



OSTWAL
Group of Industries

19th Annual Report 2015-16

Madhya Bharat Agro Products Ltd.

(An ISO 9001:2008 Certified Company)





Cozpozate Mission

We are committed to achieve excellence through optimum utilisation of Man, Machine and Material.

Winning against competition with the weapon of quality with most reasonable prices and timely delivery.

We are working towards our noble objective of perfection.

We are committed to give value for money to our valued consumers and to protect them from overburden of unproductive administrative and publicity expenses.

We are driven by determination, powered by technology and connected to customer by a common vision.



GENERAL INFORMATION**Chairman & Managing Director**

Sh. Pankaj Ostwal

Board of Directors

Sh. Sushil Kumar Surana

Sh. Arvind Kothari

Sh. Paras Mal Surana

Sh. Praveen Ostwal

Sh. Sourabh Gupta

Company Secretary

Miss Pallavi Sukhwal

Statutory Auditors

M/s Ashok Kanther & Associates

90, Indira Market,

Bhilwara (Raj) 311 001

Ph. No. 01482-227154

Bankers

HDFC Bank

Shop 2,3,4, S.K.Plaza, Pur Road

Bhilwara (Raj.)

Registered & Corporate Office

5-O-21, Basement, R.C. Vyas Colony

Bhilwara (Raj.) 311001

Ph. No. :- 01482-237104

Works**Unit-I** : Village- Rajoua

Distt.- Sagar (M.P.)

Unit-II : Village: Sourai

Tehsil- Banda

Distt.- Sagar (M.P.)

Website address<http://www.mbapl.com>**E-mail Address**

accounts@mbapl.com

Sr. No.	PARTICULARS	PAGE NO.
1	General Information	1
2	Managing Director's Message	2
3	Company Information	3
4	Financial Highlights	4
5	Notice	5-6
6	Director's Report	7-11
7	Annexure to the Director's report	12-23
8	Independent Auditor's Report	24-27
9	Balance Sheet	28
10	Profit & Loss Account	29
11	Cash Flow Statement	30
12	Notes to the Financial Statement	31-44
13	Proxy Form and Attendance Slip	45-48



Managing Director's Message

Dear Shareholder,

India continues to be predominantly an agrarian economy and Madhya Bharat Agro Products Limited is well placed to participate in its growth story. Apart from the fact that a significantly large population of our country continues to depend

on farming, the share of agriculture in India's GDP continues to remain high. However, there is a major risk that our country could soon face an acute food security challenge. This is despite India producing 16% of the world's food grains. The risk to India's Food security stems from the country having one of the highest population densities in the world, in terms of arable land.

Our Company Operations is cost-effective to the farmers; and to encourage introduction of innovative products at differential prices to meet the specific needs of farmers.

Madhya Bharat Agro Products Limited is conscious of the fact that the target to achieve food self-sufficiency will be a key driver for the huge demand for fertilizers. I am happy to say that Our Company achieved target of net sales Rs.6466.27 Lacs in last year 2015-2016. The sector today, faces a large demand-supply gap. At Madhya Bharat Agro Products Limited we have been trying our best to contribute towards reducing this gap, so that farmers can increase their yield, through our cutting-edge fertilizer, seeds and soil health products.

Our range of fertilizer products covers SSP (Single Super Phosphate) and BRP (Beneficiated Rock Phosphate). Fertilizers demand in India mainly been influenced by the changing and interconnected aspects such as economic growth, population, growth of agriculture sector, to ensure balanced nutrition to the crops, soil, increasing food grain production, diversification in consumption pattern of different crops, rising awareness among the farmers and government initiatives, prices & production. These factors would continue to drive the fertilizer demand in India even in the future years. We need to ensure the availability of raw materials to feed this demand.

"We believe that our root lies in the soil - and by remaining a truly diversified agricultural company we can cater to all type of markets that has to do anything with landscaping and farming in general."

Our vision is to work towards a happier India by providing best quality fertilizers to the poor farmers of our nation and by developing self-supporting communities in the area of our operations. We have an outstanding strategic advantage, association with 'Shriram' a great brand enduring values. Committed work force & a remarkable future ahead.

Our strength lies in consistent quality, availability & smooth supply, management philosophy of commitment to satisfying customers.

To conclude, I would like to thank all the stakeholders of the Company for their keen support in our journey so far and would like to invite all of you to partner with us as we ride a phase that will see Madhya Bharat Agro Products Limited transform into an agro-based solutions company that acts as the gateway to Great India.

Sd/-

(Pankaj Ostwal)

Managing Director

(DIN : 02586806)

COMPANY INFORMATION

MBAPL is one of the quality Single Super Phosphate (SSP) fertilizer manufactures of India in private sector. Present installed capacity of SSP 60000 TPY (200 TPD) at unit I & BRP processing is 99000 TPY (300 TPD), This year company commence commercial production of its newly installed SSP unit 120000 TPY (400 TPD) and Sulphuric Acid 36000 TPY (120 TPD) at Unit II. Further putting up a Chemicals and Infrastructure Projects comprising of Phosphoric Acid, Triple Super phosphate, Chemicals and other allied products and Expansion of SSP, GSSP, BRP, Sulphuric Acid, etc are underway at its Unit II at Village - Sourai, Dist. Sagar, Madhya Pradesh.

The company is performing well in producing Sulphuric Acid, Beneficiated Rock Phosphate (BRP) and Single Super Phosphate (SSP) during the current Financial Year 2015-16 and GSSP, Phosphoric Acid, Chemicals and other Allied Product projects is work in progress.

Sulphuric acid is generally mother chemical for all chemicals, putting up sulphuric acid plant play significant milestone role in boost up of company growth. Fertilizers generally consist of organic and inorganic fertilizers. Organic manures and some mined minerals have been used for many centuries as organic fertilizers, whereas chemically - synthesized inorganic fertilizers were only extensively developed during the industrial revolution.

SSP (Single Super Phosphate)

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

BRP (Beneficiated Rock Phosphate)

Phosphorite Phosphate rock or rock phosphate is a non- detrital Sedimentary rock which contains high amounts of phosphate bearing Minerals. Rock phosphate is mainly used for the production of single super phosphate & dia ammonium phosphate, which are mainly used as fertilizers.

SA (Sulphuric Acid)

Sulphuric Acids only raw material is Sulphur, which is now available near to unit at economic and competitive price at newly established Govt. refinery.

FINANCIAL HIGHLIGHTS

Particulars	(₹ In Lacs)	
	2015-16	2014-15
Net Sales	6466.27	6223.17
Depreciation	344.05	350.73
Misc. Exp. W/off	9.38	11.38
Profit Before Tax	592.88	568.90
Profit After Tax	920.69	390.18
Financial Position		
Gross Fixed Assets	10142.24	7493.95
Net Fixed Assets	8836.53	6529.88
Non Current Investments	117.00	117.00
Other Non Current Assets	180.78	56.15
Current Assets	2170.57	2665.68
Total Assets	11304.88	9368.71
Equity Share Capital	2190.67	1810.67
Reserves & Surplus	6938.31	5409.62
Non Current Liabilities	1607.27	634.44
Current Liabilities	568.63	1513.98
Total Sources	11304.88	9368.71
Profit Before Tax Margin (%)		
	9.17	9.14
Profit After Tax Margin (%)		
	14.24	6.27

PROFIT BEFORE TAX

The Profit before tax for the FY 2015-16 was Rs. 592.88 Lacs i.e. 9.17% of Sales as against Rs. 568.90 lacs i.e. 9.14% of Net Sales in FY 2014-15.

TAXATION

Your company's total tax liability for the year was Rs. 120.91 Lacs comprising of deferred tax liability/(Assets) of Rs. (448.72) Lacs.

PROFIT AFTER TAX

The profit after tax was Rs. 920.69 Lacs (14.24 % of Net Sales) in current year as compared to Rs. 390.18 Lacs (6.27 % of Net Sales) in the previous year.

EARNING BEFORE INTEREST, TAX & DEPRECIATION

Your company achieved EBITD of Rs. 1219.49 Lacs i.e. 18.86% of Net Sales. The EBITD of the previous year of Rs. 1245.81 Lacs i.e. 20% of Net Sales.

NOTICE

NOTICE is hereby given that the **19th Annual General Meeting** of the **Members of Madhya Bharat Agro Products Limited** will be held on **Wednesday, 28th day of September, 2016 at 10.00 AM** at Registered Office situated 5-O-21, Basement, R. C. Vyas Colony, Bhilwara 311001 (Rajasthan) to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Report of the Board of Directors, Profit and Loss Account for the financial year ended on 31st March 2016 and the Balance Sheet as at that date and the report of Auditors, thereon.
2. To appoint a Director in place of Sh. Praveen Ostwal (DIN 00412207), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Statuary Auditors to hold office from the conclusion of this Meeting, till the conclusion of the next Annual General Meeting of the Company and in this regard, to consider and, if thought fit to pass, with or without modification(s), the following resolution as an **Ordinary resolution**:
"RESOLVED THAT pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014, appointment of M/s Ashok Kanther & Associates (Firm Registration No.050014C), Chartered Accountants, be and is hereby ratified as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting, to hold office from the conclusion of this Annual General Meeting, till the conclusion of the next Annual General Meeting of the Company, at such remuneration as shall be fixed by the board of Directors of the Company.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution to appoint Smt. Aruna Kothari as an Women Director:
"RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Smt. Aruna Kothari (DIN: 06367348) who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013 and who hold office up to the date of this Annual General Meeting and in respect of whom the Company has received notice under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director, be and is hereby appointed as an Women Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years up to the conclusion of the 24th AGM of the Company."
5. To approve and ratify the remuneration of the Cost Auditor(s) for the financial year ending 31st March 2017 and in this regard to consider and if thought fit, to pass with or without modification(s) the following as an Ordinary Resolution:
"RESOLVED THAT Shareholders hereby ratify the actions of the Board of Directors pursuant to the provisions of Section 148(3) and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, for approving recommendation of Audit Committee for remuneration at Rs. 30000 plus applicable service tax and out of pocket expenses of M/s K.C.Moondra & Associates, Cost Auditor(s) to conduct the audit of the cost records of the Company for the financial year ending 31st March 2017.

