

THE *joy* OF DOING RIGHT!



Bringing happiness
to the lives of
thousands of farmers...

Board of Directors

Shri Shiv Singh Mehta, Managing Director

Smt. Purnima Mehta, Executive Director

Late Dr. S.S. Kothari (ceased w.e.f. 12.09.2017)

Shri Saurabh Singh Mehta, Additional Director (w.e.f. 07.02.2018)

Shri Rakesh Kalra, Independent Director

CA Manoj Fadnis, Independent Director

Shri Chandrasekharan Bhaskar, Independent Director

Auditors

Rakesh Kumar & Associates

Chartered Accountants

"Navaratan", 128-R, Khatiwala Tank,

Indore – 452 004 (M.P.)

Bankers

State Bank of India

IDBI Bank Ltd.

HDFC Bank Ltd.

Yes Bank Ltd.

Company Secretary

Smt. Priyanka Gupta

Registered Office

Mehta Chambers, 34, Siyaganj, Indore – 452 007 (M.P.)

Corporate Support Center

Chetak Chambers, 4th Floor, 14 RNT Marg,

Indore – 452 001 (M.P.)

Share Transfer Agent

M/s Ankit Consultancy Pvt. Ltd.

60, Electronic Complex, Pardeshipura,

Indore – 452 010 (M.P.)



NOTICE

NOTICE IS HEREBY GIVEN that the 28th Annual General Meeting of the Members of KRITI INDUSTRIES (INDIA) LIMITED will be held on Tuesday, 31st July, 2018 at 3.00 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 and Auditors Report thereon for the year ended 31st March, 2018.
2. To declare dividend on the equity shares for the Financial Year ended on 31st March, 2018.
3. Mrs. Purnima Mehta, Director (DIN: 00023632) of the Company, who is liable to retire by rotation and being eligible offer herself for re-appointment.

SPECIAL BUSINESS

4. Ordinary Resolution for appointment of Mr. Saurabh Singh Mehta (DIN: 00023591) as a Non-Executive Director

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

"RESOLVED THAT pursuant to the provisions of Sections 152 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR / Listing Regulations), including any statutory modifications or re-enactment(s) thereof and any rules made thereunder, for the time being in force, Mr. Saurabh Singh Mehta (DIN: 00023591), who was appointed as an Additional Director of the Company with effect from 7th February, 2018, and whose term expires at this AGM, and in respect of whom the Company has received a notice in writing along with a deposit from a member proposing his candidature for the office of Non-Executive Director be and is hereby appointed as a Non-Executive Director of the Company whose office is liable to retire by rotation.

5. 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) Shri 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 31st March, 2019 be paid the remuneration as set out in the statement annexed to the notice."

Place: Indore
Date: 16th May, 2018
Kriti Industries (India) Ltd
CIN L25206MP1990PLC005732
Regd. Office: Mehta Chamber, 34 Siyaganj,
Indore-452007

By order of the Board,

Priyanka Gupta
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. 10.
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.
The Company has notified closure of Register of Members and Share Transfer Books from Wednesday, 25th July, 2018 to Tuesday, 31st July, 2018 (both days inclusive) for the Annual General Meeting.
4. 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.
5. 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.
6. Electronic copy of the Annual Report 2018 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.
7. Pursuant to Section 205A(5) and 205C of the Companies Act, 1956 the amount of dividend remaining unpaid and 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. 3,36,850.00 being the unpaid and unclaimed dividend amount pertaining to dividend for the year 2009-10 was transferred to Investor Education and Protection Fund of the Central Government. The Company has uploaded the details of unpaid and unclaimed dividend amount laying with the Company on 12th September, 2017 (date of last AGM) and also on the website of Ministry of Corporate Affairs.
8. Pursuant to the Provision of IEPF rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the EEPF Authority ('IEPF Account') within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, the Company will transfer equity shares to the IEPF Account on which the dividends remained unpaid or unclaimed for seven consecutive years with reference to the due date of 30th November, 2018 after following the prescribed procedure.
9. In compliance with the provisions of section 108 of the Act and Rules framed there under and in compliance with Regulation 44 of SEBI (LODR), Regulation, 2015, 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.
10. The remote e-voting period commences on Saturday, 28th July, 2018 (9:00 A.M. IST) and ends on Monday, 30th July, 2018 (5:00 P.M. IST). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Tuesday, 24th July 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently
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 email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial Password
 - (ii) Launch internet browser and type the following URL: <https://www.evoting.nsdl.com/> in the address bar
 - (iii) Click on Shareholder –Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "REVEN" of "Kriti Industries (India) Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.



- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Corporate / Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) 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

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]

(I) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

REVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN

(II) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above to cast vote.

11. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990. However, If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote. NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com. In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID). In case Shareholders are holding shares in physical mode, USER-ID is the combination of (EVEN No + Folio No)
12. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
13. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date Tuesday, 24th July, 2018.
14. 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. Tuesday, 24th July, 2018, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA.
15. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
16. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
17. CS Ishan Jain, Practicing Company Secretary (M. No. ACS 29444 & C.P. No. 13032) and Proprietor of M/s. Ishan Jain & Co., Company Secretaries, Indore has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
18. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
19. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
20. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company kiil.kritiindia.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
21. For any other queries relating to the shares of the Company, you may contact the Share Transfer Agent at the following address:
M/s. Ankit Consultancy Pvt. Ltd.
60, Electronic Complex, Pardeshipura, Indore (M.P.) 452010
Tel: 0731-4281333, 4065797/99, E-mail: ankit_4321@yahoo.com, info@ankitonline.com
22. Members may also note that the Notice of the 28th AGM and the Kriti Industries (India) Ltd. Annual Report 2017-18 will be available on the Company's website kiil.kritiindia.com. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: info@kritiindia.com.



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. 4 and 5 of the accompanying Notice:

Item No. 4

The Board of Directors, at its meeting held on 7th February, 2018, approved the appointment of Mr. Saurabh Singh Mehta as an Additional Director, on the Board of the Company with effect from 7th February, 2018, subject to the shareholders' approval.

The details of Mr. Saurabh Singh Mehta, as required to be given pursuant to the Listing Regulations and the Secretarial Standards, are attached to the Notice.

The Board of Directors recommends the Ordinary Resolution as detailed in Item No. 4 of the Notice for the approval of the shareholders.

Mr. Shiv Singh Mehta, Managing Director; Mrs. Purnima Mehta, Whole-time Director; and Mr. Saurabh Singh Mehta himself, are interested in the resolution under Item No. 4.

Item No. 5

On the recommendations of the Audit Committee, the Board has appointed Shri 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 31st March, 2019 on a remuneration of Rs. 25000/- (Rupees Twenty Five 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. 5 of the notice for approval.

Details of the directors seeking reappointment at the Annual General Meeting

Name of the Director	Mrs. Purnima Mehta	Mr. Saurabh Singh Mehta
Date of Birth	25.05.1960	29.07.1981
Date of Appointment	01.10.1999	07.02.2018
Expertise in specific area	Accounts, Purchase, HR and Administration	Administration, Marketing and IT
Qualification	B.A. (Hons), PGDBM	B.E., M.B.A.
List of Outside Directorship held	Kriti Nutrients Ltd. Sakam Trading Private Limited Kriti Specialities Private Limited	Kriti Nutrients Ltd. Kriti Auto and Engineering Plastics Private Limited Sakam Trading Private Limited Chetak Builders Private Limited
Chairman/ Member of the committees of the Board of Directors of the Company	Member: Stakeholder's relationship Committee, CSR Committee, Audit Committee, Financial Committee	None
Chairman / member of the Committees of Director of other companies in which he/she is a Director		
(a) Audit Committee	Member: Kriti Nutrients Ltd.	None
(b) Stakeholders' Relationship Committee	Chairman: Kriti Nutrients Ltd.	None
(c) Remuneration Committee	None	None
(d) CSR Committee	Chairman: Kriti Nutrients Ltd.	Member: Kriti Nutrients Ltd.
No. & Percentage of Shares held	No. of Shares: 125592 Percentage of Shares held: 0.25%	No. of Shares: 30423 Percentage of Shares held: 0.06%

Place: Indore

Date: 16th May, 2018

Kriti Industries (India) Ltd

CIN L25206MP1990PLC005732

Regd. Office: Mehta Chamber, 34 Siyaganj,

Indore - 452007(M.P)

By order of the Board,

Priyanka Gupta

Company Secretary



DIRECTORS' REPORT

Your Directors have the pleasure in presenting the 28th Annual Report together with Audited Financial Statements of the Company for the year ended on 31st March, 2018.

FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March, 2018 is summarized below:

(Rs. in Lakhs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2017-18	2016-17	2017-18	2016-17
Total Turnover	44424.55	40648.29	46354.96	43224.17
Profit before Interest, Depreciation & Taxes	3224.51	3001.46	3281.91	3036.43
Less: Interest	1252.94	1212.35	1301.85	1274.84
Profit before depreciation	1971.57	1789.11	1980.06	1761.59
Less: Depreciation	561.83	480.73	590.90	514.02
Profit/ (Loss) Before Tax	1409.74	1308.38	1389.16	1247.57
Provision for Taxation	487.28	436.93	469.75	432.61
Net Profit/(Loss)	922.46	871.45	919.41	814.96

STATE OF COMPANY'S AFFAIRS

The Company has achieved a total turnover of Rs. 44424.55 Lakhs (Rs. 40648.29 Lakhs) and Profit before Tax Rs. 1409.74 Lakhs (Rs. 1308.38 Lakhs) and Profit after Tax of Rs. 922.46 Lakhs (Rs. 871.45 Lakhs).

On consolidate basis total turnover achieved Rs. 46354.96 Lakhs (Rs. 43224.17 Lakhs) and Profit before Tax Rs. 1389.16 Lakhs (Rs. 1247.57 Lakhs) and Profit after Tax of Rs. 919.41 Lakhs (Rs. 814.96 Lakhs).

The Company has adopted Ind AS w.e.f. 1st April, 2017 with a transition date of 1st April, 2016. Accordingly, results for the year ended 31st March, 2018 have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. Previous Periods figures have been restated as per Ind AS to make them comparable.

DIVIDEND

Your directors are pleased to recommend a dividend of @ 15% (Rs. 0.15/- per equity shares of Rs. 1/- each on 49603520 Equity Shares) for the Financial Year 2017-18 aggregating to Rs. 74.40 Lakhs.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- that in the preparation of the annual financial statements for the year ended 31st March, 2018, 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, 2018 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 Regulation 27 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges. A separate report on Corporate Governance as per schedule V {C} of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 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 at an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

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

Separate disclosure as per regulation 34 (3) and 53 (f) of SEBI (Listing obligations and Disclosure Requirement) Regulations, 2015 is made in the report. AOC-2 is annexed hereto as Annexure A and forms a part of this Report.

CORPORATE SOCIAL RESPONSIBILITY

The Annual Report on CSR activities is annexed hereto as Annexure B and forms a part of this Report.

RISK MANAGEMENT AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Directors have laid down internal financial controls to be followed by your Company and such policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. The Audit Committee evaluates the internal financial control system periodically.

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, Director (DIN: 00023632) of the Company, 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. The Board recommended her re-appointment.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Saurabh Singh Mehta (DIN: 00023591) was appointed as an Additional Director in the category of Non-executive Director w.e.f. 7th February, 2018 and he holds office as such up to the date of ensuing Annual General Meeting. Mr. Saurabh Singh Mehta is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. The Company has received requisite notice in writing from a member proposing his candidature as a Director at the ensuing Annual General Meeting. Your Board based on the recommendation of the Nomination and Remuneration Committee recommends appointment of Mr. Saurabh Singh Mehta as Director who is liable to retire by rotation.

The Board of Director of the Company expresses its deep condolences on the sad demise of Dr. Swatantra Singh Kothari on 7th November, 2017. The Board express wishes to put on record its sincere and deep appreciation for his invaluable guidance and contribution from time to time in building up the Company's growth.

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 there was no change.

MEETINGS

During the Financial year Four Board Meetings and Five 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 and SEBI (Listing obligations and Disclosure Requirements) Regulation, 2015.

PERFORMANCE EVALUATION OF BOARD, COMMITTEES & DIRECTORS

Pursuant to the Provisions of the Companies Act, 2013 and as stipulated under Chapter IV (17) (10) SEBI (Listing obligations and Disclosure Requirements) Regulation, 2015, 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 Directors were satisfied with the evaluation results, which reflected overall engagement of the Board and its Committees with the company.

AUDITORS AND AUDITOR'S REPORT

Pursuant to the provisions of section 139 and other applicable provisions, if any, of Companies Act, 2013 read with Rule 3 of Companies (Audit and Auditors) Rules, 2014, Rakesh Kumar & Associates, Chartered Accountants (FRN 002150C) appointed as



auditors of the company up to Annual General Meeting of the Company to be held in the year 2020 on such remuneration as may be fixed by the Board from time to time. As per amended Companies Act, 2013 notified w.e.f. 7th May, 2018 no ratification of appointment of Auditors is required in every Annual General Meeting.

The notes on Financial Statements referred to in the Auditors Report are self explanatory and do not call for any further comments.

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 31st March, 2019. 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.5 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 Kaushal Agrawal & Co., Practising Company Secretaries 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. 1,930.41 Lakhs (Previous Year Rs. 2,575.87 Lakhs) incurred a net loss after tax of Rs 3.07 Lakhs (Previous Year Rs. 56.44 Lakhs) during the year.

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, Accounting Standard (AS)-21 and Ind AS-27 "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

LOANS AND ADVANCES FROM DIRECTORS

The Loans and Advances as on 31 March 2018, taken from Directors is Rs. 210 Lakhs.

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, 2018.

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 as Annexure C and forms a 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 as Annexure D and forms a part of this report.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return in Form No. MGT-9 as required under Section 92 of the Companies Act, 2013 for the financial year ending 31st March, 2018 is annexed hereto as Annexure E and forms a part of this Report.

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.

SECRETARIAL STANDARD COMPLIANCE

Company is in compliances with applicable Secretarial Standards



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.
- f) Amount of Rs. 3,36,850.00 was transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2018.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

Place: Indore
Date: 16th May, 2018
Kriti Industries (India) Ltd
CIN L25206MP1990PLC005732
Regd. Office: Mehta Chamber, 34 Siyaganj,
Indore

By order of the Board,

Shiv Singh Mehta
Managing Director
DIN 00023523



ANNEXURE A

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: Kriti Industries (India) Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during Financial Year 2017-18.
2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship:	Nature of contracts / arrangements	Duration of the contracts / arrangements	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board
Kriti Nutrients Ltd.	Sale of Export incentive License	Ongoing	Transactions were entered into, in the ordinary course of business and on arm's length basis	Transactions were approved by the Board in their meetings held on: 13.09.2017 14.12.2017 07.02.2018 16.05.2018
Kriti Nutrients Ltd.	Purchase of HDPE	Ongoing		
Kriti Nutrients Ltd.	Sales of Cap, Wooden Pallets etc.	Ongoing		
Sakam Trading Pvt. Ltd.	Rent Paid	Ongoing		

Note:

1. Appropriate approvals have been taken for related party transactions.
2. Advance paid - NIL

By order of the Board,

Place: Indore

Date: 16th May, 2018

Shiv Singh Mehta
Managing Director
DIN 00023523



ANNEXURE B

1.ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

Sl No.	Particulars	Details
1.	Average net profit of the company for last three financial years	Rs. 1224.64 Lakhs
2.	Prescribed CSR expenditure (Two percent of the amount in Sl. No. 1 above)	Rs.24.49 Lakhs
3.	The Composition of the CSR Committee.	Mr. Shiv Singh Mehta Mrs. Purnima Mehta Mr. Rakesh Kalra
4.	a. Total amount spent during the financial year. b. amount unspent if any c. manner in which the amount spent during the financial year	Rs. 7.26 Lakhs Rs. 17.23 Lakhs details given below
5.	Reason for not spending the amount in its Board's Report	The company has been working on identifying the projects for carrying out more CSR activities. The company is now working on projects and the expenditure on these projects shall be accounted for as and when incurred
6.	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

2.Manner in which the amount spent during the financial year

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs	Amount Outlay (budget) project or programs wise	Amount spent on the projects or programs subheads:	Cumulative Expenditure	Amount Spent direct or through implementing agency
1.	PROMOTING EDUCATION AND OTHER INITIATIVES	Promoting Education Clause (ii) of Schedule VII of the Companies Act, 2013:-	Scholarship to the Students	Rs. 14.00 Lakhs	Rs. 3.50 Lakhs	Rs. 3.50 Lakhs	Direct
2.	HEALTH CARE	Clause (i) of Schedule VII of the Companies Act, 2013:- HEALTH CARE	Free Ayurvedic camps to the public and other expenses	Rs. 10.00 Lakhs	Rs. 3.66 Lakhs	Rs. 7.16 Lakhs	Direct
3.	GENERAL EQUALITY	Clause (iii) of Schedule VII of the Companies Act, 2013:- Promoting Gender Equality , Empowering Women	Awareness Program to Public	Rs. 10.00 Lakhs	Rs. 0.10 Lakhs	Rs. 7.26 Lakhs	Direct

Shiv Singh Mehta
Chairman (CSR Committee)
DIN 00023523

Purnima Mehta
Member (CSR Committee)
DIN 00023632



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 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 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 2017-18 (Rs. in Lakhs)	% increase (Decrease) in Remuneration in the FY 2017-18	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	76.82	6.75%	42.68	Profit after tax Increased by 5.85 % in FY 2017-18
2	Mrs. Purnima Mehta Executive Director	47.38	8.10%	26.32	
3	Mr. Vinod Kumar Mittal Chief Financial Officer	25.10	4.28%	Not Applicable	
4	Mrs. Priyanka Gupta Company Secretary	2.60	14.54%	Not Applicable	

- ii) The median remuneration of employees of the Company during the financial year was Rs. 1.80 Lakhs
- iii) In the financial year, there was increases of Rs. 0.26 Lakhs in the median remuneration of employees;
- iv) There were 507 permanent employees on the rolls of Company as on March 31, 2018;
- v) The Profit before Tax for the financial year ended March 31, 2018 Increased by 7.75%
- vi) The company has not come out with public issue. The market capitalisation as on March 31, 2018 was Rs. 277.28 Crore (Rs. 215.53 Crore as on March 31, 2017)
- 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 D

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, 2018.

A. CONSERVATION OF ENERGY

I. Steps taken or impact on conservation of energy:

- a) Energy Conservation measures taken:
 - (i) Energy conservation devices have been installed and the equipments are maintained properly to reduce energy consumption.
 - (ii) 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. Company has installed solar equipments during the year of Rs. 13.97 Lakhs.
- 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 Lakhs)

	2017-18	2016-17
1. Earning	NIL	NIL
FOB rate of Export		
2. Outgoing		
a) CIF Value of Imports	5605.59	7328.22
b) Expenditure in Foreign Currency	NIL	3.96



ANNEXURE E

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2018

[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	12th 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, Tel. No. 0731-2719126
Whether Listed Company	Yes
Name, Address and Contact details of Registrar and Transfer Agent if any	Ankit Consultancy Pvt. Ltd , Plot No. 60, Electronic Complex, Pardeshipura, Indore-452010 Tel. No. 0731-4281333, 4065797/99 E mail id: ankit4321@yahoo.com, info@ankitonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Pipe	22209	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.N.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares	Applicable heldSection
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
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	2304847	-	2304847	4.65	2304830	-	2304830	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	-	32617761	65.76	0.00



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(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	32617761	-	32617761	65.76	0.00
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	1600	-	1600	0	5600	-	5600	0	0.00
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	5600	-	5600	0	0.00
(2) Non- Institutions									
a) Bodies Corp.									
i) Indian	1138292	17600	1155892	2.33	970986	17600	988586	1.99	(0.34)
ii) Overseas	-	-	-	-					
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	5244014	2925680	8169694	16.47	6060872	2791280	8852152	17.85	1.38
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	7442552	-	7442552	15.00	6622369	-	6622369	13.35	(1.65)
c) Others (NRI & OCB)	197683	-	197683	0.40	479928	-	479928	0.97	0.57
d) Other (Clearing Member)	18321	-	18321	0.04	37124	-	37124	0.07	0.03
Sub-total (B)(2):-	14040862	2943280	16984142	34.24	14171279	2808880	16980159	34.23	(0.01)
Total Public Shareholding (B)=									
(B)(1)+(B)(2)	14040862	2943280	16984142	34.24	14176879	2808880	16985759	34.24	0.00
C. Shares held by									
Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total(A+B+C)	46660240	2943280	49603520	100.00	46794640	2808880	49603520	100.00	0.00



(ii) Shareholding of Promoters

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
	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	30423	0.06	0.00	0.00
Total	32617778	65.76	0.00	32617761	65.76	0.00	0.00

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

Sl. No.	Particular	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	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):	(17)	0.00	32617761	65.76
	At the End of the year	32617761	65.76	32617761	65.76

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

Sl. No.	Particular	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
1	Bhavesh Shah	1203944	2.43	1197329	2.41
2	Praveen Kumar Kasliwal	1022996	2.06	1401407	2.83
3	Chartered Finance And Leasing Limited	747397	1.51	747397	1.51
4	Rahul Chandrasingh Mehta	683958	1.38	683958	1.38
5	Jyoti Kasliwal				
	Praveen Kasliwal	661737	1.33	661737	1.33
6	Sandeep Bipin Chandra Jhaveri	462105	0.93	10000	0.02
7	Varsha Bhavesh Shah	445615	0.90	445615	0.90
8	Sheetal Rahul Mehta	416000	0.84	416000	0.84
9	Sanjay Kothari	400000	0.81	400000	0.81
10	Rajeev Jawahar	401892	0.81	0	0.00



(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Particular	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors 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	Mr. Chandrasekharan Bhaskar, Independent Director	-	-	-	-
7	Mr. Saurabh Singh Mehta**	30440	0.06	30423	0.06
8	Mr. Vinod Kumar Mittal, Chief Financial Officer	5	-	5	-
9	Mrs. Priyanka Gupta, Company Secretary & Compliance Officer	5	-	5	-

* Dr. S.S. Kothari retired on 12.09.2017. ** Mr. Saurabh Sing Mehta appointed on 07.02.2018 as an Additional Director of the Company.

