



KRITI INDUSTRIES (INDIA) LIMITED

25th ANNUAL REPORT 2014-2015

D

WISDOM
FOCUS LOYALTY
DEDICATION FOCUS
DETERMINATION ALERTNESS
CREATIVITY HUMILITY
WISDOM ATTITUDE
HARD WORK PASSION ENDURANCE
FOCUS PERSUASIVE COURAGE
ATTITUDE PERSEVERANCE
SELF-CONFIDENCE FOCUS LOYALTY
ENDURANCE COMMITMENT
DEDICATION FOCUS LOYALTY
CREATIVITY FOCUS DILIGENCE
PERSEVERANCE HARD WORK
ENDURANCE WISDOM
LOYALTY FOCUS PASSION
DILIGENCE ATTITUDE
FOCUS

RIGHT



Board of Directors

1. Shri Shiv Singh Mehta - Managing Director
2. Smt. Purnima Mehta - Executive Director
3. Dr. Swatantra Singh Kothari
4. Shri Rakesh Kalra
5. CA Manoj Fadnis
6. Dr. Somnath Ghosh

Auditors

R.D. Asawa & Co.

Chartered Accountants

403 Alankar Point, Geeta Bhavan Square

A. B. Road, Indore - 452 001 (M.P.)

Bankers

State Bank of India

State Bank of Travancore

IDBI Bank Ltd.

Bank of India

State Bank of Hyderabad

The Cosmos Co-opertive Bank Ltd.

Company Secretary

Shri Satish Patel

Registered Office

Mehta Chambers, 34, Siyaganj, Indore - 452007 (M.P.)

Corporate Support Center

Chetak Chambers, 4th Floor, 14 RNT Marg,

Indore - 452001 (M.P.)

Share Transfer Agent

M/s Ankit Consultancy Pvt. Ltd.

60, Electronics Complex,

Pardeshipura,

Indore - 452010 (M.P.)

NOTICE

NOTICE IS HEREBY GIVEN that the 25th Annual General Meeting of the Members of **KRITI INDUSTRIES (INDIA) LIMITED** will be held on **Thursday the 24th day of September, 2015 at 2:00 P.M.** at Corporate Support Center of the company situated at 4th Floor Chetak Chambers, 14 R. N. T. Marg, Indore (M.P.) - 452001 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements together with Directors Report as also the Auditors Report thereon for the year ended March 31, 2015.
2. To appoint a Director in place of Mrs. Purnima Mehta (DIN 00023632), who is liable to retire by rotation, and being eligible offers herself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**

“RESOLVED THAT pursuant to Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 M/s Rakesh Kumar & Associates, Chartered Accountants (FRN 002150C), be and is hereby appointed as Statutory Auditor of the company in place of M/s R.D. Asawa and Co., the retiring Statutory Auditors who retires as per the provision of retirement of Statutory auditors under section 139(2) of the Companies Act, 2013 to hold the office from the conclusion of this Annual General Meeting (AGM) to the conclusion of sixth Annual General Meeting to be held after this meeting, subject to ratification at every Annual General Meeting on such remuneration as may be fixed by the Board.

SPECIAL BUSINESS**4. Ratification of Remuneration to Cost Auditor**

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

“RESOLVED THAT pursuant to sections 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force) Mr. S.P.S Dangi, Cost Accountant (FRN 100004), appointed as Cost Auditor by the Board of Directors of the Company to conduct an audit of the Cost Records of the Company for the financial year ending 31.03.2016 be paid the remuneration as set out in the statement annexed to the notice.”

Place: Indore

Date: 11th August, 2015

Kriti Industries (India) Ltd

CIN L25206MP1990PLC005732

Regd. Office: Mehta Chamber, 34 Siyagunj,
Indore

By order of the Board,

Satish Patel
Company Secretary



Notes:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting.

A person can act as a proxy on behalf of the members not exceeding fifty and holding in aggregate not 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 a proxy for any other person or shareholder.

2. The business set out in the Notice will be transacted through electronic voting system and the company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 9
3. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. The company has notified closure of Register of Members and Share Transfer Books from Friday 18th September 2015 to Thursday 24th September, 2015 (both days inclusive) for the Annual General Meeting.
5. Relevant documents referred to in the accompanying notice are open for inspection by the members at the Registered office or Corporate Support Center of the Company on all working days between 11.00 A.M. to 1.00 P.M. up to the date of meeting.
6. Members desirous of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
7. Pursuant to Section 205A(5) and 205C of the Companies Act, 1956 the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred Rs. 2,15,382/- being the unpaid and unclaimed dividend amount pertaining to dividend for the year 2006-07 to the Investor Education and Protection Fund of the Central Government. The company has uploaded the details of unpaid and unclaimed amount lying with the company on 25th September, 2014 (Date of Last AGM) and also on the website of the Ministry of Corporate Affairs.
8. Electronic copy of the Annual Report 2015 is being sent to the members whose email Ids are registered with the Company/Depository Participant(s) for communication purpose unless any member has requested for a physical copy of the same.
9. In compliance with the provisions of section 108 of the Act and Rules framed there under, the Members are provided with the facility to casts their vote electronically, through the e – voting services provided by NSDL, on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

- A. In case a Member receives an e-mail from NSDL (for Members whose email addresses are registered with the Company/Depositories):
 - i. Open the email and also open PDF file. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>
 - iii. Click on Shareholder – Login
 - iv. Please enter the User Id and Password as initial password / PIN noted in step(i) above. Click Login
 - v. The password change menu will appear on your screen. Change to new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both.
Please take utmost care to keep your password confidential.
 - vi. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
 - vii. Select "EVEN" (E-voting Event Number) of Kriti Industries (India) Limited



- viii. Cast your vote by selecting appropriate option and click on “submit” and also confirm when Prompted
- ix. Now you are ready for e-voting as Cast Vote page opens.
- x. Upon confirmation, the message “Vote Cast Successfully” will be displayed.
- xi. Once the vote on the resolution is cast, the members will not be allowed to change it subsequently.
- xii. Institutional shareholders (i.e other than individuals, HUF, NRI etc) are required to send scanned copy of the relevant Board Resolution/Authority letter, etc together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer through e-mail to kriti.scrutinizer@gmail.com, with a copy marked to evoting@nsdl.co.in
- xiii. In case of any queries, you may refer the Frequently asked questions (FAQs) – Shareholders and e-voting user manual – Shareholders, available at the download section of www.evoting.nsdl.com
- B. In case a member receives physical copy of the Notice of AGM (for members whose email addresses are not registered with the company/Depositories):
 - i. Initial password is provided in the enclosed form: EVEN (E-Voting Event Number), user ID and password.
 - ii. Please follow all steps from Si. No. (ii) to Si. No. (xiii) above, to cast vote
- C. Other Instructions:
 - i. The e-voting period commences on Monday, September 21st, 2015 (9:00 AM IST) and ends on Wednesday, September, 23rd, 2015 (5:00 PM IST)
 - ii. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the company and the members shall be entitled for voting whose names appears in the details of beneficiaries as may be provided at the cutoff date 17th September, 2015
 - iii. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 17th September, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or (Company/RTA email id) However, If you are already registered with NSDL, for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot user Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no: 1800-222-990.
 - iv. CS Ishan Jain, Practicing Company Secretary (Membership No. ACS 29444), has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - v. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, there after unblock the votes cast through remote e-voting in presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizers' report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall counter sign the same.
 - vi. The result declared along with scrutinizer's report shall be placed on the Company's website www.kritiindia.com and on the website of NSDL www.evoting.nsdl.com within three days of the passing of resolutions at the Twenty Fifth AGM of the company on September 24th, 2015 and communicated to the Stock Exchanges, where the shares of the company are listed
 - vii. For any other queries relating to the shares of the Company, you may contact the Share Transfer Agents at the following address:

M/S Ankit Consultancy Pvt. Ltd.

60, Electronic Complex, Pardeshipura,
Indore (M.P.) 452010

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out all material facts relating to the Business mentioned at Item No. 2 & 4 of the accompanying Notice:


Item No. 2

Mrs. Purnima Mehta was appointed at the AGM held on 24th September, 2011 under section 269, 309, 314 and read with schedule XIII of the Companies Act, 1956 as Whole Time Director designated as Executive Director of the Company for a period of 5 years wef 01st July, 2011 on remuneration and terms and conditions as approved by the shareholders.

In order to comply the provisions of section 152(6) of the Companies Act, 2013 the board has decided in consent with Mrs. Purnima Mehta that her appointment terms is made liable to retire by rotation without change of other terms and conditions and remuneration.

Item No. 4

The Board at its meeting held on 20.05.2015, on the recommendations of the Audit Committee, has appointed Mr. S.P.S. Dangi, Cost Accountant as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending on 31.03.2016 on a remuneration of Rs. 20,000/- (Rupees Twenty Thousand only).

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the cost auditor is required to be ratified by the shareholders of the Company. The Board recommends the aforesaid resolution for approval of the members.

None of the Directors of the Company, the key managerial personnel of the Company or their relatives are concerned or interested in the aforesaid ordinary resolution.

The Board recommends the ordinary resolution as set out in Item No. 4 of the notice for approval.

Place: Indore

By order of the Board,

Date: 11th August, 2015

Kriti Industries (India) Ltd

CIN L25206MP1990PLC005732

Regd. Office: Mehta Chamber, 34 Siyagunj,

Indore

Satish Patel

Company Secretary

Details of the directors seeking reappointment at the Annual General Meeting

PARTICULARS	Mrs. Purnima Mehta
Date of Birth	25.05.1960
Date of Appointment	01.10.1999
Expertise in specific area	Account & Finance, Purchase, IT, HR and Administration
Qualification	B.A. (Hons), PGDBM
List of Outside Directorship held	Kriti Nutrients Limited
Chairman/ Member of the committees of the Board of Directors of the Company	Chairman: Nil Member: Audit Committee Member: Financial Committee Member: Stakeholders' Relationship Committee Member: CSR Committee
Chairman / member of the Committees of Director of other companies in which he/she is a Director	
(a) Audit Committee	Kriti Nutrients Limited
(b) Stakeholders' Relationship Committee	Kriti Nutrients Limited
(c) Remuneration Committee	Nil
(d) CSR Committee	Kriti Nutrients Limited
No. & Percentage of Shares held	125592 Eq. Shares 0.25%

DIRECTORS' REPORT

Your Directors have the pleasure in presenting the 25th Annual Report together with Audited Financial Statements of the Company for the year ended on 31st March, 2015.

FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March, 2015 is summarized below:

Particulars	2014-15	2013-14
Total Income	39844.50	39780.97
Profit/(Loss) before Interest, Depreciation & Taxes	2069.36	2644.02
Less: Interest	1258.58	1372.50
Profit before depreciation	810.78	1271.52
Less: Depreciation	392.80	445.32
Profit/ (Loss) Before Tax	417.98	826.20
Provision for Taxation	148.62	290.96
Net Profit/(loss)	269.36	535.24

YEAR IN RETROSPECT

The Company has achieved a total turnover of Rs. 39844.50 lacs and Profit before Tax Rs. 417.98 lacs and Profit after Tax of Rs. 269.39 lacs.

During the year Company's results were adversely affected due to sudden and sharp fall of polymer prices resulting in lower sales realization. The market stabilized from Mid Nov 14. The current outlook seems to be stable and it is expected that during FY 2015-16 company's performance will be improved.

DIVIDEND

In order to conserve resources Board of Directors has not recommend dividend for the financial year 2014-15. (Previous year 15% on 49603520 equity shares of Rs. 1/- each aggregating to Rs. 74.41 Lacs.)

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:-

- that in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that the Directors have selected such accounting policies and applied them consistently and have made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31 March, 2015 and of the statement of profit and loss of the Company for that period;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.



CORPORATE GOVERNANCE

The Company has complied with the mandatory provisions on Corporate Governance as prescribed in the Listing Agreement with the Stock Exchanges. A separate report on Corporate Governance is included as a part of the Annual Report along with the Auditors' Certificate on its compliance.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval.

CORPORATE SOCIAL RESPONSIBILITY

A Corporate Social Responsibility Committee was constituted consisting of Shri Shiv Singh Mehta as the Chairman, Smt. Purnima Mehta and Shri Somnath Ghosh as members of the Committee.

As a part of its initiative under Corporate Social Responsibility (CSR), the company has undertaken CSR initiative and activities in the areas of promoting education

In CSR account during the year company was to incur Rs. 16.16 Lacs out of which amount spent during the year was Rs. 0.87 Lacs Company is in the process of further identifying the CSR project & the balance amount of Rs. 15.29 Lacs will be spent in the course of time.

The Annual Report on CSR activities is given in Annexure, which is attached hereto and forms a part of the Directors' Report.

RISK MANAGEMENT AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company's system of financial and compliance controls with reference to the financial statements and risk management is embedded in the business process by which the Company pursues its objectives.

Management is responsible for establishing and maintaining adequate disclosure controls and procedures and adequate internal controls over financial reporting with respect to financial statements besides its effectiveness in the context of applicable regulations.

The Internal Auditor, the Audit Committee as well as the Board of Directors conduct from time to time an evaluation of the adequacy and effectiveness of the system of internal controls for financial reporting with respect to financial statements.

DIRECTORS

In terms of Section(s) 149, 152 and all other applicable provisions of the Companies Act, 2013, for the purpose of determining the directors liable to retire by rotation, the Independent Directors are not included in the total number of directors of the Company. Accordingly, Mrs. Purnima Mehta (DIN 00023532), shall retire by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment as a Director of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

Necessary declarations have been obtained from all the Independent Directors under sub-section (7) of Section 149 of the Companies Act, 2013.

KEY MANAGERIAL PERSONNEL

During the year under review Mr. Vinod Kumar Mittal appointed as Chief Financial Officer of the Company from 01.09.2014 and Mr. Satish Patel appointed as Company Secretary from 06.10.2014 of the Company.

**MEETINGS**

During the year four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

PERFORMANCE EVALUATION OF BOARD, COMMITTEES & DIRECTORS

Pursuant to the Provisions of the Companies Act, 2013 and as stipulated under Clause 49 of the Listing Agreement, the Board of Directors adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors. A structured evaluation process covering various aspects of the Boards functioning such as Composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Managing Director, Whole Time Director and the Non Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected overall engagement of the Board and its Committees with the company.

SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

Pursuant to section 178 of the Companies Act, 2013 the rules made thereunder and clause 49 of the Listing Agreement the Board has constituted the Nomination & remuneration Committee comprising Shri Rakesh Kalra as Chairman, and CA Manoj Fadnis & Shri Somnath Ghosh as its member.

The Nomination & Remuneration Committee framed policy for selection and appointment, re-appointment, removal, appraisal of Directors & Senior Management.

AUDITORS AND AUDITOR REPORT

The term of office of M/s R.D. Asawa & Co., Chartered Accountants as Statutory Auditor of the company will expire with the conclusion of forthcoming Annual General Meeting of the company.

As per the requirements of Section 139(2) of the Companies Act, 2013 for retirement of Statutory Auditors the Board of Directors of the company has, subject to approval of the members, proposed a resolution at the forthcoming Annual General Meeting for appointment of M/s Rakesh Kumar & Associates, Chartered Accountants (FRN 002150C), as statutory auditors of the company for a period of 5 year in place of retiring Auditor M/s R.D. Asawa & Co., Chartered Accountants.

A resolution proposing appointment of M/s Rakesh Kumar & Associates, Chartered Accountants (FRN 002150C), as the Statutory Auditors of the company pursuant to section 139 of the Companies Act, 2013 forms part of the Notice.

COST AUDITOR

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014 your Directors had, on the recommendation of the Audit Committee, appointed Mr. S.P.S. Dangi, proprietor of M/s S.P.S Dangi, Cost Auditor (F.R.No 100004) to audit the cost accounts of the Company for the financial year ending 31.03.2016. Resolution seeking Member's ratification for the remuneration payable to Mr. S.P.S. Dangi, proprietor of M/s S.P.S Dangi, Cost Auditor (F.R.No 100004) is included at Item No. 4 of the Notice convening the Annual General Meeting.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Ashish Karodia & Company, a Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith.

**SUBSIDIARY COMPANY**

Kriti Auto & Engineering Plastics Private Limited, wholly owned subsidiary of the company, achieved gross turnover of Rs. 1999.19 Lacs (Previous Year Rs. 1320.86 Lacs) incurred a net loss of Rs 66.79 (Previous Year Rs. 107.79 Lacs) during the year.

Continuous efforts are being made to improve efficiency and inducting value added products in the portfolio.