NOTES

- a. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member of the company. The proxies to be effective should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
As per Section 105 of the Companies Act, 2013 and Rule 19, Sub-Rule (2) of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights.
Provided that a member holding more than ten percent, of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- b. Members seeking any information or clarification are requested to send in written queries to the Company, in advance, before the date of the meeting.
- c. Members/Proxies should bring the Attendance Slip sent herewith, duly filled in, for attending the meeting.
- d. Members are requested to immediately inform their change in address quoting folio number(s) to the Company.
- e. Corporate members intending to send their authorized representative to attend the meeting are requested to send to

the company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf.

- f. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 is annexed hereto.
- g. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
- h. Relevant documents referred to in the notice and explanatory statement are open for inspection at the registered office of the company on all working days up to the date of the meeting.

Registered Office:

5-O-21, Basement,
R.C. Vyas Colony,
Bhilwara - 311001
(Rajasthan)

Dated : 17/08/2016

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

Sd/-
(Pankaj Ostwal)
Managing Director
(DIN : 02586806)

Explanatory Statement Pursuant To Section 102 of The Companies Act, 2013**Item No. 4**

In accordance with Section 149 and 152 read with Schedule IV of the Companies' Act, 2013 the Securities and Exchange Board of India (SEBI) and all other applicable provisions, that every Listed Company is required to appoint Women Director, so for giving the effect and make in line with the section Company has appointed Smt. Aruna Kothari as a Women Director on June 04, 2016, in accordance with Section 149 and 152 read with Schedule IV of the Companies' Act, 2013, not liable to retire by rotation and subject to the approval of members, to hold office for a term of 5 (Five) consecutive years up to the conclusion of 24thAGM of the company.

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

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

In the opinion of the Board, Smt. Aruna Kothari fulfill the conditions for their appointment as women Independent Directors as specified in the Companies Act, 2013.

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

Item No. 5

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s K.C. Moondra & Associates, Cost Accountant, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2017. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

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

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

Registered Office:

5-O-21, Basement,
R.C. Vyas Colony,
Bhilwara - 311001
(Rajasthan)

Dated : 17/08/2016

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

Sd/-
(Pankaj Ostwal)
Managing Director
(DIN : 02586806)

DIRECTORS' REPORT
For the year 2015-16

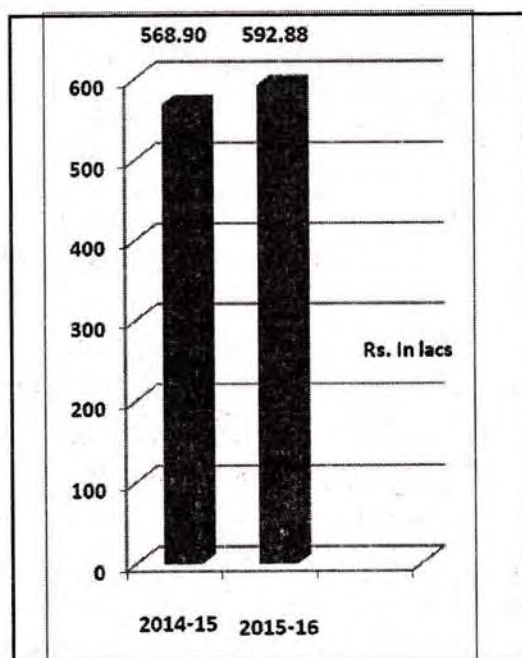
Dear Members,

Your Directors have pleasure in presenting the 19th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2016.

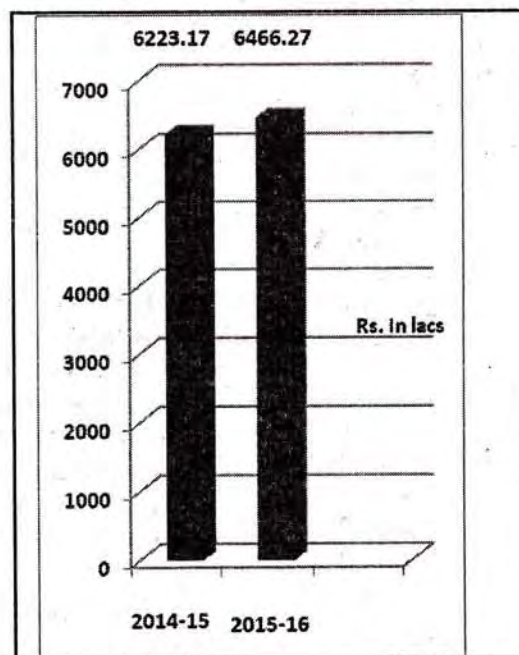
FINANCIAL RESULTS

(₹ in Lacs)

Particulars	2015-16	2014-15
Turnover	6466.27	6223.17
Profit Before Taxation	592.88	568.90
Taxation/Deferred Tax	-327.81	178.72
Profit /(Loss) after Tax	920.69	390.18
Transfer from Revaluation Reserve	7.64	9.17
FA Retirement	-	-34.81
Add: Balance brought forward from Previous year	1862.69	1498.15
Profit transferred to Balance Sheet	2791.02	1862.69



Profit



Turnover

STATE OF COMPANY'S AFFAIR:

During the year under review, your Company could perform well irrespective of recession period all over the world. Company achieved almost its targets. Your Company has achieved turnover of Rs. 6466.27 lacs the net profit after tax for the current year stands at Rs. 920.69 lacs as against Rs. 390.18 lacs in previous year.

FUTURE PROSPECTS:

EXISTING BUSINESS

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

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

EXPANSION- INFRASTRUCTURE PROJECT

After successful completion project, of Sulphuric Acid capacity of 36000 TPAY and Single Super Phosphate capacity of 120000 TPAY, your directors have further envisaged to set up a chemicals and fertilizer projects (infrastructure project) as GSSP, TSP, Phosphoric Acid, etc. The Company has obtained necessary clearance and statutory permissions, land acquired, civil constructions, plant & machinery installations, financial tie ups are going on.

ANNUAL RETURN:

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

AUDITORS & AUDITORS' REPORT

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s Ashok Kanther & Associates, Chartered Accountants, has been appointed as the Auditor of the Company for a period of 3 consecutive years from the conclusion of 17th Annual General Meeting held on 13.09.2014 until the conclusion of the Twenty (20th) Annual General Meeting of the company in the calendar year 2017.

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

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

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

COST AUDITOR & AUDITORS' REPORT

In accordance with the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, and on the recommendation of the Audit Committee, the Board will appoint M/s K.C. Moondra & Associates, Cost Accountants (Registration No. 101814), for remuneration at Rs. 30000 plus applicable service tax and out of pocket expenses to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2017. The appointment and the remuneration of the cost Auditor is required to be ratified subsequently by the Members of the Company and further subject to the approval of the Central Government.

RESERVES

The Board of Director of Company proposes to carry the Reserves & Surplus of Rs. 6938.31Lacs

DIVIDEND

Looking to the working capital need and future plans for expansion & diversification, the Directors decided to retain the profit and hence do not propose any dividend and carried forward the net profit to next year.

DEPOSITS

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

NO DEFAULT

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

DIRECTORS

In accordance with provisions of Companies Act, 2013 and Company's Articles of Association, Sh. Praveen Ostwal (DIN: 412207), Director of the Company, retire by rotation and being eligible, offers himself for re-appointment. The Board recommends their re-appointment.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS:

The Board of Directors duly met 13 (Thirteen) times 01.05.2015, 12.05.2015, 14.05.2015, 17.08.2015, 06.09.2015, 14.09.2015, 05.10.2015, 25.10.2015, 31.10.2015, 24.11.2015, 03.02.2016, 18.02.2016 and 14.03.2016 in F.Y. 2015-16 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. However, the Board passed no circular resolution.

PARTICULARS OF EMPLOYEES

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

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOING

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

PARTICULAR OF LOAN, GUARANTEE AND INVESTMENT UNDER SECTION 186

The information required for loans given, investment made or guarantee given or security provided during the year under section 186 of the Companies Act, 2013 read with the rule 11 of Companies (Meetings of Board and its power) Rule, 2014 is provided in Annexure III forming part of this report.

RISK MANAGEMENT:

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

RELATED PARTY TRANSACTION UNDER SECTION 188

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

DECLARATION OF INDEPENDENT DIRECTORS:

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

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

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

The following Directors are the members of Audit Committee.

- | | |
|------------------------------|----------|
| (1) Shri Arvind Kothari | Chairman |
| (2) Shri Pankaj Ostwal | Member |
| (3) Shri Sushil Kumar Surana | Member |

During the year the Committee had 4 Meetings i.e. on 05th May, 2015, 25th August, 2015, 07th December, 2015 and 27th March 2016.