V. INDEBTEDNESS

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

(Rs. In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5741.67	1354.63	0.00	7096.30
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	5741.67	1354.63	0.00	7096.30
Change in Indebtedness during the financial year				
• Addition	0.00	0.00	0.00	0.00
• Reduction	380.49	358.11	0.00	738.60
Net Change	380.49	358.11	0.00	738.60
Indebtedness at the end of the financial year				
i) Principal Amount	5361.18	996.52	0.00	6357.70
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	5361.18	996.52	0.00	6357.70

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount Rs. in Lakhs
		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	36.00	24.00	60.00
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	06.00	06.00	12.00
	(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	30.50	14.50	45.00
	- others, specify...	-	-	-
5.	Employers Provident fund	4.32	2.88	7.20
	Total (A)	76.82	47.38	124.20



B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount Rs. in Lakhs
1.	Independent Directors	Mr. Rakesh Kalra	CA Manoj Fadnis	Mr. Chandrasekharan Bhaskar	
a)	Fee for attending board committee meetings	0.85	0.80	0.60	2.30
b)	Commission	-	-	-	-
c)	Others, please specify	-	-	-	-
	Total (1)	0.85	0.80	0.60	2.30
2.	Other Non-Executive Directors	Dr. S.S. Kothari	Mr. Saurabh Singh Mehta		
a)	Fee for attending board committee meetings	-	-	-	-
b)	Commission	-	-	-	-
c)	Others, please specify	0.20	0.20	0.20	0.40
	Total (2)	0.20	0.20	0.20	0.40
	Total (B)=(1+2)				2.70
	Total Managerial Remuneration(A+B)				126.90

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		Total Amount Rs. in Lakhs
		Mr. Vinod Kumar Mittal, CFO	Mrs. Priyanka Gupta, CS	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	25.10	2.60	27.70
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5.	Employers Provident fund	-	-	-
	Total (C)	25.10	2.60	27.70

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Place: Indore
Date: 16th May, 2018
Kriti Industries (India) Ltd
CIN L25206MP1990PLC005732
Regd. Office: Mehta Chamber, 34 Siyaganj,
Indore

By order of the Board,

Shiv Singh Mehta
Managing Director
DIN 00023523



FORM NO. MR-3
SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2018
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To
The Members
KRITI INDUSTRIES (INDIA) LIMITED
CIN: L25206MP1990PLC005732
Registered Office: Mehta Chambers,
34-Siyagunj,
Indore (M.P.) - 452007

We have conducted the Secretarial Audit of the compliances 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 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, KMPs, Directors and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2018, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by KRITI INDUSTRIES (INDIA) LIMITED for the financial year ended on March 31, 2018, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable to the Company during the audit period)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the audit period)
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the Company during the audit period)
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- (vi) other laws are applicable specifically to the Company are as under:
 - (a) The Environment (Protection) Act, 1986;
 - (b) The water (Prevention and Control of Pollution) Act, 1974;
 - (c) The Air (Prevention and Control of Pollution) Act, 1981;
 - (d) The Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008;
 - (e) Factories Act, 1948;
 - (f) Industrial Dispute Act, 1947;
 - (g) The Payment of Wages Act, 1936;
 - (h) The Minimum Wages Act, 1948;
 - (i) The Employee State Insurance Act, 1948;



- (j) The Employee Provident Fund and Miscellaneous Provision Act, 1952;
- (k) The Payment of Bonus Act, 1965;
- (l) The Payment of Gratuity Act, 1972;
- (m) The Income Tax Act, 1961;
- (n) Contract Labour (Regulation and Abolition) Act, 1970;
- (o) The Industrial Employment (Standing Orders) Act, 1946;
- (p) The Goods and Service Tax

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

1. Secretarial Standard issued by the Institute of Company Secretaries of India (ICSI).
2. The Listing Agreement entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

During the year under review, the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, standard 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 adequately in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

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

For For Kaushal Agrawal & Co.,
Practising Company Secretaries

CS Kaushal Kumar Agrawal
M. No. F4985; C.P. No. 3457

Place: Indore
Dated: 16.05.2018

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



GUIDANCE NOTE ON SECRETARIAL AUDIT

'Annexure -1'

To,
The Members
Kriti Industries (India) Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Kaushal Agrawal & Co.,
Practising Company Secretaries

CS Kaushal Kumar Agrawal
M. No. F4985; C.P. No. 3457

Place: Indore
Dated: 16.05.2018



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 SEBI (LODR) Regulations, 2015.

The details of compliance are as follows:

1. The Governance Structure:

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

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

(ii) Committees of Directors - such as Audit Committee, Nomination & Remuneration Committee, CSR Committee and Risk Management Committee etc. are focused on Financial Reporting, Audit & Internal Controls, Compliance Issues, Appointment and Remuneration of Directors and Senior Management Employees, implementation and monitoring of CSR activities.

(iii) Executive Management - The entire business including the support services are managed with clearly demarcated responsibilities and authorities at different levels.

2. BOARD OF DIRECTORS

A. 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 composition of the Board also complies with the provisions of the Companies Act, 2013 and the Listing Regulations. As at the end of corporate financial year 2017-18, the total Board consists of Six (6) directors, out of which for (4) are non-executive directors and out of the four (4) non-executive directors three (3) are independent Director.

The composition of the Board of directors and the number of Board Committee in which they are chairman/ member as on 31st March, 2018 are as under:

Name	Category	No. of Directorship in other public Companies	No. of Committee position held in other public Companies	
			Chairman	Member
Mr. Shiv Singh Mehta	Promoter & Managing Director	Two	Nil	Three
Mrs. Purnima Mehta	Promoter & Whole Time Director	One	Two	One
CA Manoj Fadnis	Independent & Non-Executive Director	Two	Four	One
Mr. Rakesh Kalra	Independent & Non-Executive Director	Six	One	Eleven
Late Dr. S.S. Kothari*	Non-Executive Director	Nil	Nil	Nil
Mr. Chandrasekharan Bhaskar	Independent & Non-Executive Director	Four	Nil	Six
Mr. Saurabh Singh Mehta**	Non-Executive Director	One	Nil	One

* Late Dr. S.S. Kothari was retired w.e.f 12th September, 2017.

** Mr. Saurabh Singh Mehta was appointed as Additional Director w.e.f. 7th February, 2018.

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 11th May, 2017, 13th September, 2017*, 14th December, 2017*, 7th February, 2018.

*As per BSE circular CIR/CFD/FAC/62/2016 dated July 05, 2016 for Implementation of Ind-AS for the first year, Board Meeting for the Second Quarter and Third Quarter Results extended by one month from due date.

B. Selection and Appointment/Reappointment of Director:

The Nomination & Remuneration Committee has approved a Policy for the Selection, Appointment and Remuneration of Directors.



Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law and the retirement policy laid down by the Board from time-to-time.

C. Meetings, agenda and proceedings etc. of the Board Meeting

Director attendance record of Board meetings and last Annual General Meeting are as under:

	No. of Board Meetings held during the year	No. of Board Meetings Attended	Attendance at the last AGM held on 12th September, 2017
Mr. Shiv Singh Mehta	4	4	Yes
Late Dr. S.S. Kothari	4	1	No
Mrs. Purnima Mehta	4	4	Yes
CA Manoj Fadnis	4	4	Yes
Mr. Rakesh Kalra	4	4	Yes
Mr. Chandrasekharan Bhaskar	4	3	Yes
Mr. Saurabh Singh Mehta*	4	1	Yes*

* Mr. Saurabh Singh Mehta was appointed as Additional Director w.e.f. 7th February, 2018 and attended last AGM in the capacity of Shareholder of the Company.

D. Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 13th September, 2017 to review the performance of Non-independent Directors (including the Chairman) and the entire Board.

E. Agenda:

All the meetings are conducted as per well designed and structured agenda. All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated separately or placed at the meeting) to enable the Board to take informed decisions. Agenda also includes minutes of the meetings of all the Board, Committees and Subsidiaries for the information of the Board.

F. Support and Role of Company Secretary:

The Company Secretary is responsible for convening the Board and Committee meetings, preparation and distribution of Agenda and other documents and recording of the Minutes of the meetings.

G. Board Evaluation:

During the year, the Board started a formal mechanism for evaluating its performance and effectiveness as well as that of its Committees and individual Directors. The exercise was carried out through 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 Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees.

H. Code of Conduct:

All the Board members and senior management personnel have confirmed compliance with the code. A declaration to that effect signed by the Managing Director is attached and forms part of the Annual Report of the Company.

I. Prevention of Insider Trading Code:

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company has appointed Company Secretary as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Company's securities. During the year under review there has been due compliance with the said code.



J. Disclosure of Relationship between Directors inter-se:

Name	Relationship	Name of other Directors in inter-se relationship
Mr. Shiv Singh Mehta	Spouse	Mrs. Purnima Mehta
Mr. Shiv Singh Mehta	Son in law	Late Dr. S.S. Kothari
Mrs. Purnima Mehta	Spouse	Mr. Shiv Singh Mehta
Mrs. Purnima Mehta	Daughter	Late Dr. S.S. Kothari
Late Dr. S.S. Kothari	Father	Mrs. Purnima Mehta
Late Dr. S.S. Kothari	Father in law	Mr. Shiv Singh Mehta
Mr. Saurabh Singh Mehta	Son	Mr. Shiv Singh Mehta, Mrs. Purnima Mehta

K. No. of Shares held By Non- Executive Director

	No. of Shares Held
CA Manoj Fadnis	-
Mr. Rakesh Kalra	-
Late Dr. S.S. Kothari	-
Mr. Chandrasekharan Bhaskar	-
Mr. Saurabh Singh Mehta	30423

L. Web Link: kiil.kritiindia.com**3. AUDIT COMMITTEE**

(a) Terms of reference:

The Board has constituted a well-qualified Audit Committee. Out of the three members, two members are Non-Executive Directors with majority of them are Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

The Company Secretary acts as secretary to the committee.

The Audit Committee has adequate powers and detailed terms of reference to play effective role as required under the provisions of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 entered into with the Stock Exchanges.

(b) Constitution and Composition:

The Audit Committee of the Company as on 31st March, 2018 comprises of the following Directors of the Company.

Name of the Director	Designation
CA Manoj Fadnis	Chairman
Mr. Rakesh Kalra	Member
Mrs. Purnima Mehta	Member

(C) Meeting and attendance during the year:

Five (5) meetings were held during the financial year 2017-18 on 26th April, 2017, 10th May, 2017, 12th September, 2017, 13th December, 2017, 06th February, 2018. The attendance of each member of the committee is as under:

Name of the Director	No. of Meeting attended
CA Manoj Fadnis	5
Mr. Rakesh Kalra	5
Mrs. Purnima Mehta	5

CA Manoj Fadnis, Chairman of the Audit Committee was present at the last Annual General Meeting to answer the shareholders queries.

4. NOMINATION & REMUNERATION COMMITTEE

(a) Terms of reference:

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



(b) Composition:

The Remuneration Committee of the Company as on 31st March, 2018 comprises of the following Directors of the Company.

Name of the Director	Designation
Mr. Rakesh Kalra	Chairman
CA Manoj Fadnis	Member
Mr. Chandrasekharan Bhaskar	Member

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

CS Priyanka Gupta, Company Secretary acts as the Secretary to the Committee

(c) Performance Evaluation for Independent Directors:

Pursuant to the Provisions of the Companies Act, 2013 and as stipulated under regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board of Directors adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors.

(d) Remuneration Policy:

The Company follows a policy on remuneration of Directors and Senior Management Employees.

(e) Remuneration of Non-Executive Directors:

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. Detailed hereunder:

- A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies Managerial Remuneration Rule, 2014;
- The company is not having any Pecuniary relationship or transaction with Non- Executive director

(f) Details of Remuneration to Managing Director, Executive Director :

The terms of remuneration of Mr. Shiv Singh Mehta, Managing Director and Mrs. Purnima Mehta, Executive Director was approved by the shareholders of the company.

During the financial year 2017-18, the particulars of remuneration paid to Managing Director and Whole-time Director are as under: -

(Rs. in Lakhs)

Name of the Director	Salary (Rs.)	Perquisites	Commission	Stock option Details	Period of Contract
Mr. Shiv Singh Mehta	36.00	6.00	30.50	NIL	5 Years starting from 1st October, 2016
Mrs. Purnima Mehta	24.00	6.00	14.50	NIL	3 Years starting from 1st July, 2016

(g) Remuneration/Sitting fee to Other Non Executive Directors:

The details of sitting fee paid to each of the other Non Executive/Independent Directors during the year 2017-18 ended on 31st March, 2018 are given below:

(Amt. in Lakhs)

Name	Sitting Fees	Other Payment	Total
Mr. Rakesh Kalra	0.85	-	0.85
CA Manoj Fadnis	0.85	-	0.85
Mr. Chandrasekharan Bhaskar	0.60	-	0.60
Dr. S.S. Kothari	0.20	-	0.20
Mr. Saurabh Singh Mehta	0.20	-	0.20

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

a) In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The "Stakeholders' Relationship Committee" consisting of:

Name of the Director	Designation
Mr. Chandrasekharan Bhaskar	Chairman
Mr. Shiv Singh Mehta	Member
Mrs. Purnima Mehta	Member



b) CS Priyanka Gupta, acts as Secretary of the committee.

c) Share holder Compliant Status during the financial year 2017-18:

No. of Shareholder Compliant received	No. of Complaint resolved	No. of Compliant Pending.
77	77	0

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As required under section 135 of the Companies Act, 2013 the company has framed Corporate Social Responsibility Committee (CSR Committee) consisting of the following members:

Name of the Director	Designation
Mr. Shiv Singh Mehta	Chairman
Mrs. Purnima Mehta	Member
Mr. Rakesh Kalra	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.

7. MD Certification

The MD has issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

8. 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	Special Resolutions	Special resolution through postal Ballot
2016-2017	4th Floor, Chetak Chamber, 14, RNT Marg, Indore	12th September, 2017	03:00 P.M.	No	No
2015-2016	4th Floor, Chetak Chamber, 14, RNT Marg, Indore	11th August, 2016	04:00 P.M.	One	No
2014-2015	4th Floor, Chetak Chamber, 14, RNT Marg, Indore	24th September, 2015	02:00 P.M.	No	No

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

9. MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after these are approved by the Board. These are widely published in following newspapers. These results are simultaneously posted on the website of the Company at kiil.kritiindia.com and also uploaded on the website of the BSE Ltd.

Quarterly Results	News Paper Publication	Displayed in Website
30.06.2017	Naidunia, Indore & Business Standard, Mumbai	kiil.kritiindia.com
30.09.2017		
31.12.2017		
31.03.2018		

10. GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting:

The 28th Annual General Meeting of the Company will be held on Tuesday, the 31st July, 2018 at 3.00 P.M at Corporate Support Center of the company situated at "Chetak Chambers" 4th Floor, 14 R.N.T. Marg, Indore-452001 (M.P)

(b) Board Meeting for the Financial Year: 2018-19 (from 1st April-2018 to 31st March, 2019)

a.	Un-Audited Results for the First Quarter ending 30th June, 2018	On or Before 14th August, 2018
b.	Un-Audited Results for the Second Quarter ending 30th September, 2018	On or Before 14th November, 2018
c.	Un-Audited Results for the Third Quarter ending 31st December, 2018	On or Before 14th February, 2019
d.	Audited Results for the Fourth Quarter ending 31st March, 2019	On or Before 30th May, 2019
e.	Annual General Meeting for the year ending March, 2019	Before end of September, 2019



(c) Book Closure/Record date:

The Register of Members and the Share Transfer Books of the Company shall remain closed from Wednesday, 25th July, 2018 to Tuesday, 31st July, 2018 (both days inclusive) for the Annual General Meeting.

(d) Dividend History

The Dividend history for the past 5 years is as under:

Financial Year	Interim @	Final @	Total@	Amount of Dividend (Rs. in Lakhs)
2016-17	-	15%	15%	74.41
2015-16	18%	-	18%	89.29
2014-15	-	-	-	-
2013-14	-	15%	15%	74.41
2012-13	-	15%	15%	74.41

(e) Listing on Stock Exchange

The Company's shares are traded on BSE.

The Company's shares are presently listed on the Bombay Stock Exchange Limited. The Company has paid annual listing fee for the year 2018-19.

(f) Stock Code/ Details of Scrip

BSE	:	526423
NSDL & CDSL-ISIN	:	INE479D01038
ISIN NO	:	INE479D01038

(g) Market Price Data (Rs.)

The monthly high and low quotations of shares of the Company traded at the Stock Exchange, Mumbai during the financial year 2017-18 are given below:

Month	High (Rs.)	Low (Rs.)
April, 2017	50.45	40.50
May, 2017	42.60	34.80
June, 2017	42.00	35.15
July, 2017	44.40	35.40
August, 2017	40.50	34.50
September, 2017	39.00	33.65
October, 2017	42.90	36.10
November, 2017	44.90	37.50
December, 2017	43.45	35.25
January, 2018	43.80	36.60
February, 2018	54.40	37.00
March, 2018	62.80	46.30

(h) Share Transfer Agent

Ankit Consultancy Pvt. Limited
 Plot No. 60, Electronic Complex
 Pardeshipura
 Indore- 452 010 (M.P)
 Tel: 0731-4281333, 0731-4065797/99
 Fax: 0731-4065798
 E-mail: ankit4321@yahoo.com, info@ankitonline.com, support@ankitonline.com

(i) 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.

(j) Distribution of Shareholding as on 31st March, 2018

No. of Shares	No. of Shareholders	% of Shareholders
1-1000	5136	72.57
1001-2000	1003	14.17
2001-3000	314	4.44
3001-4000	254	3.59
4001-5000	67	0.95
5001-10000	178	2.52
10001-20000	59	0.83
20001-30000	22	0.31
30001-40000	11	0.16
40001-50000	3	0.04
50001-100000	10	0.14
100000 Above	20	0.28

(k) 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.

(l) Details of Demat Shares as on 31st March 2018

	No. of Shareholders/Beneficial Owners	No. of Shares	% of Capital
NSDL	2910	42597146	85.88
CDSL	1988	4197494	8.46
Sub-Total	4898	46794640	94.34
Shares in physical form	2179	2808880	5.66
Grand Total	7077	49603520	100.00

(m) Reconciliation of Share Capital Audit:

As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to stock exchanges, NSDL and CDSL and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

(n) Outstanding Convertible Instruments:

There are no outstanding warrants or any convertible instruments.

(o) Plant locations of the Company:

13/1 Tarpura, 75-86, Sector No. 2, Industrial Area, Pithampur, Dist. Dhar (M.P.)-454775

(p) Address for communication:

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: 0731-4281333, 0731-4065797/99

Fax: 0731-4065798

E-mail: ankit4321@yahoo.com, info@ankitonline.com, support@ankitonline.com

11. 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. 45 of Notes on Accounts, forming part of the Annual report.

All related party transactions were 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 two years.

(c). 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.

