

**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

(Additional Director w.e.f. 1st May, 2015)

**Company Secretary**

Miss. Payal Soni

**Statutory Auditors**

M/s Ashok Kanther &amp; 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

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For Madhya Bharat Agro Product Ltd.

  
**Whole Time Director**



OSTWAL

## MADHYA BHARAT AGRO PRODUCTS LIMITED



### 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 as high as

15%. 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. 6223.17 Lacs in financial year 2014-2015. 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.

Regard's

Sd/-

(Pankaj Ostwal)

**Managing Director**

**(DIN : 02586806)**

For Madhya Bharat Agro Products Ltd.  
*Susmita Bhatnagar*  
Whole Time Director

## **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) & BRP processing is 99000 TPY. Further putting up an infrastructure project comprising of SSP, GSSP (licensed capacity is 180000 TPY) and sulphuric Acid (licensed capacity is 99000 TPY) & other allied products are underway at its Unit at Village - Sourai, Dist. Sagar, Madhya Pradesh.

The company is performing well in producing Beneficiated Rock Phosphate (BRP) and Single Super Phosphate (SSP) during the Financial Year 2014-15 and SSP, GSSP & Sulphuric Acid and other Allied Product projects is work in progress.

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

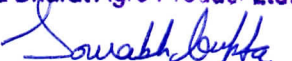
### **SSP (Single Super Phosphate)**

Single Super Phosphate is a fertilizer produced by treating 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.

**For Madhya Bharat Agro Product Ltd.**

  
**Whole Time Director**

**FINANCIAL HIGHLIGHTS**

(₹ In Lacs)

Particulars	2014-15	2013-14
Net Sales	6223.17	5880.35
Depreciation	350.73	185.17
Misc. Exp. W/off	11.38	13.48
Profit Before Tax	568.90	534.94
Profit After Tax	390.18	359.79
<b>Financial Position</b>		
Gross Fixed Assets	7493.95	7322.94
Net Fixed Assets	6529.88	6707.84
Non Current Investments	117.00	117.00
Other Non Current Assets	56.15	69.45
Current Assets	2665.68	1931.66
<b>Total Assets</b>	<b>9368.71</b>	<b>8825.95</b>
Equity Share Capital	1810.67	1810.67
Reserves & Surplus	5409.62	5112.05
Non Current Liabilities	634.44	621.37
Current Liabilities	1513.98	1281.85
<b>Total Sources</b>	<b>9368.71</b>	<b>8825.95</b>

<b>Profit Before Tax Margin (%)</b>	<b>9.14</b>	<b>9.10</b>
<b>Profit After Tax Margin (%)</b>	<b>6.27</b>	<b>6.12</b>

**PROFIT BEFORE TAX**

The Profit before tax for the FY 2014-15 was Rs. 568.90 Lacs i.e. 9.14% of Sales as against Rs. 534.94 lacs i.e. 9.10% of Net Sales in FY 2013-14.

**TAXATION**

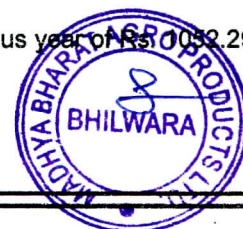
Your company's total tax liability for the year was Rs. 120.72 Lacs comprising of deferred tax liability of Rs. 58.00 Lacs.

**PROFIT AFTER TAX**

The profit after tax was Rs. 390.18 Lacs (6.27 % of Net Sales) in current year as compared to Rs. 359.79 lacs (6.12% of Net Sales) in the previous year.

**EARNING BEFORE INTEREST, TAX & DEPRECIATION**

Your company achieved EBITD of Rs. 1245.81 Lacs i.e. 20% of Net Sales. The EBITD of the previous year was Rs. 1052.29 Lacs i.e. 17.89 % of Net Sales.



### NOTICE

**NOTICE** is hereby given that the **18<sup>th</sup> Annual General Meeting** of the **Members of Madhya Bharat Agro Products Limited** will be held on **Thursday, 17<sup>th</sup> day of September, 2015 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 31<sup>st</sup> March 2015 and the Balance Sheet as at that date and the report of Auditors, thereon.
2. To appoint a Director in place of Sh. Paras Mal Surana (DIN 06367348), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Statutory Auditors to hold office from the conclusion of this Meeting, till the conclusion of the next Annual General Meeting of the Company and in this regard, to consider and, if thought fit to pass, with or without modification(s), the following resolution as an **Ordinary resolution**:

**"RESOLVED THAT** pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014, appointment of M/s Ashok Kanther & Associates (Firm Registration No.050014C), Chartered Accountants, be and is hereby ratified as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting, till the conclusion of the next Annual General Meeting of the Company, at such remuneration as shall be fixed by the board of Directors of the Company.

#### SPECIAL BUSINESS

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

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

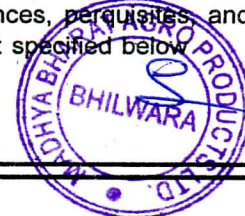
**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and all other applicable provisions of Companies Act, 2013 and read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and as approved by Board of Directors, approval of Members of the Company be and is hereby accorded to the re-appointment of Sh. Pankaj Ostwal as Managing Director of the Company for a period of 5 (Five) years commencing from 5<sup>th</sup> June 2015 and on the terms and conditions as set out in the Agreement to be entered into between the Company and Sh. Pankaj Ostwal, Managing Director, the draft whereof is placed before this meeting and for the purpose of identification, initialed by the Chairman hereof, which agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said agreement as may be agreed to between the Board and the Managing Director.

**"RESOLVED FURTHER THAT** pursuant to the provisions of section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, read with the Schedule V of the said Act, approval be and is hereby granted the remuneration of Shri Pankaj Ostwal, Managing Director of the Company, with effect from 5<sup>th</sup> June 2015, such remuneration comprising of salary by way of, basic salary dearness allowances, other allowances, perquisites, and commission as may be determined by the Board from time to time within the maximum limit specified below

1. Salary up to Rs. 25,00,000 lakhs per annum.
2. Commission up to 2% of total sales of the company (annual basis).



3. At the discretion of the Board, the payment may be made on a pro-rata basis every month or on an annual basis.

**"RESOLVED FURTHER THAT** total remuneration contemplated as above payable to Managing Director of the Company shall not exceed 5% of the profits of the Company, calculated in accordance with Section 197 of the Companies Act, 2013 and all other applicable provisions of Companies Act, 2013."

**"RESOLVED FURTHER THAT** notwithstanding anything contained herein above, where, during the term of employment of the Managing Director, if in any financial year, the Company has no profits or its profits are inadequate, unless otherwise approved by any Statutory Authority, as may be required, the remuneration payable to the Managing Director including Salary, perquisites and any other allowances shall be governed and be subject to the conditions and ceiling provided under the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 and all other applicable provisions of Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

**"RESOLVED FURTHER THAT** limits stipulated in this Resolution are the maximum limits and the Board may in its absolute discretion to pay a lower remuneration and revise the same from time to time within the maximum limits stipulated by the Resolution."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolutions."

The resolution was put to vote and on show of hands the same were declared as passed unanimously by the members.

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

**"RESOLVED THAT** pursuant to the provisions of Section 152, 161 and any other applicable provisions of the Companies Act, 2013 and any rules made there under read with Schedule IV to the Act, Sh. Sourabh Gupta, who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 1<sup>st</sup> May, 2015 and who holds office up to the date of this Annual General meeting and in respect of whom the Company has received a notice in writing from a member proposing the candidature of Sh. Sourabh Gupta for the office of the Director of the Company, be and is hereby elected and appointed as an Executive Director, whose period of office shall be liable to retirement of directors by rotation."

7. To approve and ratify the remuneration of the Cost Auditor(s) for the financial year ending 31<sup>st</sup> March 2016 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. 20000 plus applicable service tax and out of pocket expenses of M/s K.C.Moondra & Associates, Cost Auditor(s) to conduct the audit of the cost records of the company for the financial year ending 31<sup>st</sup> March, 2016.

#### 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 : 14/05/2015**

**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**

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

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

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

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

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

**Special position of Managing Director**

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

None of the Directors/Key Managerial Personnel of the Company/ their relatives are, in anyway, concerned or interested, financially or otherwise, in the special resolution set out at Item No. 4 of the Notice.

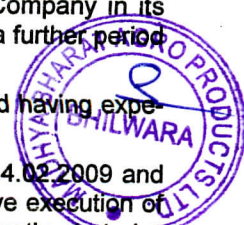
The Board commends the special resolution set out at Item No. 4 of the Notice for approval by the shareholders.

**Item No. 5**

Subject to necessary approval by the Members in the General Meeting, the Board of Directors of the Company in its Meeting held on 12<sup>th</sup> May 2015, re-appointed Sh. Pankaj Ostwal as Managing Director of the Company for a further period of five years with effect from 5<sup>th</sup> June 2015 to 4<sup>th</sup> June 2020.