A Statement containing the salient features of the financial statement of subsidiary as prescribed under the first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of The Companies (Accounts) Rules, 2014 is attached and forms part of the Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013 and Accounting Standard (AS)-21 "Consolidated Financial Statements" the audited Consolidated Financial Statements form part of the Annual Report. The Financial Statements of subsidiary Company has been prepared in the same form and manner as that of the Company.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of Loans, Guarantees and Investment in pursuance to Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

STATUTORY INFORMATION**PUBLIC DEPOSIT**

The company has not received/accepted any deposits from public during the year under review within the meaning of section 73 of the Companies Act, 2013, and the Companies (Acceptance of Deposits) Rules, 2014 and there is no overdue unpaid/unclaimed deposit as at 31st March, 2015.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto and forms part of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

Information as per section 134(3)(m) read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed hereto and forms part of this report.

EXTRACT OF ANNUAL RETURN

The extract of the annual return in Form No. MGT-9 shall form part of the Board's report.

INDUSTRIAL RELATIONS

Your directors' wish to place on record their appreciation for the contribution made by the company's workforce at all levels of operations for the success and progress of the company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism/Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

**GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- c) Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from its subsidiary.
- d) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- e) During the year under review, there were no cases filed or reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

The Board desires to place on record its grateful appreciation for the excellent assistance and co-operation received and continued support extended to the Company by the bankers, investors, suppliers and esteemed customers and other business associates. Your Directors also wish to place on record their deep sense of appreciation to all the employees of the Company for their commitment and continued contribution in the performance of the company.

Place: Indore

Date: 11th August, 2015

Kriti Industries (India) Ltd

CIN L25206MP1990PLC005732

Regd. Office: Mehta Chamber, 34 Siyagunj

Indore

By order of the Board,

Shiv Singh Mehta

Managing Director

DIN 00023523

**ANNEXURE -A****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information as per Section 134(3)(m) read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2015.

A. CONSERVATION OF ENERGY**I. Steps taken or impact on conservation of energy:****a) Energy Conservation measures taken:**

- (1) Energy conservation devices have been installed and the equipments are maintained properly to reduce energy consumption.
- (2) New systems are being devised to reduce electric power, fuel and water consumption.

b) Additional Investment and proposals for reduction of consumption of energy:

By relocating, modifying the available equipment, energy, conservation measures are being implemented and major investments have not been made for equipments so far.

c) Impact of above measures:

The above measures have resulted in energy saving and subsequent decrease in the cost of production.

B. TECHNOLOGY ABSORPTION**1. The efforts made towards technology absorption:**

The company has through R & D developed processes adopted which helped in reducing the energy consumption.

2. Benefits derived like product improvement, cost reduction, product development or import substitution:

With the installation of various additional equipments it was possible to achieve consistency in production and quality of products.

3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Nil**C. FOREIGN EXCHANGE EARNING & OUTGO****(Rs. in Lacs)**

	12 Months period ended March, 2015	12 Months period ended March, 2014
1. Earning		
FOB value of Exports	Nil	Nil
2. Outgoing		
a) CIF Value of Imports	6620.81	3572.58
b) Expenditure in Foreign Currency	4.64	5.06

**ANNEXURE -B****DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. NO.	Name of Director / KMP & Designation	Remuneration for the FY 2014-15 (Rs. in Lacs)	% increase in Remuneration in the FY 2014-2015	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Mr. Shiv Singh Mehta Managing Director	39.60	-14.80%	30.69	Profit after tax decreased by 49.67% in F.Y. 2014-15
2	Mrs. Purnima Mehta Executive Director	29.48	-12.02%	22.85	
3	Mr. Vinod Kumar Mittal Chief Financial Officer w.e.f. 01.09.2014	9.24	New Incumbent	Not Applicable	
4	Mr. Satish Patel Company Secretary w.e.f. 06.10.2014	1.50	New Incumbent	Not Applicable	

- ii) The median remuneration of employees of the Company during the financial year was Rs. 1.29 Lacs
- iii) In the financial year, there no change in the median remuneration of employees;
- iv) There were 526 permanent employees on the rolls of Company as on March 31, 2015;
- v) The Profit before Tax for the financial year ended March 31, 2015 decreased by 49%.
- vi) The company has not come out with public issue. The market capitalisation as on March 31, 2015 was Rs. 32.24 crore (Rs. 24.75 crore as on March 31, 2014)
- vii) The variable remuneration of the Managing Director / Whole Time Director as a commission base on profit of the company
- viii) The remuneration based on annual appraisals is paid as per the remuneration policy of the company.

**ANNEXURE -C****1. ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

S. NO.		Remarks
1	Average net profit of the company for last three financial years	Rs. 807.9 Lacs
2	Prescribed CSR expenditure (Two percent of the amount in Sl. No. 1 above)	Rs. 16.16 Lacs
3	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	Rs. 16.16 Lacs Rs. 15.29 Lacs details given below
4	Reason for not spending the amount in its Board's Report	The company has been working on identifying the projects for carrying out CSR activities. The company is now working on projects and the expenditure on these projects shall be accounted for as and when incurred
5	A responsibility of the CSR committee	The implementation and monitoring of Corporate Social Responsibility policy, is in compliance with CSR objectives and policy of the company

Sr. No.	CSR Project or Activity identified	Sector in which the project the covered	Project or Programs	Amount Outlay (budget) project or programs wise	Amount spent on (budget) project or programs wise	Cumulative Expenditure	Amount spent direct or through implementing agency
	Education and other initiatives	Clause (ii) of Schedule VII of the Companies Act, 2013:- Promoting Education	Local Area or other		Rs. 0.87	Rs. 0.87	Direct

Shiv Singh Mehta
Chairman (CSR Committee)
DIN 00023523

Purnima Mehta
Executive Director
DIN 00023632

**Form No. MGT-9****ANNEXURE-D****EXTRACT OF ANNUAL RETURN 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]

I. REGISTRATION AND OTHER DETAILS:

CIN	L25206MP1990PLC005732
Registration Date	12 th March, 1990
Name of the Company	Kriti Industries (India) Limited
Category/Sub-Category of the Company	Company having Share Capital
Address of the Registered office and contact details	Mehta Chambers, 34-Siyaganj, Indore-452007,
Whether Listed Company	Tel. No. 0731-2719126
Name, Address and Contact details of Registrar and Transfer Agent if any	Yes
	Ankit Consultancy Pvt. Ltd , Plot No. 60, Electronic Complex, Pardeshipura, Indore- 452001 Tel. No. 0731-2551745/2551746

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of Main products/Services	NIC Code of the Product / Service	% to total turnover of the company
1	Pipe	22209	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of The Company	CIN/GLN	Holding /Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Sakam Trading Pvt. Ltd.	U65993MP1986PTC003517	Holding	52.10%	2(46)
2	Kriti Auto & Engineering Plastics Pvt. Ltd.	U25206MP2007PTC019323	Subsidiary	100%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Share Holding**

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
	Demate	Physical	Total Share	% of Total Share	Demate	Physical	Total Share	% of Total Share	
A. Promoters									
(1) Indian									
a) Individual / HUF	2304847	-	2304847	4.65	2304847	-	2304847	4.65	0.00
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	30312931	-	30312931	61.11	30312931	-	30312931	61.11	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	32617778	-	32617778	65.76	32617778	-	32617778	65.76	0.00



KRITI INDUSTRIES (INDIA) LIMITED

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
	Demate	Physical	Total Share	% of Total Share	Demate	Physical	Total Share	% of Total Share	
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	32617778	-	32617778	65.76	32617778	-	32617778	65.76	0.00
B. Public Shareholding									
1 Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	1600	-	1600	0	1600	-	1600	0	
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs -	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	1600	-	1600	0	1600	-	1600	0	0.00
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	1460717	17600	1478317	2.98	1517284	17600	1534884	3.09	0.11
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	5101890	3229680	8331570	16.80	4997925	3135280	8133205	16.40	0.40
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	7085673	-	7085673	14.28	7229901	-	7229901	14.58	0.30
c) Others (NRI & OCB)	73993	-	73993	0.15	77052	-	77052	0.16	0.01
d) Other (Clearing Member)	14589	-	14589	0.03	9100	-	9100	0.02	0.01
Sub-total (B)(2):-	13736862	3247280	16984142	34.24	13831262	3152880	16984142	34.24	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	13738462	3247280	16985742	34.24	13831262	3152880	16985742	34.24	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total(A+B+C)	46356240	3247280	49603520	100	46450640	3152880	49603520	100	0.00

**(ii) Shareholding of Promoters**

S. No	Shareholder's Name	Shareholding at the beginning of the year			No. of Shares held at the end of the year			% Change during & the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged encumbered to total shares	
1	Sakam Trading Pvt. Ltd.	25843673	52.10	0.00	25843673	52.10	0.00	0.00
2	Chetak Builders Pvt. Ltd.	4469258	9.01	0.00	4469258	9.01	0.00	0.00
3	Mr. Shiv Singh Mehta	2028799	4.09	0.00	2028799	4.09	0.00	0.00
4	Mrs. Purnima Mehta	125592	0.25	0.00	125592	0.25	0.00	0.00
5	Mrs. Raj Kumari Kothari	83280	0.17	0.00	83280	0.17	0.00	0.00
6	Mrs. Devki Mehta Hirawat	36736	0.07	0.00	36736	0.07	0.00	0.00
7	Mr. Saurabh Singh Mehta	30440	0.06	0.00	30440	0.06	0.00	0.00
	Total	32617778	65.76	0.00	32617778	65.76	0.00	0.00

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

S. No		Shareholding at the beginning of the year		No. of Shares held at the end of 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	32617778	65.76	32617778	65.76
	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):	No Change			
	At the End of the year	32617778	65.76	32617778	65.76

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

S. No		Shareholding at the beginning of the year		No. of Shares held at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	For Each of the Top 10 Shareholders				
1	Praveen Kumar Kasliwal	1055540	2.13	1032990	2.08
2	Bhavesh Shah	922160	1.86	922160	1.86
3	Chartered Finance And Leasing Limited	747397	1.51	747397	1.51
4	Jyoti Kasliwal	704490	1.42	671940	1.35
5	Rahul Chandrasingh Mehta	644809	1.30	673958	1.36
6	Kamlaben Babulal Jain	474680	0.96	474680	0.96
7	Varsha Bhavesh Shah	468992	0.95	468992	0.95
8	Juhi Kasliwal	422420	0.85	387605	0.78
9	Sheetal Rahul Mehta	416000	0.84	416000	0.84
10	Sanjay Kothari	400000	0.81	400000	0.81
11	Nandita Kasliwal	414655	0.84	387605	0.78


(v) Shareholding of Directors and Key Managerial Personnel:

S. No		Shareholding at the beginning of the year		No. of. Shares held at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	For Each of Director And KMP				
1	Mr. Shiv Singh Mehta, Managing Director	2028799	4.09	2028799	4.09
2	Mrs. Purnima Mehta, Whole-time Director	125592	0.25	125592	0.25
3	Dr.S.S. Kothari, Director	-	-	-	-
4	Mr. Rakesh Kalra, Independent Director	-	-	-	-
5	CA Manoj Fadnis, Independent Director	-	-	-	-
6	Dr. Somnath Ghosh, Independent Director	-	-	-	-
7	Mr. Vinod Kumar Mittal, Chief Financial Officer	5	-	5	-
8	Mr. Satish Patel, Company Secretary & Compliance Officer	-	-	-	-

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3500.66	248.99	NIL	3749.65
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	3500.66	248.99	NIL	3749.65
Change in Indebtedness during the financial year-				
Addition-	1392.00	630.25	-	2022.25
Reduction	641.36	540.00	-	1181.36
Net Change	750.64	90.25	NIL	840.49
Indebtedness at the end of the financial year				
i) Principal Amount	4422.49	357.34	NIL	4779.83
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	4422.49	357.34	NIL	4779.83

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/TWD /Manager		Total Amounts (Rs. in Lacs)
		Mr. Shiv Singh Mehta (MD)	Mrs. Purnima Mehta (WHD)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	33.60	20.16	53.76
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	6.00	4.50	10.50
	(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	4.82	4.82	-
	- others, specify	-	-	-
5.	Others, please specify -	-	-	-
	Total (A)	39.60	29.48	69.08

**B. Remuneration to other directors:**

S. No	Particulars of Remuneration	Name of Directors			Total Amount
	3. Independent Directors	Mr. Rakesh Kalra	C.A. Manoj Fadnis	Dr. Somnath Ghosh	
	Fee for attending board/committee meetings	0.06	0.06	0.00	0.12
	Total (1)				0.12
	4. Other Non-Executive Directors	Dr. S. S. Kothari			
	Fee for attending board/committee meetings	0.00			0.00
	Total (2)				0.00
	Total (B)=(1+2)				0.12
	Total Managerial Remuneration				69.20

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S. No	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Vinod Kumar Mittal, CFO	Mr. Satish Patel, Cs	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-taxAct, 1961 (c) Profits in lieu of salary under section17(3) Income-taxAct, 1961	9.24	1.50	10.74
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission- - as % of profit - others, specify	-	-	-
5.	Others, please specify	-	-	-
	Total	9.24	1.50	10.74

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty Punishment /compounding fees imposed	Authority (RD) NCLT/ COURT)	Appeal made, if any (give details)
COMPANY / DIRECTORS / OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment			None		
Compounding			None		

Place: Indore

Date: 11th August, 2015
 Kriti Industries (India) Ltd
 CIN L25206MP1990PLC005732
 Regd. Office: Mehta Chamber, 34 Siyagunj
 Indore

By order of the Board,

Shiv Singh Mehta
 Managing Director
 DIN 00023523



SECRETARIAL AUDIT REPORT FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no.9 of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

KRITI INDUSTRIES (INDIA) LIMITED

CIN- L25206MP1990PLC005732

Mehta Chambers, 34-Siyagunj, Indore, Madhya Pradesh

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KRITI INDUSTRIES (INDIA) LIMITED** (hereinafter called the Company) having **CIN- L25206MP1990PLC005732**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by KRITI INDUSTRIES (INDIA) LIMITED for the financial year ended on 31st March, 2015 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - Not applicable as the Company has not issued any kind of securities during the period under scrutiny.
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - Not applicable as the Company does not have any Employee Stock Option Scheme and Employee Stock Purchase Scheme.
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - Not applicable as the Company does not have any listed debt securities.



- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - Not applicable as the Company has not bought back any of its securities during the financial year under review.
- vi. The laws as are applicable specifically to the Company are as under:
- a) The Environment (Protection) Act, 1986;
 - b) The Water (Prevention and Control of Pollution) Act, 1974;
 - c) The Air (Prevention and Control of Pollution) Act, 1981;
 - d) The Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008
 - e) Factories Act, 1948
 - f) Industrial Disputes Act, 1947
 - g) The Payment Of Wages Act, 1936
 - h) The Minimum Wages Act, 1948
 - i) The Employees State Insurance Act, 1948
 - j) The Employee Provident Fund And Miscellaneous Provision Act, 1952
 - k) The Payment Of Bonus Act, 1965
 - l) The Payment Of Gratuity Act, 1972
 - m) Contract Labour (Regulation And Abolition) Act, 1970
 - n) The Industrial Employment (Standing Orders) Act, 1946.
- We have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - Not applicable as not notified during the period under review
 - (ii) The Listing Agreements entered into by the Company with BSE Limited and Madhya Pradesh Stock Exchange Limited;
 - Company traded its shares on National Stock Exchange till 29th January 2015 through the permission of Madhya Pradesh Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that: -

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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



We further report that there are adequate systems and processes in the Company which commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:-

1. The Members have accorded their consent to the Board of Directors at the Annual General Meeting held on September 25, 2014 for the following:-
 - a. to borrow any sums of money pursuant to Section 180(1)(c) of the Companies Act, 2013, that may exceed the aggregate of paid-up share capital and free reserves of the Company provided that the total amount so borrowed and outstanding at any one time shall not exceed Rs. 500 Crores.
 - b. to mortgage and/or charge in terms of Section 180(1)(a) of the Companies Act, 2013, all the immovable and movable properties, present and future, pertaining to the undertaking of the Company and the whole or substantially the whole of the said undertaking with the right to takeover the management and concern of the undertaking in favour of financial institutions, banks and others to secure their respective borrowings for such amount(s) not exceeding Rs. 500 Crores in the aggregate.