The policy provides a platform to all the employees, vendors and customers to report any suspected or confirmed incident of fraud/misconduct through any of the following reporting protocols:

* E-mail : info@kritiindia.com , cs@kritiindia.com

* Written Communication to : Mehta Chamber, 34, Siyaganj, Indore-452007 (M.P.) / Chetak Chamber, 4th Floor, 14 RNT Marg, Indore-452001 (M.P.)

d) Web links for Policies:

Particular	Web links
Material Event Policy	kiil.kritiindia.com/policies/
Related Party Transaction Policy	kiil.kritiindia.com/policies/
Preservation of Documents Policy	kiil.kritiindia.com/policies/
Appointment and Remuneration of Directors Policy	kiil.kritiindia.com/policies/
Unpaid and Unclaimed Dividend	kiil.kritiindia.com



MD/CEO CERTIFICATE

To,
The Board of Directors,
Kriti Industries (India) Limited

Dear Sirs

We have reviewed the Financial Statement read with the cash flow statement of Kriti Industries (India) Limited for the year 31st March, 2018 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) Limited

Shiv Singh Mehta
Managing Director
DIN 00023523

Declaration Regarding Code of Conduct

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company.

Shiv Singh Mehta
Managing Director
DIN 00023523



INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of

Kriti Industries (India) Limited

1. This Certificate is issued in accordance with the terms of our engagement letter dated 15/12/2017.

2. This certificate contains details of compliance of conditions of Corporate Governance by KRITI INDUSTRIES (INDIA) LIMITED ('the Company'), for the year ended March 31st, 2018 as stipulated as per Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as 'SEBI Listing Regulations, 2015') and pursuant to the Listing Agreement of the Company with the Stock Exchanges.

Management's Responsibility for compliance with the conditions of SEBI Listing Regulations

3. The compliance with the conditions of Corporate Governance is the responsibility of the management of the Company including preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

Auditor's Responsibility

4. Our examination was limited to 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 opinion on the financial statements of the Company.

5. Pursuant to the requirements of the SEBI Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in SEBI Listing regulations for the year ended 31st March 2018.

6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

7. We had complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Service Engagements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Listing Regulations.

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

Restrictions on Use

10 This certificate is addressed to and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Rakesh Kumar & Associates

Chartered Accountants

Firm Registration Number: 002150C

Place: Indore

Date: May 16, 2018

Rakesh Kumar Gupta

Partner

Membership Number: 070906



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW

Post Goods and Service Tax regime, the domestic trade is now on the path of recovery. The GDP for the year FY 2017-18 has shown an increasing trend from Q1 to Q3. The quick turnaround is reflective of growing consumption by consumer & increased government spending and investments. The GDP for Q4 is expected to be higher. As per advance estimates for the full FY 17-18 GDP growth is estimated at 6.7%

Growth in Indian Economy will be led by major investments in agriculture, housing & infrastructure which will create business opportunities for plastic industry in the coming years.

INDUSTRY STRUCTURE AND DEVELOPMENT

Focus of Government on Infrastructure, Sanitation, Irrigation and Drinking water projects under various schemes will drive growth of plastic consumption. Apart from Government's spending on rural and urban infrastructure, growth will also come from demand from telecom sector.

Presently India's per capita consumption of plastics is 10kg per capita which is much lower than world average of 27kg per capita. With growing aspirations of masses and increased use of plastics in popular and newer applications, growth in plastic consumption shall get quantum boost. India's projected polymer demand for the year 2022-23 is estimated at 24MMT and anticipate per capita consumption is expected to grow to 20Kg.

The Indian plastic market is very much fragmented with a presence of over 30,000 companies, most of which are small to medium in size; however, the top 100 companies account for only 20% of the industry turnover. With introduction of GST organized sector should get boost and should show faster growth.

In the Union Budget of the financial year 2018-19 total allocation for Rural, Agriculture sector is Rs. 14.34 Lakh Crore. Institutional credit for agriculture sector has been raised to Rs. 11 Lakh Crore for 2018-19 with scope of Long Term Irrigation Fund to be expanded to cover specified command area development projects. An Agri Market Infrastructure Fund with a corpus of Rs. 2,000 Crores is to be set up for developing and upgrading agricultural marketing infrastructure.

Under the Pradhan Mantri Krishi Sinchai Yojana, 48 AIBP priority projects of Rs. 15,000 Crores are to be completed by December 2019 and utilization of irrigation potential of 15 Lakh Hectares (har khet ko pani) a project of Rs. 2,300 Crores to be undertaken. Moreover irrigation projects of Rs. 4,000 Crores covering 17.2 Lakh Hectares to be implemented.

Niti Ayog, in consultation with Central and State Governments, will put in place a full proof mechanism so that farmers to get adequate price for their produce. Government is extending facility of Kisan Credit cards to farmers to help them meet their working capital needs.

Affordable housing to be given infrastructure status. It is proposed to complete construction of One Crore houses by 2019 in rural areas. In urban areas 37 Lakh houses has been sanctioned for construction. A dedicated affordable Housing Fund in NHB to be established. Smart Cities Mission to build 100 smart cities with state-of-art amenities and the AMRUT program to provide water supply.

Swachh Bharat Mission (Gramin) has made tremendous progress in promoting safe sanitation. Sanitation coverage in rural India has gone up from 42% in October, 2014 to about 60% currently. Villages with sanitation coverage are now being given priority for piped water supply.

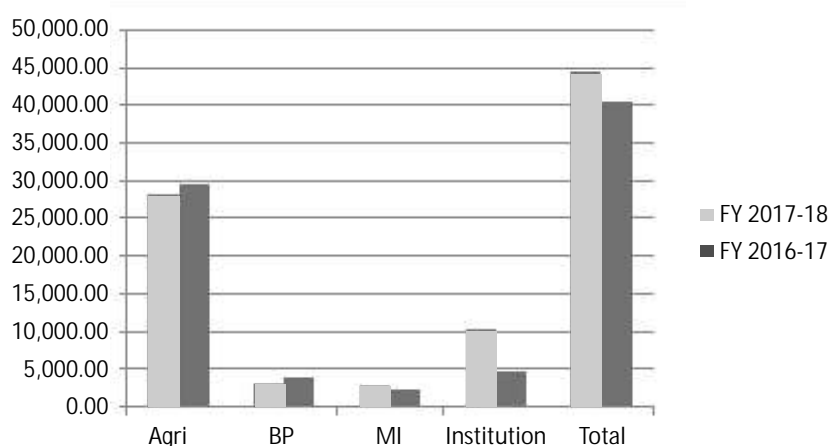
COMPANY VERTICALS & PRODUCTS

Your Company is operating in Plastic segment under four verticals namely Agriculture, Building products, Micro irrigation and Infrastructure. The product details of each vertical are as under:

VERTICAL	PRODUCTS
Agriculture	RPVC Pipe & Fittings, Casing pipe, PE coils, Sprinkler systems, Submersible Pipe, Suction, Garden Pipe.
Building products	SWR & Drainage Pipe and Fittings, CPVC and Plumb Pipe and Fittings, Garden Pipe, & Water tank.
Micro irrigation	Micro Irrigation lateral (Inline and Online), Sprinkler systems, RPVC Pipe and Fittings.
Infrastructure & Datacom	RPVC Ring Fit Pipe (Elastomeric) and Fittings, HDPE and MDPE (PE) Pipes and Fittings, PLB Telecom Duct, Micro Duct.



VERTICAL WISE SHARE IN TURNOVER FOR THE LAST TWO YEARS.



Sales in lakhs

Sales in Lakhs	Agri	BP	MI	Institution	Total	
FY 2017-18	28,198.09	3,171.27	2,862.09	10,193.10	44,424.55	
FY 2016-17	29,501.92	3,909.73	2,485.08	4,751.56	40,648.29	

OPERATIONAL PERFORMANCE

The Company has achieved a total turnover of Rs. 44424.55 Lakhs (Rs. 40648.29 Lakhs) and Profit before Tax Rs. 1409.74 Lakhs (Rs. 1308.38 Lakhs) and Profit after Tax of Rs. 922.46 Lakhs (Rs. 871.45 Lakhs).

FINANCE

The total finance cost of the company was Rs. 12.53 Cr (2.82% to sales) as against Rs. 12.12 Cr (2.98% to sales) in previous year. The interest out go in fund base working capital and term loan was Rs. 6.67 Cr and Non fund LC/BG discounting was Rs. 3.94 Cr. Total commission and charges was Rs. 1.92 Cr. The corresponding discounted bills payable have been classified as creditors.

Effective average rate of interest on fund base working capital & term loan was 10.73% and non fund base limit was 8.87%. Bank limits varies from month to month as per business volume in peak/lean season.

SUBSIDIARY COMPANY

Kriti Auto & Engineering Plastics Private Limited, wholly owned subsidiary of the company, achieved gross turnover of Rs. 1,930.41 Lakhs (Previous Year Rs. 2,575.87 Lakhs) and incurred a net loss after tax of Rs 3.07 Lakhs (Previous Year Rs. 56.44 Lakhs) during the year.

Efforts of diversifying product basket are showing results and hopefully during the current year company should be able to generate cash surplus.

GROWTH DRIVERS

Some of the government projects which will drive plastic consumption are:

- Pradhan Mantri Awas Yojana (Housing for All)
- Smart Cities Mission
- AMRUT
- Swachh Bharat Abhiyan
- Telecom, DATA Net connectivity and Digital India programs
- Pradhan Mantri Krishi Sinchai Yojana (PMKSY)
 - * AIBP
 - * Har Khet ko pani
 - * Per Drop more crop
 - * Watershed
 - * Convergence with MGNREGA
- Kisan Credit card



RISK AND CONCERNS

- Any price fluctuation in PVC/PE (crude oil derivative) may affect operating performance and margin profile.
- Currency Fluctuation
- Monsoon factor - Any slowdown in the agri pipes demand due to weak monsoon could hurt the farmer's sentiments and impact the volume growth.
- High working capital requirement
- Low quality/spurious products remain a threat.
- Government policy and allocation of funds for subsidy.
- Entry of large number of players into the segment.

BUSINESS STRATEGY

Your company has a well diversified product basket catering to the Agriculture, Building Products, Micro Irrigation and Datacom and Urban Infrastructure business segments.

Company is expanding its marketing network in new territories and the response is quite encouraging.

Your company strategy going forward is to capitalize its existing strengths in the Agriculture domain where it enjoys a long standing business exposure of over 2-3 decades and where farmers value its products for their quality and durability.

Building Products and Datacom Infrastructure product segments are growing fast and offer a large volume market as these are new generation technology products fast getting accepted over traditional products. Also these product segments are less price sensitive as compared to the Agriculture segment.

Product designing and quality control shall remain the key differentiating factors as it will continue to target attracting more consumers with consistent launch of trendsetting products.

INFORMATION & TECHNOLOGY

SAP HANA has been implemented successfully and helping in business analytics and efficiency. Your Company views these investments as a strategic tool to enhance its operational efficiencies.

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 the company has improved its efficiencies.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company follows standard operating procedures (SOP) at Individuals as well as department level. These are periodically reviewed for effective internal controls.

Regular internal audits are conducted and monthly compliances are being monitored against the original plan. Correction for the identified short comings and learning are being taken aggressively for improvements. Periodical Peer reviews are being done by internal as well as external experts.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Human Resource is considered as a key to the future growth strategy of the company and is looked upon with focus to further align human resource policies, processes and initiatives to meet its business needs. In order to focus on keeping employees abreast of technological developments, the Company provides adequate opportunity for training and learning.

The Directors of your Company deeply appreciate the spirit and commitment of its dedicated team of employees.

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 AUDITOR'S REPORT

To,
The Members,
Kriti Industries (India) Limited

Report on the Standalone Ind AS Financial Statements:

We have audited the accompanying standalone Ind AS financial statements of KRITI INDUSTRIES (INDIA) LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including other Comprehensive Income), the Cash Flow Statement and the Statement for Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IndAS) prescribed under Section 133 of the Act.

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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

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

We have taken into account the provisions of the Act, the accounting standards and standards on auditing 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 of the standalone Ind AS financial statements 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS 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 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 standalone Ind AS 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 standalone Ind AS financial statements.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March, 2018, and its financial performance including other comprehensive income, its cash flows and the statement of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" 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 account as required by law have been kept by the Company so far as it appears from our examination of those books.



- (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 34.3 to the standalone Ind AS 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 was no amount required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2018.

FOR RAKESH KUMAR & ASSOCIATES
Chartered Accountants
Firm Reg. No. : 002150C

CA. RAKESH KUMAR GUPTA
Partner
Membership No. : 070906

Place : Indore
Date : 16th, May, 2018



“Annexure A” to the Auditor’s Report

The Annexure referred to in paragraph 1 under “Report on other Legal and Regulatory Requirements” of our Independent Auditor’s Report of even date on the standalone Ind AS financial statements to the members of Kriti Industries (India) Limited for the year ended 31st March 2018, we further report that :

- (i)
 - a. As informed to us, the Company has maintained proper records, on yearly basis, showing full particulars, including quantitative details and situation of fixed assets.
 - b. As informed to us, the management of the Company has done physical verification of certain fixed assets at reasonable intervals in accordance with programme of verification, which in our opinion is reasonable, having regard to the size of the company and nature of its assets and no material discrepancies were noticed on such verification.
 - c. The title deeds of immovable properties are held in the name of the company except the title deeds of the land acquired pursuant to the scheme of demerger in earlier year which are pending for registration in the name of the company.
- (ii) As informed to us, the inventory of the Company has been physically verified during the year by the management at reasonable intervals. Discrepancies noticed during the physical verification of stock were not material and have been properly dealt with in the books of accounts of the company.
- (iii) As per information and explanation given to us, the Company has granted unsecured loan to one (1) company covered in the register maintained under section 189 of the Companies Act, 2013.
 - a. In respect of loan granted to the body corporate , the terms and conditions of the loans are prima facie not prejudicial to the interest of the company.
 - b. The terms of arrangement do not stipulate any repayment schedule and also the loan is repayable on demand. The borrower has been regular in the payment of interest as stipulated.
 - c. As there is no specified repayment schedule of the loan granted to the body corporate, the clause (iii) (c) of the order is not applicable to the company.
- (iv) As per information and explanation given to us, the Company has complied all provisions in respect of loans, investment and guarantees covered under section 185 to section 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the Company neither accepted nor invited any deposits from public within the provision of Section 73 to 76 of Companies Act, 2013 and rules made there under.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of the cost records under section 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made detailed examinations of the records with a view to determine whether they are accurate or complete.
- (vii)
 - a. According to the information and explanation given to us, the Company has been generally regular in depositing undisputed dues relating to Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Duties of Customs, Duties of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with appropriate authorities. There are no undisputed statutory dues payable which are outstanding as at March 31, 2018 for a period of more than 6 months from the date they became payable.
 - b. According to the information and explanations given to us, following dues of Income Tax, Sales Tax, Service Tax, duties of Customs , duties of Excise or Value Added Tax has not been deposited on account of any dispute :–

Name of the Statute (Nature of the Dues)	Forum where Matter is pending	Period to which the amounts relates	Amount (in Rs.)
Central Sales Tax	High Court Of MP	2005-06	7238189
Central Sales Tax	High Court Of MP	2006-07	1335795
Entry Tax	High Court Of MP	2007-08	1355843
Central Sales Tax	Appellate Board , Bhopal	2008-09	114553
Central Excise	Commissioner of Central Excise (Appeals) (Bhopal)	2008-09 to 12-13	1688478
Central Excise	Commissioner of Central Excise (Appeals) (Bhopal)	2008-09	81000
Central Sales Tax	Appellate Board , Bhopal	2009-10	227206
M.P. Commercial Tax	Appellate Board , Bhopal	2009-10	741835
M.P. Commercial Tax	Appellate Board , Bhopal	2009-10	845026
Central Sales Tax	Appellate Board , Bhopal	2010-11	589001
M.P. Commercial Tax	Appellate Board , Bhopal	2010-11	3154351
Central Sales Tax	Appellate Board , Bhopal	2011-12	1587144



Name of the Statute (Nature of the Dues)	Forum where Matter is pending	Period to which the amounts relates	Amount (in Rs.)
Central Excise	Commissioner of Central Excise (Appeals) (Bhopal)	2011-12 & 12-13	7474000
M.P. Commercial Tax	Appellate Board , Bhopal	2011-12	4405077
Central Excise	Commissioner of Central Excise (Appeal)	2012-13	79417
Entry Tax	Appellate Board , Bhopal	2012-13	380439
M.P. Commercial Tax	Appellate Board , Bhopal	2012-13	892446
Central Excise	Commissioner of Central Excise (Appeals) (Bhopal)	2013-14	3216800
M.P. Commercial Tax	Appellate Board , Bhopal	2013-14	145746
Central Excise	Commissioner of Central Excise (Appeals) , (Bhopal)	2014-15 & 15-16	7517771
Central Sales Tax	Deputy Commissioner, Indore	2014-15	269734
M.P. Commercial Tax	Additional Commissioner, Indore	2014-15	49995
Central Sales Tax	Additional Commissioner, Indore	2015-16	846438
M.P. Commercial Tax	Additional Commissioner, Indore	2015-16	170987

- (viii) According to information and explanations given to us by the management and according to the records of the company examined by us, we are of the opinion that the Company has not defaulted in repayment of any loan from Financial Institutions, Banks or debenture holders.
- (ix) To the best of our knowledge and belief and according to the information and explanations given to us and based on documents provided to us, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. However, term loan availed by the Company were, prima-facie, applied by the Company for the purposes for which the loans were obtained.
- (x) During the course of our examination of the books of accounts 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 the company by its officers/employees or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi) According to the information and explanation given to us, and based on documents provided to us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanation given to us, and based on document provided to us, all transactions with the related parties are in compliance with section 188 & section 177 of the Companies Act, 2013 where applicable and details of such transactions to the extent required has been disclosed in the standalone Ind AS financial statements as required by applicable accounting standards.
- (xiv) According to the information and explanation given to us, the Company has not made any preferential allotment/ private placement of shares or fully or partly convertible debenture during the year.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with Directors or Persons connected with him.
- (xvi) In our opinion and according to explanations given to us, the company is not required to get registered under section 45-IA of the Reserve Bank of India Act, 1934.

FOR RAKESH KUMAR & ASSOCIATES
Chartered Accountants
Firm Reg. No. : 002150C

CA. RAKESH KUMAR GUPTA
Partner
Membership No. : 070906

Place : Indore
Date : 16th, May, 2018



“Annexure B” to the Auditor’s Report

The Annexure referred to in paragraph 2(f) under “Report on other Legal and Regulatory Requirements” of our Independent Auditor’s Report of even date on the standalone Ind AS financial statements to the members of Kriti Industries (India) Limited for the year ended 31st March 2018.

