



FLAVOR OF GLOBAL OPPORTUNITIES

Annual Report
2017-18



INDIA GATE

BASMATI RICE



LOOKING BACK AT A GLORIOUS YEAR FOR KRBL



Contents

CORPORATE OVERVIEW

- Theme Introduction **02**
- New Product Launches **04**
- Corporate Information **06**

STATUTORY REPORT

- Management Discussion & Analysis **07**
- Directors' Report **66**
- Report on Corporate Governance **108**

FINANCIAL STATEMENTS

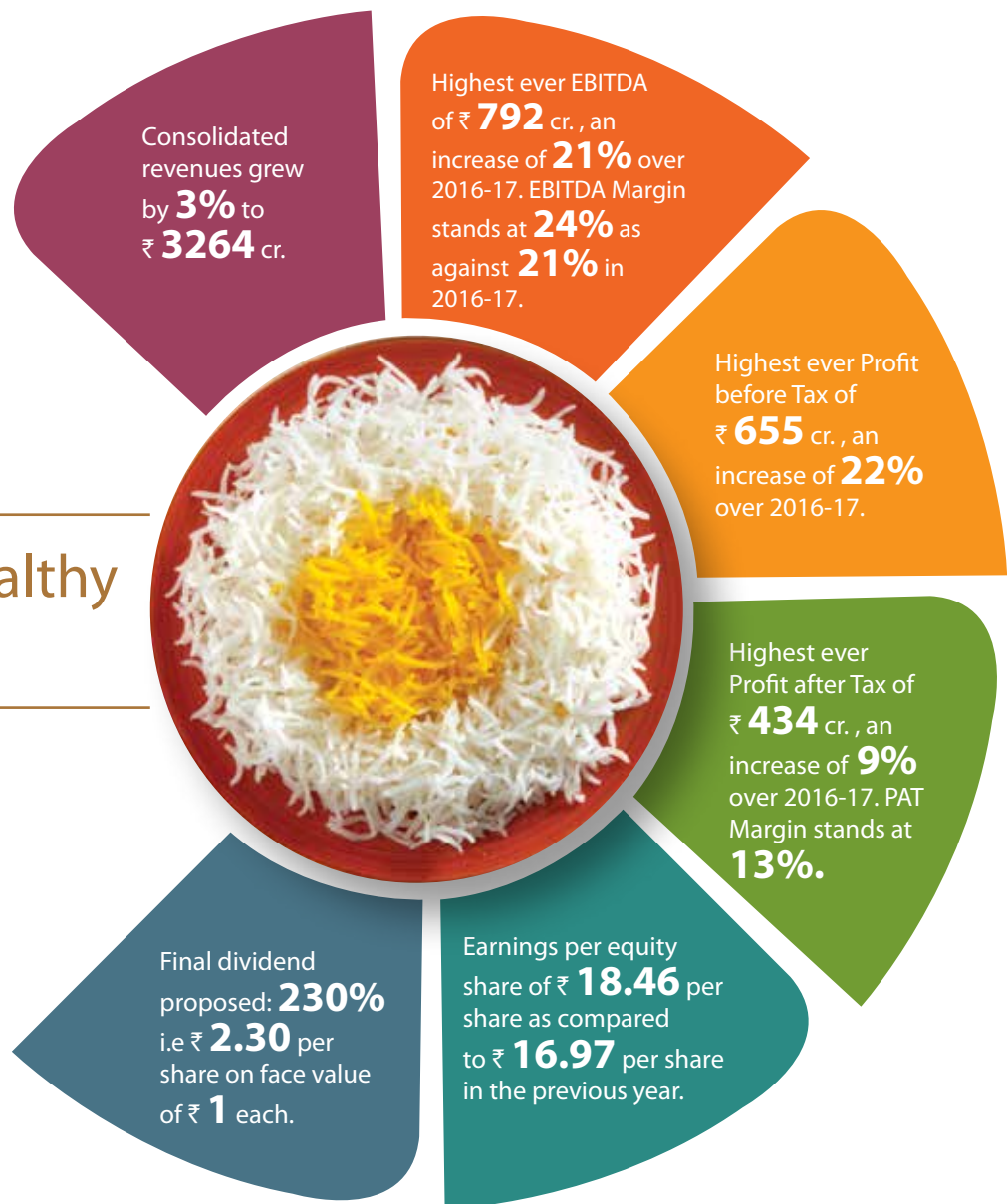
- Consolidated Financials **136**
- Standalone Financials **188**

Theme

Introduction



Adding Healthy Flavours



Agriculture sector in India is still subjected to the vagaries of the weather. This poses severe challenges to companies in the agri-food sector. Abrupt changes in policies or market conditions add to these challenges.

Each year brings its own set of happy tidings and challenges. And year 2017-18 was no different.

However, successful companies are those that can overcome and outlast business challenges and emerge stronger.

So, let the FY2017-18 numbers talk about our Company's ability to outperform challenges and come out stronger. Highest ever EBITDA growth at 21% and EBITDA margin at 24%, highest ever PBT increase at 22% and that of PAT increase at 9%.

But we do not rest on our laurels. As a Company, we are on a perpetual mission mode to achieve higher growths and reach higher trajectories.

The journey continues with FY2017-18 marking KRBL as a Company that is evolving into a maker of 'healthy' and consumer-centric food products. We promise more such initiatives as we continue our journey into the new fiscal.

New Product Launches

India



International



Corporate Information

BOARD OF DIRECTORS

Chairman & Managing Director
Mr. Anil Kumar Mittal

Joint Managing Directors
Mr. Arun Kumar Gupta
Mr. Anoop Kumar Gupta

Whole Time Directors
Mr. Ashok Chand
Ms. Priyanka Mittal

Independent Non-Executive Directors
Mr. Alok Sabharwal
Mr. Ashwani Dua
Mr. Devendra Kumar Agarwal
Mr. Shyam Arora
Mr. Vinod Ahuja

CHIEF FINANCIAL OFFICER

Mr. Rakesh Mehrotra

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Raman Sapra

BOARD COMMITTEES

- **Audit Committee**
Mr. Devendra Kumar Agarwal - Chairman
Mr. Ashwani Dua - Member
Mr. Vinod Ahuja - Member
Mr. Shyam Arora - Member
- **Borrowing and Investment Committee**
Mr. Anil Kumar Mittal - Chairman
Mr. Arun Kumar Gupta - Member
Mr. Anoop Kumar Gupta - Member
Mr. Rakesh Mehrotra - Member
- **Corporate Social Responsibility Committee**
Mr. Anil Kumar Mittal - Chairman
Mr. Anoop Kumar Gupta - Member
Mr. Ashwani Dua - Member
Ms. Priyanka Mittal - Member
- **Nomination and Remuneration Committee**
Mr. Ashwani Dua - Chairman
Mr. Shyam Arora - Member
Mr. Vinod Ahuja - Member

Risk Management Committee

Mr. Arun Kumar Gupta - Chairman
Mr. Anoop Kumar Gupta - Member
Mr. Ashok Chand - Member
Mr. Rakesh Mehrotra - Member

Stakeholders Relationship Committee

Mr. Ashwani Dua - Chairman
Mr. Shyam Arora - Member
Mr. Vinod Ahuja - Member

STATUTORY AUDITORS

M/s. SSAY & Associates
Chartered Accountants
Plot No. 3, 2nd Floor
Local Shopping Complex
B-Block Market, Vivek Vihar,
Phase-I, New Delhi - 110 095

SECRETARIAL AUDITORS

M/s. DMK Associates
Company Secretaries
31/36, Basement, Old Rajinder Nagar,
Delhi - 110 060

INTERNAL AUDITORS

M/s. S S Kothari Mehta & Co.,
Chartered Accountants
Plot No. 68, Okhla Industrial Area,
Phase-III, New Delhi - 110 020

COST AUDITORS

M/s. HVMN & Associates
Cost Accountants
1011, Pearls Best Heights-II, C-09,
Netaji Subhash Place, Pitampura,
Delhi - 110 034

REGISTRAR & SHARE TRANSFER AGENTS

Alankit Assignments Limited
Alankit Heights, 1E/13,
Jhandewalan Extension,
New Delhi - 110 055
Phone: (011) 4254 1955/59

REGISTERED OFFICE

5190, Lahori Gate, Delhi - 110 006
Phone: 011 - 2396 8328
Fax: 011 - 2396 8327
E-mail: investor@krblindia.com
Website: www.krblrice.com
CIN: L01111DL1993PLC052845

CORPORATE OFFICE

C-32, 5th & 6th Floor, Sector 62,
Noida, Uttar Pradesh - 201 301
Phone: 0120 - 4060 300
Fax: 0120 - 4060 398

BANKERS

State Bank of India
ICICI Bank Limited
DBS Bank Limited
HDFC Bank Limited
Kotak Mahindra Bank Limited
Karnataka Bank Limited
Corporation Bank
MUFG Bank Ltd.
IndusInd Bank Limited
Cooperative RaboBank U.A.

WORKS

- **Gautam Budh Nagar Unit**
9th Milestone, Post Dujana,
Bulandshahr Road,
Distt. Gautam Budh Nagar,
Uttar Pradesh - 203 207
- **Dhuri Unit**
Village Bhasaur (Dhuri),
Distt. Sangrur, Punjab - 148 024
- **Alipur Unit**
29/15-29/16, Village Jindpur,
G.T. Karnal Road & Plot 258-260,
Extended Lal Dora
Both at Alipur, Delhi - 110 036
- **Barota Unit**
Village Akbarpur Barota,
Distt. Sonapat, Haryana - 131 104

Management Discussion & Analysis



Global Macro – Economic Scenario

The cyclical upswing underway since mid-2016 has continued to strengthen into the current year. About 120 economies, accounting for three quarters of world GDP, have seen a pickup in growth in year-on-year terms in 2017, the broadest synchronized global growth upsurge since 2010.

According to World Economic Outlook Report (Jan 2018) by International Monetary Fund (IMF), global output is estimated to have grown by 3.7% in 2017, which is 0.6 percentage point higher than in 2016. The pickup in growth has been broad based, with notable upside surprises in Europe and Asia.

Global growth forecasts for 2018 and 2019 have been revised upward by the Fund, by 0.2

percentage point to 3.9%. The revision reflects increased global growth momentum and the expected impact of the recently approved U.S. tax policy changes.

Growth rates for many of the Euro area economies have been marked up, especially for Germany, Italy, and the Netherlands, reflecting the stronger momentum in domestic demand and higher external demand.

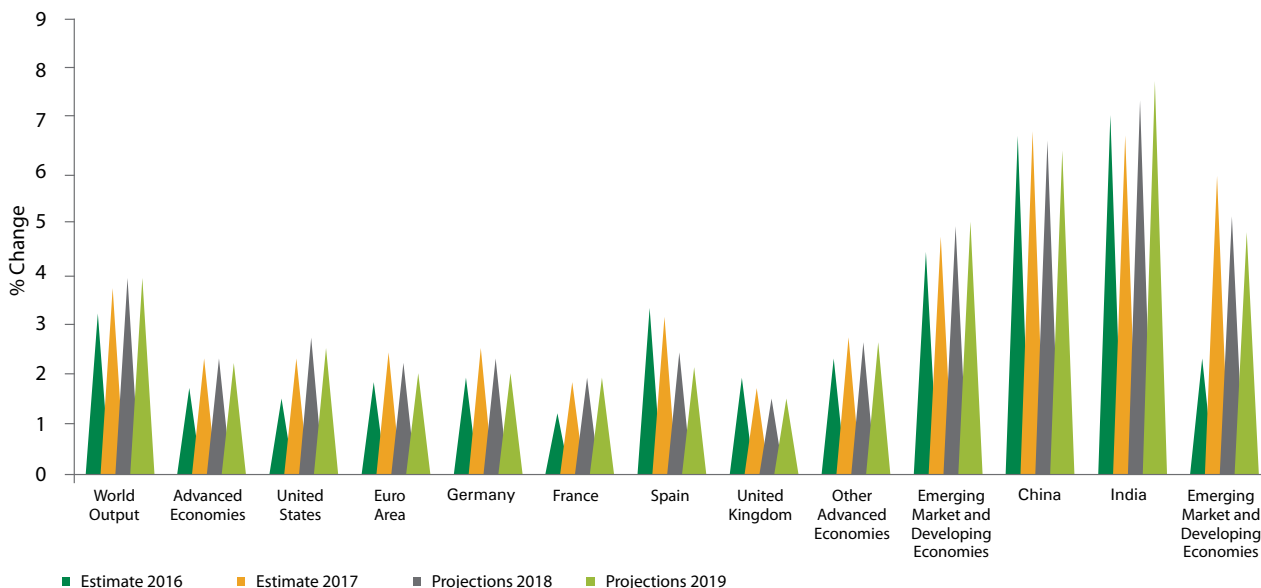
Emerging and developing Asia is estimated to grow at around 6.5% over 2018–19, broadly the same pace as in 2017. The region continues to account for over half of world growth. Growth is expected to moderate gradually in China, pick up in India and remain broadly stable in the ASEAN region.

According to IMF forecasts, after the period of economic crisis from 2007 to 2012, and the instability in many regions upto 2017, the global economy will show a trend towards stable growth upto 2022.

The World Bank forecasts for global economic growth for 2018, however, shows growth to an edge upto 3.1% after a much stronger-than-expected 2017, as the recovery in investment, manufacturing, and trade continues.

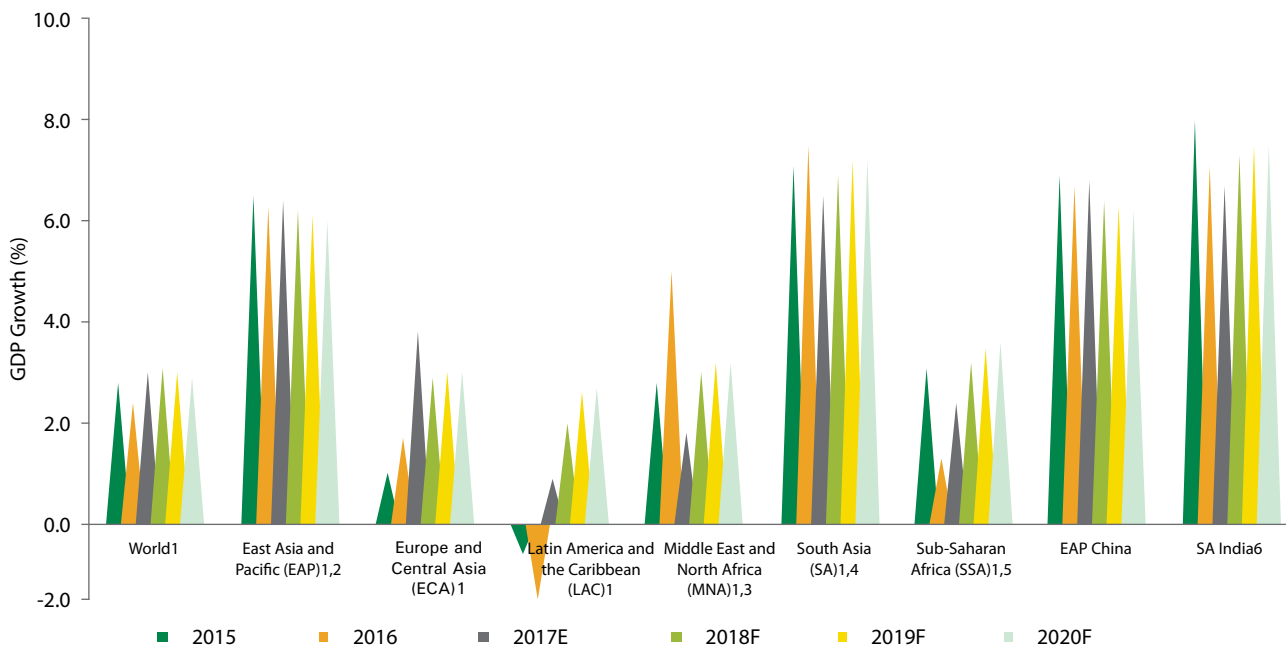
According to World Bank’s January 2018 Global Economic Prospects report, global growth is expected to be sustained over the next couple of years and even accelerate somewhat in emerging market and developing economies (EMDEs), thanks to a rebound in commodity

Overview of World Economic Outlook Projections (%)



(Source: IMF, Publication, 11 January, world-economic-outlook)

Global Economic Real GDP growth (%)



E - Estimate
F - Forecast

(Source: Worldbank, Publication, Global-Economic-prospects)

exports. Although near-term growth could surprise on the upside, the global outlook is still subject to substantial downside risks, including the possibility of financial stress, increased protectionism, and rising geopolitical tensions.

As per the IMF's estimate, the Asia-Pacific region and Africa shall maintain high growth levels; above 5% in Asia-Pacific and around 4% in Africa. Growth in the Middle East and South America is to stay in the region of 2.5% to 3% over 2018-2022. Europe and North America shall maintain growth levels of about 1.8%.

However, the World Bank report cautioned that there remained important downside risks. Disorderly financial market movements, such as an abrupt tightening of global

financing conditions or a sudden rise in financial market volatility, could trigger financial turbulence and potentially derail the expansion.

Besides, escalating trade protectionism, rising geopolitical risk could also adversely affect confidence, trade, and overall economic activity. The recent decision by US President, Donald Trump to renege on the US-Iran nuclear treaty and re-impose economic sanctions on Iran could lead to disruptions in oil trade, adversely affecting oil importing countries, mainly India.

Bond and equity markets: Market expectations of the path of U.S. Federal Reserve policy rates have shifted up since August, reflecting the well anticipated December rate hike, but they continue to price

in a gradual increase over 2018-19. The Bank of England raised its policy rate for the first time since 2008 in view of diminishing slack in the economy and above target inflation driven by the past sterling depreciation; the European Central Bank announced that it will taper its net asset purchases starting in January, 2018 and could be continued post September 2018, if required.

Exchange rates and capital flows: As of early January 2018, the U.S. dollar and the euro remained close to the August 2017 level in real effective terms. The Japanese yen has depreciated by 5% on widening interest differentials, while the sterling has appreciated by close to 4% as the Bank of England raised interest rates in November and as expectations of a Brexit deal rose.

India Growth Story

The Indian economy showed a mixed trend in 2017-18, with the GDP growth rate registering a subdued trend in the first half but regaining momentum in the second half of the fiscal. The GDP growth for the fiscal was pegged at 6.7%, compared to 7.1% in 2016-17. The upward momentum in the Indian economy is expected to continue in 2018-19, with the IMF projecting a 7.4% growth rate in the coming fiscal.

On the macroeconomic front, inflation rate, which remained below 4% from April till October 2017, took a sudden upward turn from November onwards, when it rose to 4.88%, peaking at 5.21% in December and decelerating to 4.28% in March 2018. The country's fiscal deficit is expected to be contained at the revised target of 3.5%, while the forex reserve has reached \$ 424.36 billion towards the close of FY18. The repo rate has further declined by 25 basis points to 6% in the year.

India's export rose by 9.8% to \$ 302.8 billion during 2017-18, the highest growth rate in six years, while imports grew 19.6% to touch \$ 459.7 billion as commodity prices pushed up the value of shipments in and out of the country along with a pick-up in global trade, resulting in widening of India's trade deficit to \$ 156.9 billion in FY2017-18 from \$ 108.6 billion in the previous fiscal.

(Source: Dept of Commerce, ToI)

India's rice exports surged 18% from a year ago to a record of 12.7 million tonnes in 2017-18 and accounted for more than 25% of the global rice exports. The surge in exports came riding on the back of an increase in domestic rice production, which

was expected to touch a record 111.01 million tonnes in 2017-18, up by 1.2% from the previous year's level.

In its World Economic Outlook Update, IMF has estimated that the Indian economy would grow by 7.8% in 2019, which would make the country the world's fastest-growing economy in 2018-19, the top ranking it briefly lost in 2017 to China.

The World Bank, however, forecasted India's GDP growth to pick upto 6.9% in 2018 and stabilize around 7.2% on average, in 2019-20, as consumption remains strong, exports recover, and investment revives with ongoing policy reforms and infrastructure improvements.

Main downside risks to the outlook include fiscal slippages, especially in view of the developments on the Iran front which could adversely impact

India's oil import bill, while creating uncertainty over the country's exports to Iran, especially that of Basmati rice.

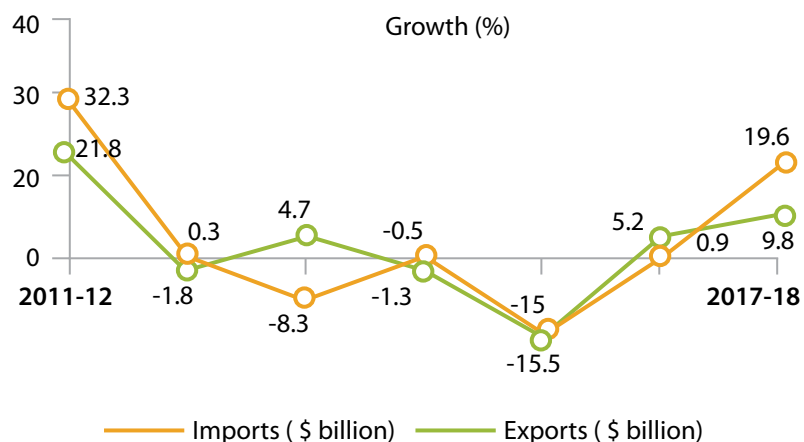
% Annual Growth in FY2017-18



(Source: economicstimes)

■ GDP ■ GVA

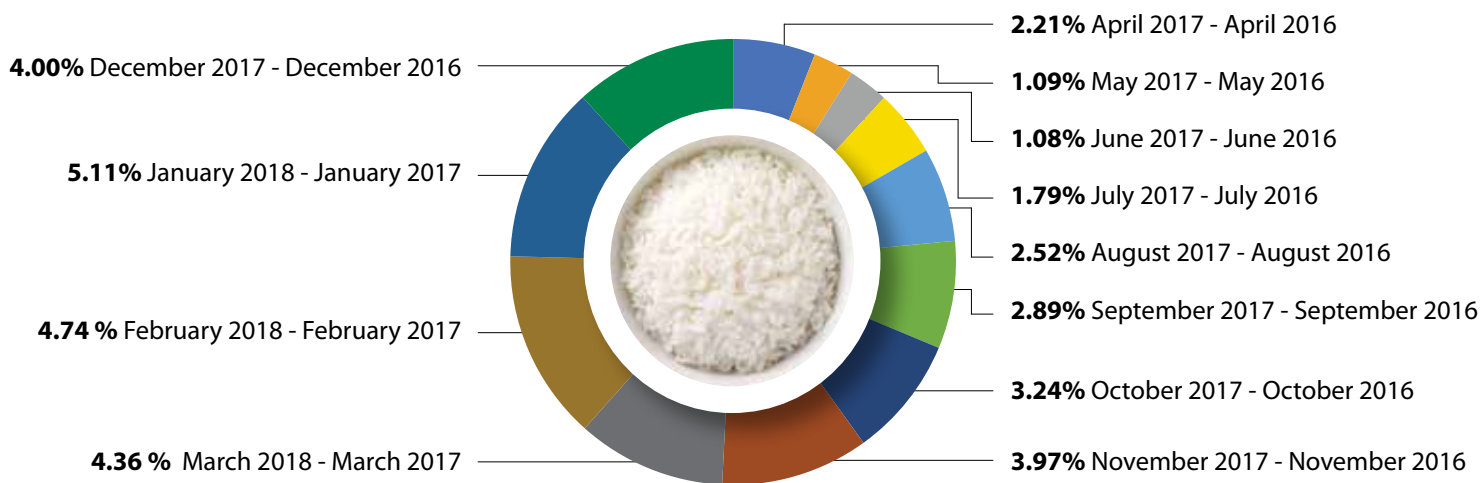
Trade Deficit Widens



(Source: timesofindia)

2018 Inflation India (CPI)

Inflation (yearly basis for 2017-18)



Major Policy Initiatives

The twin policy initiatives in the banking sector – a massive recapitalization programme for public sector banks and kick starting insolvency proceedings against a host of defaulting companies including some of the large companies under the Insolvency and Bankruptcy Code (IBC) topped a string of major policy developments on the economic front during the year.

The year also witnessed global credit rating agency Moody’s upgrading India’s sovereign credit rating for the first time since 2004, and the country achieving a commendable 30-point jump to join the top 100 countries in the World bank’s ‘Ease of Doing Business’ index.

The country’s stock market, meanwhile, marched forward to conquer new peaks to figure among the world’s best performing markets, posting an impressive 30% Y-o-Y growth.

In an apparent move to make political funding more transparent, the Government has initiated political funding through bonds, albeit without requiring the donors to disclose their identities.

On the political front, the ruling dispensation at the Centre faced some setbacks by losing a string of bypolls in some of the crucial North Indian states, and BJP scraping through after a grueling fight with the principal opposition party, Congress in Gujarat.

Outlook

With the ruling dispensation at the Centre set to enter the last lap of its 5-year term and some of the politically crucial states such as Madhya Pradesh, Rajasthan and Chhattisgarh slated to go for polls in the next few months, economists and political analysts are apprehensive that the Government may go slow on

the economic reform process and instead turn its focus on increasing the spend on rural welfare schemes and such populist measures in the coming months. This, along with the rising crude and other commodity prices, which could lead to firming up of inflation, could pose some market challenges to companies. The expectation of a continued uptick in the GDP growth rates in coming quarters, however, offer much hope for an improved performance in operations for companies in the coming year.



Agriculture Sector

Overview

With more than half of workforce being engaged in agriculture for their livelihoods and employment, agriculture continues to be a predominant sector of Indian economy, even though its share in National Gross Domestic Product has been showing a downward trend in recent years. Though the sector has been witnessing increased mechanization and organised farming, economic viability of the sector continues to be a major issue due to a host of factors including high intensity of labour, pushing up costs and heavy dependence on weather, casting uncertainty over both production and profitability. Abrupt policy changes by Government also adversely affect exports of Agri products from time to time, though they contribute about 10% of the country's total exports.

The wide spread farm distress being experienced across India in



the recent years has brought the agriculture sector into high focus area again, triggering a host of policy and administrative initiatives by the Government this year, with the objective of doubling the farmers income by 2022.

In 2017-18, the farm and allied sector's growth was pegged at 3%, compared to the 4.9% growth achieved in the previous year, as per the second advanced growth estimates put out by the Central Statistics Office (CSO). The government has also estimated food grain production to be a record of 277.49 million tonnes in the 2017-18 crop year (July-June),

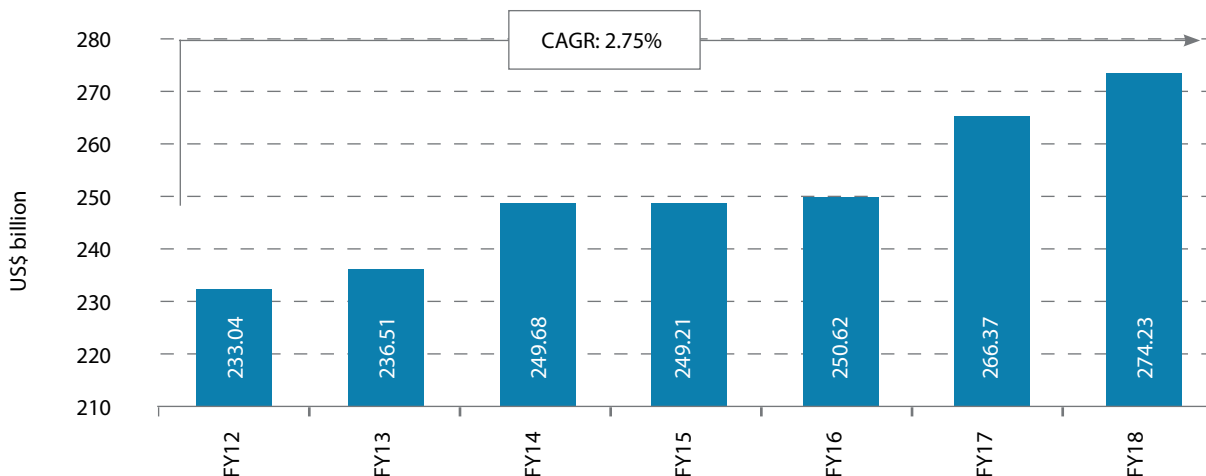
as against 275.11 million tonnes last year. As per the agriculture ministry figures, Rice production is also expected to touch a record of 111.01 million tonnes in 2017-18, up by 1.2% from last year's level.