For, Ashish Karodia & Company

Company Secretary

CS Ashish Karodia

M No. 6549 CP 6375

Place : Indore

Date : 20th May 2015



CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

In harmony with this philosophy, the Company relentlessly strives for excellence by benchmarking itself with esteemed companies with good corporate governance. Your company is compliant with all the provisions of Clause 49 of the Listing Agreement of the Stock Exchange. The details of compliance are as follows:

I. BOARD OF DIRECTORS

Composition of Board

The Board of directors of the company consists of an optimum combination of executive, non-executive and independent directors, to ensure the independent functioning of the Board. The Board consists of six (6) directors, out of which four (4) are non-executive directors and out of the four (4) three (3) are independent.

The Board of directors has an adequate representation of Professional, Qualified, Non-Executive and Independent Directors. Decisions at the Board and Committee meetings are taken unanimously.

Directors liable to retire by rotation and seeking Re-appointment

Mrs. Purnima Mehta is the director liable to retire by rotation and being eligible offer herself for re-appointment.

As required under Clause 49 of the Listing Agreement, information such as brief resume, nature of expertise and other directorships is given here below:

Name of the Director	Mrs. Purnima Mehta
Date of Birth	25.05.1960
Date of Appointment	26.12.2009
Expertise in specific area	Account & Finance, Purchase, IT, HR and Administration
Qualification	B.A. (Hons), PGDBM
List of Outside Directorship held	Kriti Industries (India) Limited
Chairman/ Member of the committees of the Board of Directors of the Company	Member: Audit Committee Chairman: CSR Committee Member: Stakeholders' Relationship Committee
Chairman / member of the Committees of Director of other companies in which he/she is a Director	
(a) Audit Committee	Kriti Nutrients Limited
(b) Stakeholders' Relationship Committee	Kriti Nutrients Limited
(c) Remuneration Committee	Nil
(d) CSR Committee	Kriti Nutrients Limited
No. of Percentage of Shares held	No. of Shares: 125592 % of Shares held: 0.25

The composition of the Board of directors and the number of Board Committee in which they are chairman/ member as on 31.03.2015 are as under:



Name	Category	No. of Directorship in other public Limited Companies	No. of Committee Position held in other Public Limited Companies	
			Chairman	Member
Shri Shiv Singh Mehta	Promoter & MD	Two	One	Three
Smt. Purnima Mehta	Promoter & ED	One	One	Three
Dr. S.S. Kothari	NED	Two	Three	Two
CA Manoj Fadnis	Independent & NED	One	Two	Two
Shri Rakesh Kalra	Independent & NED	Five	One	Four
Dr. Somnath Ghosh	Independent & NED	One	Nil	Three

During the year under review, four (4) meetings of the Board of directors were held. The dates of the meetings were decided in advance and key information was placed before the Board. The Board of Directors meetings were held on 29th May, 2014, 13th August, 2014, 14th November, 2014 and 5th February, 2015.

Attendance record of Directors

The record of attendance of the directors at Board Meetings held during the year and at the last Annual General Meeting was:

	No. of Board Meeting held during the year	No. of Board Meeting Attended	Attendance at the last AGM held on 14th September, 2013
Shri Shiv Singh Mehta	4	4	Yes
Smt. Purnima Mehta	4	4	Yes
Dr. S. S. Kothari	4	1	No
CA Manoj Fadnis	4	3	Yes
Shri Rakesh Kalra	4	3	No
Dr. Somnath Gosh	4	1	No

II. BOARD COMMITTEES

II.1 AUDIT COMMITTEE

(A) Terms of reference

The Audit Committee has adequate powers and detailed terms of reference to play effective role as required under the provisions of section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

(B) Constitution and Composition

The terms of reference of the audit committee are extensive and include all that is mandated in clause 49 of the Listing Agreement with the Stock Exchange and Section 149 of the Companies Act, 2013. The Company has complied with the requirements of clause 49(II)(A) of the Listing Agreements as regards composition of the Audit Committee.

The Audit Committee of the Company as on 31st March, 2015 comprises of the following Directors of the Company.

Name of the Director	Designation
CA Manoj Fadnis	Chairman
Shri Rakesh Kalra	Member
Smt. Purnima Mehta	Member



Two out of three members of the audit committee are Non-Executive Independent Directors.

(C) Meeting and attendance during the year

Four (4) meetings were held during the financial year 2014-15 on 29th May 2014, 12th August 2014, 14th November 2014 and 5th February 2015. The attendance of each member of the committee is as under:

Name of the Director	No. of Meeting attended
CA Manoj Fadnis	3
Shri Rakesh Kalra	3
Smt. Purnima Mehta	4

II.2 NOMINATION & REMUNERATION COMMITTEE

REMUNERATION OF DIRECTORS

(A) Terms of reference

The Nomination and Remuneration Committee recommends remuneration, promotions, increments etc. for the whole time directors and relative of the directors to the Board for approval.

(B) Constitution and Composition

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed & reconstituted the existing "Remuneration Committee" as the "Nomination & Remuneration Committee". The Remuneration Committee of the Company as on 31st March, 2015 comprises of the following Directors of the Company.

Name of the Director	Designation
Shri Rakesh Kalra	Chairman
CA Manoj Fadnis	Member
Dr. Somnath Ghosh	Member

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

Remuneration to Managing Director and Executive Director

The terms of remuneration of Shri Shiv Singh Mehta, Managing Director has already been fixed by the Board of directors and approved by the shareholders at Annual General Meeting. During the financial year 2014-15, the particulars of remuneration paid to Managing Directors are as under: -

Name of the Director	Salary (Rs.)	Perquisites	Commission	Period of Contract
Shri Shiv Singh Mehta	33.60	6.00	-	3 Years starting from 1st October 2013
Smt. Purnima Mehta	20.16	4.50	4.82	5 Years starting from 1st July 2013
Total	53.76	10.50	4.82	69.08

Remuneration of Non- Executive Directors

The details of remuneration paid to the Non-Executive Directors during the financial year 2014-15 are given below. Non-Executive Directors are not entitled for any remuneration other than the sitting fees.

S No.	Name of the Non-Executive Director	Sitting Fees (Rs.)
1	Dr. S. S. Kothari	Nil
2	Shri Manoj Fadnis	6000
3	Dr. Somnath Ghosh	Nil
4	Shri Rakesh Kalra	6000

**II.3 STAKEHOLDERS' RELATIONSHIP COMMITTEE**

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing "Investors' Grievance Committee" as the "Stakeholders' Relationship Committee" consisting of:

Name of the Director	Designation
Dr. Somnath Ghosh	Chairman
Shri Shiv Singh Mehta	Member
Mrs. Purnima Mehta	Member

II.4 CSR COMMITTEE:

Directors have constituted the Corporate Social Responsibility Committee (CSR Committee), as per requirement of the section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 comprising of:

Name of the Director	Designation
Sr. Shiv Singh Mehta	Chairman
Mrs. Purnima Mehta	Member
Dr. Somnath Ghosh	Member

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a CSR Policy indicating the activities to be undertaken by the Company, monitoring the implementation of the CSR Policy.

INDEPENDENT DIRECTORS' MEETING

The Independent Directors reviewed interalia, to discuss:

- evaluation of performance of non Independent Directors and the Board of Directors as a whole;
- evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
- evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

PERFORMANCE EVALUATION

Pursuant to the Provisions of the Companies Act, 2013 and as stipulated under Clause 49 of the Listing Agreement, the Board of Directors adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors. A structured evaluation process covering various aspects of the Boards functioning such as Composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected overall engagement of the Board and its Committees with the company.

II. SUBSIDIARY COMPANY

The Audit committee of the Company reviews the financial statements of the subsidiary company M/s Kriti Auto and Engineering Plastics Pvt. Ltd. The minutes of the Board meetings were placed before the Board of directors of the Company for their review.



III. DISCLOSURES

A. Disclosure regarding materially significant related party transactions:

None of the transaction with any of the related parties was in conflict with the interest of the company. Attention of members is drawn to the disclosure of transactions with the related parties set out in Note No. 38 of Notes on Accounts, forming part of the Annual report.

All related party transactions are negotiated on arms length basis and are intended to further the interest of the company.

B. Disclosure of non-compliance by the Company:

There has been no instance of non- compliance on any matter related to the capital markets, during the last three years.

IV. COMMUNICATION TO SHAREHOLDERS

The Company publishes quarterly and yearly results as required under the Listing Agreement in the prescribed format. The results are also sent to the Stock Exchanges for general information and for posting the same on their web site. The notice of the AGM along with the report is sent to the shareholders well in advance of the AGM. The gist of the notice is also published in the newspapers. In addition, the Stock Exchanges are also notified of any important developments that may materially affect the working of the Company. Disclosures within regard to the shareholding pattern, change in major shareholding etc. is also periodically sent to the Stock Exchanges as required under the SEBI Regulations.

V. INFORMATION ON GENERAL BODY MEETINGS

The details of the location and time for last three Annual General Meetings are given hereunder: -

Year	Location	Date	Time
2013-2014	4 th Floor, Chetak Chamber, 14, RNT Marg, Indore	25 TH September, 2014	2:00 PM
2012-2013	4 th Floor, Chetak Chamber, 14, RNT Marg, Indore	14 TH September, 2013	4:00 PM
2011-2012	4 th Floor, Chetak Chamber, 14, RNT Marg, Indore	22 nd September, 2012	4:00 PM

During the year under review, no extra ordinary general meeting was held as well as no resolution was passed through the Postal Ballot process.

VI. CODE OF CONDUCT

The Company has adopted a Code of Conduct for Board of directors and Senior Management. All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct as on March 31, 2015. A declaration to this effect signed by the Managing Director forms part of this Report.

As required by SEBI Regulations, the Company has adopted a code for the Prevention of Insider Trading.

Code is applicable to the directors and employees of the Company and its subsidiaries and their dependent family members.

VII. WHISTLE BLOWER/VIGIL MECHANISM POLICY

The Company has laid down a Whistle Blower Policy/vigil mechanism. The company encourages an open door policy where employees have access to the Head of the business/ function. The company takes cognizance of the complaints made and suggestions given by the employees and others. Complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the company has been denied access to the Audit Committee in this regard.

**Compliance by the Company**

There has not been any non-compliance by the company and no penalties or strictures imposed on the company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

VIII. GENERAL SHAREHOLDER INFORMATION**Annual General Meeting**

The 25th Annual General Meeting of the Company will be held on Thursday, the 24th September, 2015 at 2:00P.M. At 4th Floor, Chetak Chambers, 14 R. N. T. Marg, Indore.

Financial Calendar for the year 2015-16 (Provisional)

a. Results for the first quarter ending 30 th June, 2015	On or Before 14 th August, 2015
b. Results for the second quarter ending 30 th September, 2015	On or Before 14 th November, 2015
c. Results for the Third quarter ending 31 st December, 2015	On or Before 14 th February, 2016
d. Results (Audited) for the fourth quarter ending 31 st March, 2016	On or Before 30 th May, 2016
e. Annual General Meeting for the year ending March, 2016	Before end of September, 2016

Book Closure Dates

The Company's Share Transfer Book will remain closed from Friday 18th September, 2015 to Thursday 24th September 2015 (both days inclusive) for purpose of Annual General Meeting.

Cutoff date for E-voting : 17 September, 2015

Listing on Stock Exchanges

The Company's shares are traded on BSE.

The Company's shares are presently listed on the Bombay Stock Exchange Limited (BSE). The Company has paid annual listing fee for the year 2015-16.

Stock Code/Details of Scrip

BSE	:	526423
NSDL & CDSL-ISIN	:	INE 479D01038
Posting/mailing of Annual Report	:	Before 31st August 2015
Last date for receipt of Proxy	:	22nd Sept., 2015
Dividend	:	The Board of directors of the Company not recommended any dividend
Compliance Officer	:	CS Satish Patel
Scrutinizer for E-voting	:	CS Ishan Jain
ISIN NO	:	INE479D01038

Market Price Data (Rs.)

The monthly high and low quotations of shares of the Company traded at the Bombay Stock Exchange, Mumbai during the financial year 2014-15 are given below:



Month	High (Rs.)	Low (Rs.)
April, 2014	5.46	4.31
May, 2014	6.96	4.85
June, 2014	7.87	6.02
July, 2014	8.68	6.35
August, 2014	8.49	6.69
September, 2014	12.58	6.63
October, 2014	13.17	8.14
November, 2014	11.89	8.20
December, 2014	9.14	7.63
January, 2015	9.55	7.31
February, 2015	8.80	7.03
March, 2015	8.40	5.52

Share Transfer System

The Share Transfer-cum-Investors Grievance Committee attends to share transfer formalities once in a fortnight. Demat requests are normally confirmed within an average period of 15 days from the date of receipt. The Company has appointed following agency as Share Transfer Agent (Electronic + Physical). The shareholders may address their communication, suggestions, grievances and queries to:

Ankit Consultancy Pvt. Limited

Plot No. 60, Electronic Complex, Pardeshipura, Indore- 452 010 (M.P) Tel: 0731-2551745, 0731-2551746

Fax: 0731-4065798 E-mail: ankit_4321@yahoo.com

Shareholding Pattern & Distribution of Shareholding

Shareholding Pattern as on 31.03.2015

Category	No. o Shares held	Percentage of Shareholding
A. Promoter's holding		
1. Promoters		
a. Indian Promoters	32617778	65.76
b. Foreign Promoters		
2. Persons acting in concert		
Sub-Total	32617778	65.76
B. Non-Promoter's holding		
3. Institutional Investors		
a. Financial Institution and Banks	1600	0.00
b. FIIs		
Sub-Total	1600	0.00
4. Others		
a. Corporate Bodies	1534884	3.09
b. Indian Public	15363106	30.97
c. NRIs/OCBs	77052	0.16
d. Any Other (Clearing Member)	9100	0.02
Sub-Total	16984142	34.24
GRAND TOTAL	49603520	100.00



KRITI INDUSTRIES (INDIA) LIMITED

No. of Shares	No. of Shareholders	% of Shareholders
1-1000	3717	67.30
1001-2000	974	17.64
2001-3000	263	4.76
3001-4000	289	5.23
4001-5000	35	0.63
5001-10000	123	2.23
10001-20000	52	0.94
20001-30000	18	0.33
30001-40000	12	0.22
40001-50000	8	0.14
50001-100000	9	0.16
100000 AboveTotal	23	0.42
	5523	100

Dematerialisation of Shares & Liquidity

The shares of the Company are under compulsory demat segment and are listed on Bombay Stock Exchange, Mumbai. The Company's shares are available for trading in the depository of both NSDL & CDSL.

Details of Demat Shares as on 31st March 2015

	No. of Shareholders/Beneficial Owners	No. of Shares	% of Capital
NSDL	2027	42061446	84.79
CDSL	1090	4389194	8.85
Sub-Total	3117	46450640	93.64
Shares in physical form	2406	3152880	6.36
Grand Total	5523	49603520	100

Outstanding Convertible Instruments

There are no outstanding warrants or any convertible instruments.

Plant locations of the Company

Kriti Industries (India) Limited

Plot No. 75-86 & 13/1, Tarpura, 75-86, Pithampur, Dist. Dhar (M.P)

Address for communication

The shareholders may address their communication, suggestions, grievances and queries to:

Ankit Consultancy Private Limited

Plot No. 60, Electronic Complex, Pardeshipura, Indore- 452010 (M.P)

Tel: 0731-2551745, 0731-2551746, Fax 0731-4065798, E-mail: ankit_4321@yahoo.com

Auditors' Certificate on Corporate Governance

The company has obtained a certificate from the auditors of the company regarding compliances with the provisions of the corporate governance laid down in Clause 49 (VII) of the Listing Agreement with Stock Exchanges.

Place : Indore

By order of the Board,

Date: 11th August, 2015

Kriti Industries (India) Ltd.

CIN L25206MP1990PLC005732

Regd. Office: Mehta Chamber, 34 Siyagunj,
Indore

Shiv Singh Mehta
Managing Director
DIN 00023523



MD / CEO CERTIFICATION

To,

The Board of Directors,

Kriti Industries (India) Ltd.

Dear Sirs

We have reviewed the Financial Statement read with the cash flow statement of Kriti Industries (India) Ltd. for the year 31st March, 2015 and that to the best of their knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

We further certify that, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate the Company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have not noticed any deficiency that need to be rectified or disclosed to the Auditors and the Audit.

We have indicated to the Auditors and the Audit Committee that there is

1. No significant change in internal control over financial reporting during the year
2. No significant change in accounting policies during the year under review and
3. No instance of any fraud in the company in which the management has any role.

For, Kriti Industries (India) Ltd.

