

# ANNUAL REPORT

2016-2017



Agro Phos

**AGRO PHOS INDIA LIMITED**



# CORPORATE INFORMATION

## NAME OF THE COMPANY

Agro Phos (India) Limited

## CIN

L24123MP2002PLC015285

## BOARD OF DIRECTORS

1. Mr. Raj Kumar Gupta
2. Mr. Vishnu Kant Gupta
3. Mr. Abhay Gupta
4. Mr. Vijay Singh Bharaktiya
5. Mr. Mukesh Kumar Jhwar
6. Miss. Vani Gupta
7. Mr. Abhishek Kalekar

Chairman & Managing Director  
Whole-time Director  
Director  
Independent Director  
Independent Director  
Independent Director  
Additional Director

## COMPANY SECRETARY

CS Karishma kakkar  
ICSI Mem. No. A46187

## CHIEF FINANCIAL OFFICER

Mr. Vidit Garg

## STATUTORY AUDITOR

### Rajendra Goyal & Co.

Chartered Accountants  
1St Floor kalyan Vishranti Grah  
Rly. Station- Jhabua Tower Road,  
Indore (MP)-452001

## WORKS

Fertilizer Manufacturing Units

1) Dewas Unit  
13 A/2, Industrial Area, A.B. Road,  
Dewas, Madhya Pradesh

## COST AUDITOR

M.P. Turakhia & Associates

2) Meghnagar Unit

135A-138A, Industrial Area, Meghnagar,  
Dist. Jhabua, Madhya Pradesh

## SECRETARIAL AUDITORS

M/s Neelesh Gupta & Co.,  
Company Secretaries

## REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Pvt. Ltd

CIN No. U99999MH1994PTC076534

1st Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road  
Marol, Andheri East  
Mumbai 400059, Maharashtra  
Tel: 91-22-6263 8200  
Fax: +91-22-6263 8299  
Email : investor@bigshare.com  
Website: www.bigshareonline.com

## BANKERS

Union Bank of India  
State Bank of India  
Punjab National Bank  
Axis Bank  
IndusInd Bank

## REGISTERED OFFICE

M-87, Trade Centre 18m,  
South Tukoganj, Indore (M.P.)  
Tel No.: +9107312529488/89/91  
Email : agrophos@rediffmail.com

## STOCK EXCHANGE LISTING

The National Stock Exchange of India Ltd

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Annual General Meeting will be held  
on Friday, 29<sup>th</sup> September, 2017 at 12.00 P.M



### Overview

Incorporated in 2002, our Company M/s. Agro Phos (India) Limited is an ISO 9001:2008 certified Company engaged in the manufacturing of fertilisers such as Single Super Phosphate (SSP), Nitrogen Phosphate and Potassium (NPK), Zinc Sulphate, Organic manure and Calcium Sulphate commonly known as soil conditioner or gypsum. Our Company also undertakes trading of Diammoium Phosphate (DAP), Urea, Ammonium Sulphate and other fertilizers depending upon the demand of the customer. The registered office of our Company is situated at M-87, Trade Centre 18M, South Tukoganj, Indore, Madhya Pradesh.

Our manufacturing facilities are located at Dewas and Meghnagar, Madhya Pradesh and are well equipped with required facilities including machinery, crane, conveyor belt, other handling equipments to facilitate smooth manufacturing process and easy logistics. We endeavor to maintain safety in our premises by adhering to key safety norms. Our manufacturing process is completely integrated from procurement of raw materials to final testing and packing of fertilisers for direct use of our customers.

We have entered into marketing agreement for our products SSP and NPK with Indian Potash Limited for supply of minimum 40,000 +/- 10% mt per annum of SSP and 25,000 mt per annum of NPK. SSP is marketed by Indian Potash Limited in the states of Madhya Pradesh, Chhattisgarh and Maharastra while NPK is marketed in the states of Madhya Pradesh and Chattisgarh. Our Company is well equipped with in-house testing laboratory to test the products as per quality standards and relevant chemical composition. In our quest to maintain high standards of quality for our products, we have imported testing machine to test the product in real time basis. The final product has to pass special quality test to ensure that it is of the requisite quality and contains the requisite chemical composition. We use gazette bags for packing of our products. These bags are very easy to handle and facilitates easy stacking as well. Apart from providing quality products at an affordable cost, our Company also emphasizes on the product reach through its distribution network. We have over 200 dealers and distributors.

Our Company also takes part in various educational awareness programs for farmers. Farmer suicide has become a major concern since being an agrarian country, a large percentage of population in our Country is dependent on agriculture. Towards this social initiative, our Company will be telecasting programme called "Himmat Na Haar" on Doordarshan (Regional telecast at Madhya Pradesh and Chhattisgarh). This programme will aim at educating farmers towards the use of fertilisers, pesticides, improve irrigation, address crop failures and such other agriculture related concerns and creating awareness about government policies.

### Vision

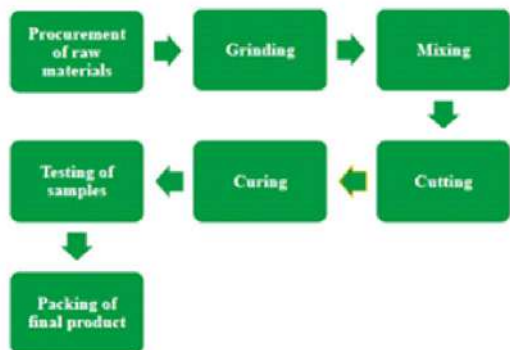
To be a leading national enterprise with global aspirations, effectively pursuing multiple growth opportunities, maximizing returns to the stakeholders, remaining socially and ethically responsible.

### Mission

To provide our customers with premium quality products in a safe, reliable, efficient and environmentally sound manner, deliver exceptional services and customer support, maximizing returns to the shareholders through core business and diversification, providing a dynamic and challenging environment for our employees.

### Manufacturing Process

#### I. Single Super Phosphate (SSP)



Our manufacturing process starts with procurement of raw materials. Major raw materials required for manufacturing of SSP is Rock Phosphate and Sulphuric acid. The procurement of Rock Phosphate is fulfilled by importing the same from countries like Egypt, Iran, Jordan, Morocco, Syria, Togo, Tunisia, etc. The requirement of Sulphuric acid is met by purchasing the same from local vendors. After the procurement of raw materials, the manufacturing



process starts in Grinding mill where Rock Phosphate is grinded and then the grinded rock phosphate is moved to mixer where Sulphuric acid and water is added. The mixture is then mixed properly and is moved via the den machine to cutter to cut the huge chunks of mixture into powder form. Our Company manufactures both powder and granulated SSP. The manufacturing process of powdered and granulated SSP is same till the mixing process and after this process the mixture is then treated separately.

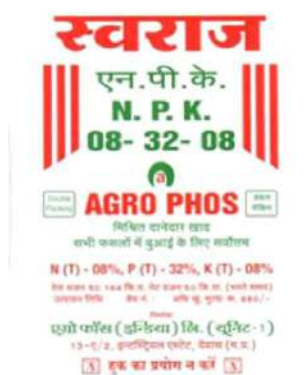
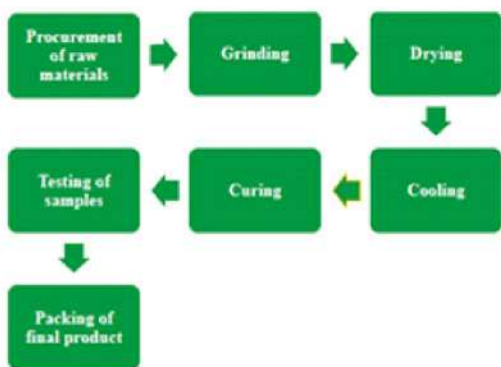
◆ **Powdered SSP**

After the mixing process, the mixture is then moved for further curing process, wherein the drying and mixing of SSP takes place and samples of the final product is sent to the in house laboratory for testing and quality check to ensure that the final product contains the required chemical composition. Once the samples pass the final quality check the product is then sent to hopper for packing the same into HDPE bags for dispatch.

◆ **Granulated SSP**

After the mixing process, the mixture is then moved for further curing process, wherein the drying and mixing of SSP takes place. After the curing process the mixture is moved via crane to granulation drum where water is added and then the granulated mixture is moved via conveyor belt to dryer drum wherein the mixture is heated at a temperature of around 1000 degree Celsius. After the heating process, the mixture is then moved to the cooler drum to extract moisture and then the product moves to the vibrating screen to ensure that the granules are of adequate and required size. The samples of granulated SSP now move to the in house laboratory for final testing and quality check and to determine whether the product contains the required chemical composition or not. After the samples pass the final quality check, the product is then sent to hopper for packing the same into HDPE bags for dispatch.

**II. NPK Mixture Fertilizer**



Our manufacturing process starts with procurement of raw materials. Major raw materials required for manufacturing of NPK is Nitrogen, Phosphate and Potassium. After the procurement of raw materials, actual manufacturing process starts with Granulation as the first step. In this step, raw materials are mixed with water to form granules. These granules are then moved to the drying drum via conveyor belt to dry the granules.

After this process, the granules are moved to the coolant drum to extract moisture and then the product passes through the vibrating screen to ensure that the product is available in various sizes. The final product then passes a quality check in the in house laboratory to ensure that the final product is of adequate quality and contains the required chemical composition. Our Company manufactures NPK of varied chemical compositions. Our in house laboratory checks whether different types of NPK contains the required chemical composition as per the said chemical formulae. We use gazette bags for packing of our products. These bags are very easy to handle and facilitates easy stacking as well.

**III. Organic Manure**

Our manufacturing process starts with procurement of raw materials. Major raw materials required for manufacturing of organic manure is Neem DOC, Castor DOC, Karanja DOC, Mahua DOC and Tobacco dust. These raw materials are procured from the local market and before the manufacturing process the raw material undergo a quality check to check the final quality and chemical composition.

These raw materials are feeded in the hopper as per the required chemical composition, stated as under:

- ◆ Neem DOC: 30%
- ◆ Castor DOC: 25%



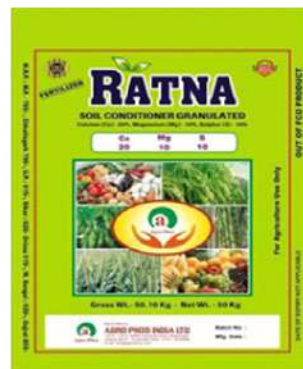
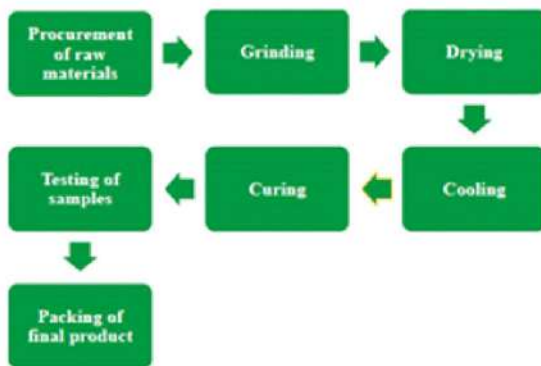
- ◆ Karanja DOC: 5%
- ◆ Mahua DOC: 5%
- ◆ Tobacco dust: 35%

The chemical composition of the required raw materials can be changed depending upon their availability.

After feeding the raw materials in the feeder, the materials are then moved to the blending machine via conveyor belt. The materials are blended properly in the blender and then the mixture moves to the drying machine to extract moisture from the final product.

The next process is the quality check to ensure that the final product is of adequate quality and contains the required chemical composition. After the final product passes the quality check, then the same is packed into HDPE bags for final dispatch. We use gazette bags for packing of our products. These bags are very easy to handle and facilitates easy stacking as well.

#### IV. Soil Conditioner (Calcium Sulphate)



Our manufacturing process starts with procurement of raw materials. Major raw materials required for manufacturing of soil conditioner is calcium sulphate, magnesium sulphate and sulphur. All the required raw materials are procured from the local market.

After the procurement of raw materials, the raw materials undergo a quality check to ensure that the raw materials are of required quality. The actual manufacturing process starts with Granulation as the first step. In this step, raw materials are mixed with water to form granules. These granules are then moved to the drying drum via conveyor belt to dry the granules.

After this process, the granules are moved to the coolant drum to extract moisture and then the product passes through the vibrating screen to ensure that the product is available in various sizes. The final product then passes a quality check in the in house laboratory to ensure that the final product is of adequate quality and contains the required chemical composition.

Our product, soil conditioner is sold under the brand name "Ratna".

Our Company manufactures soil conditioner of a notified chemical composition mentioned below: Soil Conditioner (20, 10, 10): This fertilizer contains 20% Calcium Sulphate, 10% Magnesium Sulphate and 10% Sulphur

## Chairman & Managing Director's Message



*Dear Shareholders, 2016-17 was a milestone year for the company when it got listed on the National Stock Exchange SME platform on November 16, 2016. After running the business for over several years as a closely held family business, the company went public to share the fruits of its success with the public at large. Getting publicly listed has opened a new chapter in the life of the company with new opportunities and new challenges ahead.*

*This year has been a dynamic one for India, with the economic activities shaped by tax reforms, normal southwest monsoon after two preceding drought years, globally weak commodity prices and demonetization drive. It is heartening to see Agriculture sector returning to higher growth numbers, as policy push and near normal monsoons boosted sowings and consequent consumption. Agriculture, being the mainstay of Indian society, closely drives the fortunes of around half a billion livelihood. As we stand today, the Urban-Rural economic divide, though less distant, is still evident. Government's ambitious target towards doubling the farmer income by 2022 is a positive step forward, and we at Agro Phos firmly believe and practice this vision of enhancing prosperity of our farmers. We constantly endeavour and partner towards driving the agrarian shift from subsistence to commercial nature of farming.*

*We are pleased to report a steady growth in our financial and operating performance in the year gone by. We have entered into an exclusive marketing agreement with IPL for supply of our products SSP (40,000 +/- 10%mt per annum) and NPK (25,000 mt per annum). During the fiscal year 2016-17, total Revenue generation is of Rs. 801327357.04 as compared to previous year figures Rs. 794131342.28. The Company is continuously innovating on fertilizer products by use of state of art technology to help farming community.*

*Lastly, I wish to thank the shareholders for showing their undeterred support, business associates for allying through our journey and employees for being Company's growth engine. While the public listing opens up opportunities for us to take the business to new heights, it also adds additional challenges for the Company to meet increased expectations from all our stakeholders. We have laid strong foundations over the previous years and we are confident of meeting and exceeding the expectations. We believe we have a compelling story and we look forward with great passion to the future, creating greater value for our shareholders.*



## NOTICE

Notice is hereby given to all the members of the Company that the 15<sup>th</sup> Annual General Meeting of the Company will be held on the Friday, 29<sup>th</sup> September, 2017 at 12:00 p.m. at Hotel Best Western Plus O2, 31/1, Main Road, South Tukoganj, Indore to transact the following business :

### ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statement of the Company for the financial year ended on 31st March, 2017 and the report of the Directors & Auditors thereon.
2. To appoint Director in place of Mr. Abhay Gupta, **(Din 07595771)** who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s Ashok Khasgiwala & Company, Chartered Accountant, (Firm Registration No. 0743C) be and is hereby appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of this Annual General Meeting till the conclusion of Sixth Annual General Meeting of the Company (in place of Present Auditor M/s Rajendra Goyal & Co., liable to retire as they have Completed the transition period of 3 years as well as completed period of 10 years and is not eligible to be re-appointed as per the provision of Section 139 of Companies Act, 2013.), subject to ratification as to the said appointment at every Annual General Meeting, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit".

### SPECIAL BUSINESS:

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

**"RESOLVED THAT** pursuant to the provisions of Section 160 and other applicable provisions, if any of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), MR. ABHISHEK KALEKAR **(DIN - 07758751)**, who was appointed as an Additional Director of the Company by the Board of Directors with effect from 08th March 2017, in terms of the provisions of Section 161 of the Companies Act, 2013 whose term of office the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company ."

5. **CONFIRMATION OF PAYMENT OF REMUNERATION OF COST AUDITOR**

To confirm payment of remuneration of cost auditors for the financial year ending March 31, 2018 and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such Orders, Rules, Notifications, as may be promulgated by the appropriate authorities in this regard, the remuneration of Rs. 25,000/- (Rs. Twenty Five Thousand only) plus service tax as applicable and reimbursement of out of pocket expenses for the financial year ending 31st March, 2018 as approved by the Board of Directors of the Company, payable to M.P. Turakhia & Associates., Cost Accountant (Firm Registration No. 000417) for conducting the audit of the cost records of the Company be and is hereby confirmed."

6. **RE-APPOINTMENT OF SHRI RAJKUMAR GUPTA AS MANAGING DIRECTOR OF THE COMPANY :**

To approve the re-appointment of Shri Rajkumar Gupta as Managing Director of the Company and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to provisions of Sections 196,197 and 203, read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the



time being in force) the approval of Members of the Company be and is hereby accorded for re-appointment of Shri Rajkumar Gupta as the Managing Director of the Company for a period of five years w.e.f. **08th March 2017**, upon the terms and conditions and on a remuneration by way of salary and perquisites as set out below:

**SALARY :**

Salary **Rs. 2,50,000/-** per month.

**BONUS/EXTRA GRATIA :**

An amount every year may be decided by the company or as may be granted by the board of directors from time to time.

**PERQUISITES :**

Perquisites shall be allowed in addition to salary:-

**MEDICAL BENEFITS :-**

Reimbursement of medical expenses actually incurred by Shri Rajkumar Gupta and his family the total cost of which to the company shall not exceeds one month's salary in a year or three month's salary in a block of Three years.

**LEAVE TRAVEL CONCESSION :**

Leave travel concession as per the rules of the company for Shri Rajkumar Gupta and his family once in a year to and from any place in India, subject to the condition that only actual fares and no hotel expenses will be allowed.

**PROVIDENT FUND :**

The company's contribution towards provident fund will be as per the rules of the company and not exceeding 12% of the salary as laid down under Income Tax Rules 1962 contribution to provident fund and pension/superannuation fund will not be included in computation of the ceiling on remuneration to the extent, these either singly or put together are not taxable under Income Tax Act 1961.

**PENSION/ SUPERANNUATION FUND :**

The Company's contribution towards pension/superannuation fund as per the rules of the company. Contribution to provident fund and pension/superannuation fund will not be included in the computation of the ceiling on remuneration to the extent, these either singly or put together are not taxable under Income Tax Act 1961.

**GRATUITY :**

Gratuity as per the rules of the Company but not exceeding one half month's salary for each completed year of service. Gratuity will not be included in computation of the ceiling on remuneration.