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

We have audited the internal financial controls over financial reporting of Kriti Industries (India) Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For RAKESH KUMAR & ASSOCIATES

Chartered Accountants

Firm Reg. No. : 002150C

CA. RAKESH KUMAR GUPTA

Partner

Membership No. : 070906

Place : Indore

Date : 16th, May, 2018



KRITI INDUSTRIES (INDIA) LIMITED

CIN: L25206MP1990PLC005732

BALANCE SHEET AS AT 31.03.2018

(Rs. in Lakhs)

PARTICULARS	Note No	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
ASSETS				
(1) NON CURRENT ASSETS				
(a) Property, Plant and Equipment	4	7890.64	7404.35	5495.47
(b) Capital work-in-progress		49.38	2.44	362.59
(c) Other Intangible assets	5	24.51	31.33	26.61
(d) Financial Assets				
(i) Investments	6	778.15	778.15	778.15
(ii) Loans	7	163.72	170.41	162.22
(iii) Other financial assets	8	41.84	4.60	0.13
(e) Other non current assets	9	222.00	100.00	70.00
Total Non Current Assets		9170.24	8491.28	6895.17
(2) Current assets				
(a) Inventories	10	9440.31	8095.98	6436.84
(b) Financial Assets				
(i) Trade receivables	11	3751.01	3824.74	5231.45
(ii) Cash and cash equivalents	12	119.80	22.44	47.15
(iii) Bank balances other than (ii) above	13	968.69	823.95	972.82
(iv) Loans	14	1126.09	1565.65	1656.76
(c) Other current assets	15	588.93	871.99	596.69
Total Current Assets		15994.83	15204.75	14941.71
Total Assets		25165.07	23696.03	21836.88
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	16	496.04	496.04	496.04
(b) Other Equity	17	7461.08	6538.76	5757.84
Total Equity		7957.12	7034.80	6253.88
LIABILITIES				
(1) Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	1330.04	1491.07	1936.65
(b) Deferred tax liabilities (Net)	19	1073.23	913.23	791.72
(c) Other non-current liabilities	20	211.52	208.63	211.45
Total non current Liabilities		2614.79	2612.93	2939.82
(2) Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	21	3933.51	4068.29	3230.00
(ii) Trade payables	22	8970.75	7357.18	7346.18
(iii) Other Financial Liabilities	23	898.93	1345.18	578.03
(b) Other current liabilities	24	395.94	839.54	773.56
(c) Provisions	25	77.28	79.11	77.49
(d) Current Tax Liabilities (Net)	26	316.75	359.00	637.92
Total Current Liabilities		14593.16	14048.30	12643.18
Total Equity and Liabilities		25165.07	23696.03	21836.88

Significant accounting policies & Notes to the accounts 1 -48

As per our Report of even date attached
For Rakesh Kumar & Associates
Chartered Accountants
F.R.N. 002150C

For and on behalf of the Board of Directors

CA Rakesh Kumar Gupta
Partner
M.No. 070906

Shiv Singh Mehta
(Managing Director)
DIN 00023523

Purnima Mehta
(Executive Director)
DIN 00023632

V.K. Mittal
(Chief Financial officer)

Priyanka Gupta
(Company Secretary)

Place: Indore
Date:- 16th May, 2018



KRITI INDUSTRIES (INDIA) LIMITED

CIN: L25206MP1990PLC005732

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2018

(Rs.in Lakhs)

PARTICULARS	Note No	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
REVENUE			
Revenue From Operations	27	44424.55	40648.29
Other Income	28	300.04	131.49
Total Income		44724.59	40779.78
EXPENSES			
Cost of materials consumed		35125.81	29374.23
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress		(646.35)	(1057.30)
Excise Duty	29	1660.78	4176.40
Employee benefits expense	30	1710.99	1731.61
Finance costs	31	1252.94	1212.35
Depreciation and amortization expense	4-5	561.83	480.73
Other expenses	32	3648.85	3553.38
Total Expenses		43314.85	39471.40
Profit/(loss) before exceptional items and tax		1409.74	1308.38
Exceptional Items		-	-
Profit/(loss) before tax		1409.74	1308.38
Tax expense:			
(1) Current tax		327.27	315.43
(2) Deferred tax		160.01	121.50
Total Tax Expenses		487.28	436.93
Profit (Loss) after Tax		922.46	871.45
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of Defined Benefit Plan		(4.20)	3.08
Effective portion of Cash Flow Hedge		--	(93.61)
Total Other Comprehensive Income		(4.20)	(90.53)
Total Comprehensive Income for the period		918.26	780.92
Earnings per equity share			
(1) Basic		1.86	1.76
(2) Diluted		1.86	1.76

Significant accounting policies & Notes to the accounts

1 -48

As per our Report of even date attached
For Rakesh Kumar & Associates
Chartered Accountants
F.R.N. 002150C

For and on behalf of the Board of Directors

CA Rakesh Kumar Gupta
Partner
M.No. 070906

Shiv Singh Mehta
(Managing Director)
DIN 00023523

Purnima Mehta
(Executive Director)
DIN 00023632

V.K. Mittal
(Chief Financial officer)

Priyanka Gupta
(Company Secretary)

Place: Indore
Date:- 16th May, 2018



KRITI INDUSTRIES (INDIA) LTD., INDORE

CIN: L25206MP1990PLC005732

CASH FLOW STATEMENT AS AT 31.03.2018

(Rs.in Lakhs)

Particulars	Year ended 31.03.2018		Year ended 31.03.2017	
	Amount	Amount	Amount	Amount
Cash Flow From Operating Activities				
Net Profit before Tax		1409.74		1,308.38
Adjustments for :				
Depreciation	561.83		480.73	
(Profit)/ Loss on Sale of Fixed Assets	-		-	
Financial Income	(93.52)		(106.04)	
Financial Expense	1252.94	1721.25	1,212.35	1587.04
Cash Operating Profit before working capital changes		3130.99		2895.42
(Increase) / Decrease in Inventories	(1344.33)		(1,659.14)	
(Increase) / Decrease in Trade Receivables	73.74		1,406.70	
(Increase) / Decrease in Deposit given	439.56		91.11	
(Increase) / Decrease in Other Current Assets	556.60		(27.89)	
(Increase) / Decrease in Loan Given	6.69		(8.19)	
(Increase) / Decrease in other Financial assets	(37.24)		(4.47)	
(Increase) / Decrease in Other Non Current Assets	(122.00)		(30.00)	
Increase / (Decrease) in Trade Payables	1702.96		(79.53)	
Increase / (Decrease) in Other Financial Liabilities	(446.24)		767.14	
Increase / (Decrease) in Other Current Liabilities	(443.59)		65.98	
Increase / (Decrease) in Provisions	(1.83)		1.62	
Increase / (Decrease) in Other Tax Liabilities	(369.53)		(594.35)	
Tax Paid		14.79		(71.02)
Net Cash From Operating Activities (A)		2872.24		2577.00
Cash Flow From Investing Activities				
Financial Income	93.52		106.04	
Sale Proceed Of Fixed Assets (Net)	6.23		69.51	
Purchase of Fixed Assets	(1094.46)		(2,103.68)	
Investment in Fixed Deposits having maturity of more than three months	(144.74)		148.87	
(Increase) / Decrease in Non Current Investment	-		-	
Net Cash Used In Investing Activities (B)		(1139.44)		(1779.26)
Cash Flow From Financing Activities				
Proceeds from Long Term Borrowings	750.00		900.00	
Repayment of Long Term Borrowings	(911.02)		(1345.58)	
Net Increase / (Decrease) in Long Term Borrowings	(161.02)		(445.58)	
Increase / (Decrease) in Other Non Current Liability	2.89		(2.82)	
Increase / (Decrease) in Short Term Borrowings	(134.79)		838.29	
Dividend Paid on Equity Shares	(74.40)		-	
Dividend Distribution Tax Paid	(15.16)		-	
Financial Expenses	(1252.94)		(1212.35)	
Net Cash Used In Financing Activities (C)		(1635.41)		(822.46)
Net Increase / (Decrease) In Cash and Cash Equivalents (A + B + C)		97.39		(24.72)
ADD :Cash and cash equivalents - Opening - 1st April		22.44		47.15
Cash and cash equivalents - Closing - 31st March, 2018		119.80		22.44



Footnote to Cash Flow Statement:

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

(Rs.in Lakhs)

Particulars	2017-18	2016-17
Cash & Cash Equivalents		
Balances with Banks		
Current Account	10.02	19.16
FDRs	107.93	0.12
Cash on hand	1.85	3.16
Total of Cash & Cash Equivalent	119.80	22.44

Significant accounting policies & Notes to the accounts 1 -48

As per our Report of even date attached
For Rakesh Kumar & Associates
Chartered Accountants
F.R.N. 002150C

For and on behalf of the Board of Directors

CA Rakesh Kumar Gupta
Partner
M.No. 070906

Shiv Singh Mehta
(Managing Director)
DIN 00023523

Purnima Mehta
(Executive Director)
DIN 00023632

V.K. Mittal
(Chief Financial officer)

Priyanka Gupta
(Company Secretary)

Place: Indore
Date:- 16th May, 2018



KRITI INDUSTRIES (INDIA) LIMITED

CIN: L25206MP1990PLC005732

Statement of Change in Equity for the year ended 31st Mar 2018

(Rs. In Lakhs)

Equity Share Capital	Balances as at 1st April, 2016	Changes in equity share capital during the year	Balance as at 31st Mar, 2017	Balances as at 1st April, 2017	Changes in equity share capital during the year	Balance as at 31st March, 2018
Paid up Capital	496.04	-	496.04	496.04	-	496.04

OTHER EQUITY	Reserves and Surplus						Other Comprehensive Income	
Particulars	General Reserve	Share Premium Account	Contingency Reserve	Share Forfeiture Account	Retained Earnings	Total	Effective Cash Flow Hedge	Total
Balances as at 1st April, 2016	2900.00	466.14	75.00	2.73	2308.92	5752.79	-	5752.79
Amortization of Leasehold Land					(11.37)	(11.37)	-	(11.37)
Amortization of Term Loan Fees					16.42	16.42	-	16.42
Restated Balances as at 1st April, 2016	2900.00	466.14	75.00	2.73	2313.97	5757.84	-	5757.84
Profit for the year					871.45	871.45	-	871.45
Other Comprehensive Income:					3.08	3.08	(93.61)	(90.53)
Final Dividend paid including corporate dividend tax for FY 2016-17								
Interim Dividend paid including corporate dividend tax								
Transfer to General Reserve	275.00		(75.00)		(200.00)		-	-
Transfer from Statement of Profit & Loss							-	-
Balance as at 31st March, 2017	3175.00	466.14	0.00	2.73	2988.50	6632.37	(93.61)	6538.76
Profit for the year					922.46	922.46	-	922.46
Other Comprehensive Income:					(4.20)	(4.20)	93.61	89.41
Final Dividend paid including corporate dividend tax					(89.56)	(89.56)	-	(89.56)
Transfer to General Reserve	200.00				(200.00)		-	-
Transfer from Statement of Profit & Loss							-	-
Balance as at 31st March, 2018	3375.00	466.14	0.00	2.73	3617.20	7461.08	-	7461.08



NOTES - 1

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS 31.03.2018

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 12.03.1990 and having its Registered office in Indore (MP). The company's shares are listed in the Bombay Stock Exchange (BSE).

2 Significant Accounting Policies

2.1. Basis of Preparation and Presentation

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

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

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

Upto the year ended March 31, 2017, the Company has prepared its financial statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which include Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

These financial statements are the Company's first Ind AS standalone financial statements.

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

2.2. Summary of Significant Accounting Policies

2.2.1. Property, Plant and Equipment

- a) Property, Plant and Equipment (PPE) are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.
- b) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.
- c) Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.
- d) Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Each part of an item of Property, Plant & Equipment with a cost that is significant in relation to total cost of the Machine is depreciated separately, if its useful life is different than the life of the Machine.
- e) Based on the technical evaluation, the management believes that the useful life of Dies and Moulds is 6 years.
- f) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- g) Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.
- h) Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as "stores & spares" forming part of the inventory.

2.2.2. Leases

- a) Leases are classified as finance leases wherever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.



- b) Leased assets: Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.
- c) Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.
- d) A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.
- e) Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

2.2.3. Intangible assets

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

2.2.4. Capital Work in Progress

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

2.2.5. Research and Development Expenditure

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

2.2.6. Finance Cost

- a) Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to



get ready for its intended use.

- b) Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.
- c) All other borrowing costs are expensed in the period in which they occur.

2.2.7. Inventories

- a) Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads, net of recoverable taxes incurred in bringing them to their respective present location and condition.
- b) Cost of Inventory of raw materials, stores and spares, packing materials, trading and other products are determined using the First-In, First-Out (FIFO) basis on moving average prices.

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

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

2.2.9. Provisions, Contingent Liabilities and Contingent Assets and Commitments

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

2.2.10. Employee Benefits Expense

Short Term Employee Benefits

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

Post-Employment Benefits

Defined Contribution Plans

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

Defined Benefit Plans

- c. The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases,



mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- d. The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.
- e. The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees.
- f. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.
- g. Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

2.2.11. Tax Expenses

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

Current tax

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

- Deferred tax

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

2.2.12. Foreign currencies transactions and translation

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

2.2.13. Revenue recognition

- a. Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.
- b. Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.
- c. Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.
- d. Revenue from operations includes sale of goods, services, excise duty and adjusted for discounts (net), and gain/ loss on corresponding hedge contracts.

Interest income

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



Dividends

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

2.2.14. Insurance Claims

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

2.2.15. Government Grants

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

2.2.16. Financial instruments

I. Financial Assets

a. Initial recognition and measurement

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

b. Subsequent measurement

i. Financial assets carried at amortised cost (AC)

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

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

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

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

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

c. Investment in subsidiaries, Associates and Joint Ventures

The Company has elected to measure investment in subsidiaries, joint venture and associate at cost.

d. Other Equity Investments

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

e. Impairment of financial assets

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

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

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

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

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



II. Financial liabilities

a. Initial recognition and measurement

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

b. Subsequent measurement

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

i. Hedge Accounting

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

(a) Cash flow hedge

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

(b) Fair Value Hedge

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

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

ii. Derecognition of financial instruments

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

2.2.17. Operating Cycle

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

b. A liability is current when:

- i. It is expected to be settled in normal operating cycle;
- ii. It is held primarily for the purpose of trading;



- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

The company has identified twelve months as its operating cycle.

2.2.18. Earnings Per Share

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

2.2.19. Dividend Distribution

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

2.2.20. Statement of Cash Flows

- a. Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

- b. Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the relevant Accounting Standard.

2.3. Critical accounting Judgment and key sources of estimation uncertainty

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

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

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

2.3.2. Recoverability of trade receivable

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

2.3.3. Provisions

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



2.3.4. Impairment of non-financial assets

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

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

2.3.5. Impairment of financial assets

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

2.4. First Time Adoption of Ind AS

The Company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

Exemptions from retrospective application :

2.4.1. Business combination exemption

The Company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, "Business Combinations" to business combinations consummated prior to April 1, 2016 (the "Transition Date"), pursuant to which goodwill/capital reserve arising from a business combination has been stated at the carrying amount prior to the date of transition under Indian GAAP. The Company has also applied the exemption for past business combinations to acquisitions of investments in subsidiaries / associates / joint ventures consummated prior to the Transition Date

2.4.2. Fair value as deemed cost exemption

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date.

2.4.3. Cumulative translation differences

The Company has elected to apply Ind AS 21 - The Effects of changes in Foreign Exchange Rate prospectively. Accordingly all cumulative gains and losses recognised are reset to zero by transferring it to retained earnings.

2.4.4. Investments in subsidiaries, joint ventures and associates

The Company has elected to measure investment in subsidiaries, joint venture and associate at cost.



Notes to the financial statements

Note 3(a) Reconciliation of Equity as at 1st April, 2016

(Rs.in Lakhs)

PARTICULARS	Foot Note No.	Previous GAAP	Reclassification Adjustments	Effects of transition to Ind AS	Ind AS
ASSETS					
(1) Non-current assets					
(a) Property, Plant and Equipment	3.1	5506.84		(11.37)	5495.47
(b) Capital work-in-progress		362.59		-	362.59
(c) Other Intangible assets		26.61		-	26.61
(d) Financial Assets					
(i) Investments		778.15			778.15
(ii) Loans		162.22			162.22
(iii) Other financial assets	3.2	-	0.13		0.13
(e) Other non current assets	3.2	70.13	(0.13)		70.00
Total Non Current Assets		6906.54	-	(11.37)	6895.17
(2) Current assets					
(a) Inventories		6436.84			6436.84
(b) Financial Assets					
(i) Trade receivables		5231.45			5231.45
(ii) Cash and cash equivalents		47.15			47.15
(iii) Bank balances other than (ii) above		972.82			972.82
(iv) Loans		1656.76			1656.76
(c) Current Tax Assets (Net)					
(d) Other current assets		596.69			596.69
Total Current Assets		14941.71	-	-	14941.71
Total Assets		21848.25	-	(11.37)	21836.88
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share capital		496.04			496.04
(b) Other Equity	3.1,3.3	5752.79		5.05	5757.84
Total Equity		6248.83	-	5.05	6253.88
LIABILITIES					
(1) Non-current liabilities					
(a) Financial Liabilities					
(i) Borrowings	3.3	1953.07		(16.42)	1936.65
(b) Deferred tax liabilities (Net)		791.72			791.72
(c) Other non-current liabilities		211.45			211.45
Total Non Current Liabilities		2956.24	-	(16.42)	2939.82
(2) Current liabilities					
(a) Financial Liabilities					
(i) Borrowings		3230.00			3230.00
(ii) Trade payables		7505.92	(159.74)		7346.18
(iii) Other Financial Liabilities	3.4		578.03		578.03
(b) Other current liabilities	3.4	1191.85	(418.29)		773.56
(c) Provisions	3.5	715.41	(637.92)		77.49
(d) Current Tax Liabilities (Net)	3.5	-	637.92		637.92
Total Current Liabilities		12643.18	-	-	12643.18
Total Equity and Liabilities		21848.25	-	(11.37)	21836.88



Notes to the financial statements

Note 3(b) Reconciliation of Total Comprehensive Income for the period ended 31st March, 2017

(Rs.in Lakhs)

PARTICULARS	Foot Note No.	Previous GAAP	Reclassification Adjustments	Effects of transition to Ind AS	Ind AS
Revenue From Operations	3.6	36471.89	4176.40		40648.29
Other Income		131.49			131.49
Total Income		36603.38	4176.40	-	40779.78
EXPENSES					
Cost of materials consumed		29374.23			29374.23
Purchases of Stock-in-Trade					
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress		(1057.30)			(1057.30)
Excise Duty	3.6		4176.40		4176.40
Employee benefits expense	3.7	1728.53		3.08	1731.61
Finance costs	3.3	1207.65		4.70	1212.35
Depreciation and amortization expense	3.1	480.25		0.48	480.73
Other expenses		3545.73		7.65	3553.38
Total Expenses		35279.09	4176.40	15.91	39471.40
Profit/(loss) before exceptional items and tax		1324.29	-	(15.91)	1308.38
Exceptional Items		0.00			-
Profit/(loss) before tax		1324.29	-	(15.91)	1308.38
Tax expense:					
(1) Current tax		359.00	(43.57)		315.43
(2) Deferred tax		121.50			121.50
(3) Excess Provision of Earlier Year Written Back		(43.57)	43.57		-
Total Tax Expenses		436.93	-	-	436.93
Profit/(loss) after tax		887.36	-	(15.91)	871.45
Other Comprehensive Income					
Items that will not be reclassified to profit or loss					
Remeasurement of Defined Benefit Plan	3.8	-	-	3.08	3.08
Effective portion of Cash Flow Hedge	3.7			(93.61)	(93.61)
Total Comprehensive Income for the period		887.36	-	(106.43)	780.92
Earnings per equity share					
(1) Basic		1.79			1.76
(2) Diluted		1.79			1.76



Notes to the financial statements

Note 3(c) Reconciliation of Equity as at 31st March, 2017

(Rs.in Lakhs)

PARTICULARS	Foot Note No.	Previous GAAP	Reclassification Adjustments	Effects of transition to Ind AS	Ind AS
ASSETS					
(1) Non-current assets					
(a) Property, Plant and Equipment	3.1	7416.20		(11.85)	7404.35
(b) Capital work-in-progress		2.44			2.44
(c) Other Intangible assets		31.33			31.33
(d) Financial Assets					
(i) Investments		778.15			778.15
(ii) Loans		170.41			170.41
(iii) Other financial assets	3.2	0.00	4.60		4.60
(e) Other non current assets	3.2	104.60	(4.60)		100.00
Total Non Current Assets		8503.13	-	(11.85)	8491.28
(2) Current assets					
(a) Inventories		8095.98			8095.98
(b) Financial Assets					
(i) Trade receivables		3824.74			3824.74
(ii) Cash and cash equivalents		22.44			22.44
(iii) Bank balances other than (ii) above		823.95			823.95
(iv) Loans		1565.65			1565.65
(c) Current Tax Assets (Net)					
(d) Other current assets		871.99			871.99
Total Current Assets		15204.75	-	-	15204.75
Total Assets		23707.88	-	(11.85)	23696.03
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share capital		496.04			496.04
(b) Other Equity	3.1,3.3	6546.54		(7.78)	6538.76
Total Equity		7042.58		(7.78)	7034.80
LIABILITIES					
(1) Non-current liabilities					
(a) Financial Liabilities					
(i) Borrowings	3.3	1502.79		(11.72)	1491.07
(b) Deferred tax liabilities (Net)		913.23			913.23
(c) Other non-current liabilities		208.63			208.63
Total Non Current Liabilities		2624.65		(11.72)	2612.93
(2) Current liabilities					
(a) Financial Liabilities					
(i) Borrowings		4068.29			4068.29
(ii) Trade payables		7531.80	(174.62)		7357.18
(iii) Others	3.4		1345.18		1345.18
(b) Other current liabilities	3.4	2010.10	(1170.56)		839.54
(c) Provisions	3.5	430.46	(359.00)	7.65	79.11
(d) Current Tax Liabilities (Net)	3.5	-	359.00		359.00
Total Current Liabilities		14040.65	-	7.65	14048.30
Total Equity and Liabilities		23707.88	-	(11.85)	23696.03



Foot Notes to the reconciliation of equity as at April 1, 2016 and March 31, 2017 and reconciliation of statement of profit and loss for the year ended March 31, 2017

3.1 Property, Plant & Equipment

As per the requirements of Ind AS 17 "Leases" the lease premium paid for the acquisition of land has been amortised over the lease tenure. Accordingly there is an decrease in value of Leasehold land and increase in Depreciation and Amortisation expenses.