Sh. Pankaj Ostwal is a qualified Chartered Accountant from Institute of Chartered Accountants of India, and having experience in Fertilizer Industries.

Sh. Pankaj Ostwal took over as Managing Director of Madhya Bharat Agro Products Limited in the year 24.02.2009 and since then has led the organization successfully with clear strategic vision, focus on customers and inclusive execution of customer centric value in the market. Under his leadership, Madhya Bharat Agro Products Limited is recently started a new GSSP Project. Sh. Pankaj Ostwal also possesses varied experience in the Commercial, Marketing and Project field.





## MADHYA BHARAT AGRO PRODUCTS LIMITED

The Board of Directors of the Company has subject to the provisions of Section 196,197, and all other applicable provisions if any, of the Companies Act, 2013 read with schedule V of the said Act, appointed Sh. Pankaj Ostwal as Managing Director for a period of five years with effect from 5<sup>th</sup> June 2015, on the remuneration terms and broad terms and conditions detailed hereunder.

Salary up to 25 Lacs per annum plus commission up to 2% of total sales of the company (annual basis). Total remuneration contemplated as above payable to Managing Director of the company shall not exceed 5% profit of the Company accordance with the section 197 of companies Act, 2013 all other applicable provisions of Companies Act, 2013.

In terms of Article 92 of the Articles of Association of the Companies Act, 2013, Sh. Pankaj Ostwal shall not be subject to retirement by rotation during his tenure as Managing Director.

During the term of employment of the Managing Director, if in any financial year, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V of the Companies Act, 2013 and all other applicable provisions of Companies Act, 2013 unless otherwise approved by any Statutory Authority; the remuneration shall be paid as per the conditions and monetary ceiling prescribed in Schedule V to the Companies Act, 2013 or any re-enactment thereof and all other applicable provisions of Companies Act, 2013.

A copy of the draft agreement referred to in the resolution is available for inspection by the members at the Registered Office of the Company on any working day excluding public holidays and Sundays, between 11.00 A.M. to 1.00 P.M. up to and including the date of General Meeting.

In compliance with the applicable provisions of the Companies Act, 2013, Ordinary Resolution as per the terms set out in Item No 5 of the accompanying Notice is being placed before the members in the General Meeting.

None of the Directors of the Company except Sh. Praveen Ostwal are, in any way, concerned or interested in the resolution.

The Directors recommend the resolution for approval of members.

### Item no. 6

The Board of Directors was appointed as an Additional Director from 1<sup>st</sup> May 2015 pursuant to Section 161 of the Companies Act, 2013. He holds office till conclusion of this Annual General Meeting. His term of office shall be liable to determination by retirement of directors by rotation.

Mr. Sourabh Gupta is a qualified Chartered Accountant. He specializes in Finance and has experience in various fields covering Business Advisory, Project Consultancies, Direct and Indirect Taxation and Company Law Matters etc.

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

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

### Item No. 7

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 31<sup>st</sup> March, 2016. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

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

The Board commends the Ordinary Resolution set out at Item no. 7 for the approval of Members.

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

Dated : 14/05/2015



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 2014-15

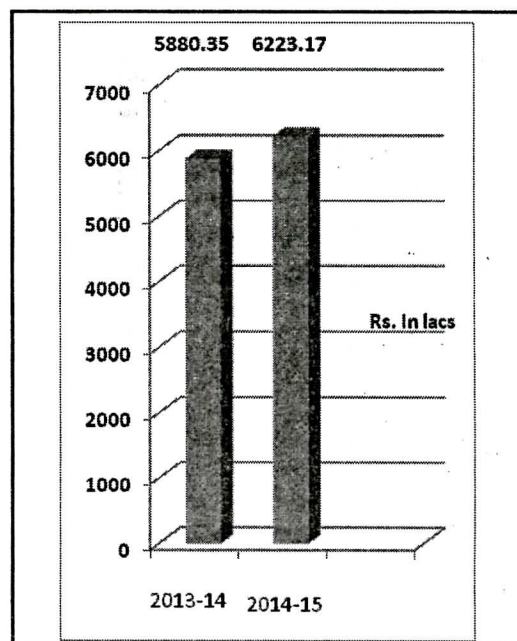
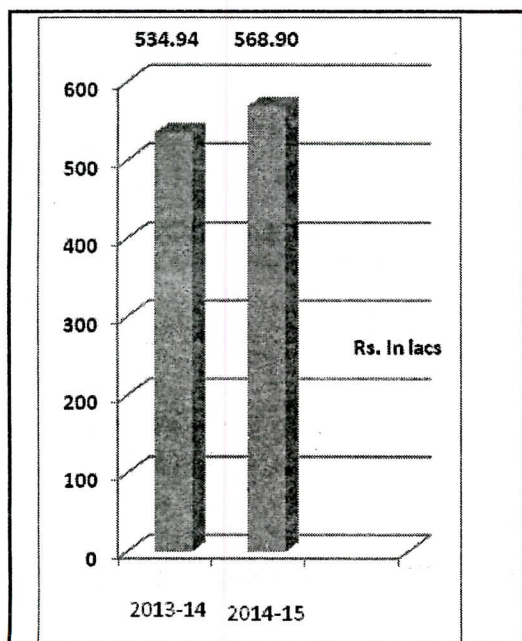
Dear Members,

Your Directors have pleasure in presenting the 18<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2015.

**FINANCIAL RESULTS**

( ₹ in Lacs)

Particulars	2014-15	2013-14
Turnover	6223.17	5880.35
Profit Before Taxation	568.90	534.94
Taxation/Deferred Tax	178.72	175.15
Profit /(Loss) after Tax	390.18	359.79
Add: Balance brought forward from Previous year	1498.15	1138.36
Profit transferred to Balance Sheet	1862.70	1498.15



**OPERATING PERFORMANCE**

During the year under review, your Company could perform well irrespective of recession period all over the world. Company achieved almost its targets. Your Company has achieved turnover of Rs 6223.17 lacs The net profit after tax for the current year stands at Rs. 390.18 lacs as against Rs. 359.79 lacs in previous year.

**FUTURE PROSPECTS**

**EXISTING BUSINESS**

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

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



**EXPANSION- INFRASTRUCTURE PROJECT**

After successful completion project, of Mineral Beneficiation as BRP of processing capacity of 99000 MT, your directors have further envisaged to set up a separate Integrated State of art wherein intends to set up fertilizer project (infrastructure project) as SSP having capacity of 180000. The Company has acquired necessary land for the said project and civil constructions, plant & machinery installations, financial tie ups are going on.

**AUDITOR'S AND AUDITOR'S REPORT**

M/s Ashok Kanther & Associates, Chartered Accountants, Bhilwara, Statutory Auditors of the Company has been appointed as the Auditors of the company for the period of 3 consecutive years at last Annual General Meeting held on 17.09.2014.

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

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

**COST AUDITOR & AUDITORS' REPORT**

M/s K.C. Moondra & Associates, Cost Accountant, was appointed Cost Auditors of Company for FY 15-16.

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

**DIRECTORS**

In accordance with provisions of Companies Act, 2013 and Company's Articles of Association, Sh. Paras Mal Surana (DIN: 06367348), Director of the Company, retire by rotation and being eligible, offers himself for re-appointment. The Board recommends their re-appointment.

The Board at its Meeting held on 12<sup>th</sup> May 2015 had approved, subject to the approval of shareholders, the re-appointment of Mr. Pankaj Ostwal as the Managing Director of the Company with effect from 5<sup>th</sup> June 2015 on the same terms and conditions of remuneration as were paid to him earlier.

Mr. Sourabh Gupta was appointed as an Additional Director with effect from 1<sup>st</sup> May, 2015, in accordance Section 161 of the Companies Act, 2013. Mr. Sourabh Gupta holds office only upto the date of the forthcoming AGM and a Notice under Section 160(1) of the Act has been received from a Member signifying its intention to propose Mr. Sourabh Gupta appointment as a Director. The Board also appointed Mr. Sourabh Gupta as Executive Director effective the same date. His appointment and remuneration require the approval of the Members at the ensuing AGM.

**NO DEFAULT**

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

**DIVIDEND**

Looking to the working capital needs and expansion project of business in view of future capex plans the Directors decided to retain the profit and hence do not propose any dividend and carried forward the net profit to next year.

**RESERVES**

The Board of Director of Company proposes to carry the Reserves & Surplus of Rs. 5409.62 lacs.

**DEPOSITS**

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

**PARTICULARS OF EMPLOYEES**

During the year under review, no employees of the Company was in respect of remuneration in excess of the limits prescribed under 197 of the Companies Act, 2013 read with the Companies (Particulars of Employees) Rules, 2011, as amended.

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

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



**HEALTH AND SAFETY**

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

**INTERNAL CONTROL SYSTEM**

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

**ANNUAL RETURN**

The information required under section 92(3) of the Companies Act, 2013 read with the Companies (Management & Administration Rule), 2014 is given in Annexure forming part of this report.