**PERSONAL ACCIDENT INSURANCE:**

Personal accident insurance of an amount, the annual premium which does not exceeds Rs. 10000/-.

**LEAVE :**

Leave with full salary and allowance as per the rules of the company however ceiling of maximum accumulation of earned leave upto 180 days shall not be applicable as in the case of other employees. Encashment of the leave at the end of the tenure will not be included in the computation of the ceiling of remuneration.

**CAR :**

Free use of Car for office use only.

**TELEPHONE:**

Free use of telephone facility at residence. Personal long distance calls shall be billed to Shri Rajkumar Gupta.

**REIMBURSEMENT OF ENTERTAINMENT EXPENSES :**

Reimbursement of entertainment expenses actually and properly in the course of legitimate business of the company subject to a maximum of Rs. 10000/- per month.

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



## 7. REVISION IN REMUNERATION OF VISHNU KANT GUPTA (WHOLE TIME DIRECTOR):

To approve the revision in remuneration of Whole time Director of the Company and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** subject to the provisions of Sections 197, read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), pursuant to the provisions of Articles of Association and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) the approval of Members of the Company be and is hereby accorded for grant of remuneration of Rs.1,50,000/-per month to Mr. Vishnu Kant Gupta, Whole Time Director of the Company with absolute discretion to the Board of Directors to alter and vary the terms and conditions as the board of Directors may in its absolute discretion consider necessary and as may be agreed to by the said director.”

**“RESOLVED FURTHER THAT** in the event of loss, absence or inadequacy of profits in any financial year during the currency of tenure of Shri Vishnu Kant Gupta the aforesaid remuneration shall be minimum remuneration payable to him. However any remuneration in excess over the limits on minimum remuneration prescribed in Schedule V to the Companies Act, 2013, shall be payable to Shri Vishnu Kant Gupta, with the prior approval of the Central Government, if so required.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

### Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. A PERSON SHALL ACT AS PROXY FOR ONLY 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. MEMBER HOLDING MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER MEMBER.
3. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
4. An Explanatory statement pursuant to Section 102 of the Companies Act, 2013 (the “Act”) in respect of item no. 4 to 9 of the notice set out above, is annexed hereto.
5. Change of Members and Share Transfer Books of the Company will remain closed from Wednesday, 27th September, 2017 to Friday, 29th September, 2017 (both days inclusive).
6. Members are requested to notify immediately any change in their address and E-Mail ID to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company viz. Bigshare Services Pvt. Ltd. Located at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra. having email Id investor@bigshareonline.com to receive the soft copy of Annual Report of the Company.
7. Members are requested to :
  - a. Complete the attendance slip and deliver the same at the entrance of the meeting hall.
  - b. Bring their copies of the Annual Report at the time of attending the Annual General Meeting.
  - c. Send their questions at least 10 days in advance of the Annual General Meeting about any further information on accounts so as to enable the Company to answer their question satisfactorily.
8. All documents referred to in the accompanying Notice and Explanatory Statements are open for inspection at the Registered Office of the Company on all working days except Saturday between **11.00 A.M. to 1.00 P.M.** upto the date of the Annual General Meeting.
9. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID Nos. for easy identification of attendance at the meeting.



10. In terms of circulars issued by the Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. transfer of shares, deletion of name, transmission of shares and transposition of shares.
11. The Notice of Annual General Meeting and Annual Report of the Company for the year 2016-17, circulated to the Members of the Company, is available on the Company's website viz. [www.agrophos.com](http://www.agrophos.com).
12. Electronic copy of the Annual report for the year 2016-17 is being sent to the members whose email IDs are registered with the Share Transfer Agent of the Company/Depository Participants unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual reports being sent in the permitted mode.
13. SEBI has also mandated that for registration of transfer of securities the transferee(s) as well as the transferor(s) shall furnish a copy their PAN card to the company for registration of transfer of securities.
14. At the meeting, after all the items of the notice have been discussed, the Chairman will order poll in respect of all the items. Poll will be conducted and supervised under the Scrutinizer appointed for remote e-voting as stated above. After conclusion of the poll, the Chairman may declare the meeting as closed.
15. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.anikgroup.com](http://www.anikgroup.com) not later than 2 (two) days of passing of the resolution at the Annual General Meeting of the Company and will be communicated to the Stock Exchange(s).
16. Members may also note that the Notice of Annual General Meeting, Attendance Slip, Proxy Form, Route Map, Ballot/Poll Paper and the Annual Report for the year 2016-17 will also be available on the company website [www.agrophos.com](http://www.agrophos.com) for their download. For any communication, the shareholders may also send request to the company on the aforementioned Email ID.
17. The Brief profile of the director proposed for re-appointment at the ensuing annual general meeting is annexed with the Notice.
18. The Map of Venue of AGM is given at the last page of Annual Report.

**For and on behalf of the Board of Directors of  
AGRO PHOS (INDIA) LIMITED**

**RAJ KUMAR GUPTA  
MANAGING DIRECTOR  
DIN: 00244925**

**Place: Indore  
Date: 28/08/2017**



**ANNEXURE TO THE NOTICE  
EXPLANATORY STATEMENT  
(Pursuant to Section 102(1) of the Companies Act, 2013)**

**ITEM NO.4**

Mr. Abhishek Kalekar was appointed as an Additional Director by the Board of Directors with effect from 08th March 2017 in terms of the provisions of the companies Act 2013, he holds office till the conclusion of this Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from Member proposing the candidature of Mr. Abhishek Kalekar for the office of Director of the Company.

Mr. Abhishek Kalekar is not disqualified from being appointed as a Director in terms of Section 160 of the Act and has given his consent to act as a Director, Mr. Abhishek Kalekar fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder and the Board recommends the ordinary resolutions set out at item No. 4 of the Notice for the approval by the Members by way of passing of Ordinary Resolution.

No director, key managerial personnel or their relatives, except Mr. Abhishek Kalekar, being the appointee is interested or concerned in the resolution.

**ITEM NO. 5**

The Board of Directors of the Company on the recommendation of the Audit Committee has approved the appointment and remuneration of M.P. Turakhia & Associates, Cost Accountant (Firm Registration No. 000417), to conduct the audit of the cost records of the Company for the financial year ending March 31, 2018 at a remuneration of Rs. 25,000/- (Rupees Twenty Five Thousand only) plus service tax as applicable and reimbursement of out of pocket expenses. In accordance with the provisions of Section 148 of the Companies Act, 2013, the remuneration payable to the cost auditors has to be determined by the shareholders of the Company. The Board recommends the Ordinary Resolution at Item No. 5 for approval of the members. None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested financially or otherwise in the Ordinary Resolution set out at Item No. 5 of the Notice.

Brief Profile of M/s M.P. Turakhia & Associates, Cost Accountants :

- M.P. Turakhia & Associates, a partnership firm was promoted in the year 1998 by Cost Accountants with meticulous track record and sound professional background.
- The firm is wonderful combination of experience and energy, comprising of three partners, namely:
  - 1) MIHIR P TURAKHIA (AGE: 41 years) B.Com, LLB, FCMA. having experience of 17 years in the practice of cost and management consultancy.
  - 2) DEEPIKA PRADHAN (AGE: 37 years) B.Com, FCMA having working experience of 12 years in various industries.
  - 3) SNEHA C. TURAKHIA (AGE: 27 years) B.Com, ACMA. having exposure of 4 years and tech savvy.
- The firm is handling assignments in consultancy and cost audit of various companies of repute, Export-Import Services, Excise and Service Tax Advisory, covering public sector, private sector and government sector.
- The Head office of the firm is located at prime location in Indore (M.P.) and having branch office at Mumbai and Nagpur (MH).
- The Firm is an Independent Firm of Cost Accountants and are maintaining arm's Length relationship with our Company.
- The Firm is registered with the Institute of Cost Accountants of India under Registration No. 000417.

No director, key managerial personnel or their relatives, is interested or concerned in the resolution.

**ITEM NO. 6**

Mr. Raj Kumar Gupta was re-appointed by the Board as Managing Director of the Company for a period of 5 years w.e.f. 08 March, 2017 subject to the approval of the members in General Meeting. The resolution needs the approval of the members in terms of sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) for the appointment of Mr. Raj Kumar Gupta as a Managing Director of the Company on the terms and conditions as mentioned in resolution.

**Brief profile of Mr. Raj Kumar Gupta :**

Mr. Raj Kumar Gupta is a science graduate and has an experience of more than a decade in the fertilizer industry. Being Managing Director of the Company, he has made great contribution in the success of the Company through his expert knowledge and hard working.



Names of Listed Company in which Mr. Raj Kumar Gupta holds directorship and the membership of committees of the Board:

Mr. Raj Kumar Gupta is not a Director in any other listed company and also does not hold membership of committees of the Board of any other listed Company. He holds shares in the Company as on 31.03.2017. He has attended all the 15 meetings of Board of Directors of the Company held during the financial year 2016-17. He has drawn the total remuneration of Rs. 1596774/- (Fifteen Lac Ninty Six Thouand Seven Hundred Seventy Four Only) during the financial year 2016-17. He was appointed on the Board of the Company on 24.09.2002. The information as required under Schedule V of the Companies Act, 2013, is attached herewith. This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013 and regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board recommends the Special Resolution at Item No. 6 for approval of the members.

No director, key managerial personnel or their relatives, except Mr. Rajkumar Gupta, Vishnukant Gupta and Mr. Abhay Gupta is interested or concerned in the resolution.

**ITEM NO. 7.**

Mr. Vishnu Kant Gupta whose remuneration was being revised by the Board of Directors w.e.f. 08 March, 2017 subject to the approval of the members in General Meeting. The resolution needs the approval of the members in terms of sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) for the appointment of Mr. Raj Kumar Gupta as a Managing Director of the Company on the terms and conditions as mentioned in resolution.

**Brief profile of Mr. Vishnu Kant Gupta:**

Vishnu Kant Gupta, aged 36 years is the Director of our Company since March 16, 2012. He has been appointed as Whole Time Director of our Company with effect from April 01, 2014. He has completed his Bachelors in Physiotherapy from Barkatullah University. His scope of work includes management of organizational finance and has an experience of more than a decade in the fertilizer industry. Being whole time director of the Company, he has made great contribution in the success of the Company through his expert knowledge and hard working. He has drawn the total remuneration of Rs. 958064/- (Nine Lac Fifty Eight Thousand Sixty Four only) during the financial year 2016-17. The information as required under Schedule V of the Companies Act, 2013, is attached herewith. This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013 and regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board recommends the Special Resolution at Item No. 7 for approval of the members.

No director, key managerial personnel or their relatives, except Mr. Rajkumar Gupta, Vishnukant Gupta and Mr. Abhay Gupta is interested or concerned in the resolution.

**For and on behalf of the Board of Directors of  
AGRO PHOS (INDIA) LIMITED**

**RAJ KUMAR GUPTA  
MANAGING DIRECTOR  
DIN: 00244925**

**Place : Indore  
Date : 28/08/2017**



## DIRECTORS' REPORT

To,

The Members,

Your directors have pleasure in presenting their 15th Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31st March, 2017.

### 1. FINANCIAL HIGHLIGHTS

During the year under review, performance of your company as under:

Particulars	Year ended 31st march 2017	Year ended 31st march 2016
Revenue from operation and Other Income	801327357.04	794131342.28
Less: Expenditure	772689910.63	743005512.50
<b>Profit/(Loss) before tax</b>	<b>28637446.41</b>	<b>51125829.78</b>
<b>Less: Tax Expense</b>		
Income tax (current year)	5992899.00	10573385.00
Income tax paid for earlier years	170890.00	285982.81-
Deferred tax	10489886.00	16181516.00
<b>Profit/(Loss) after tax</b>	<b>11983771.41</b>	<b>24084945.97</b>

### 2. DIVIDEND

To strengthen the financial position of the Company, no dividend is recommended by the Board of Directors for the Financial Year 2016-17.

### 3. AMOUNT TRANSFERRED TO RESERVE

During the year, the Company has transferred amount of Rs. 11983771.41 in General Reserve.

### 4. DEPOSITS

The Company has not accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 read with the rules made there under.

### 5. SHARE CAPITAL

#### a) Authorized Capital

During the year under review; the Authorized Capital of the Company was increased from Rs. 5,00,00,000/- (Rs. Five Crores) divided into 50,00,000 (Fifty Lacs) Equity Shares of Rs.10/- each to Rs. 21,00,00,000/- (Rs. Twenty One Crore) divided into 2,10,00,000 (Two Crores Ten Lacs) Equity Shares of Rs.10/- each.

#### b) Issued Subscribed and Paid up Share Capital

##### • Issue of Bonus Equity Shares:

During the Financial year 2016-17 under review the Company has issued and 11515292 fully paid-up Bonus Equity Shares in the proportion of 4 equity shares for every one share held by the members and made allotment of bonus shares on 27th August, 2016 to the existing shareholders by capitalization of a sum of Rs. 115152920/-.

##### • Issue of Equity Shares :

Your Directors are pleased to inform that the Company has issued prospectus to the general public on 09th November 2016 for making public issue of 5880000 Equity Shares of Rs. 10/- each at a premium of Rs. 12/- per share aggregating Rs. 58800000/- and the issue was successfully oversubscribed by more than 17 times and has made allotment of 5880000/- equity shares on 10th November, 2016.

The Company has not issued shares with differential voting rights or granted stock options or sweat equity.

Accordingly the company's entire post issue paid up capital stood at Rs.202741150/- divided into 20274115 Equity Shares of Face Value of **Rs. 10/-** each and were listed at the NSE SME Platform on 16th November, 2016.

### 6. Utilization of the public issue proceeds :

The Company has generated funds of Rs. **129,360,000/-** for the purposes and objects to make repayment of the secured and unsecured loans and working capital needs as per the prospectus dated **09th November, 2017**. The Company submits the following statements towards the utilization of the issue proceeds as under :



S.No.	Purpose/objects for raising of funds through public issue	Amount raised in public issue (Rs. In lakhs)	Utilized till 31 March, 2017	Remarks
1	Repayment/ Prepayment of certain borrowings availed by our Company	400.00	400.00	-
2	Working capital requirements	578.60	578.60	-
3	Issue expenses	100.00	100.00	-
4.	General Corporate Purposes	215.00	215.00	-
	<b>Total</b>	<b>1293.6</b>	<b>1293.6</b>	-

Your directors place on record their sincere thanks to all the investors for placing their confidence in the working and management of the Company.

Your directors also place on record their sincere thanks to the SEBI, NSE Ltd., Lead Manager to the Issue M/s Pantomath Capital Advisors Pvt. Ltd., Registrar to the Issue M/s Bigshare Services Pvt. Ltd., CSDL, NSDL and all the agencies involved for their valuable services and guidance extended to the Company for success of the public issue.

#### 7. HUMAN RESOURCE & INDUSTRIAL RELATIONS

Industrial relations were harmonious throughout the year. The Board wishes to place on record their sincere appreciation to the cooperation extended by all the employees in maintaining cordial relations.

#### 8. DIRECTORS' RESPONSIBILITY STATEMENT

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

- that in the preparation of the annual accounts for the year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in the Financial Statements have been selected and applied consistently. Such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs and of Profit of the Company for the financial year ended on March, 31st 2017.
- that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that they have prepared the Annual Accounts on a going concern basis;
- that they have laid down internal financial controls for the company and such internal financial controls were adequate and were operating effectively.
- that they have devised proper systems to ensure compliance with the provisions of all applicable laws and such system are adequate and operating effectively.

#### 9. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board consist of the following directors namely:-

DIN / PAN NO.	NAME	DESIGNATION	DATE OF APPOINTMEN	DATE OF CESSATION
00244925	Raj Kumar Gupta	Managing director	24/09/2002 (Reappointed on 08th March, 2017)	-
05218142	Uma Gupta	Whole-time director	05/03/2016	24/08/2016
05233476	Vishnu Kant Gupta	Whole-time director	16/03/2012	-
07595771	Abhay Gupta	Director	24/08/2016	-
00017285	Vijay Singh Bharkatiya	Independent Director	16/08/2016	-
00527049	Mukesh Kumar Jhawar	Independent Director	16/08/2016	-
07590997	Vani Gupta	Independent Director	16/08/2016	-
	Ms. Neetu Dubey	Company Secretary	16/08/2016	20/01/2017
07758751	Abhishek Kalekar	Additional Director	08/03/2017	-
BROPK5778F	Karishma Kakkar	Company Secretary	20/03/2017	-
BAVPG2982D	Vidit Garg	CFO	08/03/2017	-



**10. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES**

As on March 31, 2017, the Company does not have any subsidiary or joint venture or associate Company.

**11. NUMBER OF BOARD MEETINGS**

During the Financial Year 2016-17, [15] meetings of the Board of Directors of the company were held.

S.NO	DATE OF BOARD MEETING	Total No. of Directors	No. of Directors attended the Meeting
01	20/06/2016	3	3
02	05/08/2016	3	3
03	16/08/2016	3	3
04	18/08/2016	6	3
05	24/08/2016	6	3
06	30/08/2016	6	3
07	02/09/2016	6	3
08	06/09/2016	6	3
09	28/09/2016	6	3
10	05/10/2016	6	3
11	10/11/2016	6	3
12	02/12/2016	6	3
13	16/01/2017	6	3
14	10/02/2017	6	3
15	08/03/2017	6	3

**12. SEPARATE MEETING OF INDEPENDENT DIRECTORS :**

As stipulated by the Code of Independent Directors under the Companies Act, 2013; a separate meeting of the Independent Directors of the Company was held on **21st March, 2017** to review the performance of Non-Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their duties.

**13. COMMITTEES OF THE BOARD**

The Company has following four Committees as follows:

- (a) **Audit Committee** : The Company has constituted Audit Committee as per section 177 of the Companies Act 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; vide resolution passed at the meeting of the Board of Directors held on **16th August, 2016**. The terms of reference of Audit Committee are broadly in accordance with the provisions of SEBI (LODR) Regulations 2015 and Companies Act, 2013.

The Audit Committee comprises of the following Directors of the Company as on 31st March, 2017.

Name of director	Nature of Directorship	Designation in the Committee
Mr. Vijay Singh Bharkatiya	Independent Director	Chairman
Mr. Mukesh Kumar Jhawar	Independent Director	Member
Ms. Vani Gupta	Independent Director	Member

After the constitution 3 meeting of the Audit Committee were held during the year.

- (b) **Nomination and Remuneration Committee**

The Company has constituted a Nomination and Remuneration Committee in accordance section 178 of the Companies Act, 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on 16th August, 2016. The Nomination and Remuneration Committee comprises of the following Directors of the Company as on 31st March, 2017.