3.2 Other non current assets

Under Indian GAAP, the Company classified all its long term Fixed Deposits & deposit to wholly owned subsidiary company as non current assets, in the absence of distinction between financial and non-financial assets. Under Ind AS, financial and non financial assets have to be classified and measured separately, hence, long term Fixed Deposits forming part of other non-current assets in Indian GAAP have been regrouped to other financial assets under Ind AS.

3.3 Financial liabilities at amortised cost

Under Indian GAAP, the Company recognised the liability at cost and the issue expenses were recognised as an expense in the period in which they were incurred. Under Ind AS, the liability is measured at amortised cost following effective interest rate method.

The issue expenses are factored in the computation of effective interest rate and hence will get amortised over the period and not in the year in which they are incurred. On the date of transition to Ind AS, adjustment arising on account measuring financial liability at amortised cost has been recognised as an adjustment against the retained earnings.

3.4 Other current financial liabilities

Under Indian GAAP, the Company classified all its liabilities such as current portion of long term borrowings, outstanding liabilities, statutory liabilities & unpaid dividend, as part of other current liabilities, in the absence of distinction between financial and non-financial liabilities. Under Ind AS, financial and non-financial liabilities have to be classified and measured separately. Hence, such items forming part of other current liabilities ie current portion of long term borrowings and unpaid dividend have been regrouped to 'other current financial liabilities' in Ind AS.

3.5 Provisions

Under Indian GAAP, the Company classified all the provisions under the same head. Under Ind AS, income tax provisions & other provisions are to classified and measured separately, hence, provision for income tax forming part of provisions in Indian GAAP have been regrouped to current tax liabilities under Ind AS.

3.6 Sale of Goods

Under Indian GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Thus sale of goods under Ind AS has increased with a corresponding increase in separate expense head "Excise Duty".

3.7 Defined Benefit obligation

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind-AS, re-measurements comprising of actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income.

3.8 Other comprehensive income

Under Indian GAAP, there were no requirements to separately disclose Other Comprehensive Income ('OCI') and hence, the Company had not presented other comprehensive income (OCI) separately. Further the items presented in Other Comprehensive Income are classified as items that will be re-classified to profit or loss and items which will not be classified to profit or loss. The actuarial gains and losses on defined benefit obligations have been classified in other comprehensive income as items that will not be re-classified to profit or loss.



KRITI INDUSTRIES (INDIA) LIMITED

Schedule Forming Part of the Balance Sheet and Profit & Loss Accounts (AS PER COMPANIES ACT 2013)

NOTE NO. -4-5 FIXED ASSETS (2016-17)

(Rs.in Lakhs)

NOTE	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		01.04.2016	Additions	Deduction	TOTAL	01.04.2016	For Year	Written back	TOTAL	31.03.2017	NET BLOCK
4	TANGIBLE ASSET										
4.1	Land										
4.1.1	Free hold Land	68.85	119.15	-	188.00	-	-	-	-	188.00	68.85
4.1.2	Leasehold Land	36.66	-	-	36.66	-	0.49	-	0.49	36.17	36.66
4.2	Factory Building	935.90	516.02	-	1,451.92	-	48.03	-	48.03	1,403.89	935.90
4.3	Plant & Equipment	4,388.12	1,772.22	73.91	6,086.43	-	400.11	4.39	395.72	5,690.71	4,388.12
4.4	Furniture & Fixture	12.25	0.56	-	12.81	-	3.98	-	3.98	8.83	12.25
4.5	Vehicles	24.35	-	-	24.35	-	4.74	-	4.74	19.61	24.35
4.6	Office Equipment	29.34	41.45	-	70.79	-	13.65	-	13.65	57.14	29.34
	Total (4)	5,495.47	2,449.40	73.91	7,870.96	-	471.00	4.39	466.61	7,404.35	5,495.47
5	OTHER INTANGIBLE ASSETS										
5.1	Computer Software	26.61	14.45	-	41.06	-	9.73	-	9.73	31.33	26.61
	TOTAL (4+5)	5,522.08	2,463.85	73.91	7,912.02	-	480.73	4.39	476.34	7,435.68	5,522.08

NOTE NO. -4-5 FIXED ASSETS (2017-18)

(Rs.in Lakhs)

NOTE NO: 4-31XLB-R35L13 (2017-18)

NOTE PARTICULARS		GROSS BLOCK			DEPRECIATION			NET BLOCK			
		01.04.2017	Additions	Deduction	TOTAL	01.04.2017	For Year	Written back	TOTAL	31.03.2018	NET BLOCK
4	TANGIBLE ASSET										
4.1	Land										
4.1.1	Free hold Land	188.00	32.08	-	220.08	-	-	-	-	220.08	188.00
4.1.2	Leasehold Land	36.66	-	-	36.66	0.49	0.49	-	0.98	35.68	36.17
4.2	Factory Building	1,451.92	85.64	-	1,537.56	48.03	62.25	-	110.28	1,427.28	1,403.89
4.3	Plant & Equipment	6,086.43	902.69	2.59	6,986.53	395.72	454.52	0.83	849.41	6,137.12	5,690.71
4.4	Furniture & Fixture	12.81	1.82	-	14.63	3.98	3.47	-	7.45	7.18	8.83
4.5	Vehicles	24.35	-	-	24.35	4.74	4.74	-	9.48	14.87	19.61
4.6	Office Equipment	70.79	15.54	0.02	86.31	13.65	24.25	0.02	37.88	48.43	57.14
	Total (4)	7,870.96	1,037.77	2.61	8,906.12	466.61	549.72	0.85	1,015.48	7,890.64	7,404.35
5	OTHER INTANGIBLE ASSETS										
5.1	Computer Software	41.06	5.29	-	46.35	9.73	12.11	-	21.84	24.51	31.33
	TOTAL (4+5)	7,912.02	1,043.06	2.61	8,952.47	476.34	561.83	0.85	1,037.32	7,915.15	7,435.68



KRITI INDUSTRIES (INDIA) LIMITED

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

(Rs.in Lakhs)

Particular	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
NOTE-6 INVESTMENT			
6.1.1 National Saving Certificate	0.14	0.14	0.14
6.2 Unquoted			
Non Trade Investment in equity instruments			
6.2.1 Sahkari Audhyogik Vasahat LIMITED	0.01	0.01	0.01
(1 Share of Rs.500/-)			
6.2.2 The Cosmos Co-operative Bank Ltd.			
(1000 Equity Shares of Rs. 100/- each)	1.00	1.00	1.00
Trade Investment in equity instruments			
6.2.3 Kriti Auto Engineering & Plastic Private Limited	777.00	777.00	777.00
(100% Subsidiary) (3885000 Shares of Rs.10/- each)			
Total	778.15	778.15	778.15
NOTE-7 LOANS			
7.1 SECURITY DEPOSITS	163.72	170.41	162.22
Total	163.72	170.41	162.22
NOTE-8 OTHER FINANCIAL ASSETS			
8.1 Fixed deposit with banks having maturity more than 12 months	41.84	4.60	0.13
Total	41.84	4.60	0.13
NOTE-9 OTHER NON CURRENT ASSETS			
9.1 Deposit to wholly owned subsidiary company	222.00	100.00	70.00
Total	222.00	100.00	70.00
NOTE-10 INVENTORIES			
10.1 Raw Material	3,150.16	2,339.56	1860.81
10.2 Finished Goods	5,917.80	5,271.46	4214.16
10.3 Stores and Spares & others	372.35	484.96	361.87
Total	9,440.31	8,095.98	6436.84
NOTE-11 TRADE RECEIVABLES			
11.1 Trade Receivables			
Unsecured considered good	3,751.01	3,824.74	5231.45
Total	3,751.01	3,824.74	5231.45
NOTE-12 CASH AND CASH EQUIVALENTS			
12.1 Balances with Banks	10.02	19.16	4.96
12.2 Fixed deposit with banks against margin money (Maturity less than 3 months)	107.93	0.12	38.29
12.3 Cash on hand	1.85	3.16	3.90
Total	119.80	22.44	47.15
NOTE-13 OTHER BANK BALANCES			
13.1 Unpaid dividend	16.30	16.86	13.55
13.2 Fixed deposit with banks against margin money (Maturity less than 12 months)	952.39	807.09	959.27
Total	968.69	823.95	972.82
NOTE-14 LOANS			
14.1 Unsecured, Considered good	1,126.09	1,565.65	1656.76
Advances recoverable in cash or kind or for value to be recieved			
Total	1,126.09	1,565.65	1656.76



Particular	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
NOTE-15 OTHER CURRENT ASSETS			
15.1 Sundry Deposits	22.58	20.45	21.15
15.2 Advance Tax/ Tax Deducted at source	352.82	425.84	458.12
15.3 CENVAT	15.52	404.67	96.71
15.4 Accrued Interest/ Income	198.01	21.03	20.71
Total	588.93	871.99	596.69

NOTE NO -16 SHARE CAPITAL**16.1 AUTHORIZED**

16.1.1 80000000 Equity Shares of Rs. 1/- each	800.00	800.00	800.00
16.1.2 2000000 Optional convertible Preference Shares of Rs. 10/- each	200.00	200.00	200.00

16.2 ISSUED, SUBSCRIBED AND PAID UP

16.2.1 49603520 equity shares of Rs 1/- each fully paid up. which are issued as fully paid up Shares on 27.01.2010 on account of scheme of arrangement as approved by The Hon'ble High Court of M.P. Indore Bench

16.2.2 Reconciliation of shares			
16.2.2.1 Opening Balance of 49603520 shares of Rs. 1/- each Total	496.04	496.04	496.04
16.2.2.2 Issued during the year	-	-	0.00
16.2.2.3 Closing Balance 49603520 shares of Rs. 1/- each	496.04	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. 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.

Total	496.04	496.04	496.04
16.3 SHAREHOLDER HOLDING MORE THAN 5 % OF SHARES OF THE COMPANY AND ITS PERCENTAGE			
16.3.1 SAKAM TRADING PRIVATE LIMITED			
No. of Shares	25843673	25843673	25843673
% of Shares	52.10%	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 Services Pvt.Ltd., Kriti Auto Accessories Private Ltd., Kasta Pipes Pvt.Ltd. and Shipra Pipes Pvt Ltd. with Sakam Trading Pvt.Ltd., the Shareholding of the above transferor companies are vested in Sakam Trading Pvt.Ltd. Thus Sakam Trading Pvt.Ltd. becomes holding company w.e.f.27.02.12 of Kriti Industries (I) Ltd.

16.3.2 CHETAK BUILDERS PRIVATE LIMITED

No. of Shares	4469258	4469258	4469258
% of Shares	9.01%	9.01%	9.01%

NOTE NO -17 RESERVES & SURPLUS

17.1 RESERVES			
17.1.1 General Reserve			
17.1.1 Opening Balance	3,175.00	2,900.00	2700.00
17.1.2 Add: Transfer from P&L	200.00	200.00	200.00
17.1.3 Add: Transfer from Contingency Reserves	-	-	75.00
17.1.4 Closing Balance	3,375.00	3,175.00	2,900.00
17.2 SHARE PREMIUM ACCOUNT			
17.2.1 Opening Balance	466.14	466.14	466.14
17.2.2 Add: Transfer from P&L	-	-	-
17.2.3 Closing Balance	466.14	466.14	466.14
17.3 Contingency Reserve			
17.3.1 Opening Balance	-	75.00	75.00
17.3.2 Less: Transfer to General Reserve	-	(75.00)	0.00



Particular	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
17.3.3 Closing Balance	-	-	75.00
17.4 SHARE FOREFEITURE ACCOUNT			
17.4.1 Opening Balance	2.73	2.73	2.73
17.4.2 Add: Transfer from P&L	-	-	-
17.4.3 Closing Balance	2.73	2.73	2.73
17.5 SURPLUS			
17.5.1 Statement of Profit & Loss			
17.5.1.1 Opening Balance	2,988.50	2,313.97	1447.30
17.5.1.2 Add Profit & Loss during the period	922.46	871.45	1169.08
	3,910.96	3,185.42	2616.38
Less:			
17.5.2 Final Dividend @ Re.0.15 per share	74.40	-	89.28
17.5.3 Corporate Dividend Tax	15.16	-	18.18
17.5.4 Transferred to General Reserve	200.00	200.00	200.00
17.5.5 Amortization of Leasehold Land	-	-	11.37
17.5.6 Amortization of Term Loan Fees	-	-	(16.42)
17.5.7 Other Comprehensive Income	-	4.20	(3.08)
Balance in Surplus	3617.20	2988.50	2313.97
17.6 Other Comprehensive Income			
17.6.1 Opening Balance	(93.61)	-	-
17.6.2 Movement in OCI during the year	93.61	(93.61)	-
17.6.3 Closing Balance	-	(93.61)	-
Total	7461.08	6538.76	5757.84

18.1 TERM LOAN

(Installment due within 12 months shown in Current Liabilities)

18.1.1 SECURED

18.1.1.1 From Banks

Term of Repayment of Long Term Borrowings

Particulars	Total tenure	No. of Installment Payable as on 31/03/2018	Last Installment due on	Rate of Interest	31.03.2018	31.03.2017	01.04.2016
IDBI Bank Ltd.	20 Quarterly Installment	0		16.25%	-	244.34	401.52
State Bank of Hyderabad	20 Quarterly Installment	0		12.50%	-	99.75	195.99
COSMOS Bank	60 Monthly Installment	0		11.75%	600.00	346.98	589.14
HDFC	24 Quarterly Installment	16	31st March, 2022	9.20%	124.44	800.00	750.00
HDFC	21 Monthly Installment	19	15th Dec., 2019	9.20%	89.98		
Yes Bank	9 Quarterly Installment	7	31st Dec., 2019	9.50%	(0.00)		
Yes Bank	6 Quarterly Installment	4	31st March, 2019	9.50%	515.62		
Yes Bank	16 Quarterly Installment	15	15th Nov., 2021	9.50%	1,330.04	1,491.07	1,936.65

18.1.2 UNSECURED

18.1.2.1 From Banks

Term of Repayment of Long Term Borrowings

Particulars	Total tenure	No. of Installment Payable as on 31/03/2018	Last Installment due on	Rate of Interest	31.03.2018	31.03.2017	01.04.2016
Yes Bank	3 Installment in last 3 months	--	31st Dec., 2017	10.35%	--	--	--



(Rs.in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
NOTE NO-19 DEFERRED TAX LIABILITY NET			
19.1 Deferred Tax Liability (Net)			
On account of tax effects on timing difference arising due to difference in Depreciation	1,073.23	913.23	791.72
Total	1,073.23	913.23	791.72
NOTE NO -20 OTHER NON CURRENT LIABILITIES UNSECURED			
20.1.1 Other Loans and advances (Security Deposit received from dealers)	211.52	208.63	211.45
Total	211.52	208.63	211.45
NOTE NO -21 SHORT TERM BORROWINGS			
21. 1 Loans repayable on Demand			
21.1.1 SECURED			
From banks	3,148.51	2,922.29	1945.25
(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)			
21.1.2 UNSECURED			
21.1.2.1 From banks	500.00	1,000.00	1000.00
21.1.2.2 From other	75.00	-	-
21.1.2.3 Loans & Advances from Related parties	210.00	146.00	284.75
Total	3,933.51	4,068.29	3230.00
NOTE NO -22 TRADE PAYABLES			
22.1 Trade Payables	8,970.75	7,357.18	7346.18
Total	8,970.75	7,357.18	7346.18
NOTE NO -23 OTHERS			
23.1 Current maturities of Long term debt	882.63	1,328.32	564.48
23.2 Unpaid dividends	16.30	16.86	13.55
Total	898.93	1,345.18	578.03
NOTE NO -24 OTHER CURRENT LIABILITIES			
24.1 Outstanding Expenses	150.79	96.74	114.83
24.2 Statutory Liabilities	83.94	568.18	498.99
24.3 Employee Payable	161.21	174.62	159.74
Total	395.94	839.54	773.56
NOTE NO -25 PROVISIONS			
25.1 Provision for Employees Benefits (Bonus)	65.90	71.46	77.49
25.2 Provision for Doubtful debts	11.38	7.65	-
Total	77.28	79.11	77.49
NOTE NO -26 CURRENT TAX LIABILITIES			
26.1 Provision of Income Tax	316.75	359.00	637.92
Total	316.75	359.00	637.92



(Rs.in Lakhs)

Particular	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
NOTE-27 REVENUE FROM OPERATIONS		
27.1 Sale of Products	44,380.44	40,626.08
27.2 Other operating revenues	44.11	22.21
Total	44,424.55	40,648.29
NOTE-28 OTHER INCOME		
28.1 Interest Income	93.52	106.04
28.2 Dividend Income	-	0.08
28.3 VAT/CST Reimbur	167.63	-
28.4 Net gain on sale of Asset	4.47	-
28.5 Other Non-operating Income	34.42	25.37
Total	300.04	131.49
NOTE-29 EXCISE DUTY		
29.1 Excise Duty	1,660.78	4,176.40
NOTE-30 EMPLOYEE BENEFITS EXPENSES		
30.1 Salaries & Wages	1,434.14	1,433.44
30.2 Contribution to provident and other fund	91.00	85.86
30.3 Staff Welfare Expenses	61.65	96.52
30.4 Director Remuneration	117.00	109.13
30.5 P.F on Director Remuneration	7.20	6.66
Total	1,710.99	1,731.61
NOTE-31 FINANCIAL COST		
31.1 Interest Expenses	1,061.81	1,027.86
31.2 Other Borrowing Cost	191.13	184.49
Total	1,252.94	1,212.35
NOTE-32 OTHER EXPENSES		
(I) 32.1 Stores and Spares Consumed	253.51	256.29
32.2 Power Charges	1,405.26	1,148.10
32.3 Freight & Cartage	322.89	285.93
32.4 Repairs & Maintenance	145.93	133.55
32.5 Insurance Charges	21.55	22.64
32.6 Water Charges	20.76	16.33
32.7 Loss on Sale of Fixed asset	-	65.34
32.8.1 Excise Duty on Closing Stock	-	477.33
32.8.2 Excise Duty on Opening Stock	(477.33)	(390.51)
32.9 Job Work Charges	92.97	127.79
32.10 Miscellaneous Manufacturing Expenses	55.23	63.04
Sub Total (I)	1,840.77	2,205.83
(II) 32.11 Stationery & Printing	7.26	4.20
32.12 Computer Expense	10.76	7.31
32.13 Rent, Rates and Taxes	63.84	65.49
32.14 Postage, Telegram and Telephones	20.03	21.74
32.15 Auditor's Fees	2.50	2.50
32.16 Conveyance Expenses	73.52	56.94
32.17 Legal & Professional Charges	63.35	71.73
32.18 Miscellaneous Expenses	51.93	50.87
32.19 Director's Meeting Fee	2.70	2.48
32.20 Net loss on foreign currency transactions	44.14	5.10
32.21 Corporate Social Responsibility	7.26	34.24
Sub Total (II)	347.29	322.60
(III) 32.22 Advertisement & Publicity	0.10	2.19
32.23 Sales Promotion Expenses	245.92	226.21
32.24 Market Development Expenses	138.81	28.46
32.25 Brokerage & Commission	15.01	20.04
32.26 Service Charges	178.51	143.02
32.27 Freight Outward	391.46	455.52
32.28 Statutory Levies	320.72	0.10
32.29 Travelling Expenses	166.53	141.76
32.30 Expected credit Loss	3.73	7.65
Sub Total (III)	1,460.79	1,024.95
TOTAL (I+II+III)	3,648.85	3,553.38



33. 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.

34. Contingent liabilities

34.1 Estimated amount of contracts remaining to be executed on Capital Account Rs.229.55 Lakhs net of advance given (Previous Year Rs. 136.19 Lakhs)

34.2 Bank has given guarantee on behalf of the Company to various parties to the extent of Rs. 258.68 Lakhs (Previous Year Rs. 694.99 Lakhs.)

34.3 Claims not acknowledge by the company on Commercial tax matters Rs 243.50 Lakhs (total demand Rs. 348.57 Lakhs less demand deposited Rs. 150.08 Lakhs) (Previous Year 241.58 Lakhs).

35. The Company had filed an appeal before Customs Excise and Service Tax Appellate Tribunal against the order of Commissioner (Appeals). The appeal was filed to claim refund of Rs. 317.98 Lakhs, being the reversal of Cenvat credit under rule 6(3) (b) of Cenvat Credit Rules, 2004 towards the goods sold to government undertakings in the earlier years. The amount claimed as refund was classified as Excise Duty Receivable. However the Customs, Excise & Service Tax Appellate Tribunal has dismissed the appeal. Consequently this amount of Rs. 317.98 Lakhs has been charged off to the Statement of Profit and Loss under Other Expenses as Statutory Levies.

