)
15.4.4 Transferred to General Reserve	(150.00)	(100.00)
15.4.5 Excess IT Provision Reversed (FY 2017-18)	3.39	0.00
15.4.6 Prior Period Expenses	0.00	0.00
15.4.7 Remeasurement of defined benefits plans	(4.62)	(5.24)
Balance in Surplus	5086.42	3651.30
15.5 Other Comprehensive Income		
Opening Balance	27.98	1.77
Other Comprehensive Income During the Period	(24.79)	26.21
Closing Balance	3.19	27.98
	5089.61	3679.28
Total Other Equity	6410.17	4849.84

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

NOTE NO -16 FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	31.03.2019	31.03.2018
16.1 TERM LOAN		
(Installment due within 12 months shown in Current Liabilities)		
16.1.1 SECURED		
16.1.1.1 From Banks	0.00	0.00
Total	0.00	0.00

NOTE NO-17 DEFERRED TAX LIABILITY NET

17.1 Deferred Tax Liability (Net)	729.04	628.96
On account of tax effect on timing difference arising due to difference in Depreciation & Leave Encashment		
Total	729.04	628.96

NOTE NO -18 OTHER NON CURRENT LIABILITIES

UNSECURED		
18.1 Loans and advances from related parties	0.00	0.00
18.2 Security Deposits from Dealers	34.46	43.56
Total	34.46	43.56

NOTE NO -19 SHORT TERM BORROWINGS

19. 1 Loans repayable on Demand		
19.1.1 SECURED		
From banks	1235.56	1958.63
(Secured by hypothecation of finished goods, Raw material, Stock in process, store and spares, Trade receivables and charge on fixed assets of the company and personal guarantee of Managing Director and Executive Director)		
19.1.2 UNSECURED		
From banks	0.00	1000.00
Total	1235.56	2958.63

NOTE NO -20 TRADE PAYABLES

20.1 Trade Payable		
(a) total outstanding dues of micro enterprises and small enterprises and	0.26	1.30
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	1049.86	907.90
Total	1050.12	909.20

NOTE NO -21 OTHERS FINANCIAL LIABILITIES

21.3 Current maturities of Long term debt	0.00	0.00
21.4 Unpaid dividends	13.89	14.88
Total	13.89	14.88

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

NOTE NO -22 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	31.03.2019	31.03.2018
22.1 Outstanding Expenses	53.74	80.22
22.2 Statutory Liabilities	39.17	40.13
22.3 Customer Credit Balance	89.32	53.15
22.4 Employees Payable	88.92	82.98
Total	271.15	256.48

NOTE NO -23 PROVISIONS

23.1 Provision for Employees Benefits (Bonus)	37.01	34.12
23.2 Proposed dividend	0.00	0.00
23.3 Corporate Dividend Tax	0.00	0.00
23.4 Provision for Bad & Doubtful Debts	22.35	20.85
Total	59.36	54.97

NOTE NO -24 CURRENT TAX LIABILITIES

24.1 Provision of Income Tax (Net Advance Income Tax & TDS)	32.11	846.50
	32.11	846.50

NOTE NO -25 REVENUE FROM OPERATIONS

25.1 Sale of Products	47803.95	45345.74
25.2 Other operating revenues	718.82	757.86
Total	48522.77	46103.60

NOTE NO -26 OTHER INCOME

26.1 Interest Income	27.11	11.06
26.2 Dividend Income	0.00	0.00
26.3 Profit on Sales of Fixed Assets	0.00	4.99
26.4 Other Non-operating Income	(0.59)	1.67
26.5 Net gain/ loss on foreign currency transactions	72.81	145.12
Total	99.33	162.84

NOTE NO -27 EXCISE DUTY

27.1 Excise Duty	0.00	36.17
Total	0.00	36.17

NOTE NO -28 EMPLOYEE BENEFITS EXPENSES

28.1 Salaries & Wages	684.08	607.43
28.1.1 Director Remuneration	80.00	75.40
28.1.2 P.F on Director Remuneration	2.88	2.88
28.2 Contribution to provident and other fund	52.90	48.82
28.3 Staff Welfare Expenses	18.18	15.62
Total	838.04	750.15

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

NOTE NO -29 FINANCIAL COST

(₹ in Lakhs)