NOMINATION & REMUNERATION COMMITTEE DISCLOSURE UNDER SECTION 178:

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



The following Directors are the members of Remuneration Committee.

- | | |
|------------------------------|----------|
| (1) Shri Sushil Kumar Surana | Chairman |
| (2) Shri Arvind Kothari | Member |
| (3) Shri Paras Mai Surana | Member |

The Committee will meet as and when any remuneration is to be fixed for any Director /Managing Director or Key managerial Persons During the year the Committee had 2 Meetings i.e. on 27th April 2015, 02nd March, 2016.

SHAREHOLDERS GRIEVANCES COMMITTEE:

The following Committee of Directors looks after the Investor Grievances:

- | | |
|------------------------------|----------|
| (1) Shri Arvind Kothari | Chairman |
| (2) Shri Pankaj Ostwal | Member |
| (3) Shri Sushil Kumar Surana | Member |

During the year the 4 Investor Grievance Committee Meetings were held on 29th June, 2015, 25th September, 2015, 10th December, 2015 and 24th March, 2016.

CORPORATE SOCIAL RESPONSIBILITY:

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

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

- | | |
|------------------------------|----------|
| (1) Shri Arvind Kothari | Chairman |
| (2) Shri Paras Mal Surana | Member |
| (3) Shri Sushil Kumar Surana | Member |

The company has incurred as per recommendation of committee a sum of Rs. 12.06 Lacs during the year 2015-16 as against Rs.10.90 Lacs as per provisions of Companies Act, 2013.

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

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

MATERIAL CHANGES AND COMMITMENTS:

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statements relate on the date of this report.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY:

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

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

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

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

No. of complaints received: Nil

No. of complaints disposed off: Nil

DIRECTORS RESPONSIBILITY STATEMENT

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

1. That in the preparation of the Accounts for the Financial Year ended 31st March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of profit of the company for the year under review.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the accounts for the financial year ended 31st March, 2016 on a going concern basis.
5. That the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

HEALTH AND SAFETY

Your company is conscious about its responsibility towards the upkeep of environment and maintenance of high safety and health standards at its work places. The company has been certified by ISO 9001:2008.

ACKNOWLEDGEMENT

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

For and on Behalf of the Board of Directors

Place : Bhilwara (Raj)
Date : 18.04.2016

Sd/-
(Pankaj Ostwal)
Managing Director
(DIN : 02586806)

Sd/-
(Paras Mal Surana)
Director
(DIN 06367348)

ANNEXURE - I

Information pursuant to section 134 (3) (m) of the Companies Act, 2013 read with the Rule 8 of (Companies (Account) Rule, 2014) and forming part of the Director's Report for the year ended 31st March 2016.

CONSERVATION OF ENERGY:

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

		2015-16	2014-15
1.	Electricity:		
(a)	Purchase of Units		
	Amount in Lacs.	2356803	1724046
	Rate / unit Rs.	196.88	146.15
(b)	Own Generation	8.35	8.48
	Through Diesel		
	Units generated		
	Units per liter of oil	558492	289972
	Cost/unit (Rs.)	5.50	4.84
Energy Consumption per unit of production (Unit/MT)		9.63	11.58
1.	Single Super Phosphate	12.72	17.89
2.	Beneficiated Rock Phosphate	54.00	45.74

TECHNOLOGY ABSORPTION

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

FOREIGN EXCHANGE EARNINGS AND OUTGO

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

ANNEXURE - II

FORM NO. MGT-9

As on the financial year ended on 31.03.2016

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

REGISTRATION AND OTHER DETAILS

i)	CIN	U24121RJ1997PLC029126
ii)	Registration Date	22-10-1997
iii)	Name of the Company	Madhya Bharat Agro Products Limited
iv)	Category / Sub-Category of the Company	Public Company
v)	Address of the Registered office and contact details	5-O-21, Basement, R.C. Vyas Colony Bhilwara (Raj.)
vi)	Whether listed company (Yes / No)	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	-

PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Beneficiated Rock Phosphate	20121	13.01
2	Single Super Phosphate	20121	65.89
3	Trading Goods	-	21.10

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Ostwal Phoschem India Limited	U26933RJ1989PLC032188	Associate	44.42	Section 2(6) of the Companies Act, 2013

SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
Individual/ HUF	0	2291290	2291290	12.65	0	2291290	2291290	10.46	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt (s)	-	-	-	-	-	-	-	-	-
Bodies Corp.	0	9141320	9141320	50.49	0	12941320	12941320	59.07	6.38
Banks / FI	-	-	-	-	-	-	-	-	-

**MADHYA BHARAT AGRO PRODUCTS LIMITED**

OSTWAL

Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	0	11432610	11432610	63.14	0	15232610	15232610	69.53	6.38
2. Foreign									
NRIs -Individuals	-	-	-	-	-	-	-	-	-
Other Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp.	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	0	11432610	11432610	63.14	0	15232610	15232610	69.53	6.38
B. Public Shareholding									
1 Institutions									
Mutual Funds	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt (s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIs	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2 Non-Institutions									
a) Bodies Corp.									
Indian	0	5144125	5144125	28.41	0	5144125	5144125	23.48	-
Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
Individual shareholders holding nominal share capital up to Rs. 1 lakh									
Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	1530000	1530000	8.45	0	1530000	1530000	6.99	-
Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	0	6674125	6674125	36.86	0	6674125	6674125	30.47	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	0	18106735	18106735	100.00	0	21906735	21906735	100.00	-

Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Pankaj Ostwal	1220130	6.74	-	1220130	5.57	-	-
2	Praveen Ostwal	332700	1.84	-	332700	1.52	-	-
3	Ekta Jain	661840	3.66	-	661840	3.02	-	-
4	Pankaj Ostwal (HUF)	57120	0.32	-	57120	0.26	-	-
5	Mahendra Kumar Ostwal	8500	0.05	-	8500	0.04	-	-
6	Nitu Jain	5000	0.03	-	5000	0.03	-	-
7	Praveen Ostwal(HUF)	6000	0.03	-	6000	0.03	-	-
8	Seasons Agro Chem India Private Limited	2310800	12.76	-	2310800	10.55	-	-
9	Ostwal Phoschem (India) Private Limited	5930520	32.75	-	9730520	44.42	-	-
10	Nirmala Real infrastructure Private Limited	900000	4.97	-	900000	4.11	-	-
	Total	11432610		-	15232610			-

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

S. No.	Name of Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Ostwal Phoschem (India) Private Limited				
	At the beginning of the year	5930520	32.75	5930520	32.75
	Allotment (05.10.2015)	1900000		7830520	
	Allotment (24.11.2015)	1900000		9730520	
	At the End of the year	9730520	44.42	9730520	44.42

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

S. No.	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Chunri Prints Pvt Ltd				
	At the beginning of the year	1207625	6.67	1207625	6.67
	At the End of the year (or on the date of separation, if separated during the year)	1207625	5.51	1207625	5.51
2	Paneri Textiles Pvt Ltd.				
	At the beginning of the year	1090500	6.02	1090500	6.02
	At the End of the year (or on the date of separation, if separated during the year)	1090500	4.98	1090500	4.98

S. No.	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
3	Smt Shashi Jain & Smt. Amita Mehta (Partner Radhay Traders)				
	At the beginning of the year	1030000	5.69	1030000	5.69
	At the End of the year (or on the date of separation, if separated during the year)	1030000	4.70	1030000	4.70
4	Vesta Tex Pvt Ltd.				
	At the beginning of the year	1000000	5.52	1000000	5.52
	At the End of the year (or on the date of separation, if separated during the year)	1000000	4.56	1000000	4.56
5	Suswani Textiles Pvt Ltd				
	At the beginning of the year	1000000	5.52	1000000	5.52
	At the End of the year (or on the date of separation, if separated during the year)	1000000	4.56	1000000	4.56
6	Visualize Tradecom Pvt Ltd.				
	At the beginning of the year	846000	4.67	846000	4.67
	At the End of the year (or on the date of separation, if separated during the year)	846000	3.86	846000	3.86
7	Smt Shashi Jain & Shri Dharmesh Mehta (Partner Krishna Enterprise)				
	At the beginning of the year	500000	2.76	500000	2.76
	At the End of the year (or on the date of separation, if separated during the year)	500000	2.28	500000	2.28

Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Sh. Praveen Ostwal				
	At the beginning of the year	332700	1.84	332700	1.84
	At the End of the year	332700	1.52	332700	1.52
2	Sh. Pankaj Ostwal				
	At the beginning of the year	1220130	6.74	1220130	6.74
	At the End of the year	1220130	5.57	1220130	5.57

INDEBTEDNESS

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

(in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	83118797	7266174	0	90384971
ii) Interest due but not paid	701762	0	0	701762
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	83820559	7266174	0	91086733

MADHYA BHARAT AGRO PRODUCTS LIMITED



OSTWAL

Change in indebtedness during the financial year				
Addition	150000000	500000	0	150500000
Reduction	55354408	7266174	0	62620582
Net Change	94645592	-6766174	0	87879418
Indebtedness at the end of the financial year				
i) Principal Amount	176602746	500000	0	177102746
ii) Interest due but not paid	1863405	0	0	1863405
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	178466151	500000	0	178966151

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(in ₹)