**DISCLOSURE UNDER SECTION 149**

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

**LOAN AND GUARANTEE UNDER SECTION 186**

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

**RELATED PARTY TRANSACTION 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.

**MEETINGS OF BOARD OF DIRECTORS**

The Board of Directors duly met 9 (Nine) times 25.04.2014, 19.05.2014, 25.06.2014, 16.07.2014, 19.08.2014, 29.09.2014, 13.11.2014, 23.12.2014 and 24.03.2015 in F. Y. 2014-15 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.

**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.

**DISCLOSURE UNDER SECTION 177**

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

**DISCLOSURE UNDER SECTION 178**

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

**HOLDING - SUBSIDIARY RELATIONSHIP**

Board of directors is pleased to inform that your company has become associate of Ostwal Phoschem India Ltd. being the flagship company of Ostwal group of industries. 32.75% shares holding of Ostwal Phoschem India Ltd. hence in terms of section 2(6) of the Companies Act, 2013, we are associate subsidiary of Ostwal Phoschem India Ltd.

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

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

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





## MADHYA BHARAT AGRO PRODUCTS LIMITED

OSTWAL

No. of complaints received: Nil

No. of complaints disposed off: Nil

### RISK MANAGEMENT

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

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

### DIRECTORS RESPONSIBILITY STATEMENT

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 31<sup>st</sup> March, 2015, 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 31<sup>st</sup> March, 2015 on a going concern basis.

### NEW SET OF ARTICLES OF ASSOCIATION

In view of drastic changes with repeal of erstwhile Companies Act, 1956 and applicability of Companies Act, 2013 and provisions thereof, the Board of Director have decided to amend the Articles in conjunction with the new provisions and new set of Articles are to be adopted.

### ACKNOWLEDGEMENT

We wish to take on record the co-operation received from the M.P. State Mining Corporation Ltd., Rajasthan State Mines & Minerals Ltd., Shriram Fertilizers & Chemicals, 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.

On Behalf of the Board of Directors

Place : Bhilwara (Raj.)

Date : 14/05/2015

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

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



**ANNEXURE TO THE DIRECTORS' REPORT**

Information pursuant to section 134 (c) (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 31<sup>st</sup> March 2015.

**CONSERVATION OF ENERGY:**

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

		2014-15	2013-14
<b>1</b>	<b>Electricity:</b>		
(a)	Purchase of Units	1724046	2889547
	Amount in Lacs.	146.15	208.59
	Rate / unit Rs.	8.48	7.22
(b)	Own Generation		
	Through Diesel		
	Units generated	289972	44036
	Units per liter of oil	4.84	2.54
	Cost/unit (Rs.)	11.58	22.82
<b>Energy Consumption per unit of production (Unit/MT)</b>			
1.	Single Super Phosphate	17.89	14.95
2.	Beneficiated Rock Phosphate	45.74	64.76

**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 2014-15.

**COMMITTEES OF BOARD:**

**AUDIT COMMITTEE:**

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. During the year the Committee had 4 Meetings i.e. on 30<sup>th</sup> April, 2014, 07<sup>th</sup> July, 2014, 10<sup>th</sup> October, 2014 and 09<sup>th</sup> February, 2015.

**REMUNERATION COMMITTEE:**

The following Directors are the members of Remuneration Committee.

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

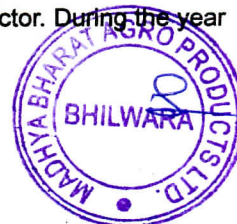
The Committee will meet as and when any remuneration is to be fixed for any Director /Managing Director. During the year the Committee had 2 Meetings i.e. on 05<sup>th</sup> November, 2014 and 15<sup>th</sup> December, 2014.

**SHAREHOLDERS 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 02<sup>th</sup> June, 2014, 20<sup>th</sup> September, 2014, 20<sup>th</sup> December, 2014 and 30<sup>th</sup> March, 2015.





## MADHYA BHARAT AGRO PRODUCTS LIMITED

### FORM NO. MGT-9

As on the financial year ended on 31.03.2015

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

#### REGISTRATION AND OTHER DETAILS

i)	CIN	U24121RJ1997PLC029126
ii)	Registration Date	22-10-97
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	ROC Jaipur

#### PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Beneficiated Rock Phosphate	20121	14.07
2	Single Super Phosphate	20121	64.57
3	Trading Goods	-	21.36

#### 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	32.75	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	
<b>A. Promoters</b>									
<b>1. Indian</b>									
Individual/ HUF	0	2291290	2291290	12.65	0	2291290	2291290	12.65	-
Central Govt									
State Govt (s)									
Bodies Corp.	0	6014550	6014550	33.22	0	9141320	9141320	50.49	17.27
Banks / FI									
Any Other									
<b>Sub-total (A) (1):-</b>	<b>0</b>	<b>8305840</b>	<b>8305840</b>	<b>45.87</b>	<b>0</b>	<b>11432610</b>	<b>11432610</b>	<b>63.14</b>	<b>17.27</b>
<b>2. Foreign</b>									
NRIs -Individuals									
Other Individuals									



# MADHYA BHARAT AGRO PRODUCTS LIMITED



Bodies Corp.									
Banks / FI									
Any Other									
<b>Sub-total (A) (2):-</b>	0	0	0	0	0	0	0	0	0
<b>Total shareholding of Promoter (A) = (A)(1)+ (A) ( 2)</b>	0	8305840	8305840	45.87	0	11432610	11432610	63.14	17.27
<b>B. Public Shareholding</b>									
<b>1 Institutions</b>									
Mutual Funds									
Banks / FI									
Central Govt									
State Govt (s)									
Venture Capital Funds									
Insurance Companies									
FIs									
Foreign Venture Capital Funds									
Others (specify)									
<b>Sub-total (B)(1):-</b>									
<b>2 Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
Indian	0	8270895	8270895	45.68		5144125	5144125	28.41	-17.27
Overseas									
<b>b) Individuals</b>									
Individual shareholders holding nominal share capital upto Rs. 1 lakh									
Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	1530000	1530000	8.45		1530000	1530000	8.45	-
Others (specify)									
<b>Sub-total (B)(2):-</b>	0	9800895	9800895	54.13		6674125	6674125	36.86	-17.27
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>									
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>		18106735	18106735	100		18106735	18106735	100	-

## Shareholding of Promoters

S No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbe red to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbe red to total shares	
1	Pankaj Ostwal	1220130	6.74	-	1220130	6.74	-	-
2	Praveen Ostwal	332700	1.84	-	332700	1.84	-	-
3	Smt. Ekta Jain	661840	3.66	-	661840	3.66	-	-



**MADHYA BHARAT AGRO PRODUCTS LIMITED****OSTWAL**

4	Pankaj Ostwal (HUF)	57120	0.32	-	57120	0.32	-	-
5	Shri Mahendra Kumar Ostwal	8500	0.05	-	8500	0.05	-	-
6	Smt. 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	12.76	-	-
9	Ostwal Phoschem (India) Private Limited	2803750	15.48	-	5930520	32.75	-	-
10	Nirmala Realinfrastructure Private Limited	900000	4.97	-	900000	4.97	-	-

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

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	8305840	45.87	8305840	45.87
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer /bonus/sweat equity etc):				
	Share Transfer (24.03.2015)	3126770		11432610	
	At the End of the year	11432610	63.14	11432610	63.14

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

S. No.	For Each of the Top 10 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	<b>Chunri Prints Pvt Ltd</b>				
	At the beginning of the year	1207625	6.67	1207625	6.67
	Date wise Increase / (Decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus / sweat equity etc):				
	At the End of the year ( or on the date of separation, if separated during the year)	1207625	6.67	1207625	6.67
2	<b>Paneri Textiles Pvt Ltd.</b>				
	At the beginning of the year	1090500	6.02	1090500	6.02
	Date wise Increase / (Decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus / sweat equity etc):				





S. No.	For Each of the Top 10 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
	At the End of the year ( or on the date of separation, if separated during the year)	1090500	6.02	1090500	6.02
<b>3</b>	<b>Smt Shashi Jain &amp; Smt. Amita Mehta (Partner Radhay Traders)</b>				
	At the beginning of the year	1030000	5.69	1030000	5.69
	Date wise Increase / (Decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus / sweat equity etc):				
	At the End of the year ( or on the date of separation, if separated during the year)	1030000	5.69	1030000	5.69
<b>4</b>	<b>Suswani Textiles Pvt Ltd</b>				
	At the beginning of the year	1000000	5.52	1000000	5.52
	Date wise Increase / (Decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus / sweat equity etc):				
	At the End of the year ( or on the date of separation, if separated during the year)	1000000	5.52	1000000	5.52
<b>5</b>	<b>Vesta Tex Pvt Ltd.</b>				
	At the beginning of the year	1000000	5.52	1000000	5.52
	Date wise Increase / (Decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus / sweat equity etc):				
	At the End of the year ( or on the date of separation, if separated during the year)	1000000	5.52	1000000	5.52
<b>6</b>	<b>Visualize Tradecom Pvt Ltd.</b>				
	At the beginning of the year	846000	4.67	846000	4.67
	Date wise Increase / (Decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus / sweat equity etc):				
	At the End of the year ( or on the date of separation, if separated during the year)	846000	4.67	846000	4.67
<b>7</b>	<b>Smt Shashi Jain &amp; Shri Dharmesh Mehta (Partner Krishna Enterprise)</b>				
	At the beginning of the year	500000	2.76	500000	2.76
	Date wise Increase / (Decrease) in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer /bonus / sweat equity etc):				
	At the End of the year ( or on the date of separation, if separated during the year)	500000	2.76	500000	2.76