Shiv Singh Mehta

Managing Director -DIN 00023523

AUDITORS' REPORT ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Shareholders of Kriti Industries (India) Limited

We have examined the compliance of the conditions of Corporate Governance by Kriti Industries (India) Limited, Indore for the year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance as stipulated in the above Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accounts of India we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the Investor / Shareholders Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For R.D. Asawa & Company
Chartered Accountants
SD/-

Place: Indore

Date: 11th August, 2015

(R.D.Asawa)
Proprietor
M.No.16562



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

The company is engaged in the business of manufacturing, sale and supply of Pipes & fittings and accessories which are used in agriculture, construction segment (building products) and drip irrigation systems. The company also manufactures and sells PLB Ducts, HDPE & MDPE pipes largely used in infrastructure sector.

The Indian Pipe Industry has been showing rapid growth since past several years, PVC pipes and fittings market in India has consistently grown in last five years. The demand for plastic pipes such as PVC and CPVC is also increasing as these pipes are better in quality and durability.

The PVC/HDPE pipes and fittings industry outlook is of strong growth due to increased focus on irrigation, housing and infrastructure sectors in the economy.

PERFORMANCE & MARKET REVIEW

The company achieved sales of Rs. 398.44 crores during the year and a net profit of Rs. 2.69 crores.

The growth of the company is being powered by introduction of new products in new categories with a renewed focus on delivery through high impact teams. The company has created additional capacities at its existing manufacturing facilities coupled with technological improvements & cost efficiencies with minimal capital expenditure. With these improvements, the company has further increased its market share of products in line with the planned strategy.

The key drivers for growth and stability of the company are summarized below:

- Focused team work
- Enhanced capacity
- New products
- New territories

BUSINESS STRATEGY ANALYSIS AND FUTURE GROWTH DRIVERS

Company has successfully introduced premium range of products which are preferred by customers. The company has further introduced standards which help in the measurement of quality of designs and products. The company will leverage its manufacturing strength and integrated flexible facilities to widen the scope of product application in unexplored areas.

However the company's profitability in year under review was under pressure due to wide fluctuations in raw material prices. Despite these challenges, we believe we are well placed to deliver strong performance.

Infrastructure development, urbanization and the subsequent development of residential and industrial construction are facilitating the growth of pipe industry in India.

India's area under crop cultivation at nearly 142 million hectares is the world's second largest of which 60% is rain fed. The Government's latest irrigation programme Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) aims to bring water to every farm. The scheme would give a boost to sales demand for pipes. In drip irrigation the company has established its market in Andhra Pradesh and Telangana State besides Madhya Pradesh and Gujarat.

The long term outlook of the Micro Irrigation Industry is robust. The real boost to the business is likely to come from the micro irrigation projects launched by various state governments and the recently introduced National Mission for Sustainable Agriculture (NMSA). Agricultural growth can be sustained by promoting conservation and sustainable use of these scarce natural resources through appropriate location specific measures. Towards this end, NMSA has been formulated for enhancing agricultural productivity especially in rain fed areas focusing on integrated farming, water use efficiency, soil health management and synergizing resource conservation. NMSA derives its mandate from Sustainable Agriculture Mission which is one of the eight missions outlined under National Action Plan on Climate Change (NAPCC)

Housing project, infrastructure sector and increasing demand of gas transportation will act as growth driver for the industry. Favorable demographics, higher disposable income leading to better lifestyle, concept of nuclear families and a rising middle class also drive the growth in the demand for housing.

Replacement of conventional piping system like galvanized iron and cast iron piping systems with plastic is going on and will continue in the near term. Growth in construction, particularly in rural & Tier-II and Tier-III cities is going to be supported by demographic change aspirations of better lifestyle, nuclear family concept and continuous rise of the middle class.

The Company as a part of its growth strategy has progressed towards expanding its products portfolio by addition of CPVC pipes and fittings. The company continues to grow into new territories with new product lines and geographical expansion.

Kriti has strong brand equity 'Kasta' and single handedly has a market leadership in areas it operates in. The business strategy in the year under review was to consolidate market share in the existing markets and aggressively expand reach in new territories.



Reaping the benefits of its distribution enhancement initiatives and investment behind its brand 'Kriti'. Company is capturing opportunities through continuous evolution of its product range, packaging – by investing in new packaging innovations, deepening its distribution network and reach, creating awareness about its products through judicious use of media and other consumer connect activities.

THREAT

The industry is highly raw material intensive, with the raw material cost more than 70% of the total cost. The industry relies heavily on imports with associated forex fluctuation risk.

The availability of key raw materials from international sources at the right quantity and at right price is a risk factor associated with the business of the Company. The main raw material is now available in the right quantity at the right price through proper planning.

Further, on international currencies front, volatility of exchange rate is a matter of concern for a company. However, the risk associated with currency fluctuation has been mitigated by effective forex management policy. The company still believes in adopting a very conservative and cautious policy to avoid any unwarranted effects of currency volatility.

INFORMATION & TECHNOLOGY

In line with overall growth objective and strengthening of infrastructure base, the company continues to invest in Information Technology (IT) viz. SAP Enterprising Resource Planning System, CRM, HRM, Sales Force Mobility for leveraging its business values. Through implementation of these software's the company has improved its operational efficiencies, inventory minimization and cost optimization.

The company views these investments as a strategic tool to enhance its operational efficiencies, through various functional integration.

FINANCIAL PERFORMANCE

The financial statements are prepared in compliance with the Companies Act, 2013 and as per the generally accepted accounting principles, policies and practices prevalent in India. The Company's financial performance is discussed in details under the head "Financial Results" in Directors' Report to the Members.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a well established framework of internal controls in all areas of its operations, including suitable monitoring procedures and competent personnel. In addition to statutory audit, the financial controls of the Company are reviewed by the Internal Auditors, who report their findings to the Audit Committee of the Board. The Audit Committee is headed by an Independent Director and this ensures independence of functions and transparency of the process of supervision. The Committee meets to review the progress of the internal audit initiatives, significant audit observations and planning and implementation of follow-up action required.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company constantly facilitates and encourages its employees at all levels to enhance their knowledge and skills to continuously seeks to inculcate within its employees, a strong sense of business ethics and also firmly believes that Human Resource Development strategies and practices will continue to provide a sustained competitive advantage. Your company believes that it is the quality and dynamism of its human resources that will enable it make a significant contribution to creating enhanced values. The Directors of your Company deeply appreciate the spirit and commitment of its dedicated team of 526 employees as on 31.03.2015.

CAUTIONARY STATEMENT

Estimates and expectations stated in this Management Discussion and Analysis Report may be "forward-looking statements" within the meaning of applicable securities, laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include economic conditions affecting demand/ supply and price conditions in the domestic and international markets, changes in the Government regulations, tax laws, and other statutes and incidental factors.

**Independent Auditors Report to the Members of Kriti Industries (I) Limited****Report of the Financial Statements**

We have audited the accompanying standalone financial statements of Kriti Industries (India) Ltd. ("the Company"), which comprise the Balance Sheet as at 31 March, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then 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 stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified u/s 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view 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 u/s 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

- 1 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.
- 2 As required by section 143(3) of the Act, we report that :
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of accounts and required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion the aforesaid standalone financial statements comply with the Accounting Standards specified u/s 133 of the Act, read with the standalone Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of section 164(2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and according to the information and explanations give to us :
 - (i) The Company has disclosed the impact of pending litigations as at 31st March, 2015 on its financial position in its financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2015.

**For R. D. Asawa & Co.
Chartered Accountants
(FRN 001164C)**

**Place : Indore.
Dated : 20th May, 2015.**

**(CA. R. D. Asawa)
Proprietor (M.No.016562)**



Kriti Industries (India) Ltd., (2014-15)

Annexure to the Independent Auditor's Report

Referred to in paragraph 1 under the heading "Report on other Legal and Regulatory Requirements" of our report of even date on the standalone financial statements as of and for the year ended 31st March, 2015.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has physically verified certain assets during the year in accordance with a programme of verification, which in our opinion provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (ii) (a) As explained to us, inventories were 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 were 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 explanations given to us, the company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) (a) The company has granted unsecured loans to 1 company covered in the register maintained under Section 189 of the Act.
- (b) In the case of loan granted to the body corporate listed in the register maintained u/s 189 of the Act, the borrower has been regular in the payment of interest as stipulated.
- (c) The terms of arrangement do not stipulate any repayment schedule and the loan is repayable on demand. Accordingly clause 'C' for repayment is not applicable.
- (d) There is no overdue amount of more than Rs. 1 lac in respect of the loan granted to the bodies corporate as listed in the register maintained u/s 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to acquisition of properties, fixed assets and with regard to the sale of properties and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) The Company has not accepted any deposits from the public within the meaning of section 73 and 74 of the Act and the rules framed there under to the extent notified.
- (vi) We have broadly reviewed the cost records maintained by the company pursuant to the Companies Cost Record & Audit Rule, 2014, prescribed by the Central Government under section 148(1) of the Act and we are of the opinion that prima facie the prescribed cost records have been maintained. We have however not made detailed examination of the cost records with a view to determine whether they are adequate and complete.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us, following amounts have not been deposited as on 31st March, 2015 on account of any dispute :



Nature of dues	Related period	Forum where the dispute is pending	Amount
Central Sales Tax	2005-06	High Court	7238189
Central Sales Tax	2006-07	High Court	1335795
Entry Tax	2007-08	Appellate Board, Bhopal	1808843
Central Sales Tax	2008-09	Appellate Board, Bhopal	114553
Central Sales Tax	2009-10	Appellate Board, Bhopal	227206
M.P. Commercial Tax	2009-10	Appellate Board, Bhopal	741835
M.P. Commercial Tax	2009-10	Appellate Board, Bhopal	901426
Central Sales Tax	2010-11	Appellate Board, Bhopal	634351
M.P. Commercial Tax	2010-11	Appellate Board, Bhopal	3326751
Central Sales Tax	2011-12	Appellate Board, Bhopal	1692994
M.P. Commercial Tax	2011-12	Appellate Board, Bhopal	4698777
Central Sales Tax	2012-13	Deputy Commissioner	1165146
Entry Tax	2012-13	Deputy Commissioner	475639
M.P. Commercial Tax	2012-13	Deputy Commissioner	1227546
Income Tax	2011-12	Commissioner of Income Tax(Appeals)	7806890
Income Tax	2012-13	Commissioner of Income Tax(Appeals)	17640910

- (c) According to the information and explanations given to us, the 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 thereunder has been transferred to such fund within time.
- (viii) The Company neither has any accumulated losses nor has incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks or debentures holders.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, the terms loans obtained during the year were, prima facie, applied by the Company for the purpose for which they were obtained.
- (xii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For R. D. Asawa & Co.
Chartered Accountants
(FRN 001164C)

Place : Indore.
Dated : 20th May, 2015.

(CA. R. D. Asawa)
Proprietor (M.No.016562)



KRITI INDUSTRIES (INDIA) LIMITED

Balance Sheet as at 31st March, 2015

(Rs. in Lacs)

Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	496.04	496.04
(b) Reserves and Surplus	3	4691.17	4459.55
(2) Non-Current Liabilities			
(a) Long-term borrowings	4	1418.53	848.19
(b) Deferred tax liabilities (Net)	5	662.71	615.15
(c) Other Long term liabilities	6	202.09	183.53
(3) Current Liabilities			
(a) Short-term borrowings	7	2407.03	2146.03
(b) Trade payables	8	6966.76	11169.21
(c) Other current liabilities	9	1372.17	1175.77
(d) Short-term provisions	10	128.07	393.23
Total		18344.57	21486.70
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
Tangible assets	11	5059.34	4580.10
Intangible assets	12	27.72	35.23
Capital work-in-progress		349.47	117.02
(b) Non-current investments	13	778.15	777.15
(c) Long term loans and advances	14	131.61	114.97
(d) Other non-current assets	15	117.99	63.89
(2) Current assets			
(a) Inventories	16	6514.26	7485.74
(b) Trade receivables	17	2690.09	5783.31
(c) Cash and bank balances	18	816.92	823.90
(d) Short-term loans and advances	19	1249.02	964.24
(e) Other current assets	20	610.00	741.15
Total		18344.57	21486.70

Significant accounting policies & Notes to the accounts 1 - 42

As per Our Report of Even Date Attached

For R.D. ASAWA & Co.
Chartered Accountants
F.R.N. 0001164C

For and on behalf of the Board of Directors

R.D. ASAWA
Proprietor
M.No. 16562

Shiv Singh Mehta
(Managing Director)
DIN 00023523

Purnima Mehta
(Executive Director)
DIN 00023632

V. K. Mittal
(Chief Financial officer)

Satish Patel
(Company Secretary)

Place: Indore
Date:- 20th May, 2015

KRITI INDUSTRIES (INDIA) LIMITED**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2015**

(Rs. in Lacs)

Particulars	Note No.	2014-15	2013-14
Revenue from operations	21	39698.19	39665.57
Less:			
Excise Duty		3466.46	3842.33
		36231.73	35823.24
Other Income	22	146.31	115.40
Total Revenue		36378.04	35938.64
Expenses:			
Cost of materials consumed		29527.17	28595.11
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		(252.51)	(32.08)
Employee Benefit Expense	23	1592.38	1491.27
Financial Costs	24	1258.58	1372.50
Depreciation and Amortization Expense	11-12	392.80	445.32
Other Expenses	25	3441.64	3240.31
Total Expenses		35960.06	35112.44
Profit before tax		417.98	826.20
Tax expense:			
Current tax		88.00	265.00
Excess Provision of Earlier Year Written Back		(5.08)	0.00
Deferred tax		65.70	25.96
Profit/(Loss) for the year		269.36	535.24
Earning per equity share:			
(1) Basic		0.54	1.08
(2) Diluted		0.54	1.08

Significant accounting policies & Notes to the accounts 1 - 42

As per Our Report of Even Date Attached

For R.D. ASAWA & Co.
Chartered Accountants
F.R.N. 0001164C

For and on behalf of the Board of Directors

R.D. ASAWAProprietor
M.No. 16562**Shiv Singh Mehta**
(Managing Director)
DIN 00023523**Purnima Mehta**
(Executive Director)
DIN 00023632**V. K. Mittal**
(Chief Financial officer)**Satish Patel**
(Company Secretary)**Place: Indore****Date:- 20th May, 2015**



KRITI INDUSTRIES (INDIA) LIMITED

Cash Flow As On 31st March 2015

(Rs. in Lacs)

Particulars	Year Ended 31.03.2015		Year Ended 31.03.2014	
	Amount	Amount	Amount	Amount
Cash Flow From Operating Activities				
Net Profit before Tax		417.98		826.20
Adjustments for :				
Depreciation	392.80		445.32	
Dividend Received	0.00		0.00	
(Profit)/ Loss on Sale of Fixed Assets	0.88		1.40	
Financial Income	(146.31)		(115.40)	
Financial Expense	1258.58	1505.95	1,372.50	1,703.8
Cash Operating Profit before working capital changes		1923.93		2,530.02
Increase / (Decrease) in Trade Payables	(4202.45)		1,214.53	
Increase / (Decrease) in Short term Provisions	(261.60)		(223.42)	
Increase / (Decrease) in Other Current Liabilities	15.28		(21.30)	
(Increase) / Decrease in Inventories	971.49		(184.29)	
(Increase) / Decrease in Trade Receivables	3093.22		(574.11)	
(Increase) / Decrease in Long term Loans & Advances	(16.65)		(8.57)	
(Increase) / Decrease in Other Non Current Assets	(54.10)		(30.00)	
(Increase) / Decrease in Short term Loans & Advances	(284.78)		(169.70)	
(Increase) / Decrease in Other Current Assets	191.15		443.45	
		(548.45)		446.57
Tax Paid		(60.00)		(182.00)
Net Cash From Operating Activities (A)		1315.48		2,794.59
Cash Flow From Investing Activities				
Dividend Income	0.00		0.00	
Financial Income	146.31		115.40	
Sale Proceed Of Fixed Assets (Net)	9.56		2.92	
Purchase of Fixed Assets	(1163.30)		(717.51)	
Investment in Fixed Deposits having maturity of more than three months	(3.96)		(200.21)	
(Increase) / Decrease in Non Current Investment	(1.00)		0.00	
Net Cash Used In Investing Activities (B)		(1012.39)		(799.40)
Cash Flow From Financing Activities				
Proceeds from Long Term Borrowings	1392.00		499.82	
Repayment of Long Term Borrowings	(641.36)		(638.70)	
Net Increase / (Decrease) in Long Term Borrowings	750.64		(138.88)	
Increase / (Decrease) in Other Long Term Liability	18.56		21.78	
Increase / (Decrease) in Short Term Borrowings	260.99		(412.32)	
Dividend Paid on Equity Shares	(74.41)		(74.41)	
Dividend Distribution Tax Paid	(12.07)		(12.07)	
Financial Expenses	(1258.58)		(1,372.50)	