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

B. Remuneration to other directors: N.A.

C. Remuneration To Key Managerial Personnel Other than MD / MANAGER/WTD

(in ₹)

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
			Payal Soni	Sourabh Gupta	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	60310	479678	539988
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission				
	- as % of profit	0	0	0	0
	- others, sp	0	0	0	0
5	Others, please specify	0	0	0	0
	Total	0	60310	479678	539988

PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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

Annexure - III

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

[Pursuant to section 186 (4)]

	Particulars	As at 31st March, 2016	As at 31st March, 2015
(A)	Loan Given	Nil	Nil
(B)	Investment made		
	Non current Investment:-Fully paid up Equity Share of Krishna Phoschem Ltd.	Rs. 117.00 Lacs	Rs. 117.00 Lacs
(C)	Guarantee given		
	Guarantee given to Seasons International Private Limited	Rs. 2035.00 Lacs	Rs. 2035.00 Lacs

Place : Bhilwara (Raj.)
Date : 18.04.2016

Sd/-
(Pankaj Ostwal)
Managing Director
(DIN:02586806)

Annexure-IV

NOMINATION AND REMUNERATION POLICY

Introduction:

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

Objectives of the Committee:

The Committee shall:

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

Definitions:

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

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

Chairman:

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

Frequency of Meetings:

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

Committee Members' Interests:

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

Voting:

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

General Appointment Criteria:

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

Evaluation:

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

Criteria for Evaluation of the Board:

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

1. Executive Directors:

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

2. Non Executive Director:

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

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

Remuneration:

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

Deviations from this policy

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

Annexure-V

Corporate Social Responsibility Report

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

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

Objective

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

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

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

Creating opportunities for employees to participate in socially responsible initiatives.

Measures

In the aforesaid backdrop, policy on CSR of Madhya Bharat Agro Products Limited is broadly framed taking into account the following measures:

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

The CSR activities which are exclusively for the benefit of Madhya Bharat Agro Products Limited employees or their family members shall not be considered as CSR activity.

The following is the list of CSR projects or programs which Madhya Bharat Agro Products Limited plans to undertake pursuant to Schedule VII of the Companies Act, 2013:

1. eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
2. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
4. ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
5. protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
6. measures for the benefit of armed forces veterans, war widows and their dependents;
7. training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports;
8. contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
9. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
10. rural development projects;
11. slum area development;
12. Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made thereunder.

Composition of CSR Committee-

CSR Committee shall consist of following persons:

- | | | |
|-----|--------------------------|----------|
| (1) | Shri Arvind Kothari | Chairman |
| (2) | Shri Paras Mal Surana | Member |
| (3) | Shri Sushil Kumar Surana | Member |

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

Year	Net profit (In Lacs)
2014-2015	568.90
2013-2014	534.94
2012-2013	532.03
Total	1635.87
Avg. Profit	545.29

CSR Expenditure - CSR Expenditure for financial year 2015-16 of Company is 10.90 Lacs i.e. 2% of Rs. 545.29 lacs. Details of CSR Spent during the financial year 2015-2016

- (a) Total amount spent for the financial year Rs. 12.06Lacs
 (b) Amount unspent for the financial year Rs. NIL
 (c) Manner in which the amount spent during the financial year is detailed below :

(Rs. Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR Project or activity Identified	Sector in which the Project is covered	Projects or Programs (1) Local Area or other (2) Specify The State and District where Projects or Programs was undertaken	Amount outlay (budget) Project Programs Wise	Amount Spent on The Projects or programs Sub heads- (1) Direct Expenditure On projects or programs (2) Overheads	Cumulative expenditure Up to the Reporting period	Amount Spent : Direct or Through Implementing Agency
1	Acharya Shree Bhikshu Samadhi Sthal Sansthan, Siniyari	Promoting, Preventive Health Care	Siniyari (Rajasthan)	1.01	1.01 (Direct Expenditure)	1.01	Direct
2	Nirmala Devi Ostwal Sewa Sansthan	Promoting Education	Bhilwara (Rajasthan)	0.50	0.50 (Direct Expenditure)	0.50	Direct
3	Tera Panth Professional Forum	Promoting Education	Ahmedabad (Gujarat)	1.00	1.00 (Direct Expenditure)	1.00	Direct
4	School Bags Distribute	Promoting Education	Banda (Madhya Pradesh)	7.95	7.95 (Direct Expenditure)	7.95	Direct
5	Tree Plantation	Environmental Sustainability	Banda (Madhya Pradesh)	1.06	1.06 (Direct Expenditure)	1.06	Direct
6	Food & other	Eradicating Hunger	Sagar (Madhya Pradesh)	0.54	0.54 (Direct Expenditure)	0.54	Direct
Total				12.06	12.06	12.06	

Sd/-
Pankaj Ostwal
Managing Director

Sd/-
Arvind Kothari
Chairman

Sd/-
Parasmal Surana
Member

INDEPENDENT AUDITORS' REPORT

To
The Members,
Madhya Bharat Agro Products Limited,
Bhilwara

Report on the Financial Statements

We have audited the accompanying financial statements of **MADHYA BHARAT AGRO PRODUCTS LIMITED** which comprise the Balance Sheet as at **31st March, 2016** and the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenances of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2016.
- b) In the case of the statement of Profit and Loss, of the profit for the year ended on that date; and

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31st March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016, from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position;
 - The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - There were no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company;
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Place : Bhilwara (Raj.)
Date : 18/04/2016

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

**ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in our report of even date)

Annexure referred to in Point 2 of the Auditor's Report of even date to the members of Madhya Bharat Agro Products Limited for the year ended 31st March, 2016.

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

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As per the information and explanation given to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) As per the information given to us the title deeds of the immovable properties are held in the name of the company.
- (ii) As per the information and explanation given to us, the inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on such verification.
- (iii) As per the information and explanation given to us and on the basis of our examination of the books of account, the company has not granted loans to any parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus clause iii (a), iii (b) iii (c) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees, and security the provisions of section 185 and 186 of the Companies Act, 2013 has been complied with by the company.
- (v) In our opinion and as per the information and explanations given to us and on the basis of our examination of the books of account, the company has not accepted any deposits covered under section 73 of the Companies Act, 2013.
- (vi) As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- (vii) (a) According to the information and explanations given to us and the records examined by us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues with appropriate authorities wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding, as at 31st March 2016 for a period of more than 6 months from the date they became due.
- (b) According to the record of the company, there is no amounts payable in respect of income tax or sales-tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess, which have not been deposited on account of any disputes, except below:-

S. No.	Particulars	Rs.	Remarks
1.	Demand raised by commercial tax department for Entry tax for the F.Y. 2012-13.	371718/-	Appeal made to Appellate authority, APP DC Sagar Division

- (viii) Based on our audit procedures and the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions or banks or government. There are no debenture holders of the company.
- (ix) According to the record of the company, during the year no money has been raised by the company by way of initial public offer or further public offer and term loans except a term loan of Rs. 15.00 Cr. (disbursed against sanctioned amount of Rs. 30.00 Cr.). The loan has been utilized for the purpose for which it has been sanctioned.

- (x) Based on our audit procedures performed and on the information and explanations given to us, we have neither come across any instances of fraud on or by the company noticed or reported during the year, nor we have been informed for such case by the management.
- (xi) According to the records of the company and on the basis of information and explanation given to us, we are of the opinion that the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provision of section 197 read with schedule V to the Companies Act.
- (xii) In our opinion, the Company is not a nidhi. Therefore, clause 12 of the Companies (Auditor's Report) order, 2016 is not applicable to the Company.
- (xiii) In our opinion and according to the record of the company all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- (xiv) According to the record of the company, the company has not made any preferential allotment or fully or partly convertibles debentures during the year. Company has made private placements of shares during the year in compliance of section 42 of Companies Act, 2013 and amount raised has been utilized for the purpose for which it has been raised.
- (xv) According to the information and explanations given to us and the records examined by us the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the record of the company, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

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

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

Place : Bhilwara (Raj.)

Date : 18/04/2016

BALANCE SHEET AS AT 31ST MARCH, 2016

(₹ in lacs)

Particulars		Note No.	As at 31 st March 2016	As at 31 st March 2015
I	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	2	2190.67	1810.67
	(b) Reserves and surplus	3	6938.31	5409.62
3	Non-current liabilities			
	(a) Long-term borrowings	4	1607.27	307.68
	(b) Deferred tax liabilities (Net)	5	0.00	326.76
4	Current liabilities			
	(a) Short-term borrowings	6	32.04	478.74
	(b) Trade payables	7	168.62	705.29
	(c) Other current liabilities	8	182.46	162.15
	(d) Short-term provisions	9	185.51	167.80
	TOTAL		11304.88	9368.71
II.	ASSETS			
	Non-current assets			
1	(a) Fixed assets			
	(i) Tangible assets	10	8836.53	5888.44
	(ii) Intangible assets		0.00	0.00
	(iii) Capital work-in-progress		0.00	641.44
	(iv) Intangible assets under development		0.00	0.00
	(b) Non-current investments	11	117.00	117.00
	(c) Deferred tax Assets (Net)	5	121.96	0.00
	(d) Long-term loans and advances	12	58.82	46.78
	(e) Other non-current assets	13	0.00	9.37
2	Current assets			
	(a) Inventories	14	583.01	886.31
	(b) Trade receivables	15	700.00	569.33
	(c) Cash and cash equivalents	16	56.38	54.93
	(d) Short-term loans and advances	17	831.18	1155.11
	(e) Other Current Assets	18	0.00	0.00
	TOTAL		11304.88	9368.71

Summary of significant accounting policies

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

As per our report of even date

For M/s Ashok Kanther & Associates

Chartered Accountants

FRN 050014C

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

Sd/-
(Sourabh Gupta)
CFO & Director
DIN : 07177647

Sd/-
(Pallavi Sukhwai)
Company Secretary
ACS 43744

Sd/-
(Paras Mal Surana)
Director
DIN : 06367348

Sd/-
(Pankaj Ostwal)
Managing Director
DIN : 02586806

Place : Bhilwara (Raj.)