**Shareholding of Directors and Key Managerial Personnel:**

S. No.	For Each of the Directors and KMP	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
<b>1</b>	<b>Shri Praveen Ostwal</b>				
	At the beginning of the year	332700	1.84	332700	1.84
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/sweat equity etc):	0	0	0	0
	At the End of the year	332700	1.84	332700	1.84
<b>2</b>	<b>Shri Pankaj Ostwal</b>				
	At the beginning of the year	1220130	6.74	1220130	6.74
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer/ bonus/sweat equity etc):	0	0	0	0
	At the End of the year	1220130	6.74	1220130	6.74

**INDEBTEDNESS**

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

(in ₹)

Particulars Of Indebtedness	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	96679282	0	0	96679282
ii) Interest due but not paid	539433	0	0	539433
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>97218715</b>	<b>0</b>	<b>0</b>	<b>97218715</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	0	7266174	0	7266174
Reduction	-13398156	0	0	-13398156
<b>Net Change</b>	<b>-13398156</b>	<b>7266174</b>	<b>0</b>	<b>-6131982</b>
<b>Indebtedness at the end of the financial year</b>				
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
<b>Total (i+ii+iii)</b>	<b>83820559</b>	<b>7266174</b>	<b>0</b>	<b>91086733</b>

**REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Sh. Pankaj Ostwal	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	402496	2402496
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Sh. Pankaj Ostwal	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (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

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount	
		CEO	Company Secretary			CFO
			Sanjay Maheshwari	Payal Soni		Sourabh Gupta
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	67603	34315	432467	534385
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0	0
2	Stock Option	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0
4	Commission	0	0	0	0	0
	- as % of profit					
	- others, specify					
5	Others, please specify	0	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>67603</b>	<b>34315</b>	<b>432467</b>	<b>534385</b>

**PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act, 2013 against the Company or its Directors or other officers in default, if any, during the year.





OSTWAL

## MADHYA BHARAT AGRO PRODUCTS LIMITED

To,  
The Board of Directors,  
Madhya Bharat Agro Products Limited  
5-O-21, Basement, R.C. Vyas Colony  
Bhilwara Rajasthan 311001

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

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

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

Thanking You

Yours Faithfully

Sd/-  
(Arvind Kothari)  
Director  
(DIN:03268623)

Place: Bhilwara  
Date: 14/05/2015



To,  
The Board of Directors,  
Madhya Bharat Agro Products Limited  
5-O-21, Basement, R.C. Vyas Colony  
Bhilwara Rajasthan 311001

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

I, Sushil Kumar Surana, hereby certify that I am a Non-executive Director of Madhya Bharat Agro Products Limited and comply with all the criteria of independent director envisaged in applicable provisions of Companies Act, 2013 as & when it may be notified. I hereby certify that:

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

Thanking You

Yours Faithfully

Sd/-  
(Sushil Kumar Surana)  
**Director**  
(DIN:01918651)

Place, Bhilwara  
Date: 14/05/2015



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

S.No.	Particulars	Remarks
1.	Nature of transaction (whether loan/ guarantee/ security/acquisition )	Guarantee
2.	Date of making loan/ acquisition/giving guarantee/providing security	22.10.2014
3.	Name and address of the person or body corporate to whom it is made or given or whose securities have been acquired (Listed/Unlisted entities)	Seasons International Private Limited. 5-O-20, First Floor, R.C. Vyas Colony, Bhilwara
4.	Amount of loan/ security/ acquisition /guarantee	Rs. 2035 Lacs
5.	Time period for which it is made/ given	For One year
6.	Purpose of loan/acquisition /guarantee/ security	In respect of credit facility
7.	% of loan/ acquisition/ exposure on guarantee/ security provided to the paid up capital, free reserves and securities premium account and % of free reserves and securities premium	28.18% of paid up capital, free reserves and securities premium account & 37.62% of free reserves and securities premium
8.	Date of passing Board resolution	29.09.2014
9.	Date of passing special resolution, if required	-
10.	For loans	
	Rate of interest	-
	Date of maturity	-

Place : Bhilwara (Raj.)  
Date : 14.05.2015

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



### 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;





# MADHYA BHARAT AGRO PRODUCTS LIMITED

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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 there under.

### 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)
2013-2014	534.94
2012-2013	532.03
2011-2012	531.07
Total	1598.04
Avg. Profit	532.68

CSR Expenditure - CSR Expenditure for financial year 2014-15 of Company is Rs. 10.65 Lacs i.e. 2% of Rs. 532.68 lacs.

Details of CSR Spent during the financial year

- (a) Total amount to be spent for the financial year
- (b) Amount unspent , if any
- (c) Manner in which the amount spent during the financial year is detailed below.

	(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 outla (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.	Education & Social Welfare	JITO		11.00	Direct	11.00	Through Agency
2.	Education & Social Welfare	TPF		1.00	Direct	1.00	Through Agency
<b>Total</b>				<b>12.00</b>		<b>12.00</b>	

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 **31<sup>st</sup> March, 2015** 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 31<sup>st</sup> March 2015.
- b) In the case of the statement of Profit and Loss, of the profit for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

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

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

Place : Bhilwara (Raj.)

Date : 14/05/2015

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



**ANNEXURE TO THE AUDITORS' REPORT**

**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 31<sup>st</sup> March, 2015.**

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.
- (ii) (a) As per the information and explanation given to us, the inventories have been physically verified during the year by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanation given to us, the Company is maintaining proper records of its inventories and no material discrepancy were noticed on physical verification of inventory by the management as compared to book records.
- (iii) As per the information and explanation given to us and on the basis of our examination of the books of account, the company has not granted secured or unsecured loans to company, firm or any parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus clause iii (a) & iii (b) are not applicable.
- (iv) In our opinion and according to the information and explanation given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, with regard to purchase of inventory & fixed assets and for sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
- (v) In our opinion and as per the information and explanations given to us and on the basis of our examination of the books of account, the company has not accepted any deposits covered under section 73 of the Companies Act, 2013.
- (vi) As per information and 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 explanation 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, Custom Duty, Excise Duty, value added tax, cess and other statutory dues with appropriate authorities wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding, as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they became due.
- (b) According to the information and explanations given to us and the records of the company examined by us except as detail given below, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty and value added tax or cess, which have not been deposited on account of any disputes.

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

- (c) According to the information & explanation given to us, no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.



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## MADHYA BHARAT AGRO PRODUCTS LIMITED

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- (viii) The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) Based on our audit procedures and the information and explanation given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institutions or banks. There are no debenture holders of the company.
- (x) According to the information and explanations given to us, the Company has given guarantee to HDFC Bank Ltd. of Rs. 20.35 crore against credit facility to our group company, Seasons International Pvt. Ltd.
- (xi) Based on our audit procedures and on the information given by the management, we report that the term loan raised by the company was applied for the purpose for which the loan were obtained.
- (xii) Based on our audit procedures performed and on the information and explanations given to us, we have neither come across any instances of fraud on or by the company noticed or reported during the year, nor we have been informed for such case by the management.