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

Paid / Payable (Rs. In Lakhs)	Current Year	Previous year
Remuneration	79.20	73.79
Commission	45.00	42.00
TOTAL	124.20	115.79

37. Unpaid overdue amount due on March 31, 2018 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.

38. The amount of Foreign Exchange gain/ (loss) included in the profit & loss account is Rs.(44.14) Lakhs (Previous Year gain/ (loss) Rs. (5.10) Lakhs).

39. Corporate Social Responsibility

(Rs in Lakhs)

Particulars	2017-18	2016-17
Amount required to be spent	24.49	21.17
Amount spent during the year	7.26	34.24

40. The disclosure required as per Indian Accounting Standard (IndAS) 19 "Employees Benefit" issued by the Institute of Chartered Accountants of India (ICAI) and as specified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014., and based on the report generated by Life Insurance Corporation of India (LIC) is as under

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

Table showing changes in present value of obligations as on	31/03/2018 (Rs in Lakhs)	31/03/2017 (Rs in Lakhs)
Present value of obligations as at beginning of the year	149.93	132.37
Interest Cost	11.99	10.59
Current Service Cost	16.87	16.34
Benefit Paid	(12.03)	(6.29)
Actuarial (gain)/loss on obligations	4.20	(3.08)
Present value of obligations as at end of the year	170.96	149.93
(c) Table showing changes in the fair value of plan assets as on	31/03/2018	31/03/2017
Fair value of the plan assets at the beginning of the year	168.44	152.16
Expected return on plan assets	13.20	12.31
Contribution	23.01	10.27
Benefit Paid	(12.03)	(6.29)



	Actuarial gain/ (loss) on plan assets	NIL	NIL
	Fair value of the plan assets at the end of the year	192.62	168.44
(d)	Table showing fair value of plan assets as on	31/03/2018	31/03/2017
	Fair value of plan assets at beginning of the year	168.44	152.16
	Actual return on plan assets	13.20	12.31
	Contribution	23.01	10.27
	Benefit Paid	(12.03)	(6.29)
	Fair value of the plan assets at the end of the year	192.62	168.44
	Funded status	21.66	18.51
	Excess of actual over estimated return on plan assets (Actual Rate of return= estimated rate of return as ARD falls on 31/03/2018)	NIL	NIL
(e)	Actuarial Gain/Loss recognized as on	31/03/2018	31/03/2017
	Actuarial (Gain)/Loss for the year-obligation	(4.20)	3.08
	Actuarial (Gain)/Loss for the year-plan assets	NIL	NIL
	Actuarial (Gain)/Loss for the year	4.20	(3.08)
	Actuarial (Gain)/Loss recognized for the year	4.20	(3.08)
(f)	Expenses recognised during the year	31/03/2018	31/03/2017
	In statement of profit and loss		
	Current Service Cost	16.87	16.34
	Interest cost	11.99	10.59
	Expected return on Plan Asset	(13.20)	(12.31)
	Net Cost	15.66	14.62
	In other Comprehensive Income		
	Actuarial (Gain)/Loss on obligation for the period	4.20	(3.08)
	Net (income)/Expense for the period recognised in OCI	4.20	(3.08)
(g)	Assumption		
	Discount rate	8%	8%
	Salary Escalation	7%	7%

41. DEFERRED TAX CALCULATIONS

Sr. No.	DEFERRED TAX LIABILITY/ (ASSETS)	Current Year	Previous Year
a.	DEFERRED TAX LIABILITY (NET) FOR THE YEAR	160.01	121.50
b.	OPENING BAL. OF DEFERRED TAX LIABILITY	913.23	791.72
c.	CLOSING BAL. OF DEFERRED TAX LIABILITY	1073.24	913.23

42. Operating Leases

- (a) the total of future minimum lease payments under non- cancellable operating leases for each of the following periods:
- (i) not later than one year; Rs. 15.93 Lakhs
 - (ii) later than one year and not later than five years; NIL
 - (iii) later than five years. NIL
- (b) The total of future minimum sublease payments expected to be received under non- cancellable subleases at the end of the reporting period. NIL
- (c) lease and sublease payments recognised as an expense in the period, with separate amounts for minimum lease payments, contingent rents, and sublease payments. Rs. 14.14 Lakhs
- (d) The company pays rent for office premises at Indore & depots in other cities. The lease period is for 11 months with option to renew. The payments for office premises at Indore are to related parties. None of the lease agreements have any



restrictions concerning dividend, additional debt and further issues.

43. Since the company has presented Consolidated Financial Statements, it is not required to present segment information in the standalone financial statements as per Ind AS 108- Operating Segments.

44. 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.	Nature of Transaction	Current Year	Previous Year
1.	Number of Shares	49603520	49603520
2.	Profit contribution for Basic EPS (Rs in Lakhs)	922.46	871.45
3.	Basic Earning Per Share	1.86	1.76
4.	Diluted Earning Per Share	1.86	1.76
5.	Nominal Value Per Share	1.00	1.00

45. In accordance with the Indian Accounting Standard (IndAS) 24 "Related Party Disclosures" issued by The Institute of Chartered Accountants of India (ICAI) and as specified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014. The names of the related parties and the relevant disclosure is as under:-

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

i. Key Management Personnel:

Shri Shiv Singh Mehta, Managing Director

Smt. Purnima Mehta, Executive Director

Shri V. K. Mittal, Chief Financial Officer

Smt. Priyanka Gupta, Company Secretary

ii. Relatives of Key Management Personnel

Shri Saurabh Singh Mehta (Son of Managing Director/ Executive Director)

Smt. Devki Hirawat (Daughter of Managing Director/ Executive Director)

iii. Subsidiary Company

1) Kriti Auto & Engineering Plastics Pvt. Ltd (Wholly owned Subsidiary Company)

iv. Companies/entities under the control of Key Management Personnel

1) Sakam Trading Pvt. Ltd. (Holding Company)

2) Kriti Nutrients Ltd. (Fellow Subsidiary)

3) Chetak Builders Pvt. Ltd. (Fellow Subsidiary)

4) Sakam Charitable Trust, Indore

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

(Rs. In Lakhs)

Sr. No.	Nature of Transaction	Subsidiary	Key Management Personnel	Relatives of Key Management Personnel	Companies/entities under the control of Key Management Personnel
1.	DEPB License purchased	NIL (NIL)	NIL (NIL)	NIL (NIL)	513.55 (180.13)
2	Sale of Consumable Items	0.38 (NIL)	NIL (NIL)	NIL (NIL)	54.68 (99.75)
3	Sale of Capital Goods	NIL (NIL)	NIL (NIL)	NIL (NIL)	2.00 (NIL)
4	Purchase of Consumable Items	NIL (1.11)	NIL (NIL)	NIL (NIL)	20.96 (1.37)
5	Purchase of Capital Goods	NIL (21.70)	NIL (NIL)	NIL (NIL)	NIL (NIL)
6	Remuneration	NIL (NIL)	151.99 (142.44)	NIL (8.80)	NIL (NIL)



Sr. No.	Nature of Transaction	Subsidiary	Key Management Personnel	Relatives of Key Management Personnel	Companies/entities under the control of Key Management Personnel
7	Rent Paid	NIL (0.70)	NIL (NIL)	NIL (NIL)	14.14 (13.46)
8	Unsecured Loan Given	249.00 (606.00)	NIL (NIL)	NIL (NIL)	NIL (NIL)
	Taken	NIL (NIL)	111.00 (216)	NIL (NIL)	NIL (313.5)
9	Interest Received	16.33 (12.90)	NIL (NIL)	NIL (NIL)	NIL (NIL)
10	Interest Given	NIL (NIL)	18.91 (7.16)	NIL (NIL)	NIL (17.82)
11	CSR Expenses	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (25.00)

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

46. Auditor's Remuneration (Rs in Lakhs)

Sr. No.	Auditor's Remuneration	31.03.2018	31.03.2017
a.	Statutory Audit/ Tax Audit Fees	2.50	2.50
b.	Taxation & Other matters including Legal & Professional Expenses.	0.25	0.25
	Total	2.75	2.75

Figures are exclusive of taxes

47. A. Capital Management

For the purpose of Company's Capital Management, capital includes Issued Equity Capital, Securities Premium, and all other Equity Reserves attributable to the Equity Holders of the Company. The primary objective of the Company's Capital Management is to maximise the Share Holder Value.

The Company monitors using a gearing ratio which is net debts divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, less cash and short term deposit.

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Interest Bearing Loans and Borrowings	1330.04	1491.07	1936.65
Current maturities of Long Term debts	882.63	1328.32	564.48
Gross Debt	2212.67	2819.39	2501.13
Less: Cash and Cash Equivalents	119.80	22.44	47.15
Net Debt(A)	2092.87	2796.95	2453.98
Total Equity (as per Balance Sheet) (B)	7957.12	7034.80	6253.88
Net Gearing (A/B)	0.26	0.40	0.39

B. Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Company. The principal financial assets include trade and other receivables and cash and short term deposits.

The Company has assessed market risk, credit risk and liquidity risk to its financial liabilities.

i. Market Risk

Is the risk of loss of future earnings, fair values or cash flows that may result from change of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, primarily include loans & borrowings and foreign currency payables.

Company's Term Loans & Working Capital interest rates are linked to 1 year MCLR rate, reset annually. Short Term



Borrowings as and when taken are governed by prevailing rates at the time of disbursement.

If the interest rates had been 1% higher / lower and all other variables held constant, the company's profit for the year ended 31st March, 2018 would have been decreased/ increased by Rs. 98.96 Lakhs.

The Company is exposed to risk with regard to foreign currency payables.

The Company is affected by the price volatility of Polymer prices. The Company enters into purchase contracts on a short term and forward foreign exchange contracts (matching the purchase contracts) are entered into to minimise price fluctuations.

ii. Credit Risk

Is the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. It arises from cash and cash equivalents as well as credit exposure to customers.

The Company holds cash and cash equivalents with banks which are having highest safety rankings and hence has a low credit risk.

Company's marketing policies & credit period is determined on the basis of segments sales history and credit worthiness of the customers. The sales affected through dealer network is normally 7-10 days credit period & in institutional sales some customers open Letters of Credit and some large corporate enjoys the credit facilities ranging 30-90 days.

iii. Liquidity Risk

The Company manages liquidity risk by maintaining adequate surplus, banking facilities and reserve borrowings facilities by continuously monitoring forecasts and actual cash flows.

The Company has a system of forecasting next month cash inflow and outflow and all liquidity requirements are planned.

All Long term borrowings are for a fixed tenor and generally these cannot be foreclosed.

The Company has access to various source of Short term funding and debit maturing within 12 months can be rolled over with existing lenders/new lenders, or repaid based on short term requirements. Trade and other payables are plugged as per credit terms and paid accordingly.

All payments are made along due dates and requests for early payments are entertained after due approval and availing early payment discounts

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

As per our report of even date attached

For Rakesh Kumar & Associates
Chartered Accountants
F.R.N. 002150C

For and on behalf of the Board of Directors

CA Rakesh Kumar Gupta (Partner) M.No. 070906	Shiv Singh Mehta (Managing Director) DIN 00023523	Purnima Mehta (Executive Director) DIN 00023632	V.K. Mittal (Chief Financial officer)	Priyanka Gupta (Company Secretary)
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Place: Indore

Date: 16th May, 2018



INDEPENDENT AUDITOR'S REPORT
(on Consolidated Ind AS Financial Statements)

To,
The Members,
Kriti Industries (India) Limited

Report on the Consolidated Ind AS Financial Statements:

We have audited the accompanying consolidated Ind AS financial statements of KRITI INDUSTRIES (INDIA) LIMITED ("the Holding Company") and its subsidiary (collectively referred to as "the Group", comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements:

The Holding Company's Board of Directors is responsible for the preparation of the consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for the 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 consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility:

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting standards and standards on auditing 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 Ind AS 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 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 Ind AS financial statements.

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

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated financial position of the Group as at 31st March, 2018, and its consolidated financial performance including other comprehensive income, its consolidated cash flows and the consolidated changes in equity for the year ended on that date.



Report on Other Legal and Regulatory Requirements:

1) As required by Section 143 (3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding company and its subsidiary as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and its subsidiary, none of the directors of the Group is disqualified as on 31st March, 2018 from being appointed as a director of that company in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 27.3 to the consolidated Ind AS financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There was no amount required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company during the year ended 31st March 2018.

FOR RAKESH KUMAR & ASSOCIATES

Chartered Accountants

Firm Reg. No. : 002150C

CA. RAKESH KUMAR GUPTA

Partner

Membership No. : 070906

Place : Indore

Date : 16th, May, 2018



"Annexure A" to the Auditor's Report

The Annexure referred to in paragraph 1(f) under "Report on other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date on the consolidated Ind AS financial statements to the members of KRITI INDUSTRIES (INDIA) LIMITED for the year ended 31st March 2018.

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of KRITI INDUSTRIES (INDIA) LIMITED ("the Holding Company") and its subsidiary company which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

FOR RAKESH KUMAR & ASSOCIATES

Chartered Accountants

Firm Reg. No. : 002150C

CA. RAKESH KUMAR GUPTA

Partner

Membership No. : 070906

Place : Indore

Date : 16th, May, 2018



KRITI INDUSTRIES (INDIA) LIMITED

CIN: L25206MP1990PLC005732

CONSOLIDATED BALANCE SHEET AS AT 31.03.2018

(Rs.in Lakhs)

PARTICULARS	Note No	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
ASSETS				
(1) NON CURRENT ASSETS				
(a) Property, Plant and Equipment	4	8321.68	7859.60	5997.59
(b) Capital work-in-progress		49.38	2.44	362.59
(c) Other Intangible assets	5	24.51	31.33	26.61
(d) Financial Assets				
(i) Investments	6	2.15	2.15	2.15
(ii) Loans	7	179.98	186.66	178.48
(iii) Other financial assets	8	41.84	4.60	0.13
(e) Other non current assets	9	-	-	-
Total Non Current Assets		8619.54	8086.78	6567.55
(2) Current assets				
(a) Inventories	10	9754.55	8431.37	6734.23
(b) Financial Assets				
(i) Trade receivables	11	4233.70	4516.58	5669.78
(ii) Cash and cash equivalents	12	159.77	24.37	49.08
(iii) Bank balances other than (ii) above	13	988.69	835.17	983.34
(iv) Loans	14	1132.23	1570.16	1664.63
(c) Other current assets	15	593.70	883.29	606.76
Total Current Assets		16862.64	16260.94	15707.82
Total Assets		25482.18	24347.72	22275.37
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	16	496.04	496.04	496.04
(b) Other Equity	17	7125.74	6208.42	5483.05
Total Equity		7621.78	6704.46	5979.09
LIABILITIES				
(1) Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	1330.04	1491.07	1936.65
(b) Deferred tax liabilities (Net)	19	1136.28	993.80	872.55
(c) Other non-current liabilities	20	211.52	208.63	211.45
Total non current Liabilities		2677.84	2693.50	3020.65
(2) Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	21	4111.51	4340.70	3507.54
(ii) Trade payables	22	9334.55	7913.80	7650.00
(iii) Other Financial Liabilities	23	898.93	1345.18	578.03
(b) Other current liabilities	24	439.06	907.46	821.43
(c) Provisions	25	81.76	83.62	80.71
(d) Current Tax Liabilities (Net)	26	316.75	359.00	637.92
Total Current Liabilities		15182.56	14949.76	13275.63
Total Equity and Liabilities		25482.18	24347.72	22275.37

Significant accounting policies & Notes to the accounts

1 -40

As per our Report of even date attached

For Rakesh Kumar & Associates

Chartered Accountants

F.R.N. 002150C

For and on behalf of the Board of Directors

CA Rakesh Kumar Gupta
Partner
M.No. 070906

Shiv Singh Mehta
(Managing Director)
DIN 00023523

Purnima Mehta
(Executive Director)
DIN 00023632

V.K. Mittal
(Chief Financial officer)

Priyanka Gupta
(Company Secretary)

Place: Indore

Date:- 16th May, 2018



KRITI INDUSTRIES (INDIA) LIMITED

CIN: L25206MP1990PLC005732

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2018

(Rs.in Lakhs)

PARTICULARS	Note No	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
REVENUE			
Revenue From Operations	27	46354.96	43224.17
Other Income	28	300.71	142.58
Total Income		46655.67	43366.75
EXPENSES			
Cost of materials consumed		36437.96	31069.03
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress		(628.92)	(1,058.93)
Excise Duty	29	1725.87	4468.40
Employee benefits expense	30	1859.53	1895.62
Finance costs	31	1301.85	1274.84
Depreciation and amortization expense	4-5	590.90	514.02
Other expenses	32	3979.32	3956.20
Total Expenses		45266.51	42119.18
Profit/(loss) before exceptional items and tax		1389.16	1247.57
Exceptional Items		-	-
Profit/(loss) before tax		1389.16	1247.57
Tax expense:			
(1) Current tax		327.27	311.37
(2) Deferred tax		142.48	121.24
Total Tax Expenses		469.75	432.61
Profit (Loss) after Tax		919.41	814.96
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of Defined Benefit Plan		(6.15)	4.02
Effective portion of Cash Flow Hedge			(93.61)
Total Other Comprehensive Income		(6.15)	(89.59)
Total Comprehensive Income for the period		913.26	725.37
Earnings per equity share			
(1) Basic		1.85	1.64
(2) Diluted		1.85	1.64

Significant accounting policies & Notes to the accounts

1 -40

As per our Report of even date attached
For Rakesh Kumar & Associates
Chartered Accountants
F.R.N. 002150C

For and on behalf of the Board of Directors

CA Rakesh Kumar Gupta
Partner
M.No. 070906

Shiv Singh Mehta
(Managing Director)
DIN 00023523

Purnima Mehta
(Executive Director)
DIN 00023632

V.K. Mittal
(Chief Financial officer)

Priyanka Gupta
(Company Secretary)

Place: Indore
Date:- 16th May, 2018



KRITI INDUSTRIES (INDIA) LTD., INDORE

CIN: L25206MP1990PLC005732

CONSOLIDATED CASH FLOW STATEMENT AS AT 31.03.2018

(Rs.in Lakhs)

Particulars	Year ended 31.03.2018		Year ended 31.03.2017	
	Amount	Amount	Amount	Amount
Cash Flow From Operating Activities				
Net Profit before Tax		1389.16		1,247.57
Adjustments for :				
Depreciation	590.90		514.02	
(Profit)/ Loss on Sale of Fixed Assets	-		-	
Financial Income	(94.20)		(107.42)	
Financial Expense	1301.85	1798.55	1,274.84	1681.44
Cash Operating Profit before working capital changes		3187.71		2929.01
(Increase) / Decrease in Inventories	(1323.18)		(1,697.14)	
(Increase) / Decrease in Trade Receivables	282.89		1,153.20	
(Increase) / Decrease in Deposit given	437.92		94.47	
(Increase) / Decrease in Other Current Assets	563.13		(29.12)	
(Increase) / Decrease in Loan Given	6.69		(8.19)	
(Increase) / Decrease in other Financial assets	(37.24)		(4.47)	
(Increase) / Decrease in Other Non Current Assets	0.00		-	
Increase / (Decrease) in Trade Payables	1508.18		174.23	
Increase / (Decrease) in Other Financial Liabilities	(446.24)		767.14	
Increase / (Decrease) in Other Current Liabilities	(468.39)		86.03	
Increase / (Decrease) in Provisions	(1.86)		2.92	
Increase / (Decrease) in Other Tax Liabilities	(369.52)		(590.29)	
	152.38		(51.22)	
Tax Paid	(273.54)		(247.41)	
Net Cash From Operating Activities (A)		3066.55		2630.37
Cash Flow From Investing Activities				
Financial Income	94.20		107.42	
Sale Proceed Of Fixed Assets (Net)	6.23		69.51	
Purchase of Fixed Assets	(1099.31)		(2,090.09)	
Investment in Fixed Deposits having maturity of more than three months	(153.52)		148.17	
(Increase) / Decrease in Non Current Investment	0.00		-	
Net Cash Used In Investing Activities (B)		(1152.41)		(1764.99)
Cash Flow From Financing Activities				
Proceeds from Long Term Borrowings	750.00		900.00	
Repayment of Long Term Borrowings	(911.02)		(1345.58)	
Net Increase / (Decrease) in Long Term Borrowings	(161.02)		(445.58)	
Increase / (Decrease) in Other Non Current Liability	2.89		(2.82)	
Increase / (Decrease) in Short Term Borrowings	(229.20)		833.15	
Dividend Paid on Equity Shares	(89.55)		-	
Dividend Distribution Tax Paid	-		-	
Financial Expenses	(1301.85)		(1274.84)	
Net Cash Used In Financing Activities (C)		(1778.74)		(890.09)
Net Decrease In Cash and Cash Equivalents (A + B + C)		135.40		(24.71)
ADD :Cash and cash equivalents - Opening - 1st April		24.37		49.08
Cash and cash equivalents - Closing - 31st March, 2018		159.77		24.37