Particulars	31.03.2019	31.03.2018
29.1 Interest Expenses	165.22	440.22
29.2 Other Borrowing Cost	76.27	77.22
Total	241.49	517.44

NOTE NO -30 PROVISIONS

(I)		
30.1 Stores and Spares Consumed	290.43	296.04
30.2 Hexane Consumed	126.67	130.80
30.3 Chemicals Consumed	280.17	306.17
30.4 Coal Consumed	518.74	598.94
30.5 Power Charges	500.31	551.98
30.6 Freight & Cartage	181.99	233.96
30.7 Repairs & Maintenance	77.87	79.34
30.8 Insurance Charges	22.50	23.55
30.9 Water Charges	29.41	19.36
30.10 Miscellaneous Manufacturing Expenses	58.40	55.00
Sub Total (I)	2086.49	2295.14
(II)		
30.11 Stationery & Printing	15.46	8.37
30.12 Rent, Rates and Taxes	10.66	39.59
30.13 Postage, Telegram and Telephones	7.53	12.14
30.14 Auditor's Fees	1.85	1.75
30.15 Conveyance Expenses	23.16	21.00
30.16 Legal & Professional Charges	193.49	35.44
30.17 Director's Meeting Fee	3.75	3.35
30.18 Miscellaneous Expenses	25.91	39.71
30.19 Corporate Social Responsibility	0.00	0.19
Sub Total (II)	281.81	161.54
(III)		
30.20 Advertisement & Publicity	0.58	5.22
30.21 Sales Promotion Expenses	133.25	82.49
30.22 Brokerage & Commission	10.42	9.59
30.23 Freight Outward	173.82	157.91
30.24 Sales Tax ,Octroi & GST Expenses	2.77	0.55
30.25 Export Expenses	838.18	1008.02
30.26 Bad Debts	63.10	0.00
30.27 Expected Credit Loss	1.50	1.87
30.28 Travelling Expenses	81.22	50.76
Sub Total (III)	1304.84	1316.41
TOTAL (I+II+III)	3673.14	3773.09

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

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

32. Contingent liabilities

32.1 Estimated amount of contracts remaining to be executed on Capital Account ₹2.88 Lakhs (Previous Year ₹0.00 Lakhs)

32.2 Bank has given guarantee on behalf of the Company to various parties to the extent of ₹134.69 Lakhs (Previous Year ₹134.69 Lakhs.)

32.3 Claims not acknowledge by the company on Commercial tax matters ₹335.26 Lakhs (Total demand ₹719.54 Lakhs less demand deposited ₹384.28 lakhs (Previous Year 334.66 Lakhs).

33. REMUNERATION PAID/PAYABLE TO MANAGING DIRECTOR / EXECUTIVE DIRECTOR

(₹ in Lakhs)

Paid / Payable (₹ In Lakhs)	Current Year	Previous year
Remuneration	32.88	32.88
Commission	50.00	45.40

34. Unpaid overdue amount due on March 31, 2019 to Micro Small and Medium Enterprises and/or ancillary industrial suppliers on account of principal together with interest aggregate to ₹ Nil.

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

Trade Payable

Trade Payable		
(a) total outstanding dues of micro enterprises and small enterprises and	0.26	1.30
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	1049.86	907.90

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises

Development Act, 2006 (MSMED Act) for the year ended March 31, 2019 is given below. This information has been determined to the extend such parties have been identified on the basis of information available with the company.

i) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;		
Principal	0.26	1.30
Interest	0.00	0.00
ii) the amount of interest credited by the buyer in terms of section 16, of MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	0.00	0.00
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	0.00	0.00
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.00	0.00
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006	0.00	0.00

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

35. The amount of Foreign Exchange gain/ (loss) included in the statement of profit & loss account . is ₹72.81 Lakhs (Previous Year gain/ (loss) ₹145.12 Lakhs).