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

Place : Bhilwara (Raj.)  
Date : 14/05/2015

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



# MADHYA BHARAT AGRO PRODUCTS LIMITED



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

(₹ in lacs)

	Particulars	Note No.	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	2	1810.67	1810.67
	(b) Reserves and surplus	3	5409.62	5112.05
<b>3</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	4	307.68	352.61
	(b) Deferred tax liabilities (Net)	5	326.76	268.76
<b>4</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings	6	478.74	535.16
	(b) Trade payables	7	705.29	230.38
	(c) Other current liabilities	8	162.15	357.13
	(d) Short-term provisions	9	167.80	159.19
	<b>TOTAL</b>		<b>9368.71</b>	<b>8825.95</b>
<b>II.</b>	<b>ASSETS</b>			
	<b>Non-current assets</b>			
<b>1</b>	<b>(a) Fixed assets</b>			
	(i) Tangible assets	10	5888.44	6265.98
	(ii) Intangible assets		0.00	0.00
	(iii) Capital work-in-progress		641.44	441.86
	(iv) Intangible assets under development		0.00	0.00
	(b) Non-current investments	11	117.00	117.00
	(c) Deferred tax Assets (Net)		0.00	0.00
	(d) Long-term loans and advances	12	46.78	48.70
	(e) Other non-current assets	13	9.37	20.75
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	14	886.31	1210.05
	(b) Trade receivables	15	569.33	92.38
	(c) Cash and cash equivalents	16	54.93	106.96
	(d) Short-term loans and advances	17	1155.11	522.27
	(e) Other Current Assets	18	0.00	0.00
	<b>TOTAL</b>		<b>9368.71</b>	<b>8825.95</b>

Summary of significant accounting policies

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

As per our report of even date

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

**On Behalf of the Board of Directors**



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

Sd/-  
(Payal Soni)  
**Company Secretary**  
ACS - 37795

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

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

Place : Bhilwara (Raj.)  
Date : 14/05/2015

**MADHYA BHARAT AGRO PRODUCTS LIMITED**

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**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015** (₹ in lacs)

Particulars		Note No.	For the year ended 31 <sup>st</sup> March 2015	For the year ended 31 <sup>st</sup> March 2014
I.	Gross Sale of Products	19	6249.11	5909.17
	Excise Duty		25.94	28.82
	Net Sale of Products		6223.17	5880.35
II.	Other income	20	619.57	16.13
III.	<b>Total Revenue</b>	<b>(I + II)</b>	<b>6842.74</b>	<b>5896.48</b>
IV.	<b>Expenses:</b>			
	Cost of materials consumed	21	2679.34	3195.80
	Purchase of stock in Trade	21 A	1301.63	
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	22	395.21	366.31
	Employee benefits expense	23	113.30	138.85
	Finance costs	24	326.18	332.18
	Depreciation and amortization expense	25	362.11	198.65
	Other expenses	26	1096.07	1129.75
	<b>Total expenses</b>		<b>6273.84</b>	<b>5361.54</b>
V.	<b>Profit before exceptional and extraordinary items and tax</b>	<b>(III - IV)</b>	<b>568.90</b>	<b>534.94</b>
VI.	Exceptional items		0.00	0.00
VII.	<b>Profit before extraordinary items and tax</b>	<b>(V - VI)</b>	<b>568.90</b>	<b>534.94</b>
VIII.	Extraordinary Items		0.00	0.00
IX.	<b>Profit before tax</b>	<b>(VII- VIII)</b>	<b>568.90</b>	<b>534.94</b>
X.	Tax expense:			
	(1) Current tax		120.72	107.27
	(2) Deferred tax		58.00	67.88
	(3) Earliyer Year's Tax		0.00	0.00
	<b>Total Tax Expense</b>		<b>178.72</b>	<b>175.15</b>
XI.	<b>Profit (Loss) for the period from continuing operations</b>	<b>(IX-X)</b>	<b>390.18</b>	<b>359.79</b>
XII.	Profit/(loss) from discontinuing operations		0.00	0.00
XIII.	Tax expense of discontinuing operations		0.00	0.00
XIV.	<b>Profit/(loss) from Discontinuing operations (after -tax)</b>	<b>(XII-XIII)</b>	<b>0.00</b>	<b>0.00</b>
XV.	<b>Profit (Loss) for the period</b>	<b>(XI-XIV)</b>	<b>390.18</b>	<b>359.79</b>
	<b>Earning Per Share</b>	<b>30</b>	<b>2.15</b>	<b>3.25</b>

Summary of significant accounting policies

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

For M/s Ashok Kanther &amp; Associates

Chartered Accountants

FRN 050014C

Sd/-

(Ashok Kanther)

Proprietor

M.No. 043571

For and on Behalf of the Board of Directors



Sd/-

(Payal Soni)

Company Secretary

ACS - 37795

Sd/-

(Paras Mal Surana)

Director

DIN : 06367348

Sd/-

(Pankaj Ostwal)

Managing Director

DIN : 02586806

Place : Bhilwara (Raj.)

Date : 14/05/2015

**MADHYA BHARAT AGRO PRODUCTS LIMITED**



OSTWAL

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

(₹ in lacs)

Particulars	For the year ended 31 <sup>st</sup> March 2015	For the year ended 31 <sup>st</sup> March 2014
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before tax	568.90	535
<b>Adjustments for:</b>		
Depreciation and Amortisation	362.11	199
Interest Expenses	300.24	329
Interest Income	(3.34)	(5)
Loss on foreign Exchange Fluctuation	-	(3)
Loss / (Profit) on sale of Fixed Assets	4.24	4
Balance Write off	-	(7)
Provisions Write off	-	-
<b>Operating profit before working capital change</b>	<b>1,232.15</b>	<b>1,052</b>
<b>Adjustments for:</b>		
Increase/(Decrease) in Trade payable	474.91	(113)
Increase/(Decrease) in Other Current Liability	(194.98)	(630)
Increase/(Decrease) in Short Term Provisions	(4.84)	15
(Increase)/Decrease in Inventories	323.74	670
(Increase)/Decrease in Trade Receivable	(476.95)	155
(Increase)/Decrease in Short Term Loan and Advances	(632.84)	(216)
<b>Net changes in working capital</b>	<b>(510.96)</b>	<b>(120)</b>
<b>Cash Generated from/(used in) operations</b>	<b>721.19</b>	<b>931</b>
Direct Taxes paid	107.27	107
<b>Net cash from/(Used in) operating activities (A)</b>	<b>613.92</b>	<b>825</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(274.83)	(591)
Sale/Decrease of Fixed Assets	5.21	17
Increase & Decrease in Investment	-	6
Interest Received	3.34	5
(Increase)/Decrease in Long term Loan and Advances	1.92	469
<b>Net cash from investing activities (B)</b>	<b>(264.36)</b>	<b>(94)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of share capital	-	705
Proceeds from issuance of share capital Share Premium	-	987
Proceeds/(Repayment) of Long Term Borrowings	(44.93)	(2,201)
Proceeds/(Repayment) of short term borrowings	(56.42)	58
Interest paid	(300.24)	(329)
<b>Net cash from financing activities (C)</b>	<b>(401.59)</b>	<b>(780)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(52.03)</b>	<b>(49)</b>
Cash and cash equivalents as at (Opening Balance)	106.96	156
Cash and cash equivalents as at (Closing Balance)	54.93	107
<b>Net Cash Flow During The Year</b>	<b>(52.03)</b>	<b>(49)</b>

Summary of significant accounting policies

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

As per our report of even date

For M/s Ashok Kanther & Associates

Chartered Accountants

FRN 050014C

For and On Behalf of the Board of Directors

Sd/-

(Ashok Kanther)

Proprietor

M.No. 043571

Place : Bhilwara (Raj.)

Dated : 14/05/2015

Sd/-

(Payal Soni)

Company Secretary

ACS - 37795

Sd/-

(Paras Mal Surana)

Director

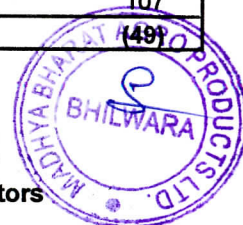
DIN : 06367348

Sd/-

(Pankaj Ostwal)

Managing Director

DIN : 02586806





## MADHYA BHARAT AGRO PRODUCTS LIMITED

OSTWAL

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

#### 1. ACCOUNTING POLICIES

##### BASIS OF ACCOUNTING:

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

##### FIXED ASSETS:

The Fixed Assets are stated at revalued (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:

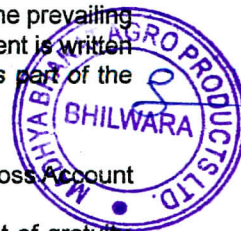
Contributions to employee benefits plan in the form of Provident Fund and Gratuity are charged to the profit & Loss Account of the year when the contributions are due, as per the provisions of the respective statutes.

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.

Deferred tax expenses or benefits are recognized for timing differences being the difference between taxable incomes and





**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

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 31<sup>st</sup> March 2015, except FDR pledge with central excise department.

Corporate Guarantee of Rs.2035 Lacs given to HDFC Bank Ltd. For granting loan to group company.