Date : 18/04/2016

MADHYA BHARAT AGRO PRODUCTS LIMITED



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016 (₹ in lacs)

	Particulars	Note No.	For the year ended 31 st March 2016	For the year ended 31 st March 2015
i.	Gross Sale of Products	19	6498.66	6249.11
	Excise Duty		32.39	25.94
	Net Sale of Products		6466.27	6223.17
ii.	Other income	20	11.98	619.57
iii.	Total Revenue	(I + II)	6478.25	6842.74
iv.	Expenses:			
	Cost of materials consumed	21	2406.26	2679.34
	Purchase of Traded goods	22	1355.26	1301.63
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	23	-62.25	395.21
	Employee benefits expense	24	133.49	113.30
	Finance costs	25	282.56	326.18
	Depreciation and amortization expense	26	353.43	362.11
	Other expenses	27	1416.62	1096.07
	Total expenses		5885.37	6273.84
v.	Profit before exceptional and extraordinary items and tax	(III - IV)	592.88	568.90
vi.	Exceptional items		0.00	0.00
vii.	Profit before extraordinary items and tax	(V - VI)	592.88	568.90
viii.	Extraordinary Items		0.00	0.00
ix.	Profit before tax	(VII-VIII)	592.88	568.90
x.	Tax expense:			
	(1) Current tax		120.91	120.72
	(2) Deferred tax		-448.72	58.00
	(3) Earliyer Year's Tax		0.00	0.00
	Total Tax Expense		-327.81	178.72
xi.	Profit (Loss) for the period from continuing operations	(IX-X)	920.69	390.18
xii.	Profit/(loss) from discontinuing operations		0.00	0.00
xiii.	Tax expense of discontinuing operations		0.00	0.00
xiv.	Profit/(loss) from Discontinuing operations (after -tax)	(XII-XIII)	0.00	0.00
xv.	Profit (Loss) for the period	(XI-XIV)	920.69	390.18
	Earning Per Share	31	4.61	2.15

Summary of significant accounting policies

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

As per our report of even date

For M/s Ashok Kanther & Associates

Chartered Accountants

FRN 050014C

For and on Behalf of the Board of Directors

Sd/-

(Ashok Kanther)

Partner

M.No. 043571

Sd/-

(Sourabh Gupta)

CFO & Director

DIN : 07177647

Sd/-

(Pallavi Sukhwai)

Company Secretary

ACS 43744

Sd/-

(Paras Mal Surana)

Director

DIN : 06367348

Sd/-

(Pankaj Ostwal)

Managing Director

DIN : 02586806

Place : Bhiwara (Raj.)

Date : 18/04/2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lacs)

Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax	592.88	568.90
Adjustments for:		
Depreciation and Amortisation	353.43	362.11
Interest Expenses	280.81	300.24
Interest Income	(4.22)	(3.34)
Loss on foreign Exchange Fluctuation	-	-
Loss / (Profit) on sale of Fixed Assets	1.18	4.24
Loss by fire of Fixed Assets	3.24	-
Balance Write off	-	-
Provisions Write off	-	-
Operating profit before working capital change	1,227.32	1,232.15
Adjustments for:		
Increase/(Decrease) in Trade payable	(536.68)	474.91
Increase/(Decrease) in Other Current Liability	20.31	(194.98)
Increase/(Decrease) in Short Term Provisions	17.52	(4.84)
(Increase)/Decrease in Inventories	303.30	323.74
(Increase)/Decrease in Trade Receivable	(130.67)	(476.95)
(Increase)/Decrease in Short Term Loan and Advances	323.93	(632.84)
Net changes in working capital	(2.29)	(510.96)
Cash Generated from/(used in) operations	1,225.03	721.19
Direct Taxes paid	120.72	107.27
Net cash from/(Used in) operating activities (A)	1,104.31	613.92
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(2,656.34)	(274.83)
Sale/Decrease of Fixed Assets	1.22	5.21
Increase & Decrease in Investment	-	-
Interest Received	4.22	3.34
(Increase)/Decrease in Long term Loan and Advances	(12.04)	1.92
Net cash from investing activities (B)	(2,662.94)	(264.36)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	380.00	-
Proceeds from issuance of share capital Share Premium	608.00	-
Proceeds/(Repayment) of Long Term Borrowings	1,299.59	(44.93)
Proceeds/(Repayment) of short term borrowings	(446.70)	(56.42)
Interest paid	(280.82)	(300.24)
Net cash from financing activities (C)	1,560.08	(401.59)
Net increase in cash and cash equivalents (A+B+C)	1.45	(52.03)
Cash and cash equivalents as at (Opening Balance)	54.93	106.96
Cash and cash equivalents as at (Closing Balance)	56.38	54.93
Net Cash Flow During The Year	1.45	(52.03)

Summary of significant accounting policies

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

As per our report of even date

For M/s Ashok Kanther & Associates

Chartered Accountants

FRN 050014C

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

 Sd/-
 (Sourabh Gupta)
 CFO & Director
 DIN : 07177647

 Sd/-
 (Pallavi Sukhwal)
 Company Secretary
 ACS 43744

 Sd/-
 (Paras Mal Surana)
 Director
 DIN : 06367348

 Sd/-
 (Pankaj Ostwal)
 Managing Director
 DIN : 02586806

For and On Behalf of the Board of Directors

Place : Bhilwara (Raj.)

Dated : 18/04/2016

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**1. ACCOUNTING POLICIES****BASIS OF ACCOUNTING:**

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

FIXED ASSETS:

The Fixed Assets are stated at revalued (2008-09) figures based on registered valuers report. The land stated at revalued (2013-14) value done during the year as per registered valuers report. The basis of valuation/revaluation as mentioned into the report of external valuer is market rate in the case of land and plant & Machinery. In respect of major projects involving construction // fabrication, related pre-operational expenses from part of the value of the assets, which are allotted on the respective assets in the year of commencement of the project. An expenses capitalized also includes applicable borrowing cost.

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

INVENTORIES:

Inventories are valued as:

- a) Raw Materials : At lower of cost or net realisable value
- b) Finished Goods : At lower of cost or net realisable value
- c) Stores & spares part : At cost price

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

BORROWING COST:

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

DEPRECIATION:

- a) Depreciation for the year on fixed assets has been provided on straight line method as per useful life and in the manner specified in Schedule II to the Companies Act, 2013. In respect of additions to fixed assets, depreciation is provided on pro-rata basis from the date the assets have been put to use.
- b) Useful life of assets used for double shift / triple shift has been reviewed and readjusted on each Balance Sheet date on the basis of shift used / depreciation charged.
- c) Scrap value of the assets are determined at the rate of 5% of original cost.

INCOME RECOGNITION:

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

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

PRICE CONCESSION FROM GOVERNMENT:

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

BENEFITS TO WORKMEN:

Contributions to employee benefits plan in the form of Provident Fund and Gratuity are charged to the profit & Loss Account of the year when the contributions are due, as per the provisions of the respective statutes.

The company has taken group gratuity policy with Life Insurance Corporation of India (LIC) for future payment of gratuity. The gratuity liability is determined on the basis of an actuarial valuation performed by LIC.

TAXES ON INCOME:

Provision for current tax is determined in accordance with the provisions of the Income Tax Act, 1961.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

Deferred tax expenses or benefits are recognized for timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted as on the balance sheet date.

AMORTIZATION:

Preliminary expenditure is amortized over a period of five years.

CONTINGENT LIABILITIES:

In the opinion of Board of Directors of the Company there is no contingent Liabilities as on 31st March 2016. except FDR pledge with central excise department.