36. CORPORATE SOCIAL RESPONSIBILITY

(₹ in Lakhs)

Particulars	2018-19	2017-18
Amount required to be spent	29.29	18.31
Amount spent during the year	0.00	0.19

37. The disclosure required as per Indian Accounting Standard 19 "Employees Benefit" issued by the Institute of Chartered Accountants of India (ICAI) and as specified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014., and. based on the report generated by Life Insurance Corporation of India (LIC) is as under

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

(b) Table showing changes in present value of obligations as on

Present value of obligations as at beginning of the year	84.62	69.49
Interest Cost	6.77	5.56
Current Service Cost	9.17	8.03
Benefit Paid	(7.55)	(3.70)
Actuarial (gain)/loss on obligations	2.19	5.24
Present value of obligations as at end of the year	95.20	84.62

(c) Table showing changes in the fair value of plan assets as on

Fair value of the plan assets at the beginning of the year	95.22	76.55
Expected return on plan assets	7.32	6.17
Contribution	11.93	16.22
Benefit Paid	(7.55)	(3.70)
Actuarial gain/ (loss) on plan assets	NIL	NIL
Fair value of the plan assets at the end of the year	106.93	95.23

(d) Table showing fair value of plan assets as on

Fair value of plan assets at beginning of the year	95.23	76.55
Actual return on plan assets	7.32	6.17
Contribution	11.93	16.22
Benefit Paid	(7.55)	(3.70)
Fair value of the plan assets at the end of the year	106.93	95.22
Funded status	11.73	10.61
Excess of actual over estimated return on plan assets	NIL	NIL

(Actual Rate of return= estimated rate of return as ARD falls on 31/03/2019)

(e) Actuarial Gain/Loss recognized as on

Actuarial (Gain)/Loss for the year-obligation	(2.19)	(5.24)
Actuarial (Gain)/Loss for the year-plan assets	NIL	NIL
Actuarial (Gain)/Loss for the year	2.19	5.24
Actuarial (Gain)/Loss recognized for the year	2.19	5.24

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

(f) Expenses recognized during the year

(₹ in Lakhs)

Particulars	31/03/2019	31/03/2018
In statement of profit and loss		
Current Service Cost	9.17	8.03
Interest cost	6.77	5.56
Expected return on Plan Asset	(7.32)	(6.17)
Expenses recognized in the statement of profit & loss	10.81	7.42
In Other Comprehensive Income		
Acturial (Gain)/Loss on Obligation for the period	4.62	5.24
Net (Income)/Expense for the period recognised in OCI	4.62	5.24
Assumption		
Discount rate	7.5%	8.0%
Salary Escalation	7.0%	7.0%

38. DEFERRED TAX CALCULATIONS

DEFERRED TAX LIABILITY/ (ASSETS)	Current Year	Previous Year
WDV of Fixed Assets as per Income Tax Act	1932.21	2194
WDV of Fixed Assets as per Companies Act	4024.96	4012.01
Deferred Asset/(Liability) Timing Difference of Depreciation (a)	(2092.76)	(1818.00)
Deferred Asset/(Liability) Timing Difference of Provision for Bonus and Leave Encashment (b)	6.45	0.61
Total Deferred Asset/(Liability) on Timing Difference (a+b)	(2086.30)	(1817.39)
Closing Balance of Deferred Tax Asset/(Liability)	(729.04)	(628.97)
Less: Opening Balance of Deferred Tax Asset/ (Liability)	(628.97)	(547.02)
Deferred Tax Asset/(Liability) for the year	(100.07)	(81.94)

39. OPERATING LEASE

(a) the total of future minimum lease payments under non- cancellable operating leases for each of the following periods:

(i) not later than one year;	₹8.93 Lakhs
(ii) later than one year and not later than five years;	NIL
(iii) later than five years.	NIL

(b) The total of future minimum sublease payments expected to be received under non- cancellable subleases at the end of the reporting period. NIL

(c) lease and sublease payments recognised as an expense in the period, with separate amounts for minimum lease payments, contingent rents, and sublease payments. ₹7.77 Lakhs

(d) The company pays rent for office premises at Indore & depots in other cities. The lease period is for 11months with option to renew. The payments for office premises at Indore are to related parties. None of the lease agreements have any restrictions concerning dividend, additional debt and further issues.

40. As per Ind AS 108-"Operating Segment", segment information has been provided under the Notes to Financial Statement

(i) Revenue from External Customers		
With in India	38236.93	31990.19
Outside India	10285.84	14113.41
Total	48522.77	46103.60
(ii) Non Current Assets		
With in India	4924.43	4154.58
Outside India	0.00	0.00
Total	4924.43	4154.58

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

(iii) There are no transaction with single customer which amounts to 10% or more of the Company's revenue .