**2. SHARE CAPITAL**

(₹ in lacs)

Particular	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	Number	Amount	Number	Amount
<b>Authorised</b>				
Equity Shares of Rs.10/- each	22,000,000	2200.00	22,000,000	2200.00
<b>Issued</b>				
Equity Shares of Rs. 10/- each	18,106,735	1810.67	18,106,735	1810.67
<b>Subscribed &amp; Paid up</b>				
Equity Shares of Rs 10/- each fully paid	18,106,735	1810.67	18,106,735	1810.67
<b>Subscribed but not fully Paid up</b>				
Equity Shares of Rs 10/- each not fully paid up	-	-	-	-
<b>Total</b>	<b>18,106,735</b>	<b>1810.67</b>	<b>18,106,735</b>	<b>1810.67</b>

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	-	-
Shares bought back during the period	-	-
Shares outstanding at the end of the period	18,106,735	1810.67

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

Name of Shareholder	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sh. Pankaj Ostwal	1220130	6.74%	1220130	6.74%
Smt. Shashi Jain and Smt. Amita Mehta (Partners Radhay Traders)	1030000	5.69%	1030000	5.69%
Paneri Textiles Pvt. Ltd.	1090500	6.02%	1090500	6.02%
Seasons Agrochem India Pvt. Ltd.	2310800	12.76%	2310800	12.76%
Ostwal Phoschem (India) Limited.	5930520	32.75%	2803750	15.48%
Chunri Prints Pvt. Ltd.	1207625	6.67%	1207625	6.67%
Vesta Tex Pvt. Ltd.	1000000	5.52%	1000000	5.52%
Suswani Textiles Pvt. Ltd.	1000000	5.52%	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) 2983460 equity shares of Rs. 10/- each fully paid up were allotted and issued as bonus shares by capitalisation of reserves in 2009-2010.





## MADHYA BHARAT AGRO PRODUCTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

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

Particular	Years				
	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
<b>Equity Shares:</b>					
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 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>i) Revaluation Reserves</b>		
Opening Balance	2,535.38	241.13
(+) Addition during the year	-	2,303.40
(-) revaluation Write off due to lapse of useful life transfer to General Reserve	57.80	-
(-) Depreciation on revaluation transfer to General Reserve	9.17	9.15
Closing Balance	<b>2,468.41</b>	<b>2,535.38</b>
<b>ii) Surplus\ General Reserve</b>		
Opening Balance	1,498.15	1,138.36
(+) Net Profit/(Net Loss) For the current year	390.18	359.79
(+) Transfer from Revaluation Reserves (Depriciation amount related to revaluation of Assets)	9.17	-
(+) Transfer from Revaluation Reserves (Revaluation portion of FA retirement)	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	<b>1,862.69</b>	<b>1,498.15</b>
<b>iii) Share premium</b>		
Opening Balance	1,078.52	91.71
(+) Current Year addition	-	986.81
(-) Bonus issue	-	-
Closing Balance	<b>1,078.52</b>	<b>1,078.52</b>
<b>Total</b>	<b>5,409.62</b>	<b>5,112.05</b>

### 4. LONG TERM BORROWING

(₹ in lacs)

Particular	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Secured</b>		
(a) Term Loan From HDFC Bank Ltd.	235.18	352.61
	<b>235.18</b>	<b>352.61</b>
<b>Unsecured</b>		
(a) From Directors	62.50	-
(b) From Other Companies	10.00	-
	<b>72.50</b>	-
<b>Total</b>	<b>307.68</b>	<b>352.61</b>



**MADHYA BHARAT AGRO PRODUCTS LIMITED**



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

**(a) Term Loan**

- i) **Nature of Security** – The term loans from are secured by way of 1<sup>st</sup> charge in the form of mortgage of assets of the company's immovable properties at unit II (present and future) at village Sorai, Tehsil Banda, Distt Sagar, (MP) owned by the company. Charge on the residual value of the assets including corporate guarantee of M/s Ostwal Phoschem (India) Limited, a group company.
- ii) **Terms of repayment** – The Term loans to be repaid in equated monthly installments of Rs.12.50 Lacs each. The last installment is in Dec. 2017. The rate of interest charged on the term loan by HDFC Bank @ 11% P.A.

(₹ in lacs)

Name of Banks	Date of maturity	No. of installments outstanding as on 31.03.2015	As at 31 <sup>st</sup> March 2015			As at 31 <sup>st</sup> March 2014		
			Total Outstanding	Current Maturities	Net Long Term Borrowings	Total Outstanding	Current Maturities	Net Long Term Borrowings
HDFC Bank Ltd.	7-Dec-17	33	352.61	117.43	235.18	-	-	-
Indian Overseas Bank	NA	NA	-	-	-	431.63	79.02	352.61
<b>Total</b>			<b>352.61</b>	<b>117.43</b>	<b>235.18</b>	<b>431.63</b>	<b>79.02</b>	<b>352.61</b>

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

**5. DEFERRED TAX LIABILITIES**

- i) The company has recognized a provision for deferred tax liability of Rs. 58 Lacs, P.Y. Rs. 67.88 Lac in the Profit and Loss A/c. The balance of Deferred Tax liability as on 31.03.15 is Rs. 326.76 Lac (previous year Rs. 268.76 Lac) 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 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Deferred tax liabilities</b>		
A. Deferred tax liabilities (depreciation on fixed assets)	326.76	333.17
B. Deferred tax assets ( disallowances u/s 43B)	-	-
Deferred Tax Liability (A-B)	326.76	333.17
Less Mat Credit	-	64.41
<b>Net Deferred Tax Liabilities</b>	<b>326.76</b>	<b>268.76</b>

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

**6. SHORT-TERM BORROWING**

(₹ in lacs)

Particular	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Secured</b>		
(a) Other loans and advances		
Working Capital Loan from HDFC Bank Ltd. repayable on demand	478.74	535.16
<b>Total</b>	<b>478.74</b>	<b>535.16</b>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

- i) **Nature of Security** – The advance shall be secured by 1<sup>st</sup> 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 11.00 % as on 31/03/2015.
- 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>	<b>As at 31<sup>st</sup> March 2015</b>	<b>As at 31<sup>st</sup> March 2014</b>
Trade Payables	705.29	230.38
<b>Total</b>	<b>705.29</b>	<b>230.38</b>

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

**8. OTHER CURRENT LIABILITIES**

(₹ in lacs)

<u>Particular</u>	<b>As at 31<sup>st</sup> March 2015</b>	<b>As at 31<sup>st</sup> March 2014</b>
a) Current Maturities of Long Term Debt ( Refer note no.4)	117.43	79.02
b) Others Payables	-	-
i) Statutory dues including Provident Fund and Tax deducted at source etc.	23.01	49.32
ii) Liability Towards Staff & Workers	20.94	28.69
iii) Advances from Customer	-	200.10
iv) Other Liabilities	0.77	-
<b>Total</b>	<b>162.15</b>	<b>357.13</b>

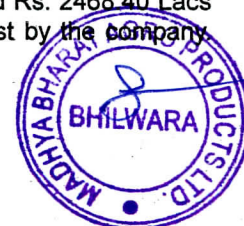
**9. SHORT-TERM PROVISIONS**

(₹ in lacs)

<u>Particular</u>	<b>As at 31<sup>st</sup> March 2015</b>	<b>As at 31<sup>st</sup> March 2014</b>
<b>Other (Specify nature)</b>		
a) Provision for income tax	120.72	107.27
b) Provision for expenses	47.08	51.92
<b>Total</b>	<b>167.80</b>	<b>159.19</b>

**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. 2581.32 Lacs) and Rs. 2468.40 Lacs (P.Y. Rs. 2535.37 Lacs) respectively on account of revaluation of fixed assets carried out in past by the company. Depreciation of Rs. 9.17 Lacs (P.Y. Rs. 9.15 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 31<sup>ST</sup> MARCH, 2015

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

FIXED ASSETS

PARTICULARS	GROSS BLOCK										DEPRECIATION						Net Block	
	Opening Balance	Useful life	Revalued during the year	Addition During the year	Deduction/ sold During the year	Total 31/3/2015	RETIREMENT OF ASSETS		BALANCE FA CLOSING VALUE 31/3/2015	Upto 01/4/2015	For the period On Original Value	On revaluation	On Addition	Total	With Dawn	Upto 31/3/2015	As At 31/3/2015	As At 31/3/2014
							Original Cost	Revalued Cost										
Land & Site Development	2563.89		0.00	0.00	-	2563.89	0.00	0.00	2563.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2563.89	2563.89
Factory Building	1610.46	30	0	0.00	-	1610.46	0.00	0.00	1610.46	139.21	46.99	5.81	0.00	52.80	0.00	192.01	1418.45	1471.25
Plant & Machinery	2087.24	15	0	74.33	-	2161.57	27.15	49.01	2086.41	378.89	240.11	3.20	5.36	248.67	0.00	627.56	1457.85	1708.35
Office Building	163.47	60	0	0.00	-	163.47	0.00	0.00	163.47	7.37	2.51	0.08	0.00	2.59	0.00	9.96	153.51	156.10
Plant Electricals	342.03	10	0	0.00	-	342.03	5.51	7.79	328.73	61.57	31.17	0.02	0.00	31.19	0.00	92.76	235.97	280.46
OE-Office Equipments	10.85	5	0	0.27	-	11.12	0.42	0.00	10.70	1.24	3.52	0.00	0.02	3.54	0.00	4.78	5.92	9.61
Tools & Spares	1.80	15	0	0.00	-	1.80	0.11	0.29	1.40	0.84	0.04	0.01	0.00	0.05	0.00	0.89	0.51	0.96
Furniture & Fixtures	29.83	10	0	0.00	-	29.83	0.00	0.00	29.83	4.83	3.13	0.00	0.00	3.13	0.00	7.96	21.87	25.00
Vehicles	49.20	10 & 8	0	0.00	11.22	37.98	0.00	0.00	37.98	12.43	4.99	0.00	0.00	4.99	1.77	15.65	22.33	36.77
Quality Control Laboratory	11.43	10	0	0.00	-	11.43	0.39	0.71	10.33	2.34	0.98	0.05	0.00	1.03	0.00	3.37	6.96	9.09
Computers	10.75	3	0	0.65	-	11.40	1.23	0.00	10.17	6.33	2.58	0.00	0.16	2.74	0.00	9.07	1.10	4.42
Gas Cylinder	0.14	15	0	0.00	-	0.14	0.00	0.00	0.14	0.06	0.00	0.00	0.00	0.00	0.00	0.06	0.08	0.08
<b>Total :</b>	<b>6881.09</b>		<b>0</b>	<b>75.25</b>	<b>11.22</b>	<b>6945.12</b>	<b>34.81</b>	<b>57.80</b>	<b>6852.51</b>	<b>615.11</b>	<b>336.02</b>	<b>9.17</b>	<b>5.54</b>	<b>350.73</b>	<b>1.77</b>	<b>964.07</b>	<b>5888.44</b>	<b>6255.98</b>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**
**11. NON-CURRENT INVESTMENTS**