2. SHARE CAPITAL

(₹ in lacs)

Particulars	As at 31 st March 2016		As at 31 st March 2015	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs.10/- each	22,000,000	2200.00	22,000,000	2200.00
Issued				
Equity Shares of Rs. 10/- each	21,906,735	2190.67	18,106,735	1810.67
Subscribed & Paid up				
Equity Shares of Rs 10/- each fully paid	21,906,735	2190.67	18,106,735	1810.67
Subscribed but not fully Paid up				
Equity Shares of Rs 10/- each not fully paid up	-	-	-	-
Total	21,906,735	2190.67	18,106,735	1810.67

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

(₹ in lacs)

Particular	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the period	18,106,735	1810.67
Shares Issued during the period	3,800,000	380.00
Shares bought back during the period	-	0.00
Shares outstanding at the end of the period	21,906,735	2190.67

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

Name of Shareholder	As at 31 st March 2016		As at 31 st March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sh. Pankaj Ostwal	1220130	5.57%	1220130	6.74%
Smt. Shashi Jain and Smt. Amita Mehta (Partners Radhay Traders)	1030000	4.70%	1030000	5.69%
Paneri Textiles Pvt. Ltd.	1090500	4.98%	1090500	6.02%
Seasons Agrochem India Pvt. Ltd.	2310800	10.55%	2310800	12.76%
Ostwal Phoschem (India) Limited.	9730520	44.42%	5930520	32.75%
Chunri Prints Pvt. Ltd.	1207625	5.51%	1207625	6.67%
Vesta Tex Pvt. Ltd.	1000000	4.56%	1000000	5.52%
Suswani Textiles Pvt. Ltd.	1000000	4.56%	1000000	5.52%

iii) The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

iv) 3800000 equity shares of Rs. 10/- each fully paid up were allotted and issued on premium in 2015-2016.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

v) Disclosure pursuant to Note no. 6(A)(i) of Part-I of schedule VI to the companies Act, 2013

Particular	Years				
	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
Equity Shares:					
Fully paid up pursuant to contract(s)	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-
Shares Bought back	-	-	-	-	-

3. RESERVES & SURPLUS

(₹ in lacs)

Particular	As at 31 st March 2016	As at 31 st March 2015
i) Revaluation Reserves		
Opening Balance	2,468.41	2,535.38
(+) Addition during the year	-	-
(-) revaluation Write off due to lapse of useful life transfer to General Reserve	-	57.80
(-) Depreciation on revaluation transfer to General Reserve	7.64	9.17
Closing Balance	2,460.77	2,468.41
ii) Surplus General Reserve		
Opening Balance	1,862.69	1,498.16
(+) Net Profit/(Net Loss) For the current year	920.69	390.18
(+) Transfer from Revaluation Reserves (Depreciation amount related to revaluation of Assets)	7.64	9.16
(+) Transfer from Revaluation Reserves (Revaluation portion of FA retire)	-	57.80
(-) FA Retirement amount related to revaluation portion	-	(57.80)
(-) FA Retirement amount related to Original cost portion	-	(34.81)
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Bonus issue	-	-
Closing Balance	2,791.02	1,862.69
iii) Security Premium		
Opening Balance	1,078.52	1,078.52
(+) Current Year addition	608.00	-
(-) Bonus issue	-	-
Closing Balance	1,686.52	1,078.52
Total	6,938.31	5,409.62

4. LONG TERM BORROWING

(₹ in lacs)

Particular	As at 31 st March 2016	As at 31 st March 2015
Secured		
(a) Term Loan From Bank	1,602.27	235.18
	1,602.27	235.18
Unsecured		
(a) From Directors	5.00	62.50
(b) From Other Companies	-	10.00
	5.00	72.50
Total	1,607.27	307.86

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
(a) Term Loan

- i) **Nature of Security** – The term loans 30.00 Cr. sanctioned from SBBJ during the current FY and disbursement amount is 15.00 Cr. is secured by way of 1st charge in the form of mortgage of assets of the company's immovable properties at Banda Unit Sulphuric and SSP unit (present and future) at village Sorai, Tehsil Banda, Distt Sagar, (MP) owned by the company. Term Loan of HDFC is on Banda BRP Unit having first charge on it.
- ii) **Terms of repayment** – The SBBJ Term loans to be repaid in equated quarterly installments of Rs.1.25 Cr. each. The last instalment is in July 2024. The rate of interest charged on the term loan by SBBJ Bank @ 10.7% P.A. The HDFC Term loans to be repaid in equated monthly installments of Rs. 12.50 Lacs each. The last instalment is in Dec. 2017. The rate of interest charged on the term loan by HDFC Bank @ 10.3% P.A. (₹ in lacs)

Name of Banks	Date of maturity	No. of installments outstanding as on 31.03.2016	As at 31 st March 2016			As at 31 st March 2015		
			Total Outstanding	Current Maturities	Net Long Term Borrowings	Total Outstanding	Current Maturities	Net Long Term Borrowings
HDFC Bank Ltd.	7-Dec-17	21	234.42	132.15	102.27		117.43	235.18
SBBJ	31-July-14	NA	1,500.00		1,500.00			
Total			1,734.42	132.15	1,602.27	-	117.43	235.18

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

5. DEFERRED TAX LIABILITIES

- i) The company has recognized a provision for deferred tax Assets of Rs. 448.72 Lacs, P.Y. Rs. 58 Lac Deferred Tax liability in the Profit and Loss A/c. The balance of Deferred Tax Assets as on 31.03.2016 is Rs. 121.96 Lac (previous year Rs. 326.76 Lac DTL) determined on account of timing differences in accordance with Accounting Standard-22 "Accounting for Taxes on Income" as under :- (₹ in lacs)

Particular	As at 31 st March 2016	As at 31 st March 2015
Deferred tax liabilities		
A. Deferred tax liabilities (depreciation on fixed assets)	1,366.40	326.76
B. Deferred tax assets (Carried forward of losses)	1,367.45	-
Deferred Tax Liability (A-B)	(1.05)	326.76
Less: Mat Credit	120.91	
Net Deffered Tax Liabilities	121.96	326.76

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

6. SHORT-TERM BORROWING

(₹ in lacs)

Particular	As at 31 st March 2016	As at 31 st March 2015
Secured		
(a) Other loans and advances		
Working Capital Loan from HDFC Bank Ltd. repayable on demand	32.04	478.74
Total	32.04	478.74

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

- i) **Nature of Security** – The advance shall be secured by 1st charge on Company's movable assets of Unit II including movable plant and machinery, machinery spares, tools and accessories, furniture, fixture, vehicles, and all other movable assets present and future, intangible, goodwill, uncalled capital, present and future.
- ii) **Terms of repayment** – The bank loan for working capital is repayable on demand and having interest rate 10.30 % as on 31/03/2016
- iii) The bank loan for working capital is guaranteed by personal guarantee of Sh.Pankaj Ostwal, Managing Director.

7. TRADE PAYABLES

(₹ in lacs)

<u>Particular</u>	As at 31 st March 2016	As at 31 st March 2015
Trade Payables	168.62	705.29
Total	168.62	705.29

There are no Micro, small and medium enterprises to whom the company owes dues, which are outstanding for more than 45 days as at 31st March, 2016. This information as required to be disclosed under the Micro-small and medium enterprises development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

8. OTHER CURRENT LIABILITIES

(₹ in lacs)

<u>Particular</u>	As at 31 st March 2016	As at 31 st March 2015
a) Current Maturities of Long Term Debt (Refer note no.4)	132.15	117.43
b) Others Payables	-	-
i) Statutory dues including Provident Fund and Tax deducted at source etc.	22.40	23.01
ii) Liability Towards Staff & Workers	26.64	20.94
iii) Advances from Customer	-	-
iv) Other Liabilities	1.27	0.77
Total	182.46	162.15

9. SHORT-TERM PROVISIONS

(₹ in lacs)

<u>Particular</u>	As at 31 st March 2016	As at 31 st March 2015
Other (Specify nature)		
a) Provision for income tax	120.91	120.72
b) Provision for expenses	64.60	47.08
Total	185.51	167.80

10. FIXED ASSETS

- i) The Company has provided depreciation on fixed assets on useful life of assets on triple shift basis on BRP & SSP plant in accordance with the provisions of Section 123 read with the Part C of Schedule II to the Companies Act, 2013. Depreciation on the additions to fixed assets during the year has been provided on pro-rata basis from the date when put to use.
- ii) Gross block and Net Block of fixed assets includes Rs. 2523.52 Lacs (P.Y. Rs. 2523.52 Lacs) and Rs. 2460.77 Lacs (P.Y. Rs. 2468.40 Lacs) respectively on account of revaluation of fixed assets carried out in past by the company. Depreciation of Rs. 7.64 Lacs (P.Y. Rs. 9.17 Lacs) has been charged to P & L.
- iii) Disposal from Gross Block represents sale of fixed assets.
- iv) Deduction in depreciation is on account of sale of fixed assets.
- v) The Land stated at revalued as per registered valuers report.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016
FIXED ASSETS

 Depreciation Chart as on 31st march 2016 as per Companies Act

PARTICULARS	GROSS BLOCK						DEPRECIATION				Net Block		
	Opening Balance As at 1-4-2015	Useful life	Revalued during the year	Addition During the year	Deduction/sold During the year	Total Ast at 31/3/2016	Upto 4/1/2015	For the period			Upto Ast at 31/3/2016	Balance As at 31/3/2016	Balance As at 31/3/2015
								On Original Value	On revaluation	On Addition			
Land & Site Development	2563.89	0.00	0.00	24.46	0.00	2588.36	0.00	0.00	0.00	0.00	0.00	2588.36	2563.89
Factory Building	1610.46	30.00	0.00	683.21	0.00	2293.67	192.01	46.99	5.81	0.07	52.87	2048.80	1418.45
Office Building	163.46	60.00	0.00	0.00	0.00	163.46	9.97	2.51	0.08	0.00	2.60	150.90	153.49
Plant & Machinery	2085.40	15.00	0.00	2447.94	3.29	4530.05	627.56	243.41	1.72	1.11	246.24	3656.30	1457.84
Plant Electricals	328.73	10.00	0.00	139.29	0.00	468.03	92.75	31.17	0.02	0.04	31.23	344.05	235.99
OE-Office Equipments	10.70	5.00	0.00	0.00	0.00	10.70	4.78	2.53	0.00	0.00	2.53	3.39	5.92
Tools & Spares	1.39	15.00	0.00	0.00	0.00	1.39	0.89	0.09	0.01	0.00	0.11	0.39	0.50
Furniture & Fixtures	29.83	10.00	0.00	0.00	0.00	29.83	7.96	3.11	0.00	0.00	3.11	18.76	21.87
Vehicles	37.99	10.88	0.00	1.18	4.75	34.42	15.65	4.16	0.00	0.07	4.22	16.90	22.34
Quality Control Laboratory	10.33	10.00	0.00	1.42	0.00	11.75	3.37	0.93	0.00	0.00	0.93	7.45	6.96
Computers	10.18	3.00	0.00	0.27	0.00	10.44	9.06	0.22	0.00	0.00	0.22	1.16	1.11
Gas Cylinder	0.14	15.00	0.00	0.00	0.00	0.14	0.06	0.01	0.00	0.00	0.01	0.07	0.08
Total :	6852.51		0.00	3297.78	8.04	10142.24	964.06	335.13	7.64	1.30	344.06	8836.52	5888.45
Total Previous Year	6881.09		0.00	75.25	11.22	6852.51	615.11	336.02	9.17	5.54	350.73	5888.44	6265.98