**KRITI INDUSTRIES (INDIA) LIMITED****Cash Flow As On 31st March 2015**

(Rs. in Lacs)

Particulars	Year Ended 31.03.2015		Year Ended 31.03.2014	
	Amount	Amount	Amount	Amount
Cash Flow From Operating Activities				
Net Cash Used In Financing Activities (C)		(314.87)		(1,988.40)
Net Decrease In Cash and Cash Equivalents (A + B + C)		(11.77)		6.80
ADD :Cash and cash equivalents - Opening - 1st April		13.93		7.13
Cash and cash equivalents - Closing - 31st March		2.15		13.93

FOOTNOTE TO CASH FLOW STATEMENT:**1. Components of Cash and Cash Equivalents are produced as under:**

(Rs. in Lacs)

Particulars	2014-15	2013-14
Cash & Cash Equivalents		
Balances with Banks		
Current Account	0.71	9.83
Fixed Deposit having original maturity 3 month or less	-	-
Cheques, Draft on hand	-	-
Cash on hand	1.44	4.10
Total of Cash & Cash Equivalent	2.15	13.93

(Rs. in Lacs)

2. Reconciliation of Cash and Cash Equivalents with Cash and Bank as per the Balance Sheet Balances:

Particulars	2014-15	2013-14
Cash and cash equivalents as above	2.15	13.93
Add : Other Cash and Bank Balances		
Unpaid Dividend	17.15	16.31
Fixed Deposit account maturity more than 3 month & less than 12 month	797.62	793.66
Cash and Bank Balances classified as Current (Refer Note 18)	816.92	823.90

Significant accounting policies & Notes to the accounts 1 - 42

As per Our Report of Even Date Attached

For R.D. ASAWA & Co.
Chartered Accountants
F.R.N. 0001164C

For and on behalf of the Board of Directors

R.D. ASAWA
Proprietor
M.No. 16562

Shiv Singh Mehta
(Managing Director)
DIN 00023523

Purnima Mehta
(Executive Director)
DIN 00023632

V. K. Mittal
(Chief Financial officer)

Satish Patel
(Company Secretary)

Place: Indore

Date:- 20th May, 2015

**NOTES - 1****SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS 31.03.2015****1.1 Corporate Information**

Kriti Industries (India) Ltd., a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on 09.11.1995 and having its Registered office in Indore (MP). The company's shares are listed in the Bombay Stock Exchange (BSE).

1.2. Significant Accounting Policies**1.2.1 Basis of Preparation of Financial Statements**

The financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014, till the standard of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under section 211(3C) of Companies Act, 1956 (Companies (Accounting Standards) Rules, 2006, as amended) and other relevant provisions of the Companies Act, 2013.

1.2.2 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

1.2.3 Fixed assets and depreciation

Fixed assets are stated at acquisition cost less accumulated depreciation. The cost of fixed assets comprises its purchase price including import duties and other non-refundable taxes or levies and any directly, attributable cost of bringing the asset to the working condition for its intended use.

Depreciation is provided on the straight-line method ('SLM') as per the useful life of the assets as prescribed in Schedule II of the Companies Act, 2013. Depreciation on addition has been charged from the 1st day of the next month of addition.

Capital Work-In-Progress includes the cost of fixed assets that are not ready to use at the balance sheet date and advances paid to acquire capital assets before the balance sheet date.

1.2.4 Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or a group of assets. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit & loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

1.2.5 Investments

Investments classified as long term investment are carried at cost. Provision for diminution, if any, is made to recognize a decline other than temporary, in the value of the investment.

1.2.6 Inventories

1. Stores and Spares parts, etc: At Cost, with moving average price on FIFO basis

2. Raw materials: At cost, with moving average price on FIFO basis.

3. Finished Goods: At estimated cost or net realizable value (whichever is lower)

Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

1.2.7 Revenue recognition

(a) Revenue from sale of products is recognized on transfer of all significant risk and rewards of ownership of products to the customers, which is generally on dispatch of goods. Sales are stated exclusive of Value Added Tax.



- (b) Dividend income is recognized when the right to receive the dividend is established.

1.2.8 Employee Benefits

(a) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. are recognized in the period in which the employee renders the related services.

(b) Post-Employment Benefits

(i) **Defined Contribution Plans:** The Employee State Insurance Scheme and Contributory Provident Fund administered by Provident Fund Commissioner are defined contribution plans. The Company's contribution paid/payable under the schemes is recognized as expense in the profit and loss account during the period in which the employee renders the related service.

(ii) **Defined Benefit Plans:** The Company has taken Group Gratuity and Cash Accumulation Policy issued by the Life Insurance Corporation of India (LIC). The present value of the obligation under such defined benefit plans is determined based on actuarial valuation as advised by LIC, using the Projected Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, are as advised by LIC.

Actuarial gains and losses are recognized immediately in the Profit & Loss Account.

1.2.9 Foreign Currency Transactions

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the profit and loss account of the year.

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the closing exchange rate/ forward contract booked (if any) and the resultant exchange differences are recognized in the profit and loss account.

Realized gain or loss on cancellation of forward exchange contract is recognized in the Profit and Loss Account for the year.

1.2.10 Borrowing Costs

The borrowing costs that are directly attributable to the acquisition, construction or productions of a qualifying asset are capitalized as part of the cost of that asset. The amount of borrowing cost eligible for capitalization is determined in accordance with Accounting Standard (AS) 16- Borrowing Costs issued by the Institute of Chartered Accountants of India (ICAI) and as specified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014.

1.2.11 Taxation

Tax expenses for the current year comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act 1961. Deferred tax is recognized, on timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

1.2.12 Earning Per Share

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

1.2.13 Provisions for contingencies

Provisions comprise liabilities of uncertain timing or amount. Provisions are recognized when the company recognizes it has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Disclosures for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources when there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Contingent assets are not recognized in the financial statements.

**KRITI INDUSTRIES (INDIA) LIMITED****NOTES Forming Part of The Balance Sheet and Statement of Profit & Loss**

(Rs. in Lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
2 SHARE CAPITAL		
2.1 AUTHORIZED		
2.1.1 80000000 Equity Shares of Re. 1/- each	800.00	800.00
2.1.2 2000000 Optional convertible Preference Shares of Rs. 10/- each	200.00	200.00
2.2 ISSUED, SUBSCRIBED AND PAID UP		
2.2.1 49603520 equity shares of Rs 1/- each fully paid up. Out of which 49603520 shares issued on 27.01.2010 as fully paid up on account of scheme of arrangement as approved by The Hon'ble High Court of M.P. Indore Bench		
2.2.2 Reconciliation of shares		
2.2.2.1 Opening Balance of 49603520 shares of Rs. 1/- each Total	496.04	496.04
2.2.2.2 Issued during the year	0.00	0.00
2.2.2.3 Closing Balance 49603520 shares of Rs. 1/- each	496.04	496.04
The company has issued only one class of shares referred to as equity shares having a par value of Rs. 1 each. Holder of the equity share as referred in the records of the company as of date of the shareholder's meeting is referred to one vote in respect of each share held for all matters submitted to vote in the shareholder's meeting. The company declares and pays dividends in Indian rupees. Board of Directors of the Company did not declare any dividend during the year. In the event of liquidation of the company the holders of equity shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts.		
2.3 SHAREHOLDER HOLDING MORE THAN 5 % OF SHARES OF THE COMPANY AND ITS PERCENTAGE		
2.3.1 SAKAM TRADING PRIVATE LIMITED		
No. of Shares	25843673	25843673
%age of Shares	52.10%	52.10%
Pursuant to the Hon'ble High Court of M.P. order dated 1.11.2011 approving the scheme of amalgamation of promoter group companies viz Kriti Corporate Service Pvt. Ltd., Kriti Auto Accessories Private Ltd., Kasta Pipes Pvt.Ltd.and Shipra Pipe Pvt Ltd. with Sakam Trading Pvt.Ltd., the Shareholding of the above transferor companies are vested in Sakam Trading Pvt.Ltd. Thus Sakam Trading Pvt.Ltd. becomes holding company w.e.f.27.02.12 of Kriti Industries (I) Ltd.		
2.3.2 CHETAK BUILDERS PRIVATE LIMITED		
No. of Shares	4469258	4469258
%age of Shares	9.01%	9.01%
3 RESERVES & SURPLUS		
3.1 RESERVES		
3.1.1 General Reserve		
3.1.1 Opening Balance	2600.00	2500.00
3.1.2 Add: Transfer from P&L	100.00	100.00
3.1.3 Closing Balance	2700.00	2600.00
3.2 SHARE PREMIUM ACCOUNT		
3.2.1 Opening Balance	466.14	466.14
3.2.2 Add: Transfer from P&L	0.00	0.00
3.2.3 Closing Balance	466.14	466.14
3.3 Contingency Reserve		
3.3.1 Opening Balance	75.00	75.00
3.3.2 Add: Transfer from P&L	0.00	0.00
3.3.3 Closing Balance	75.00	75.00
3.4 SHARE FOREFEITURE ACCOUNT		
3.4.1 Opening Balance	2.73	2.73
3.4.2 Add: Transfer from P&L	0.00	0.00
3.4.3 Closing Balance	2.73	2.73



KRITI INDUSTRIES (INDIA) LIMITED

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

(Rs. in Lacs)

Particulars					As at 31.03.2015	As at 31.03.2014
3.5 SURPLUS						
3.5.1 Statement of Profit & Loss						
3.5.1.1 Opening Balance					1315.68	966.92
3.5.1.2 Less Carrying amount of Assets whose remaining useful life is Nil as per Schedule II of Companies Act, 2013					37.75	0.00
3.5.1.3 Add Profit & Loss during the period					269.36	535.24
					1547.30	1502.16
Less:						
3.5.2 Proposed Dividend NIL (Previous year Rs. 0.15 per share)					0.00	74.41
3.5.3 Corporate Dividend Tax					0.00	12.07
3.5.4 Transferred to General Reserve					100.00	100.00
3.5.5 Transferred to Contingency Reserve					0.00	0.00
Balance in Surplus					1447.30	1315.68
Total					4691.17	4459.55
4 LONG TERM BORROWINGS						
4.1 TERM LOAN						
(Installment due within 12 months shown in Current Liabilities)						
4.1.1 SECURED						
4.1.1.1 From Banks (Term of Repayments of Long Term Borrowings)						
Particulars	Total tenure	No of Installment Payable as on 31.03.2015	Last Installment due on	Rate of Interest		
IDBI Bank Ltd.	42 Monthly Installment	12	1st March, 2016	14.75%	0.00	171.23
IDBI Bank Ltd.	20 Quarterly Installment	20	1st June, 2020	14.75%	317.00	0.00
Bank of India	17 Quarterly Installment	5	30th June, 2016	13.65%	37.13	277.13
State Bank of Hyderabad	20 Quarterly Installment	16	31st March, 2019	13.50%	299.82	399.82
COSMOS Bank	60 Monthly Installment	54	30 September, 2019	13.00%	764.58	0.00
Total					1418.53	848.19
(Above loans are secured by First charge/ Mortgage on fixed assets of the company and personal guarantee of Managing Director)						
5 DEFERRED TAX LIABILITY NET						
5.1 Deferred Tax Liability (Net)						
On account of tax effects on timing difference arising due to difference in Depreciation					662.71	615.15
Total					662.71	615.15
6 OTHER LONG TERM LIABILITIES						
UNSECURED						
6.1.1 Other Loans and advances					202.09	183.53
Total					202.09	183.53
7 SHORT TERM BORROWINGS						
7. 1 Loans repayable on Demand						
7.1.1 SECURED						
From banks					2251.78	2080.58
(Secured by hypothecation of finished goods, Raw material, Stock in process, store and spares,sundry debtors, export bills, receivables and second charge on fixed assets of the company andpersonal guranteee of Managing director)						
7.1.2 UNSECURED						
Inter corporate deposit					155.25	65.46
Total					2407.03	2146.03
8 TRADE PAYABLES						
8.1 Trade Payables					6966.76	11169.21
Total					6966.76	11169.21
9 OTHER CURRENT LIABILITIES						
9.1 Outstanding Expenses					130.51	186.09
9.2 Statutory Liabilities					472.33	401.47
9.3 Current maturities of Long term debt					752.18	571.90
9.4 Unpaid dividends					17.15	16.31
Total					1372.17	1175.77
10 SHORT TERM PROVISIONS						
10.1 Provision for Employees Benefits					40.07	41.76
10.2 Provision of Income Tax					88.00	265.00
10.3 Proposed dividend					0.00	74.41
10.4 Corporate Dividend Tax					0.00	12.07
Total					128.07	393.23



KRITI INDUSTRIES (INDIA) LIMITED
Schedule II Forming Part of the Balance Sheet and Profit & Loss Accounts
(AS PER COMPANIES ACT 2013)
NOTE NO. -11-12 FIXED ASSETS (2014-15)

(Rs. in Lacs)

Note	Particulars	Life In Years	Gross Block			Depreciation / Amortization					Net Block		
			01.04.2014	Addition	Deduction	Total	01.04.2014	Adjusted Against Retained Earning	For the Year	Written Back	Total	31.03.2015	31.03.2014
1	TANGIBLE												
1.1	Land	0	116.88	0.00	0.00	116.88	0.00	0.00	0.00	0.00	0.00	116.88	116.88
1.2	Factory Building	30	980.16	122.65	0.00	1102.81	331.26	0.00	32.05	0.00	363.31	739.50	648.90
1.3	Plant & Machinery	25	5099.20	731.59	19.00	5811.78	1905.40	0.00	168.37	8.56	2065.21	3746.57	3193.79
1.4	Testing & Lab Machinery	10	188.83	8.08	0.00	196.91	104.79	36.17	22.91	0.00	163.87	33.03	84.03
1.5	Electrical Installation	10	136.81	10.41	0.00	147.22	36.32	2.87	15.88	0.00	55.07	92.15	100.49
1.6	Dies & Moulds	6	1308.39	12.21	0.00	1320.61	947.89	1.02	112.33	0.00	1061.24	259.37	360.50
1.7	Vehicles	8	33.08	22.42	0.00	55.50	19.85	2.75	3.81	0.00	26.41	29.09	13.23
1.8	Furniture & Fixture	10	75.20	2.50	0.00	77.69	44.15	8.64	8.16	0.00	60.95	16.74	31.05
1.9	Office Equipment	5	16.63	3.26	0.00	19.89	5.00	0.93	3.54	0.00	9.46	10.42	11.63
1.10	COMPUTER	3	137.81	16.77	0.00	154.58	118.23	3.00	17.76	0.00	138.99	15.59	19.58
	TOTAL (11)		8092.99	929.89	19.00	9003.87	3512.89	55.39	384.81	8.56	3944.54	5059.34	4580.10
	Previous Year		7492.41	616.06	15.48	8092.99	3094.28	0.00	429.77	11.16	3512.89	4580.10	4398.12
2	INTANGIBLE												
2.1	Software	6	122.84	0.97	0.00	123.81	87.61	0.49	7.99	0.00	96.09	27.72	35.23
	TOTAL (12)		122.84	0.97	0.00	123.81	87.61	0.49	7.99	0.00	96.09	27.72	35.23
	Previous Year		120.63	2.21	0.00	122.84	72.06	0.00	15.55	0.00	87.61	35.23	48.58
	GRAND TOTAL (11+12)		8215.83	930.85	19.00	9127.68	3600.50	55.88	392.80	8.56	4040.63	5087.06	4615.33
	Previous Year		7613.04	618.27	15.48	8215.83	3166.34	0.00	445.32	11.16	3600.50	4615.33	4446.70