Name of director	Nature of Directorship	Designation in the Committee
Mr. Vijay Singh Bharkatiya	Independent Director	Chairman
Mr. Mukesh Kumar Jhawar	Independent Director	Member
Ms. Vani Gupta	Independent Director	Member

After the constitution 3 meeting of the Nomination and Remuneration Committee were held during the year.

**(c) Stakeholders' Relationship Committee**

The Company has constituted a shareholder/investors grievance committee ("Stakeholders' Relationship Committee") to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on 16th August, 2016. The Stakeholders' Relationship Committee comprises the following Directors as on 31st March, 2017:

Name of director	Nature of Directorship	Designation in the Committee
Mr. Vijay Singh Bharkatiya	Independent Director	Chairman
Mr. Mukesh Kumar Jhawar	Independent Director	Member
Mr. Vijay Singh Bharkatiya	Independent Director	Member

**(d) Corporate Social Responsibility Committee**

Company has constituted a Corporate Social Responsibility Committee in accordance to section 135 of Companies Act, 2013. The constitution of the Corporate Social Responsibility was approved by a meeting of the Board of Directors held on April 15, 2014 and reconstituted by the Board of Directors at their meeting held on 16th August, 2016. The Corporate Social Responsibility Committee comprises the following Directors 31st March, 2017:

Name of director	Nature of Directorship	Designation in the Committee
Mr. Vijay Singh Bharkatiya	Independent Director	Chairman
Mr. Mukesh Kumar Jhawar	Independent Director	Member
Mr. Vishnu Kant Gupta	Whole Time Director	Member

Further your company is in planning to make investment in CSR activities as prescribed in schedule VII, of the Companies Act, 2013.

The detail CSR policy has enclosed in Annexure C.

**14. DECLARATION BY INDEPENDENT DIRECTORS**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2016-17 in the prescribed format, AOC 2 has been enclosed with the report.

**16. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

As per the requirement of Section 177 (9) of the Companies Act, 2013, and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism called the 'Whistle Blower Policy' for Directors and Employees to report concern of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy and the details of the Whistle Blower Policy has been uploaded on the Company's website <http://www.agrophos.com>.

**17. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

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



**18. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as "Annexure-C".

**19. RISK MANAGEMENT POLICY :**

The Company has adequate risk management process to identify and notify the Board of Directors about the risks or opportunities that could have an adverse impact on the Company's operations or to that could be exploited to maximize the gains. The processes and procedures are in place to act in a time bound manner to manage the risks or opportunities.

**20. SIGNIFICANT & MATERIAL ORDERS**

There are no significant and material orders passed by the regulator or courts or tribunals impacting the going concern status of the Company and future operations.

**21. AUDITORS, THEIR REPORT & COMMENTS BY THE MANAGEMENT**

**Statutory Auditors**

Pursuant to provisions of section 139 of the Companies Act, 2013 and rules made thereunder, the term of Office of M/s. Rajendra Goyal & Co., Chartered Accountants, as Statutory Auditors of the Company, will conclude from the close of ensuing Annual General Meeting of the Company, as they have Completed the transition period of 3 years as well as has completed period of 10 years and now is not eligible to be re-appointed.

The Board of Directors places on record its appreciation to the services rendered by M/s. Rajendra Goyal & Co., Chartered Accountants, as the Statutory Auditors of the Company.

Audit Committee has in their meeting recommended the appointment of M/s. Ashok Khasgiwala & Co., Chartered Accountants, as Statutory Auditors of the Company for carrying out the Statutory Audit of the Company for the Term of 5 years commencing from the conclusion of this Annual General meeting to the the conclusion of 20th Annual General Meeting of the Company (from the Financial Year 2017-2018 to 2021-2022), which will be subject to ratification by shareholders in ensuing Annual General Meeting. Company has also received letter from M/s Ashok Khasgiwala & Co., confirming their consent and eligibility for being appointed as Statutory Auditor of the Company.

Your Board is pleased to inform that the notes on accounts referred to and the Auditors' Report are self explanatory and therefore do not call for any explanatory note.

**Cost Auditor**

The Board of Directors, in pursuance of an order under section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014, issued by the Central Government, has appointed on the recommendation of Audit Committee M/s. M.P. Turakhia & Associates, Cost Accountants, Indore as Cost Auditors to conduct audit of the cost accounts maintained by the Company in respect of Fertilizers manufactured for the financial year 2017-18. As required under Companies Act, 2013 a resolution seeking members approval for the remuneration payable to cost Auditor forms part of the notice conveying the Annual General Meeting for their ratification.

**Internal Auditor**

M/s Pankaj Somaiya & Associates LLP, Chartered accountants is appointed as an Internal Auditor of the Company to conduct the internal audit of the Company for the Financial Year 2017-18, as required under Section 138 of the Companies Act, 2013 and the Companies(Accounts)Rules,2014. The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the Internal Control System and suggest improvements to strengthen the same. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board. Based on the report of internal audit function, Company undertakes corrective action in their respective areas and thereby strengthen the controls. Recommendations along with corrective actions thereon are presented to the Audit Committee of the Board and accordingly implementation has been carried out by the Company.



### Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s Neelesh Gupta & Co., Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2016-17. The Secretarial Audit Report for the financial year 2016-17 in annexure D is annexed herewith as forming part of this report. There are no adverse comments, qualifications or reservations or adverse remarks in the Secretarial Audit Report.

### 22. CORPORATE GOVERNANCE

The Company being listed on the Small and Medium Enterprise platform of NSE Limited; is exempted from provisions of corporate governance as per Regulation 15 of the SEBI (LODR) Regulations, 2015. Hence no Corporate Governance Report is required to be disclosed with Annual Report. It is pertinent to mention that the Company follows majority of the provisions of the corporate governance voluntarily.

### 23. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY:

CSR is made applicable to the Company pursuant to the profitability of the company in the previous years. Your Board of Directors is in planning to make investment in CSR activities as prescribed in schedule VII, of the Companies Act, 2013.

The detail CSR policy has enclosed in Annexure A.

### 25. MANAGERIAL REMUNERATION:

Company has paid total managerial remuneration amounting to **Rs. 27,88,838** during the year to its Directors.

### 26. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

During the year the Company has not received any complaint, which is appreciable as the management of the company endeavor efforts to provide safe environment for the female employees of the company.

### 27. EMPLOYEE'S REMUNERATION:

The company was not having any employee, who was in receipt of remuneration as specified under Rule 5 (2) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### 28. INTERNAL FINANCIAL CONTROLS

The company is having adequate internal financial controls with reference to the financial statements in terms of Section 134 (3) (q) of Companies Act, 2013 read with Rule 8 (5) (viii) of Companies (Accounts) Rules, 2014.

### 29. CODE OF CONDUCT

The Company has laid down a code of conduct for all Board members and Senior Management and Independent Directors of the Company. All the Board members including Independent Directors and Senior Management Personnel have affirmed compliance with the code of conduct.

### 30. BOARD EVALUATION

Pursuant to the provisions of section 134 (3) (p) of the Companies Act, 2013 and applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and Individual Directors, including the Chairman of the Board. 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 evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees with the Company

### 31. EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure F" forming part of this report.



**32. LISTING OF SHARES**

Shares of the Company got listed on The National Stock Exchange Limited (NSE), SME Platform, Mumbai, on 16th November 2016, which provides a wider access to the investors nationwide. The Company has made all the compliances of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including payment of annual listing fees up to **31 March, 2018** to the NSE.

**33. SECRETARIAL STANDARDS OF ICSI**

The Secretarial Standards as specified by the Institute of Company Secretaries of India for Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from 1st July 2015. The Company is in compliance with the same.

**34. MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis, forming part of this report as required under Regulation 34 of Securities and Exchange Board of India (LODR) Regulations, 2015, is attached in "Annexure-E" separately to this Annual Report.

**35. PREVENTION OF INSIDER TRADING**

In view of the SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company.

The Code requires Trading Plan, pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

**36. CAUTIONARY STATEMENT**

The statements made in this Report and Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations and others may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ from expectations those expressed or implied. Some factors could make difference to the Company's operations that may be, due to change in government policies, global market conditions, foreign exchange fluctuations, natural disasters etc.

**37. ACKNOWLEDGMENT**

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge support of the NSE Ltd. Lead Manager, Share Transfer Agent and other intermediaries of the Public Issue of the Company and also to all stakeholders of the Company viz. customers, members, dealers, vendors, bankers and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

Date: 28/08/2017  
Place: Indore

For and on behalf of the Board of Directors of  
**AGRO PHOS (INDIA) LIMITED**

**RAJ KUMAR GUPTA**  
MANAGING DIRECTOR  
DIN: 00244925

**VISHNU KANT GUPTA**  
WHOLE TIME DIRECTOR  
DIN: 05233476



## ANNEXURE 'A'

### AGRO PHOS (INDIA) LIMITED

### CORPORATE SOCIAL RESPONSIBILITY

#### 1. Policy Statement

1.1 AGRO PHOS (INDIA) LIMITED (the "Company") believes that Corporate Social Responsibility ("CSR") extends beyond the ambit of business and should focus on a broad portfolio of assets - human, physical, environmental and social.

1.2 This Policy is framed pursuant to the provisions of Section 135 of the Companies Act, 2013.

#### 2. CSR Vision

Promote sustainable and inclusive development as a responsible corporate citizen

#### 3. CSR Objective

Promote a comprehensive and integrated development through social and economic transformation.

#### 4. Core CSR Commitments (Programs / Activities)

Addressing identified needs of the underprivileged through initiatives directed towards•

- improving livelihood,
- alleviating poverty,
- promoting education,
- empowerment through vocational skills and
- promoting health and well-being.
- Giving donation to old age home, orphanage homes.
- Promoting the education and awareness among the farmers and to inspire them for better farming and to discourage the suicidal events among them.

Preserve, protect and promote art, culture and heritage

- promoting India's art, culture and heritage,
- conducting promotional and developmental activities / programs.

Ensuring environmental sustainability, ecological balance and protection of flora and fauna

- conducting activities which promote biodiversity,
- conducting activities which promote ecological sustainability.

Any other activity falling within the scope of Schedule VII of the Companies Act, 2013 which would enable the Company to achieve its CSR objectives.

The CSR programs / activities of the Company, as above, are related / will relate to the activities included in Schedule VII of the Companies Act, 2013.

#### 5. CSR Governance and Implementation

The Company would be carrying on its CSR programs / activities through any Independent trust and funds for CSR will be utilized for CSR programs / activities on behalf of the Company.

Company has entered into contract with Alok Jain Production for producing the episodes to educate the farmers and to motivate to the farmers and give them the message not to commit suicide; Title of the episode will be "HIMMAT NA HAR".

Company has also approached the DD National Channel for broadcasting the episodes. However approval of the same is yet to be received. Your Directors are hopeful to get the approval of the same at the earliest.

#### 6. Monitoring of CSR Activities

The CSR Committee of Directors of the Company will recommend to the Board of Directors of the Company the amount of expenditure to be incurred on CSR programs/activities monitor the CSR Policy of the Company and review its implementation.



**7. CSR Reporting and Communication**

The Company will report on the progress of its CSR initiatives in its Annual Report

**8. Corporate Social Responsibility Committee (CSR Committee)**

The Board of Directors will constitute a CSR Committee consisting of 3 or more directors, out of which atleast 1 director shall be an Independent Director.

The CSR Committee would formulate and recommend the draft CSR Policy to the Board of Directors and the Board of Directors would approve the Policy.

The Board would approve and adopt any changes in the CSR Policy subject to prevailing provisions of laws in this regard. The CSR Committee is responsible for decision making with respect to the CSR Policy.

The CSR Committee will meet as appropriate to review and monitor the implementation of CSR programs / activities of the Company.

**9. Budget**

The Board shall ensure that a minimum of 2% of the average net profits of the Company of the last 3 years is spent on the CSR programs / activities of the Company.

In case at least 2% of the average net profits of the Company of the last 3 years is not spent in a financial year, reasons for the same shall be specified in the Board's report.

All expenditure towards the CSR programs / activities will be diligently documented.

Any surplus generated out of the CSR programs / activities of the Company will not be added to the normal business profits of the Company.

**For and on behalf of the Board of Directors  
Agro Phos (India) Limited**

**RAJKUMAR GUPTA  
(DIN: 00244925)  
Managing Director**



**Annexure 'B'**  
**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 sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm's length basis.**

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	-
b)	Nature of contracts/arrangements/transaction	-
c)	Duration of the contracts/arrangements/transaction	-
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Justification for entering into such contracts or arrangements or transactions'	-
f)	Date of approval by the Board	-
g)	Amount paid as advances, if any	-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-

**2. Details of contracts or arrangements or transactions at Arm's length basis :**  
**As per Note No. 36 Related party Transaction of financial Statement**

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	M/S VINOD SALES CORPORATION (Prop. Ramesh Chand Suhane)- Proprietor is brother of Manag ing Director
b)	Nature of contracts/arrangements/transaction	Purchase of Goods
c)	Duration of the contracts/arrangements/transaction	5 years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Amounting to Rs. 10 crores with an increase of 15% per annum on the terms and conditions
e)	Date of approval by the Board	18/08/2016
f)	Amount paid as advances, if any	-

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	M/S VINOD TRADING CO. (Prop. Ramesh Chand Suhane) - Proprietor is brother of Managing Director
b)	Nature of contracts/arrangements/transaction	Purchase/ Sale of Goods
c)	Duration of the contracts/arrangements/transaction	5 years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Amounting to Rs. 10 crores with an increase of 15% per annum on the terms and conditions
f)	Date of approval by the Board	18/08/2016
g)	Amount paid as advances, if any	-



SL. No.	Particulars	Details
1.a)	Name (s) of the related party & nature of relationship	Mahadhan Phosphate Pvt. Ltd. - Brother is Director
b)	Nature of contracts/arrangements/transaction	Purchase of Goods
c)	Duration of the contracts/arrangements/transaction	5 years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Amounting to Rs. 10 crores with an increase of 15% per annum on the terms and conditions
f)	Date of approval by the Board	18/08/2016
g)	Amount paid as advances, if any	

SL. No.	Particulars	Details
1.a)	Name (s) of the related party & nature of relationship	Suhane Agro India Pvt. Ltd. - Brother is Director
b)	Nature of contracts/arrangements/transaction	Purchase/ Sale of Goods
c)	Duration of the contracts/arrangements/transaction	5 years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any the terms and conditions	Amounting to Rs. 10 crores with an increase of 15% per annum on the terms and conditions
f)	Date of approval by the Board	18/08/2016
g)	Amount paid as advances, if any	-

SL. No.	Particulars	Details
1.a)	Name (s) of the related party & nature of relationship (Brother is Director)	Madhav Agrochem Pvt. Ltd.
b)	Nature of contracts/arrangements/transaction	Purchase/ Sale of Goods
c)	Duration of the contracts/arrangements/transaction	5 years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Amounting to Rs. 10 crores with an increase of 15% per annum on the terms and conditions
f)	Date of approval by the Board	18/08/2016
g)	Amount paid as advances, if any (Purchase of Goods)	1403043

SL. No.	Particulars	Details
1.a)	Name (s) of the related party & nature of relationship	Nafco Commodities Pvt. Ltd. (Company with common Director)
b)	Nature of contracts/arrangements/transaction	Purchase/ Sale of Goods
c)	Duration of the contracts/arrangements/transaction	5 years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any the terms and conditions	Amounting to Rs. 10 crores with an increase of 15% per annum on the terms and conditions
f)	Date of approval by the Board	18/08/2016
g)	Amount given as advances, if any (for sale of Goods)	90000



SL. No.	Particulars	Details
1.a)	Name (s) of the related party & nature of relationship (Entity controlled by Relative)	Madhav Sales Corp.
b)	Nature of contracts/arrangements/transaction	Purchase/ Sale of Goods
c)	Duration of the contracts/arrangements/transaction	5 years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any the terms and conditions	Amounting to Rs. 10 crores with an increase of 15% per annum on
f)	Date of approval by the Board	18/08/2016
g)	Amount given as advances, if any (for sale of Goods)	NA

SL. No.	Particulars	Details
1.a)	Name (s) of the related party & nature of relationship Co. - Brother is Partner	Suhane Housing & Construction
b)	Nature of contracts/arrangements/transaction	Lease Agreement
c)	Duration of the contracts/arrangements/transaction	5 years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Amounting to Rs. 10 crores with an increase of 15% per annum on the terms and conditions
f)	Date of approval by the Board	18/08/2016
g)	Amount given as advances, if any (for sale of Goods)	NA

SL. No.	Particulars	Details
1.a)	Name (s) of the related party & nature of relationship	Raj kumar Gupta (Managing Director)
b)	Nature of contracts/arrangements/transaction	Lease Agreement (Rent Paid)
c)	Duration of the contracts/arrangements/transaction	5 years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Amounting to Rs. 10 crores with an increase of 15% per annum on the terms and conditions
f)	Date of approval by the Board	18/08/2016
g)	Amount given as advances, if any (for sale of Goods)	NA

For and on behalf of the Board of Directors of  
AGRO PHOS (INDIA) LIMITED

Date: 28/08/2017  
Place: Indore

**RAJ KUMAR GUPTA**  
MANAGING DIRECTOR  
DIN: 00244925

**VISHNU KANT GUPTA**  
WHOLE TIME DIRECTOR  
DIN: 05233476



## ANNEXURE -C

### CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

#### 1. CONSERVATION OF ENERGY :

The steps taken or impact on conservation of energy:

The company has a energy conservation cell which consistently monitor all the energy conservation efforts and ensure implementation of its energy management policy. Efforts are put in continuously to conserve energy.

The company has taken below mentioned steps at its plant for conservation of energy during the year under review:

- Efforts were made to reduce Electrical energy in our different lines by:

(i) **Installation of energy efficient machines.**

(ii) Installation of energy efficient electronic equipments.

Efforts were also made to reduce the consumption of Piped Natural Gas (PNG) gas in our different process lines by multiple actions.

There was reduction in energy consumption on account of aforesaid steps taken by the company .

The steps taken by the company for utilising alternate source of energy

During the year the company has not taken any steps for utilising alternate sources of energy.

Capital Investment on energy consumption equipments

Particular	2016-2017	2015-2016
Capital Investment on energy consumption equipments	NIL	NIL

#### 2. TECHNOLOGY ABSORPTION

The efforts made towards technology absorption

During the year under review the company has not taken any steps, toward technology absorption. however the company takes necessary steps towards technology absorption whenever it feels necessary.