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

11. NON-CURRENT INVESTMENTS

(₹ in lacs)		
Particular	As at 31 st March 2016	As at 31 st March 2015
Fully paid up Equity Share of Krishana Phoschem Ltd.	117.00	117.00
Total	117.00	117.00

12. LONG TERM LOANS AND ADVANCES

(₹ in lacs)		
Particular	As at 31 st March 2016	As at 31 st March 2015
a. Capital Advances Unsecured, considered good		
Total	-	-
b. Security Deposit Unsecured, considered good		
Total	58.82	46.78
c. Other Loan & advances VAT Credit		
Total	0.00	0.0
Total	58.82	46.78

13. OTHER NON-CURRENT ASSETS

(₹ in lacs)		
Particular	As at 31 st March 2016	As at 31 st March 2015
a. Preliminary expenses		
Total	-	9.37
Total	-	9.37

14. INVENTORIES

(₹ in lacs)		
Particular	As at 31 st March 2016	As at 31 st March 2015
a. Raw materials		
b. Finished Goods	99.65	498.18
c. Finished Goods WIP	261.48	242.26
d. Stores & spares	45.76	2.73
e. Other Consumables	143.88	115.56
Total	583.01	886.31

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

**MADHYA BHARAT AGRO PRODUCTS LIMITED**

OSTWAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**15. TRADE RECEIVABLES**

(₹ in lacs)

Particular		As at 31st March 2016	As at 31st March 2015
Unsecured, considered good			
a.	Trade receivables outstanding for a period less than six months from the date they are due for payment	700.00	549.31
b.	Trade receivables outstanding for a period exceeding six months from the date they are due for payment	-	20.02
Total		700.00	869.33

16. CASH AND CASH EQUIVALENTS

(₹ in lacs)

Particular		As at 31st March 2016	As at 31st March 2015
a)	Balance With Bank	30.53	10.02
b)	Cash in hand	7.65	22.79
c)	Fixed Deposit with Bank	18.20	22.12
Total		56.38	54.93

17. SHORT TERM LOANS AND ADVANCES

(₹ in lacs)

Particular		As at 31st March 2016	As at 31st March 2015
Other loans & Advances (Unsecured considered good unless otherwise stated)			
i)	Advance Taxes	100.18	82.96
ii)	Prepaid expenses	8.72	5.55
iii)	Loans to employees	0.96	2.05
iv)	Advances to suppliers	79.11	204.42
v)	VAT Credit	586.59	859.50
vi)	Excise Cenvat Credit	52.12	-
vii)	Other loans & Advances	3.50	0.63
Total		831.18	1,155.11

18. OTHER CURRENT ASSETS

(₹ in lacs)

Particular		As at 31st March 2016	As at 31st March 2015
Other Current Assets		0.00	0.00
Total		0.00	0.00

19. REVENUE

(₹ in lacs)

Particular		As at 31st March 2016	As at 31st March 2015
Sale of products		6,499.00	6,249.00
Total		6,499.00	6,249.00



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

20. OTHER INCOMES

(₹ in lacs)

<u>Particular</u>	As at 31 st March 2016	As at 31 st March 2015
a. Interest income	4.22	3.34
b. Other non-operating income	7.76	616.23
Total	11.98	619.57

21. COST OF RAW MATERIAL CONSUMED

(₹ in lacs)

<u>Particular</u>	As at 31 st March 2016	As at 31 st March 2015
Opening Stock	525.76	444.16
Add: Purchases	2,012.40	2,760.94
Less: Closing Stock	131.90	525.76
Total	2,406.26	2,679.34

22. PURCHASE OF TRADED GOODS

(₹ in lacs)

<u>Particular</u>	As at 31 st March 2016	As at 31 st March 2015
Purchases	1,355.26	1,301.63
Total	1,355.26	1,301.63

DETAILS OF RAW MATERIAL CONSUMED AND TRADED GOODS

(₹ in lacs)

<u>Particular</u>	As at 31 st March 2016		As at 31 st March 2015	
	Qty. (MT)	Amount	Qty. (MT)	Amount
A. Raw Material Consumed				
a. Rock phosphate consumed	69897.160	1,047.37	44257.820	1,269.87
b. Beneficiated Rock Phosphate	2441.310	305.21	7134.120	596.85
c. Sulphuric acid consumed	18529.280	695.75	14469.126	567.44
d. Sulphur Consumed	20.331	1.77		
e. Sulphuric acid consumed	158.510	7.48		
f. Boron Consumed	7.500	3.41		
g. Zinc Consumed	38.594	10.59		
h. HDPE bags consumed (Nos.)	1089260	148.75	877871	138.22
i. Others	-	185.93	-	106.96
Total Raw Material Consumed		2,406.26	-	2,679.34
B. Total Trading goods purchased		1,355.26	-	1,301.63

23. CHANGES IN INVENTORY OF FINISHED GOODS

(₹ in lacs)

<u>Particular</u>	As at 31 st March 2016	As at 31 st March 2015
Stock at the beginning of the year (A)	242.26	606.47
Stock at the end of the year (B)	261.48	242.26
(Increase)/Decrease in stocks (A-B)	(19.22)	364.21

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lacs)

<u>Particular</u>	As at 31 st March 2016	As at 31 st March 2015
WIP Stock at the beginning of the year (A)	2.73	33.73
WIP Stock at the end of the year (B)	45.76	2.73
(Increase)/Decrease in stocks (A-B)	(43.03)	31.00
Total (Increase)/Decrease in stocks (A-B)	(62.25)	395.21

24. EMPLOYEE BENEFIT EXPENSES

(₹ in lacs)

<u>Particular</u>	As at 31 st March 2016	As at 31 st March 2015
a. Salaries & Incentives	113.19	93.81
b. Contribution to Provident Fund & ESI	8.72	8.05
c. Gratuity Fund contribution	2.32	0.52
d. Staff welfare expenses	9.26	10.92
Total	133.49	113.30

25. FINANCE COSTS

(₹ in lacs)

<u>Particular</u>	As at 31 st March 2016	As at 31 st March 2015
Interest Expenses	280.81	300.24
Other Bank Charges	1.75	25.94
Total	282.56	326.18

26. DEPRECIATION AND AMORTIZATION EXPENSES

(₹ in lacs)

<u>Particular</u>	As at 31 st March 2016	As at 31 st March 2015
Current year depreciation	344.05	350.73
less: Charged from Revaluation Reserve	-	-
Total	344.05	350.73
Preliminary Exp Write off	9.38	11.38
Total	353.43	362.11

27. OTHER EXPENSES

(₹ in lacs)

<u>Particular</u>	As at 31 st March 2016	As at 31 st March 2015
A. Manufacturing Expenses		
Consumption of Stores & Spares parts	231.04	186.11
Power & Fuel	250.68	179.73
Repairs & Maintenance to Plant & Machinery	5.59	2.40
Other manufacturing expenses	150.38	120.63
Total (A)	637.69	488.87

MADHYA BHARAT AGRO PRODUCTS LIMITED



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

(₹ in lacs)

Particular	As at 31 st March 2016	As at 31 st March 2015
B. Administration Expenses		
Insurance	10.97	7.10
Repairs to buildings	2.70	1.10
Directors' Remuneration	28.82	24.02
Auditors' Remuneration	0.95	0.87
Miscellaneous Expenditure	69.63	89.91
CSR	12.06	12.00
Total (B)	125.13	135.00
C. Selling & Distribution Expenses		
Freight & Transport	321.37	291.79
Advertisement & Business promotion	8.55	12.92
Others	323.88	167.49
Total (C)	653.80	472.20
Total	1,416.62	1,096.07

28. RELATED PARTY TRANSACTIONS

- a) Key Managerial persons & their relatives
- i) Mr. Pankaj Ostwal
 - ii) Mr. Praveen Ostwal
 - iii) Mr. Sourabh Gupta
- b) Enterprises over which Key Management Personnel exercise significant influence
- i) Krishana Phoschem Limited
 - ii) Ostwal Phoschem (India) Ltd.
- c) Transactions with the related parties

Particular	As at 31 st March 2016	As at 31 st March 2015
Directors remunerations	28.82	24.02
Purchases of goods	60.28	917.13
Sale of goods	488.97	58.50
Issue of Shares on premium	988.00	-
Loan and advances taken	-	554.75
Loan and advances repayment	-	492.25
Interest Paid	-	1.43