Note :- The Company has only one Business Segment to be reported namely Oil Seed extraction and refining as per Ind AS 108-Operating Segments.

41. EARNING PER SHARE

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

Sr No.	Nature of Transaction	Current Year	Previous Year
1.	Number of Shares	50103520	50103520
2.	Profit contribution for Basic EPS (₹ in Lakhs)	1695.08	1578.61
3.	Basic Earning Per Share	3.38	3.15
4.	Diluted Earning Per Share	3.38	3.15
5.	Nominal Value Per Share	1.00	1.00

42. In accordance with the Ind AS-24 "Related Party Disclosures" issued by The Institute of Chartered Accountants of India (ICAI) and as specified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014. The names of the related parties and the relevant disclosure is as under:-

(a) Name of the related party and description of relationship:

i. Key Management Personnel:

Shri Shiv Singh Mehta, Managing Director

Shri Saurabh Singh Mehta, Executive Director

Shri S.C. Jajoo, Chief Financial Officer

Shri Vijay Khandelwal, Company Secretary

ii. Relatives of Key Management Personnel

Smt. Purnima Mehta (Wife of Managing Director)

Smt. Devki Hirawat (Daughter of Managing Director)

Smt. Nidhi Mehta (Wife of Executive Director)

iii Companies/Entities under the control of Key Management Personnel

1) Sakam Trading Pvt. Ltd. (Holding Company)

2) Kriti Industries (I) Ltd. (Fellow Subsidiary.)

3) Chetak Builders Pvt. Ltd. (Fellow Subsidiary.)

4) Kriti Auto & Engg. Plastics Pvt. Ltd. (Wholly owned subsidiary of Kriti Industries (I) Ltd)

5) Sakam Charitable Trust, Indore

The following transaction were carried out with the related parties in the ordinary course of business

Sr. No.	Nature of Transaction	Subsidiary	Key Management Personnel	Relatives of Key Management Personnel	Companies/ entities under the control of Key Management Personnel
1.	Remuneration	NIL (NIL)	113.99 (107.81)	NIL (NIL)	NIL (NIL)
2.	Sales of export scheme incentive License	NIL (NIL)	NIL (NIL)	NIL (NIL)	625.00 (513.55)
3	Purchase of export scheme incentive License	NIL (NIL)	NIL (NIL)	NIL (NIL)	
4	Sale of Consumable Items	NIL (NIL)	NIL (NIL)	NIL (NIL)	0.11 (20.96)

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

The following transaction were carried out with the related parties in the ordinary course of business

(₹ in Lakhs)

Sr. No.	Nature of Transaction	Subsidiary	Key Management Personnel	Relatives of Key Management Personnel	Companies/ entities under the control of Key Management Personnel
5	Purchase of Consumable Items	NIL	NIL	NIL	29.68
		(NIL)	(NIL)	(NIL)	(56.67)
6	Purchase of Machinery	NIL	NIL	NIL	NIL
		(NIL)	(NIL)	(NIL)	(NIL)
7	Unsecured Loan	NIL	NIL	NIL	800.00
	Given	(NIL)	(NIL)	(NIL)	(NIL)
	Taken	NIL	00.00	NIL	NIL
		(NIL)	(30.00)	(NIL)	(NIL)
8	Interest Given	NIL	0.00	NIL	NIL
		(NIL)	(8.06)	(NIL)	(NIL)
9	Interest Taken	NIL	NIL	NIL	10.51
		(NIL)	(NIL)	(NIL)	(NIL)
10	Rent Paid	NIL	NIL	NIL	7.77
		(NIL)	(NIL)	(NIL)	(7.77)
11	CSR Expenses	NIL	NIL	NIL	NIL
		(NIL)	(NIL)	(NIL)	(0.19)
12	Travelling Expenses	NIL	NIL	NIL	NIL
		(NIL)	(NIL)	(NIL)	(NIL)
13	Director Sitting Fees	NIL	NIL	1.05	NIL
		(NIL)	(NIL)	(1.05)	(NIL)

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

The related party transactions were made on terms equivalent to those that prevail in an arm's length transactions.