#### 3. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year foreign exchange and outgo of the Company as follows.

Particulars	Currency	For the period ended 31st March, 2017	For the period ended 31st March, 2016
<b>Income:</b>			
Moisture Rebate Received	USD	189908	0
	INR	12597115	0
<b>Expenditure:</b>			
Import of Raw Material (at CIF/CFR Value)	USD	1499750	2039200
	INR	100695835	134021356
Cost of Marine Insurance for CFR Import (Paid in INR)	INR	17260	0
Foreign Tour & Travelling - Director	Indonesian Rupiah	47802823	0
	INR	254169	0
	USD	281	0
	INR	19865	0
	AED	60	0
	INR	1157	0
	SGD	1200	0
	INR	86549	0



**Annexure 'D'**

**MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017**

**[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,**

**AGRO PHOS (INDIA) LIMITED**

**CIN- L24123MP2002PLC015285**

M-87, TRADE CENTRE 18M,

SOUTH TUKOGANJ,

INDORE MP 452001 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AGRO PHOS (INDIA) LIMITED (hereinafter called 'the company'). The 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.

Company's Board of Directors is responsible for the matters of Compliances of the various provisions of the Companies Act, 2013 and other applicable laws. Our responsibility to conduct the audit of the Compliances made during the year upon test check basis, We have adopted such methods and procedure and based on our verification of the AGRO PHOS (INDIA) LIMITED books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended 31st March, 2017 has 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 the Company for the financial year ended on 31st March, 2017 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
- (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;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (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;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998:-

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

    - (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, 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 at least seven days 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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

**We further report that:**

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 of the company, there were instances of:

**Increase in Authorised Share Capital of the company**

1. Increase in Authorised share capital of the company from 5 Crores to 20 Crores in the Extra ordinary general meeting of the members of the company held on 18th July 2016.
2. And further Authorized share capital of the company increased from Rs.20 crores to Rs. 21 Crores.in the Extra ordinary General Meeting of the members of the company held on 14th October 2016.

**Allotment through Public / Rights / Preferential issue of shares / debentures / sweat equity/Bonus Shares.**

Company has made allotment of fully paid 1,15,15,292 equity Shares as bonus shares to the existing shareholders. Allotment of 58,80,000 equity shares of Rs. 10/- each fully paid at an issue price of Rs. 22.00/- per equity share to Retail Individual Investors, Non Institutional Investor and Market maker pursuant to Initial Public offer (IPO) of the Company, vide prospectus filed with the Registrar of Companies, Gwalior MP on November 09, 2016 and the in principal approval of National Stock Exchange of India Limited (NSE).

**Appointment of Lead manager**

Company has made Appointment of the Lead Manager(s), Market Maker(s), Underwrites(s), Legal Advisor(s), Registrar(s), Escrow Bank(s), Syndicate Member(s), and other intermediaries to the Public Issue in accordance with the provisions of the ICDR Regulations and other applicable statutory and/or regulatory requirements;

**Adoption of new set of Articles**

Pursuant to the provisions of section 5 and 14 of companies Act,2013 ('the Act') schedule I made there under, read with the companies (Incorporation) Rules,2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), the new set of Articles of Association pursuant to the Act primarily based on the Form of table F under the Act has been adopted as new set of Articles of Association in place of existing Articles of Association.

**Resolution passed pursuant to Section 180 of Companies Act, 2013 regarding restrictions in the power of the Board in Extra Ordinary Meeting held on 27th August 2016:**

1. Authority to Board of Directors to Borrow Money exceeding paid up capital and free reserve but not exceeding Rs. 1,00,00,00,000/- (Rupees Hundred Crores Only)
2. Authority to Board of Directors to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company not exceeding Rs. 1,00,00,00,000/- (Rupees Hundred Crores Only)
3. Approval to the Board of Directors for giving loans/guarantee or providing securities upto an aggregate amount not exceeding Rs. 1,00,00,00,000/- (Rupees Hundred Crores Only)

**Related Party Transaction**

Approval for related party transaction entered in to the contract for purchase and sale of Goods from M/S VINOD SALES CORPORATION (PROPRIETOR RAJESH KUMAR SUHANE-HUF) amounting to Rs. 10 Crores with an increase of 15% per annum on the terms and conditions as may be decided by the Board of Director of the Company for the period of five years

Approval for entered in to the contract for purchase and sale of Goods from M/S VINOD TRADING CO. (PROPRIETOR RAMESH CHAND SUHANE) amounting to Rs. 10 Crores with an increase of 15% per annum on the terms and conditions as may be decided by the Board of Director of the Company for the period of five years

Approval regarding the lease agreement executed by the Company to charge the lease rent as the Board of Directors of the Company may decide from time to time.

Approval for entered in to the contract for purchase and sale of Goods from MAHADHAN PHOSPHATE PVT. LTD. amounting to Rs. 10 Crores with an increase of 15% per annum on the terms and conditions as may be decided by the Board of Director of the Company for the period of five years

Approval for entered in to the contract for purchase and sale of Goods from SUHANE AGRO INDIA PVT LTD amounting to Rs. 10 Crores with an increase of 15% per annum on the terms and conditions as may be decided by the Board of Director of the Company for the period of five years.



Approval for entered in to the contract for purchase and sale of Goods from MADHAV AGROCHEM PVT LTD amounting to Rs. 10 Crores with an increase of 15% per annum on the terms and conditions as may be decided by the Board of Director of the Company for the period of five years.

Approval for entered in to the contract for purchase and sale of Goods from MADHAV CORP. amounting to Rs. 10 Crores with an increase of 15% per annum on the terms and conditions as may be decided by the Board of Director of the Company for the period of five years.

Approval for entered in to the contract for purchase and sale of Goods from NAFCO COMMODITIES PVT LTD amounting to Rs. 10 Crores with an increase of 15% per annum on the terms and conditions as may be decided by the Board of Director of the Company for the period of five years.

#### **Appointment of independent Director**

Board has appointed additional directors

1. Mr. Mukesh Kumar Jhawar
2. Mr. Vijay Singh Bharkatiya
3. Mr. Vani Gupta

as Independent director of the company in the duly convened Board meeting held on 16th August 2016 till the next general meeting of the company.

#### **Appointment of Key Managerial Personnel under section 203 of Companies Act,2013.**

Name	Designation	Date of Appointment	Date of cessation
Miss Neetu Dubey	Company Secretary	16/ 08/2016	20/01/2017
Mr. Prashant Jain	CFO	16/ 08/2016	16/01/2017
Miss karishma kakkar	Company Secretary	8/03/2017	
Mr. Vidit garg	CFO	8/03/2017	

\* During the Previous year provision of Corporate Social Responsibility has applied on the Company, however Company has not spent any amount on it.

**For Neelesh Gupta & Co.,**  
Company Secretaries

Date: 21/08/2017  
Place: Indore

**CS. Neelesh Gupta**  
Proprietor  
C.P. No.6846



To,

The Members,

**AGRO PHOS (INDIA) LIMITED**

CIN- L24123MP2002PLC015285

M-87, TRADE CENTRE 18M,

SOUTH TUKOGANJ,

INDORE MP 452001 IN

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.
  - Company has held all requisite no. of Board Meetings/audit committee meetings/ Nomination & Remuneration committee complied with the provision of Companies Act, 2013.
  - Management properly maintained minutes book and duly authenticated by the chairman.
  - Management has kept and properly entered records in all statutory books in their registered office
  - No request for transfer or transmission of shares have been received by the company during the year
  - Notice of Board meetings were duly sent to all the directors.
  - Notice of annual general meeting has been duly sent to all the members.
  - Company has not obtained secured loans from banks/ financial institutions and duly entered in statutory register.
  - company has not directly indirectly advanced any loans to any of the its Director or KMP or any other person in whom the director is interested or given any guarantee or provided any security in connection with any loan taken by him or such other person (under section 185 & 188)
  - Company has not accept any deposit (u/s 73)
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, Standards are 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 Neelesh Gupta & Co.,**  
Company Secretaries

Date: 21/08/2017

Place: Indore

**CS. Neelesh Gupta**  
Proprietor  
C.P. No.6846



**ANNEXURE - E**  
**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**  
**ANNEXURE TO DIRECTORS REPORT**

**OVERVIEW**

Incorporated in 2002, our Company M/s. Agro Phos (India) Limited is an ISO 9001:2008 certified Company engaged in the manufacturing of fertilisers such as Single Super Phosphate (SSP), Nitrogen Phosphate and Potassium (NPK), Zinc Sulphate, Organic manure and Calcium Sulphate commonly known as soil conditioner or gypsum. Our Company also undertakes trading of Diammouium Phosphate (DAP), Urea, Ammonium Sulphate and other fertilizers depending upon the demand of the customer.

Our manufacturing facilities are located at Dewas and Meghnagar, Madhya Pradesh Our Company is well equipped with in-house testing laboratory to test the products as per quality standards and relevant chemical composition. In our quest to maintain high standards of quality for our products, we have imported testing machine to test the product in real time basis. The final product has to pass special quality test to ensure that it is of the requisite quality and contains the requisite chemical composition. We use gazette bags for packing of our products. These bags are very easy to handle and

facilitates easy stacking as well. Apart from providing quality products at an affordable cost, our company also emphasizes on the product reach through its distribution network. We have over 200 dealers and distributors.

The company has built Market capabilities and Distribution network to meet out the requirement in domestic markets & continually strives to enhance market presence as well as explore new markets & territories for growth.

**INDIAN ECONOMY OVERVIEW**

In India, agriculture is the largest sector of economic activity. It provides food, raw materials and above all, the employment to a very large proportion of population. The national output depends on the output in agriculture, as it is one of the most dominating sectors in India. For the same reason, it has to provide the capital required for its own development and make available surplus for national economic development. At the same time, the exports of primary produce earn valuable foreign exchange which can be used to import capital goods for the development of industry and infrastructure. Because of all these reasons, an improved and efficient agriculture is a dire necessity in our economy. The vital role of agriculture arises out of the position the agrarian sector occupies in the overall economy of the country. 80 percent per cent of the population resides in the rural areas and 72 per cent of the work force depends on agriculture for their livelihood. Agriculture is the back-bone of the Indian economy, and hence, the very existence of economic activities of entire people in the country is dependent on the state and health of its agriculture sector. Since last 40 years, the fertilizer industry in India has grown tremendously. The Government is keen to see that fertilizer reaches the farmers in the distant and hilly areas. This is the reason why it has been decided to decontrol the prices, distribution and movement of phosphatic and potassic fertilizers. Some steps are implemented to assure an increase in the supply of chemical fertilizers at reasonable prices. In India. Fertilizer Industry is the push on accelerating fertilizer consumption by fixing, on the one hand, low and similar price for fertilizers, and on the other hand providing the manufacturers ample compensation through the retention price and subsidy scheme. Due to such corrective steps, the fertilizer nutrient demand has gone up.

**OUTLOOK AND PROSPECTS**

Fertilizer is a substance to soil to improve plants' growth and yield. First used by ancient farmer's fertilizer technology developed significantly as the chemical needs of growing plants were discovered. Modern synthetic fertilizers are composed mainly of nitrogen, phosphorous and potassium compounds us the secondary nutrients added. The use of synthetic fertilizers has significantly improved the quality and quantity at the food available today and Government's ambitious target towards doubling the farmer income by 2022 so demand of the fertilizer will also increase in future.

**(1) Industry structure and developments:**

The fertilizer industry in India consists of three major players; The Government owned Public Sector undertakings, Cooperative Societies like KRIBHCO, IFFCO and units from Private sector. There are about 33 major producers producing N, NP and NPK fertilizers in the country at present. The fertilizer industry of India had made constructive use of the fertilizer subsidy provided by the Government of India to ensure that the country achieved reasonable self-sufficiency in food grain production. The fertilizer industry has organized itself through Fertilizer Association of India to coordinate with the Government of India to achieve the macro-economic objectives related to agricultural sector and to provide other services. Indian fertilizer industry has succeeded in meeting almost fully the demand of all chemical fertilizers.

**CONCERNS:**

Our Company's future costs and revenues will be determined by demand/supply situation, government, policies, subsidies available and prices of raw material.

Risk and Government policy risk, competition risk: In the fertilizer industry and pretty much any other commodity companies—revenue depends on fertilizer prices and the quantity of fertilizer companies sell. Fertilizer prices



are driven by industry capacity, rivalry (competition among firms), marginal producers' cost, proximity to customers, inventory, and demand. Demand, in turn, is driven by fertilizer prices, crop economics, currencies, cycles, economic activity, and macro factors like subsidy programmes of government. Crop economics consist of factors like crop inventory, crop demand and supply, and crop prices, which depend on economic activity, food consumption, diet patterns, crop yields, nutrient application, weather, plantation, and energy consumption.

#### **OUTLOOK:**

It is universally accepted that the use of chemical fertilizer is an integral part of the package of practice for raising the agricultural production to a higher place. Studies continued by the Food and Agricultural Organization of the United Nations (FAO) have established beyond doubt that there is a close relationship between the crop yields and fertilizer consumption level. More over the nutritional requirement of different crops could not be fully met with the use of organic manures like FYM and other bulky organic manures like neem cack, castor cack, groundnut cack etc. for want of their availability in adequate quantities. And increasing agriculture production in India by area increasing process is no longer possible as cultivable and left over is only marginal. Further a considerable cultivable land is being diverted year after year for housing and industrial etc. Hence self sufficiency in food lies in increasing the yield per unit area per unit time through adoption of modern agricultural technology. Fertilizer have the advantages of smaller bulk easy transport relatively quick in an availability at plan- food constituents and the facility of their application in proportion suited to the actual requirements of crops and soils and to improve our agriculture output India needs more fertilizers.

#### **Internal Control Systems and their adequacy:**

The Company has clearly laid down policies, guidelines and procedures that form a part of the internal control system which provide for automatic checks and balances. The Audit committee reviews the effectiveness and efficiency of these systems to ensure that all the assets are protected against loss and that the financial and operational information is complete and accurate.

Audits are finalized and conducted based on the internal risk assessment. Significant findings are brought to the notice of the Audit committee of the Board and corrective measures recommended for implementation. Our work opportunities and competitive compensation policy helps us in attracting and retaining our personnel.

#### **Human relations:**

The company lays special emphasis to the human resources function in our organization and believes.

The company has an elaborate performance evaluation system in place involving goal setting, and periodic reviews involving confirmation and annual reviews. The review sessions impress upon several aspects of the professionals careers such as career and competency development, financial rewards and recognition. We endeavor to link careers to competencies, individual preferences and organizational needs.

The compensation package has a fixed component and a variable component linked to the corporate and individual performance.

#### **Safety:**

Safety management is integrated with the Company's overall environment, health and safety (EHS) management system and zero accident is taken up as the Company's goal. The following measures have been taken by the Company:

- Identification of hazard and risk present in work environment and its rectification.
- Continuous monitoring of unsafe condition and unsafe acts through safety inspection.
- Safety induction training for all employees and specific job safety awareness programs on a continuous basis.

Our factory are well equipped with required facilities including machinery, crane, conveyor belt, other handling equipments to facilitate smooth manufacturing process and easy logistics. We endeavor to maintain safety in our premises by adhering to key safety norms. Our manufacturing process is completely integrated from procurement of raw materials and final testing and packing of fertilisers for direct use of our customers.

#### **Environment friendly operations:**

Environmental protection is a prime concern for us and we are aware of our core responsibility to the society in this regard

#### **Cautionary Statement:**

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations 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 the Company's operations include, among other things, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in Government regulations, tax laws and other statutes and incidental factors.



Annexure to the Directors Report

**Annexure 'F'**

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31/03/2017

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

**I. REGISTRATION AND OTHER DETAILS:**

i) CIN	L24123MP2002PLC015285
ii) Registration Date	19/09/2002
iii) Name of the Company	AGRO PHOS (INDIA) LIMITED
iv) Category/Sub-Category of the Company	Company limited by shares/Indian Non Government
v) Address of the Registered office and contact details	M-87, Trade Centre 18m, South Tukoganj, Indore
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	<b>Bigshare Services Pvt. Ltd.</b> 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra. Tel No: 91-22-6263 8200

**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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Fertilizers and agrochemical products	9961172	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES- NIL**

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of sharesheld	Applicable Section

**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 [As on 31st March 2016]				No. of Shares held at the end of the year [As on 31st March 2017]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters.									
(1) Indian									
a) Individual/HUF	0	1712817	1712817	59.5	11002425	0	11002425	54.27	-5.23
b) Central Govt.	0	0	0	0	0	0	0	0	-
c) State Govt.(s)	0	0	0	0	0	0	0	0	-
d) Bodies Corp.	0	0	0	0	0	0	0	0	-
e) Bank/FI	0	0	0	0	0	0	0	0	-
f) Any Other...	0	0	0	0	0	0	0	0	
Total Shareholding of Promoter (A)	0	1712817	1712817	59.5	11002425	0	11002425	54.27	-5.23



Category of Shareholders	No. of Shares held at the beginning of the year[As on 1- 04-2016]				No. of Shares held at the end of the year[As on 31-03-2017]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B. Public share holding</b>									
<b>1. Institutions</b>	0								
a) Mutual Funds	0	0	0	0	0	0	0	0	-
b) Bank/ FI	0	0	0	0	0	0	0	0	-
c) Central Govt.(s)	0	0	0	0	0	0	0	0	-
d) State Govt.(s)	0	0	0	0	0	0	0	0	-
e) Venture Capital Fund	0	0	0	0	0	0	0	0	-
f) Insurance Companies	0	0	0	0	0	0	0	0	-
g) FIs	0	0	0	0	0	0	0	0	-
h) Foreign Venture capital Funds	0	0	0	0	0	0	0	0	-
i) Others (Foreign Portfolio Investors)	0	0	0	0	24000	0	24000	0.12	0.12
<b>Sub-Total (B) (1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>24000</b>	<b>0</b>	<b>24000</b>	<b>0.12</b>	<b>0.12</b>
<b>2. Non Institutions</b>									
a) Bodies Corp.	0	0	0	0					
i) Indian	0	0	0	0	1494000	0	1494000	7.37	7.37
ii) Overseas	0	0	0	0	0	0	0	0	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakh	0	86500	86500	3.00	1818000	0	1818000	8.96	5.96
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	0	1079506	1079506	37.50	5275690	0	5275690	26.02	-11.48
c) Others (specify)	0	0	0	0	0	0	0	0	-
Non Resident Indians	0	0	0	0	6000	0	6000	0.03	0.03
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	-
Foreign Nationals	0	0	0	0	0	0	0	0	-
Clearing Members	0	0	0	0	654000		654000	3.23	3.23
Trust	0	0	0	0	0	0	0	0	-
Foreign Bodies DR	0	0	0	0	0	0	0	0	-
<b>Sub Total (B)(2):-</b>	<b>0</b>	<b>1166006</b>	<b>1166006</b>	<b>40.5</b>	<b>9247690</b>	<b>0</b>	<b>9247690</b>	<b>45.62</b>	<b>5.62</b>
Total Public shareholding(B)= (B)(1)+(B)(2)	<b>0</b>	<b>1166006</b>	<b>1166006</b>	<b>40.5</b>	<b>9295690</b>	<b>0</b>	<b>9295690</b>	<b>45.74</b>	<b>5.74</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	-
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>2878823</b>	<b>2878823</b>	<b>100</b>	<b>20274115</b>	<b>0</b>	<b>20274115</b>	<b>100</b>	<b>-</b>