KRITI INDUSTRIES (INDIA) LIMITED

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

(Rs. in Lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
13 NON- CURRENT INVESTMENT		
13.1.1 National Saving Certificate	0.14	0.14
13.2 Unquoted		
Non Trade Investment in equity instruments		
13.2.1 Sahkari Audhyogik Vasahat LIMITED (1 Share of Rs.500/-)	0.01	0.01
13.2.2 The Cosmos Co-operative Bank Ltd.	1.00	0.00
1000 Equity Shares of Rs. 100/- each (Pre.Yr. Nil)		
Trade Investment in equity instruments		
13.2.3 Kriti Auto Engineering & Plastic Private Limited (100% Subsidiary)	777.00	777.00
(3875000 Shares of Rs.10/- each)		
Total	778.15	777.15
14 LONG TERM LOANS AND ADVANCES		
14.1 SECURITY DEPOSITS	131.61	114.97
15 OTHER NON CURRENT ASSETS		
15.1 Fixed deposit with banks having maturity more than 12 months	2.99	33.89
15.2 Inter Corporate Deposit (Kriti Auto and Engineering Plastic Pvt. Ltd.)	115.00	30.00
16 INVENTORIES		
16.1 Raw Material	1804.21	2973.98
16.2 Finished Goods	4127.50	3874.99
16.3 Stores and Spares & others	582.55	636.77
(Mode of valuation of above stocks are as per point no. 1.2.6 of Note no. 1)		
Total	6514.26	7485.74
17 TRADE RECEIVABLES		
17.1 Trade Receivables (Unsecured considered good)		
Over Six months from the date they become due	438.26	432.09
Others	2251.83	5351.22
Total	2690.09	5783.31
18 CASH AND BANK BALANCES		
18.1 Cash & Cash Equivalents		
18.1.1 Balances with Banks	0.71	9.83
18.1.2 Cash on hand	1.44	4.10
18.2 Other Bank Balances		
18.2.1 Unpaid dividend	17.15	16.31
18.2.2 Fixed deposit with banks against margin money	797.62	793.66
Total	816.92	823.90
19 SHORT-TERM LOANS AND ADVANCES		
19.1 Unsecured, Considered good	1249.02	964.24
Advances recoverable in cash or kind or for value to be recieved		
Total	1249.02	964.24
20 OTHER CURRENT ASSETS		
20.1 Sundry Deposits	23.69	27.28
20.2 Advance Tax/ Tax Deducted at source	137.51	199.64
20.3 CENVAT	412.81	199.79
20.4 Accrued Interest/ Income	35.99	39.44
20.5 Insurance Claim Receivable	0.00	275.00
Total	610.00	741.15



KRITI INDUSTRIES (INDIA) LIMITED

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

(Rs. in Lacs)

Particulars	2014-15	2013-14
21 REVENUE FROM OPERATIONS		
21.1 Sale of Products	39670.21	39648.17
21.2 Other operating revenues	27.98	17.40
	39698.19	39665.57
21.4 Less: Excise Duty	3466.46	3842.33
Total	36231.73	35823.24
22 OTHER INCOME		
22.1 Interest Income	137.03	112.38
22.2 Other Non-operating Income	9.28	3.02
Total	146.31	115.40
23 EMPLOYEE BENEFITS EXPENSES		
23.1 Salaries & Wages	1310.14	1201.32
23.2 Contribution to provident and other fund	84.77	82.55
23.3 Staff Welfare Expenses	128.39	127.41
23.4 Director Remuneration	63.32	74.23
23.5 P.F on Director Remuneration	5.76	5.76
Total	1592.38	1491.27
24 FINANCIAL COST		
24.1 Interest Expenses	983.37	1057.27
24.2 Other Borrowing Cost	275.21	315.23
Total	1258.58	1372.50
25 OTHER EXPENSES		
(I)		
25.1 Stores and Spares Consumed	290.70	276.20
25.2 Power Charges	967.52	927.58
25.3 Freight & Cartage	233.16	183.90
25.4 Repairs & Maintenance	43.46	49.90
25.5 Insurance Charges	29.71	27.94
25.6 Water Charges	17.32	13.57
25.7 Loss on Sale of Fixed asset	0.88	1.40
25.8 Loss on Insurance Claim Received	83.52	0.00
25.9 Excise Duty on Closing Stock	390.63	345.57
25.10 Miscellaneous Manufacturing Expenses	49.65	42.41
Sub Total (I)	2106.55	1868.47
(II)		
25.11 Stationery & Printing	3.50	2.48
25.12 Computer Expense	7.78	9.50
25.13 Rent, Rates and Taxes	86.03	93.12
25.14 Postage, Telegram and Telephones	24.90	25.92
25.15 Auditor's Fees	2.00	2.00
25.16 Conveyance Expenses	62.39	58.55
25.17 Legal & Professional Charges	67.37	82.20
25.18 Miscellaneous Expenses	53.40	41.43
25.19 Director's Meeting Fee	0.12	0.16
25.20 Net gain/ loss on foreign currency transactions	32.03	71.42
25.21 Corporate Social Responsibility	0.87	0.00
Sub Total (II)	340.39	386.78
(III)		
25.22 Advertisement & Publicity	2.91	20.11
25.23 Sales Promotion Expenses	162.82	109.44
25.24 Brokerage & Commission	23.54	35.42
25.25 Service Charges	100.45	75.93
25.26 Freight Outward	529.26	540.48
25.27 Sales Tax & Octroi	0.32	0.10
25.28 Travelling Expenses	168.99	196.07
25.29 Bad debts	6.41	7.51
Sub Total (III)	994.70	985.06
TOTAL (I+II+III)	3441.64	3240.31



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

27. Contingent liabilities

27.1 Estimated amount of contracts remaining to be executed on Capital Account Rs. 23.62 lacs net of advance given (Previous Year Rs. 0.41 lacs)

27.2 Bank has given guarantee on behalf of the Company to various parties to the extent of Rs.2149.61 lacs (Previous Year Rs. 1610.80 lacs.)

27.3 Claims not acknowledge by the company on Commercial tax matters Rs 255.89 Lacs (Previous Year 214.40Lacs).

28. Company's Income tax assessments have been completed up to Assessment year 2012-13. Income Tax Dept. has raised a demand of Rs.176.41 lacs for A.Y.2012-13 and Rs.133.07 lacs for A.Y.2011-12 respectively against which company has filed appeal before CIT (A). Company has not made any provision against such demand and shall be dealt with in books when crystallized finally. In the opinion of Board of Director's provision made for the year for Income Tax is adequate.

29. Remuneration Paid/Payable to Managing Director / Executive Director

Paid / Payable (Rs. In Lacs)	Current Year	Previous year
Remuneration	64.26	64.26
Commission	4.82	15.73

30. Unpaid overdue amount due on March 31, 2015 to Micro Small and Medium Enterprises and/or ancillary industrial suppliers on account of principal together with interest aggregate to Rs. Nil.

This disclosure is on the basis of the information available with the company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

31. The amount of Foreign Exchange gain/ (loss) included in the profit & loss account is Rs. (32.03) lacs (Previous Year gain/ (loss) Rs. (71.42) lacs).

32. There was fire in factory premises of the company in F.Y.2012-13 in which finished goods were destroyed. Company had filed claim with Insurance Company for Rs. 275 lacs, During the year company received Rs. 191.48 lacs towards final claim from Insurance Company and thus company has suffered loss of Rs. 83.52 lacs, which has been accounted for in the year end and grouped under other expenses.

33. The disclosure required as per Accounting Standard (AS) 15 "Employees Benefit" issued by the Institute of Chartered Accountants of India (ICAI) and as specified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014., and based on the report generated by Life Insurance Corporation of India (LIC) is as under

- (a) The company has taken Group Gratuity and Cash Accumulation Policy issued by the LIC, which is a defined benefit plan.

(Rs. in Lacs)

(b) Table showing changes in present value of obligations as on	31/03/2015	31/03/2014
Present value of obligations as at beginning of the year	98.19	81.49
Interest Cost	7.85	6.52
Current Service Cost	15.48	17.59
Benefit Paid	(4.66)	(3.27)
Actuarial (gain)/loss on obligations	(4.55)	(4.15)
Present Value obligations as at end of the year	112.31	98.19
(c) Table showing changes in the fair value of plan assets as on	31/03/2015	31/03/2014
Present value of obligations as at beginning of the year	83.74	80.19
Expected return on plan assets	9.59	6.81
Contribution	51.00	0.00
Benefit Paid	(4.66)	(3.27)
Actuarial gain/(loss) on plan assets	NIL	NIL
Fair Value of the plan assets at the end of the year	139.67	83.74
(d) Table showing fair value of plan assets as on	31/03/2015	31/03/2014
Fair value of plan assets at beginning of the year	83.41	80.19
Actual return on plan assets	9.58	6.81
Contribution	51.00	0.00



KRITI INDUSTRIES (INDIA) LIMITED

Benefit Paid	(4.66)	(3.27)
Fair Value of the plan assets at the end of the year	139.67	83.74
Funded status	(27.35)	(14.45)
Excess of actual over estimated return on plan assets	NIL	NIL
(Actual Rate of return= estimated rate of return as ARD falls on 31/03/2015)		
(e) Actuarial Gain/Loss recognized as on	31/03/2015	31/03/2014
Actuarial (Gain)/Loss for the year-obligation	4.55	4.15
Actuarial (Gain)/Loss for the year-plan assets	NIL	NIL
Total (Gain)/Loss for the year	(4.55)	(4.15)
Actuarial (Gain)/Loss recognized for the year	(4.55)	(4.15)
(f) Expenses recognized in statement of profit and loss	31/03/2015	31/03/2014
Current Service Cost	15.48	17.59
Interest cost	7.85	6.52
Expected return on Plan Asset	(9.59)	(6.81)
Net Actuarial (Gain)/Loss recognized in the year	(4.55)	(4.15)
Expenses recognized in the Statement of Profit & Loss	9.20	13.15
(g) Assumption		
Discount rate	8%	8%
Salary Escalation	7%	7%

34. DEFERRED TAX CALCULATIONS

(Rs. in Lacs)

Sr. No.	DEFERRED TAX LIABILITY/ (ASSETS)	Current Year	Previous Year
a	Deferred Tax Liability (Net) for the year	47.56	25.96
b	Opening Bal. of Deferred Tax Liability	615.15	589.19
c	Closing Bal. of Deferred Tax Liability	662.71	615.15

35. The Company has taken various commercial premises under cancellable operating leases. These lease agreements are normally renewed on expiry.
36. During the current year the Company has implemented Schedule II of the Companies Act, 2013 and accordingly computed the depreciation based on revised useful life of the fixed assets as prescribed under schedule II of the Act. The carrying value of the Fixed Assets which have completed their useful life as on 1st April 2014, have been charged off against the General Reserve at Rs.37.15 lacs.
- Had there not been any change in useful life of the Fixed Assets, the depreciation would have been higher by Rs.55.22 lacs and therefore the profit would have been lower by Rs.55.22 lacs.

37. EARNING PER SHARE

The Company's share capital consists of equity share. The basic and diluted earnings per share is calculated as under:

Sr. No.	Particulars	Current Year	Previous Year
1	Number of Shares	49603520	49603520
2	Profit contribution for Basic EPS (Rs in lacs)	269.36	535.24
3	Extra Ordinary Items (Within the meaning of AS-5, Net Profit or loss for the period, Prior Period items and Changes in the Accounting Policies)	Nil	Nil
4	Basic Earning Per Share	0.54	1.08
5	Diluted Earning Per Share	0.54	1.08
6	Nominal Value Per Share	1.00	1.00

38. In accordance with the Accounting Standard (AS) 18 "Related Party Disclosures" issued by The Institute of Chartered Accountants of India (ICAI) and as specified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014.The names of the related parties and the relevant disclosure is as under:-



- (a) Name of the related party and description of relationship:
- Key Management Personnel:
Shri Shiv Singh Mehta, Managing Director
Smt. Purnima Mehta, Executive Director
Shri V.K. Mittal, Chief Financial Officer
Shri Satish Patel, Company Secretary
 - Relatives of Key Management Personnel
Shri Saurabh Singh Mehta (Son of Managing Director/ Executive Director)
Smt. Devki Hirawat (Daughter of Managing Director/ Executive Director)
 - Subsidiary Company
1) Kriti Auto & Engineering Plastic Pvt. Ltd (Wholly owned Subsidiary Company)
 - Companies/entities under the control of Key Management Personnel
1) Sakam Trading Pvt. Ltd. (Holding Company)
2) Kriti Nutrients Ltd. (Subsidiary company of Sakam Trading Pvt. Ltd.)
3) Chetak Builders Pvt. Ltd. (Subsidiary company of Sakam Trading Pvt. Ltd.)

The following transaction were carried out with the related parties in the ordinary course of business

(Rs. in Lacs)

Sr. No.	Nature of Transaction	Subsidiary	Key Management Personnel	Relatives of Key Management Personnel	Companies/entities under the control of Key Management Personnel
1	DEPB License purchased	NIL (NIL)	NIL (NIL)	NIL (NIL)	187.24 (258.91)
2	DEPB License sale	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (1.01)
3	Sale of Consumable Items	NIL (NIL)	NIL (NIL)	NIL (NIL)	111.13 (37.95)
4	Purchase of Consumable Items	NIL (52.67)	NIL (NIL)	NIL (NIL)	0.29 (0.60)
5	Remuneration	NIL (NIL)	79.82 (79.99)	11.36 (9.75)	NIL (NIL)
6	Rent	NIL (NIL)	NIL (NIL)	NIL (NIL)	10.38 (11.61)
7	Unsecured Loan Given	1102.00 (331.84)	NIL (NIL)	NIL (NIL)	NIL (634.92)
	Taken	NIL (9.74)	NIL (NIL)	NIL (NIL)	281.00 (2008.47)
8	Interest Taken	14.25 (2.24)	NIL (NIL)	NIL (NIL)	NIL (2.65)
9	Interest Given	NIL (NIL)	NIL (NIL)	NIL (NIL)	17.27 (14.41)

*The figures mentioned in the brackets are previous year figures.



KRITI INDUSTRIES (INDIA) LIMITED

39. Additional information required under Para (v) of Revised Schedule III of the Companies Act, 2013, is follows: (Rs. in Lacs)

	Particulars	31.03.2015		31.03.2014	
a	Value of Import on C.I.F. basis				
	i. Raw Material	6609.64		3562.06	
	ii. Components & Spare Parts (Chemical)	11.17		4.12	
	iii. Capital Goods	0.00		6.4	
b	Value of imported consumed and percentage of the total consumption	Value	%	Value	Value
	Raw Material				
	i. Imported	8031.35	27.20%	3562.06	12.45%
	ii Indigenous	21495.82	72.80%	25033.05	87.55%
	Stores				
	i. Imported	12.23	4.21%	4.12	1.50%
	ii Indigenous	278.47	95.79%	272.08	98.50%
c	Earning in foreign Currency	Nil		Nil	
d	Expenditure in Foreign currency				
	i. Interest	3.56		3.31	
	ii Others	1.08		1.75	

40. Auditor's Remuneration (Rs. in Lacs)

	Auditor's Remuneration	31.03.2015	31.03.2014
a	Statutory Audit Fees	2.00	2.00
b	Tax Audit Fees	Nil	Nil
c	Taxation & Other matters including Legal & Professional Expenses.	0.10	0.70

Figures exclusive of Service Tax

41. Detail of Raw Material Consumption and Sales (Rs. in Lacs)

PARTICULARS	CONSUMPTION	PARTICULARS	SALES
RAW MATERIAL		MANUFACTURED PRODUCT	
PLASTIC POLYMERS	26477.85 (26106.62)	PVC/HDPE PIPE/DUCT	33929.89 (33321.36)
OTHERS	3049.32 (2488.49)	PVC FITTING	1901.64 (2052.36)
TOTAL	29527.17 (28595.11)	OTHERS	400.20 (449.52)
		TOTAL	36231.73 (35823.24)

42. Previous year figures have been reclassified / regrouped wherever necessary.

As per Our Report of Even Date Attached

For R.D. ASAWA & Co.

Chartered Accountants

F.R.N. 0001164C

For R.D. ASAWA

(Proprietor)

M. No. :16562

Place: Indore

Date:- 20th May, 2015

Shiv Singh Mehta
(Managing Director)
DIN 00023523

Purnima Mehta
(Executive Director)
DIN 00023632

V. K. Mittal
(Chief Financial officer)

Satish Patel
(Company Secretary)

For and on behalf of the Board of Directors



Independent Auditors Report to the Members of Kriti Industries (I) Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Kriti Industries (I) Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 thereunder.

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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015, and its consolidated profit and its consolidated cash flows for the year ended on that date.

Other Matters

There is no other matter to report.

For R. D. Asawa & Co.
Chartered Accountants
(FRN 001164C)

Place : Indore.
Dated : 20th May, 2015.