(₹ in lacs)

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Fully paid up Equity Share of Krishana Phoschem Ltd.	117.00	117.00
<b>Total</b>	<b>117.00</b>	<b>117.00</b>

**12. LONG TERM LOANS AND ADVANCES**

(₹ in lacs)

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
a. Capital Advances Unsecured, considered good	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
b. Security Deposit Unsecured, considered good	46.78	48.70
<b>Total</b>	<b>46.78</b>	<b>48.70</b>
c. Other Loan & advances VAT Credit	0.00	0.0
<b>Total</b>	<b>0.00</b>	<b>0.0</b>
<b>Total</b>	<b>46.78</b>	<b>48.70</b>

**13. OTHER NON-CURRENT ASSETS**

(₹ in lacs)

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
a. Preliminary expenses	9.37	20.75
<b>Total</b>	<b>9.37</b>	<b>20.75</b>

**14. INVENTORIES**

(₹ in lacs)

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
a. Raw materials	498.18	416.15
b. Finished Goods	242.26	606.47
c. Finished Goods WIP	2.73	33.73
d. Stores & spares	115.56	125.68
e. Other Consumables	27.58	28.02
<b>Total</b>	<b>886.31</b>	<b>1,210.05</b>

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

**MADHYA BHARAT AGRO PRODUCTS LIMITED**



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

**15. TRADE RECEIVABLES**

(₹ in lacs)

<u>Particular</u>		As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Unsecured, considered good</b>			
a.	Trade receivables outstanding for a period less than six months from the date they are due for payment	549.31	84.72
b.	Trade receivables outstanding for a period exceeding six months from the date they are due for payment	20.02	7.66
	<b>Total</b>	<b>569.33</b>	<b>92.38</b>

**16. CASH AND CASH EQUIVALENTS**

(₹ in lacs)

<u>Particular</u>		As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
a)	Balance With Bank	10.02	56.89
b)	Cash on hand	22.79	24.04
c)	Fixed Deposit with Bank	22.12	26.03
	<b>Total</b>	<b>54.93</b>	<b>106.96</b>

**17. SHORT TERM LOANS AND ADVANCES**

(₹ in lacs)

<u>Particular</u>		As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
	Other loans & Advances (Unsecured considered good unless otherwise stated)		
i)	Advance Taxes	82.96	84.98
ii)	Prepaid expenses	5.55	3.95
iii)	Loans to employees	2.05	0.91
iv)	Advances to suppliers	204.42	33.52
v)	VAT Credit	859.50	398.55
vi)	Other loans & Advances	0.63	0.36
	<b>Total</b>	<b>1,155.11</b>	<b>522.27</b>

**18. OTHER CURRENT ASSETS**

(₹ in lacs)

<u>Particular</u>		As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
	Other Current Assets	0.00	0.00
	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**19. REVENUE**

(₹ in lacs)

<u>Particular</u>		As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
	Sale of products	6,249.11	5,909.17
	<b>Total</b>	<b>6,249.11</b>	<b>5,909.17</b>





OSTWAL

**MADHYA BHARAT AGRO PRODUCTS LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015****20. OTHER INCOMES**

(₹ in lacs)

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
a. Interest income	3.34	5.03
b. Other non-operating income	616.23	11.10
<b>Total</b>	<b>619.57</b>	<b>16.13</b>

**21. COST OF RAW MATERIAL CONSUMED**

(₹ in lacs)

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Opening Stock	444.16	747.84
Add: Purchases	2,760.94	2,892.12
Less: Closing Stock	525.76	444.16
<b>Total</b>	<b>2,679.34</b>	<b>3,195.80</b>

**21A. PURCHASE OF STOCK IN TRADE**

(₹ in lacs)

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Opening Stock	-	-
Add: Purchases	1,301.63	-
Less: Closing Stock	-	-
<b>Total</b>	<b>1,301.63</b>	<b>-</b>

**DETAILS OF RAW MATERIAL CONSUMED AND TRADED GOODS**

(₹ in lacs)

<u>Particular</u>	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	Qty. (MT)	Amount	Qty. (MT)	Amount
<b>A. Raw Material Consumed</b>				
a. Rock phosphate consumed	44257.820	1,269.87	60495.030	1,305.70
b. Beneficiated Rock Phosphate	7134.120	596.85	10352.308	827.31
c. Sulphuric acid consumed	14469.126	567.44	18952.224	648.14
d. HDPE bags consumed (Nos.)	877871	138.22	1075221	176.43
e. Others	-	106.96	-	238.22
<b>Total Raw Material Consumed</b>		<b>2,679.34</b>	-	<b>3,195.80</b>
<b>B. Total Trading goods purchased</b>		<b>1,301.63</b>	-	<b>-</b>

**22. CHANGES IN INVENTORY OF FINISHED GOODS**

(₹ in lacs)

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Stock at the beginning of the year (A)	606.47	881.24
Stock at the end of the year (B)	242.26	606.47
<b>(Increase)/Decrease in stocks (A-B)</b>	<b>364.21</b>	<b>274.77</b>
WIP Stock at the beginning of the year (A)	33.73	125.27





**MADHYA BHARAT AGRO PRODUCTS LIMITED**



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

(₹ in lacs)

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
WIP Stock at the end of the year (B)	2.73	33.73
(Increase)/Decrease in stocks (A-B)	31.00	91.54
<b>Total (Increase)/Decrease in stocks (A-B)</b>	<b>395.21</b>	<b>366.31</b>

**23. EMPLOYEE BENEFIT EXPENSES**

(₹ in lacs)

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
a. Salaries & Incentives	93.81	107.37
b. Contribution to Provident Fund & ESI	8.05	7.53
c. Gratuity Fund contribution	0.52	4.05
d. Staff welfare expenses	10.92	19.90
<b>Total</b>	<b>113.30</b>	<b>138.85</b>

**24. FINANCE COSTS**

(₹ in lacs)

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Interest Expenses	300.24	328.58
Other Bank Charges	25.94	3.60
<b>Total</b>	<b>326.18</b>	<b>332.18</b>

**25. DEPRECIATION AND AMORTIZATION EXPENSES**

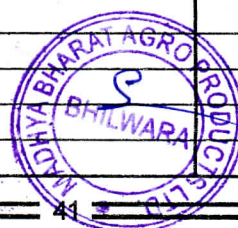
(₹ in lacs)

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Current year depreciation	350.73	194.32
less: Charged from Revaluation Reserve	-	9.15
<b>Total</b>	<b>350.73</b>	<b>185.17</b>
Preliminary Exp Write off	11.38	13.48
<b>Total</b>	<b>362.11</b>	<b>198.65</b>

**26. OTHER EXPENSES**

(₹ in lacs)

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>A. Manufacturing Expenses</b>		
Consumption of Stores & Spares parts	186.11	297.21
Power & Fuel	179.73	218.64
Repairs & Maintenance to Plant & Machinery	2.40	3.26
Other manufacturing expenses	120.63	182.00
<b>Total (A)</b>	<b>488.87</b>	<b>701.11</b>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

(₹ in lacs)