**(B) Shareholding of Promoter**

S. No.	Shareholder's Name	Shareholding at the beginning of the year on			Share holding at the end of the year		
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	%of Shares Pledged / encumbered to total shares	% change in share holding during the year
1.	Rajesh Chand Suhane	102600	3.56	0	81000	0.4	0
2	Rajesh Kumar Suhane (HUF)	10404	0.36	0	8150	0.4	0
3	Ramesh Chand Suhane	109800	3.81	0	1795050	8.85	0
4	Ramesh Chand Suhane (HUF)	41025	1.43	0	242625	1.2	0
5	Raj Kumar Gupta	254340	8.83	0	4300435	21.21	0
6	Raj Kumar Suhane (HUF)	73362	2.55	0	408460	2.01	0
7	Smt. Asha Gupta	0	0	0	551925	2.72	0
8	Rakesh Kumar Gupta	112770	3.92	0	88500	0.44	0
9	Vinod Kumar Gupta	45000	1.56	0	125000	0.62	0
10	Vinod Kumar Suhane (HUF)	52880	1.84	0	158000	0.78	0
11	Vishnu Kant Gupta	146860	5.10	0	1596075	7.87	0
12	Nitin Gupta (Suhane)	46200	1.60	0	231000	1.14	0
13	Abhay Gupta	0	0	0	407520	2.01	0
14	Vishnu Kant Gupta, HUF	28497	0.99	0	189985	0.94	0
15	Shraddha gupta	12500	0.43	0	100000	0.49	0
16	Nitin Suhane HUF	7500	0.26	0	82500	0.41	0
17	Uma Gupta	117240	4.07	0	636200	3.14	0

**(C) Change in Promoters' Shareholding :**

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.					
	At the beginning of the year	1712817	59.5	1712817	59.5
	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):				
	Decrease:				
	Date Reason				
	16/08/2016 Transfer				
	And				
	02/09/2016 Bonus Share Allotment	9289608	(5.43)	9289608	(5.43)
	At the End of the year	11002425	59.5	11002425	54.27

**(D) Shareholding Pattern of top ten Shareholders**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	GLOBE CAPITAL MARKET LTD	0	0	330000	1.63
2	PANTOMATH STOCK BROKERS PRIVATE LIMITED	0	0	288000	1.42
3	RANJANA GUPTA	54900	1.90	274500	1.35
4	EDELCP SECURITIES LIMITED	0	0	258000	1.27
5	RAVI CHAUDA	51120	1.78	255600	1.26
6	ECAP EQUITIES LIMITED	0	0	252000	1.24
7	PAWAN GUPTA	31332	1.08	249160	1.23
8	PREETI GUPTA	0	0	221250	1.09
9	ARATI GUPTA	43956	1.53	219780	1.08
10	RAMAVTAR	37800	1.31	189000	0.93



**(E) Shareholding of Directors and Key Managerial Personnel:**

SN	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>Mr. Raj Kumar Gupta (Managing Director)</b>					
	At the beginning of the year	254340	8.835	254340	8.835
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g.allotment /transfer / bonus/ sweat equity etc):	4046095	12.38	4046095	12.38
	At the End of the year	4300435	21.21	4300435	21.21
<b>Mr. Vishnu Kant Gupta(Wholetime Director)</b>					
	At the beginning of the year	146860	5.101	146860	5.101
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g.allotment /transfer / bonus/ sweat equity etc):	1449215	2.76	1449215	2.76
	At the End of the year	1596075	7.87	1596075	7.87

**V. INDEBTEDNESS**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	204517235.82	0	0	204517235.82
ii) Interest due but not paid	0	0	0	
iii) Interest accrued but not due	0	0	0	
<b>Total (i+ii+iii)</b>	204517235.82	0	0	204517235.82
<b>Change in Indebtedness during the financial year</b>				
• Addition	0	0	0	
• Reduction	6297811.82	0	0	6297811.82
<b>Net Change</b>	<b>(6297811.82)</b>	<b>0</b>	<b>0</b>	<b>(6297811.82)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	198219424	27271690	0	225491114
ii) Interest due but not paid	0	0	0	
iii) Interest accrued but not due	0	0	0	
<b>Total (i+ii+iii)</b>	<b>198219424</b>	<b>27271690</b>	<b>0</b>	<b>225491114</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Raj Kumar Gupta	Vishnu Kant Gupta	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1596774	958064	2554838
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission - as % of profit - others, specify...	0	0	0
5.	Others, please specify	0	0	0
	<b>Total (A)</b>	<b>1596774</b>	<b>958064</b>	<b>2554838</b>
	Ceiling as per the Act			



**B. Remuneration to Executive Directors :**

SN.	Particulars of Remuneration	Remuneration to Executive Directors		Total Amount
		Uma Gupta (Director till 24.08.2016)		
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	190000	-	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	-	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	-	0
2.	Stock Option	0	-	0
3.	Sweat Equity	0	-	0
4.	Commission - as % of profit - others, specify...	0	-	0
5.	Others, please specify	0	-	
	<b>Total (A)</b>	<b>190000</b>	<b>-</b>	<b>190000</b>
	Ceiling as per the Act			

**C. Remuneration to other Directors**

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Vijay Singh Bharkatiya	Mr. Mukesh Kumar Jhawar	Miss Vani Gupta	
1.	Independent Directors				
	• Fee for attending board / committee meetings	14666	14666	14666	44000
	• Commission	0	0	0	0
	• Others, please specify	0	0	0	0
	<b>Total (1)</b>	<b>14666</b>	<b>14666</b>	<b>14666</b>	<b>44000</b>
2.	Other Non-Executive Directors	-	-	-	-
	• Fee for attending board / committee meetings	0	0	0	0
	• Commission	0	0	0	0
	• Others, please specify	0	0	0	0
	Total (2)	0	0	0	0
	<b>Total (B)=(1+2)</b>	<b>14666</b>	<b>14666</b>	<b>14666</b>	<b>44000</b>
	Total Managerial				
	Remuneration	14666	14666	14666	44000
	Overall Ceiling as per the Act	0	0	0	0

**D. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD /MANAGER/WTD:**

SN.	Particulars of Remuneration	Key Managerial Personnel			TOTAL
		Company Secretary	*CFO	*CFO	
		Ms Neetu Dubey ( From 16/08/2016 to 20/01/2017)	Mr. Prasant Jain (From 16/08/2017 to 16/01/2017)	Mr. Vedit Garg (Appointed on 08/03/217)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	104806	131558	36000	272364
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
2.	Stock option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission - as % of profit - others, specify...	0	0	0	0
5.	Others, please specify	0	0	0	0
	<b>Total</b>	<b>104806</b>	<b>131558</b>	<b>36000</b>	<b>272364</b>



**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : None**

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)
<b>A. COMPANY</b>					
Penalty		-	-	-	-
Punishment		-	-	-	-
Compounding		-	-	-	-
<b>B. DIRECTORS</b>					
Penalty		-	-	-	-
Punishment		-	-	-	-
Compounding		-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty		-	-	-	-
Punishment		-	-	-	-
Compounding		-	-	-	-

For and on behalf of the Board of Directors of  
AGRO PHOS (INDIA) LIMITED

Date : 28/08/2017  
Place : Indore

**RAJ KUMAR GUPTA**  
MANAGING DIRECTOR  
DIN: 00244925

**VISHNU KANT GUPTA**  
WHOLE TIME DIRECTOR  
DIN: 05233476



## INDEPENDENT AUDITOR'S REPORT

To  
The Members,  
Agro Phos (India) Limited  
(CIN:L24123MP2002PLC015285)

### **Report on the Financial Statements**

1. We have audited the accompanying financial statements of Agro Phos (India) Limited which comprising of the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

2. The Company's Board of Directors is responsible for the preparation of these financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the financial position and financial performance in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the financial statements by the Directors of the Company, as aforesaid.

### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial control 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 Board of Directors, as well as evaluating the overall presentation of the financial statements.
6. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,
  - a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2017;
  - b) In the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date; and
  - c) In the case of the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.



### Report on Other Legal and Regulatory Requirements

8. As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government in terms of Section 143(11) of the Companies Act, we give in Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
9. 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 financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books.
  - c. The Balance Sheet and the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on 31st March, 2017 and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2017, from being appointed as director in terms of sub section 2 of section 164 of the Companies Act, 2013.
  - f. As required vide rule 10A of the Companies (Audit and Auditors) Rules, 2014 in compliance of clause (i) of sub section 3 of section 143 of the Companies Act, 2013, we give our report on Internal financial controls of the Company in Annexure 'B' attached to this report.
  - 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management-Refer Note 37.

PLACE : INDORE CITY  
DATED : 29.05.2017

For RAJENDRA GOYAL & CO.,  
Chartered Accountants  
(FRN:001256C)

(K. G. Kogata)  
Partner - M.No.072659



## ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

Annexure referred to in Paragraph 8 of the Auditors Report dated 29.05.2017 for the year ended 31st March 2017 of Agro Phos (India) Limited, as required by the Companies (Auditors Report) Order, 2016 (the order) and amendments thereto and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate, we report that:

- (i) (a) The company has maintained reasonable records showing full particulars including quantitative details and situation of fixed assets.
- (b) We are informed that all the assets have been physical-ly verified by the management during the year. No material discrepancies were noticed on such verification.
- (c) The Company is having clear title/lease deeds for freehold and leasehold immovable properties owned by the Company.
- (ii) The major items of inventory have been physically veri-fied at reasonable intervals by the management. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The company has not granted any loans secured or unsecured to any companies, firms, LLPs or other parties covered in the register maintained under section 189 of the Act, hence sub-para a, b and c are not relevant.
- (iv) As explained to us, Company has not made any loans, investments, guarantees and securities and as such the provisions of section 185 and 186 of the Companies Act, 2013 are not applicable.
- (v) The Company has not accepted any deposits within the meaning of rule 2 (1) (c) of the Companies (Acceptance of Deposit) Rules, 2014, hence the directives issued by the Reserve Bank of India, the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed there-under are not applicable to the Company.
- (vi) Cost records have been prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 in respect of products company manufactures. We have broadly reviewed the books of account so maintained by the company, in respect of manufacture of various types of fertilisers and are of the opinion that prima facie the cost accounts and records prescribed have been maintained. However we have not made detailed examination of the records with a view to determining whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess or any other statutory dues applicable to it were outstanding, as at 31st March, 2016 for a period of more than six months from the date they become due.
- (b) According to the information and explanations given to us, and on the basis of our examination of the books of account, there were no dues of income tax, sales tax, service tax, or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.
- (viii) Based on our audit procedures and on the information and explanations given to us, the Company has not defaulted in repayment of dues to banks, financial institutions or Government during the year. The company has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, during the year Company has raised a sum of Rs. 129360000/- (inclusive of share premium) by way of public issue (IPO) and funds so raised have been used by the Company for the purposes for which they were raised.
- (x) Based on the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) Based on the audit procedures performed and the information and explanations given by the management, we report that Company has complied with provisions of section 197 read with schedule V to the Companies Act, 2013 with regard to managerial remuneration paid or provided during the year.



- (xii) Based on the audit procedures performed and the information and explanations given by the management, we report that the Company is not a Nidhi company and as such clause (xii) of the para 3 of the Order is not applicable to the Company.
- (xiii) Based on the audit procedures performed and the information and explanations given by the management, we report that the transactions entered into with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 wherever applicable and details as required under the applicable Accounting Standards have been so disclosed in the financial statements of the Company.
- (xiv) Based on the audit procedures performed and the information and explanations given by the management, we report that during the year, Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures, hence clause (xiv) of the para 3 of the Order is not applicable to the Company.
- (xv) Based on the audit procedures performed and the information and explanations given by the management, we report that during the year, Company has not entered into any non-cash transactions with directors or persons connected with them hence clause (xv) of the para 3 of the Order is not applicable to the Company.
- (xvi) Based on the audit procedures performed and the information and explanations given by the management, we report that Company is not required to be registered under section 45-IA of the Reserve Bank of India 1934.

PLACE : INDORE CITY  
DATED : 29.05.2017

For RAJENDRA GOYAL & CO.,  
Chartered Accountants  
(FRN:001256C)

(K. G. Kogata)  
Partner - M.No.072659



## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

Annexure referred to in Paragraph 9 (f) of the Auditor's Report for the year ended 31st March, 2017 of Agro Phos (India) Limited, as required under rule 10A of the Companies (Audit and Auditors) Rules, 2014 in compliance of clause (i) of sub section 3 of section 143 of the Companies Act, 2013 (the Act) and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate, we report that:

We have audited the internal financial controls over financial reporting of Agro Phos (India) Limited, as on March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The management Agro Phos (India) Limited 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". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

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

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

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

### Meaning of Internal Financial Controls over Financial Reporting

An entities 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. An entities 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 Company, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were commensurate with the nature of the business of the Company and operating effectively as at March 31, 2017, 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”.

PLACE : INDORE CITY  
DATED : 29.05.2017

For RAJENDRA GOYAL & CO.,  
Chartered Accountants  
(FRN:001256C)

(K. G. Kogata)  
Partner - M.No.072659

**Balance Sheet as at 31st March, 2017**

(Amount in Rs.)

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016
<b>(A) EQUITY AND LIABILITIES:</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	1	202741150.00	28788230.00
(b) Reserves and surplus	2	169538476.14	202147624.73
(c) Money received against share warrants		0.00	0.00
		<b>372279626.14</b>	<b>230935854.73</b>
<b>(2) Share application money pending allotment</b>			
		0.00	0.00
<b>(3) Non-current liabilities</b>			
(a) Long-term borrowings	3	11075840.00	49880688.00
(b) Other long-term liabilities	4	3302384.00	13007000.00
(c) Deferred tax liabilities (net)		0.00	0.00
(d) Long-term provisions	5	817821.00	891577.00
		<b>15196045.00</b>	<b>63779265.00</b>
<b>(4) Current liabilities</b>			
(a) Short-term borrowings	6	214415274.30	154636547.82
(b) Trade payables	7	226560949.07	210621123.98
(c) Other current liabilities	8	27089614.73	26459121.28
(d) Short-term provisions	9	31199194.00	31712770.00
		<b>499265032.10</b>	<b>423429563.08</b>
		<b>886740703.24</b>	<b>718144682.81</b>
<b>(B) ASSETS:</b>			
<b>(1) Non - Current Assets</b>			
(a) Fixed assets	10		
(i) Tangible assets		157982073.27	165879392.27
(ii) Intangible assets		0.00	0.00
(iii) Capital work-in-progress		1356128.00	1734316.00
(iv) Intangible assets under development		0.00	0.00
(v) Fixed assets held for sale		0.00	0.00
(b) Non current investments	11	3500000.00	0.00
(c) Deferred Tax Asset	12	18916196.81	29406082.81
(d) Long-term loans and advances	13	29918105.00	28116905.00
(e) Other non-current assets	14	86121334.00	43263521.00
		<b>297793837.08</b>	<b>268400217.08</b>
<b>(2) Current assets</b>			
(a) Current investments		0.00	0.00
(b) Inventories	15	129302014.39	131928985.85
(c) Trade receivables	16	295749094.42	154627075.09
(d) Cash and cash equivalents	17	34175131.51	10883895.26
(e) Short-term loans and advances	18	25764277.84	22534594.53
(f) Other current assets	19	103956348.00	129769915.00
		<b>588946866.16</b>	<b>449744465.73</b>
		<b>886740703.24</b>	<b>718144682.81</b>

Notes attached hereto form an integral part of these financial statements

1 to 39

For and on behalf of the Board of Directors  
For Agro Phos (India) LimitedRajkumar Suhane  
Managing Director  
(DIN:00244925)Vishnukant Gupta  
Whole-time Director  
(DIN:05233476)Vidit Garg  
Chief Financial OfficerKarishma Kakkar  
Company Secretary  
(M.No.A46187)

In terms of our report attached.

For Rajendra Goyal & Co.,  
Chartered Accountants  
(FRN : 001256C)(K. G. Kogata)  
Partner - M. No. 072659PLACE : INDORE  
DATE : 29.05.2017PLACE : INDORE  
DATE : 29.05.2017

**Statement of Profit & Loss for the year ended 31st, March, 2017**

(Amount in Rs.)

Particulars	Note No.	For the year ended 31.03.2017	For the year ended 31.03.2016
<b>1</b> Revenue from operations (gross)	20		
(a) Sale of products		638033469.74	566902093.05
(b) Sale of services		0.00	0.00
(c) Other operating revenues		163743863.30	227299558.48
		801777333.04	794201651.53
Less: Excise duty		3045157.00	4315042.00
Revenue from operations (net)		798732176.04	789886609.53
<b>2</b> Other income	21	2595181.00	4244732.75
<b>3 Total revenue (1+2)</b>		<b>801327357.04</b>	<b>794131342.28</b>
<b>4 Expenses</b>			
(a) Cost of materials consumed	22 a	315961312.26	325304165.92
(b) Purchases of stock-in-trade	22 b	150666132.07	164722099.34
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22 c	35130609.14	-32599158.58
(d) Employee benefits expense	23	17778102.00	17760392.76
(e) Finance costs	24	28054188.72	32050625.44
(f) Depreciation and amortisation expense	10	10538738.00	10487231.00
(g) Other expenses	25	214560828.44	225280156.62
<b>Total expenses</b>		<b>772689910.63</b>	<b>743005512.50</b>
<b>5 Profit before tax (3 - 4)</b>		<b>28637446.41</b>	<b>51125829.78</b>
<b>6 Tax expense:</b>			
(a) Current tax expense for current year		5992899.00	10573385.00
(b) Income tax paid for earlier years		170890.00	285982.81
(c) Deferred Tax Asset/Liability		10489886.00	16181516.00
		16653675.00	27040883.81
<b>7 Profit for the year (5 - 6)</b>		<b>11983771.41</b>	<b>24084945.97</b>
<b>8 Earnings per share (of 10/- each):</b>			
Basic & Diluted		0.72	1.67
<b>Notes attached hereto form an integral part of these financial statements</b>	1 to 39		

For and on behalf of the Board of Directors  
For Agro Phos (India) Limited

**Rajkumar Suhane**  
Managing Director  
(DIN:00244925)

**Vishnukant Gupta**  
Whole-time Director  
(DIN:05233476)

In terms of our report attached.  
**For Rajendra Goyal & Co.,**  
Chartered Accountants  
(FRN : 001256C)

**Vidit Garg**  
Chief Financial Officer

**Karishma Kakkar**  
Company Secretary  
(M.No.A46187)

**(K. G. Kogata)**  
Partner - M. No. 072659

PLACE : INDORE  
DATE : 29.05.2017

PLACE : INDORE  
DATE : 29.05.2017



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017** (Amount in Rs.)