(CA. R. D. Asawa)
Proprietor (M.No.016562)



KRITI INDUSTRIES (INDIA) LIMITED

Consolidated Balance Sheet as at 31.03.2015

(Rs. in Lacs)

Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	496.04	496.04
(b) Reserves and Surplus	3	4516.92	4348.20
(2) Non-Current Liabilities			
(a) Long-term borrowings	4	1418.53	848.19
(b) Deferred tax liabilities (Net)	5	748.85	708.08
(c) Other Long term liabilities	6	202.09	183.53
(d) Long Term Provision		0.00	0.00
(3) Current Liabilities			
(a) Short-term borrowings	7	2407.03	2428.84
(b) Trade payables	8	7346.16	11436.84
(c) Other current liabilities	9	1399.06	1198.72
(d) Short-term provisions	10	129.67	394.64
Total		18961.67	22043.08
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
Tangible assets	11	5618.92	5176.11
Intangible assets	12	27.72	47.96
Capital work-in-progress		349.47	117.02
(b) Non-current investments	13	2.15	1.15
(c) Long term loans and advances	14	147.84	131.20
(d) Other non-current assets	15	2.99	33.89
(2) Current assets			
(a) Inventories	16	6811.22	7768.64
(b) Trade receivables	17	3274.90	6214.92
(c) Cash and bank balances	18	828.31	833.44
(d) Short-term loans and advances	19	1255.27	965.78
(e) Other current assets	20	642.88	752.97
Total		18961.67	22043.08

Significant accounting policies & Notes to the accounts 1 - 31

As per our Report of even date attached

For R.D. ASAWA & Co.
Chartered Accountants
F.R.N. 0001164C

For and on behalf of the Board of Directors

For R.D. ASAWA
(Proprietor)
M. No. :16562

Shiv Singh Mehta
(Managing Director)
DIN 00023523

Purnima Mehta
(Executive Director)
DIN 00023632

V. K. Mittal
(Chief Financial officer)

Satish Patel
(Company Secretary)

Place: Indore
Date:- 20th May, 2015

**KRITI INDUSTRIES (INDIA) LIMITED****CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2015**

(Rs. in Lacs)

Particulars	Note No.	2014-15	2013-14
Revenue from operations	21	41697.38	40986.42
Less:			
Excise Duty		3699.37	3989.35
		37998.01	36997.07
Other Income	22	147.25	116.11
Total Revenue		38145.26	37113.18
Expenses:			
Cost of materials consumed		30773.54	29459.63
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		(249.09)	(38.01)
Employee Benefit Expense	23	1721.33	1596.19
Financial Costs	24	1326.70	1420.56
Depreciation and Amortization Expense	11-12	450.94	509.41
Other Expenses	25	3770.65	3446.92
Total Expenses		37794.07	36394.69
Profit before tax		351.19	718.49
Tax expense:			
Current tax		88.00	265.00
Excess Provision of Earlier Year Written Back		(5.08)	0.00
Deferred tax		59.84	19.96
Profit/(Loss) for the year		208.43	433.53
Earning per equity share:			
(1) Basic		0.42	0.87
(2) Diluted		0.42	0.87

Significant accounting policies & Notes to the accounts 1 - 31
As per our Report of even date attached

For R.D. ASAWA & Co.
Chartered Accountants
F.R.N. 0001164C

For and on behalf of the Board of Directors

For R.D. ASAWA
(Proprietor)
M. No. :16562

Shiv Singh Mehta
(Managing Director)
DIN 00023523

Purnima Mehta
(Executive Director)
DIN 00023632

V. K. Mittal
(Chief Financial officer)

Satish Patel
(Company Secretary)

Place: Indore
Date:- 20th May, 2015


**KRITI INDUSTRIES (INDIA) LIMITED
CONSOLIDATED CASH FLOW AS ON 31.03.2015**
(Rs. in Lacs)

Particulars	Year Ended 31.03.2015		Year Ended 31.03.2014	
	Amount	Amount	Amount	Amount
Cash Flow From Operating Activities				
Net Profit before Tax		351.19		718.49
Adjustments for :				
Depreciation	450.94		509.41	
Dividend Received	0.00		0.00	
(Profit)/ Loss on Sale of Fixed Assets	0.88		1.40	
Financial Income	(147.25)		(116.11)	
Financial Expense	1326.70	1631.27	1420.56	1815.25
Cash Operating Profit before working capital changes		1982.46		2533.74
Increase / (Decrease) in Trade Payables	(4090.68)		1167.49	
Increase / (Decrease) in Short term Provisions	(261.42)		(223.44)	
Increase / (Decrease) in Other Current Liabilities	19.22		(19.15)	
(Increase) / Decrease in Inventories	957.42		(115.91)	
(Increase) / Decrease in Trade Receivables	2940.02		(657.21)	
(Increase) / Decrease in Long term Loans & Advances	(16.65)		(8.58)	
(Increase) / Decrease in Other Non Current Assets	30.90		0.00	
(Increase) / Decrease in Short term Loans & Advances	(289.50)		(168.96)	
(Increase) / Decrease in Other Current Assets	170.09		446.27	
		(540.60)		420.51
Tax Paid		(60.00)		(182.00)
Net Cash From Operating Activities (A)		1381.86		2772.25
Cash Flow From Investing Activities				
Dividend Income	0.00		0.00	
Financial Income	147.25		116.11	
Sale Proceed Of Fixed Assets (Net)	9.56		2.92	
Purchase of Fixed Assets	(1175.18)		(718.70)	
Investment in Fixed Deposits having maturity of more than three months	(5.71)		(201.40)	
(Increase) / Decrease in Non Current Investment	(1.00)		0.00	
Net Cash Used In Investing Activities (B)		(1025.08)		(801.07)
Cash Flow From Financing Activities				
Proceeds from Long Term Borrowings	1392.00		499.82	
Repayment of Long Term Borrowings	(641.36)		(638.70)	
Net Increase / (Decrease) in Long Term Borrowings	750.64		(138.88)	
Increase / (Decrease) in Other Long Term Liability	18.56		21.77	
Increase / (Decrease) in Short Term Borrowings	275.51		(340.81)	
Dividend Paid on Equity Shares	(74.41)		(74.41)	
Dividend Distribution Tax Paid	(12.07)		(12.07)	
Corporate Social Responsibility	0.00		0.00	
Financial Expenses	(1326.70)		(1420.56)	



KRITI INDUSTRIES (INDIA) LIMITED

Cash Flow As On 31st March 2015

(Rs. in Lacs)

Particulars	Year Ended 31.03.2015		Year Ended 31.03.2014	
	Amount	Amount	Amount	Amount
Cash Flow From Operating Activities				
Net Cash Used In Financing Activities (C)		(368.47)		(1,964.95)
Net Decrease In Cash and Cash Equivalents (A + B + C)		(11.69)		6.23
ADD :Cash and cash equivalents - Opening - 1st April		14.48		8.25
Cash and cash equivalents - Closing - 31st March		2.79		14.48

FOOTNOTE TO CASH FLOW STATEMENT:

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

(Rs. in Lacs)

Particulars	2014-15	2013-14
Cash & Cash Equivalents		
Balances with Banks		
Current Account	1.16	10.30
Fixed Deposit having original maturity 3 month or less	-	-
Cheques, Draft on hand	-	-
Cash on hand	1.63	4.18
Total of Cash & Cash Equivalent	2.79	14.48

(Rs. in Lacs)

2. Reconciliation of Cash and Cash Equivalents with Cash and Bank as per the Balance Sheet Balances:

Particulars	2014-15	2013-14
Cash and cash equivalents as above	2.79	14.48
Add : Other Cash and Bank Balances		
Unpaid Dividend	17.15	16.31
Fixed Deposit account maturity more than 3 month & less than 12 month	808.37	802.65
Cash and Bank Balances classified as Current (Refer Note 18)	828.31	867.33

Significant accounting policies & Notes to the accounts 1 - 31

As per our Report of even date attached

For and on behalf of the Board of Directors

For R.D. ASAWA & Co.

Chartered Accountants
FRN 001164C

For R.D. ASAWA

Proprietor
M.No. 16562

Shiv Singh Mehta
(Managing Director)
DIN 00023523

Purnima Mehta
(Executive Director)
DIN 00023632

V. K. Mittal
(Chief Financial officer)

Satish Patel
(Company Secretary)

Place: Indore

Date:- 20th May, 2015

**NOTE:1****SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS 31.03.2015****1. Statement of Accounting Policies****(a) Basis of Accounting**

The financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014, till the standard of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under section 211(3C) of Companies Act, 1956 (Companies (Accounting Standards) Rules, 2006, as amended) and other relevant provisions of the Companies Act, 2013.

(b) Principles of consolidation

- 1 The consolidated financial statements relate to Kriti Industries (India) Limited (company) and its wholly owned subsidiary Kriti Auto &Engineering Plastics Pvt. Ltd (KAEPPPL). The consolidated financial statements have been prepared on the following basis.
 - 1.1 The financial statements of the company and its subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transaction resulting in unrealized profits or losses.
 - 1.2 The consolidated financial statements have been prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presents to the extent possible, in the same manner as the company's separate financial statements.
- 2 The subsidiary considered in the consolidated financial statements is:

Name of Company	Country of incorporation	% Voting Power held as at 31 st March 2015	% Voting Power held as at 31 st March 2014
Kriti Auto &Engineering Plastics Pvt. Ltd (KAEPPPL)	India	100	100

(c) Other Significant accounting Policies

These are set out in the notes to the financial statements under "Statement of accounting Policies" of financial statements of the company and KAEPPPL



KRITI INDUSTRIES (INDIA) LIMITED

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

(Rs. in Lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
2 SHARE CAPITAL		
22.1 AUTHORIZED		
2.1.1 80000000 Equity Shares of Re. 1/- each	800.00	800.00
2.1.2 2000000 Optional convertible Preference Shares of Rs. 10/- each	200.00	200.00
2.2 ISSUED, SUBSCRIBED AND PAID UP		
2.2.1 49603520 equity shares of Rs 1/- each fully paid up. Out of which 49603520 shares issued on 27.01.2010 as fully paid up on account of scheme of arrangement as approved by The Hon'ble High Court of M.P. Indore Bench		
2.2.2 Reconciliation of shares		
2.2.2.1 Opening Balance of 49603520 shares of Rs. 1/- each Total	496.04	496.04
2.2.2.2 Issued during the year	0.00	0.00
2.2.2.3 Closing Balance 49603520 shares of Rs. 1/- each	496.04	496.04
The company has issued only one class of shares referred to as equity shares having a par value of Rs.1 each. Holder of the equity share as referred in the records of the company as of date of the shareholder's meeting is referred to one vote in respect of each share held for all matters submitted to vote in the shareholder's meeting. The company declares and pays dividends in Indian rupees. Board of Directors of the Company did not declare any dividend during the year. In the event of liquidation of the company the holders of equity shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts.		
2.3 SHAREHOLDER HOLDING MORE THAN 5 % OF SHARES OF THE COMPANY AND ITS PERCENTAGE		
2.3.1 SAKAM TRADING PRIVATE LIMITED		
No. of Shares	25843673	25843673
%age of Shares	52.10%	52.10%
Pursuant to the Hon'ble High Court of M.P. order dated 1.11.2011 approving the scheme of amalgamation of promoter group companies viz Kriti Corporate Service Pvt.Ltd., Kriti Auto Accessories Private Ltd., Kasta Pipes Pvt.Ltd.and Shipra Pipe Pvt Ltd. with Sakam Trading Pvt.Ltd., the Shareholding of the above transferor companies are vested in Sakam Trading Pvt.Ltd. Thus Sakam Trading Pvt.Ltd. becomes holding company w.e.f.27.02.12 of Kriti Industries (I) Ltd.		
2.3.2 CHETAK BUILDERS PRIVATE LIMITED		
No. of Shares	4469258	4469258
%age of Shares	9.01%	9.01%
3 RESERVES & SURPLUS		
3.1 RESERVES		
3.1.1 General Reserve		
3.1.1 Opening Balance	2600.00	2500.00
3.1.2 Add: Transfer from P&L	100.00	100.00
3.1.3 Closing Balance	2700.00	2600.00
3.2 SHARE PREMIUM ACCOUNT		
3.2.1 Opening Balance	466.14	466.14
3.2.2 Add: Transfer from P&L	0.00	0.00
3.2.3 Closing Balance	466.14	466.14
3.3 Contingency Reserve		
3.3.1 Opening Balance	75.00	75.00
3.3.2 Add: Transfer from P&L	0.00	0.00
3.3.3 Closing Balance	75.00	75.00
3.4 SHARE FORFEITURE ACCOUNT		
3.4.1 Opening Balance	2.73	2.73
3.4.2 Add: Transfer from P&L	0.00	0.00
3.4.3 Closing Balance	2.73	2.73



KRITI INDUSTRIES (INDIA) LIMITED

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

(Rs. in Lacs)

Particulars					As at 31.03.2015	As at 31.03.2014
3.5 SURPLUS						
3.5.1 Statement of Profit & Loss						
3.5.1.1 Opening Balance					1204.33	957.27
3.5.1.2 Less Carrying amount of Assets whose remaining useful life is Nil as per Schedule II of Companies Act, 2013					39.71	0.00
3.5.1.3 Add Profit & Loss during the period					208.43	433.54
					1373.05	1390.81
Less:						
3.5.2 Proposed Dividend NIL (Previous year Rs. 0.15 per share)					0.00	74.41
3.5.3 Corporate Dividend Tax					0.00	12.07
3.5.4 Transferred to General Reserve					100.00	100.00
3.5.5 Transferred to Contingency Reserve					0.00	0.00
Balance in Surplus					1273.05	1204.33
Total					4516.92	4348.20
4 LONG TERM BORROWINGS						
4.1 TERM LOAN						
(Installment due within 12 months shown in Current Liabilities)						
4.1.1 SECURED						
4.1.1.1 From Banks (Term of Repayments of Long Term Borrowings)						
Particulars	Total tenure	No of Installment Payable as on 31.03.2015	Last Installment due on	Rate of Interest		
IDBI Bank Ltd.	42 Monthly Installment	12	1st March, 2016	14.75%	0.00	171.23
IDBI Bank Ltd.	20 Quarterly Installment	20	1st June, 2020	14.75%	317.00	0.00
Bank of India	17 Quarterly Installment	5	30th June, 2016	13.65%	37.13	277.13
State Bank of Hyderabad	20 Quarterly Installment	16	31st March, 2019	13.50%	299.82	399.82
COSMOS Bank	60 Monthly Installment	54	30 September, 2019	13.00%	764.58	0.00
Total					1418.53	848.19
(Above loans are secured by First charge/ Mortgage on fixed assets of the company and personal guarantee of Managing Director)						
5 DEFERRED TAX LIABILITY NET						
5.1 Deferred Tax Liability (Net)						
On account of tax effects on timing difference arising due to difference in Depreciation					748.85	708.08
Total					748.85	708.08
6 OTHER LONG TERM LIABILITIES						
UNSECURED						
6.1.1 Other Loans and advances					202.09	183.53
Total					202.09	183.53
7 SHORT TERM BORROWINGS						
7.1 Loans repayable on Demand						
7.1.1 SECURED					2549.10	2363.38
From banks						
(Secured by hypothecation of finished goods, Raw material, Stock in process, store and spares, sundry debtors, export bills, receivables and second charge on fixed assets of the company and personal gurantee of Managing director)						
7.1.2 UNSECURED					155.25	65.46
Total					2704.35	2428.84
8 TRADE PAYABLES						
8.1 Trade Payables					7346.16	11436.84
Total					7346.16	11436.84
9 OTHER CURRENT LIABILITIES						
9.1 Outstanding Expenses					142.62	194.72
9.2 Statutory Liabilities					487.11	415.79
9.3 Current maturities of Long term debt					752.18	571.90
9.4 Unpaid dividends					17.15	16.31
Total					1399.06	1198.72
10 SHORT TERM PROVISIONS						
10.1 Provision for Employees Benefits					41.67	43.17
10.2 Provision of Income Tax					88.00	265.00
10.3 Proposed dividend					0.00	74.40
10.4 Corporate Dividend Tax					0.00	12.07
Total					129.67	394.64



KRITI INDUSTRIES (INDIA) LIMITED
Schedule 11 & 12 Forming Part of the Balance Sheet and Profit & Loss Accounts
 (AS PER COMPANIES ACT 2013)
FIXED ASSETS(FOR 2014-15)

(Rs. in Lacs)