(Source: IBEF Report).

To give impetus to rural economy, the Union Cabinet, in its meeting held on 4th July 2018, has increased the Minimum Support Prices (MSPs) of all "Kharif Crops" including that of Non Basmati Paddy from ₹ 1,550/- per quintal to ₹ 1,750/- per quintal. This may lead to higher area under irrigation for Non Basmati Paddy, and may result in the increase in prices of Basmati Paddy also.

(Source: Business Standard Report, March 2018).

Gross Value Added by Agriculture and Allied activities (US\$ bn)



(Source: IBEF, Industry, Agriculture-and-Allied-Industries-March-2018)

Budget Initiatives Brings Hope to Agriculture sector in the Coming Year

The agriculture sector figured one of the key focus areas for the Finance Minister in his 2018-19 Budget, proposing a slew of measures to generate higher income, produce more from same land, and realise higher price, and measures centered around farm and non-farm income. Most notably, the Finance Minister said that he wanted farmers to earn 1.5 times the cost of their produce, and that the Government considered agriculture as an enterprise.

Towards this, the Budget proposed fixing minimum support price 50% more than the cost of production for Kharif crops, a 13% increase in allocation to the agriculture ministry to ₹ 58,080 Crores, a 10% increase in farm credit target for the year to ₹ 11 Lacs Crores.

Outlook

The Indian Meteorological Department's prediction for a normal Monsoon for 2018 is expected to lead to an improved performance by the agriculture sector, pushing up output and incomes. Economists and experts are also of the view that with the Government turning its focus to the rural and farm sectors for additional investments due to the approaching national election, the sector is expected to get an added push for growth in the coming year.

Budget Highlights

The government is committed towards doubling the farmers' income by 2022.

An Agri-Market Infrastructure Fund will be started with a corpus of ₹ 2,000 Crores (US\$ 314.41 million).

A total of ₹ 14.34 Lacs Crores (US\$ 225.43 billion) will be spent for creation of livelihood and infrastructure in rural areas.

A restructured National Bamboo Mission will be launched with a total outlay of ₹ 1,290 Crores (US\$ 202.79 million).

Minimum Support Price (MSP) for all announced kharif crops will be at least one and a half times of their production cost, similar to the majority of rabi crops.

A Fisheries and Aquaculture Infrastructure Development Fund (FAIDF) and an Animal Husbandry Infrastructure Development Fund (AHIDF) will be started with a total corpus of ₹ 10,000 Crores (US\$ 1.57 billion).

Institutional credit to the agriculture sector is targeted at ₹ 11 Lacs Crores (US\$ 172.93 billion) for 2018-19, compared to ₹ 10 Lacs Crores (US\$ 157.2 billion) for 2017-18.

Allocation for the National Rural Livelihood Mission is increased to ₹ 5,750 Crores (US\$ 903.93 million) for 2018-19.

Rice – Global Scenario

The momentum gained by the rice industry globally in 2016 in terms of increased production continued into 2017, with the world rice production was projected to grow by 0.7% to reach 503.6 million tonnes in 2017-18 (FAO-AMIS estimate). However, USDA and International Grains Council (IGC) have estimated the total production levels in 2017-18 to be lower at 487.5 million tonnes and 486.2 million tonnes, respectively.

Generally, favourable weather conditions have helped cropping activities in the year, especially in Asia, barring a few exceptions. The Asia region is estimated to have produced 0.7% higher than the record production of 686.1 million tonnes in 2016. Much of the region's production growth was envisaged to take place in India and Indonesia, owing to continued government support.

Cambodia, China (Mainland), the Islamic Republic of Iran, Iraq, the Lao People's Democratic Republic, Malaysia, Myanmar, Nepal, Pakistan, the Philippines and Turkey were all estimated to have produced more in 2017. In Africa, paddy production in 2017 was billed to reach 30.9 million tonnes, up slightly from the 2016 excellent harvest.

In Latin America and the Caribbean, favourable growing conditions were expected to foster a 6% production recovery in 2017 to 28.1 million tonnes. Brazil was set to account for much of this upturn.

Riding on increased demand, especially from many of the countries in Asia which turned to imports to rebuild their inventories, international rice trade was estimated to have grown by a healthy 7% to 44.2 million tonnes in 2017.

(Source: Rice Market Monitor, July 2017)

According to USDA figures, global rice exports registered a jump of 19.34% in 2017 to reach 40.98 MMT. India's export of rice in the year registered even bigger jump of 25.09%, and accounted for more than 25% of the global rice exports.

Global rice utilization was also projected to grow by 1.1% in 2017-18 to 505.8 million tonnes (milled basis).

The expansion in rice trade and utilization, as per the Rice Market Monitor estimates, was on account of a 1.4% expansion in food use to 408.4 million tonnes in 2017. This level was sufficient to keep global per capita consumption largely steady at around 54.3 kilos per person. Meanwhile, quantities destined to feed and other uses (including seeds, post-harvest losses and industrial uses) were anticipated to fall fractionally to 17.9 and 79.5 million tonnes, respectively.

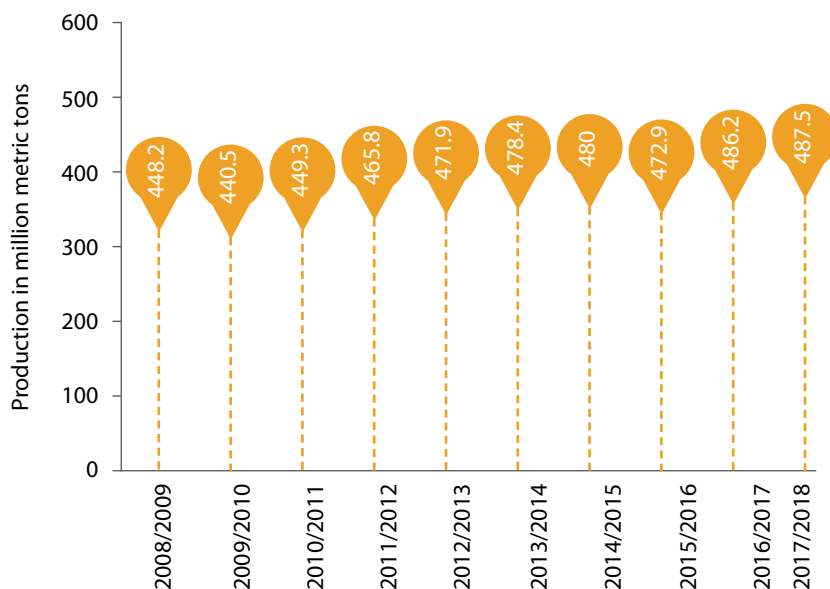
International rice prices have also firmed up since April 2017, thanks to rising demand for imports and production disruptions in the US and Vietnam. The FAO All Rice Price Index (2002-2004=100), which averaged 210 points in mid-July, was up by 6% from April.

(Source: Rice Market Monitor, July 2017)

Outlook

Rice production in 2018-19 is forecasted at 493 million tonnes, up from 486 million tonnes in 2017-18. Rice consumption also is forecasted higher, at 493 million tonnes, as against 487 million tonnes in 2017-18.

(Source: International Grains Council (IGC))



(Source: Statista, statistics, world-husked-rice-production-volume-since-2008)

Indian Scenario

Rice is the most important cereal food crop of India, accounting for about 40% of the country's food grain production, occupying one-fourth of the total cropped area of the country. Rice is cultivated across the country and throughout the year, though the crop is mainly grown as a Kharif crop in rainfed areas that receive heavy annual rainfall.

India's rice acreages have plateaued around 43-44 million hectares, but production in recent years has shown a steady upward trend on improving yields due to the introduction of improved varieties and agronomic practices.

India is the second largest rice producer in the world after China, with 21% of the global production share. Major rice producing states in India are West Bengal, Uttar Pradesh, Andhra Pradesh, Punjab, Tamil Nadu, Odisha and Bihar. India has been the top exporter in global rice trade, accounting for 25% of

the export in the last four years. The major export markets for Indian rice are the Middle East, Africa, the EU and the US. High level of buffer stocks and improved methods of production have helped India position itself competitively in the global rice trade market.

2017-18 Crop Year

A near normal rainfall during the year's Monsoon and favourable Government policies have helped rice production in 2017-18 crop year to touch a record of 111.01 million tonnes, up by 1.2% from the previous year's level. However, the trend of continued shrinking of sowing area continued in the current year as well, with the Agricultural ministry estimates showing that rice was sown only in 37.40 million hectares in the kharif season, a decrease of 510,000 hectares compared to the previous season.

(Source: 1st and 2nd advance estimates by Ministry of Agriculture).

Higher Procurement and Increase in MSP

The total rice procurement by Food Corporation of India (FCI) in the 2017-18 marketing season has been targeted at a higher level of 430 Lacs tonnes, compared to 381 Lacs tone procured in the previous season. The total procurement had reached 350 Lacs tonnes by the end of December 2017. The Minimum Support Price (MSP) for rice increased to ₹ 1750/quintal for both Common and Grade A varieties of rice.

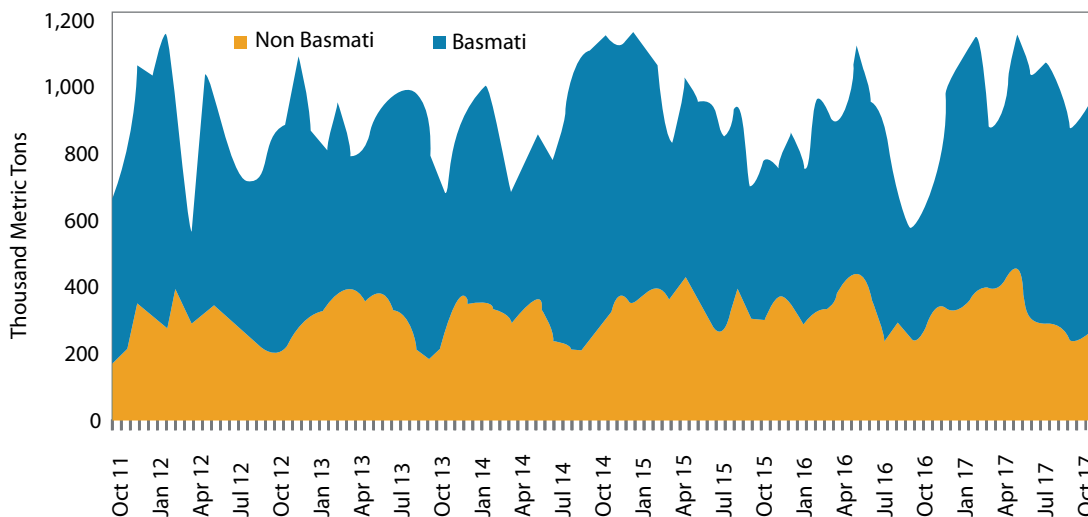
(Source: Dept of Food & Public Distribution, Business Line)

Export

Rice exports from India posted a robust 18% increase in 2017-18 to a record 12.7 million tonnes. The surge in the country's rice exports was mainly on good demand for non Basmati rice from Bangladesh, Benin and Sri Lanka.

(Source: Reuters, APEDA)

India: Monthly Exports of Rice



(Source: Monthly exports through December 2018 from Directorate General of Commercial Intelligence (DGCIIS), GOI.)



Outlook

Buoyed by the forecast of a normal monsoon this year, the agriculture ministry has targeted a record of 113 million tonnes of rice output in 2018-19. The India Meteorological Department forecasted that the June to September south-west monsoon is likely to bring 97% of the normal seasonal rainfall. A

normal monsoon in 2016-17 led to successive years of record harvests.

The government budget announcement on the new MSP pricing formula (1.5 times the cost of production) for the upcoming Indian crop year 2018-19 (July-June) Kharif season raises the hope of 15-20% increase in the MSP for

rice over last year, which should further support planting intentions for rice in the upcoming marketing year. Besides, the Government is also expected to further augment rice procurement in the coming marketing season to woo the agitated farming community ahead of elections in some of the North Indian states and the national election.

India Basmati Rice

Overview

Many decades before India's emergence in the IT sector became a hot topic of discussion at the dining tables of the rich and famous in countries across the world. India's Basmati rice, the long, slender-grained aromatic rice, used to occupy the pride of place on their dining tables. The popularity of the Indian Basmati rice has been spreading far and wide ever since. And, like in cricket, India competes fiercely with Pakistan when it comes to catering Basmati rice to world markets, though the latter is a minion in terms of its share in the global Basmati rice market.

Basmati rice, cultivated in some selected areas spread over from UP to Kashmir, with Uttarakhand and Himachal Pradesh including, constitutes only a small portion of India's total rice production, around 6% by volume. However, in terms of value, Basmati rice exports account for about 60% of the country's total rice exports.

Production

The introduction of higher yielding PUSA Basmati 1121 variety in 2003 and shorter duration semi-dwarf PUSA Basmati 1509 variety in 2013 has supported strong growth in Basmati rice production in the last two decades. The new variety is being increasingly adopted by farmers due to shorter growth cycle, lower irrigation requirements, and higher yields compared to other traditional varieties.

Basmati rice production in MY 2017-18 has recovered to 9.0 MMT (1.9 million hectares) compared to

Particulars	Quantity (MT)	Value (Cr)	Value (\$ million)
April-Sept (2016-17)	20,66,956	10,923	1,631
April-Sept (2017-18)	21,31,883	13,690	2,126
% Change	3.14	25.3	30.3

8.0 MMT (1.7 million hectares) in the previous year due to higher Basmati prices in MY 2016-17. Although the market prices of Basmati rice in MY 2017-18 have been relatively flat, farmers' returns have been reasonably good compared to Non Basmati and other crops.

(Source: USDA Report)

Exports

Basmati exports from India were estimated to cross ₹ 26,000 Crores in 2017-18, a 20% rise over the past fiscal year. In volume terms, however, there were apprehensions by the trade body that the year's total exports may decline by 5% to 3.79 million tonnes on account of firming up of prices in the Indian market and the European Union move to tighten a fungicide rule. Basmati rice exports from India had reached 3.27 million tonnes during April-January 2017-18.

(Source: APEDA Report).

Outlook

Buoyed by the IMD prediction of a normal Monsoon in 2018 and the continued trend of firming up of prices, Basmati rice industry is expecting a rise in both the acreage under cultivation as also in its production in 2018-19 crop year. Consequently, MY 2018-19 Basmati rice production is forecasted higher at 9.5 MMT from 2.0 million hectares. (Source: USDA Report)

An ICRA analysis on the prospects of the rise industry has forecasted Basmati rice exports reaching to ₹ 28,000 Crores in value terms in FY19. Increased demands from Iran and expectation of China undertaking direct import of Basmati rice from trading firms in India, coupled with the overall uptrend in international trade in the coming year form the basis of the better prospects for the industry in FY19.



Regional Rice Market in India

Overview

India is one of the largest consumers of rice, which is mainly consumed as a staple food by more than 70% of the population. However, the per capita rice consumption in India has been showing a declining trend in the recent years. From 77.9 kg per person in 2006, the per capita consumption of rice has come down to 75.1 kg per person in 2017. This trend has been attributed mainly to the growth in Indian economy which accounted for an increase in the purchasing power that led to a diversification of diet.

The domestic rice industry predominantly operates as regional trade markets, with each regional market dominated by traders and millers, besides a host of players in the unorganised sector, from the same region.

Unorganised Vs Organised

A lion's share of regional rice markets in India is accounted by the unorganised sector, despite the spread of modern trade as well as the huge increase in the trade

network by leading market players such as KRBL to the Tier-2 and Tier-3 cities and towns in the recent years.

Of late, there has been a gradual shift to rice being sold in packs – in lower and higher quantities, following the move by a large number of traders and millers launching their own rice brands, following the footsteps of the big players. Though, the share of branded rice in the overall domestic rice market is small in terms of volume, it is estimated to have reached \$3.5 billion in 2017 in terms of value.

(Source: Rabo Bank Report)

The consistent efforts by leading industry players such as KRBL to expand its supply and retail chain network to every nook and corner of the country, along with its strategy to wean away consumers from the unorganised sector by launching its branded rice at every price points have contributed significantly in expanding the share of branded rice in regional markets. Changing consumer preferences for better quality rice in convenient packs from stores on the back of their increasing purchasing powers also aided this shift.

Consumption of branded rice is growing more in southern and northern India regions. To further expand the share of branded rice in regional markets, KRBL has started launching regional variants of its brands, produced from the local regions, in some of the selected regional markets. The Company has launched India Gate Jeera Rice brand in the southern region market in 2017-18, which has been well received by consumers in that market, going by the sales figures in the first year of its launch.

Outlook

The slowly but steadily changing trend of consumers opting for quality and branded rice, along with the initiative of leading industry players such as KRBL to launch regional brands at affordable price points augur well for the continued growth of branded rice in the regional markets in the coming years. However, rice being a highly price sensitive item, absence of GST on loose rice being sold could be a dampener in the acceleration of growth rate in branded rice segment.



INDIA GATE
BROWN
Basmati
RICE



**Top of your class.
Top of your game.**

Be the best at everything you do.

Introducing India Gate Basmati Brown Rice.

It is naturally infused with GABA Neurotransmitters which boosts the brain's ability to concentrate and be at its best. So bring home a pack today and start being great at everything you do.

**BRAIN
METABOLISM
BOOSTER**

PREVENTS HEADACHE | IMPROVES SLEEP QUALITY | REDUCES ANXIETY | ENHANCES FOCUS



KRBL in FY2017-18

Journey from an Agri Commodity Trader to a Maker of Healthy Food Products

KRBL, currently among India's largest integrated rice companies, began its journey way back in 1889 as a producer of agricultural commodities such as wheat, cotton and oil in Lyallpur, Faisalabad, in Pakistan. Over the years, the Company has evolved into a global leader in Basmati Rice, while also being a major producer of Non Basmati rice and milling by-products like bran oil, furfural, rice bran, and de-oiled cakes.

Moving towards integrating best sustainable business practices, as a progressive company, our Energy Division is one of our diversified verticals that not only met the entire captive requirements for power within the Company but has also opened up a new revenue stream. FY2017-18 turned out to be a great year, with its vision to emerge as a significant diversified power generator growth partner to the nation in broader context.

Year 2017-18, however, marked a major milestone year for KRBL, with the management's strategic and deliberate move to take the company to an all together different league by foraying into the 'healthy food' segment with the launch of three new nutritionally superior products – India Gate Sprouted Brown Rice, India Gate Chia Seed, and India Gate Flax Seed.

The Company's move to position itself as the producer of 'healthy' food products was a smart move to align the company with the increasing trend of consumers wanting to have healthy and nutritionally superior food.

Significantly, the Company has also positioned its new 'healthy' food offerings as brand extension of its flagship and premium brand India Gate, thus expecting to get a head start for these products in the international market.

The Total Revenue from operations of the Company in FY2017-18 grew by 3.14% to ₹ 3246.52 Crores on account of better price

The Total Revenue from operations of the Company in FY2017-18 grew by 3.14% to ₹ 3246.52 Crores on account of better price realization of rice both in domestic & international market and higher income from power, Furfural oil & Glucose Business.

realization of rice both in domestic & international market and higher income from power, Furfural oil & Glucose Business.

The new 'healthy' product offerings also enriched the Company's already wide product basket which includes brands such as India Gate, Doon, Nur Jahan, Indian Farm, Bemisal, Aarati, Unity, Lotus, Taj Mahal Tilla, Shubh Mangal, Necklace, Lion, Al Wisam, Train, Al Bustan, Telephone, Southern Girl, Alhussam, Blue Bird, City Palace etc. These brands are strategically positioned to cater to different category of consumers at different geographical locations.

Company's Business Segments

The Company has organised its business units based on its products and services and has two reportable segments, as follows:

Agriculture – comprising of agricultural commodities such as rice, furfural, seed, bran, bran oil, etc. which constitutes 96% of the total revenues

Energy - comprising of power generation from wind turbine, husk based power plant & solar power plant which constitutes 4% of the total revenues

KRBL has four rice processing/grading plants which are based in Delhi, Punjab, Haryana and Uttar Pradesh.

The Total Revenue from operations of the Company in FY2017-18 grew by 3% to ₹ 3246.52 Crores on account of better price realization of rice both in domestic & international market and higher income from Power, Furfural oil & Glucose Business.

The Company's flagship Basmati Rice brand 'India Gate' commands a premium in both international and Indian markets. Basmati Rice is consumed in 156 countries out of which KRBL exports to 81 countries and is the market leader in the Basmati rice consuming markets in the branded segment.

It derived around 40% revenue from the international market with strong presence in Gulf Cooperation Council (GCC) countries apart from other countries like Australia, USA, UK, Singapore, South Korea, Germany etc.

The Company has wind power plants located at Maharashtra (Dhule, Sangli), Rajasthan (Rath Kuriya, Bastwa, Mokla), Tamil Nadu (Tirupur, Tirunelveli), Karnataka (Kalmangi, Bellary), Andhra Pradesh (Gandikota, Tallimandugulla,) Madhya Pradesh (Mahuriya, Garora), Gujarat (Bhanvad) and solar power division located at Madhya Pradesh (Rajgarh, Susner, Rojhani, Ichhawar).

Performance Highlights for the 2017-18

Highest ever EBITDA of ₹ 792.03 Crores, an increase of 21% over 2016-17.

Highest ever EBITDA Margin of 24% as against 21% in 2016-17.

Highest ever Profit before Tax of ₹ 655.01 Crores, an increase of 22% over 2016-17.

Highest ever Profit after Tax of ₹ 434.44 Crores, an increase of 9% over 2016-17. PAT margin of stands at 13% in 2017-18.

Earnings per equity share of ₹ 18.46 compared to ₹ 16.97 per share in the previous year.

Net Worth of the Company increased by 20% to ₹ 2,287.90 Crores.

5-year Net Sales growth CAGR of 9% and EBITDA growth CAGR of 21%.

Market Capitalisation increased by 5.53% to ₹ 10,266.53 Crores.

Power Sales increased by 26% to ₹ 123.71 Crores

Dividend declared by the Company for the 2017-18 is 230% as compared to 210% for the previous year.

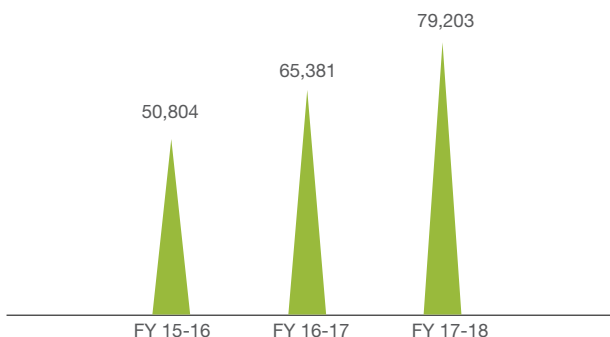
Debt Equity Ratio improved from 0.57:1 as on March 31, 2017 to 0.54:1 as on March 31, 2018.

Company's belief in energy portfolio has seen us emerge as a diversified power generator with interest in Biomass, Wind and Solar Power with total installed capacity of 146.94 MW.

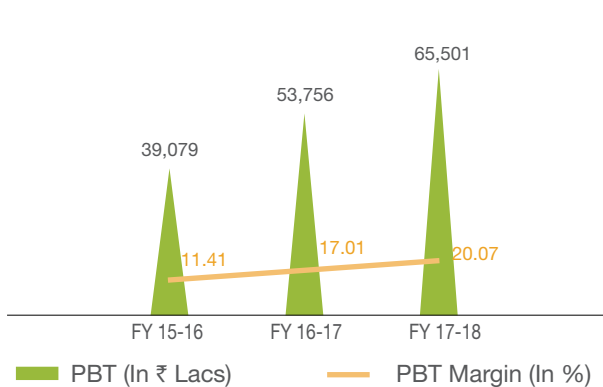
Company's energy portfolio consist of 114.35 MW in Wind Power Projects, 15.00 MW in the Solar Power Projects and 17.55 MW in the Bio Mass Projects.



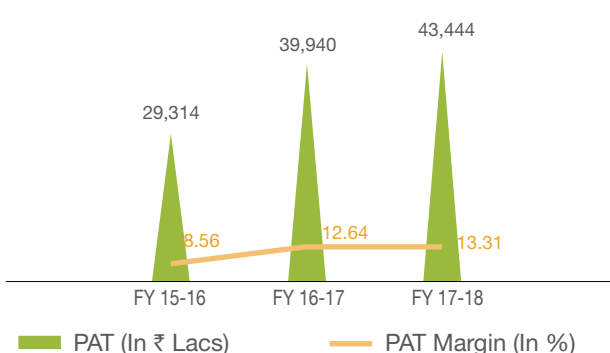
EBITDA (in ₹ Lacs)



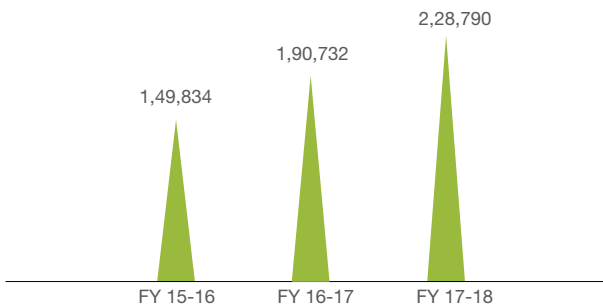
PBT (in ₹ Lacs) & PBT Margin (in %)



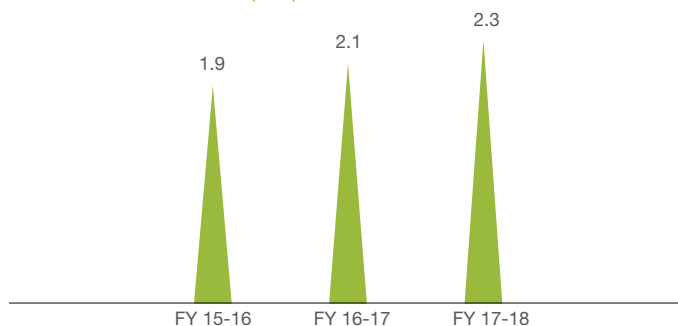
PAT (in ₹ Lacs) & PAT Margin (in %)



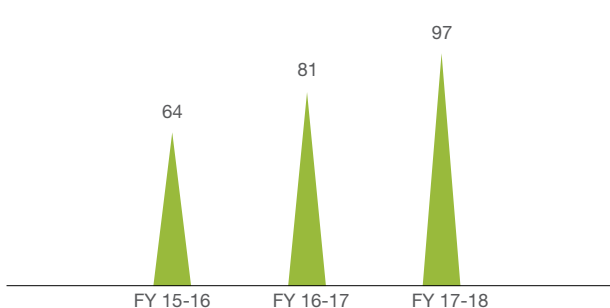
Net Worth (in ₹ Lacs)



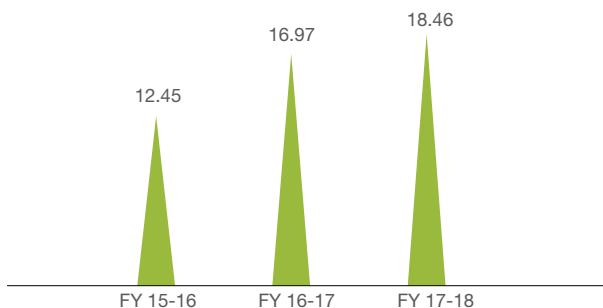
Dividend Per Share (in ₹)



Book Value Per Share (in ₹)



Earnings Per Share (in ₹)



Agri Business Division

Spanning the entire value chain of rice, beginning from seed to grain, the Company is among the leading players in the Indian agri-processing and marketing sector. Its flagship Basmati Rice brand India Gate commanded a 35% market share, the highest market share for any company in the sector in the combined urban and rural areas in 2017-18, an increase of 3% from the previous fiscal.