Particulars	31.03.2017	31.03.2016
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before taxation and extra-ordinary items	28637446.41	51,125,829.78
<b>Add\Less adjustments for :</b>		
- Depreciation / amortisation	10538738.00	10,487,231.00
- Interest received on Fixed Deposit	(1,135,561.00)	(1,494,912.00)
- Interest on Loan	27313143.41	25,668,224.69
Operating Profit before Working Capital Changes	<b>65,353,766.82</b>	<b>85,786,373.47</b>
<b>Adjustments for changes in working capital :</b>		
- (Increase)/Decrease in Trade and other receivables	(141,122,019.33)	(73,903,784.07)
- (Increase)/Decrease in Inventories	2,626,971.46	(43,353,231.01)
- (Increase)/Decrease in Short Loans & Advances	(3,229,683.31)	(2,623,499.99)
- (Increase)/Decrease in Other Current Assets	25,813,567.00	(69,170,355.00)
- Increase/(Decrease) in Trade and other payables	15,939,825.09	108,901,223.92
- Increase/(Decrease) in Long term Trade and other payables	(9,704,616.00)	(11,400,930.00)
- Increase/(Decrease) in Other Current Liabilities	8,214,563.09	9,865,305.64
- Increase/(Decrease) in Long term Provisions	(73,756.00)	891,577.00
- Increase/(Decrease) in Other Long Term Liabilities	-	-
- (Increase)/Decrease in other Long Term Loans And Advances	1,559,649.00	(1,380,888.00)
- (Increase)/Decrease in Long Term Loans And Advances	(53,593.00)	(23,730.00)
Cash Generated from Operations	(34,675,325.18)	3,588,061.96
- Taxes paid (net)	9871066.00	7,755,438.00
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>(44,546,391.18)</b>	<b>(4,167,376.04)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets- Dewas Unit	(230,803.00)	(1,115,555.00)
WIP Dewas Unit	(48,900.00)	(1,007,063.00)
WIP Meghnagar	(1,356,128.00)	-
Purchase of Fixed Assets- Meghnagar	(627,400.00)	(4,783,602.00)
- (Increase)/Decrease in Non Current Investment	(3,500,000.00)	-
- (Increase)/Decrease in Other Non Current Assets	(46,012,139.00)	-
-(Investment) /Proceeds on FDR	(829,427.00)	(1,960,000.00)
-Interest Received on Bank FDR's	1,989,259.00	721,749.00
<b>NET CASH USED IN INVESTING ACTIVITY (B)</b>	<b>(50,615,538.00)</b>	<b>(8,144,471.00)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITY</b>		
- Issue of Equity Shares During The Period	58,800,000.00	-
- Premium on Issue of Shares	70,560,000.00	-
- Interest on Loan	(27,313,143.41)	(25,668,224.69)
- Increase\Decrease in Short Term Borrowings(Net)	59,778,726.48	39,188,208.16
- Increase\Decrease in Long Term Borrowings(Net)	(46,388,917.64)	(6,149,300.50)
<b>NET CASH USED IN FINANCING ACTIVITY (C)</b>	<b>115,436,665.43</b>	<b>7,370,682.97</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENT (A+B+C)</b>	<b>20,274,736.25</b>	<b>(4,941,164.07)</b>
Cash and cash equivalents at the beginning of the period	478,895.26	5,420,059.33
Cash and cash equivalents at the end of the period	<b>20,753,631.51</b>	<b>478,895.26</b>
Cash and cash equivalents comprise of :-		
Cash and cheques in hand	708,105.00	128,933.00
Balances with scheduled banks	20,045,526.51	349,962.26
<b>Total</b>	<b>20,753,631.51</b>	<b>478,895.26</b>

Notes attached hereto form an integral part of these financial statements

1 to 39

For and on behalf of the Board of Directors  
For Agro Phos (India) Limited

**Rajkumar Suhane**  
Managing Director  
(DIN:00244925)

**Vishnukant Gupta**  
Whole-time Director  
(DIN:05233476)

**Vidit Garg**  
Chief Financial Officer

**Karishma Kakkar**  
Company Secretary  
(M.No.A46187)

In terms of our report attached.  
**For Rajendra Goyal & Co.,**  
Chartered Accountants  
(FRN : 001256C)

**(K. G. Kogata)**  
Partner - M. No. 072659

PLACE : INDORE  
DATE : 29.05.2017

PLACE : INDORE  
DATE : 29.05.2017



**Notes forming of the Financial Statements**

**Note 1 - Share capital**

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Number of Shares	Amount	Number of Shares	Amount
(a) Authorised Equity shares of Rs. 10/- each with voting rights	21000000	210000000.00	5000000	50000000.00
Total	<b>21000000</b>	<b>210000000.00</b>	<b>5000000</b>	<b>50000000.00</b>
(b) Issued, Subscribed and fully paid up Equity shares of Rs. 10/- each with voting rights	20274115	202741150.00	2878823	28788230.00
Total	<b>20274115</b>	<b>202741150.00</b>	<b>2878823</b>	<b>28788230.00</b>

**Note 1A - Share Capital Reconciliation**

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Number of Shares	Amount	Number of Shares	Amount
<u>Equity shares with voting rights</u>				
Balance as at commencement of the year	2878823	28788230.00	2878823	28788230.00
Bonus Share Issued	11515292	115152920.00	0	0.00
New Equity Shares Issued during the year	5880000	58800000.00	0	0.00
Balance as at the end of the year	20274115	202741150.00	2878823	28788230.00

**Note 1B - Details of shares held by each shareholder holding more than 5% shares**

Class of shares/Name of shareholder	As at 31st March, 2017		As at 31st March, 2016	
	Number of Shares held	%holding in that class of sheres	Number of Shares held	%holding in that class of sheres
<b>Equity shares with voting rights</b>				
Raj Kumar Suhane	4075435	20.10	254340	8.83
Vishnu Kant Gupta	1596075	7.87	146860	5.10
Ramesh Chand Suhane	1795050	8.85	0.00	0.00

**Note 1C - Details of shares issued as Bonus Shares**

During the F Y 2016-17, Company has issued 11515292 equity shares of Rs. 10/- each as fully paid Bonus Shares by capitalising amount aggregating to Rs. 115152920/- out of balance lying in Share Premium Account and Profit & Loss Account.

**Note 2 - Reserves and surplus**

Particulars	As at 31st March, 2017	As at 31st March, 2016
(a) <u>Capital Reserve</u>		
As per last Balance Sheet	1999500.00	499500.00
Capital Subsidy Received during the year	0.00	1500000.00
	<b>1999500.00</b>	<b>1999500.00</b>
(b) <u>Securities premium account</u>		
Opening balance	15178870.00	15178870.00
Add : Premium on shares issued during the year	70560000.00	0.00
Less: Bonus Share Issued	15178870.00	0.00
Closing balance	<b>70560000.00</b>	<b>15178870.00</b>
(c) <u>Surplus in Statement of Profit and Loss</u>		
Opening balance	184969254.73	160884308.76
Add: Profit for the year	11983771.41	24084945.97
Less: Bonus Share Issued	-99974050.00	
Closing balance	<b>96978976.14</b>	<b>184969254.73</b>
<b>Total</b>	<b>169538476.14</b>	<b>202147624.73</b>



**Note 3 - Long-term borrowings**

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Non-Current	Current	Non-Current	Current
<b>Secured Loans:</b>				
<u>From Banks:</u>				
HDFC Bank (Car loan) (Secured by hypothecation of Maruti Swift and Personal Guarantee of Directors)	0.00	0.00	0.00	31730.85
HDFC Bank (Car loan) (Secured by hypothecation of Beat Car and Personal Guarantee of Directors)	0.00	0.00	0.00	52338.79
<u>Term Loan from Madhya Pradesh Financial Corporation</u> (Secured by Equitable mortgage of company's property i.e. SSP Plant located at Industrial Area, Meghnagar & hypothecation of all Plants & Machinery installed & erected at above location)	11075840.00	0.00	49880688.00	7500000.00
<b>Total</b>	<b>11075840.00</b>	<b>0.00</b>	<b>49880688.00</b>	<b>7584069.64</b>

**Note 4 - Other long-term liabilities**

Particulars	As at 31st March, 2017	As at 31st March, 2016
(a) Trade Payables (over one year old)	2295384.00	12000000.00
(b) Dealership Deposit	1007000.00	1007000.00
<b>Total</b>	<b>3302384.00</b>	<b>13007000.00</b>

**Note 5 - Long Term Provisions**

Particulars	As at 31st March, 2017	As at 31st March, 2016
Provision for Gratuity	817821.00	891577.00
<b>Total</b>	<b>817821.00</b>	<b>891577.00</b>

**Note 6 - Short term borrowings**

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Secured Loans</b>		
CC loan from Union Bank of India, Siyaganj, Indore (Secured by hypothecation of Inventories & Book debts. Also Secured by personal guarantee of Directors of the company)	147697680.30	154625805.82
CC Loan from Punjab National Bank, Indira Complex, Indore (Secured by pledge of Warehouse Receipts of the agriculture commodities and fertilizers which have been stored or may be stored with the Central/State Warehousing Corporation. Also Secured by personal guarantee of Directors of the company)	39445904.00	10742.00
<b>Unsecured Loans</b>		
OD against IMP LC Bills from Union Bank of India, Siyaganj, Indore (A/c No. 326207120000006)	27271690.00	0.00
<b>Total</b>	<b>214415274.30</b>	<b>154636547.82</b>



**Note 7- Trade payables**

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Non-Current	Current	Non-Current	Current
Dues to micro, small and medium enterprises	0.00	0.00	0.00	0.00
Dues to others	2295384.00	226560949.07	12000000.00	210621123.98
<b>Total</b>	<b>2295384.00</b>	<b>226560949.07</b>	<b>12000000.00</b>	<b>210621123.98</b>

**Note 8 - Other current liabilities**

Particulars	As at 31st March, 2017	As at 31st March, 2016
(a) Current maturities of long-term debt (Refer Note 3)	0.00	7584069.64
(b) Interest accrued but not due on MPFC Loan	416482.00	1978466.00
(c) Outstanding expenses	3847534.35	2870655.00
(d) Advance received for supply of goods	11291952.27	7772701.00
(e) Rent Deposits Received (Gold Plaza)	177000.00	171000.00
(f) Statutory Liabilities	10781204.63	5788658.76
(g) Credit Bank Balances due to issuance of cheques	575441.48	293570.88
<b>Total</b>	<b>27089614.73</b>	<b>26459121.28</b>

**Note 9 - Short-term provisions**

Particulars	As at 31st March, 2017	As at 31st March, 2016
Income Tax (A.Y.2014-15)	0.00	6506475.00
Income Tax (A.Y.2015-16)	14632910.00	14632910.00
Income Tax (A.Y.2016-17)	10573385.00	10573385.00
Income Tax (A.Y.2017-18)	5992899.00	0.00
<b>Total</b>	<b>31199194.00</b>	<b>31712770.00</b>

**Note 10 Fixed Assets  
Tangible Assets  
Dewas Unit**

S.No.	Particulars	Gross Block				Depreciation				Net Block	
		Opening Balance as on 01.04.16	Additions during the year	Deductions during the year	Balance as on 31.03.2017	Upto 01.04.16	For the April 16 to March-17	Written back	Upto 31.03.17	As on 31.03.17	As on 31.03.16
1	2	3	4	5	7 (3+4-5)	8	9	10	11 (8+9-10)	12 (7-11)	13 (3-8)
1	Leasehold Land (Dewas)	185019.00	0.00	0.00	185019.00	0.00	0.00	0.00	0.00	185019.00	185019.00
2	Factory Building	10226601.00	0.00	0.00	10226601.00	2439063.00	316932.00	0.00	2755995.00	7470606.00	7787538.00
3	Office Building	6100000.00	0.00	0.00	6100000.00	896176.00	192161.00	0.00	1088337.00	5011663.00	5203824.00
4	Plant & Machinery	30363813.69	23750.00	0.00	30387563.69	10424846.00	2219261.00	0.00	12644107.00	17743456.69	19938967.69
5	Computers & Software	1038469.00	98871.00	0.00	1137340.00	846991.00	88367.00	0.00	935358.00	201982.00	191478.00
6	Bag Closer Machine	102120.00	0.00	0.00	102120.00	52060.00	8131.00	0.00	60191.00	41929.00	50060.00
7	Air Conditioner	296548.00	0.00	0.00	296548.00	94020.00	31430.00	0.00	125450.00	171098.00	202528.00
8	Office Equipment	796489.00	0.00	0.00	796489.00	425594.00	106311.00	0.00	531905.00	264584.00	370895.00
9	Two Wheelers	276911.00	0.00	0.00	276911.00	86492.00	26308.00	0.00	112800.00	164111.00	190419.00
10	Vehicles(Car)	5157899.00	0.00	0.00	5157899.00	2059831.00	646331.00	0.00	2706162.00	2451737.00	3098068.00
11	Job Excavator	4069939.00	0.00	0.00	4069939.00	2615444.00	266717.00	0.00	2882161.00	1187778.00	1454495.00
12	Lab Equipments	79380.00	0.00	0.00	79380.00	71621.00	1516.00	0.00	73137.00	6243.00	7759.00
13	Gasgen Set	2575783.75	0.00	0.00	2575783.75	583515.00	169407.00	0.00	752922.00	1822861.75	1992268.75
14	Furniture & Fixture	526413.00	1783216.00	0.00	2309629.00	37507.00	134712.00	0.00	172219.00	2137410.00	488906.00
15	Mobile Equipment	0.00	108182.00	0.00	108182.00	0.00	8312.00	0.00	8312.00	99870.00	0.00
	<b>Total Rs.</b>	<b>61795385.44</b>	<b>2014019.00</b>	<b>0.00</b>	<b>63809404.44</b>	<b>20633160.00</b>	<b>4215896.00</b>	<b>0.00</b>	<b>24849056.00</b>	<b>38960348.44</b>	<b>41162225.44</b>
	<b>Previous Year Figures</b>	<b>60153417.44</b>	<b>1641968.00</b>	<b>0.00</b>	<b>61795385.44</b>	<b>16290953.00</b>	<b>4342207.00</b>	<b>0.00</b>	<b>20633160.00</b>	<b>41162225.44</b>	<b>43862464.44</b>

**Meghnagar Unit**

S.No.	Particulars	Gross Block				Depreciation				Net Block	
		Opening Balance as on 01.04.16	Additions during the year	Deductions during the year	Balance as on 31.03.2017	Upto 01.04.16	For the April 16 to March-17	Written back	Upto 31.03.17	As on 31.03.17	As on 31.03.16
1	2	3	4	5	7 (3+4-5)	8	9	10	11 (8+9-10)	12 (7-11)	13 (3-8)
1	Leasehold Land at Plot No. 135A , 138A&67932800	982147.00	0.00	0.00	982147.00	0.00	0.00	0.00	0.00	982147.00	679328.00
2	Leasehold Land at 136A , 137A	2839716.00	0.00	0.00	2839716.00	0.00	0.00	0.00	0.00	2839716.00	982147.00
3	Site Development	55104048.40	0.00	0.00	55104048.40	1835000.00	1744962.00	0.00	3579962.00	51524086.40	53269048.40
4	Building and Godown	65203573.43	474925.00	0.00	65678498.43	4199807.00	4143761.00	0.00	8343568.00	57334930.43	61003766.43
5	Plant and Machinery	5911033.00	0.00	0.00	5911033.00	377936.00	374365.00	0.00	752301.00	5158732.00	5533097.00
6	Electrical Installation & Items	143845.00	0.00	0.00	143845.00	14376.00	13665.00	0.00	28041.00	115804.00	129469.00
7	Lab Equipments	12800.00	144775.00	0.00	157575.00	4264.00	26976.00	0.00	31240.00	126335.00	8536.00
8	Computer & Software	282540.00	0.00	0.00	282540.00	10481.00	17894.00	0.00	28375.00	254165.00	272059.00
9	Bag Closure & stitching Machine	0.00	7700.00	0.00	7700.00	0.00	1219.00	0.00	1219.00	6481.00	0.00
10	Mobile Equipment	131159030.83	627400.00	0.00	131786430.83	6441864.00	6322842.00	0.00	12764706.00	119021724.83	124717166.83
	<b>TOTAL</b>	<b>124875428.83</b>	<b>6283602.00</b>	<b>0.00</b>	<b>131159030.83</b>	<b>296840.00</b>	<b>6145024.00</b>	<b>0.00</b>	<b>6441864.00</b>	<b>124717166.83</b>	<b>124578588.83</b>
	<b>Previous Year Figures</b>	<b>124875428.83</b>	<b>6283602.00</b>	<b>0.00</b>	<b>131159030.83</b>	<b>296840.00</b>	<b>6145024.00</b>	<b>0.00</b>	<b>6441864.00</b>	<b>124717166.83</b>	<b>124578588.83</b>



**Dewas Unit (Capital WIP)**

S.No.	Particulars	Gross Block			Depreciation			Net Block			
		Opening Balance as on 01.04.16	Additions during the year	Deductions during the year	Balance as on 31.03.2017	Upto 01.04.16	For the April 16 to March-17	Written back	Upto 31.03.17	As on 31.03.17	As on 31.03.16
1		3	4	5	7 (3+4-5)	8	9	10	11 (8+9-10)	12 (7-11)	13 (3-8)
1	Furniture & Fixture- Trade Center	1734316.00	489000.00	1783216.00	0.00	0.00	0.00	0.00	0.00	0.00	1734316.00
	<b>Total Rs.</b>	<b>1734316.00</b>	<b>489000.00</b>	<b>1783216.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1734316.00</b>
	<b>Previous Year Figures</b>	<b>2987982.00</b>	<b>1055963.00</b>	<b>2309629.00</b>	<b>1734316.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1734316.00</b>	<b>2987982.00</b>