<u>Particular</u>		As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>B.</b>	<b>Administration Expenses</b>		
	Insurance	7.10	9.83
	Repairs to buildings	1.10	2.84
	Directors' Remuneration	24.02	24.02
	Auditors' Remuneration	0.87	0.77
	Miscellaneous Expenditure	89.91	76.61
	CSR	12.00	6.13
	<b>Total (B)</b>	<b>135.00</b>	<b>120.20</b>
<b>C.</b>	<b>Selling &amp; Distribution Expenses</b>		
	Freight & Transport	291.79	256.07
	Advertisement & Business promotion	12.92	2.44
	Others	167.49	49.93
	<b>Total (C)</b>	<b>472.20</b>	<b>308.44</b>
	<b>Total</b>	<b>1,096.07</b>	<b>1,129.75</b>

**27. RELATED PARTY TRANSACTIONS**

- a) Key Managerial persons & their relatives
- Mr. Pankaj Ostwal
  - Mr. Praveen Ostwal
  - Mr. Sourabh Gupta
  - Miss Payal Soni
  - Mr. Sanjay Maheshwari
- b) Enterprises over which Key Management Personnel exercise significant influence
- Krishana Phoschem Limited
  - Ostwal Phoschem (India) Ltd.
  - Seasons International Pvt. Ltd.
- c) Transactions with the related parties

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Directors remuneration	24.02	24.02
Purchases of goods	917.13	258.80
Sale of goods	58.50	3.58
Loan and advances taken	554.75	2,859.50
Loan and advances repayment	492.25	3,945.48
Interest Paid	1.43	72.90

**28. EMPLOYMENT BENEFIT PLANS**

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

**(a) Defined Benefit Plans:**

(₹ in lacs)

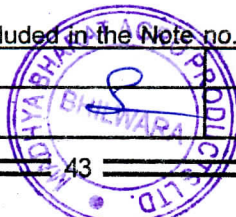
<u>Particular</u>		As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>i)</b>	<b>Reconciliation of opening and closing balances of defined benefit obligation</b>		
a)	At the beginning of the year	14.20	10.25
b)	Current Service Cost	3.52	3.15
c)	Interest Cost	1.13	0.82
d)	Actuarial (Gain) Loss	-1.61	0.20

# MADHYA BHARAT AGRO PRODUCTS LIMITED



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

Particular	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014	
e) Benefits paid	0.00	-0.21	
f) Defined Benefits Obligation at year end	17.25	14.21	
<b>ii) Reconciliation of opening and closing balances of fair value of plan assets</b>			
a) At beginning of the year	19.10	14.20	
b) Expected Return on plan assets	1.75	1.37	
c) Actuarial Gain / (Loss)	0.00	0.00	
d) Employer Contributions	0.36	3.74	
e) Benefits paid	0.00	-0.21	
f) Fair Value of the plan assets at the year end	21.22	19.10	
<b>iii) Reconciliation of fair value of obligation and Assets</b>			
a) Present value of obligation as at year end	17.26	14.20	
b) Fair value of plan assets as at year end	21.22	19.10	
c) Amount recognized in Balance Sheet (a-b)	3.97	4.90	
<b>iv) Expense recognized during the year:</b>			
a) Current Service Cost	3.52	3.15	
b) Interest Cost	1.13	0.82	
c) Expected return on plan assets	-1.75	-1.37	
d) Actuarial (gain) / loss	-1.61	0.20	
e) Net Cost (a+b+c+d)	1.29	2.80	
<b>v) Investment Details of Plan Assets :</b>			
<b>Name of retirement benefit</b>	<b>Name of Trust</b>	<b>Policy No.</b>	<b>Investment with</b>
Gratuity	Madhya Bharat Agro Products Limited., Employees Group Gratuity Trust	G.G. TRU 101000392	LIC of India
<b>vi) There are no amount included in the fair value of plan assets for</b>			
a) Company's own financial instruments.			
b) Property occupied by or other assets used by the Company.			
<b>vii) Principal Actuarial Assumptions at the Balance Sheet date</b>			
	<b>31<sup>st</sup> March 2015</b>	<b>31<sup>st</sup> March 2014</b>	
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	
<b>viii)</b>	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.		
<b>ix) Experience Adjustment:</b>			
<b>Gratuity</b>	<b>As at 31<sup>st</sup> March 2015</b>	<b>As at 31<sup>st</sup> March 2014</b>	
Defined Benefits Obligation	17.25	14.21	
Plan assets	21.22	19.10	
Surplus/(deficit)	3.97	4.90	
Experience adjustment on plan Liabilities (loss)/ gain	-1.61	0.20	
Experience adjustment on plan Assets (loss)/ gain	0.00	0.00	
<b>(b) Defined Contribution Plans:</b>			
Amount recognized as an expense and also included in the Note no. 21			
	<b>31<sup>st</sup> March 2015</b>	<b>31<sup>st</sup> March 2014</b>	
i) Employers Contribution to Provident Fund	-	-	



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

**29. FOREIGN CURRENCY EXPOSURE**

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

**30. EARNING PER SHARE**

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Net profit available to equity shareholders (Rs in lacs)	390.18	359.79
Weighted average number of equity shares outstanding during the year (Nos.)	18,106,735	11,077,401
Basic and Diluted Earnings (Rs per Share)	2.15	3.25

**31. PAYMENT TO AUDITORS**

<u>Particular</u>	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
To Statutory Auditor	0.60	0.60
To Cost Auditor	0.27	0.11
<b>Total</b>	<b>0.87</b>	<b>0.71</b>

**32. 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>	Rock Phosphate (MT)		Sulphuric Acid	Bags
		Unit I (other than interunit BRP)	Unit II	(MT)	(Nos)
1	Opening Stock	1269.102	5216.260	1,425.802	87,774
2	Purchased during the year	7404.920	55,821.610	14,088.197	804,000
3	Consumption during the year	7134.120	44,257.820	14,469.126	877,871
4	Sales during the year	-	-	-	-
5	Yield of finished product (MT) during the year	7134.120	44257.820	14,469.126	877,871.000
6	Closing Stock -				
	at Factory	1,539.902	16,780.050	1,044.873	13,903
7	Percent of yield	100%	100%	100%	100%

**33. STATEMENT OF ADDITIONAL INFORMATION**

**a) Quantitative Detail of Finished Goods**

S.No.	<u>Particular</u>	SSP (MT)
		Unit I
1	Opening Stock	9,251.075
2	Qty Manufactured during the year	41,931.307
3	Sales during the year	48,608.400
4	Closing Stock at the end of the year	2,573.982
5	Shortage/destroyed	-



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

S.No.	Particular	BRP (MT)
		Unit II
1	Opening Stock	495.205
2	Qty Manufactured during the year.	27630.3
3	Transfer to Unit-I during the year	15,333.233
4	Sales during the year	9,915.057
5	Closing Stock at the end of the year	1,070.010
6	Shortage/Destroyed	1,807.205

**b) Quantitative Detail of Finished Goods WIP**

S.No.	Particular	Inter Unit BRP (MT)
		Unit I
1	Opening Stock	481.554
2	Received from Unit-II during the year	15,333.233
3	Consumed during thr year	15,778.742
4	Closing Stock at the end of the year	35.995
5	Shortage/destroyed	0.050

34. 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 34

As per our report of even date

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

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

Sd/-  
(Payal Soni)  
Company Secretary  
ACS - 37795

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

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

Place : Bhilwara (Raj.)  
Dated : 14/05/2015





# MADHYA BHARAT AGRO PRODUCTS LIMITED

OSTWAL

## 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

18<sup>th</sup> Annual General Meeting - 17<sup>th</sup> September 2015

Name of the member (S) : .....

Registered Address : .....

E-mail ID : .....

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

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 18<sup>th</sup> Annual General Meeting of the Company, to be held on the Thursday, 17<sup>th</sup> day of September, 2015 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:

Resolu- tion No.	Particulars of Resolution	Vote Option*		
		For	Against	Abstain
	<b>Ordinary Business</b>			
1	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the financial year ended on 31 <sup>st</sup> March, 2015.			
2	Appoint a director in place of Sh. Paras Mal Surana, who retires by rotation and being eligible, seeks re-appointment.			
3	Appointment of Sh. Ashok Kanther as Statutory Auditor of the Company			
	<b>Special Business</b>			
4	To adopt new set of Articles of Association of the Company			
5.	To Re-appointment Mr. Pankaj Ostwal as Managing Director of the Company			
6.	Appoint Mr. Sourabh Gupta as a Executive Director of the Company			
7.	To Appointment of Sh. K.C. Moondra as Cost Auditor of the Company			

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

Signature of the member .....

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

-----

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

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

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

For Madhya Bharat Agro Product Ltd.

*Sourabh Gupta*

Whole Time Director

**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

**18<sup>th</sup> Annual General Meeting - 17<sup>th</sup> September 2015**

Registered Folio No. ....

Number of Shares Held .....

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

I hereby record my presence at the 18<sup>th</sup> Annual General Meeting of the Company at the registered office 5-O-21, Basement, R.C. Vyas Colony, Bhilwara 311001 Rajasthan on **Thursday, 17<sup>th</sup> September, 2015 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.

For Madhya Bharat Agro Product Ltd.  
  
**Whole Time Director**