Note	Particulars	Life In Years	Gross Block			Depreciation				Net Block			
			01.04.2014	Addition	Deduction	Total	01.04.2014	Adjusted Against Retained Earning	For the Year	Written Back	Total	31.03.2015	31.03.2014
11	TANGIBLE												
11.1	Land	0	172.85	0.00	0.00	172.85	0.00	0.00	0.00	0.00	172.85	172.85	
11.2	Factory Building	30	1193.12	122.65	0.00	1315.77	398.29	0.00	38.69	0.00	436.97	878.80	794.84
11.3	Plant & Machinery	25	5732.65	743.12	19.00	6456.77	2178.40	0.00	190.23	8.56	2360.07	4096.70	3554.25
11.4	Testing & Lab Machinery	10	211.92	8.08	0.00	220.00	114.48	36.17	30.50	0.00	181.14	38.86	97.44
11.5	Electrical Installation	10	150.30	10.41	0.00	160.72	41.71	2.87	20.24	0.00	64.83	95.89	108.60
11.6	Dies & Moulds	6	1333.91	12.21	0.00	1346.12	973.11	1.33	112.33	0.00	1086.76	259.37	360.80
11.7	Vehicles	8	33.39	22.42	0.00	55.81	20.13	2.78	3.81	0.00	26.72	29.09	13.26
11.8	Furniture & Fixture	10	93.02	2.50	0.00	95.52	53.36	8.64	12.71	0.00	74.71	20.81	39.66
11.9	Office Equipment	5	21.33	3.40	0.00	24.74	6.90	3.41	3.63	0.00	13.94	10.79	14.44
11.10	COMPUTER	3	142.27	16.97	0.00	159.24	122.30	3.10	18.09	0.00	143.48	15.76	19.97
	TOTAL RS.		9084.78	941.77	19.00	10007.55	3908.66	58.30	430.22	8.56	4388.63	5618.92	5176.11
	Previous Year		8483.00	617.25	15.48	9084.77	3442.94	0.00	476.89	11.16	3908.66	5176.11	4368.42
12	INTANGIBLE												
12.1	Software	6	122.84	0.97	0.00	123.81	87.61	0.49	7.99	0.00	96.09	27.72	35.23
12.2	Goodwill	6	84.87	0.00	0.00	84.87	72.14	0.00	12.73	0.00	84.87	0.00	12.73
	TOTAL RS.		207.71	0.97	0.00	208.67	159.75	0.49	20.72	0.00	180.96	27.72	47.96
	Previous Year		205.50	2.21	0.00	207.71	127.22	0.00	32.52	0.00	159.75	47.96	78.28
	TOTAL RS.		9292.48	942.74	19.00	10216.22	4068.41	58.80	450.94	8.56	4569.59	5646.64	5224.07
	Previous Year		8688.50	619.46	15.48	9292.48	3570.16	0.00	509.41	11.16	4068.41	5224.07	4446.70

**KRITI INDUSTRIES (INDIA) LIMITED**

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

(Rs. in Lacs)

Particulars	As at 31.03.2015	As at 31.03.2014
13 NON- CURRENT INVESTMENT		
13.1.1 National Saving Certificate	0.14	0.14
13.2 Unquoted Trade Investment in equity instruments		
13.2.1 Sahkari Audhyogik Vasahat LIMITED (1 Share of Rs.500/-)	0.01	0.01
13.2.2 Kriti Auto Engineering & Plastic Limited (100% Subsidiary) 3875000 Shares of Rs. 10/- each	1.00	1.00
Non Trade Investment in equity instruments		
13.2.3 The Cosmos Co-operative Bank Ltd. (1000 Equity Shares of Rs.100/- each) (Pre.Yr. Nil)	1.00	0.00
Total	2.15	1.15
14 LONG TERM LOANS AND ADVANCES		
14.1 SECURITY DEPOSITS	147.84	131.19
Total	147.84	131.19
15 OTHER NON CURRENT ASSETS		
15.1 Fixed deposit with banks against margin money	2.99	33.89
15.2 Inter Corporate Deposit	0.00	30.00
Total	2.99	63.89
16 INVENTORIES		
16.1 Raw Material	1933.09	3115.06
16.2 Finished Goods	4225.16	3976.07
16.3 Stores and Spares & others	652.97	677.51
Total	6811.22	7768.64
17 TRADE RECEIVABLES		
17.1 Trade Receivables (Unsecured considered good)		
Over Six months from the date they become due	604.74	535.29
Others	2670.16	5679.63
Total	3274.90	6214.92
18 CASH AND BANK BALANCES		
18.1 Cash & Cash Equivalents		
18.1.1 Balances with Banks	1.16	10.30
18.1.2 Cash on hand	1.63	4.18
18.2.1 Unpaid dividend	17.15	16.31
18.2.2 Fixed deposit with banks against margin money	808.37	802.65
Total	828.31	833.44
19 SHORT-TERM LOANS AND ADVANCES		
19.1 Unsecured, Considered good Advances recoverable in cash or kind or for value to be recieved	1255.27	965.78
Total	1255.27	965.78
20 OTHER CURRENT ASSETS		
20.1 Sundry Deposits	27.37	30.96
20.2 Advance Tax/ Tax Deducted at source	142.33	204.00
20.3 CENVAT	421.09	203.47
20.4 Accrued Interest/ Income	52.18	39.54
20.5 Insurance Claim Receivable	0.00	275.00
Total	642.88	752.97



KRITI INDUSTRIES (INDIA) LIMITED

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

(Rs. in Lacs)

Particulars	2014-15	2013-14
21 REVENUE FROM OPERATIONS		
21.1 Sale of Products	41663.27	40967.07
21.2 Other operating revenues	34.11	19.36
less:	41697.38	40986.43
21.3 Excise Duty	3699.37	3989.35
Total	37998.01	36997.08
22 OTHER INCOME		
22.1 Interest Income	137.97	113.09
22.2 Other Non-operating Income	9.28	3.02
Total	147.25	116.11
23 EMPLOYEE BENEFITS EXPENSES		
23.1 Salaries & Wages	1414.96	1287.23
23.2 Contribution to provident and other fund	90.17	86.97
23.3 Staff Welfare Expenses	147.12	142.00
23.4 Director Remuneration	63.32	74.23
23.5 P.F on Director Remuneration	5.76	5.76
Total	1721.33	1596.19
24 FINANCIAL COST		
24.1 Interest Expenses	1031.41	1098.84
24.2 Other Borrowing Cost	295.29	321.72
Total	1326.70	1420.56
25 OTHER EXPENSES		
(I) Manufacturing Expenses		
25.1 Stores and Spares Consumed	322.21	287.53
25.2 Power Charges	1056.50	995.28
25.3 Freight & Cartage	299.50	220.83
25.4 Repairs & Maintenance	52.89	52.47
25.5 Insurance Charges	31.39	29.55
25.6 Water Charges	19.88	15.69
25.7 Loss on Sale of Fixed asset	0.88	1.40
25.8 Loss on Insurance Claim Received	83.52	0.00
25.9 Excise Duty on Closing Stock	390.63	352.84
25.10 Miscellaneous Manufacturing Expenses	121.94	84.21
Sub Total (I)	2379.34	2039.80
(II) Administrative Expenses		
25.11 Stationery & Printing	5.41	3.56
25.12 Computer Expense	7.78	9.51
25.13 Rent, Rates and Taxes	88.95	96.27
25.14 Postage, Telegram and Telephones	27.46	28.26
25.15 Auditor's Fees	2.50	2.50
25.16 Conveyance Expenses	63.88	59.02
25.17 Legal & Professional Charges	74.21	88.59
25.18 Miscellaneous Expenses	54.13	41.72
25.19 Director's Meeting Fee	0.12	0.16
25.20 Net gain/ loss on foreign currency transactions	32.03	71.42
25.21 Corporate Social Responsibility	0.87	0.00
Sub Total (II)	357.34	401.01
(III) Selling & Distribution Expenses		
25.22 Advertisement & Publicity	2.91	20.11
25.23 Sales Promotion Expenses	165.62	109.78
25.24 Brokerage & Commission	23.54	35.42
25.25 Service Charges	100.45	75.93
25.26 Freight Outward	561.63	559.61
25.27 Sales Tax & Octroi	0.35	0.37
25.28 Travelling Expenses	173.06	197.38
25.29 Bad debts	6.41	7.51
Sub Total (III)	1033.97	1006.11
TOTAL (I+II+III)	3770.65	3446.92



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

27. Contingent liabilities

- Estimated amount of contracts remaining to be executed on Capital Account Rs.23.62 lacs net of advance given (Previous Year Rs.0.41 Lacs)
 - Bank has given guarantee on behalf of the Company to various parties to the extent of Rs.2149.61 lacs (Previous Year Rs.1610.80 lacs.)
 - Claims not acknowledge by the company on Commercial tax matters Rs 271.85 Lacs (Previous Year Rs.215.41 lacs.)
28. The amount of Foreign Exchange gain/(loss) included in the profit & loss account is Rs.(32.03 lacs) (Previous Year gain/(loss) Rs.(71.42) lacs). Above amount is included in Administrative Expenses.

29. EARNING PER SHARE

The Company's share capital consists of equity share. The basic and diluted earning per share is calculated as under:

SrNo.	Particulars	Current Year	Previous Year
1.	Number of Shares	49603520	49603520
2.	Profit contribution for Basic EPS (Rs in lacs)	208.43	433.53
3.	Extra Ordinary Items (Within the meaning of AS-5, Net Profit or loss for the period Prior Period items and Changes in the Accounting Policies)	,NIL	NIL
4.	Basic Earnings Per Share (F.V. of Rs.1 each)	0.42	0.87
5.	Diluted Earnings Per Share (F.V. of Rs.1 each)	0.42	0.87
6.	Nominal Value Per Share	1.00	1.00

30. In accordance with the Accounting Standard (AS) 18 "Related Party Disclosures" issued by The Institute of Chartered Accountants of India (ICAI) and as specified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014.the names of the related parties and the relevant disclosure is as under:-

(a) Name of the related party and description of relationship:

- Key Management Personnel:**
Shri Shiv Singh Mehta, Managing Director
Smt. Purnima Mehta, Executive Director
Shri V.K Mittal, Chief Financial Officer
Shri Satish Patel, Company Secretary
- Relatives of Key Management Personnel**
Shri Saurabh Singh Mehta (Son of Managing Director/ Executive Director)
Smt. Devki Hirawat (Daughter of Managing Director/ Executive Director)
- Subsidiary Company**
1) Kriti Auto & Engineering Plastic Pvt. Ltd (Wholly owned Subsidiary Company)
- Companies/entities under the control of Key Management personnel**
1) Sakam Trading Pvt. Ltd. (Holding Company)
2) Kriti Nutrients Ltd. (Subsidiary company of Sakam Trading Pvt. Ltd.)
3) Chetak Builders Pvt. Ltd. (Subsidiary company of Sakam Trading Pvt. Ltd.)

The following transaction were carried out with the related parties in the ordinary course of business



(Rs. in Lacs)

Sr. No.	Nature of Transaction	Subsidiary	Key Management Personnel	Relatives of Key Management Personnel	Companies/entities under the control of Key Management Personnel
1	DEPB License purchased	NIL (NIL)	NIL (NIL)	NIL (NIL)	187.24 (258.91)
2	DEPB License sale	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (1.01)
3	Sale of Consumable Items	NIL (NIL)	NIL (NIL)	NIL (NIL)	111.13 (37.95)
4	Purchase of Consumable Items	NIL (NIL)	NIL (NIL)	NIL (NIL)	0.28 (0.60)
5	Remuneration	NIL (NIL)	79.82 (79.99)	11.36 (9.75)	NIL (NIL)
6	Rent	NIL (NIL)	NIL (NIL)	NIL (NIL)	11.61 (11.61)
7	Unsecured Loan Given	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (634.42)
	Taken	NIL (NIL)	NIL (NIL)	NIL (NIL)	281.00 (2008.47)
8	Interest Taken	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (2.65)
9	Interest Given	NIL (NIL)	NIL (NIL)	NIL (NIL)	17.27 (14.41)

*The figures mentioned in the brackets are previous year figures.

31. Previous figures have been reclassified/regrouped wherever necessary.

As per our Report of even date attached

For and on behalf of the Board of Directors

For R.D. ASAWA & Co.

Chartered Accountants

FRN 001164C

For R.D. ASAWA

Proprietor

M.No. 16562

Shiv Singh Mehta
(Managing Director)
DIN 00023523

Purnima Mehta
(Executive Director)
DIN 00023632

V. K. Mittal
(Chief Financial officer)

Satish Patel
(Company Secretary)

Place: Indore

Date:- 20th May, 2015

FORM AOC - 1

STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES

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

Part "A": Subsidiaries

S. No.	Name of the Company	Financial Period ended	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnovers	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of Share-holding
01.	Kriti Auto and Engineering Plastics Private Limited	31.03.2015	388.50	213.25	1508.10	906.35	-	2000.13	-66.79	-5.86	-60.93	-	100

Part "B": Associates and Joint Ventures Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S. No.	Name of the Joint Venture	Latest Audited Balance sheet Date	Shares of the Joint Venture held by the Company on the year end		Profit/Loss for the Year		Description of how there is Significant influence	Reason why the Associate/Joint Venture is not consolidated
			No.	Amount of Investment in Associates/Joint Venture	Extend of Holding %	Considered in Consolidation	Not Considered in Consolidation	
-	-	-	-	-	-	-	-	-

For and on behalf of the Board of Directors

Shiv Singh Mehta
Managing Director
DIN 00023523

Purnima Mehta
Executive Director
DIN 00023632

V.K. Mittal
Chief Financial Officer

Satish Patel
Company Secretary

Place: Indore

Date: 20th May, 2015

KRITI INDUSTRIES (INDIA) LIMITED

Regd. Office: "MEHTA CHAMBERS", 34, SIYAGANJ, INDORE - 452 007

ECS MANDATE FORM

I hereby authorize you to make all payments in respect of my holding in your Company to my bankers for crediting to my account as detailed below:

1. Shareholder's name : _____
(In Blockletters) (First holder)
2. Folio Number/ DPID : _____
and Client ID No. (Joint holder, if any)
3. No. of Shares held : _____
4. Name of the Bank : _____
5. Branch Name and Address : _____
6. Account type : SB A/c ☐ Current A/c ☐ Others ☐
(Please specify)
7. Bank account number : _____
8. IFSC code : _____
- 10.PAN : _____
- 11.E-mail ID : _____

I/we hereby declare that the particulars given above are correct and complete. If credit is not effected for the reason (s) of incomplete or incorrect information. I/we would not hold the Company responsible.

Note: Please attach cancelled cheque issued by your bank relating to your above account for verifying the accuracy of the code number.

Date

Signature of the first holder
(as appearing in the Company records)

Certificate of the Investor's bank

Certificate that the particulars of the bank account furnished above are correct as per our records.

Signature of the first holder
(as appearing in the Company records)

PROXY FORM
FORM MGT- 11

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

Name : KRITI INDUSTRIES (INDIA) LIMITED
CIN : L25206MP1990PLC005732
Regd office : MEHTA CHAMBER, 34 SIYAGUNJ, INDORE

Name of the member (s) :
Registered address :
E-mail Id :
Folio No/ Client Id :
DP ID

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

1. Name : E-mail Id :
Address : Signature :
or failing him
2. Name : E-mail Id :
Address : Signature :
or failing him

as my/our proxy to attend and vote on a poll for me/us and on my/our behalf at the 25th Annual general meeting of the company, to be held on the 24th September, 2015 At the Corporate Support Center, 4th Floor Chetak Chmaber, 14 RNT Marg, Indore (M.P.) at 2:00P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	
1.	Consider and adopt Audited Statement of accounts, Reports of the Board of Directors and Auditor.
2.	Re-appointment of Mrs. Purnima Mehta
3.	Appointment of Auditor in place of retiring statutory auditor.
4.	Ratification of remuneration of Cost Auditor.

Signed this..... day of..... 2015
Signature of shareholder

Affix
Revenue
Stamp

Signature of Proxy holder(s)

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

ATTENDANCE SLIP

.....**ANNUAL GENERAL MEETING ON**

R.F. No. _____

Mr./Mrs./Miss _____

(Shareholders' name in block letters)

I/We certify that I/We am/are registered shareholder / proxy for the registered shareholder of the company.

I/We hereby record my/our presence at the 25th Annual General meeting of the company at the Registered office of the company on 24th September, 2015.

(If signed by proxy, his name should be written in block letters)

(Shareholders/proxy's Signature)

Note:

- Shareholders / proxy holders are requested to bring the attendance Slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
- If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.

Do RIGHT

BOOK-POST

KRITI INDUSTRIES (INDIA) LTD.

M/s. Ankit Consultancy Pvt. Ltd.
60, Electronics Complex,
Pardeshipura, Indore - 452010 (M.P.)