**Meghnagar Unit (Capital WIP)**

S.No.	Particulars	Gross Block			Depreciation			Net Block			
		Opening Balance as on 01.04.16	Additions during the year	Deductions during the year	Balance as on 31.03.2017	Upto 01.04.16	For the April 16 to March-17	Written back	Upto 31.03.17	As on 31.03.17	As on 31.03.16
1		3	4	5	7 (3+4-5)	8	9	10	11 (8+9-10)	12 (7-11)	13 (3-8)
1	Building and Godown	0.00	1356128.00	0.00	1356128.00	0.00	0.00	0.00	0.00	1356128.00	0.00
	<b>Total Rs.</b>	<b>0.00</b>	<b>1356128.00</b>	<b>0.00</b>	<b>1356128.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1356128.00</b>	<b>0.00</b>



**Note 11 - Non-Current Investments**

(Unsecured, considered good)

Particulars	As at 31st March, 2017	As at 31st March, 2016
<b>Quoted Investments</b>		
<b>Equity Mutual Funds:</b>		
Union Capital Protection Oriented Fund Series 7 - Regular Plan - Growth - INF582M01CN2 [3,50,000 Units (Previous year NIL Units)]	3500000.00	0.00
<b>Total</b>	<b>3500000.00</b>	<b>0.00</b>
<b>Aggregate Value of Quoted Investment:</b>		
- At Cost	3500000.00	0.00
- At Market Value	3515645.00	0.00

**Note 12 - Deferred Tax Asset**

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening Balance of Deferred Tax Asset	29406082.81	45587598.81
Add/(Less): Deferred Tax Asset/(Liability) for the period	-10489886.00	-16181516.00
<b>Total</b>	<b>18916196.81</b>	<b>29406082.81</b>

**Note 13 - Long term loans and advances**

(Unsecured, considered good)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Security deposits	1244680.00	2804329.00
Advance Income Tax/TDS	28673425.00	25312576.00
<b>Total</b>	<b>29918105.00</b>	<b>28116905.00</b>

**Note 14 Other non-current assets**

(Unsecured, considered good)

Particulars	As at 31st March, 2017	As at 31st March, 2016
(a) Interest accrued on deposits	448350.00	1415603.00
(b) Other Bank Balances (Maturing over 12 months)	157392.00	2344465.00
(c) SSP Subsidy Receivable (Due for over 12 months)	85515592.00	39503453.00
<b>Total</b>	<b>86121334.00</b>	<b>43263521.00</b>

**Note 15 Inventories**

(At lower of cost and net realisable value)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Raw materials	75296573.93	42845431.36
Work-in-Progress	6575668.27	315098.76
Manufactured Finished Goods	7979938.76	9650597.67
Stock-in-trade	37612952.25	77333471.99
Packing Material	1836881.18	1784386.07
<b>Total</b>	<b>129302014.39</b>	<b>131928985.85</b>

**Note 16 Trade receivables**

(Unsecured, considered good)

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Non-Current	Current	Non-Current	Current
Outstanding for a period exceeding six months	0.00	70014080.84	0.00	43899453.09
Other trade receivables	0.00	225735013.58	0.00	110727622.00
<b>Total</b>	<b>0.00</b>	<b>295749094.42</b>	<b>0.00</b>	<b>154627075.09</b>



**Note 17 Cash and Bank Balance**

Particulars	As at 31st March, 2017	As at 31st March, 2016
Cash in hand	708105.00	128933.00
Balances with banks		
(i) In current accounts	20045526.51	349962.26
(ii) In deposit accounts		
(a) Maturing within 12 months	13421500.00	10405000.00
{Includes Rs.6241500/- kept as margin money for LC/BG}		
<b>Total</b>	<b>34175131.51</b>	<b>10883895.26</b>

**Note 18 Short-term loans and advances**

(Unsecured, considered good)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Security Deposits	15352861.30	11214793.99
Prepaid Insurance	151142.00	65588.00
Other Advances	10260274.54	11254212.54
<u>Inter Unit Balances:</u>		
Dewas (H.O.)	-260056473.68	-116538178.72
Meghnagar	172107271.13	60459378.06
Raipur	59413679.69	43156955.66
Nagpur	28535522.86	12921845.00
<b>Total</b>	<b>25764277.84</b>	<b>22534594.53</b>

**Note 19 Other Current Assets**

(Unsecured, considered good)

Particulars	As at 31st March, 2017	As at 31st March, 2016
SSP Subsidy Receivable	103956348.00	129769915.00
<b>Total</b>	<b>103956348.00</b>	<b>129769915.00</b>

**Note 20 Revenue from operations**

S.No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
(a)	Gross Sale of products		
	<u>Manufactured goods</u>		
	NPK Products	106180208.13	80305966.00
	SSP Products	296809520.46	363375607.00
	Magnesium Sulphate	3102856.76	0.00
	Calcium Sulphate	309524.00	0.00
	Zinc Sulphate	11348001.00	89708.05
		417750110.35	443771281.05
	Less: Sales Return	459523.95	1583571.00
	Total(a)	417290586.40	442187710.05
	<u>Traded goods</u>		
	DAP	0.00	247333.00
	Amonium Sulphate/Amonium Chloride	9666404.00	5064649.00
	Calcium Sulphate	481903.98	1168573.00
	Phosphate Interstate Sales	0.00	2228550.00
	Urea	576190.00	2641715.00



Zinc Sulphate	7078000.00	0.00
ZINC ASH	33000.00	7004920.00
Others	76512921.00	37009970.00
<b>Total(b)</b>	<b>94348418.98</b>	<b>55365710.00</b>
<b>Inter Unit/Branch Sales</b>		
Manufacturing	71977773.00	66454119.00
Raw Material	8591540.34	2792054.00
Trading Goods	45825151.02	102500.00
<b>Total(c)</b>	<b>126394464.36</b>	<b>69348673.00</b>
<b>Total(a+b+c)</b>	<b>638033469.74</b>	<b>566902093.05</b>
(b) <b>Other Operating Revenue</b>		
- Subsidy on SSP	135220607.00	216143536.00
- Trade Discount	28523256.30	11156022.48
	163743863.30	227299558.48
<b>Total</b>	<b>801777333.04</b>	<b>794201651.53</b>

**Note 21 Other income**

S.No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
(a)	Interest on FDR/SD	1269425.00	1605437.00
(b)	Amount received against Key Man Insurance Policy	0.00	427328.75
(c)	Frieght Subsidy	364000.00	1408550.00
(d)	Rent Income from Gold Plaza	888000.00	803417.00
(e)	Excess Provision for Gratuity Reversed	73756.00	0.00
	<b>Total</b>	<b>2595181.00</b>	<b>4244732.75</b>

**Note 22 (a) Cost of materials consumed**

S.No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
	Opening stock	42845431.36	32563346.40
	Add:Purchases	297391370.47	334641750.88
	Add: Inter Unit/Branch Purchases	51021084.36	944500.00
		391257886.19	368149597.28
	Less: Closing stock	75296573.93	42845431.36
	<b>Cost of material consumed</b>	<b>315961312.26</b>	<b>325304165.92</b>
	<b>Material consumed comprises:</b>		
	NPK	77738153.99	42749250.47
	SSP	233807066.65	282883238.48
	Zinc	3996826.62	-328323.03
	Magnesium	419265.00	0.00
	<b>Total</b>	<b>315961312.26</b>	<b>325304165.92</b>

**Note 22 (b) Purchase of traded goods**

S.No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
	Potash	0.00	6262200.00
	DAP	4227781.52	0.00
	Urea	1552160.60	4013964.92
	MAP	4428573.20	186650.00
	ZINC ASH	6150750.00	7197868.29



Other Items	59899486.75	80607297.13
<u>Inter Unit/Branch Purchase</u>		
SSP	68462639.14	66454119.00
Other Items	5944740.86	0.00
<b>Total</b>	<b>150666132.07</b>	<b>164722099.34</b>

**Note 22(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade**

S.No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
	<u>Inventories at the end of the year:</u>		
	Finished Goods	7979938.76	9650597.67
	Work-in-progress	6575668.27	315098.76
	Stock-in-trade	37612952.25	77333471.99
		<u>52168559.28</u>	<u>87299168.42</u>
	<u>Inventories at the beginning of the year:</u>		
	Finished Goods	9650597.67	10634237.97
	Work-in-progress	315098.76	5513851.79
	Stock-in-trade	77333471.99	38551920.08
		<u>87299168.42</u>	<u>54700009.84</u>
	<b>Net (increase) / decrease</b>	<b>35130609.14</b>	<b>-32599158.58</b>

**Note 23 Employee benefits expense**

S.No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
	<u>Staff Salaries and benefits:</u>		
	Salary (Staff)	6424355.00	8103825.76
	Employers' Contribution to PF (Includes 22007/- for FY 2015-16)	484925.00	417790.00
	Employers' Contribution to ESI	167976.00	176624.00
	Medical Expenses	2540.00	0.00
	Bonus	283399.00	323278.00
	Rent	162000.00	0.00
	Gratuity	0.00	891577.00
	<u>Workers Wages:</u>		
	Labour & Wages	7464069.00	5087298.00
	<u>Directors' Remuneration:</u>		
	Remuneration	2744838.00	2760000.00
	Sitting Fees	44000.00	0.00
	<b>Total</b>	<b>17778102.00</b>	<b>17760392.76</b>

**Note 24 Finance costs**

S.No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
1	Foreign Exchange Fluctuation Loss	(2546643.00)	1390377.00
2	Loss on Cancellation of Forward Contract	0.00	297013.00
3	Interest Paid	28481077.41	27324029.06
4	Bank Charges	2119754.31	3039206.38
	<b>Total</b>	<b>28054188.72</b>	<b>32050625.44</b>



**Note 25 Other expenses**

S.No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
<u>Direct Expenses:</u>			
1	AMC	21500.00	0.00
2	Building Repair & Maintenance	65719.00	659896.00
3	Custom Duty on Import of Material	3338379.00	4632314.00
4	Entry Tax (Includes 3900/- for FY 2015-16)	1043212.00	1375306.65
5	Factory Expense (Includes 35704/- for FY 2015-16)	130825.00	208111.00
6	Freight and Cartage	171046.00	0.00
7	Freight Inward (Includes 88195/-for FY 2015-16)	52566257.00	39412748.50
8	Fuel/ other consumables	8084784.00	4246613.00
9	Gas Supply (Includes 6036.20/- for FY 2015-16)	1743185.38	12910987.00
10	Godown Rent at Port	1766860.00	0.00
11	Hammali Expenses	19935.00	49017.00
12	JCB Running Expenses	1106094.00	824878.00
13	Lab Expenses	84752.00	124525.00
14	Loading & Unloading	2610682.00	2108352.00
15	Machine Repairs & Maintenance	4572859.00	5504301.00
16	Packing Expenses	2449593.00	1588974.00
17	Power & Electricity	10662247.00	7758012.00
18	Processing Charges	1183667.00	4670029.00
19	Port Handling Charges	10836366.00	9695839.00
20	Service Tax	2409469.32	1441986.00
21	Shifting Charges (at Port)	544717.00	0.00
22	Wharfage Charges	288540.00	269664.00
23	Water Supply Expenses	53078.00	53811.00
		<b>105753766.70</b>	<b>96875468.15</b>
<u>Administrative Expenses:</u>			
1	Auditors Remuneration	252626.00	276786.00
2	Annual Listing Fees	51750.00	0.00
3	Sales Tax Assessment 2013-14	0.00	133095.00
4	Sales Tax Assessment 2014-15	278854.00	0.00
5	Computer Stationery & Repair Expenses	24614.00	29090.00
6	Cost Audit Fees	25000.00	0.00
7	Dipawali Expenses	0.00	110542.00
8	Donation	11911.00	4851.00
9	Electricity Charges	94426.00	103100.00
10	Food Expenses	24465.00	0.00
11	Insurance Charges	222122.00	251209.00
12	Internet Expenses	8695.00	14035.84
13	IPO Expenses	8153062.00	0.00
14	Expenses on Increase in Authorised Capital	1440000.00	0.00
15	Rounding off	12.47	14.73
16	Conveyance Expenses	72462.00	117817.00
17	Legal & Professional Expenses (Includes 51300/- for FY 2015-16)	1705433.50	1708113.14
18	Membership & Subscription	40250.00	55897.00
19	NMET Charges	13618.00	0.00
20	Office Expenses	365791.00	579071.00
21	Office Repairs & Maintenance.	0.00	748008.00
22	Security Charges	161293.00	157641.00
23	Postage & Courier Expenses	30025.00	14421.00
24	Professional Tax (Includes 7500/- for FY 2015-16)	12500.00	2500.00
25	Property Tax	68692.00	38381.00



26	Penalty on CST, VAT & ET Assessment	9000.00	35311.00
27	Delayed filing Fees on ST/ Excise Returns	2200.00	0.00
28	Office and Godown Rent	1232953.36	4337737.00
29	Lease Rent & Maintenance Expense	87850.00	94336.00
30	Repairs & Maintenance	316634.00	903276.00
31	Stationery & Printing	218355.00	103633.00
32	Staff Welfare Expenses	99428.00	161311.00
33	Telephone Expenses	270546.00	206764.00
34	Travelling Expenses (Directors)	41305.00	93085.00
35	Foreign Travelling Expenses (Directors)	540418.14	0.00
36	Tour & Travelling Expenses (Others)(Includes 126347 for FY 2015-16)	2672942.22	2325520.42
37	VAT on goods Transferred to Branch for 15-16	566943.00	0.00
38	VAT on goods Transferred to Branch for 16-17	561736.00	0.00
39	Vehicle Running & Maintenance (Includes 29005/-for 2015-16)	993661.00	1008914.00
40	Excise Duty Paid on demand	0.00	129086.00
41	VAT paid for 2014-15	0.00	49457.00
		<b>20671573.69</b>	<b>13793003.13</b>
	<u>Selling &amp; Distribution Expenses:</u>		
1	Advertisement Exp.	169000.00	652872.00
2	Busines Promotion Exp.	75518.00	567401.00
3	Packing Material Consumed	16850558.89	18307406.53
4	MFMS Incentive	97654.00	0.00
5	Freight Outward	35224857.00	61433589.00
6	Hotel Expenses	234886.00	218103.00
7	Cash/ Trade Discount	34221200.16	31818419.81
8	Retailer's /Sales Incentive	107600.00	520605.00
9	Tender Deposit Forefieted	4200.00	0.00
10	Sub Standard Material Deduction	0.00	54204.00
11	Brokerage	0.00	658500.00
12	Godown Rent	662408.00	0.00
13	Godown Rent (Markfed)(Includes 14281/- for FY 15-16)	487606.00	380585.00
		<b>88135488.05</b>	<b>114611685.34</b>
	<b>Total</b>	<b>214560828.44</b>	<b>225280156.62</b>

**AGRO PHOS (INDIA) LIMITED**  
(CIN:L24123MP2002PLC015285)

**Notes forming part of the financial statements for the period ended 31.03.2017**

Note	Particulars
<b>26.0 Corporate information</b>	Agro Phos (India) limited is a closely held public limited company incorporated under the Companies Act, 1956 bearing Corporate Identity No. U24123MP2002PLC015285 dt. 19.09.2002. The Company was initially incorporated as a private limited company under part IX of the Companies Act, 1956 and has been converted into public limited company w.e.f. 28.02.2004 and accordingly all assets, liabilities, rights, entitlements, contracts etc. of erstwhile partnership firm M/s. Agro Phos (India) vest into the Company as a going concern. Company commenced its business from the date of incorporation and established its manufacturing facilities at Industrial Area, Dewas (M.P.) During the year 2014-15 company has commenced commercial production from its new manufacturing facility at Meghnagar Distt. Jhabua (M.P.) The principal place of business as well as the Registered and Corporate Office of the company is located at Indore (M.P.)
<b>27.0 Significant accounting policies &amp; Notes on account</b>	
<b>27.1 Basis of accounting and preparation of financial statements</b>	The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention in accordance with the requirements of the Companies Act, 2013 in terms of schedule III.
<b>27.2 Revenue recognition</b>	<ul style="list-style-type: none"> <li>(i) All Expenses and Income considered payable and receivable as at the period end have been accounted for on accrual basis.</li> <li>(ii) Inter unit/branch transactions have been booked at cost but considered as part of turnover/cost in respective units/branches commencing from financial year 2013-14 and onwards.</li> </ul>
<b>27.3 Fixed assets</b>	All tangible fixed assets are stated at cost of acquisition net of Cenvat wherever applicable, less accumulated depreciation. The cost comprise of purchase price and other attributable expenses incurred upto acquisition and installation.
<b>27.4 Depreciation and amortisation</b>	<ul style="list-style-type: none"> <li>(i) the Company has charged depreciation on Straight Line Method on its assets based on their useful life as stipulated under Schedule II of the Companies Act, 2013.</li> <li>(ii) Depreciation on additions to fixed assets has been charged from the quarter next following the quarter in which the assets have been acquired /created. Similarly on deductions depreciation is charged upto immediately preceding quarter in which the assets are sold/ discarded.</li> </ul>
<b>27.5 Valuation of Inventories</b>	<ul style="list-style-type: none"> <li>(i) Raw material, Trading Stock and Packing Material are valued at cost or net realisable value whichever is less on FIFO basis.</li> <li>(ii) Work in progress is valued at cost incurred upto the stage of production.</li> <li>(iii) Finished Goods is valued at cost or net realisable value whichever is less.</li> </ul>
<b>27.6 Impairment of assets</b>	As at the balance sheet date, the Company assesses the realisable value of all the assets. If there is any indication of fall in the realisable value over carrying cost of the assets, impairment in value of assets is recognised.
<b>27.7 Foreign Currency Transactions</b>	<p><b>Initial Recognition:</b> Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate at the date of the transaction.</p> <p><b>Conversion:</b> Foreign currency monetary items are report-ed using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using exchange rate at the date of the transaction.</p>



**Exchange Differences:** Exchange differences arising on settlement of monetary items or on restatement of monetary items at rates different from those at which they were initially recorded during the period, or re-reported in previous financial statements, are recognized as income or expenses in the period in which they arise.

#### **27.8 Government Grants**

Government grant in the nature of promoter's contribution is credited to Capital Reserve & treated as part of share-holders fund.

Interest subsidy and Project Repest Cost Reimbursement, being revenue related grants, are deducted from the related costs & net expense is debited to Statement of Profit & Loss.