The Company distributes its products through three channels – traditional, modern and e-commerce. For each channel, the Company has devised diverse strategies to grow business. In traditional, the focus is on improving quality of distribution, in modern, to enhance presence and in e-commerce to build loyalty.

The total sales for the financial year 2017-18 from agri division was ₹ 3,122.81 Crores, as against ₹ 3049.65 Crores in the previous fiscal. Rice sales accounted to 91.39% of total revenue from operations. Export sales grew by 19.14% in comparison to the previous year. Middle East region accounted for 25.77% of the Company's total revenues.

At 195 MT/hour, KRBL has the largest rice milling capacity in the world. This provides the Company a distinct edge, enabling its

operations highly productive and cost-effective.

In its efforts to wean away consumers from the unorganised market, KRBL offers its branded Basmati rice in a wide range of price points. This makes the Company's Basmati rice brands affordable to consumers in various economic strata, as also offers them the choice for selection, depending on the occasion.

The Company's state-of-the-art storage and warehousing capacities combined with innovative marketing strategy, aggressive expansion in distribution network, sustained and deep-rooted relations with farmers through contract and contact farming and R&D capabilities enhances its long-term business sustainability and revenue viability. These strengths along with the rising brand popularity positions the Company favourably to capitalize on the growing demand for Basmati Rice in the domestic and international market.

Farmer Initiatives

The Company, in order to ensure and maintain high quality for its rice, provides seeds and consistently reaches out to farmers with innovative initiatives and technological support for further

The total sales for the financial year 2017-18 from agri division was ₹ 3,122.81 Crores, as against ₹ 3049.65 Crores in the previous fiscal. Rice sales accounted to 91.39% of total revenue from operations. Export sales grew by 19.14% in comparison to the previous year. Middle East region accounted for 25.77% of the Company's total revenues.

improvement. It has also been implementing various initiatives and programmes to further sustain its deep rooted relation with the farmer communities. Through its contact farming technique, the Company is able to monitor the quality at every stage of production. These mutually beneficial initiatives help the Company to ensure uninterrupted supply of highly quality paddy, while offering security to farmers.

Stepping Up Infrastructural Facilities

KRBL continues to invest, to upgrade its production facilities across Delhi, UP, Punjab and Haryana, besides improving its stocking and warehousing facilities. These help the Company to achieve higher operational efficiencies year after year. The Company also has a modern packaging and foodgrain warehousing facility at Alipur and Barota units.



Agri Business – Indian Market

India being a highly price sensitive market, 2017-18 was a year of mixed trend for both the domestic rice industry as well for KRBL. Besides the imposition of GST, which has skewed the price advantage in favour of the large unorganised sector, the fact that the rice market in India predominantly operates as regional markets, impacted the overall financial performance of the Company in the Indian market in the year. The Company, however, performed exceptionally well in the consumer pack segment, exceeding the industry growth rate by a big margin.

KRBL's sales from domestic rice business was to the tune of

₹ 1667 Crores in 2017-18, compared to ₹ 1822 Crores in the previous fiscal. However, KRBL by far maintains its lion's share in terms of overall rice sales proceeds in the Indian market.

With a market share of 35% in branded Basmati rice segment in value terms, KRBL is the undisputed market leader in the domestic rice market. The Company could achieve this feat thanks to its massive, pan-India retail and wholesale network and strong brand image which enabled the visibility and availability of its products in every nook and corner of the country. Creation of this country-wide trade network is what helps the Company to stand out from its peers in the industry.

The average selling price for branded Basmati rice was up by about 30% in 2017-18, compared to the previous year. Imposition of GST was one of the reasons for the price increase, besides other market factors. The rising trend of changing lifestyle and consumer preferences, coupled with rising disposable income and middle class population pushing up demand for branded Basmati Rice has also helped the Company in mopping up higher sales revenues in the consumer pack segment. These changing trends have enabled the Company to come out with products that are consumer-centric, compared to the earlier focus on price-centric products.

With a focus on further strengthening distribution and optimizing sales growth performance through implementation of GPS-enabled tracking devices for the Company employees also played a vital role in the improved performance in the domestic rice market.

KRBL's flagship brand, India Gate continued to hold the lead position in its domestic sales in 2017-18. The India Gate brand performance has been steered by improving sales in the consumer pack categories of 1 kg and 5 kg. The Company's vigorous efforts in marketing, trade investments, market development and in-market execution also helped the growth in this segment. Other brands that performed well in some selected regions during the year were India Gate Jeera Rice, Unity, Doon and Necklace some of which were particularly popular in the institutional segment.

The India Gate Brown Rice Weight Watchers Special also continued to find an expanding consumer base in the top metros of India, riding on its health factor. The Company's efforts during the past few years to strengthen its brand, Unity which found considerable success with the other products gaining significant acceptance in the Indian market.

Going forward, KRBL plans to enter the value added rice segment by launching some selected popular, daily-use products. Besides further expanding its market, this initiative is also expected to give an added boost to its India Gate brand popularity.

Consumer Pack Segment

KRBL has achieved a sterling performance in the consumer pack segment in 2017-18, riding on its high brand strength as well as its easy availability in every corner of the country through the Company's extensive trade network. While the overall industry growth in this segment stood at 16.5% in volume terms and 21.3% in value terms, KRBL has achieved a 27.6% growth in volume terms and 36.9% growth in value terms in the consumer pack segment in the fiscal.

KRBL's robust performance in the consumer pack segment assumes added significance, considering the fact that this was despite its brands attracting 5% GST, compared to no GST for unbranded rice brands. This also reflects the changing trend of consumers increasingly opting for branded rice from established players such as KRBL, instead of purchasing it from the unorganised sector.

The Company's strategy of sub-segmenting its consumer pack

segment into India Gate brand and other brands which include Bemisal, Nur Jahan and Doon, has also paid off good dividends by way of differential positioning of its brands and achieving focused growth in these categories. In order to keep up its brand leadership position, KRBL continued aggressively with its marketing and advertising campaigns during the year as well, leading to further enhancing its brand perception.

With its USP of being the longest rice grains, superior quality and exotic taste, the India Gate brand continued to have a dream run in the Indian market in 2017-18 as well, enjoying premium pricing. The other brands are lower priced and targets the bottom of the pyramid.

The move on creation of the premium segment was aimed at capturing market share from the huge unbranded Basmati Rice market, which is estimated to account for nearly 40-45% of the overall Basmati Rice market in India.





**New Product Launches in the
Indian Market in 2017-18**

India Gate Sweet Indulgence

Launch Rationale

India being a diverse country has various festivals and occasions in every state, round the year. Each of these festivals has its own unique positioning, season and a way it is celebrated in different geographies. Food is one intertwined element which joins the cord of everything India celebrates. Each state has its own specialities and ways of cooking.

Desserts and that too made of Rice in particular are something which are as diverse as the cuisine itself. We can see Badami Kheer in North, Kesar Bhaat in East, Phirni or Payasam down south. Each one of these are as unique as the state itself. However, many a times we don't know which rice is to be used and is best suited to make these dishes even more special.

Product USP

Being the flag-bearers of everything that rice is in India, KRBL has launched India Gate Sweet Indulgence in 2017-18. This product was envisioned to bring together the sweet moments of celebrations and our love for these luscious dishes in one pack. For all the desserts which have rice as the primary ingredient, we handpicked rice grains which specially cater to the preparation of these desserts.

Positioning

This product is uniquely positioned as one of its kind to help customers choose the right ingredients for their desserts based on rice. It's targeted to the woman of the house who knows that the best ingredients make the food much more than just a dish served on the table. The Company has kept the price point also very attractive with it being lower than most of our regular staple diet variants used to make main course dishes. The Company has also undertaken strategic marketing and Ad campaigns through multi-media channels to reach out to the target audience. The efforts seem to be making the desired impacts with the initial market reports about the product being highly positive and encouraging.



India Gate Jeera Rice

Launch Rationale

This special quality of fragrant Rice takes its name from Jeera (Cumin seeds - Seeragam in Tamil) because of its small grain size and resemblance to the spice. Jeera rice is a quintessential ingredient in the most famous southern Ambur variety of biryani. This rice is cultivated in the samba season (Aug-Jan) and is widely used in Malabar region to make various types of Biryanis and other rice dishes. India Gate already caters to the southern region with its exclusive range of Basmati Rice varieties and now it was time to launch a native variant which rightfully extends the portfolio being a leader in the rice category.

Product USP

Being a special kind of rice which has a special native taste and aroma, it is really popular in both southern India and also in the southern

communities residing across the globe with largest populace in USA and Australia. Jeera Rice is immensely popular in Kerala. This is the most expensive sub variety of rice and has the smallest grain which is ideal for specific dishes cooked in the region.

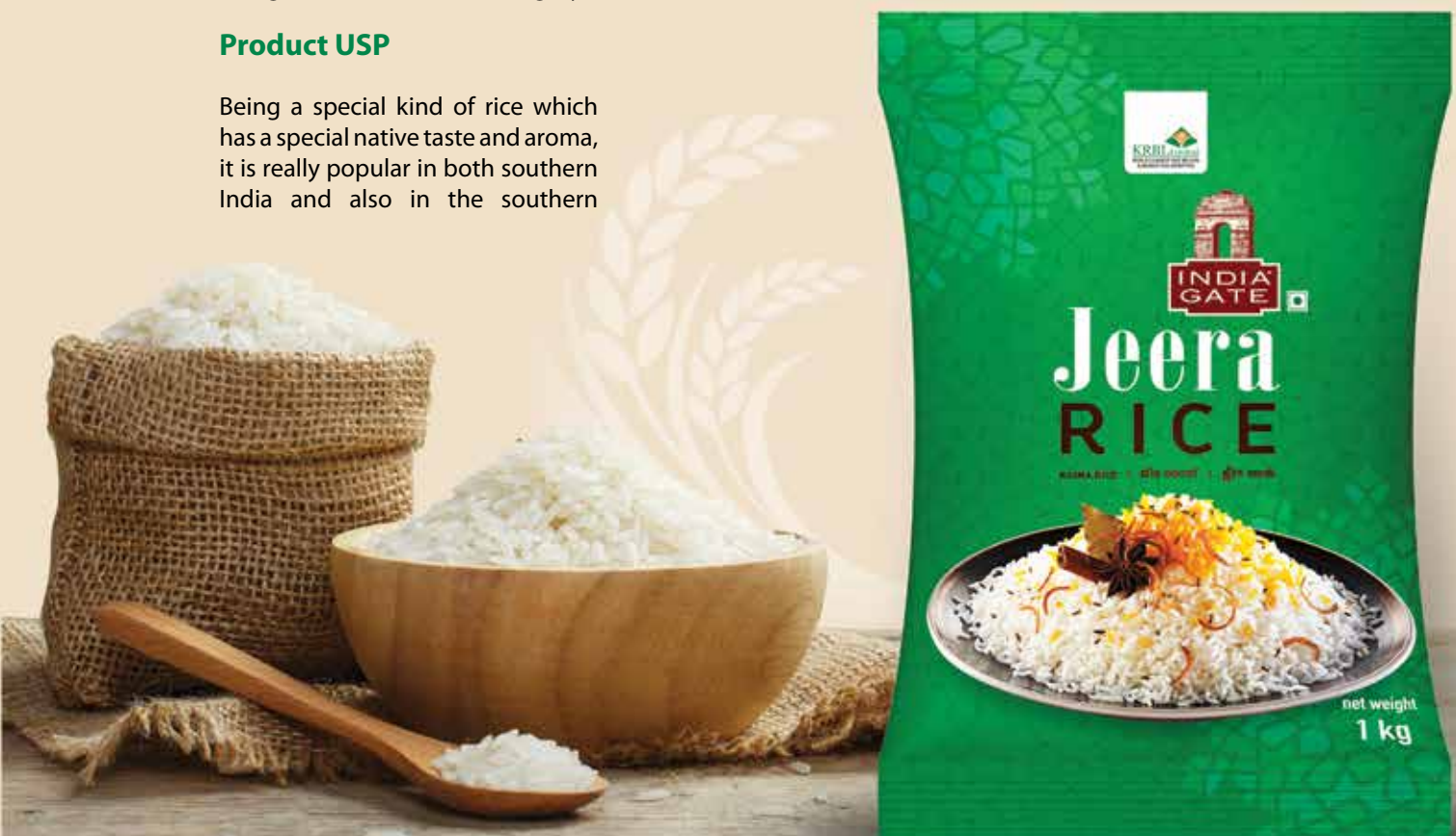
Because of its ability to absorb large quantities of water along with its aroma makes it the ideal choice for most of the Biryanis made locally in Kerala.

Positioning

Jeera Rice is positioned as a basic ingredient for southern dishes

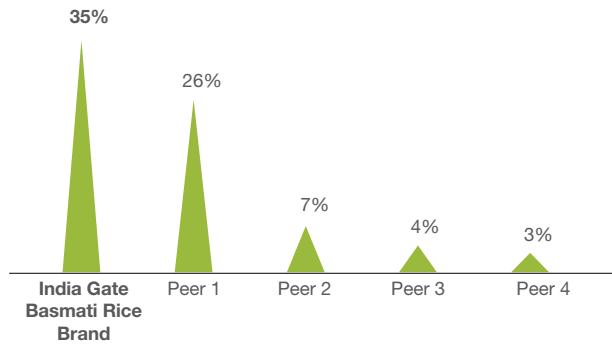
targeting the home makers who know the importance and varieties of dishes which can be made from this variety of rice. Rice being the staple diet in the southern part of the country, women-folk here try their hands in making different varieties of rice dishes, using various types of rice. Jeera Rice is thus positioned as an important and preferred alternative for this purpose.

This product also enhances KRBL's footprint in Non Basmati segment in the specific geographies and extends brand imagery as a wholesome provider of everything that a household needs.



Geography-Wise Market Share:

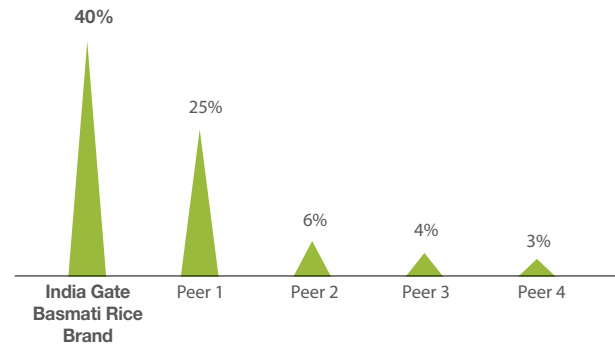
Top 5 Brands (All India Share) – Value wise



Highest all-India (Urban and Rural combined) market share of KRBL Limited

In value terms, India Gate Basmati Rice brand enjoys a leading position in the Indian urban and rural areas combined with a 35% market share compared to 32% in the previous year.

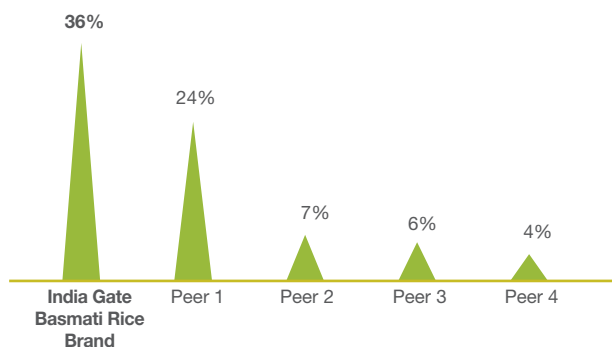
Top 5 Brands (% Share in Town class I) – Value wise



Highest all-India Town class I market share of KRBL Limited

In value terms, India Gate Basmati Rice is a dominant brand in town class I cities with a 40% market share compared to 35% in the previous year.

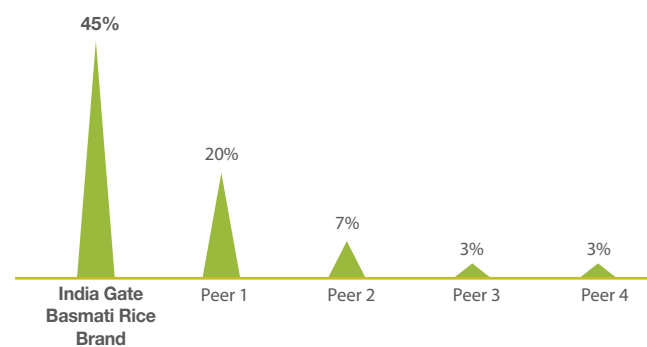
Top 5 Brands (% Share in Metro Market) – Value wise



Highest all-India Metros market share of KRBL Limited

In value terms, India Gate Basmati Rice is a dominant brand in Indian Metropolitan area with a 36% market share compared to 32% in the previous year.

Top 5 Brands (% Share in Rural areas) – Value wise

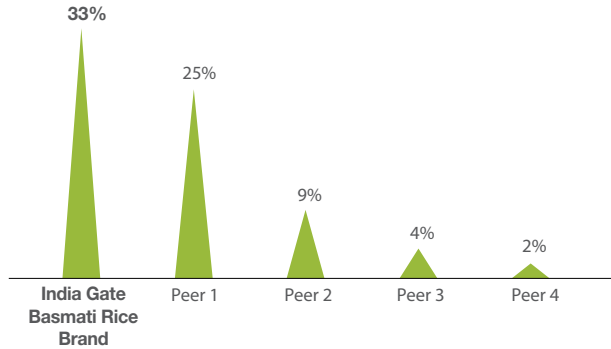


Highest all-India rural area market share of KRBL Limited

In value terms, India Gate Basmati Rice is a dominant brand in rural areas with a 45% market share compared to 43% in the previous year. The Company's strong focus on this segment has enabled it to grow market share while ensuring that it is moving in the right direction.

(Source: AC Nielsen MAT March, 2018)

Top 5 Brands (% Share in Traditional Market) – Value wise



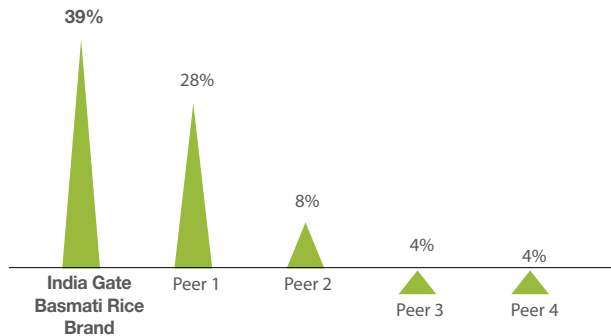
Highest All India Traditional Trade Market Share of KRBL Limited

In value terms, India Gate Basmati Rice is a leading brand dominating the all India traditional trade with a 33% market share compared to 28% in the previous year.

Modern trade

In its modern trade distribution channel, the Company has enhanced its presence to 7,530 stores, while growing market share from 36.9% to 39% in value terms. Initiatives undertaken by the Company towards retail activation and dominating shelf-space, has resulted in improved same-store sales and category share. The Company’s strong business development team undertakes significant research and analysis to identify the right city, right catchment area and right store. This facilitates the Company in consistently growing its market share.

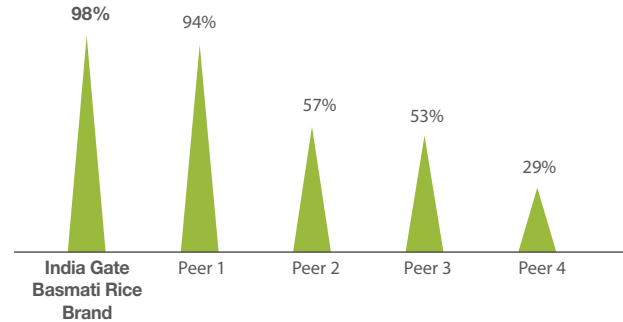
Top 5 Brands (% Share in Modern Trade) – Value wise



Highest All India Modern Trade Market Share of KRBL Limited

In value terms, India Gate Basmati Rice is a leading brand dominating the all India modern trade with a 39% market share compared to 37% in the previous year.

Top 5 Brands Weighted Value Distribution in Packaged (in%) – Value wise



Highest All India Weighted Value Distribution in Packaged Basmati Rice Category in Modern Trade (%)

In terms of Weighted Value Distribution (percentage of stores that sell our products based on their weighted importance), 98% of the modern trade stores sell our packaged Basmati Rice products.



(Source: AC Nielsen MAT March, 2018)



E-commerce

The Company has continued to focus on strengthening its e-commerce channel in FY2017-18, with an eye on cashing in on the rising opportunity from the online distribution network. The Company followed the twin strategy of forming a dedicated team of professionals to build capabilities and devise effective strategy and simultaneously tying-up with major players like Amazon, Flipkart, Big Basket, Grofers, Shopfilo and JBL among others, to drive sales through this channel.



KRBL expects that with nearly 40-45% Basmati volumes in India still being sold in loose form, there is enough headroom for the branded players to enhance market share in the consumer pack segment.

Bulk Packaging Segment

The bulk packaging segment of the Company caters to the requirements of institutional buyers such as hotels, restaurants and caterers. The sales in this segment in FY2017-18 grew by 6% in value terms as compared to last financial year.

Contrary to the general industry approach towards growing this segment by aggressively focusing on quantity and prices, due to the perception that brand equity does not matter in institutional sales, KRBL has managed to push its growth in this segment riding on the back of establishing its strong brand presence.

Some of the Company's prominent institutional buyers in this segment include Taj Group of Hotels, The Leela and ITC Hotels.

Though imposition of GST has brought in some tough competition in this segment, the distinct quality features of the India Gate rice helps the Company to be a customer preferred brand in this segment. The technical aspects of India Gate rice such as fluffy and non-sticky, longer holding time, cooking yield, elongation ratio etc., as well as the Company's ability to deliver consistency in its products have enabled it to weather competition in this segment to a great extent.

Unity and India Gate, the two leading brands of KRBL in the bulk packaging segment, have together accounted for 88% of the total sales in this segment in 2017-18. As part of its on-going brand promotion activities, KRBL has participated in several industry events and exhibitions across India in the year, highlighting the value parameters of its products. The fact that the Unity brand has achieved a 12% growth in value terms compared to last year is a testimony of the success of the Company's effective communication and brand promotion activities.



Super Premium, Super Healthy Product Segment

Super Premium Segment

In a strategic initiative to further move up in the brand value chain, KRBL has forayed into Super Premium Segment to position the Company's most premium and health-oriented products. With the rising awareness of health food and rapidly growing super-premium food segment in India, the Company focused on capitalising this opportunity by re-launching some of the existing products with sharper consumer positioning and also by launching new products.

Products in this category include India Gate Classic, India Gate Brown Rice (Basmati and Non Basmati variant) and India Gate Quinoa. The Company expects that by following

an aggressive and focused growth strategy in this segment, it could achieve significant enhancement in its brand equity and margins.

In 2017-18, sales revenue from this category grew by 1.4%. Brown rice growth increased by 43% in volume and 68% in value.

With the twin objective of further moving up in the brand value chain and to capitalize on the rising awareness of health food and rapidly growing super-premium food segment in India, KRBL has launched more products in the super premium segment in 2017-18. Besides, the Company has also relaunched some of the existing products with sharper consumer positioning in this segment.

The Company has undertaken a targeted Ad and marketing campaign in the year to spread awareness about the health attributes of its products to further consolidate its position in this growing market segment. This has brought rich dividends to the Company, with its sales revenue from this segment growing by 1.4% in 2017-18.

Some of the products which were relaunched with sharper positioning in this segment include India Gate Weight Watchers Special and India Gate Brain Metabolism Booster. With its health attributes such as low in Glycemic Index (GI) which helps in boosting metabolic process, the India Gate Weight Watchers Special targets the fast-

rising fitness conscious young and young-at-heart among the population.

India Gate Brain Metabolism Booster, on the other hand, is meant for the working professionals and school-going children as this product is enriched with GABA (gamma-aminobutyric acid) neuro transmitters, which help in increasing focus, improving sleep quality and reducing anxiety.



Sales and distribution

With the metros and class 1 cities, which together accounts for about 78% of the total packaged Basmati rice demand, reaching almost the saturation level, leading to a slowdown in growth momentum, the Company as of late changed the track by aggressively wooing consumers in the Rest of Urban and Rural markets. The move has started paying off rich dividends as majority of the Company's domestic sales growth are now coming from these two markets.