KRITI INDUSTRIES (INDIA) LTD., INDORE

CIN: L25206MP1990PLC005732

CONSOLIDATED CASH FLOW STATEMENT AS AT 31.03.2018

Footnote to Cash Flow Statement:

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

(Rs.in Lakhs)

Particulars	2017-18	2016-17
Cash & Cash Equivalents		
Balances with Banks		
Current Account	49.56	19.82
FDRs	107.93	1.29
Cash on hand	2.29	3.26
Total of Cash & Cash Equivalent	159.77	24.37

Significant accounting policies & Notes to the accounts 1 - 40

As per our Report of even date attached

For Rakesh Kumar & Associates

Chartered Accountants

F.R.N. 002150C

For and on behalf of the Board of Directors

CA Rakesh Kumar Gupta

Partner

M.No. 070906

Shiv Singh Mehta

(Managing Director)

DIN 00023523

Purnima Mehta

(Executive Director)

DIN 00023632

V.K. Mittal
(Chief Financial officer)Priyanka Gupta
(Company Secretary)

Place: Indore

Date:- 16th May, 2018



Consolidated Statement of Change in Equity for the year ended 31st Mar 2018

Rs. In Lakhs

OTHER EQUITY	Reserves and Surplus						Other Comprehensive Income	
Particulars	General Reserve	Share Premium Account	Contingency Reserve	Share Forfeiture Account	Retained Earnings	Total	Effective Cash Flow Hedge	Total
Balances as at 1st April, 2016	2900.00	466.14	75.00	2.73	2041.19	5485.06	0.00	5485.06
Amortization of Leasehold Land					(18.44)	(18.44)		(18.44)
Amortization of Term Loan Fees					16.42	16.42		16.42
Restated Balances as at 1st April, 2016	2900.00	466.14	75.00	2.73	2039.17	5483.05	0.00	5483.05
Profit for the year					814.95	814.95		814.95
Other Comprehensive Income:					4.02	4.02	(93.61)	(89.59)
Final Dividend paid including corporate dividend tax for FY 2016-17						0.00		-
Interim Dividend paid including corporate dividend tax					0.00		0.00	
Transfer to General Reserve	275.00		(75.00)		(200.00)	0.00		0.00
Transfer from Statement of Profit & Loss						0.00		0.00
Balance as at 31st March, 2017	3175.00	466.14	-	2.73	2658.15	6302.02	(93.61)	6208.42
Profit for the year					919.41	919.41		919.41
Other Comprehensive Income:					(6.15)	(6.15)	93.61	87.46
Interim Dividend paid including corporate dividend tax					(89.56)	(89.56)		(89.56)
Transfer to General Reserve	200.00				(200.00)	0.00		0.00
Transfer from Statement of Profit & Loss						0.00		0.00
Balance as at 31st March, 2018	3375.00	466.14	-	2.73	3281.85	7125.74	0.00	7125.74



NOTES - 1

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS 31.03.2018

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 12.03.1990 and having its Registered office in Indore (MP). The company's shares are listed in the Bombay Stock Exchange (BSE).

2 Statement of Accounting Policies

2.1 Basis of Accounting

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

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

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

Upto the year ended March 31, 2017, the Company has prepared its financial statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which include Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

These financial statements are the Company's first Ind AS Consolidated financial statements.

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

2.2 Principles of consolidation

2.2.1. 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.

a. 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.

b. 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.

2.2.2. The subsidiary considered in the consolidated financial statements is:

Name of Company	Country of incorporation	% Voting Power held as at 31st March 2018	% Voting power held as at 31st March 2017
Kriti Auto & Engineering Plastics Pvt. Ltd (KAEPPPL)	India	100	100

2.3. 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.



Notes to the financial statements (consolidated)

Note 3(a) Reconciliation of Equity as at 1st April, 2016

(Rs.in Lakhs)

PARTICULARS	Foot Note No.	Previous GAAP	Reclassification Adjustments	Effects of transition to Ind AS	Ind AS
ASSETS					
(1) Non-current assets					
(a) Property, Plant and Equipment	3.1	6016.02		(18.44)	5997.59
(b) Capital work-in-progress		362.59			362.59
(c) Other Intangible assets		26.61			26.61
(d) Financial Assets					
(i) Investments		2.15			2.15
(ii) Loans		178.48			178.48
(iii) Other financial assets	3.2	0.00	0.13		0.13
(e) Other non current assets	3.2	0.13	(0.13)		0.00
Total Non Current Assets		6585.98	-	(18.44)	6567.55
(2) Current assets					
(a) Inventories		6734.23			6734.23
(b) Financial Assets					
(i) Trade receivables		5669.78			5669.78
(ii) Cash and cash equivalents		49.08			49.08
(iii) Bank balances other than (ii) above		983.34			983.34
(iv) Loans		1664.63			1664.63
(c) Current Tax Assets (Net)					
(d) Other current assets		606.76			606.76
Total Current Assets		15707.82			15707.82
Total Assets		22293.79		(18.44)	22275.37
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share capital		496.04			496.04
(b) Other Equity	3.1,3.3	5485.06		(2.02)	5483.05
Total Equity		5981.10		(2.02)	5979.09
LIABILITIES					
(1) Non-current liabilities					
(a) Financial Liabilities					
(i) Borrowings	3.3	1953.07		(16.42)	1936.65
(b) Deferred tax liabilities (Net)		872.55			872.55
(c) Other non-current liabilities		211.45			211.45
Total Non Current Liabilities		3037.07		(16.42)	3020.65
(2) Current liabilities					
(a) Financial Liabilities					
(i) Borrowings		3507.54			3507.54
(ii) Trade payables		7809.74	(159.74)		7650.00
(iii) Other Financial Liabilities	3.4		578.03		578.03
(b) Other current liabilities	3.4	1239.71	(418.29)		821.43
(c) Provisions	3.5	718.63	(637.92)		80.71
(d) Current Tax Liabilities (Net)	3.5	0.00	637.92		637.92
Total Current Liabilities		13275.62	-		13275.63
Total Equity and Liabilities		22293.79	-	(18.44)	22275.37



Notes to the financial statements (consolidated)

Note 3(b) Reconciliation of Total Comprehensive Income for the period ended 31st March, 2017

(Rs.in Lakhs)

PARTICULARS	Foot Note No.	Previous GAAP	Reclassification Adjustments	Effects of transition to Ind AS	Ind AS
Revenue From Operations	3.6	38755.77	4468.40		43224.17
Other Income		142.58			142.58
Total Income		38898.35	4468.40	-	43366.75
EXPENSES					
Cost of materials consumed		31,069.03			31,069.03
Purchases of Stock-in-Trade					
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress		(1,058.93)			(1,058.93)
Excise Duty	3.6		4468.40		4468.40
Employee benefits expense	3.7	1891.60		4.02	1895.62
Finance costs	3.3	1270.14		4.70	1274.84
Depreciation and amortization expense	3.1	512.95		1.06	514.02
Other expenses		3947.15		9.05	3956.20
Total Expenses		37631.94	4468.40	18.83	42119.18
Profit/(loss) before exceptional items and tax		1266.41	-	(18.83)	1247.57
Exceptional Items		-			-
Profit/(loss) before tax		1266.41	-	(18.83)	1247.57
Tax expense:					
(1) Current tax		359.00	(47.63)	-	311.37
(2) Deferred tax		121.24	-	-	121.24
(3) Excess Provision of Earlier Year Written Back		(47.63)	47.63	-	-
Total Tax Expenses		432.61	-	-	432.61
Profit/(loss) after tax		833.80	-	(18.83)	814.96
Other Comprehensive Income					
Items that will not be reclassified to profit or loss					
Remeasurement of Defined Benefit Plan	3.8	-	-	4.02	4.02
Effective portion of Cash Flow Hedge	3.7			(93.61)	(93.61)
Total Other Comprehensive Income		-	-	(89.59)	(89.59)
Total Comprehensive Income for the period		833.80	-	(108.42)	725.37
Earnings per equity share					
(1) Basic		1.68			1.64
(2) Diluted		1.68			1.64



Notes to the financial statements (consolidated)

Note 3(c) Reconciliation of Equity as at 31st March, 2017

(Rs.in Lakhs)

PARTICULARS	Foot Note No.	Previous GAAP	Reclassification Adjustments	Effects of transition to Ind AS	Ind AS
Revenue From Ope					
(1) Non-current assets					
(a) Property, Plant and Equipment	3.1	7879.11		(19.51)	7859.60
(b) Capital work-in-progress		2.44			2.44
(c) Other Intangible assets		31.33			31.33
(d) Financial Assets					
(i) Investments		2.15			2.15
(ii) Loans		186.66			186.66
(iii) Other financial assets	3.2	0.00	4.60		4.60
(e) Other non current assets	3.2	4.60	(4.60)		-
Total Non Current Assets		8106.29	-	(19.51)	8086.78
(2) Current assets					
(a) Inventories		8431.37			8431.37
(b) Financial Assets					
(i) Trade receivables		4516.58			4516.58
(ii) Cash and cash equivalents		24.37			24.37
(iii) Bank balances other than (ii) above		835.17			835.17
(iv) Loans		1570.16			1570.16
(c) Current Tax Assets (Net)					
(d) Other current assets		883.29			883.29
Total Current Assets		16260.94	-	-	16260.94
Total Assets		24367.23	-	(19.51)	24347.72
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share capital		496.04			496.04
(b) Other Equity	3.1,3.3	6225.26		(16.85)	6208.42
Total Equity		6721.30		(16.85)	6704.46
LIABILITIES					
(1) Non-current liabilities					
(a) Financial Liabilities					
(i) Borrowings	3.3	1502.79		(11.72)	1491.07
(b) Deferred tax liabilities (Net)		993.80			993.80
(c) Other non-current liabilities		208.63			208.63
Total Non Current Liabilities		2705.22		(11.72)	2693.50
(2) Current liabilities					
(a) Financial Liabilities					
(i) Borrowings		4340.70			4340.70
(ii) Trade payables		8088.43	-174.64		7913.80
(iii) Others	3.4	0.00	1345.18		1345.18
(b) Other current liabilities	3.4	2077.99	-1170.54		907.46
(c) Provisions	3.5	433.59	-359.00	9.05	83.62
(d) Current Tax Liabilities (Net)	3.5	0.00	359.00	0.00	359.00
Total Current Liabilities		14940.71	0.00	9.05	14949.76
Total Equity and Liabilities		24367.23	0.00	(19.51)	24347.72



Foot Notes to the reconciliation of equity as at April 1, 2016 and March 31, 2017 and reconciliation of statement of profit and loss for the year ended March 31, 2017

3.1 Property, Plant & Equipment

As per the requirements of Ind AS 17 "Leases" the lease premium paid for the acquisition of land has been amortised over the lease tenure. Accordingly there is an decrease in value of Leasehold land and increase in Depreciation and Amortisation expenses.

3.2 Other non current assets

Under Indian GAAP, the Company classified all its long term Fixed Deposits & deposit to wholly owned subsidiary company as non current assets, in the absence of distinction between financial and non-financial assets. Under Ind AS, financial and non financial assets have to be classified and measured separately, hence, long term Fixed Deposits forming part of other non-current assets in Indian GAAP have been regrouped to other financial assets under Ind AS.

3.3 Financial liabilities at amortised cost

Under Indian GAAP, the Company recognised the liability at cost and the issue expenses were recognised as an expense in the period in which they were incurred. Under Ind AS, the liability is measured at amortised cost following effective interest rate method.

The issue expenses are factored in the computation of effective interest rate and hence will get amortised over the period and not in the year in which they are incurred. On the date of transition to Ind AS, adjustment arising on account measuring financial liability at amortised cost has been recognised as an adjustment against the retained earnings.

3.4 Other current financial liabilities

Under Indian GAAP, the Company classified all its liabilities such as current portion of long term borrowings, outstanding liabilities, statutory liabilities & unpaid dividend, as part of other current liabilities, in the absence of distinction between financial and non-financial liabilities. Under Ind AS, financial and non-financial liabilities have to be classified and measured separately. Hence, such items forming part of other current liabilities ie current portion of long term borrowings and unpaid dividend have been regrouped to 'other current financial liabilities' in Ind AS.

3.5 Provisions

Under Indian GAAP, the Company classified all the provisions under the same head. Under Ind AS, income tax provisions & other provisions are to classified and measured separately, hence, provision for income tax forming part of provisions in Indian GAAP have been regrouped to current tax liabilities under Ind AS.

3.6 Sale of Goods

Under Indian GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Thus sale of goods under Ind AS has increased with a corresponding increase in separate expense head "Excise Duty".

3.7 Defined Benefit obligation

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind-AS, re-measurements comprising of actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income.

3.8 Other comprehensive income

Under Indian GAAP, there were no requirements to separately disclose Other Comprehensive Income ('OCI') and hence, the Company had not presented other comprehensive income (OCI) separately. Further the items presented in Other Comprehensive Income are classified as items that will be re-classified to profit or loss and items which will not be classified to profit or loss. The actuarial gains and losses on defined benefit obligations have been classified in other comprehensive income as items that will not be re-classified to profit or loss.



KRITI INDUSTRIES (INDIA) LIMITED (consolidated)

Schedule Forming Part of the Balance Sheet and Profit & Loss Accounts (AS PER COMPANIES ACT 2013)

NOTE NO. -4-5 FIXED ASSETS (2016-17)

NOTE	PARTICULARS	01.04.2016	GROSS BLOCK Additions	Deduction	TOTAL	DEPRECIATION For Year	Written back	TOTAL	NET BLOCK 31.03.2017	NET BLOCK 31.03.2016
4	TANGIBLE ASSET									
4.1	Land									
4.1.1	Free hold Land	68.85	119.15	-	188.00	-	-	-	188.00	68.85
4.1.2	Leasehold Land	85.56	-	-	85.56	1.07	-	1.07	84.49	85.56
4.2	Building	1,068.57	516.02	-	1,584.59	-	-	54.66	1,529.93	1,068.57
4.3	Plant & Equipment	4,705.17	1,772.22	88.59	6,388.80	-	5.50	424.45	5,969.85	4,705.17
4.4	Furniture & Fixture	12.79	0.56	-	13.35	-	-	4.40	8.95	12.79
4.5	Vehicles	24.35	-	-	24.35	-	-	4.74	19.61	24.35
4.6	Office Equipment	32.30	41.44	-	73.74	-	-	14.97	58.77	32.30
	Total (4)	5,997.59	2,449.39	88.59	8,358.39	-	5.50	504.29	7,859.60	5,997.59
5	OTHER INTANGIBLE ASSETS									
5.1	Computer Software	26.61	14.45	-	41.0600	-	-	9.7300	31.33	26.61
	TOTAL (4+5)	6,024.20	2,463.84	88.59	8,399.45	-	5.50	514.02	7,890.93	6,024.20

NOTE NO. -4-5 FIXED ASSETS (2017-18)

NOTE	PARTICULARS	GROSS BLOCK Additions	DEPRECIATION Deduction	TOTAL	01.04.2017	For Year	NET BLOCK Written back	TOTAL	NET BLOCK 31.03.2018	NET BLOCK 31.03.2017
4	TANGIBLE ASSET									
4.1	Land									
4.1.1	Free hold Land	188.00	32.08	-	220.08	-	-	-	220.08	188.00
4.1.2	Leasehold Land	85.56	-	-	85.56	1.07	-	2.14	83.42	84.49
4.2	Building	1,584.59	85.64	-	1,670.23	54.66	-	123.54	1,546.69	1,529.93
4.3	Plant & Equipment	6,388.80	904.23	2.59	7,290.44	418.95	0.83	893.06	6,397.38	5,969.85
4.4	Furniture & Fixture	13.35	1.82	-	15.17	4.40	-	7.98	7.19	8.95
4.5	Vehicles	24.35	-	-	24.35	4.74	-	9.48	14.87	19.61
4.6	Office Equipment	73.74	18.86	0.02	92.58	14.97	0.02	40.53	52.05	58.77
	Total (4)	8,358.39	1,042.63	2.61	9,398.41	498.79	0.85	1,076.73	8,321.68	7,859.60
5	OTHER INTANGIBLE ASSETS									
5.1	Computer Software	41.06	5.29	-	46.35	9.73	-	21.84	24.51	31.33
	TOTAL (4+5)	8,399.45	1,047.92	2.61	9,444.76	508.52	0.85	1,098.57	8,346.19	7,890.93



KRITI INDUSTRIES (INDIA) LIMITED

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

(Rs.in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
NOTE-6 INVESTMENT			
6.1.1 National Saving Certificate	0.14	0.14	0.14
6.2 Unquoted			
Non Trade Investment in equity instruments			
6.2.1 Sahkari Audhyogik Vasahat LIMITED (1 Share of Rs.500/-)	0.01	0.01	0.01
6.2.2 The Cosmos Co-operative Bank Ltd. (1000 Equity Shares of Rs. 100/- each)	1.00	1.00	1.00
Trade Investment in equity instruments			
6.2.3 Kriti Auto Engineering & Plastic Private Limited (100% Subsidiary)(1000 Shares of Rs.10/- each)	1.00	1.00	1.00
Total	2.15	2.15	2.15
NOTE-7 LOANS			
7.1 SECURITY DEPOSITS	179.98	186.66	178.48
Total	179.98	186.66	178.48
NOTE-8 OTHER FINANCIAL ASSETS			
8.1 Fixed deposit with banks having maturity more than 12 months	41.84	4.60	0.13
Total	41.84	4.60	0.13
NOTE-9 OTHER NON CURRENT ASSETS			
9.1 Deposit to wholly owned subsidiary company	-	-	-
Total	-	-	0.00
NOTE-10 INVENTORIES			
10.1 Raw Material	3,278.23	2,467.59	1,968.08
10.2 Finished Goods	6,018.96	5,390.04	4,331.12
10.3 Stores and Spares & others	457.36	573.74	435.03
Total	9,754.55	8,431.37	6734.23
NOTE-11 TRADE RECEIVABLES			
11.1 Trade Receivables			
Unsecured considered good	4,233.70	4,516.58	5,669.78
Total	4,233.70	4,516.58	5669.78
NOTE-12 CASH AND CASH EQUIVALENTS			
12.1 Balances with Banks	49.56	19.82	5.42
12.2 Fixed deposit with banks against margin money (Maturity less than 3 months)	107.93	1.29	39.38
12.3 Cash on hand	2.29	3.26	4.28
Total	159.77	24.37	49.08
NOTE-13 OTHER BANK BALANCES			
16.1 Unpaid dividend	16.30	16.86	13.55
16.2 Fixed deposit with banks against margin money (Maturity less than 12 months)	972.39	818.31	969.79
Total	988.69	835.17	983.34
NOTE-14 LOANS			
14.1 Unsecured, Considered good	1,132.23	1,570.16	1,664.63
Advances recoverable in cash or kind or for value to be recieved			
Total	1,132.23	1,570.16	1664.63
NOTE-15 OTHER CURRENT ASSETS			
15.1 Sundry Deposits	26.31	24.18	24.88
15.2 Advance Tax/ Tax Deducted at source	353.53	427.49	458.26
15.3 CENVAT	15.52	410.42	102.74
15.4 Accrued Interest/ Income	198.34	21.20	20.88
Total	593.70	883.29	606.76