Subsidy received under Nutrient Based Subsidy Policy of Department of Fertilizers, Ministry of Chemicals & Fertilizers, Govt. of India, against concessional sale of SSP is credited to the Statement of Profit & Loss and shown as a part of sale.

#### **27.9 Treatment of VAT/CST**

Sales are recorded net of output VAT/CST, similarly purchases are recorded net of input VAT/CST. Input VAT/CST is adjusted against output VAT/CST and balance VAT/CST liability or VAT/CST receivable is presented in the accounts accordingly.

#### **27.10 Excise duty / service tax**

Sales are recorded net of excise duty/servicetax, similarly cenvat credit, if any available is credited to the respective cost accounts and related cost is recorded net of excise duty/service tax.

#### **27.11 Provisions, contingent liabilities and contingent assets**

- (i) Provisions are recognised for liabilities that can be measured only by using substantial degree of estimation, if
  - a. The company has a present obligation as a result of past event.
  - b. A probable outflow of resources to settle the obligation, and
  - c. The amount of obligation can be reliabaly estimated.
- (ii) Reimbursement/claims receivable against expenditure made/ services rendered is recognised only when it is virtually certain that reimbursement/claim will be received.

#### **27.12 Extraordinary items**

The extraordinary items are income or expenditure that arise from events of transactions that are clearly distinct from the ordinary business activities of the company and therefore not expected to reoccur frequently or regularly.

#### **27.13 Income Tax liability**

- (a) Income tax liability for current tax (under normal calculation or under MAT, as the case may be ) is provided for in the accounts.
- (b) Deferred tax liability (asset) is recognised in the accounts in terms of AS-22 in respect of timing differences originating in the current period and reversing later at the tax rate enacted on the balance sheet date.

#### **27.14 Earning Per Share**

Basic and diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. There are no dilutive securities issued by the Company. Effect of Bonus Shares issued during the year has been considered at the beginning of the earliest period reported as required under AS 20.

#### **28.0 Contingent liabilities not provided for**

- (a) Claims against the Company not acknowledged as debts - NIL (Previous year - NIL)
- (b) Bank guarantees issued by Union Bank of India for a aggregate sum of Rs. 14400000/- (Previous Year - 1300000/-) (margin money deposited in the form of bank fixed deposits with the same bank for a sum of Rs.3600000/- (Previous Year - 325000/-)
- (c) Foreign Letter of Credit issued by Union Bank of India for a sum of Rs.10125000/- (Previous Year - 40207688/-) and outstanding as at the year end. Margin money in the form of fixed deposits of the same bank for a sum of Rs.2554000/- (Previous Year - 10000000/-).



- (d) Revolving Letter of Credit issued by Union Bank of India for a sum of Rs.350000/- (Previous Year - 1337500/-) and outstanding as at the year end. Margin money in the form of fixed deposits of the same bank for a sum of Rs.87500/- (Previous Year - 544000/-).
- (e) Excise Duty Liability in respect of Demand raised by Excise Department amounting to Rs. NIL (Previous Year Rs.325782/-) (Including Interest) for March 2011 to July 2012.
- (f) Other contingent liability NIL (Previous year - NIL)

- 29.0** None of the employees of the company were in receipt of remuneration in excess of limits specified under various provisions of the Companies Act, 2013.
- 30.0** In the opinion of the Board, all the items of current assets, long term loans and advances and other non current assets have a value on realisation in the ordinary course of the business at least equal to the amount at which they are stated.
- 31.0** The various balances of long term loans and advances, other non current assets, trade payables, trade receivables and other items of current assets, as well as current and non current liabilities are unconfirmed from the parties concerned and are subject to reconciliation.
- 32.0** In absence of proper information in respect of trade payables as to their status as Micro, Small and Medium enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006, Company is not in a position to state information required to be disclosed in the notes to the accounts under the provisions of the said Act. Company is trying its best to obtain the required details in this regard.
- 33.0** While preparing the financial statements company has complied with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 34.0** **Income and expenditure in foreign currency:**

Particulars	Currency	For the period ended 31st March, 2017	For the period ended 31st March, 2016
<b>Income:</b>			
Moisture Rebate Received	USD	189908	0
	INR	12597115	0
<b>Expenditure:</b>			
Import of Raw Material (at CIF/CFR Value)	USD	1499750	2039200
	INR	100695835	134021356
Cost of Marine Insurance for CFR Import (Paid in INR)	INR	17260	0
Foreign Tour & Travelling - Director	Indonesian Rupiah	47802823	0
	INR	254169	0
	USD	281	0
	INR	19865	0
	AED	60	0
	INR	1157	0
	SGD	1200	0
	INR	86549	0

**35.0** **Details of payment to auditors**

Particulars	Currency	For the period ended 31st March, 2017	For the period ended 31st March, 2016
Payments to the auditors comprises (net of service tax input credit, where applicable):			
As auditors - statutory audit		138000	115000
For taxation matters		84724	72351
For other services		29902	89435
For IPO Related Services (Booked under IPO Expenses)		230000	0
<b>Total</b>		<b>482626</b>	<b>276786</b>



### 36.0 Related party transactions

Information as required under AS-18 in respect of Related party transactions is as follows:

Name of the related party/Nature of Relation	Nature of transaction	2016-17 (Rs.)	2015-16 (Rs.)
(i) Raj Kumar Gupta - Managing Director	Managerial Remuneration Paid	1596774	1500000
	Rent paid	162000	0
	Unsecured Loan outstanding at the beginning of the period	0	0
	Unsecured Loan taken during the period	0	667900
	Unsecured Loan repaid during the period	0	667900
	Unsecured Loan outstanding at the end of the period	0	0
	Advance received against expenses	1093023	
	Amount repaid against advance	975357	
(ii) Mrs. Uma Gupta-Relative of Director (Director till 24.08.2016)	Salary	280000	330000
	Managerial Remuneration Paid	190000	30000
	Loans & Advances outstanding at the beginning of the period	0	0
	Loans & Advances given during the period	0	1200000
	Loans & Advances Received back during the period	0	1200000
	Loans & Advances outstanding at the end of the period	0	0
(iii) Mr. Vishnukant Gupta-Whole Time Director	Managerial Remuneration Paid	958064	900000
	Advance received against expenses	500000	
	Amount repaid against advance	436902	
(iv) Shri Nitin Suhane-Relative of Director	Salary Paid	480000	480000
(v) M/s. Vinod Sales Corporation (Prop. Rajesh Kumar Suhane-HUF)-Proprietor is HUF of relative of Director	Purchase of Goods	0	757643
	Sales of Goods	0	5271099
	Trade Discount/ Rate Difference Allowed	0	748795
(vi) M/s. Vinod Trading Co. (Prop. Ramesh Chand Suhane) -Proprietor is brother of Managing Director	Purchase of Goods	5172650	6719652
	Sales of Goods	9974000	14161596
	Freight Charges	0	963500
	Trade Discount/ Rate Difference Given	1337000	973824
(vii) Vikas Gupta-Director (Ceased to be Director w e f 05.03.2016)	Managerial Remuneration Paid	N.A.	330000
	Salary	N.A.	30000
(viii) Shradhha Gupta-Relative of Director	Rent	0	96000
(ix) Kiran Gupta-Relative of Director (Vikas Gupta)	Salary	244500	240000
	Rent	N.A.	360000



(x)	Mahadhan Phosphate Pvt. Ltd.-Brother is Director	Purchase of Goods	1060500	1365000
		Trade Discount/ Rate Difference Received	500	233
		Advance given for Purchase of Goods	1700000	0
		Advance received back	1700000	
(xi)	Suhane Agro India Pvt. Ltd.- Brother is Director	Purchase of Goods	18231585	4425231
		Sales of Goods	20792400	19905174
		Trade Discount/ Rate Difference Given	587500	0
		Advance received against supplies to be made	700000	
		Advance returned back	700000	
(xii)	Suhane Housing & Construction Co. - Brother is Partner	Godown Rent	540000	0
(xiii)	Madhav Agrochem Pvt. Ltd.- Brother is Director	Sales of Goods	10149722	5064649
		Advance received against supplies to be made	434071	5585651
		Advance returned back	434071	
		Advance given for Purchase of Goods	1403043	
(xiv)	Madhav Sales Corp. Entity controlled by Relative Director (Vikas Gupta)	Sales of Goods	N.A.	10296940
		Purchase of Goods	N.A.	7088380
		Freight Charges	N.A.	124210
		Trade Discount/ Rate Difference Given	N.A.	433260
(xv)	Nafco Commodities Pvt.Ltd. Company with common Director	Purchase of Goods	4043200	0
		Advance given for supplies	9000	300000
		Trade Discount/ Rate	3500	0
(xvi)	Neetu Gupta-Sister of Director (Vikas Gupta)	Salary	N.A.	252000
		Conveyance Reimbursed	N.A.	500
(xvii)	Prashant Jain (CFO) (16.08.16 to 16.01.17)	Salary	131558	N.A.
(xviii)	Vidit Garg (CFO) (w.e.f. 08.03.17)	Salary	36000	N.A.
(xix)	Neetu Dubey (CS) (16.08.16 to 20.01.17)	Salary	104806	N.A.

**37.0** As required vide MCA notification No. G.S.R. 308 (E) dated 30.03.2017, details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 is as below:

Particulars	Specified Bank Notes (SBN)	Other Denomination Notes	Total
<b>Closing cash in hand as on 08.11.2016</b>	<b>2680500</b>	<b>783563</b>	<b>3464063</b>
(+) Permitted Receipts	0	1894020	1894020
(-) Permitted Payments	8500	2392558	2401058
(-) Amount deposited in Banks	2672000	0	2672000
<b>Closing cash in hand as on 30.12.2016</b>	<b>0</b>	<b>285025</b>	<b>285025</b>



**38.0 Earning per share (basic and diluted)**

Particulars	For the period ended 31st March 2017	For the period ended 31st March 2016
Net profit / (loss) available for equity shareholders	11983771	24084946
Weighted average number of equity shares	16681677	14394115
Par value per share	10	10
Earnings per share from continuing operations - Basic and diluted	0.72	1.67

**39.0 In terms of AS-22, company has recognised deferred tax liability/(asset) for the period as follows:**

Particulars	For the period ended 31st March 2017	For the period ended 31st March 2016
<b>Deferred tax (liability) / asset</b>		
<u>Tax effect of items constituting deferred tax liability</u>		
On difference between book balance and tax balance of fixed assets	0.00	0.00
Losses set-off	12681926.00	18280463.00
<b>Sub Total</b>	12681926.00	18280463.00
<u>Tax effect of items constituting deferred tax assets</u>		
On difference between book balance and tax balance of fixed assets	2098340	1804165.00
Provision for Gratuity	0.00	294782.00
Bonus	93700.00	0.00
<b>Sub Total</b>	2192040.00	2098947.00
Net Deferred tax Asset/(Liability)	(10489886.00)	(16181516.00)

**For and on behalf of the Board of Directors  
For Agro Phos (India) Limited**

Rajkumar Suhane  
Managing Director  
(DIN:00244925)

Vishnukant Gupta  
Whole-time Director  
(DIN:05233476)

Vidit Garg  
Chief Financial Officer

Karishma Kakkar  
Company Secretary  
(M.No.A46187)

PLACE : INDORE  
DATE : 29.05.2017

In terms of our report attached.  
**For Rajendra Goyal & Co.,**  
Chartered Accountants  
(FRN : 001256C)

(K. G. Kogata)  
Partner - M. No. 072659

PLACE : INDORE  
DATE : 29.05.2017



**Form No. MGT-11 Proxy form**

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

CIN : L24123MP2002PLC015285  
 Name of the company : Agro Phos (India) Limited  
 Registered office : M-87, Trade Centre 18m, South Tukoganj Indore MP 452001  
 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:

- Name: ..... Address:.....  
E-mail Id:..... Signature:..... or failing him/her
- Name: ..... Address:.....  
E-mail Id:..... Signature:..... or failing him/her
- Name: ..... Address:.....  
E-mail Id:..... Signature:..... or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the Friday, 29th September 2017 At 12.00 P.M. at Hotel Best Western Plus O2, 31/1, Main Road, South Tukoganj, Indore 31/1, Main Road, South Tukoganj, Indore and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolution type	Description	For	Against
1.	Ordinary Resolution	To receive and adopt the Audited Balance Sheet as at 31st March, 2017 and Profit and Loss Account of the Company for the year ended on 31st March, 2017 and the report of the Directors & Auditors thereon.		
2.	Ordinary Resolution	To appoint Director in place of Mr Abhay Gupta (holding DIN 07595771), who retires by rotation and being eligible offers himself for re-appointment.		
3.	Ordinary Resolution	To appoint M/s Ashok Khasgiwala & Co. as Statutory Auditors of the company and fix their remuneration.		

**Special Business**

S. No.	Resolution type	Description	For	Against
4.	Special Resolution	Appointment of Mr. Abhishek Kalekar as Director who was Appointed as Additional Director		
5.	Special Resolution	Re-appointment of Mr. Raj Kumar Gupta as a Managing Director.		
6.	Special Resolution	Ratification of the remuneration payable to M/s. M.P. Turakhia & Associates., Cost Accountant (Firm Registration No. 000417) for the financial year ended March 31, 2018.		
7.	Special Resolution	To approve the revision in remuneration of Whole time Director of the Company		

Signed this..... day of..... 2017  
 Signature of Shareholder.....  
 Signature of Proxy holder(s).....

Affix Rs.1  
Revenue  
Stamp

**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.
- This is only optional. Please put "x" in the appropriate column against the resolution indicated in the box. If you leave the "For" or "Against" column blank against any or all resolutions. Your proxy will be entitled to be vote in the manner/ as he/she thinks appropriate.

**ATTENDANCE SLIP**

(TO BE SIGNED AND HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

I hereby record my presence at the 15<sup>th</sup> ANNUAL GENERAL MEETING of the Company being held on Friday, 29, September, 2017 Hotel Best Western Plus O2 31/1, Main Road, South Tukoganj, Indore.

NAME (S) OF THE MEMBER (S)	Registered Folio No. ....
	Client ID No. ....

Name of Proxy (in block letters)

(To be filled in, if the proxy attends instead of the Member) .....

Member's/Proxy's  
Signature

--



**AGRO PHOS (INDIA) LIMITED**  
**M-87, Trade Centre 18m, South Tukoganj Indore MP 452001**  
**FORM NO. MGT.12**  
**POLLING PAPER / BALLOT PAPER**

S No	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No./*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	

I hereby exercise my vote in respect of Ordinary/Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No	Particulars	Type of Resolution	No. of shares held by me	I assent to the resolution	I dissent from the resolution
<b>Ordinary Business</b>					
1.	To receive, consider and adopt the Audited Standalone Financial Statements as well as Audited Consolidated Financial Statements of the Company for financial year ended 31st March, 2017 together with the Report of the Board of Directors and the Auditors thereon.	Ordinary Resolution			
2.	To appoint a Director in place of Mr. Abhay Gupta (DIN:), who retires by rotation and being eligible, offers himself for re-appointment.	Ordinary Resolution			
3.	Appointment of M/s Ashok Khasgiwala & Co. Chartered Accountants, Indore (Firm Registration No. 0743C) as the Statutory Auditor in place of the existing Statutory Auditor M/s. Rajendra Goyal & Co., Chartered Accountants (Firm Registration No. 001256C) to hold office for a period of 5 Years.	Ordinary Resolution			

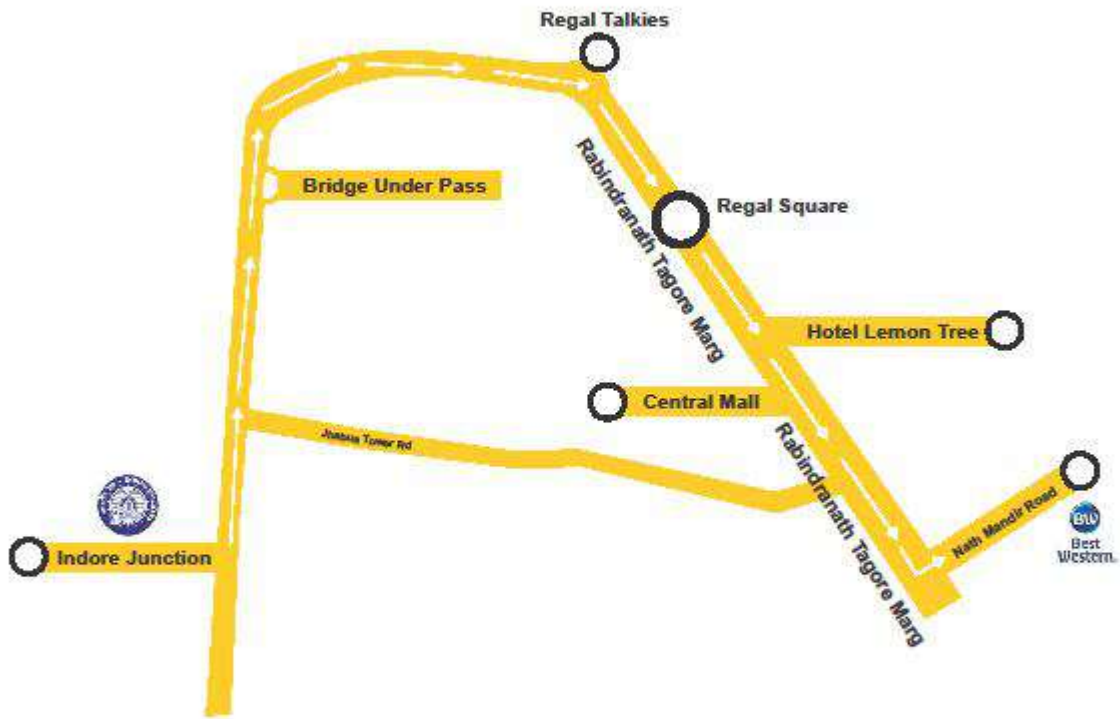
**Special Business**

4.	Appointment of Mr. Abhishek Kalekar as Director who was Appointed as Additional Director	Special Resolution			
5.	Re-appointment of Mr. Raj Kumar Gupta as a Managing Director.	Special Resolution			
6.	Ratification of the remuneration payable to M/s. M.P. Turakhia & Associates., Cost Accountant (Firm Registration No. 000417) for the fi-	Special Resolution			
7.	To approve the revision in remuneration of Whole time Director of the Company	Special Resolution			

Place:  
Date:

(Signature of the shareholder)

Route Map to the Venue of the AGM  
**Hotel Best Western Plus O2**  
31/1 Main Road, South Tukoganj, Indore, Madhya Pradesh 452001



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**BOOK POST**



**Agro Phos India Limited**

**REGISTERED OFFICE**

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