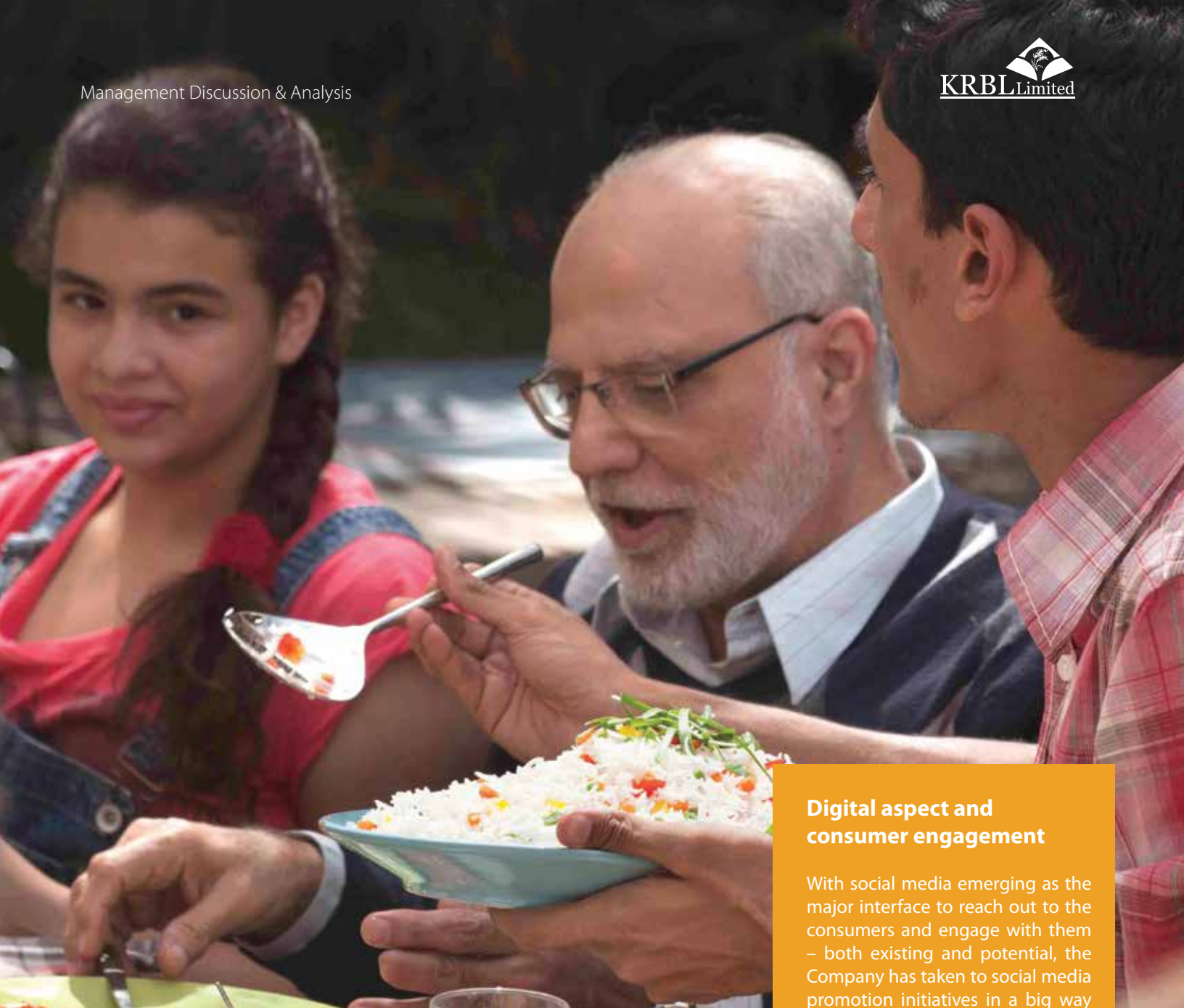
In order to make further inroads into the Rest of Urban and Rural markets, KRBL has devised strategic plans and undertaken initiatives for improving quality of distribution and improving its reach. As part of this strategy, the Company has introduced its non-premium Basmati Rice brands in these markets so as to wean away customers from the unbranded players which have been dominant in these markets hitherto. The move has paid off, helping the Company to expand market share in the region by 41.3% in 2017-18.

In the digital age, the tools for identifying new growth avenues and sales promotion have seen a

drastic change. Adapting to the changed scenario through the 'Go-to-Market' initiative was yet another strategy change initiated by the Company in the year. This initiative has seen KRBL successfully deploying advanced IT processes such as data analytics and digital gadgets to push market growth. The highlights of these initiatives included:

- Switch over to GPS-enabled hand-held devices for the Company's sales force for increasing their operational efficiency. The GPS-enabled hand-held devices, powered with sales force automation software, facilitate track orders on real-time and optimising resources in the field level. This also allows the Company to track the movement of its sales teams for effective coordination.
- Continuing on its efforts to achieve focused growth through identified sales outlets, the Company has achieved geo-tagging of about 50,000 outlets in the year, marking them as direct service outlets. This is aimed at better and effective monitoring of its sales force movement, optimised sales effort and decision making by demarcating key outlets and identifying problem areas for quick remedial actions so as to achieve improved order placement.

Launches more products in the super premium segment to further consolidate its position in the category



Digital aspect and consumer engagement

With social media emerging as the major interface to reach out to the consumers and engage with them – both existing and potential, the Company has taken to social media promotion initiatives in a big way as a core growth strategy for the future. As part of this, the Company has focused on associating with influencers and food bloggers to undertake advocacy programmes. This shall facilitate in spreading digital word of mouth and awareness in social media that is necessary to engage customers.

The Company is also investing in sampling and distribution initiatives whereby it organises food stalls across major retail outlets. This is aimed at enabling the Company to reach out to target audience and induce trial rate.





The Indian food industry is poised for huge growth, increasing its contribution to domestic and world food trade every year due to its immense potential for value addition, particularly within the food processing industry.

In order to cash on this huge growth prospects, KRBL has crafted a two-pronged strategy to keep its leadership position intact going forward, as also to capture additional market share in all its product and brand segments. Thus, besides using its massive pan-India distribution network to enable its product to reach every corners of the country, the Company effectively and imaginatively follows a well planned media strategy to reach out and communicate to its existing and prospective customers and also to position its flagship India Gate brand on top of consumers brand recall.

Initiatives in Media Strategy in FY2017-18

Year 2017-18 was an eventful year for KRBL as far as implementing its well crafted media strategy was concerned. Building on the momentum created through the multi-media Ad and marketing campaign, the Company further stepped up its campaign initiatives this year to increase its brand awareness and popularity. Here are the highlights of some of these initiatives:

- The media activities have led to a 23% increase in its Ad spend in the year. This has, however, produced the desired results by sustaining the leadership position for the Company's India Gate brand with a 31% share of the total share of commercials in the branded rice category. For the Company, spending on the India Gate campaign accounted for 37% of its total media-related expenditure across all channels.
- The sustained brand promotion efforts of KRBL has paid rich dividends in 2017-18 as well, with the awareness level of the Company's brand philosophy spreading

to more number of consumers and households, besides its India Gate brand slowly becoming synonymous with rice.

- KRBL's highly successful brand promotion commercial, created around the 'India ki puraani aadat' theme and featured in a series of TV commercials across various regions have led to significant increase in India Gate's brand recall.
- The highlight of the Company's media activities in the year was its association with

the Big Boss's show for six weeks, helping the India Gate brand to gain significant visibility, thanks to the huge viewership of the Salman Khan-anchored TV show.

- Besides getting associated with the Big Boss show, India Gate Basmati Rice also co-powered 'Vighanharta Ganesh Abhiruchi, a Telegu cookery show and 'Ograne Dabi', a Kannada TV show.



Eyeballs, Ears & More



RADIO

KRBL undertook an extensive promotion campaign through radio in a multi-city, multi-channel package. The highlights of the radio campaign drive are as follows:

- 70% SOE in Radio across similar categories
- 7500+ Spots across Metros



PRINT

The Company made effective use of the print media by selectively choosing publications, including regional publications to reach out to the target audience.

- The Company Ads were featured in selected Women, Fashion Magazines & Dailies
- Total of 96 Insertions were placed in the Year



OUTDOORS

The Company's BTL strategy was centered on choosing strategic locations and innovative ideas.

- 615 Sites across India in LTC, MTC & STC
- Disruptions through innovations

Proud Associations

As part of its strategic initiative to achieve better brand visibility and awareness, KRBL also got associated with Living Foods Epicurean Guild Awards, the most prestigious awards in the food category. This has helped the Company to achieve:



1.6
MN

Total Video Views

14.3
MN

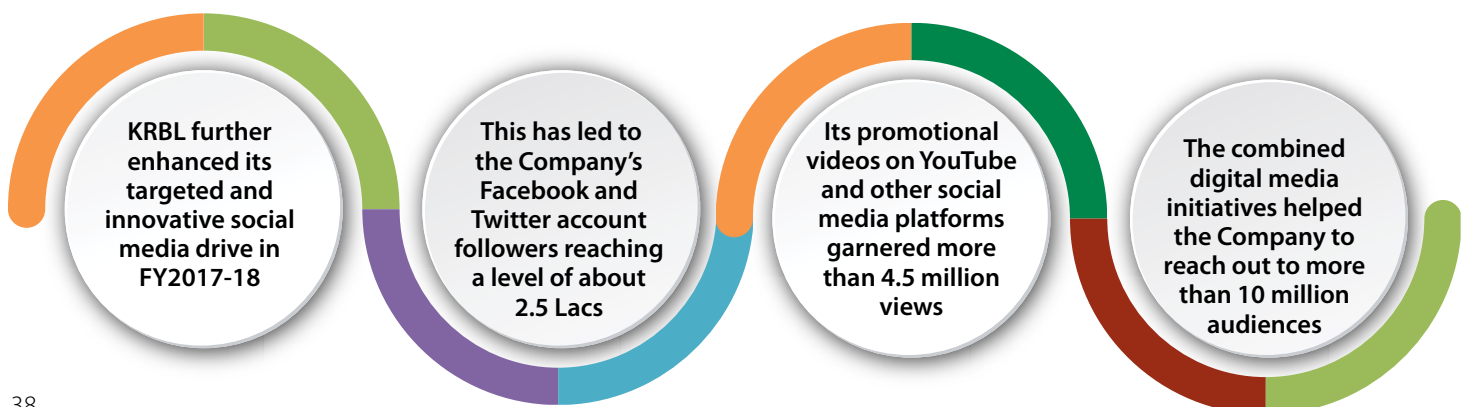
Total Ad Impressions

1.3

MN of Total Engagement

Social Media Deliverables

The Digital Story



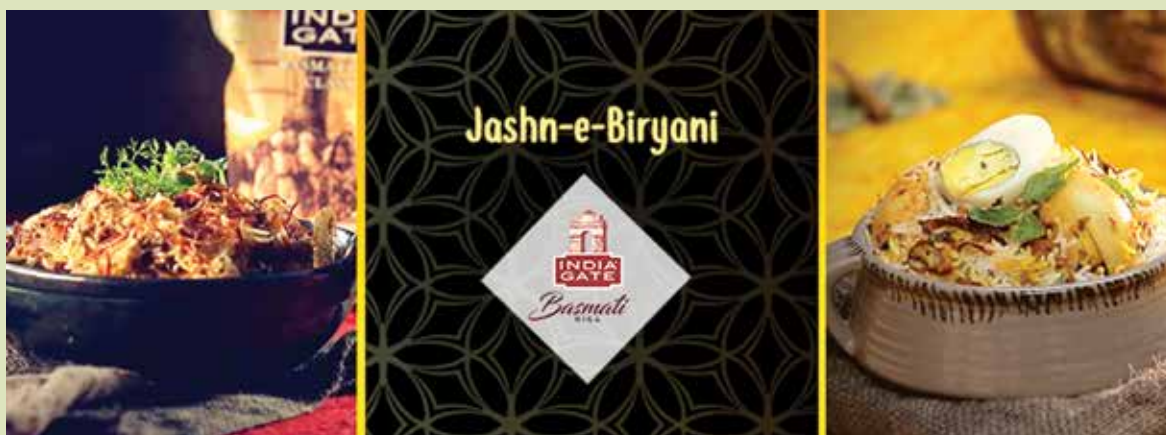
Presence in all E-commerce platforms



Jashn-E-Biryani



During the year, KRBL has also extended its associations with selected digital media platforms for sharing of contents. Its Jashn-E-Biryani series of videos on YouTube, featuring 45 biryani recipe videos, became a big hit with viewers mopping up about 2.5 million views.



Association with several media platforms for content sharing

45 Biryani Recipe Videos

2.5 Mn Views

Launch of a Healthy Lifestyle- Quinoa.life



The Company has also made an innovative web initiative by launching 'Healthy Lifestyle- Quinoa.life' under which it has a website and different segments for promotion, advertising and events. The web initiative has since then been gaining popularity among the Company's target audience.

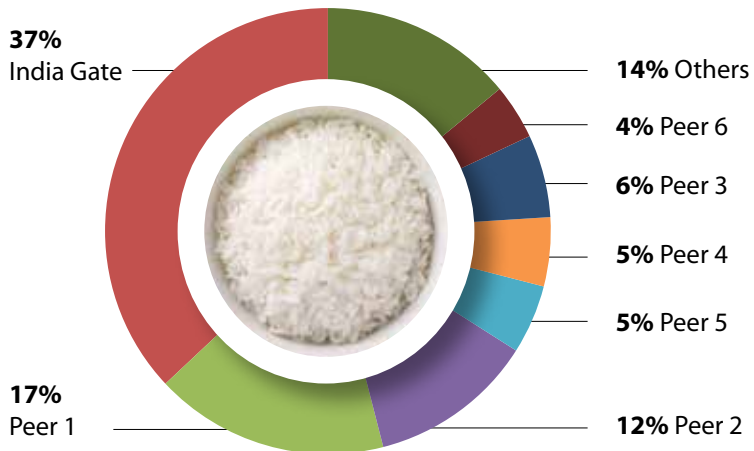


India ki Puraani Aadat - Contd...



As the brand's promise of previous year, company grew its emphasis on the campaign thought of "India ki Puraani Aadat". The continuation of campaign ensured built saliency and top of the mind association in customer's mind for the brand message. Both on and off the screen, the company tried to put its focus on building brand values and promote a healthy lifestyle through the new portfolio of Quinoa, Brown Rice Weight Watchers and Brown Rice Brain Booster. Several initiatives like Corporate Master Chef, on screen associations and a strong digital footprint ensured presence of the brand throughout the year.

Brand Spends- Rice Segment



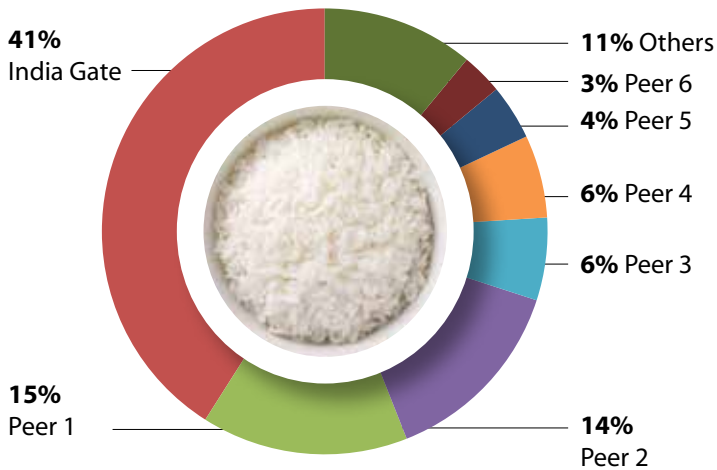
As a true dominant player, India Gate brand has the highest Advertising spends in the segment

Dominating Screen Presence

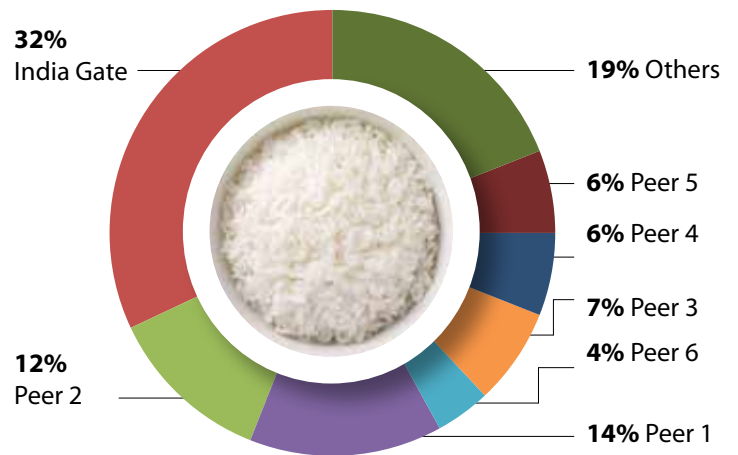


Dominating Screen Presence

Share of Expense



Share of Voice



India Gate Ad Campaign Creates a Buzz in the Market

Old habits die hard. With its 'India ki Purani Aadat' Ad campaign touching a chord with the domestic audience and consumers, the company has worked hard on spreading its brand awareness far and wide by aggressively extending this campaign through more traditional media and digital media platforms in 2017-18. The campaign obviously made more resonance with the customers, with the India Gate brand moving up several notches in both – brand perception scores and brand visibility in various market surveys.

Keeping up the tempo on its brand push, KRBL unleashed a multi-media, multi-region campaign

during the year. Thanks to the strong positioning and the effective media coverage, the Company's brand philosophy has made further inroads into Indian households, leading to India Gate slowly becoming synonymous with rice.

India Gate brand topped the category list with a 31% share of voice on TV and a 37% share of expenditure across multi-media channels.

Another big feat of the past year was co-powering the Epicurean Guild Awards 2018. This has helped KRBL and India Gate brand to grab immense media attention, pushing up the product visibility by leaps and bounds. The event video had a total view of 1.6 million.

KRBL also invested significantly in voice ads through radio in 2017-18 by running two radio campaigns between November 2017 and March 2018. Through a total of six channels, the campaigns covered major cities such as Delhi, Chennai, Mumbai, Pune, Bangalore, Jaipur, Jodhpur, Kolkata, Indore, Bhopal and Patna.

In the print media, besides some of the daily publications, KRBL's association was mainly with the Women and Fashion magazines to reach out to its target audience. The Company made a total of 96 ad insertions in the year.

As they say, the proof of pudding is in its eating. So what better way to show the aroma and intoxicating taste of the India Gate Basmati rice than showing the recipes for various types of Biryani made from the Basmati rice through videos. KRBL's 'Jashn-E-Biryani' series videos, showing 45 Biryani recipes were a major hit with consumers/viewers, with the videos getting 2.5 million views on YouTube.

So the jury's decision is unanimous: India Gate rice delivers superior quality Basmati rice in every meal and every bite.





Agri Business – International Market

Over the years, KRBL has built up a vast dealer network across all major international market which has made it a popular household name in all these markets. With its products being exported to as many as 81 countries, the Company is the largest player in the Branded Rice Segment with maximum global reach.

During 2017-18, the Company has further strengthened its export presence by venturing into new markets like Europe, especially Netherlands, Belgium, Sweden, Guadeloupe, Germany and strengthening its existing presence in middle east among others. The Company reported export sales of Rice for ₹ 1,299.90 Crores in the 2017-18, an increase of 20.16% from ₹ 1,081.80 Crores in the corresponding period of previous fiscal year.

The Company's flagship Basmati brand India Gate continued its reign as the undisputed leader in this segment in 2017-18, with its market share in the UAE market reaching 35%, taking a pole position compared to its peers. It is also amongst the most recognised brands in several Western, Australian and South East Asian markets.

**The Company reported
export sales of Rice for
₹ 1,299.90 Crores in the
2017-18, an increase
of 20.16% from ₹
1,081.80 Crores in the
corresponding period of
previous fiscal year.**

Highlights of Export Market



India Gate and Bab Al Hind #2 in Indian Basmati white rice segment in Saudi Arabia

North Africa Leadership in North Africa with a total import share of 11% with KRBL brands.

India Gate #1 Indian Basmati brand in Canada both in Ethnic and Modern Trade.

Nurjahan #1 brand Dominance in South Africa with a total import share of 29% Nurjahan #1 brand in South Africa.

India Gate and Bab Al Hind leadership in Kuwait with 19.7% market share.

India Gate dominance in Oman with India Gate and Nurjahan in Indian Basmati Segment.

India Gate #1 Indian Basmati brand in UAE: 35% market share; Next peer at 11% market share.

India Gate India Gate is the most aspirational brand in Singapore and Hong Kong with a total import share of over 9%.

India Gate & Nurjahan #1 & #2 Indian Basmati brand in Qatar with 27%.

India Gate #1 Premium Indian Basmati brand in Bahrain and Lebanon.

India Gate #1 Dominance in the Australasia region. India Gate # 1 brand in Australia and New Zealand with a total import share of 26%.



New Product Launches in the International Market in 2017-18

India Gate Sprouted Brown Rice

Launch Rationale

The product is introduced as a healthy food product to meet the changing customer preferences for better quality products with added health/nutritious benefits. KRBL is constantly innovating on its offerings to the ever changing consumers by bringing the best to the world. Our strategic transition to a healthy food company has brought us to this healthy and innovative product. The product was announced during the Gulf food 2018, held in Dubai early this year and was officially launched in March 2018, focusing on the needs of the future consumers and leveraging on our strong presence in the middle east region.

A first of its kind product, India Gate Sprouted Brown Rice incorporates the state-of-the-art technology of controlled germination for nutritionally enriching the grains with GABA neurotransmitter which plays a vital role in spreading a calming effect on the body and thus enhancing the sleep cycle.

Product USP

Sprouted Brown Rice contains Tocotrienols and Gamma Oryzanol. The high Inositol levels in Sprouted Brown Rice helps accelerate fat metabolism, boost immune system and regulate blood sugar levels. This product also prevents headache, reduces anxiety and stress, enhances focus and improves brain

function and memory retention. We have also filed for patent on the manufacturing process of the product.

Positioning

Its versatile nature has allowed its incorporation in a number of dishes including traditional recipes without compromising on taste.



India Gate Flax Seed

Launch Rationale

Being nutrient-dense super-seed, with a nutty flavour and delightful crunch, this product addresses consumers need for 'add on' products which are a combination of wholesomeness and taste.

Product USP

India Gate Flax Seed is an excellent source of Omega 3 fatty acids and PUFA which keep a check and balance on the cholesterol level. It is rich in Vitamins B6, Folate, Thiamine and contains plant-based protein source. While being rich in Dietary Fiber, the Flax Seed is low on sodium and sugar.

Positioning

The product is positioned as well-balanced choice as it contains all essential minerals, vitamins and fatty acids, making it one of the best ways to optimize and elevate human health.



India Gate Chia Seed

Launch Rationale

This product is a perfect fit for the health conscious consumers as it is the ultimate super food containing protein, fibre, minerals, vitamins and essential fatty acids, making it a one stop solution for nutritive needs of all age groups.

Product USP

One shot of Chia Seed is equivalent to one glass of milk intake. It's easy supplementation and combined effect of nutrients contribute to complete nourishment, helping consumers to achieve a healthier lifestyle.

Positioning

This product can be an add-on to all your snacks and meals without altering the taste. Due to its simplicity in consumption, the product is suitable to all age groups who are into healthy lifestyle, specifically to children due to its high nutritional offering.





International agri business performance

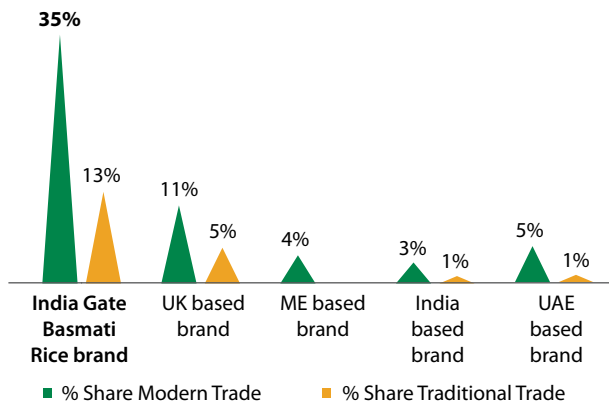
As the most preferred rice brand, India Gate has 76% market share in the 'premium' category (on RSP basis) in the GCC markets. India Gate's Classic variant is the most preferred brand in Saudi Arabia, Kuwait, UAE, Qatar, Bahrain and Oman.

India Gate Chia Seeds, India Gate Sprouted Brown Rice and India Gate Flax Seeds were announced in the Middle East during the Gulf Food festival in mid-February 2018 and were officially launched in March 2018. It is listed across all retail and e-commerce network. Consumers are taking the health foray very positively and Company is trying to increase awareness

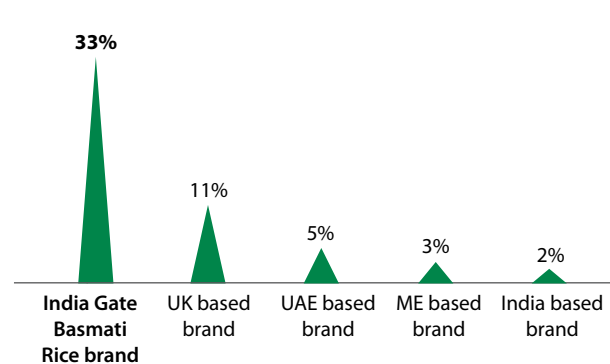
via digital and conventional marketing formats. The Company is tapping the e-commerce and non-conventional retail outlets by tying up with diet centres, gymnasiums and healthy product outlets. The pack is available globally in 1 lbs poly packing in earthen colours to denote Company philosophy to supply nature's goodness to its consumers.

Market Share of various Rice Brands in UAE Basmati Rice Market:

Top 5 Brands Channel Wise (%)



Top 5 Brands - Value Wise (%)

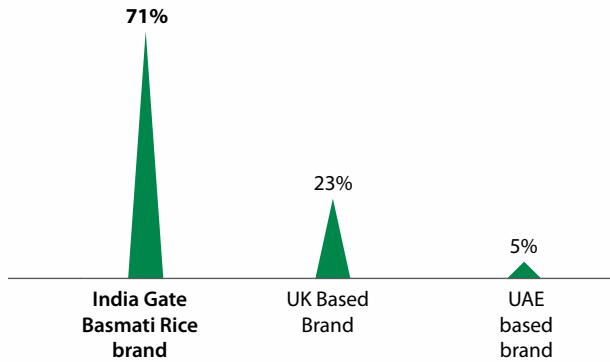


In terms of Channel wise share, India Gate Basmati Rice is the leading brand in UAE Basmati Rice market with 35% market share in Modern trade and 13% in Traditional trade.

In value terms, India Gate Basmati Rice is the largest selling Basmati Brand in UAE Basmati Rice market with 33 % Market Share.

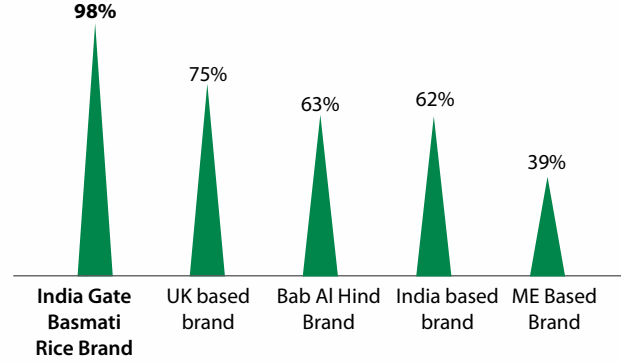
(Source: AC Nielsen Middle East - Period ending April 2017 - March 2018)

Top 3 Brands - Value Wise (% share in premium Basmati Rice segment)



In value terms, India Gate Basmati Rice is the only dominant premium segment brand in the UAE Basmati Rice market with a 71% market share.

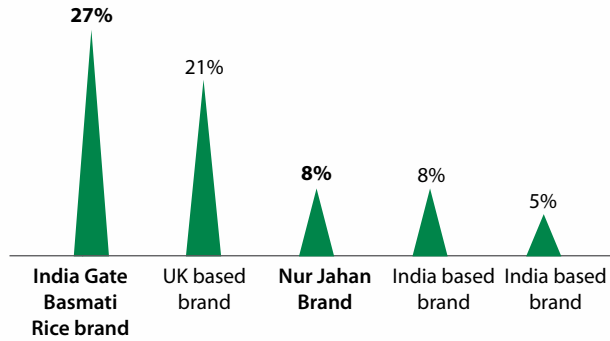
Top 5 Brands Weighted Distribution (%)



In terms of weighted distribution (percentage of stores that sells our products based on weighted importance of the store), India Gate Basmati Rice is the leader in the UAE Basmati Rice market with 98% of the stores selling our products. While our other rice brand 'Bab Al Hind' is sold by 63% of the stores.