43. AUDITOR'S REMUNERATION

Auditor's Remuneration:	31.03.2019	31.03.2018
a. Statutory Audit Fees (Net of Taxes)	1.50	1.50
b. Tax Audit Fees (Net of Taxes)	0.25	0.25
c. Certification Charges & Other matters. (Net of Taxes)	0.10	0.10
Total	1.85	1.85

44. A. Capital Management

For the purpose of Company's Capital Management, capital includes Issued Equity Capital, Securities Premium, and all other Equity Reserves attributable to the Equity Holders of the Company. The primary objective of the Company's Capital Management is to maximise the Share Holder Value.

The Company monitors using a gearing ratio which is net debts divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, less cash and short term deposit.

During the year Company paid off all the Term Loan in and company is now debt free. Accordingly the Gearing Ratio of 2017-18 is only for part of the year.

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

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Interest Bearing Loans and Borrowings	0.00	0.00
Current maturities of Long Term debts	0.00	0.00
Gross Debt	0.00	0.00
Less: Cash and Cash Equivalents	120.11	99.35
Net Debt(A)	0.00	0.00
Total Equity (as per Balance Sheet) (B)	6911.21	5350.88
Net Gearing (A/B)	0.00	0.00

B. Financial Risk Management

The Company's principal financial liabilities comprise Working Capital borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Company. The principal financial assets include trade and other receivables and cash and short term deposits.

The Company has assessed market risk, credit risk and liquidity risk to its financial liabilities.

i. Market Risk

Is the risk of loss of future earnings, fair values or cash flows that may result from change of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, primarily include borrowings.

Company's Working Capital interest rates are linked to 1 year MCLR rate, reset annually. Short Term Borrowings as and when taken are governed by prevailing rates at the time of disbursement.

If the interest rates had been 1% higher / lower and all other variables held constant, the company's profit for the year ended 31st March, 2019 would have been decreased/ increased by ₹17.54 Lakhs.

The Company is affected by the price volatility of Soya seed and oil prices. The export receivables are subject to Forex rate volatility. Company hedge foreign exchange receivables to balance financial risk.

ii. Credit Risk

Company's sales of Soya edible oil in domestic market through company's dealers network on receipt before despatch basis.

Exports of Soya products are partly against Letter of Credit basis or Cash Against Document (CAD) basis & to reputed overseas customers on 90 days basis. Hence the receivable risk is minimum.

iii. Liquidity Risk

The Company manages liquidity risk by maintaining adequate surplus, banking facilities and reserve borrowings facilities by continuously monitoring forecasts and actual cash flows.

The Company has a system of forecasting next month cash inflow and outflow and all liquidity requirements are planned.

Trade and other payables are plugged as per credit terms and paid accordingly.

All payments are made along due dates and requests for early payments are entertained after due approval and availing early payment discounts.

45. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors have recommended dividend of Re. 0.18/- Per fully paid up equity share of ₹1/- each, aggregating ₹1,08,72,440 /- including ₹18,53,806/- dividend distribution tax for the financial year 2018-19, which is based on relevant share capital as on March 31, 2019. The actual dividend amount will be dependent on the relevant share capital outstanding as on the record date/book closure.

46. STANDARDS ISSUED BUT NOT YET EFFECTIVE UP TO THE DATE OF FINANCIAL STATEMENTS

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, when they become effective. The Ministry of Corporate Affairs (MCA) has issued if applicable, the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

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

I) Ind AS 116 Leases

Ind AS 116 Leases was notified by MCA on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company intends to adopt these standards from 1 April 2019. The impact on adoption of Ind AS 116 on the financial statements is not material. Accordingly, comparatives for the year ending or ended March 31, 2019 will not be retrospectively adjusted.

47. Previous year figures have been reclassified / regrouped wherever necessary.

48. APPROVAL OF FINANCIAL STATEMENTS

The financial statements are approved for issue by the Board of Directors in their meeting held on 16-05-2019.