29. EMPLOYMENT BENEFIT PLANS

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

(a) Defined Benefit Plans:

(₹ in lacs)

Particular	As at 31 st March 2016	As at 31 st March 2015
i) Reconciliation of opening and closing balances of defined benefit obligation		
a) At the beginning of the year	17.25	14.20
b) Current Service Cost	3.10	3.52
c) Interest Cost	1.38	1.13
d) Actuarial (Gain) Loss	-0.78	-1.61

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Particular		As at 31 st March 2015	As at 31 st March 2014	
e)	Benefits paid	-0.30	0.00	
f)	Defined Benefits Obligation at year end	20.65	17.25	
ii)	Reconciliation of opening and closing balances of fair value of plan assets			
a)	At beginning of the year	21.22	19.10	
b)	Expected Return on plan assets	2.01	1.75	
c)	Actuarial Gain / (Loss)	0.00	0.00	
d)	Employer Contributions	2.00	0.36	
e)	Benefits paid	-0.30	0.00	
f)	Fair Value of the plan assets at the year end	24.93	21.22	
iii)	Reconciliation of fair value of obligation and Assets			
a)	Present value of obligation as at year end	20.65	17.26	
b)	Fair value of plan assets as at year end	24.93	21.22	
c)	Amount recognized in Balance Sheet (a-b)	4.28	3.97	
iv)	Expense recognized during the year:			
a)	Current Service Cost	3.10	3.52	
b)	Interest Cost	1.38	1.13	
c)	Expected return on plan assets	-2.01	-1.75	
d)	Actuarial (gain) / loss	-0.78	-1.61	
e)	Net Cost (a+b+c+d)	1.69	1.29	
v)	Investment Details of Plan Assets :			
Name of retirement benefit		Name of Trust	Policy No.	Investment with
Gratuity		Madhya Bharat Agro Products Limited., Employees Group Gratuity Trust	G.G. TRU 101000392	LIC of India
vi)	There are no amount included in the fair value of plan assets for			
a)	Company's own financial instruments.			
b)	Property occupied by or other assets used by the Company.			
vii)	Principal Actuarial Assumptions at the Balance Sheet date			
		31st March 2016	31st March 2015	
a)	Discount Rate	8% per annum	8% per annum	
b)	Expected Rate of return on plan assets	8% per annum	8% per annum	
c)	Future Salary Increase	8% per annum	8% per annum	
viii)	The overall expected rate of return on assets is assumed based on the market prices prevailing on that date over the accounting period. The Company is having approved gratuity trust and leave encashment policy, which is having insurer Managed Fund.			
ix)	Experience Adjustment:			
Gratuity		As at 31st March 2016	As at 31st March 2015	
Defined Benefits Obligation		20.65	17.25	
Plan assets		24.93	21.22	
Surplus/(deficit)		4.28	3.97	
Experience adjustment on plan Liabilities (loss)/ gain		-0.783	-1.61	
Experience adjustment on plan Assets (loss)/ gain		0.00	0.00	
(b) Defined Contribution Plans:				
Amount recognized as an expense and also included in the Note no. 21				
		31st March 2016	31st March 2015	
i)	Employers Contribution to Provident Fund	8.72	8.05	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

30. FOREIGN CURRENCY EXPOSURE

During the year 2015-16, there is no foreign currency exposure made by the company.

31. EARNING PER SHARE

<u>Particular</u>	As at 31 st March 2016	As at 31 st March 2015
Net profit available to equity shareholders (Rs in lacs)	920.69	390.18
Weighted average number of equity shares outstanding during the year (Nos.)	19,965,205	18,106,735
Basic and Diluted Earnings (Rs per Share)	4.61	2.15

31. PAYMENT TO AUDITORS

<u>Particular</u>	As at 31 st March 2016	As at 31 st March 2015
To Statutory Auditor	0.60	0.60
To Cost Auditor	0.35	0.27
Total	0.95	0.87

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

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

QUANTITATIVE DETAIL OF RAW MATERIAL

S.No.	<u>Particular</u>	Zinc (MT)	Boron (MT)	Sulphur (MT)	Rock Phosphate (MT)		Sulphuric Acid (MT)	Bags (Nos)
					Unit I (other than interunit BRP)	Unit II		
1	Opening Stock	0.000	0.000	0.000	1539.902	16780.050	1,044.873	13,903
2	Purchased during the year	62.000	20.00	412.60	1000.000	54,525.160	17,944.250	1,090,710
3	Consumption during the year	38.594	7.500	20.331	2441.310	69,897.160	18,529.280	1,089,260
4	Sales during the year	0.000	0.000	0.000			-	-
5	Yield of finished product (MT) during the year	38.594	7.500	20.331	2441.310	69897.160	18,529.280	1,089,260
6	Closing Stock -							
	at Factory	23.406	12.500	392.269	98.592	1,408.050	459.843	15,353
7	Percent of yield	100%	100%	100%	100%	100%	100%	100%
8	Transfer BRP Consumed				26,628.655			

34. STATEMENT OF ADDITIONAL INFORMATION

a) Quantitative Detail of Finished Goods

S.No.	<u>Particular</u>	SSP (MT)
		Unit I
1	Opening Stock	2,573.982
2	Qty Manufactured during the year	53,754.162
3	Sales during the year	53,017.850
4	Closing Stock at the end of the year	3,310.294
5	Shortage/destroyed	

**MADHYA BHARAT AGRO PRODUCTS LIMITED**

OSTWAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

S.No.	Particular	BRP (MT)	SSP (MT)	SA (MT)
		Unit II	Unit II	Unit II
1	Opening Stock	1,070.010	0.000	0.000
2	Qty Manufactured during the year.	40808.31	459.449	60.690
3	Transfer to Unit-I during the year	27,441.236	0.000	0.000
4	Sales during the year	10,408.759	0.000	0.000
5	Closing Stock at the end of the year	1,102.565	459.449	60.690
6	Captive consumption at Banda SSP Unit	248.103	0.000	0.000
7	Shortage/Destroyed	2,677.657	0.000	0.000

b) Quantitative Detail of Finished Goods WIP

S.No.	Particular	Inter Unit BRP (MT)
		Unit I
1	Opening Stock	35.995
2	Received from Unit-II during the year	27,441.236
3	Consumed during the year	26,628.655
4	Closing Stock at the end of the year	848.576
5	Shortage/destroyed	-

35. a) Figures of Previous year have been regrouped, rearranged and/or reclassified wherever consider necessary to make these comparable with the current year.
b) Figures have been shown in Rs. Except otherwise stated.

Signatures to Notes 1 to 35

As per our report of even date

For M/s Ashok Kanther & Associates

Chartered Accountants

FRN 050014C

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

Sd/-
(Sourabh Gupta)
CFO & Director
DIN : 07177647

Sd/-
(Pallavi Sukhwal)
Company Secretary
ACS 43744

Sd/-
(Paras Mal Surana)
Director
DIN : 06367348

Sd/-
(Pankaj Ostwal)
Managing Director
DIN : 02586806

For and On Behalf of the Board of Directors

Place : Bhilwara (Raj.)

Dated : 18/04/2016



PROXY FORM

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

MADHYA BHARAT AGRO PRODUCTS LIMITED

CIN: U24121RJ1997PLC029126

Registered Office: 5-O-21, Basement, R.C. Vyas Colony, Bhilwara 311001, Rajasthan
www.mbapl.com, accounts@mbapl.com

19th Annual General Meeting - 28th September 2016

Name of the member (S) :
Registered Address :
E-mail ID :
Folio No./ Client ID :

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **19th Annual General Meeting** of the Company, to be held on the **Wednesday, 28th day of September, 2016 at 10.00 A.M.** at 5-O-21, Basement, R. C. Vyas Colony, Bhilwara Rajasthan 311001 and any adjournment thereof in respect of such as are indicated below:

Resolution No.	Particulars of Resolution	Vote Option*		
		For	Against	Abstain
	Ordinary Business			
1	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the financial year ended on 31 st March, 2016.			
2	Appoint a director in place of Sh.Preveen Ostwal, who retires by rotation and being eligible, seeks re-appointment.			
3	Appointment of Sh. Ashok Kanther as Statutory Auditor of the Company			
	Special Business			
4	Appoint Smt. Aruna Kothari as a Non-Executive Women Independent Director of the Company			
5.	Appointment of Sh. K.C. Moondra as Cost Auditor of the Company			

Signed thisday of2016

Signature of the member

Signature of Proxy holder(s)

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

Note: 1. This form, in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. *It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitle to vote in the manner as he/she may deem appropriate.

ATTENDANCE SLIP

MADHYA BHARAT AGRO PRODUCTS LIMITED

CIN: U24121RJ1997PLC029126

Registered Office: 5-O-21, Basement, R.C. Vyas Colony, Bhilwara 311001, Rajasthan
www.mbapl.com, accounts@mbapl.com

19th Annual General Meeting - 28th September 2016

Registered Folio No.

Number of Shares Held

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

I hereby record my presence at the 19th Annual General Meeting of the Company at the registered office 5-O-21, Basement, R.C. Vyas Colony, Bhilwara 311001 Rajasthan on **Wednesday, 28th September, 2016 at 10.00 A.M.**

Name of the Member/Proxy

Signature of the Member/Proxy

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



OSTWAL

Group of Industries

We Deals in :
Fertilizers & Bio-Fertilizer
Mineral Beneficiation
Pesticides & Seeds
Import & Export
Real Estate
Textiles