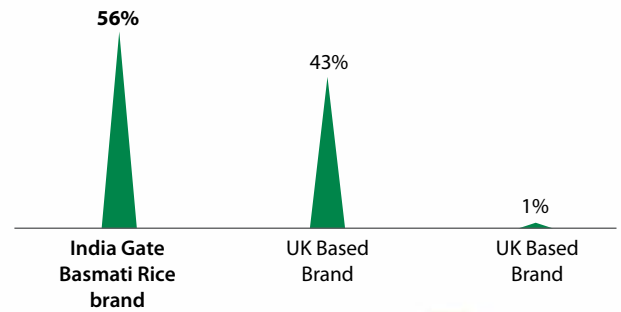
Market Share of various rice brands in Qatar Basmati Rice Market:

Top 5 Brands - Value wise (%)



In value terms, India Gate Basmati Rice is a leading brand in Qatar Basmati Rice market with 27% market share. While, Nur Jahan Basmati Rice is gaining traction with 8% market share.

Top 3 Brands - Value Wise (% share in premium Basmati Rice segment)

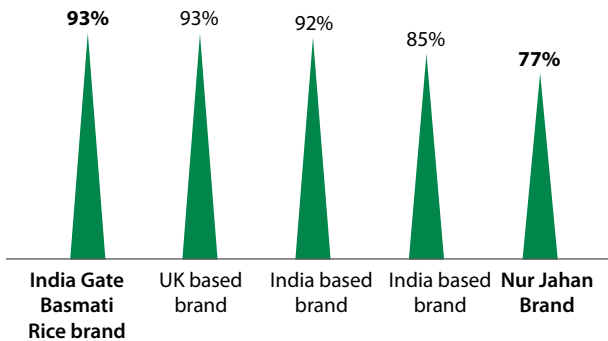


In value terms, India Gate Basmati Rice is the leading premium Indian Basmati Rice brand in the Qatar Basmati Rice market with a 56% market share.

(Source: AC Nielsen Middle East - Period ending April 2017 - March 2018)



Top 5 Brands Weighted Distribution (%)

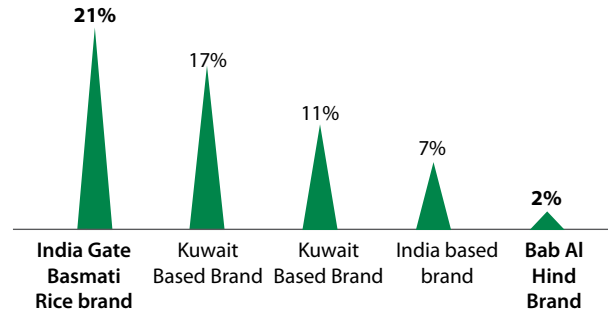


In terms of weighted distribution (percentage of stores that sells our products based on weighted importance of the store), India Gate Basmati Rice is sold by 93% of the stores in the Qatar Basmati Rice market. While our other rice brand 'Nur Jahan' is sold by 77% of the stores.



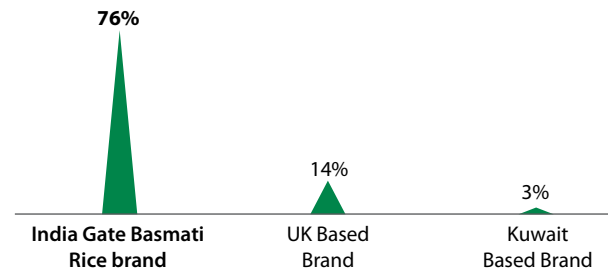
Market Share of various rice brands in Kuwait Basmati Rice Market:

Top 5 Brands - Value wise (%)



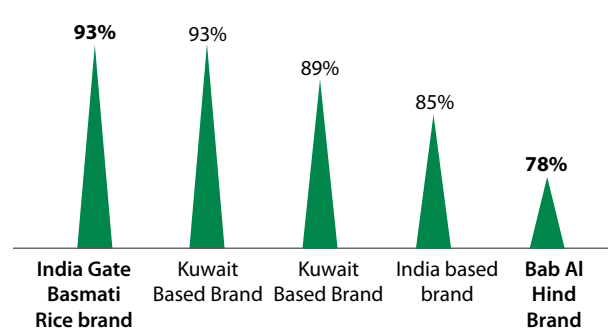
In value terms, India Gate Basmati Rice is a leading brand in Kuwait Basmati Rice market with 21% market share. Being a newly introduced brand in the market, Bab Al Hind is slowly & steadily picking up pace with respect to other brands.

Top 3 Brands - Value Wise (% share in premium Basmati Rice segment)



In value terms, India Gate Basmati Rice is the leading premium Indian Basmati Rice brand in the Kuwait Basmati Rice market with a 76% market share.

Top 5 Brands - Value wise (%)



In terms of weighted distribution (percentage of stores that sells our products based on weighted importance of the store), India Gate Basmati Rice is the leader in the Kuwait Basmati Rice market with 93% of the stores selling our products. While our other rice brand 'Nur Jahan' is sold by 78% of the stores.

(Source: AC Nielsen Middle East - Period ending April 2017 - March 2018)



Media Initiatives in the International Market

KRBL Taps into Digitally Savvy Consumers in MENA Region

Year 2017-18 witnessed KRBL unleashing a number of digital and social media initiatives to reach out to its existing and potential consumers across MENA region through a carefully crafted multi-media strategy. These included:

#India Gate Rice MENA

handled across social media platforms like Facebook, Twitter, Instagram and YouTube have enabled India Gate Brand to create awareness, engagement, inspiration and address consumer query with minimum turnaround time.

India Gate Chef Fiesta

KRBL undertook a digital campaign in association with movie 'CHEF', starring Saif Ali Khan which was captioned as # India Gate Chef Fiesta. The Campaign invited amateur chefs from across UAE and converting them into professional chefs by utilizing India Gate products to showcase their culinary art.

Celebrity Chef Association

KRBL has appointed celebrity Chef Nishant Choubey as its Brand ambassador to represent the India Gate Brand across the globe. Chef Nishant has represented India Gate Brand at Gulfood 2018 and also at various international cooking events. According to Chef Nishant, he loves India Gate Quinoa as it has superior taste profile over its peers and is so versatile that can be used in every day meal.

KRBL Creates a Buzz with its PR Drive in Gulf Region

In continuation of its endeavours to engage closely with its consumers and customers, KRBL has intensified its Public Relation reach out within the Gulf region.

The key objective of the Company's PR activities was to strengthen the brand presence in the region and create awareness for its new introduction - India Gate Quinoa, marking the entry of the brand into the healthy food category in the region.

The PR strategy included disseminating press releases and write-ups introducing the new product and highlighting its benefits, developing innovative health stories and features describing various health attributes of the new brand offering and its USP. The PR strategy also aimed at positioning the brand as a leader in the industry by identifying and arranging interviews of top Company executives in prominent publications, creating a buzz about the brand in the region and interacting with target audience through regular blogger seeding programs. It also used crafting creative media alerts based on occasions and features relevant to the local media by sharing tips and recipes thereby creating editorial opportunities for the brand.

Below is the summary of the mileage received for the brand through consistent PR activities and a focused strategy to enhance the image of the brand in the region and build awareness amongst the target media and audience.



PR Activity	Total	No. of Coverage
Interviews	6	Print = 3 Online = 14
Media Alerts & Recipes features	14	Print = 9 Online = 133
Press Release	5	Print = 5 Online = 14
Blogger Collaborations	10	Online = 11 Reaching out 1.5 Million fans
Advertorial	3	Print = 3
Exclusive Articles	1	Print = 1 Online = 1
Total PR Value Estimated	1.2 Million USD	

(*Above shown results are achieved within last 6 months)

KRBL's Traditional Marketing Initiatives in MENA Region

During the year, KRBL has reinforced its brand essence by continuously investing and communicating with its consumer universe which is inclusive of variety of languages, ethnicity, culture, eating habits and geographical locations.

Aggressive media strategy comprising of Television and Radio communication was adopted by KRBL to reach out to Arabic, Asian and Western expat target audience within the MENA region, promoting India Gate Classic, India Gate Super and India Gate Quinoa.



- Aggressive full year campaign with 25000 FCT on STAR ASIA NET Middle East carried out promoting India Gate Classic and India Gate Super to South Indian population across the GCC region.
- Half year campaign with 14660 FCT on COLORS Television Middle East with commercial and sponsorships on Big Boss 11 and many other popular

family entertainment programs catering to Asian target audience.

- Half year aggressive campaign with 24000 FCT on Zee TV Africa to promote India Gate brand within the South African Markets.

- Actively Promoting India Gate Quinoa with 2 months of Radio campaign across Channel 4 and Al Rabia which caters to Arabic and Western expat target audience of UAE.

Consumer Activation in GCC

At KRBL we have always believed that it is a company which is built by its farmers and loyal consumers. Thus, we always want to reward our loyal consumers who believe in the brand and quality of our products. As part of this strives to reward our consumers, we launched a scheme to offer a FREE Rice Cooker with every pack of 20kg India Gate Classic Rice across the Gulf and LEVANT regions.



KRBL's Foray into the Health Food Segment in the Middle East

After reigning in as the undisputed leader in the Basmati Rice segment with its flagship brand India Gate in the global market for two decades, KRBL has announced further expansion of its product portfolio in the regional health food segment in the Middle East by launching three new healthy food products at the Gulfood 2018 expo.

KRBL has evolved into a health food company and has launched India Gate Sprouted Brown Rice, India Gate Chia Seeds and Flax Seeds.

To play on the synergy with its flagship brand India Gate, the new

offerings from KRBL are positioned as brand extensions and christened as India Gate Sprouted Brown Rice, India Gate Chia Seed, and India Gate Flax Seed in the Gulf region. The quality and reliability of the products are maintained by choosing only the best crop cultivated in the Company's own extended farmland. The crop is cultivated using sustainable farming practices and precision agriculture, to take care of the social, environmental and economical aspects. By adding Flax seeds and Chia seeds in its product portfolio, KRBL has set a new precedence in the healthy food segment.



KRBL has evolved into a health food company and has launched India Gate Sprouted Brown Rice, India Gate Chia Seeds and Flax Seeds.



KRBL's Participation at 'Gulfood 2018'

KRBL participated in a big way at Gulfood 2018, the largest annual food and beverage exhibitions, held at Dubai World Trade Centre. The food expo brings together the entire global food industry that caters to the \$5 trillion global market, under one roof. The annual expo, besides being a must to attend event for the trade, is a major attraction for the consumers as companies showcase their latest culinary concepts and products at the event.

No doubt, the three new product offerings from KRBL - India Gate Sprouted Brown Rice, India Gate Chia Seed and India Gate Flax Seed, were the major attractions during the 5-day Gulfood 2018 Expo.

The ribbon cutting ceremony at the new products launch function was performed by Hon'ble Chairman and Managing Director of KRBL, Mr. Anil Kumar Mittal and Director Sales & Marketing, Ms. Priyanka Mittal. The Hon'ble CMD described the company's decision to launch these new products as part of its continued initiative to expand its newly created 'Healthy food Portfolio'. Ms Priyanka Mittal hoped that the newly launched products will give a boost to regions quest for living a healthy lifestyle.

The three new products launched by KRBL comes close on the heels of the company introducing another star brand - India Gate Quinoa, earlier this year.

Live Cooking & Health Tips

'Gulfood 2018' attracted more than 100,000 trade visitors, most of whom were treated to taste mouth-watering dishes prepared live by India Gate Chef and Brand Ambassador Nishant Choubey at the KRBL Stall. Mr. Choubey demonstrated his culinary art by preparing dishes like India Gate Sprouted Brown Rice Nase Goreng, Chia Seed and Flax seed Lettuce wrap, Quinoa Biryani and many other dishes using the India Gate new products.

During this event, consumers also had an opportunity to meet and interact with India Gate Nutritionist, Ms. Abir who gave health tips to consumers on how they can include India Gate Healthy products in their daily life to live a healthy lifestyle.

Energy Division

For the Energy vertical of KRBL, FY2017-18 turned out to be a great year, with its vision to emerge as a significant diversified power generator bearing more fruits. The total installed capacity of the Company's power division, which has presence in Biomass, Wind and Solar Power, has reached 146.94 MW during 2017-18.

In FY2017-18, the total income from sale of electricity has increased by 26% to ₹ 123.71 Crores, as against ₹ 97.99 Crores in 2016-17 on account of higher generation due to first full year operation of the 27.3 MW wind power plant at Gujarat, which was commissioned in FY2017-18.

Besides helping to meet the entire captive requirements for power of the Company, the Energy has also opened up a new revenue stream.

Installed Power Generation Capacity	
Particulars	2017-18
Total Wind power project capacity	114.35 MW
Total Solar power project capacity	15.00 MW
Total Biomass capacity	17.59 MW

Power Generated		
Details of Project	Details of Units Generated	
	2017-18	2016-17
(A) Wind		
Maharashtra		
Dhule (1.25*10 MW)	1,50,99,718	1,87,67,772
Sangli (2.10*10 MW)	3,09,94,362	2,27,49,200
Tamil Nadu		
Tirupur (1.50*4 MW)	1,29,12,740	1,35,88,331
Tirunelveli (2.10*1 MW)	35,14,361	33,01,821
Karnataka		
Kalmangi (1.50*6 MW)	2,14,54,617	2,39,06,694
Bellary (2.10*1 MW)	41,81,339	45,78,822
Rajasthan		
Ajmer (1.50*4 MW)	87,01,054	93,61,512
Jaisalmer (2.10*1 MW)	24,69,005	24,85,744
Rathkuriya (1.25*3 MW)	47,60,563	53,86,847

Power Generated		
Details of Project	Details of Units Generated	
	2017-18	2016-17
Andhra Pradesh		
Gandikota (2.10*1 MW)	38,96,984	46,57,765
Tallimadugulla (2.10*4 MW)	1,55,83,296	1,82,68,574
Madhya Pradesh		
Mahuriya (1.50*4 MW)	1,02,14,077	1,12,34,842
Garora (1.50*4 MW)	80,02,830	84,17,106
Gujarat		
Bhanvad (2.10*13 MW)	7,06,46,652	2,08,06,617
Sub Total (A)	21,24,31,598	16,75,11,647
(B) Solar		
Madhya Pradesh		
Rajgarh (2.50*1 MW)	41,28,907	42,76,893
Susner (6.63*1 MW)	1,12,76,427	1,14,34,027
Rojhani (5.60*1 MW)	95,21,330	96,13,739
Ichhawar (0.27*1 MW)	4,93,626	10,48,533
Sub Total (B)	2,54,20,290	2,63,73,192
TOTAL (A+B)	23,78,51,888	19,38,84,839

Power Business		
Plant Location	Function	Capacity (MW)
Dhuri	Biomass	12.34
Gautam Budh Nagar	Biomass	5.25
Sub-Total (A)	Biomass	17.59
Maharashtra	Wind	33.50
Rajasthan	Wind	11.85
Tamil Nadu	Wind	8.10
Karnataka	Wind	11.10
Andhra Pradesh	Wind	10.50
Madhya Pradesh	Wind	12.00
Gujarat	Wind	27.30
Sub-Total (B)	Wind	114.35
Madhya Pradesh	Solar	15.00
Sub-Total (C)	Solar	15.00
Total (A+B+C)	Biomass / Wind / Solar	146.94



Research and Development

R&D is one of the main focus areas for KRBL, which has pioneered several cropping methodologies and harvesting techniques, besides collaborating with other agricultural academic/research institutions to develop new Basmati seed varieties. The Company's core R&D strength is its modern seed farm and product testing centre. The thrust is on continuous upgradation of seed quality, for which the Company works in close coordination with the Indian Agriculture Research Institute (IARI), New Delhi.

The Company pioneered the development of premium PUSA

1121 seed variety, which is considered superior than the Pakistan Basmati seed variants.

The Company's R&D cell undertakes extensive research on various parameters such as:

- Chemistry, quality and ageing of Basmati rice to constantly improve quality.
- Includes a team of experienced rice professionals and farmers, who blend their traditional knowledge with modern technology focussed on improving pre and post harvesting techniques.
- Core R&D strength comes from its

modern seed farm and product testing centre.

- Primary focus on seed quality upgrading, constant improvement of process and enhancement of operational efficiency.

The Company is certified/registered by:

- FSSC 22000 issued by SGS
- SGS HACCP registered
- SQF Code Edition 7.2 issued by SGS
- USFDA registered
- BRC Certification issued by SGS

This is a clear endorsement of its strong quality thrust.

Strengths, Weaknesses, Opportunities & Threats

Strengths

Strong Legacy & Brand Equity

Highly established Company with a successful track record of over 129 years in the agri-food industry.

Decades of market presence and strong brand reputation contributes to KRBL's global leadership in the Basmati Rice market.

Management Strength & Committed Team

Committed and experienced management team capable of steering the Company on the growth path in all sorts of market conditions.

The strong top management is ably assisted by a team of dedicated, committed and talented people to enable the realisation of the Company's vision.

Integrated Value Chain & R&D Capabilities

Continuous efforts for modernisation of operations and supply chain, besides presence across the entire value chain enables controlling costs and quality.

State-of-the-art R&D capabilities help to develop high yielding varieties of rice seeds and also innovative rice products to cater to changing customer preferences.

Strong Farmer Relations & Dealer Network

Contact farming operations (providing high quality seeds, knowledge on best agricultural practices and facilitating them in sourcing quality inputs) ensures consistency in quality.

Strong supply chain network enables products to reach pan-India retailers on time to avoid stocking out.

State-of-the-art Plants & Storage Facilities

Greenfield and brownfield expansion in capacities, along with technological upgradations at plants lead to economies of scale, and improvement in productivity and product quality.

Investments in large automated facilities for storage and warehousing enhances operational efficiencies and facilities in stocking rice for ageing.

Strategic Investments in Environment-friendly Energy Sources

Strategic investments in captive power generation capacities ensures consistent power supply at lower cost for uninterrupted production.

Investments in eco-friendly non-conventional power generation capacities reduces carbon emission.

Weaknesses

Climate Dependent

Shortfall in rainfall and adverse climatic conditions can adversely impact rice plantation and production.

Risk of Crop Damage

Rice, being an agricultural commodity, is prone to plant diseases that can damage the crop.

High working capital

Sizeable investments in capital and time are required for creating facilities for ageing of rice for enhancing and maintaining quality, making it a high working capital industry.

Inventory losses

Fluctuations in the market prices of paddy can lead to inventory losses.



Opportunities

Evolving Lifestyles & Consumer Preferences

Increasing health and brand consciousness on the part of consumers is pushing up demand for branded rice across modern retail chains.

Global market expansion & Increased Consumption

There has been consistent increase in demand globally, especially in the Middle East region for Basmati rice, thanks to the rising popularity and awareness about the high quality, aromatic and aesthetically pleasing features of this rice.

Changing Quality Consciousness & Consumer Perception

Consumers' increasing preferences for super-premium and healthy food instead of low quality and cheap ones is leading to rise in demand for Basmati Rice.

Greater Access to World Market

Increasing acceptance of rice as a staple diet has enhanced accessibility of Basmati rice in Global Markets.

Threats

Competition from Unorganised Segment

Despite the recent trend of increasing preferences for branded products, unorganised players, operating at low margins and accounting for nearly 40-45% of the Basmati market, pose a threat to the large organised players. Non-inclusion of unbranded rice products in GST has further compounded the situation.

Economic Slowdown & Currency Fluctuations

Looming threat of tariff war started by the US administration, coupled with geo-political tensions in Iran, Russia, etc and sharp fluctuations in currency exchange valuations could adversely impact international/export business.

Competition from Pakistan

Increasing competition from Pakistan may impact India's dominance in the global Basmati market.



Risks Mitigation

Economic Risk

Sharp fall in the exchange value of Rupee vis-à-vis Dollar and other major currencies in the recent months and a fresh imposition of economic sanctions against Iran is expected to adversely impact India's import bill, leading to a possible increase in fiscal and current account deficits and firming up of inflation and bank interest rates. This in turn can adversely impact the overall industry, including the rice industry.

The recent Government announcement on a significant increase in the MSP for rice and some other commodities for the current year is expected to further increase the price of rice in the Indian market. This should help the Company in achieving a higher growth rate in value terms. On the economic front, IMF forecasts Indian GDP growth to be at 7.4% in 2018-19 and 7.8% in 2019-20. Besides, the global economy is also projected to register further increase in growth rate in 2018, with an overall expansion in economic activities in most of the economic regions. This shall facilitate in supporting the Company's international business.

Raw Material Risk

Production of premium quality rice necessitates consistent supply of premium paddy as the key raw material. Inability to procure good quality paddy at right prices can impact production and adversely impact the Company's profitability.

Risk Mitigation

The continued efforts on the part of the Company to further strengthen its farmer relations, built and nurtured over decades through a well-established contact farming system, insulate it from this risk. In addition to this, the Company has a wide farming network spread across 250,000 acres in the states of Western Uttar Pradesh, Uttarakhand, Punjab and Haryana.

Premiumness and Quality Risk

KRBL brand reputation and customer loyalty is established on the foundation of premium and high quality products demanded by consumers across the globe. Inability to maintain this premium quality can negatively impact goodwill.

Risk Mitigation

The ability of the Company to procure good paddy, invest in research and development, better equipment and manufacturing facilities, and continuously improve operations has facilitated in consistency in the quality of products. The Company's continuous efforts to rise up in the quality value chain with introduction of new products enable it to remain relevant to the changing preference of consumers, who are looking for healthy and nutritionally superior foods.



The Company's strong farmer relations, built over decades through a well-established contact farming system, insulate it from this risk.

Competition Risk

Rice markets across the globe are witnessing rising competition from unbranded and unorganised players, as well as imitations and private labels. Besides, the rising competition from Pakistan Basmati Rice markets is also negatively impacting India's dominance in the global market.

Risk Mitigation

The Company's strategic decision to continuously invest in its brand promotion and marketing initiatives have been yielding rich dividends, with it moving up consistently on the brand awareness front, helping it to retain its leadership position. The presence of a wide range of the Company brands at various price points also enables it to grab market share from the unbranded segment. The Company is also making further penetration into the rural markets by continuously strengthening and expanding its distribution network. Besides, the Company is also following a multi-pronged strategy to step up its presence in all the trade channels – traditional, modern and e-commerce.

The geographical indication (GI) recognition to Indian Basmati Rice shall be crucial factor in countering competition from Pakistan market. This recognition allows only the aromatic Basmati Rice grown in the Indo-Gangetic plains to use the term 'Basmati Rice'. This shall enable the Indian players the much-needed immunity for the international markets.

Foreign Exchange Risk

The Company has exports presence in a number of countries. A significant depreciation of Indian rupee can negatively impact revenues.

Risk Mitigation

The Company has in place a well-structured foreign exchange risk management policy to hedge all foreign exchange exposures.

Cost Risk

The nature of Company's business requires significant storage facilities for ageing rice to enhance its premiumness. This involves huge capital and operational cost, which in turn makes the business capital intensive. Inability to compensate for this can lead to decline in margins.

Risk Mitigation

The ability of the Company to provide significantly higher quality than competitors enables it to command higher prices for its premium products which easily covers various costs involved.

Besides, the Company also has other lower variant brands that enable it to have regular cash flows.

The Company's diversification to power generation further enables it to reduce energy costs, while contributing significantly to the bottom-line as excess power is sold in the open market.

Regulatory Risk

Any regulatory policies that adversely affect the industry would impact the Company's business.

Risk Mitigation

The Company's diversified model with brands catering to bottom of pyramid consumers to super premium consumers insulates it from this challenge. Presence in diverse countries also facilitates in negating downfall in sales from one country with focussed increase in sales in the other.

Product Concentration Risk

The Company's main product is Basmati Rice which makes it susceptible to operational risks as any impact on the Basmati Rice business will badly hit the overall revenues.

Risk Mitigation

As a strategic diversification measure, the Company has ventured in several value-added products and Power business. The Company's multi-brand, multi-product strategy spanning various consumer price points further facilitates in countering this risk.

Geo-political Risk

Fresh imposition of trade and economic sanctions by the US against Iran, one of India's biggest export markets for Basmati Rice - poses a serious risk to exports.

Risk Mitigation

Since trade sanctions against Iran affects a whole lot of imports-exports by India, including crude oil, the Government of India is working on various ways, including negotiating with the US administration, on how to get India off the hook from imposing the sanctions.

Besides, the Company has been working on mitigating such country-specific risks by strategically diversifying to newer regions like US, Europe, Australia and New Zealand. Africa and China are other markets that have opened upto Indian Basmati Rice.

Climate Dependency Risk

Short fall in rainfall and adverse climatic conditions can adversely impact rice plantation and production.

Risk Mitigation

This being a common issue, the Government has been taking several measures and making heavy investments for water conservation and irrigation systems to increasingly make Indian agriculture less dependent on seasonal rains. Further Basmati crop growing areas such as Punjab/Haryana/Himachal Pradesh/Uttarakhand/Western UP are very well irrigated and therefore risk of deficit rains is minimal on Basmati crop. The Company, on its part, also works with its farmers to improve irrigation facilities in those areas.

Risk of Crop Damage

Rice, being an agricultural commodity, is prone to plant diseases that can damage the crop.

Risk Mitigation

The Company's R&D department has been working on developing new rice seed varieties which are less prone to diseases. Our Agri Extension Team regularly visits the farmers and keep checking the quality of crop and advise the farmers accordingly. The Company also conducts workshops and trainings for its farmer partners on various measures to take proper care of their crops.

Risk of High working capital

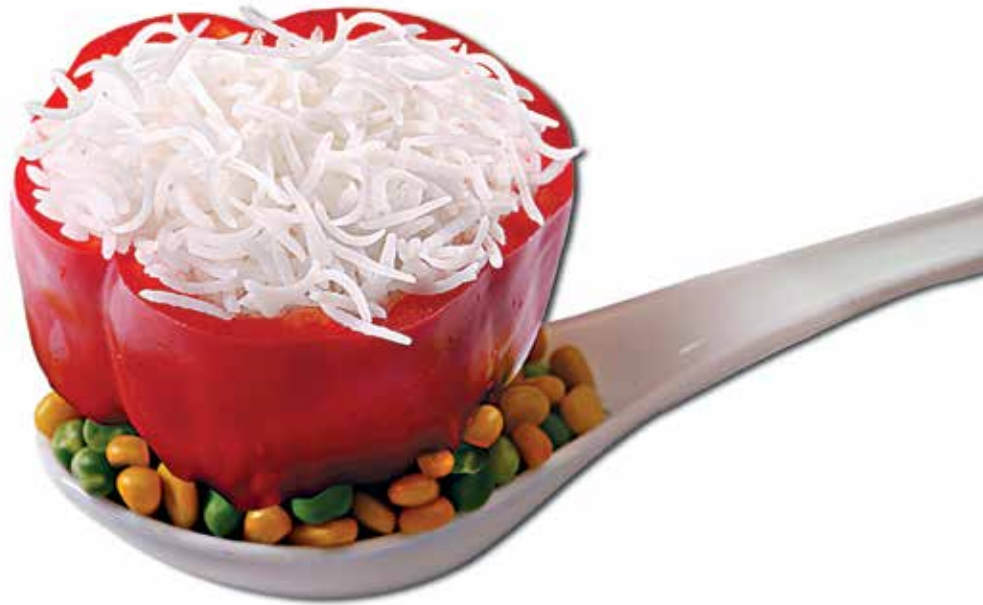
Sizeable investments in capital and time are required for creating facilities for ageing of rice for enhancing and maintaining quality, making it a High working capital-intensive industry.

Risk Mitigation

We are branded Basmati players and our USP is offering Aged Rice 18-24 Months for certain brands to our customers and therefore this became our strength and not weakness.