KRITI INDUSTRIES (INDIA) LIMITED

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

(Rs.in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
NOTE NO -16 SHARE CAPITAL			
16.1 AUTHORIZED			
16.1.1 80000000 Equity Shares of Rs. 1/- each	800.00	800.00	800.00
16.1.2 2000000 Optional convertible Preference Shares of Rs. 10/- each	200.00	200.00	200.00
16.2 ISSUED, SUBSCRIBED AND PAID UP			
16.2.1 49603520 equity shares of Rs 1/- each fully paid up. which are issued as fully paid up Shares on 27.01.2010 on account of scheme of arrangement as approved by The Hon'ble High Court of M.P. Indore Bench			
16.2.2 Reconciliation of shares			
16.2.2.1 Opening Balance of 49603520 shares of Rs. 1/- each Total	496.04	496.04	496.04
16.2.2.2 Issued during the year	-	-	0.00
16.2.2.3 Closing Balance 49603520 shares of Rs. 1/- each	496.04	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. 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.			
	496.04	496.04	496.04
16.3 SHAREHOLDER HOLDING MORE THAN 5 % OF SHARES OF THE COMPANY AND ITS PERCENTAGE			
16.3.1 SAKAM TRADING PRIVATE LIMITED			
No. of Shares	25843673	25843673	25843673
% of Shares	52.10%	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 Services Pvt.Ltd., Kriti Auto Accessories Private Ltd., Kasta Pipes Pvt. Ltd. and Shipra Pipes Pvt Ltd. with Sakam Trading Pvt.Ltd., the Shareholding of the above transferor companies are vested in Sakam Trading Pvt. Ltd. Thus Sakam Trading Pvt. Ltd. becomes holding company w.e.f.27.02.12 of Kriti Industries (I) Ltd.			
16.3.2 CHETAK BUILDERS PRIVATE LIMITED			
No. of Shares	4469258	4469258	4469258
% of Shares	9.01%	9.01%	9.01%
NOTE NO -17 RESERVES & SURPLUS			
17.1 RESERVES			
17.1.1 General Reserve			
17.1.1 Opening Balance	3,175.00	2,900.00	2,700.00
17.1.2 Add: Transfer from P&L	200.00	200.00	200.00
17.1.3 Add: Transfer from Contingency Reserves	-	75.00	-
17.1.4 Closing Balance	3,375.00	3,175.00	2,900.00
17.2 SHARE PREMIUM ACCOUNT			
17.2.1 Opening Balance	466.14	466.14	466.14
17.2.2 Add: Transfer from P&L	-	-	-
17.2.3 Closing Balance	466.14	466.14	466.14
17.3 Contingency Reserve			
17.3.1 Opening Balance	-	75.00	75.00
17.3.2 Less: Transfer to General Reserve	-	(75.00)	-
17.3.3 Closing Balance	-	-	75.00
17.4 SHARE FOREFEITURE ACCOUNT			
17.4.1 Opening Balance	2.73	2.73	2.73
17.4.2 Add: Transfer from P&L	-	-	-
17.4.3 Closing Balance	2.73	2.73	2.73



KRITI INDUSTRIES (INDIA) LIMITED

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

(Rs.in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
17.5 SURPLUS			
17.5.1 Statement of Profit & Loss			
17.5.1.1 Opening Balance	2,658.15	2,039.17	1,273.05
17.5.1.2 Add Profit & Loss during the period	919.41	814.96	1,075.61
	3,577.56	2,854.13	2,348.66
Less:	-	-	-
17.5.2 Final Dividend @ Re.0.15 per share	74.40	-	89.29
17.5.3 Corporate Dividend Tax	15.16	-	18.18
17.5.4 Transferred to General Reserve	200.00	200.00	200.00
17.5.5 Amortization of Leasehold Land	-	-	18.44
17.5.6 Amortization of Term Loan Fees	-	-	(16.42)
17.5.7 Other Comprehensive Income	6.15	(4.02)	-
Balance in Surplus	3281.85	2658.15	2039.17
17.6 Other Comprehensive Income			
17.6.1 Opening Balance	(93.61)	-	-
17.6.2 Movement in OCI as per Last Balance Sheet	93.61	(93.61)	-
17.6.3 Closing Balance	-	(93.61)	-
Total	7125.74	6208.42	5483.05

NOTE NO -18 FINANCIAL LIABILITIES

18.1 TERM LOAN

(Installment due within 12 months shown in Current Liabilities)

18.1.1 SECURED

18.1.1.1 From Banks

Term of Repayment of Long Term Borrowings

Particulars	Total tenure	No. of Installment Payable as on 31/03/2018	Last Installment due on	Rate of Interest	31.03.2018	31.03.2017	01.04.2016
IDBI Bank Ltd.	20 Quarterly Installment	0		16.25%	-	244.34	401.52
State Bank of Hyderabad	20 Quarterly Installment	0		12.50%	-	99.75	195.99
COSMOS Bank	60 Monthly Installment	0		11.75%	600.00	346.98	589.14
HDFC	24 Quarterly Installment	16	31st March, 2022	9.20%	124.44	800.00	750.00
HDFC	21 Monthly Installment	19	15th Dec., 2019	9.20%	89.98		
Yes Bank	9 Quarterly Installment	7	31st Dec., 2019	9.50%	(0.00)		
Yes Bank	6 Quarterly Installment	4	31st March, 2019	9.50%	515.62		
Yes Bank	16 Quarterly Installment	15	15th Nov., 2021	9.50%	1,330.04	1,491.07	1,936.65

18.1.2 UNSECURED

18.1.2.1 From Banks

Term of Repayment of Long Term Borrowings

Particulars	Total tenure	No. of Installment Payable as on 31/03/2018	Last Installment due on	Rate of Interest	31.03.2018	31.03.2017	01.04.2016
Yes Bank	3 Installment in last 3 months	--	31st Dec., 2017	10.35%	--	--	--

NOTE NO-19 DEFERRED TAX LIABILITY NET

19.1 Deferred Tax Liability (Net)

On account of tax effects on timing difference
arising due to difference in Depreciation

Total	1,136.28	993.80	872.55
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KRITI INDUSTRIES (INDIA) LIMITED

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

(Rs.in Lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
NOTE NO -20 OTHER NON CURRENT LIABILITIES			
UNSECURED			
20.1.1 Other Loans and advances	211.52	208.63	211.45
(Security Deposit received from dealers)			
Total	211.52	208.63	211.45
NOTE NO -21 SHORT TERM BORROWINGS			
21. 1 Loans repayble on Demand			
21.1.1 SECURED			
From banks	3,148.51	3,194.70	2,192.79
(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)			
21.1.2 UNSECURED	-	-	-
21.1.2.1 From banks	500.00	1,000.00	1,000.00
21.1.2.2 From others	75.00	-	-
21.1.2.3 Loans & Advances from Related parties	388.00	146.00	314.75
Total	4,111.51	4,340.70	3507.54
NOTE NO -22 TRADE PAYABLES			
22.1 Trade Payables	9,334.55	7,913.80	7,650.00
Total	9,334.55	7,913.80	7,650.00
NOTE NO -23 OTHERS			
23.1 Current maturities of Long term debt (Refer point no. of note no.	882.63	1,328.32	564.48
23.2 Unpaid dividends	16.30	16.86	13.55
Total	898.93	1,345.18	578.03
NOTE NO -24 OTHER CURRENT LIABILITIES			
24.1 Outstanding Expenses	174.54	138.16	148.05
24.2 Statutory Liabilities	103.32	594.69	513.64
24.3 Employee Payable	161.20	174.61	159.74
Total	439.06	907.46	821.43
NOTE NO -25 PROVISIONS			
25.1 Provision for Employees Benefits (Bonus)	68.94	74.59	80.71
25.2 Provision for Doubtful debts	12.82	9.03	-
Total	81.76	83.62	80.71
NOTE NO -26 CURRENT TAX LIABILITIES			
26.1 Provision of Income Tax	316.75	359.00	637.92
Total	316.75	359.00	637.92



KRITI INDUSTRIES (INDIA) LIMITED

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

(Rs.in Lakhs)

Particulars	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
NOTE-27 REVENUE FROM OPERATIONS		
27.1 Sale of Products	46,307.75	43,197.40
27.2 Other operating revenues	47.21	26.77
Total	46,354.96	43,224.17
NOTE-28 OTHER INCOME		
28.1 Interest Income	94.20	107.42
28.2 Dividend Income	-	0.08
28.3 VAT/CST Reimbur	167.63	-
28.4 Net gain on sale of Asset	4.47	-
28.5 Other Non-operating Income	34.41	35.08
Total	300.71	142.58
NOTE-29 EXCISE DUTY		
29.1 Excise Duty	1,725.87	4,468.40
NOTE-30 EMPLOYEE BENEFITS EXPENSES		
30.1 Salaries & Wages	1,563.10	1,575.91
30.2 Contribution to provident and other fund	98.62	94.17
30.3 Staff Welfare Expenses	73.61	109.74
30.4 Director Remuneration	117.00	109.13
30.5 P.F on Director Remuneration	7.20	6.67
Total	1,859.53	1,895.62
NOTE-31 FINANCIAL COST		
31.1 Interest Expenses	1,085.76	1,065.78
31.2 Other Borrowing Cost	216.09	209.06
Total	1,301.85	1,274.84
NOTE-32 OTHER EXPENSES		
(I) 32.1 Stores and Spares Consumed	280.60	296.49
32.2 Power Charges	1,525.64	1,289.17
32.3 Freight & Cartage	411.05	388.59
32.4 Repairs & Maintenance	152.11	142.92
32.5 Insurance Charges	22.44	24.26
32.6 Water Charges	23.89	18.99
32.7 Loss on Sale of Fixed asset	-	65.34
32.8.1 Excise Duty on Closing Stock	-	477.33
32.8.2 Excise Duty on Opening Stock	(477.33)	(390.51)
32.9 Job Work Charges	101.17	146.76
32.10 Miscellaneous Manufacturing Expenses	65.14	81.46
Sub Total (I)	2,104.71	2,540.80
(II) 32.11 Stationery & Printing	10.45	7.09
32.12 Computer Expense	10.76	7.31
32.13 Rent, Rates and Taxes	66.40	70.69
32.14 Postage, Telegram and Telephones	22.31	24.09
32.15 Auditor's Fees	3.00	3.00
32.16 Conveyance Expenses	76.64	60.23
32.17 Legal & Professional Charges	73.95	77.32
32.18 Miscellaneous Expenses	52.98	51.71
32.19 Director's Meeting Fee	2.70	2.48
32.20 Net loss on foreign currency transactions	44.14	5.10
32.21 Corporate Social Responsibility	7.26	34.24
Sub Total (II)	370.59	343.26
(III) 32.22 Advertisement & Publicity	0.10	2.19
32.23 Sales Promotion Expenses	248.40	227.95
32.24 Market Development Expenses	138.82	28.46
32.25 Brokerage & Commission	15.01	20.04
32.26 Service Charges	178.51	143.02
32.27 Freight Outward	430.36	498.60
32.28 Statutory Levies	320.79	0.10
32.29 Travelling Expenses	168.23	142.75
32.30 Expected credit Loss	3.80	9.03
Sub Total (III)	1,504.02	1,072.14
TOTAL (I+II+III)	3,979.32	3,956.20



33. 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.
34. Contingent liabilities
- 34.1. Estimated amount of contracts remaining to be executed on Capital Account Rs.229.55 Lakhs net of advance given (Previous Year Rs. 136.19 Lakhs)
- 34.2. Bank has given guarantee on behalf of the Company to various parties to the extent of Rs.258.68 Lakhs (Previous Year Rs. 694.99 Lakhs.)
- 34.3. Claims not acknowledge by the company on Commercial tax matters Rs 258.44 Lakhs (total demand Rs. 408.52 Lakhs less demand deposited Rs. 150.08 Lakhs) (Previous Year 256.52 Lakhs).
35. The amount of Foreign Exchange gain/ (loss) included in the profit & loss account is Rs.(44.14) Lakhs (Previous Year gain/ (loss) Rs. (5.10) Lakhs).
36. As per Ind AS 108- "Operating Segment", segment information has been provided under the Notes to Financial Statement

(Rs. In Lakhs)

	2017-18	2016-17
(i) Revenue from external customers		
With in India	46307.75	43197.40
Outside India	-	-
Total	46307.75	43197.40
(ii) Non Current Assets		
With in India	8619.54	8086.78
Outside India	-	-
Total	8619.54	8086.78

- (iii) Details of Revenue from Single customer more than 10% (standalone)

Revenue from 1 customer of Plastics segment amounting to Rs. 73.18 crores (previous year Nil) exceeded 10% of the total revenue of the company for FY 2017-18.

The company has only one Business Segment – Plastics.

37. EARNING PER SHARE

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

SrNo.	Nature of Transaction	Current Year	Previous Year
1.	Number of Shares	49603520	49603520
2.	Profit contribution for Basic EPS (Rs in Lakhs)	919.41	814.96
3.	Basic Earning Per Share	1.85	1.64
4.	Diluted Earning Per Share	1.85	1.64
5.	Nominal Value Per Share	1.00	1.00

38. In accordance with the Indian Accounting Standard (IndAS) 24 "Related Party Disclosures" issued by The Institute of Chartered Accountants of India (ICAI) and as specified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014. The names of the related parties and the relevant disclosure is as under:-

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

- i. Key Management Personnel:

Shri Shiv Singh Mehta, Managing Director

Smt. Purnima Mehta, Executive Director

Shri V.K. Mittal, Chief Financial Officer

Smt. Priyanka Gupta, Company Secretary

- ii. Relatives of Key Management Personnel

Shri Saurabh Singh Mehta (Son of Managing Director/ Executive Director)

Smt. Devki Hirawat (Daughter of Managing Director/ Executive Director)

- iii. Subsidiary Company

1) Kriti Auto & Engineering Plastics Pvt. Ltd (Wholly owned Subsidiary Company)

- iv. Companies/entities under the control of Key Management Personnel

1) Sakam Trading Pvt. Ltd. (Holding Company)

2) Kriti Nutrients Ltd. (Fellow Subsidiary)

3) Chetak Builders Pvt. Ltd. (Fellow Subsidiary)

4) Sakam Charitable Trust, Indore



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

(Rs. In Lakhs)

Sr. No.	Nature of Transaction	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)	513.55 (180.13)
2	Sale of Consumable Items	NIL (NIL)	NIL (NIL)	54.68 (99.75)
3	Sale of Capital Goods	NIL (NIL)	NIL (NIL)	2.00 (1.37)
4	Purchase of Consumable Items	NIL (NIL)	NIL (NIL)	20.96 (1.37)
5	Purchase of Capital Goods	NIL (NIL)	NIL (NIL)	NIL (NIL)
6	Remuneration	151.99 (142.44)	NIL (8.80)	NIL (NIL)
7	Rent Paid	NIL (NIL)	NIL (NIL)	15.17 (13.46)
8	Unsecured Loan Given	NIL (NIL)	NIL (NIL)	NIL (NIL)
	Taken	111.00 (216)	NIL (NIL)	NIL (313.5)
9	Interest Given	17.02 (7.16)	NIL (3.56)	NIL (17.82)
10	CSR Expenses	NIL (NIL)	NIL (NIL)	NIL (25.00)

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

39. Auditor's Remuneration

Sr. No.	Auditor's Remuneration	31.03.2018	(Rs in Lakhs) 31.03.2017
a.	Statutory Audit/ Tax Audit Fees	3.00	3.00
b	Taxation & Other matters including Legal & Professional Expenses.	0.25	0.25
	Total	3.25	3.25

Figures are exclusive of taxes.

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

As per our Report of even date attached
For Rakesh Kumar & Associates
Chartered Accountants
F.R.N. 002150C

For and on behalf of the Board of Directors

CA Rakesh Kumar Gupta
Partner
M.No. 070906

Shiv Singh Mehta
(Managing Director)
DIN 00023523

Purnima Mehta
(Executive Director)
DIN 00023632

V.K. Mittal
(Chief Financial officer)

Priyanka Gupta
(Company Secretary)

Place: Indore
Date:- 16th May, 2018



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]

(Rs. in Lacs)

Part "A": Subsidiaries

S. No.	Name of the Company	The date since when subsidiary was acquired	Financial Period ended	Share Capital	Reserves Surplus	Total Assets	Total Liabilities	Investments	Turnovers	Profit (loss) before Taxation	Provision for Taxation	Profit (Loss) after Taxation	Proposed Dividend	% of Shareholding
01.	Kriti Auto and Engineering Plastics Private Limited	27.01.2010	31.03.2018	388.50	52.18	1315.13	874.19	--	1930.41	(20.59)	(17.52)	(3.07)	--	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
			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 00023523Purnima Mehta
Executive Director
DIN 00023632V.K. Mittal
Chief Financial OfficerPriyanka Gupta
Company SecretaryPlace: Indore
Date: 16th May, 2018



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 SIYAGANJ, INDORE-452007 (M.P)

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

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

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

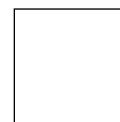
as my/our proxy to attend and vote on a poll for me/us and on my/our behalf at the 28th Annual General Meeting of the company, to be held on Tuesday, 31st July, 2018 at 3.00 P.M at Corporate Support Center, 4th Floor Chetak Chamber, 14 RNT Marg, Indore (M.P.) -452001 and at any adjournment thereof in 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.	Declaration of Dividend on Equity shares for the financial year ended 31st March, 2018.
3.	Reappointment of Mrs. Purnima Mehata (DIN: 00023632).
4.	Appointment of Mr. Saurabh Singh Mehta (DIN: 00023591) as a Non-Executive Director.
5.	Ratification of remuneration of Cost Auditor.

Signed this..... day of..... 2018

Signature of shareholder



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 28th Annual General Meeting of the company at the Registered office of the company on 31st July, 2018.

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

(Shareholders/proxy's Signature)

Note:

1. Shareholders / proxy holders are requested to bring the attendance Slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.

2. If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.

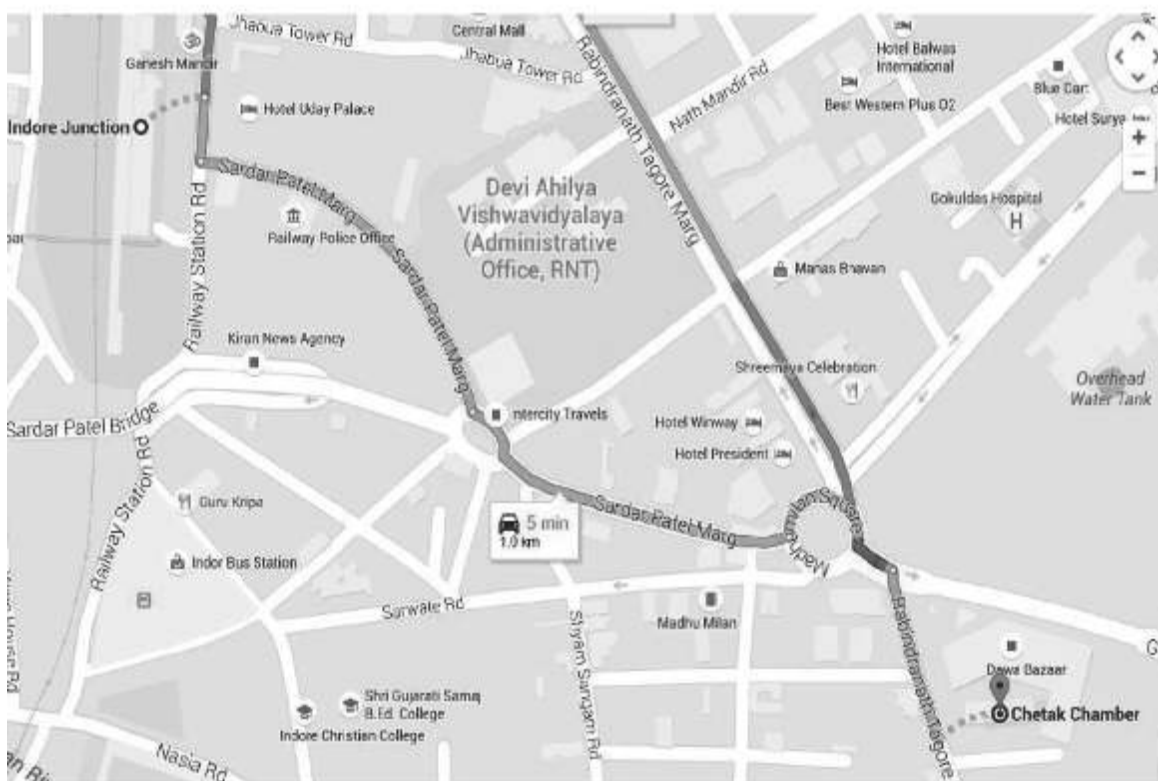


ROUTE MAP TO THE AGM VENUE

VENUE: Chetak Chambers, 04th Floor, 14 R.N.T. Marg, Indore (M.P.) 452001

ROUTE MAP TO THE AGM VENUE

VENUE: Chetak Chambers, 04th Floor, 14 R.N.T. Marg, Indore (M.P.) 452001



LANDMARK: NEXT TO DAWA BAZAR

DISTANCE FROM INDORE JUNCTION TO AGM VENUE: 1 KM (by vehicle)

KRITI INDUSTRIES (INDIA) LTD.

M/s Ankit Consultancy Pvt. Ltd.
60, Electronic Complex, Pardeshipura,
Indore - 452 010 (M.P.)