As per our Report of even date attached

For **R. S. Bansal & Company**

Chartered Accountants

FRN:000939C

Vijay Bansal

(Partner)

M.No. 075344

Place: Indore

Date:- 16-05-2019

Shiv Singh Mehta
(Chairman & Managing Director)
DIN 00023523

For and on behalf of the Board of Directors

Purnima Mehta
(Director)
DIN 00023632

S.C.Jajoo
(Chief Financial Officer)

Vijay Khandelwal
(Company Secretary)



KRITI NUTRIENTS LIMITED

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

ECS MANDATE FORM

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

1. Shareholder's name : (In Blockletters)
(First holder)

2. Folio Number/ DPID : and Client ID No.
(Joint holder, if any)

3. No. of Shares held :

4. Name of the Bank :

5. Branch Name and Address :

6. Account type: SB A/c ☐ Current A/c ☐ Others ☐ (Please specify)

7. Bank account number:

8. IFSC code:

10. PAN:

11. E-mail ID :

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

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

Date

Certificate of the Investor's bank

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

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





PROXY FORM

FORM MGT-11

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

Name : KRITI NUTRIENTS LIMITED

CIN : L24132MP1996PLC011245

Regd office : MEHTA CHAMBER, 34 SIYAGANJ, INDORE-452007(M.P)

Name of the member (s):

Registered address:

E-mail Id:.....

Folio No/ Client Id:

DP ID:

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

1. Name:

(In BLOCK Letter)

Address:

E-mail Id:..... Signature:or failing him

2. Name:.....

(In BLOCK Letter)

Address:.....

E-mail Id:.....Signature:.....or failing him



as my/our proxy to attend and vote on a poll for me/us and on my/our behalf at 23rd Annual General Meeting of the Company, to be held on Wednesday , 14th August , 2019 at 05.00 P.M at 8th Floor, Brilliant Sapphire Plot no.10, PSP, IDA, Scheme No.78, Part II, Indore (M.P.) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	
1.	To consider and adopt the Audited Financial Results of the Company for the Financial Year ended 31st March 2019 and the reports of the Board of Directors and Auditors thereon.
2.	Declaration of Dividend on Equity Shares for the financial year ended 31st March, 2019.
3.	To appoint a Director in place of Mrs. Purnima Mehta (DIN: 00023632), who retires by rotation at this Annual General Meeting and being eligible offers herself for re-appointment.
4.	Revision in the remuneration of Shri Shiv Singh Mehta (DIN: 00023523) the Chairman & Managing Director of the Company
5.	Re-appointment of Mr. Saurabh Singh Mehta as whole time director of the company
6.	Appointment of Shri Chandransekharan Bhaskar (DIN: 0003343) as an Additional Director in Independent Category:
7.	To ratify the remuneration of cost auditors for the financial year ending 31st march, 2019.

Signed this day of2019

Affix One
rupee
Revenue
Stamp

Signature of Proxy holder(s)

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

Notes:

1. This form of proxy in order to be effective should be duly stamped, signed, completed and deposited at the Registered Office of the company not later than 48 hours before commencement of the meeting.
2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
3. Members are requested to note that a person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such person shall not act as a proxy for any other member.



ATTENDANCE SLIP

ANNUAL GENERAL MEETING ON

R.F. No.

Mr./Mrs./Miss

(Shareholders' name in block letters)

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

I/We hereby record my/our presence at the **23rd Annual General Meeting** of the company at the office of the company 14th August, 2019.