Human Resource (HR) Development

People relations are integral to KRBL's growth strategy. The Company has built-up a dedicated and committed team focussed on steering ahead the Management's vision of sustaining the position of being the world's biggest and most preferred rice player. The Company, with its strong HR practices, strives to enhance employee competitiveness by investing in training and skill development. Inspired by the ongoing digital trend and its effectiveness, the Company has also leveraged the digital platform to train its employees and provide



the team relevant data anytime, anywhere on the go. This allows the employees to remain updated with market information, which is important in making critical decisions.

The Company lays great importance to incentive and welfare schemes, which forms an integral part of its HR programme. This enables it to ensure high levels of people motivation and bonding throughout the KRBL hierarchy. Employees are encouraged and motivated to grow across the organisation, while personal and professional growth is ensured through regular interventions.

The Company believes in ethical growth through a transparent and honest work culture. The approach is collaborative, leading to mutual growth of the Company and its employees. With effective efforts being made towards maintaining harmonious and friendly relations with the workers, the Company did not see any labour problems affecting its business during the year under review. As on March 31, 2018, the Company had a total of 2,197 employees.

Information Technology

Information technology (IT) has been one of the key factors driving the robust growth of the Company and facilitating it to effectively manage its vast network of distribution channels. KRBL is consistently scaling up its IT investments to upgrade its technological processes and develop a framework capable of harnessing the mega opportunities coming in from the online channel.

The Company has implemented SAP for its employees and distributors, facilitating real-time tracking at the distributor and sub-distributor level too. This has led to strengthening of the supply chain efficiencies, with increased qualitative control. Processes have been standardised across the Company to ensure streamlining of the systems across the operational value chain. The Company is also investing massively in data analytics to devise effective sales and distribution strategy.

Audit Systems

With its focus on transparency, ethics and corporate governance of the highest levels, the Company established strong internal controls, which continue to boost its leadership and growth across regions and brands. The Company maintains proper accounting control and monitoring of operational efficiency. Policies are structured to ensure stringent compliance with applicable laws and the Company works towards maintaining the reliability of financial and operational information.

The Company's Audit Committee periodically reviews all audit reports, audit plans, significant audit findings, adequacy of internal controls and compliance with Indian Accounting Standards (Ind AS). The Committee, after detailed reviews, also suggests improvements where it is deemed necessary.

Outlook

KRBL, being an agile and proactive company, will be continuing on the path of a future-ready company to further cement its market position in the coming years. While the Company has already started some initiatives in this direction by adopting a new strategy of launching consumer-centric products instead of price-centric products, and foraying into the 'healthy food' segment, it will aggressively pursue these strategies in the coming years as well, which shall enable it to sustain its success in the short-to-medium terms. The Company's continued efforts to create a niche for itself through

positioning itself as a premium player shall enable it to generate better margins and enhance its return on equity. By maintaining a robust financial position and balance sheet leveraged only to the extent of its working capital, the Company is well positioned to surge confidently ahead to further augment growth.

The Company will continue with its focused approach on technology and infrastructure up-gradation on a continuous basis. It will be undertaking additional initiatives to strengthen relations with farmers and build robust people team, which will further enhance the Company's competitive position in the industry, domestically and globally.

As part of its efforts to ensure diversified source of earning for the Company, KRBL shall continue to strengthen its portfolio of renewable energy, which not only facilitates it in reducing carbon footprint but also contributes to the bottom-line through reducing captive power consumption costs and sale of excess power.

More importantly, the Company will continue to focus on growing its core rice business by expanding domestic distribution network as well as product basket expansion and diversification through launch of innovative and value added products in the coming years.



Directors' Report



DIRECTORS' REPORT

To
The Members,
KRBL Limited
5190, Lahori Gate,
Delhi - 110 006

Your Directors are delighted to present their Annual Report on Company's Business Operations along with the Standalone and Consolidated Audited Financial Statements for the Year ended March 31, 2018.

1. RESULTS OF OUR OPERATIONS

Your Company's financial performance for the year under review has been encouraging. Key aspects of Consolidated and Standalone Financial Performance of KRBL Limited for the current financial year 2017-18 along with the previous financial year 2016-17 are tabulated below:

Particulars	(₹ in Lacs, except as stated)			
	Consolidated		Standalone	
	Year Ended March 31, 2018	Year Ended March 31, 2017	Year Ended March 31, 2018	Year Ended March 31, 2017
Revenue from Operations	3,24,652.05	3,14,764.81	3,24,644.32	3,14,648.48
Other Income	1,753.97	1,028.04	4,006.96	607.00
Total Income	3,26,406.02	3,15,792.86	3,28,651.28	3,15,255.48
Operating Expenditure	2,47,202.62	2,50,411.07	2,46,725.13	2,49,710.42
Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)	79,203.39	65,381.77	81,926.15	65,545.06
Depreciation and Amortization Expenses	6,777.67	6,141.99	6,768.28	6,134.94
Finance Costs	6,924.35	5,483.99	6,922.72	5,481.79
Profit before Exceptional Items and Tax	65,501.38	53,755.80	68,235.15	53,928.32
Exceptional Items	-	-	-	-
Profit before Tax (PBT)	65,501.38	53,755.80	68,235.15	53,928.32
Tax expense:				
Current Year	20,232.96	11,576.89	20,232.65	11,576.67
Deferred Tax Credit	1,824.19	2,239.27	1,824.19	2,239.27
Profit After Tax (PAT)	43,444.23	39,939.64	46,178.31	40,112.38
Other Comprehensive Income	16.84	(83.91)	16.84	(83.91)
Total Comprehensive Income for the year	43,461.07	39,855.73	46,195.15	40,028.47
Balance as per the last Financial Statements	1,45,683.98	1,10,804.63	1,43,942.51	1,08,890.42
Appropriations				
i) Transfer from Radha Raj Ispat Private Limited Pursuant to amalgamation into KRBL Limited	-	1,026.17	-	1,026.17
ii) Final Dividend including Tax on Dividend	5,426.30	-	5,426.30	-
iii) Transfer to General reserve	6,000.00	6,000.00	6,000.00	6,000.00
iv) Prior Period Items	-	2.55	-	2.55
Retained Earnings	1,77,718.75	1,45,683.98	1,78,711.36	1,43,942.51
Earning per equity share (Face Value of ₹ 1 each)				
i) Basic (In ₹)	18.46	16.97	19.62	17.04
ii) Diluted (In ₹)	18.46	16.97	19.62	17.04

2. FINANCIAL REVIEW

Pushed by strong shift in consumer preference towards branded basmati rice in the domestic market and export market, KRBL reported excellent numbers during the year 2017-18. The Company performed extremely well and the highlights of the performance on consolidated basis are as under:

- Company's Revenue from Operations increased by 3% to ₹ 3,246.52 Crores (P.Y. ₹ 3,147.65 Crores).
- Company is able to maintain its strong Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) and the same is increased by 21% to ₹ 792.03 Crores (P.Y. ₹ 653.82 Crores).
- Company's Profit before Tax increased by 22% to ₹ 655.01 Crores (P.Y. ₹ 537.56 Crores) and Profit after Tax (PAT) increased by 9% to ₹ 434.44 Crores (P.Y. ₹ 399.40 Crores).
- Company's Return on Capital Employed (ROCE) stands at 21%.
- Net Worth of the Company increased by 20% to ₹ 2,287.90 Crores (P.Y. ₹ 1,907.32 Crores).
- Market Capitalization increased by 6% to ₹ 10,234 Crores (P.Y. ₹ 9,699 Crores).
- 5 years Net Sales growth at CAGR of 9% and EBITDA growth at CAGR of 21%
- Earning per Equity Share increased to ₹ 18.46 (P.Y. ₹ 16.97).
- Dividend payable by the Company on the Profits earned in FY 2017-18 is 230% (i.e. ₹ 2.30) per equity share of face value of ₹ 1 each as compared to 210% (i.e. ₹ 2.10) per equity share of face value of ₹ 1 each as paid in the previous year.

3. DIVIDEND

Based on Company's performance in the current year, the Board of Directors of the Company in their meeting held on May 10, 2018, has recommended a final dividend @ 230% i.e. ₹ 2.30 per equity share of face value of ₹ 1/- each for the year ended March 31, 2018. The same shall be paid subject to the approval of shareholders in the ensuing Annual General Meeting of the Company. The Dividend proposed is in accordance with the dividend distribution policy of the company and the details of Dividend proposed by the Company for the financial year 2017-18 as compared to year 2016-17 are as below:

Particulars of Dividend	(Amount in ₹)	
	Total Dividend Declared (Excluding Dividend Distribution Tax)	
	March 31, 2018	March 31, 2017
Final Dividend on 23,53,89,892 Equity shares of ₹ 1 each @ ₹ 2.30 per equity share.	54,13,96,752	-
Final Dividend on 23,53,89,892 Equity shares of ₹ 1 each @ ₹ 2.10 per equity share.	-	49,43,18,773

4. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

During the financial year ended March 31, 2018, no entity became or ceased to be the subsidiary, joint venture or associate of the Company.

5. TRANSFER TO RESERVES

In view of the robust financial strength of the Company, a sum of ₹ 60 Crores has been transferred to General Reserves out of the amount available for appropriations and an amount of ₹ 1,787.11 Crores has been carried over to the Balance Sheet.

6. SHARE CAPITAL

The Paid up equity share capital of the Company as on March 31, 2018 was ₹ 23.54 Crores. There has been no change in the Equity Share Capital of the Company during the year. The Company has no other type of securities except equity shares forming part of paid up capital.

7. TRANSFER OF UNCLAIMED DIVIDEND/ SHARES TO INVESTOR EDUCATION & PROTECTION FUND

Pursuant to the provisions of Section 124 read with Section 125 of the Companies Act, 2013, (previously Section 205 C of the Companies Act, 1956), your Company during the year 2017-18 has transferred a total amount aggregating to ₹ 280,725 to the Investor Education and Protection Fund. This amount was lying unclaimed/ unpaid with the Company for a period of seven years after Declaration of Dividend for the Final financial year 2009-10.

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) the Company has transferred 41,042 equity shares which belongs to total 45 Shareholders whose dividend was not been paid or

claimed for seven consecutive years or more to the demat account of IEPF Authority i.e. INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS, bearing DP ID IN300708 and Client ID 10656671, being maintained with NSDL. Before transferring the above mentioned shares the Company has sent out individual communication to the concerned Shareholders whose shares were liable to be transferred to IEPF Authorities to take immediate action in the matter. Also, as required under the IEPF Rules, the Company has also published a Notice in the newspapers informing the Members who have not claimed their shares for a period of 7 years to claim the same from the Company.

8. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and till the date of this Report.

9. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of the Company during the financial year 2017-18.

10. SEGMENT REPORTING

A separate reportable segment forms part of Notes to the Financial Statements.

11. SUBSIDIARY COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

Your Company has two subsidiaries viz., KRBL DMCC, Dubai, UAE and K B Exports Private Limited, India. There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). Further there has been no material change in the nature of business of the subsidiaries during the financial year 2017-18.

The Consolidated Financial Statements of your Company for the financial year 2017-18 are prepared in compliance with applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, applicable Indian Accounting Standards (Ind As) and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "SEBI Listing Regulations"). The consolidated financial statements have been prepared by consolidating

audited financial statements of your Company and its subsidiaries, as approved by the respective Board of Directors. Further, pursuant to the proviso of sub section (3) of section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 a separate statement containing the salient features of the financial statements of Subsidiaries of the Company in the prescribed form AOC-1 is given in the Consolidated Financial Statements, forming part of this Annual report.

Consolidated Turnover grew by 3% to ₹ 3,246.52 Crores as compared to ₹ 3,147.65 Crores in the same period previous year. Consolidated Net Profit after Tax grew by 9% to ₹ 434.44 Crores as compared to ₹ 399.40 Crores in the previous year.

The financial statements of the subsidiary companies and related information are available for inspection by the members at the Registered Office of your Company during business hours on all days except Sunday and holiday upto the date of the Annual General Meeting ('AGM') as required under Section 136 of the Companies Act, 2013. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office / Corporate Office of your Company. The financial statements including the consolidated financial statements, financial statements of subsidiaries and all other documents shall also be available on Company's website www.krblrice.com in downloadable format.

12. QUALITY AND ACCOLADES

Your Company continues to win awards year-after-year, thus reiterating its credible market position. Details of the award won have been given in the 'Management Discussion & Analysis Report' forming part of this Annual Report.

13. BOARD OF DIRECTORS

As on March 31, 2018, your Company's Board has a strength of 10 (Ten) Directors including 1 (One) Woman Director. The Chairman of the Board is an Executive Director. The composition of the Board is as below:

Category	Number of Directors	% to Total Number of Directors
Executive Directors (Including Woman Director)	5	50
Independent Non-Executive Directors	5	50

The detailed section on 'Board of Directors' is given in the 'Report on Corporate Governance' forming part of this Annual Report.

Mr. Alok Sabharwal was appointed as an additional director in the Board Meeting held on September 8, 2016 whose tenure was expired on September 26, 2017 i.e. at the Date of AGM of the company. The Members of the Company at the 24th Annual General Meeting held on September 26, 2017 had regularized the appointment of Mr. Alok Sabharwal as an Independent Non-Executive Director for period of 5 years w.e.f August 11, 2016 and also Ms. Priyanka Mittal as a Whole Time Director for period of 5 years w.e.f September 26, 2017.

Pursuant to the provisions of Section 149(13) of the Companies Act, 2013 and Articles of Association of the Company all directors except Independent Directors are liable to retire by rotation. The Independent Directors of your Company will hold office for 5 (Five) consecutive years from the date of 21st Annual General Meeting held on September 9, 2014, (except Mr. Alok Sabharwal who will hold office for 5 (Five) consecutive years w.e.f. August 11, 2016). No Independent Directors are liable to retire by rotation. However, they can resign from directorship any time before their respective tenure.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta both Joint Managing Directors, retiring by rotation at the ensuing Annual General Meeting, are eligible and offer themselves for re-appointment. This shall not constitute a break in the office of Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta as the Joint Managing Directors respectively in the Company.

The brief resume of the Directors being re-appointed, the nature of their expertise in specific functional areas, names of companies in which they have held Directorships, Committee Memberships/ Chairmanships, their shareholding, etc. are furnished in the explanatory statement to the notice of the ensuing Annual General Meeting and also forming part of corporate Governance Report.

The Board recommends their re-appointment at the ensuing Annual General Meeting.

14. AUDIT COMMITTEE

As on March 31, 2018, the Audit Committee of KRBL Limited comprises of following 4 (four) Members, all are Independent Non-Executive Directors:

Name	Designation	Category
Mr. Devendra Kumar Agarwal	Chairman	Non-Executive & Independent
Mr. Ashwani Dua	Member	Non-Executive & Independent
Mr. Vinod Ahuja	Member	Non-Executive & Independent
Mr. Shyam Arora	Member	Non-Executive & Independent

All the recommendation made by the Audit Committee was accepted by the Board of Directors. The Powers and role of the Audit Committee are included in Corporate Governance forming part of this Annual Report.

15. KEY MANAGERIAL PERSONNELS

The Key Managerial Personnels (KMPs) of the Company in accordance with the provisions of Sections 2(51) and Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force) are as follows:

S. No.	Name of KMPs	Designation
1.	Mr. Anil Kumar Mittal	Chairman & Managing Director
2.	Mr. Arun Kumar Gupta	Joint Managing Director
3.	Mr. Anoop Kumar Gupta	Joint Managing Director
4.	Mr. Ashok Chand	Whole Time Director
5.	Ms. Priyanka Mittal	Whole Time Director
6.	Mr. Rakesh Mehrotra	Chief Financial Officer
7.	Mr. Raman Sapra	Company Secretary

During the year there was no change (appointment or cessation) in the office of any KMP.

16. POLICY ON REMUNERATION OF DIRECTORS, KMPs, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy of KRBL Limited formulated in accordance with Section 134(3) (e) and Section 178(3) of the Companies Act, 2013 read with Regulation 19 of SEBI Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force). The salient aspects covered in the Nomination and Remuneration Policy have been outlined below:

- i) To identify the persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- ii) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees of KRBL Limited.
- iii) To formulate the criteria for evaluation of Independent Director and the Board.
- iv) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board and to determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- v) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- vi) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- vii) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- viii) To develop a succession plan for the Board and to regularly review the plan.
- ix) To assist the Board in fulfilling responsibilities.
- x) To implement and monitor policies and processes regarding principles of corporate governance.

The Nomination and Remuneration policy of KRBL Limited is available on the website of the company at the weblink www.krblrice.com/policy-guidelines/nomination-remuneration-policy.pdf

17. NUMBER OF MEETINGS OF THE BOARD

During the Financial Year 2017-18, 5 (Five) Board meetings were held. For details thereof kindly refer to the section 'Board Meeting and Procedures - Details of Board Meetings held and attended by the directors during the financial year 2017-18, in the Corporate Governance Report forming part of this Annual Report.

18. PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

As the ultimate responsibility for sound governance and prudential management of a company lies with its Board, it is imperative that the Board remains continually energized, proactive and effective.

The Board evaluated the effectiveness of its functioning and its Committees and of individual directors by seeking their inputs on various aspects of Board/Committee Governance.

The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices, participation in the long-term strategic planning and the fulfillment of Directors' obligations and fiduciary responsibilities, including but not limited to, active participation at the Board and Committee meetings.

The Companies Act, 2013 not only mandates board and director evaluation, but also requires the evaluation to be formal, regular and transparent. Subsequently, SEBI Listing Regulations has also contained the provisions regarding requirement of performance evaluation of independent directors by the entire board of directors.

In accordance with the framework as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, the Board of Directors of the Company in their Meeting held on January 24, 2018, had carried out the performance evaluation process.

The Independent Directors of the Company met separately without the presence of Non-Independent Directors and inter-alia reviewed the performance of the members of management, Non-Independent Directors, Board as a whole performance of the Chairman of the Company and the Committees after taking into consideration the views of Executive and Non-Executive Directors.

In compliance with the provisions of SEBI Listing Regulations, the Board of Directors has also carried out evaluation of every Independent Director's performance during the year. Board members had submitted to Nomination and Remuneration Committee, their response on a scale from 5 (Excellent) to 1 (Performance Needs Improvement) for evaluating the entire Board, respective Committees of which they are members and of their peer Board members, including Chairman of the Board.

The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance.

The Directors expressed their satisfaction with the evaluation process.

It was further acknowledged that every individual Member and Committee of the Board contributed its best in the overall growth to the organization.

19. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors confirm:

- i) that in the preparation of the Annual Accounts for the year ended March 31, 2018, the applicable Indian Accounting standards (Ind AS) have been followed and that there are no material departures;
- ii) that appropriate accounting policies have been selected and applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs as at March 31, 2018 and of the profit of the Company for the Financial year ended March 31, 2018;
- iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the annual accounts for the year ended March 31, 2018 have been prepared on a going concern basis;
- v) that they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) that they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. DECLARATION BY INDEPENDENT DIRECTOR(S) AND RE-APPOINTMENT, IF ANY

All Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 read with SEBI Listing Regulations so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

21. OPERATIONS, PERFORMANCE AND FUTURE OUTLOOK OF THE COMPANY

A detailed review of operations and performance and future outlook of the Company is given separately under the head 'Management Discussion & Analysis' pursuant to Regulation 34 read with Part B of Schedule V of SEBI Listing Regulations, and the same is annexed and forms part of this Annual Report.

22. ENERGY CONSERVATION, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to provisions of Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the details of activities in the nature of Energy Conservation, Research and Development, Technology Absorption and Foreign Exchange Earnings and Outgo is attached as 'Annexure 1' which forms part of this report.

23. PARTICULARS OF REMUNERATION OF DIRECTORS AND KMPs

A statement containing the details of the Remuneration of Directors and KMPs as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016. is attached as 'Annexure 2' which forms part of this Report.

24. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 an extract of the Annual Return in Form MGT-9 is attached as 'Annexure 3' which forms part of this Report.

25. AUDITORS AND AUDITORS' REPORT

I) STATUTORY AUDITORS

M/s. S S A Y & Co., Chartered Accountants, (Firm Regn. No. 012493N) having their office at 2nd Floor, Plot No. 3, Local Shopping Complex, B Block Market, Vivek Vihar, Phase-1, New Delhi-110 095 are the Statutory Auditors of the Company.

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules framed thereunder, the Company in its 24th Annual General Meeting held on September 26, 2017, had appointed M/s. Vinod Sanjeev Bindal & Co., Chartered Accountants presently known as M/s. S S A Y & Co., Chartered Accountants, (Name changed w.e.f October 24,

2017) as Statutory Auditors of the company to hold office from conclusion of 24th Annual General Meeting till the conclusion of 29th Annual General Meeting of the Company to be held in the year 2022.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of Companies Act, 2013 read with rules framed thereunder, either to the Company or to the Central Government.

II) COST AUDITORS

As per Section 148 of the Companies Act, 2013 read with notification issued by Ministry of Corporate Affairs regarding the Cost Audit of Power Generation segment, the Company is required to have the audit of its cost records conducted by a Cost Accountant in Practice. In this connection, the Audit Committee of KRBL Limited has recommended to the Board of Directors and the Board of Directors has approved the re-appointment of M/s. HVMV & Associates, Cost Accountants, having their office at, 1011, Pearls Best Heights-II, C-09, Netaji Subhash Place, Pitampura, Delhi-110034, as Cost Auditors of the Company to conduct the Cost Audit for the financial year 2018-19.

As required under the provisions of Companies Act, 2013, a resolution seeking members approval for the remuneration payable to the Cost Auditors for the financial year 2018-19 forms part to the Notice convening the Annual General Meeting of the Company.

Further the Cost Audit Report for the financial year 2016-17 was filed with Ministry of Corporate Affairs.

III) SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s DMK Associates, Company Secretaries, having their office at, 31/36 Basement, Old Rajender Nagar, Delhi-110060, to undertake the Secretarial Audit functions of the Company.

The Secretarial Audit Report submitted by M/s DMK Associates in the prescribed form MR- 3 is attached as 'Annexure 4' which forms part of this Report.

As per the observations given by the Secretarial Auditors, the explanation to the same has been given to them which forms part of the Secretarial Audit Report. Further the justification for unspent CSR amount is also being given in 'Annexure 5' under Annual Report on CSR Activities which forms part of this Report.

26. CORPORATE GOVERNANCE

At KRBL Limited, it is our firm belief that the quintessence of Good Corporate Governance lies in the phrase 'Your Company'. It is 'Your Company' because it belongs to you – the stakeholders. The Chairman and Directors are 'Your' fiduciaries and trustees.

Your Company has evolved and followed the corporate governance guidelines and best practices sincerely to not just boost long-term shareholder value, but to also respect minority rights. We consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

Your Company is devoted to benchmarking itself with global standards for providing Good Corporate Governance. The Companies Act, 2013 and SEBI Listing Regulations have strengthened the governance regime in the country. Your Company is in compliance with the governance requirements provided under the new law and listing regulations.

The Board has also evolved and implemented a Code of Conduct based on the principles of Good Corporate Governance and best management practices being followed globally. The Code is available on the Company's website at the web link: www.krbllimited.com/policy-guidelines/code_of_business_conduct_ethics.pdf. A separate section titled 'Report on Corporate Governance' has been included in this Annual Report along with Secretarial Auditors Certificate on Corporate Governance.

The Company has also adopted the below mentioned policies and codes in line with new governance requirements:

- Policy on Preservation of Documents and Archival.
- Nomination and Remuneration Policy.
- Vigil Mechanism (Whistle Blower Policy).
- Corporate Social Responsibility Policy.
- Dividend Distribution Policy.
- Policy for Determination of Materiality.
- Policy on Related Party Transactions.
- Policy for Determining Material Subsidiaries.

- Board Diversity Policy.
- Code of Fair Disclosure.
- Code of Conduct to Regulate, Monitor and Report Trading by Insiders.
- Code of Business Conduct and Ethics for The Board of Directors, Senior Management Personnel and Other Employees.

All the above mentioned policies are available on the Company's website www.krblrice.com under the head Investors Relations.

27. CORPORATE SOCIAL RESPONSIBILITY (CSR)

KRBL Limited believes sustained growth of business lies on triple bottom line that is growth of people around our operation, protection of environment where we operate and profit from our business. We understand wellbeing of the community around our business which helps in growth of business and hence we value people around our operational locations and promote inclusive growth.

We endeavour to serve the society and achieve excellence. We continue to remain focused on improving the quality of life and engaging communities through ensuring environment sustainability, promoting healthcare, promoting education and many more activities.

Pursuant to Section 135 of the Companies Act, 2013, and the relevant rules, the Company is having in place the Corporate Social Responsibility (CSR) Committee under the chairmanship of Mr. Anil Kumar Mittal, Chairman and Managing Director. The other members of the Committee are Mr. Anoop Kumar Gupta, Joint Managing Director, Ms. Priyanka Mittal, Whole Time Director and Mr. Ashwani Dua, Independent Non-Executive Director.

The Company's policy on CSR envisages expenditure in areas falling within the purview of Schedule VII of the Companies Act, 2013. The detailed CSR policy is available on the company's website at the weblink: <http://www.krblrice.com/policy-guidelines/policy-corporate-social-responsibility.pdf>

During the year Company was involved in various CSR activities. The Annual Report on CSR activities is attached as '**Annexure 5**' which forms part of this report.

28. BUSINESS RESPONSIBILITY REPORT (BRR)

Fulfillment of environmental, social and governance responsibilities is part of KRBL's business culture. KRBL is

fortunate to be among the top 500 listed entities and finds itself within the ambit of SEBI's Listing Regulations, which mandate the inclusion of the Business Responsibility Report (BRR) as part of the Annual Report for the top 500 listed entities based on market capitalization. In compliance, the BRR disclosures are integrated into the Annual report and aimed at describing KRBL's initiatives in discharging responsibilities from an environmental, social and governance perspective. The BRR is attached as '**Annexure 6**' which forms part of this report.

29. INTERNAL FINANCIAL CONTROL SYSTEM

According to Section 134(5)(e) of the Companies Act, 2013, the term Internal Financial Control (IFC) means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Company has a well-placed, proper and adequate internal financial control system which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly.

Your Company has appointed M/s. S S Kothari Mehta & Co., Chartered Accountants, having their office at Plot No. 68, Okhla Industrial Area, Phase-III, New Delhi-110020, as the Internal Auditors of the Company w.e.f. April 1, 2017, to focus on internal audit function which includes strengthening the standard operating procedure and accounting manual of the company.

Independence of the audit and compliance is ensured by direct reporting of Internal Audit Team to the Audit Committee of the Board.

30. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company. The system should be designed and operated effectively. Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Boards report.

To ensure effective Internal Financial Controls the Company has laid down the following measures:

- All operations are executed through Standard Operating Procedures (SOPs) in all functional activities for which key manuals have been put in place. The manuals are updated and validated periodically.
- The Company's books of accounts are maintained in SAP and transactions are executed through SAP (ERP) setups to ensure correctness/effectiveness of all transactions, integrity and reliability of reporting.
- The Company has a comprehensive risk management framework.
- The Company has in place a well-defined Vigil Mechanism (Whistle Blower Policy).
- Compliance of secretarial functions is ensured by way of secretarial audit.
- Compliance relating to cost records of the company is ensured by way of cost audit.
- Compliance relating to internal control system of the company is ensured by way of internal audit.