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

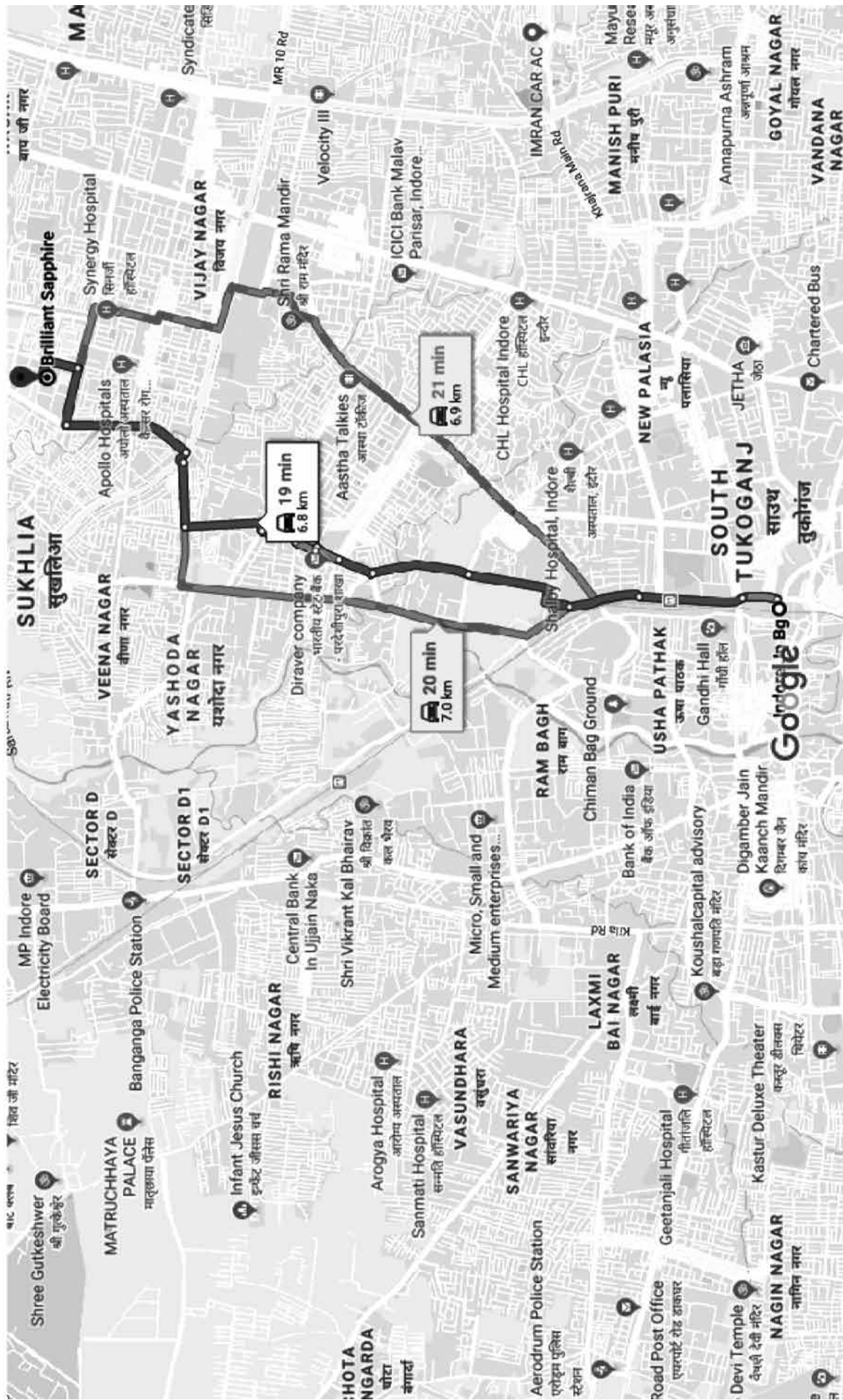
(If signed by proxy, his name should be written in block letters).....

.....
(Shareholders/proxy's Signature)

Note:

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





Corporate Information

Board of Directors

Shri Shiv Singh Mehta
Chairman & Managing Director

Smt. Purnima Mehta
Director

Shri Saurabh Singh Mehta
Executive Director

Shri Rakesh Kalra
Independent Director

CA Manoj Fadnis
Independent Director

Shri Bhuwanesh Prabhakar Shastri
*Independent Director (ceased w.e.f
20.04.2019)*

Shri Chandrasekharan Bhaskar
*Independent Director
(Additional Director appointed
w.e.f 16.05.2019)*

Auditors

R.S Bansal & Co.
Chartered Accountants
"Urwashi" 1st Floor, 3 Jaora Compound
Indore – 452 001 (M.P.)

Bankers

State Bank of India
HDFC Bank Ltd.

Company Secretary

Mr. Vijay Khandelwal

Registered Office

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

Corporate Support Center

Chetak Chambers,
4th Floor, 14 RNT Marg,
Indore (M.P.)

Share Transfer Agent

M/s Ankit Consultancy Pvt. Ltd.
60, Electronic Complex, Pardeshipura,
Indore – 452 010 (M.P.)



Kriti Nutrients Limited

Mehta Chambers,

34, Siyaganj,

Indore – 452 007 (M.P.)