31. RISK MANAGEMENT

A key factor in determining a company's capacity to create sustainable value is the risks that the company is willing to take (at strategic and operational levels) and its ability to manage them effectively. Many risks exist in a company's operating environment and they emerge on a regular basis. The Company's Risk Management processes focuses on ensuring that these risks are identified on a timely basis and addressed.

The company has laid down a risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor non-business risks.

32. RATINGS

The Company received various ratings, which are as follows:

- **ICRA:** In December 2017, "ICRA" has reviewed and reaffirmed [ICRA] AA Stable (pronounced as ICRA double A Stable) rating for Fund Based Working Capital Limits and Term Loans Limits and [ICRA] A1+ (pronounced as ICRA A One Plus) for Non-Fund Based Facilities of KRBL Limited.
- **ICRA:** In December 2017, "ICRA" has also reviewed and reaffirmed [ICRA] A1+ (pronounced as ICRA A One Plus) rating for Commercial Paper (CP) programme of KRBL Limited.
- **CARE:** In December 2017, "CARE" has given the [CARE] A1+ (pronounced as CARE A one plus) rating for Commercial Paper (CP) of KRBL Limited.
- **DUN & BRADSTREET:** In February 2018, Dun & Bradstreet has given a Top Business Rating of "5A1" to KRBL Limited considering the VIP Report dated February 26, 2018 in which "5A" stands for Company having a Tangible Net Worth of more than ₹ 64,59,49,999 and further "1" in the above rating indicates a "Strong" overall status of the Company.

33. DISCLOSURE ON DEPOSITS UNDER CHAPTER V

The Company has neither accepted nor renewed any deposits during the Financial Year 2017-18 in terms of Chapter V of the Companies Act, 2013. Further, the Company is not having any Unpaid or Unclaimed Deposits at the end of the Financial Year.

34. PERSONNEL

During the year under review, no employees, whether employed for the whole or part of the year, was drawing remuneration exceeding the limits as laid down u/s Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

The particulars regarding the remuneration of directors and KMPs as per Section 197 of the Companies Act, 2013, ("the Act") read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is also being given in "**Annexure 2**" forms part of the Directors' Report. However, as per the provisions of Section 136 of the Act, the report and accounts are being sent to the Members and others entitled thereto, excluding the information on employees' remuneration particulars as required under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, which is available for inspection by the members at the Registered Office/ Corporate Office of the Company during business hours on working days of the company upto the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member in this regard may write to the Company Secretary at the Registered Office/ Corporate Office of your Company.

35. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company is committed to provide a protective environment at workplace for all its women employees. To ensure that every woman employee is treated with dignity and respect and as mandated under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" the Company has in place a formal policy for prevention of sexual harassment at work place and the Company has also Constituted the Internal Complaint Committee in compliance with the requirement of the Act. The policy is available on company's website at the weblink: www.krblice.com/policy-guidelines/SEXUAL%20HARASSMENT%20POLICY.pdf

The Company has not received any Complaints on Sexual Harassment during the year. The Internal Complaints Committees of the Company has also submitted its Annual Report on Sexual Harassment to Mr. Anoop Kumar Gupta, Joint Managing Director, and also to Concerned District officer where the Committee locates declaring that no Complaints were received during the year.

36. DEPOSITORY SYSTEMS

Company's shares are compulsorily tradable in electronic form. As on March 31, 2018, almost 99.89% of the Company's Paid-up Equity Share Capital representing 235,126,978 Equity Shares are in dematerialized form with both the depositories.

Your Company has established connectivity with both depositories – National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the depository system, members holding Shares in physical mode are requested to avail of the dematerialization facility with either of the depositories.

Your Company has appointed M/s. Alankit Assignments Limited, a Category-I SEBI registered R&T Agent as its Registrar and Share Transfer Agent across physical and electronic alternative.

37. CHANGE IN CAPITAL STRUCTURE AND LISTING OF SHARES

During the year under review there was no Change in Capital Structure and Listing of Shares.

The Company's shares are listed and actively traded on the below mentioned Stock Exchanges:-

- I. **National Stock Exchange of India Limited (NSE)**
"Exchange Plaza" C-1, Block G,
Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051

II. BSE Limited (BSE)

Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai – 400 001

38. PARTICULARS OF LOAN(S), GUARANTEE(S) OR INVESTMENT(S) UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the financial year ended March 31, 2018, the Company has neither made any investment(s) nor given any loan(s) or guarantee(s) or provided any security.

39. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188(1) OF THE COMPANIES ACT, 2013

During the financial year 2017-18, your Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013, read with Companies (Specification of Definitions Details) Rules, 2014, all of which were in the ordinary course of business and on arm's length basis and in accordance with the provisions of the Companies Act, 2013, read with the Rules issued thereunder and the SEBI Listing Regulations. Further, there were no transactions with related parties which qualify as material transactions under the SEBI Listing Regulations.

The Audit Committee of KRBL Limited has considered, approved and recommended to Board for Omnibus Approval and criteria for omnibus approval for entering into transactions with related parties for the financial year 2017-18, which was further approved by the Board. The transactions entered pursuant to the omnibus approval so granted and statement giving details of all transactions with related parties are placed before the Audit Committee for their review on a periodic basis.

The details of the related party transactions as per Indian Accounting Standard Ind AS 24 are set out in Note 30.04 to the Standalone Financial Statements forming part of this report. Further Form No. AOC-2 is attached as '**Annexure 7**' which forms part of this report.

The Company has also adopted a Related Party Transactions Policy. The Policy, as approved by the Board, is uploaded on the Company's website at the weblink: www.krblice.com/policy-guidelines/policy-related-party.pdf

40. DISCLOSURE ON VIGIL MECHANISM (WHISTLE BLOWER POLICY)

Pursuant to Regulation 22 of SEBI Listing Regulations, your Company has established a mechanism called

'Vigil Mechanism (Whistle Blower Policy)' for directors and employees to report to the appropriate authorities of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy and provides safeguards against victimization of employees who avail the mechanism. The policy permits all the directors and employees to report their concerns directly to the Chairman of the Audit Committee of the Company.

'The Vigil Mechanism (Whistle Blower Policy)' as approved by the Board, is uploaded on the Company's website at the weblink <http://www.krblrice.com/policy-guidelines/vigilmechanism-whistle-blower-policy.pdf>

41. ENVIRONMENT, HEALTH AND SAFETY

Company is continue to focus on employee well-being, developing safe and efficient products, minimizing environmental impact of our operations and products and minimizing the impact of our operations on society. Company is conducting its operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

For safety and protection of employees, the company has formulated and implemented a policy on preservation of sexual harassment at the workplace with a mechanism of lodging complaints.

42. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Company has not received any significant or material orders passed by any Regulatory Authority, Court or Tribunal which shall impact the going concern status and Company's operations in future.

43. INDUSTRIAL RELATIONS

The Company has maintained healthy, cordial and harmonious industrial relations at all levels. Despite severe competition, the enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the Industry. It has taken various steps to improve productivity across organization.

Your Company continued to receive co-operation and unstinted support from the distributors, retailers, stockists, suppliers and others associated with the Company as its trading partners. The Directors wish to place on record their appreciation for the same and

your Company will continue in its endeavor to build and nurture strong links with trade, based on mutuality, respect and co-operation with each other and consistent with consumer interest.

44. SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

45. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

KRBL Limited has duly adopted Code of Conduct to Regulate, Monitor and Report Trading by Insider. The said Code is available on the website of the Company at the web link http://www.krblrice.com/policy-guidelines/code_of_conduct_insider_trading.pdf

46. APPRECIATION

It is our strong belief that caring for our business constituents has ensured our success in the past and will do so in future. The Board acknowledges with gratitude the co-operation and assistance provided to your company by its bankers, Financial institutions, and government as well as Non-Government agencies. The Board wishes to place on record its appreciation to the contribution made by employees of the company during the year under review. The Company has achieved impressive growth through the competence, hard work, solidarity, cooperation and support of employees at all levels. Your Directors gives their sincere gratitude to the customers, clients, vendors and other business associates for their continued support in the Company's growth.

The Board also takes this opportunity to express its deep gratitude for the continued co-operation and support received from its valued shareholders.

for and on behalf of the Board of Directors

Sd/-

Anil Kumar Mittal

Place: Noida, Uttar Pradesh

Date: July 24, 2018

Chairman & Managing Director

DIN: 00030100

ANNEXURE-1

Disclosure Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

(a) Energy Conservation Measures Taken:

Your Company is committed to continuously reduce energy consumption at its various units. Besides sustaining previous year initiatives, new measures were implemented during the year under report. Your Company has been striving to ensure environment friendly initiatives when implementing various projects on energy saving at its units. List of initiatives taken in this regard are as under:

At Gautam Budh Nagar Unit of KRBL Limited:

Following are the key changes done during the year to conserve energy and to provide automation for optimum production:

- i) Replacement of higher rating IE2 motor with new energy efficient IE3 Motor.
- ii) Installation of Power Capacitors for improvement of Power Factor.
- iii) Replacement of traditional light with new LED lights.
- iv) Heat Recovery of Blow down steam from boiler.
- v) Reduces the power consumption on the Blower/Pump by the use of VFD .
- vi) Installation of level sensor to reduce the running hours of motors.
- vii) Automation on cooling tower for optimum running of cooling tower fan and pump.

At Dhuri Unit of KRBL Limited:

Following are the key changes done during the year to conserve energy and to provide automation for optimum production:

- i) Modified Furfuryl Alcohol Plant distillation process to reduce reflux thereby reducing steam consumption.

- ii) Started using low pressure steam (7.0 kg/cm²) instead of medium pressure steam (17.0 kg/cm²) in Furfuryl Alcohol Plant for distillation and reactors pre-heating thereby increasing power generation from turbines in co-generation mode.
- iii) Started using Furfuryl Alcohol plant waste pitch in husk fired boilers.
- iv) Installed 57 x 0.75 KW VFD's on length graders in Rice Mill.
- v) Installed 1 X 4 KW VFD on paddy cleaner of Fresh Paddy dryers.

At Barota Unit of KRBL Limited:

Following are the key changes done during the year to conserve energy and to provide automation for optimum production:

- i) Reduction of Demand Load from 1250kVA to 950kVA. Hence reducing Fixed electricity charges of ₹ 51000/- per month.
- ii) Installation of Demand Controller to overcome chances of excess demand penalty.
- iii) Avg. Monthly power factor is maintained above 0.99
- iv) Avg. unit generation of DG set has increased to 3.37 from 3.09 units per ltr
- v) Electricity consumption per MT processing has decrease by 0.81%

(b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy:
Nil

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods: Energy conservation measures have helped the Company in its drive towards cost reduction substantially.

Disclosure of Particulars with Respect to Conservation of Energy: 2017-18

(a) Power and Fuel Consumption

S. No.	Particulars	Current Year	Previous Year	Reason for Variation
1.	Electricity			
	(A) Purchased			
	Unit	66,07,156	53,90,217	Processing Quantity increased and unit rate has decreased due to reduction in Demand Load Charges & Fuel Surcharge.
	Total Amount	4,96,35,502	4,16,20,738	
	Rate/Unit	7.51	7.72	
	(B) Own Generation			
	(i) Through Diesel Generator (DG)			
	Unit	7,25,849	13,56,979	Dependency on diesel generated electricity is decreased as compared to last year. Also Cost of diesel per unit has increased due to increase in price of diesel.
	Units Per ltrs. of Diesel Oil	3.41	3.27	
	Cost/Unit	15.36	14.03	
	(ii) Through Steam Turbine			
	Unit	5,51,01,188	5,29,65,600	Dependency on diesel generated electricity is decreased
	Husk/Unit (in KG)	1.33	1.45	
	Cost/Unit	4.91	4.78	
2.	Coal (Specify quantity and where used)			
	Quantity (Tonnes)	-	-	-
	Total Cost	-	-	-
	Average Rate	-	-	-
3.	Furnace Oil			
	Quantity (k. ltrs.)	-	-	-
	Total Cost	-	-	-
	Average Cost	-	-	-
4.	Other/Internal Generation			
	Quantity	-	-	-
	Total Cost	-	-	-
	Rate/Unit	-	-	-

(b) Total Energy Consumption and Energy Consumption Per MT of Production:

Total Energy Consumption is as under:

Particulars	(In Units)	
	As at March 31, 2018	As at March 31, 2017
Production Unit-Gautam Budh Nagar	1,71,40,179	1,86,97,568
Production Unit-Dhuri	3,62,59,760	3,29,19,947
Production Unit-Barota	38,65,235	29,32,217

Energy Consumption per MT of Production is as under:

Particulars	(In Units)	
	As at March 31, 2018	As at March 31, 2017
Production Unit-Gautam Budh Nagar		
Rice	97	136
Production Unit-Dhuri		
Rice Bran Oil	195	207
Rice	115	115
Production Unit-Barota		
Rice	37	37

B. RESEARCH AND DEVELOPMENT (R & D)

Disclosure of Particulars with Respect to Research and Development (R & D): 2017-18

a) Your Company continues to pursue innovation and applied research as means to sustain its global leadership in a competitive environment. Following are the areas in which the R&D is being carried out by the Company in the Financial Year 2017-18:

- i) Development, testing and specification setting of packaging materials.
- ii) Formulation and evaluation of Agricultural inputs to enhance farm productivity, crop quality and for other such applications.

b) Benefits derived as a result of the above R&D:

- i) Cost reduction, import substitution and strategic resource management.
- ii) Quality evaluation of finished products and raw materials.
- iii) Ensuring product quality.
- iv) Entering new market segments.

c) Future plan of action:

Your Company's creative & innovation team will continue to work on energy efficient process like:

- i) Reducing packaging weight / volume.
- ii) Roll out of new range of differentiated products of international quality.
- iii) Improvement of process and resource use efficiencies.
- iv) Enlarge the scope of Agri-inputs options.
- v) All the efforts are being continued in the directions of product/process development as mentioned above.

d) Expenditure on R & D (₹ in Lacs)

Your Company has incurred the following expenditure on R & D in the Financial Year 2017-18 as compared to previous year:

i) Capital	Nil	(P.Y. Nil)
ii) Recurring	479.96	P.Y. 423.07
iii) Total	479.96	P.Y. 423.07
iv) Total R & D expenditure as a percentage of total turnover	0.14%	0.13%

C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Disclosure of Particulars with Respect to Technology Absorption, Adaptation and Innovation: 2017-18

a) Efforts, in brief, made towards technology absorption, adaptation and innovation:

Technologies were successfully absorbed, resulting in a high production and new product development to meet existing and new customer requirements.

Technology innovations were successfully implemented to increase production and reduce the consumption of raw material, energy and utilities.

b) Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.:

Low density Boiler was commissioned to cope with existing turbine depending on the usage.

a) Imported Technology (imported during the last three year reckoned from the beginning of the financial year):

I) Technology Imported (during the Financial year 2017-18):

i) During the Financial year 2017-18, Company has imported Capital Goods like Petkus Cleaner A 12, Petkus Multi Cleaner M 12, Petkus Gravity Table G40 and Petkus Seed Treator CT10 with screen and accessories from Germany.

ii) Has technology been fully absorbed: Yes, Technology imported was fully absorbed.

iii) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action: N.A.

II) Technology Imported (during the Financial year 2016-17):

i) During the Financial year 2016-17, Company has imported Capital Goods like Sortex Colour Sorting Machine, Flow Controller, Gas Chromatography Paddy Separator, Floor Washer, Mysilo 5.5mtr dia Commercial Hopper, Adaptive Frequency Drive Kit, Sweeper set with essential parts and Metal Separator from U.K., Germany, Singapore Thailand, China, Italy, Turkey and U.S.A.

- ii) Has technology been fully absorbed: Yes, Technology imported was fully absorbed.
 - iii) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action: N.A.
- III) Technology Imported (during the Financial year 2015-16):
- i) During the Financial year 2015-16, Company has imported Capital Goods like Wet Holding Bin, Carter Day Indent Cylinders, Komatsu Diesel Engine Forklift Truck, Rice Polisher with standard Accessories, Combilift, Sortex Electronic Auto Colour Sorting, Toyota Internal Combustion Engine Forklift Truck from USA, Japan, Thailand, Ireland, U.K. Hongkong and China. Spares of Capital Goods like Spare Parts for Steam Turbine, Wood Frame Bottom for Destoner Part, Wood Frame Top for Destoner Part, Screen (with Teflon Coating) from Japan, Spain and Thailand.
 - ii) Has technology been fully absorbed: Yes, Technology imported was fully absorbed.
 - iii) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action: N.A.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

Disclosure of Particulars with respect to Foreign Exchange Earnings and Outgo: 2017-18

- i) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products, services and export plans:

The Company's major income comes from rice, which are sold throughout the world and company's

highly professional teams of marketing personnel, distributors, dealers and retailers continuously steering the Company's growth strategy in the global markets. Company Brand India Gate continued to command a significant premium over most other brands in the Global industry. Company's other brand is also have overwhelming response in overseas market.

Your Company is certified as BRC for meeting the requirements of Global Standard for Food Safety issued by SGS and also meeting the requirements of the SQF Code, 7th Edition, for Comprehensive Safety and Quality Management System. Your Company is also certified by SGS for Food Safety System Certification, 22000 – a clear endorsement of its strong quality thrust.

- ii) Total foreign exchange used and earned:

The Company is engaged continuously in exploring new international markets. During the year under review, the Company reported exports (FOB value) of ₹ 1,27,954.39 Lacs (P.Y. ₹ 1,07,667.66 Lacs) on Standalone basis.

Further, the Company, on Standalone basis, expended ₹ 3,377.04 Lacs (P.Y. ₹ 2,504.59 Lacs) in foreign exchange while earnings in foreign exchange on mercantile basis were ₹ 1,29,980.83 Lacs (P.Y. ₹ 1,06,565.91 Lacs). Thus the net inflow in foreign exchange was ₹ 1,26,603.79 Lacs (P.Y. ₹ 1,04,061.32 Lacs) during the year under review.

for and on behalf of the Board of Directors

Sd/-

Anil Kumar Mittal

Chairman & Managing Director

DIN: 00030100

Place: Noida, Uttar Pradesh

Date: July 24, 2018

ANNEXURE-2

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

PARTICULARS OF REMUNERATION

A. The Ratio of the Remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year 2017-18:

S. No.	Nature of Directorships Held & Name of Directors	Ratio of Median Remuneration
1	Executive Directors	
a)	Mr. Anil Kumar Mittal	58.57:1
b)	Mr. Arun Kumar Gupta	58.57:1
c)	Mr. Anoop Kumar Gupta	58.57:1
d)	Mr. Ashok Chand	16.21:1
e)	Ms. Priyanka Mittal	33.36:1
2	Non-Executive Directors	
a)	Mr. Ashwani Dua	Nil
b)	Mr. Devendra Kumar Agarwal	Nil
c)	Mr. Shyam Arora	Nil
d)	Mr. Vinod Ahuja	Nil
e)	Mr. Alok Sabharwal	Nil

B. The Percentage Increase in Remuneration of each Director, Chief Financial Officer, Company Secretary, if any, in the Financial Year 2017-18:

S. No.	Name of Key Managerial Personnel	% Increase in Remuneration
1	Mr. Anil Kumar Mittal	14%
2	Mr. Arun Kumar Gupta	14%
3	Mr. Anoop Kumar Gupta	14%
4	Mr. Ashok Chand	6%
5	Mr. Ashwani Dua	Nil
6	Mr. Devendra Kumar Agarwal	Nil
7	Ms. Priyanka Mittal	15%
8	Mr. Shyam Arora	Nil
9	Mr. Vinod Ahuja	Nil
10	Mr. Alok Sabharwal	Nil
11	Mr. Rakesh Mehrotra, Chief Financial Officer	70%
12	Mr. Raman Sapra, Company Secretary	20%

C. The Percentage Increase in the Median Remuneration of Employees in the Financial Year 2017-18: There was an increase of 1% in the median remuneration of employees in the financial year 2017-18.

D. The Number of Permanent Employees on the rolls of Company: 2197

E. Average Percentile Increase already made in the Salaries of Employees other than the Managerial Personnel in the last Financial Year and its Comparison with the Percentile Increase in the Managerial Remuneration: The average increase in salaries of employees other than managerial personnel in 2017-18 was 6%, Percentage increase in the managerial remuneration for the year was 13%.

F. Affirmation that the remuneration is as per the remuneration policy of the Company: The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company's endeavors to attract, retain, develop and motivate a high performance staff. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms remuneration is as per the remuneration policy of the Company.

for and on behalf of the Board of Directors

Sd/-

Anil Kumar Mittal

Place: Noida, Uttar Pradesh

Chairman & Managing Director

Date: July 24, 2018

DIN: 00030100

ANNEXURE-3

Form MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED MARCH 31, 2018
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12 (1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

S. No.	Particulars	
1.	CIN	L01111DL1993PLC052845
2.	Registration Date	30/03/1993
3.	Name of the Company	KRBL Limited
4.	Category / Sub-Category of the Company	Public Limited company / Indian Non-Government Company
5.	Address of the Registered office and contact details	5190, Lahori Gate, Delhi, 110006 Tel : (011) 23968328, Fax : (011) 23968327 Email id- investor@krblindia.com Website : www.krblrice.com
6.	Whether listed company	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Alankit Assignments Limited Alankit Heights, 1E/13, Jhandewalan Extension, New Delhi-110055 TEL: (011)-42541955,59, Fax : (011)-23552001 Email id- info@alankit.com Website : www.alankit.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Business activities of the company contributing 10% or more of the total turnover is stated as below:-

S. No.	Name and Description of main Products / Services	NIC Code of the Product/ Service	% to total turnover of the company
1.	Rice	10,612	91%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: -

S. No.	Name and Address of the Company	CIN/GLN/ License No.	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	KRBL DMCC Unit No. AG-06-K, AG Tower, Plot No. JLTPH1- I1A, Jumeirah Lake Towers, Dubai, United Arab Emirates	Trade License No. DMCC-30637	Subsidiary	100%	2(87)(ii)
2.	K B Exports Private Limited 5190, Lahori Gate, Delhi-110006	CIN: U70200DL1998PTC096113	Subsidiary	70%	2(87)(ii)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) CATEGORY-WISE SHAREHOLDING:

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 01, 2017)			No. of Shares held at the end of the year (As on March 31, 2018)			% Change during the year
	Demat	Physical	Total	Demat	Physical	Total	
A. PROMOTERS							
(1) INDIAN							
a) Individuals/HUF	13,84,39,616	-	13,84,39,616	1,57,51,000	-	1,57,51,000	6.69 (52.12)
b) Central Government/ State Government	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-
d) Financial Institutions/ Banks	-	-	-	-	-	-	-
e) Any Other (Trust)	300	-	300	12,26,88,916	-	12,26,88,916	52.12
Sub-total (A) (1):	13,84,39,916	-	13,84,39,916	13,84,39,916	-	13,84,39,916	58.81
(2) FOREIGN							
a) NRIs - Individuals	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-
d) Banks / Financial Institutions	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-
Sub-total (A) (2):	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	13,84,39,916	-	13,84,39,916	13,84,39,916	-	13,84,39,916	58.81
B. PUBLIC SHAREHOLDING							
1. INSTITUTIONS							
a) Mutual Funds / UTI	1,00,000	3,000	1,03,000	23,090	-	23,090	0.01 (0.03)
b) Financial Institutions / Banks	47,181	-	47,181	39,482	-	39,482	0.02
c) Central Government / State Government(s)	20	-	20	20	-	20	-
d) Alternate Investment Funds	1,68,764	-	1,68,764	2,15,931	-	2,15,931	0.09 0.02
e) Venture Capital Funds	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-
g) Foreign Institutional Investors	14,69,974	-	14,69,974	-	-	-	0.62 (0.62)
h) Foreign Venture Capital Investors	-	-	-	-	-	-	-
i) Qualified Foreign Investors	-	-	-	-	-	-	-
j) Foreign Portfolio Investor	1,41,61,130	-	1,41,61,130	1,72,43,851	-	1,72,43,851	7.33 1.31
k) Any Other (Specify)	-	-	-	-	-	-	-
Sub-total (B)(1):	1,59,47,069	3,000	1,59,50,069	1,75,22,374	-	1,75,22,374	7.45
Sub-total (B)(2):	-	-	-	-	-	-	0.68

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 01, 2017)			No. of Shares held at the end of the year (As on March 31, 2018)			% Change during the year
	Demat	Physical	Total % of Total Shares	Demat	Physical	Total % of Total Shares	
2. NON-INSTITUTIONS							
a) Bodies Corporates							
i) Indian	18,95,885	13,000	19,08,885	22,11,099	5,000	22,16,099	0.94
ii) Overseas	2,29,00,000	-	2,29,00,000	2,29,00,000	-	2,29,00,000	9.73
b) Individuals							
i) Individual shareholders holding nominal share capital upto ₹ 2 lacs	1,62,97,983	3,31,722	1,66,29,705	1,66,26,964	2,57,914	1,68,84,878	7.17
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lacs	1,93,24,418	-	1,93,24,418	1,81,35,061	-	1,81,35,061	7.70
Others:							
i) Foreign Nationals	1,61,05,065	-	1,61,05,065	89,38,330	-	89,38,330	3.80
ii) NRI	21,88,887	-	21,88,887	23,06,024	-	23,06,024	0.98
iii) Clearing House/Clearing Member	1,78,871	-	1,78,871	65,83,554	-	65,83,554	2.80
iv) NBFC Registered with RBI	22,750	-	22,750	23,155	-	23,155	0.01
v) Limited Liability Partnership	11,76,667	-	11,76,667	9,46,383	-	9,46,383	0.40
vi) Hindu Undivided Family/ Association of Persons	5,57,169	-	5,57,169	4,46,846	-	4,46,846	0.19
vii) Trust	7,490	-	7,490	6,230	-	6,230	-
viii) Investor Education and Protection Fund (IEPF)	-	-	-	41,042	-	41,042	0.02
Sub-total (B)(2):	8,06,55,185	3,44,722	8,09,99,907	7,91,64,688	2,62,914	7,94,27,602	33.74
Total Public Shareholding (B)=(1)+(B)(2)	9,66,02,254	3,47,722	9,69,49,976	9,66,87,062	2,62,914	9,69,49,976	41.19
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-
Grand Total (A+B+C)	23,50,42,170	3,47,722	23,53,89,892	23,51,26,978	2,62,914	23,53,89,892	100.00

ii) SHAREHOLDING OF PROMOTERS:

S. No.	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
Individuals/HUF							
1.	100	-	-	100	-	-	-
2.	100	-	-	100	-	-	-
3.	2,50,000	0.11	-	100	-	-	(0.11)
4.	100	-	-	100	-	-	-
5.	100	-	-	100	-	-	-
6.	35,99,900	1.53	-	35,99,900	1.53	-	-
	Karta of Anil Kumar Mittal (HUF)						
7.	100	-	-	100	-	-	-
8.	46,00,000	1.95	-	100	-	-	(1.95)
9.	48,49,900	2.06	-	48,49,900	2.06	-	-
	Karta of Arun Kumar Gupta (HUF)						
10.	4,12,93,714	17.54	-	100	-	-	(17.54)
11.	3,88,49,338	16.50	-	100	-	-	(16.50)
12.	1,62,05,515	6.88	-	100	-	-	(6.88)
13.	72,99,900	3.10	-	72,99,900	3.10	-	-
	Karta of Anoop Kumar Gupta (HUF)						
14.	2,14,90,649	9.13	-	100	-	-	(9.13)
15.	100	-	-	100	-	-	-
16.	100	-	-	100	-	-	-
17.	100	-	-	4,25,45,864	18.07	-	18.07
18.	100	-	-	4,12,93,714	17.54	-	17.54
19.	100	-	-	3,88,49,338	16.50	-	16.50
	13,84,39,916	58.81	-	13,84,39,916	58.81	-	-
	Total Shareholding of Promoters						

iii) CHANGE IN PROMOTERS' SHAREHOLDING:

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Anil Kumar Mittal				
	At the beginning of the year	2,14,90,649	9.13		
	Inter- se Transfer on 09/09/2017 as per SEBI Exemption order dated 05/09/2017	2,14,90,549	9.13	100	0.00
	At the End of the year	100	0.00		
2.	Priyanka Mittal				
	At the beginning of the year	2,50,000	0.11		
	Inter- se Transfer on 11/09/2017 as per SEBI Exemption order dated 05/09/2017	2,49,900	0.11	100	0.00
	At the End of the year	100	0.00		
3.	Binita Gupta				
	At the beginning of the year	3,88,49,338	16.50		
	Inter- se Transfer on 11/09/2017 as per SEBI Exemption order dated 05/09/2017	3,88,49,238	16.50	100	0.00
	At the End of the year	100	0.00		
4.	Anulika Gupta				
	At the beginning of the year	4,12,93,714	17.54		
	Inter- se Transfer on 11/09/2017 as per SEBI Exemption order dated 05/09/2017	4,12,93,614	17.54	100	0.00
	At the End of the year	100	0.00		
5.	Preeti Mittal				
	At the beginning of the year	1,62,05,515	6.88		
	Inter- se Transfer on 11/09/2017 as per SEBI Exemption order dated 05/09/2017	1,62,05,415	6.88	100	0.00
	At the End of the year	100	0.00		
6.	Ashish Mittal				
	At the beginning of the year	46,00,000	1.95		
	Inter- se Transfer on 09/09/2017 as per SEBI Exemption order dated 05/09/2017	45,99,900	1.95	100	0.00
	At the End of the year	100	0.00		
7.	Anil Mittal Family Trust				
	At the beginning of the year	100	0.00		
	Inter- se Acquisition on 09/09/2017 & 11/09/2017 as per SEBI Exemption order dated 05/09/2017	4,25,45,764	18.07	4,25,45,864	18.07
	At the End of the year	4,25,45,864	18.07		
8.	Arun Kumar Gupta Family Trust				
	At the beginning of the year	100	0.00		
	Inter- se Transfer on 11/09/2017 as per SEBI Exemption order dated 05/09/2017	4,12,93,614	17.54	4,12,93,714	17.54
	At the End of the year	4,12,93,714	17.54		
9.	Anoop Kumar Gupta Family Trust				
	At the beginning of the year	100	0.00		
	Inter- se Transfer on 11/09/2017 as per SEBI Exemption order dated 05/09/2017	3,88,49,238	16.50	3,88,49,338	16.50
	At the End of the year	3,88,49,338	16.50		

iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

S. Shareholder's Name No.			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. Reliance Commodities DMCC						
At the beginning of the year			2,29,00,000	9.73		
Sale(-)/Purchase (+) during the year			As on benpos date	No. of Shares		
			Nil	Nil		
At the end of Financial Year (or on the date of separation, if separated during the year)			2,29,00,000	9.73		
2. Anil Kumar Goel						
At the beginning of the year			92,25,022	3.92		
Sale(-)/Purchase (+) during the year			As on benpos date	No. of Shares		
			12.05.2017	978	92,26,000	3.92
			19.05.2017	1,600	92,27,600	3.92
			26.05.2017	2,400	92,30,000	3.92
			02.06.2017	15,000	92,45,000	3.93
			30.06.2017	1,000	92,46,000	3.93
			18.08.2017	54,000	93,00,000	3.95
			12.01.2018	2,000	93,02,000	3.95
			09.02.2018	14,062	93,16,062	3.96
			09.03.2018	1,938	93,18,000	3.96
			16.03.2018	22,000	93,40,000	3.97
			30.03.2018	1,845	93,41,845	3.97
At the end of Financial Year (or on the date of separation, if separated during the year)			93,41,845	3.97		
3 Abdulla Ali Obeid Balsharaf						
At the beginning of the year			75,00,000	3.19		
Sale(-)/Purchase (+) during the year			As on benpos date	No. of Shares		
			12.01.2018	(6,00,000)	69,00,000	2.93
			19.01.2018	(22,358)	68,77,642	2.92
			25.01.2018	(39,312)	68,38,330	2.91
			16.02.2018	(32,50,000)	35,88,330	1.52
At the end of Financial Year (or on the date of separation, if separated during the year)			35,88,330	1.52		
4. Omar Ali Obeid Balsharaf						
At the beginning of the year			75,00,000	3.19		
Sale(-)/Purchase (+) during the year			As on benpos date	No. of Shares		
			16.02.2018	(32,50,000)	42,50,000	1.81
At the end of Financial Year (or on the date of separation, if separated during the year)			42,50,000	1.81		

5. Shareholder's Name No.			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
5. Kotak Mahindra International Limited						
At the beginning of the year			61,99,270	2.63		
Sale(-)/Purchase (+) during the year	As on benpos date Nil	No. of Shares Nil				
At the end of Financial Year (or on the date of separation, if separated during the year)			61,99,270	2.63		
6. Som Nath Aggarwal						
At the beginning of the year			37,29,412	1.58		
Sale(-)/Purchase (+) during the year	As on benpos date 05.01.2018 16.02.2018	No. of Shares (50,000) (23,974)			36,79,412 36,55,438	1.56 1.55
At the end of Financial Year (or on the date of separation, if separated during the year)			36,55,438	1.55		
7. Seema Goel						
At the beginning of the year			25,77,813	1.10		
Sale(-)/Purchase (+) during the year	As on benpos date 07.04.2017 14.04.2017 19.05.2017 29.12.2017 05.01.2018 09.03.2018 16.03.2018 23.03.2018	No. of Shares 187 5,000 4,000 1,51,000 2,000 2,000 55,000 2,000			25,78,000 25,83,000 25,87,000 27,38,000 27,40,000 27,42,000 27,97,000 27,99,000	1.10 1.10 1.10 1.16 1.16 1.16 1.18 1.19
At the end of Financial Year (or on the date of separation, if separated during the year)			27,99,000	1.19		
8. Premier Investment Fund Limited						
At the beginning of the year			12,93,079	0.55		
Sale(-)/Purchase (+) during the year	As on benpos date 23.06.2017 22.09.2017 17.11.2017	No. of Shares (15,250) (4,145) 5,000			12,77,829 12,73,684 12,78,684	0.54 0.54 0.54
At the end of Financial Year (or on the date of separation, if separated during the year)			12,78,684	0.54		

S. Shareholder's Name No.			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
9. Indian Clearing Corporation *						
	At the beginning of the year		0	0.00		
	Sale(-)/Purchase (+) during the year	As on benpos date 16.02.2018	No. of Shares 64,94,891		64,94,891	2.76
	At the end of Financial Year (or on the date of separation, if separated during the year)		64,94,891	2.76		
10. Vanguard Emerging Markets Stock Index Fund, A Series Of Vanguard International Equity Index Fund *						
	At the beginning of the year		0	0.00		
	Sale(-)/Purchase (+) during the year	As on benpos date 23.03.2018 30.03.2018	No. of Shares 14,82,393 (7,850)		14,82,393 14,74,543	0.63 0.63
	At the end of Financial Year (or on the date of separation, if separated during the year)		14,74,543	0.63		

*Not in the list of Top 10 shareholders as on March 31, 2018. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on March 31, 2018.

The above details are given as on March 31, 2018. The Company is listed and 99.89% shareholding is in dematerialized form. Hence, it is not feasible to track movement of shares on daily basis. The aforesaid holdings by top ten shareholders are due to market operations. Further, Company has not allotted/transferred or issued any bonus or sweat equity shares during the year.

v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (IN INDIVIDUAL CAPACITY):

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Change in Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	Date of Change and No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
Directors							
1.	Mr. Anil Kumar Mittal	2,14,90,649	9.13	09.09.2017 – 21,490,549 (Inter- se Transfer as Per SEBI Exemption order)	(9.13)	100	0.00
2.	Mr. Arun Kumar Gupta	100	0.00	-	-	100	0.00
3.	Mr. Anoop Kumar Gupta	100	0.00	-	-	100	0.00
4.	Mr. Ashok Chand	-	-	-	-	-	-

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Change in Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	Date of Change and No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
5.	Mr. Ashwani Dua	-	-	-	-	-	-
6.	Mr. Devendra Kumar Agarwal	-	-	-	-	-	-
7.	Ms. Priyanka Mittal	2,50,000	0.11	11.09.2017 – 249,900 (Inter- se Transfer as Per SEBI Exemption order)	(0.11)	100	0.00
8.	Mr. Shyam Arora	-	-	-	-	-	-
9.	Mr. Vinod Ahuja	-	-	-	-	-	-
10.	Mr. Alok Sabharwal	-	-	-	-	-	-
Key Managerial Personnel							
11.	Mr. Rakesh Mehrotra	-	-	-	-	-	-
12.	Mr. Raman Sapra	-	-	-	-	-	-

V. INDEBTEDNESS

INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT:

(Amount in ₹ Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (April 1, 2017)				
i) Principal Amount	83,284.70	25,531.26	-	1,08,815.96
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	191.23	-	-	191.23
Total (i+ii+iii)	83,475.93	25,531.26	-	1,09,007.19
Change in Indebtedness during the financial year				
Addition	95,461.74	15,000.00	-	1,10,461.74
Reduction	(74,753.35)	(20,660.60)	-	(95,413.95)
Exchange Difference	634.06	-	-	634.06
Net Change	21,342.45	(5,660.60)	-	15,681.84
Indebtedness at the end of the financial year (March 31, 2018)				
i) Principal Amount	1,04,654.67	19,870.66	-	1,24,525.34
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	163.71	-	-	163.71
Total (i+ii+iii)	1,04,818.38	19,870.66	-	1,24,689.04

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR AND WHOLE-TIME DIRECTORS:

(Amount in ₹ Lacs)

S. No.	Particulars of Remuneration	Name of Managing Directors and Whole-time Directors					Total Amount
		Mr. Anil Kumar Mittal	Mr. Arun Kumar Gupta	Mr. Anoop Kumar Gupta	Mr. Ashok Chand	Ms. Priyanka Mittal	
1.	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	98.40	98.40	98.40	27.21	56.04	378.45
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.40	0.40	0.40	0.40	0.40	2.00
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-	-
2.	Stock option	-	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-	-
4.	Commission - as % of profit - Other, specify	-	-	-	-	-	-
5.	Other, please specify	-	-	-	-	-	-
	Total (A)	98.80	98.80	98.80	27.61	56.44	380.45
	Overall Ceiling as per the Act	10% of Net profit for all Executive Directors - Managing and Whole-time Directors i.e. ₹ 6861.36 Lacs					

B. REMUNERATION TO OTHER DIRECTORS:

(Amount in ₹ Lacs)

S. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Ashwani Dua	Mr. Devendra Kumar Agarwal	Mr. Alok Sabharwal	Mr. Shyam Arora	Mr. Vinod Ahuja	
1.	Independent Directors						
	Fee for attending board meetings	0.40	0.40	0.40	0.30	0.40	1.90
	Committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others	-	-	-	-	-	-
	Total(1)	0.40	0.40	0.40	0.30	0.40	1.90
2.	Other Non-Executive Directors						
	Fee for attending board meetings						
	Committee meetings						
	Commission			N.A.			
	Others						
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	0.40	0.40	0.40	0.30	0.40	1.90*
	Overall Ceiling as per the Act	1% of Net Profits of the Company for all Non-Executive Directors i.e. ₹ 686.14 Lacs					

* The Above is the sitting fees and the same is excluding Service Tax/GST.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MANAGING DIRECTOR AND WHOLE-TIME DIRECTORS:

(Amount in ₹ Lacs)

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Rakesh Mehrotra, CFO	Mr. Raman Sapra, CS	Total
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	77.32	12.94	89.73
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission -as % of profit -Other, specify	-	-	-
5.	Other, please specify	-	-	-
	Total (C)	77.32	12.94	89.73

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief De- scription	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ Court]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		
Compounding					

for and on behalf of the Board of Directors

Sd/-

Anil Kumar Mittal

Chairman & Managing Director

DIN: 00030100

Place: Noida, Uttar Pradesh

Date: July 24, 2018

ANNEXURE-4

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018
[Pursuant to section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
KRBL Limited
5190, Lahori Gate,
Delhi -110 006

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KRBL Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2018 (Audit Period) 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 along with **Appendix-1** attached to this report:

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 March 31, 2018, according to the provisions of:

- I The Companies Act, 2013 (the Act) and the rules made thereunder;
- II The Securities Contracts (Regulation) Act, 1956 ('SCRA')

and the rules made thereunder; **(Not applicable to the Company during the Audit Period)**

- III The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; and
- IV Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment(FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB); **(No fresh FDI, ODI and ECB was taken by the company during the Audit Period)**
- 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, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(Not applicable to the Company during the Audit Period)

- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the Audit Period)**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not applicable to the Company during the Audit Period)**
- h) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998. **(Not applicable to the Company during the Audit Period)**

VI OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY AS IDENTIFIED BY THE MANAGEMENT

- 1) Foods Safety & Standards Act, 2006 & Foods Safety & Standards (Licensing & Registration of Food Business), Regulations, 2011;
- 2) The Uttar Pradesh Krishi Utpadan Mandi Adhiniyam, 1964 and rules made thereunder;
- 3) Legal Metrology Act, 2009 and Rules & Regulations made thereunder;
- 4) The Punjab Agricultural Produce Market Act, 1961 and rules made thereunder; and
- 5) Electricity Act, 2003 and the respective State Government Policy/ Guidelines for the Wind and Solar Power Projects.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India; and

- b) The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines to the extent applicable, Standards, etc. mentioned above subject to following:

- a) As per the provisions of Section 135 of the Companies Act, 2013, the eligible amount required to be spent on Corporate Social Responsibility (CSR) by the Company is ₹ 8.78 Crores during the Financial Year 2017-18, however as per information provided, the Company has spent ₹ 3.22 Crores towards CSR during the said financial year.

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, Woman 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.
2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda 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 in compliance of the Act.
3. Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the board and committee meetings.

Based on the compliance mechanism established by the company and on the basis of the Compliance Certificate (s) issued by Whole Time Director Mr. Ashok Chand, Chief Operating Officer Mr. Ravinder Kumar Sharma, Vice President Mr. Puneet Bindlesh, Chief Financial Officer Mr. Rakesh Mehrotra and Company

Secretary & Compliance Officer Mr. Raman Sapra of the Company and taken on record by the Board of Directors at their meeting(s)

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 the company has not incurred any specific event / action that can have major bearing on the company's affairs

in pursuance of above referred laws, rules, regulations; guidelines, standards etc.

for **DMK Associates**
Company Secretaries

Sd/-

Deepak Kukreja
FCS, LL.B, ACIS(UK)
Partner

Place: New Delhi
Date: July 24, 2018

FCS No. 4140, C.P. No. 8265

APPENDIX-1 TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
KRBL Limited
5190, Lahori Gate
Delhi -110006

Sub: Our Secretarial Audit for the Financial Year ended March 31, 2018 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. We believe that the processes and practices, we followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the 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.
7. As per the information provided by the Company, there are certain disputes & cases/summons filed by or against the Company, which are currently lying pending with the various Courts/Authorities, however, as informed these have no major impact on the Company.

for **DMK Associates**
Company Secretaries

Place: New Delhi
Date: July 24, 2018

Sd/-
Deepak Kukreja
FCS, LL.B, ACIS(UK)
Partner
FCS No. 4140, C.P. No. 8265

ANNEXURE-5

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Company's policy on CSR — An Overview:

Every organization has the right to exist in a society. With the right, there comes a duty to give back the society a portion of what it receives from it. As a corporate citizen we receive various benefits out of society and it is our co-extensive responsibility to pay back in return to the society.

KRBL believes that creation and maximization of value to stakeholders is paramount, and it generates profit in long term. The Company is committed to improving the quality of life of the workforce and their families as well as of the local community and society at large. With the Companies Act, 2013 mandating the Corporate to contribute for social development and welfare, KRBL would fulfil this mandate and supplement the government's efforts.

2. Our CSR Vision:

Endeavour to serve the society and achieve excellence.

3. Our CSR Mission:

Strive to improve our image in the eyes of all the stakeholders by ensuring wellbeing of community around our operation.

4. Composition of the CSR Committee:

Name of Committee Members	Designation	Category
Mr. Anil Kumar Mittal	Chairman	Executive & Chairman & Managing Director
Mr. Ashwani Dua	Member	Non-Executive & Independent Director
Mr. Anoop Kumar Gupta	Member	Executive & Joint Managing Director
Ms. Priyanka Mittal	Member	Executive & Whole-Time Director

5. Average Net Profit of the Company for last three Financial Years: ₹ 439.20 Crore.

6. Required CSR Expenditure (Two Percent of the amount as in item 5 above): ₹ 8.78 Crore.

7. Justification for unspent money out of 2% of the average net profit of the last 3 (three) financial years:

As per Section 135 of the Companies Act, 2013, the Company was required to spend ₹ 878.40 Lacs towards CSR activities out of which ₹ 322.27 Lacs was utilized on activities specified in Schedule VII of the Companies Act, 2013.

During the year the Company has undertaken various CSR Projects including the Project with The Akshaya Patra Foundation for Setting up Centralised Kitchen in Ghaziabad, Uttar Pradesh, which will have a capacity to provide 25 thousand rice & roti meals which can serve children studying in Government Aided Schools across NCR which requires overall expenditure of ₹ 4 Crores. The Company has spend 50% on the same project as the project is in 2 phases due to which the remaining tranche of ₹ 2 crore will be spent in the FY 2018 - 19. Further the Company has also extended its helping hand to the Akshaya Patra Foundation in any further project in which they need our support and assistance subject to the approval of CSR Committee.

The Company's CSR initiatives usually involve setting of various programs in project form at a medium/small scale to learn from on-ground realities, getting feedback from community and then putting an enhanced sustainable model to ensure maximum benefit to the community.

Likewise, due to non-identification of proper projects and agencies which may guide the company towards such philanthropic activities to serve and match the needs of the society, the company wasn't able to spend whole budgeted allocable amount towards CSR Activities due to which the expenditure incurred on the CSR activities has been less than the limits prescribed under Companies Act, 2013.

The CSR activities are scalable which coupled with new initiatives that may be considered in future, moving forward the Company will endeavor to spend on CSR activities in accordance with the prescribed limits.

Here are certain major projects undertaken by the company along with its ongoing CSR programmes of the Company:

1. Project with The Akshaya Patra Foundation for Setting up Centralised Kitchen in Ghaziabad, Uttar Pradesh, which will have a capacity to provide 25 thousand rice & roti meals which can serve children studying in Government Aided Schools across NCR which requires overall expenditure of ₹ 4 Crores.
2. The CSR Village Development Activity/ Sanitation (Phase-2) of the Company by way of Construction of Sewage Line (Phase II) in Village Bhasaur, Sangrur, Punjab, which requires the expenditure of ₹ 50 Lakhs.

The CSR Committee of KRBL Limited during the financial year 2017-18 met four times to discuss the CSR Initiatives. The Company is also in the process of aggressively identifying feasible projects/programmes wherein it can deploy the CSR expenditure amount.

We strongly believe that your Company plays a very significant role in improving the quality of the society within which it operates and the Company can flourish only if it operates in a society that is healthy, orderly, just and which grants freedom and scope to individuals and their lawful enterprises. Your Company is committed to spend in CSR activities over a period of time as it scales up its initiatives and the supporting infrastructure. Your Company will spend its resources very judiciously as it does in all areas.

8. Details of CSR spent during the financial year:

- a) Amount spent during the year: ₹ 322.27 Lac
- b) Amount unspent, if any: ₹ 556.13 Lac;
- c) Manner in which the amount spent during the financial year is detailed below:

(Amount in ₹ Lacs)

A. CSR PROJECTS IDENTIFIED IN THE YEAR 2017-18 AND SUCCESSFULLY COMPLETED								
1 Sr. No.	2 CSR Project or Activity	3 Sector in which the Project is covered	4 Location where project was undertaken State (Local Area/ District)	5 Amount outlay (budget) project or programme wise	6 Amount spent on the project or programmes		7 Cumulative expenditure upto the reporting period	8 Amount spent: Direct or through implementing agency
					Direct expenditure	Overheads		
1	Project for Sponsoring Scholarship for providing Education to the Students*	Promoting Education including Special Education	Sangrur, Punjab	0.30	0.30	-	0.30	Direct
2	Village Development Activity**	Rural Development Project	Sangrur, Punjab	5.50	5.95	-	5.95	Direct
3	Village Development Activity/ Sanitation (Phase-1)***	Rural Development Project	Sangrur, Punjab	150.00	25.22	-	159.74	Direct
4	Village Development Activity/ Sanitation (Phase-2)	Rural Development Project	Sangrur, Punjab	50.00	49.42	-	49.42	Direct
5	Village Development Activity****	Rural Development Project	Gautam Budh Nagar, UP	100.00	38.78	-	111.58	Direct
6	Project for Sponsoring Scholarship for the benefit of war widows/ dependents	Benefit of War Widows/ dependents	The Mahar Regiment, APO	2.60	2.60	-	2.60	Direct
TOTAL (A)				308.40	122.27	-	329.59	

B. CSR PROJECTS IDENTIFIED IN THE YEAR 2017-18 AND IN PROCESS

1	Setting up of Centralised Kitchen in Ghaziabad Uttar Pradesh	Eradicating Hunger, Poverty and Malnutrition	Gautam Buddha Nagar, Uttar Pradesh	400.00	200.00	-	200.00	Implementing through Akshaya Patra Foundation- Non-Profit Organization (NPO)
TOTAL (B)				400.00	200.00	-	200.00	
Total expenditure on CSR initiatives upto the reporting period total (A+B)				708.40	322.27	-	529.59	

* This is a continuous project and will also be continued in the next year.

**This project has been completed in June 2017 and the Company has incurred an overall expenditure of ₹ 5.95 Lacs as against the Budgeted Expenditure of ₹ 5.50 Lacs. Also the excess expenditure of ₹ 0.45 Lacs was ratified and approved by the CSR Committee of the Company.

***This project has been completed in May 2017 and the Company has incurred an overall expenditure of ₹ 159.74 Lacs as against the Budgeted Expenditure of ₹ 150 Lacs. Also the excess expenditure of ₹ 9.74 Lacs was ratified and approved by the CSR Committee of the Company.

****This project has been completed in June 2017 and the Company has incurred an overall expenditure of ₹ 111.58 Lacs as against the Budgeted Expenditure of ₹ 100 Lacs. Also the excess expenditure of ₹ 11.58 Lacs was ratified and approved by the CSR Committee of the Company.

Note: During the year 2017-18, the company has not incurred any expenditure on "Vidhya Jyoti" project to promote the education in the form of setting up a library in village school, Gautam Buddha Nagar, Uttar Pradesh. The project was completed with an overall expenditure of ₹ 2.91 Lacs incurred, till last year, against the budgeted expenditure of ₹ 10.00 Lacs

9. Responsibility Statement of the CSR Committee for the implementation and monitoring of CSR policy in compliance with CSR objectives and Policy of the Company.

The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and the policy of the company.

for and on behalf of the Board of Directors

Sd/-

Anil Kumar Mittal

Chairman & Managing Director &

Chairman - CSR Committee

DIN: 00030100

Place: Noida, Uttar Pradesh

Date: July 24, 2018

ANNEXURE-6

BUSINESS RESPONSIBILITY REPORT

INTRODUCTION

The National Voluntary Guidelines which are a major part of Business Responsibility Reporting were released by the Ministry of Corporate Affairs in December 2009. They were drafted together after significant inputs from diverse stakeholders groups across the country were put together. Business responsibility report showcases the basic requirements for businesses to function responsibly, thereby ensuring inclusive, as well as wholesome economic growth.

Enterprises are at this time and age are accountable to not just their shareholders and investors, but also to the larger society, which also forms out to be an important stakeholder. Adoption of responsible business practices in the interest of the society and the environment is as important as a company's operational and economic performance. This is all the more relevant for listed entities considering the fact that they have accessed funds from the public, have an element of public interest involved, and are obligated to make exhaustive continuous disclosures on a regular basis.

Ministry of Corporate Affairs, Government of India, in July 2011, came out with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business'. These guidelines contain comprehensive principles to be adopted by companies as part of their business practices and a structured business responsibility reporting format requiring certain specified disclosures, demonstrating the steps taken by companies to implement the said principles. SEBI had introduced requirements with respect to Business Responsibility Reporting as on August 13, 2012.

KRBL's business responsibility report describes the initiatives taken by the company from an environmental, social and governance perspective, in the format as specified by the BRR and NVG.

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company	L01111DL1993PLC052845
2. Name of the company	KRBL Limited
3. Registered Address	5190, Lahori Gate, Delhi - 110006
4. Website	www.krblrice.com
5. E-mail ID	investor@krblindia.com
6. Financial year reported	2017-18

7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Agri Division- Basmati Rice - Group: 106, Class: 1061, Sub-Class: 10612 Energy Division - Wind energy, Solar energy - Group: 351, Class: 3510, Sub-Class: 35105
8. List three key products/services that the company manufactures/ provides.	KRBL is India's Largest Basmati Rice producer, with a 120 year old heritage, having national as well as international markets. 1) Basmati Rice- India Gate, Doon, Nur Jahan, Indian Farm & Bemisal 2) Solar energy 3) Wind energy.
9. Number of locations where business activities are undertaken by the company.	Rice division - Ghaziabad, Dhuri, Alipur, Barota Corporate office - Noida Wind Division - Maharashtra (Dhule, Sangli), Rajasthan (Ajmer, Jaisalmer, Rathkuriya), Tamil Nadu (Tirupur, Tirunelveli), Karnataka (Kalmangi, Bellary), Andhra Pradesh (Gandikota, Tallimandugulla), Madhya Pradesh (Mahuriya, Garora), Gujarat (Bhanvad) Solar Division - Madhya Pradesh (Rajgarh, Susner, Rojhani, Ichhawar) Biomass - Dhuri, Ghaziabad
10. Markets served by the company Local/State/ National/International	KRBL has a strong distributor network spread across India, South East Asia and Middle East Countries- Saudi Arabia, UAE, Iraq, Kuwait and Qatar etc. Trying to expand to other markets like USA, Europe, Australia, New Zealand, Africa, China etc.

Section B: Financial Details of the Company

1. Paid Up Capital (₹) ₹ 2,353.90 Lacs
2. Total Turnover (₹) ₹ 3,24,644.32 Lacs
3. Total Profit after Taxes (₹) ₹ 46,178.31 Lacs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%)

The company spent a total of ₹ 322.27 lacs on CSR activities during the financial year under review, representing 0.73% of average net profit of the company in the previous three financial years.

5. List of activities in which the expenditure in 4 above has been incurred.

Please Refer Board Report Section “Annual Report on Corporate Social Responsibility (CSR) Activities”.

Section C: Other Details

1. Does the company have any Subsidiary Company/ Companies?

Yes, Company has 2 Subsidiaries i.e. KRBL DMCC, Dubai, UAE and K.B. Exports Pvt. Ltd. India.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)?

No.

3. Do any other entity / entities (e.g. Supplier, distributor etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes indicate the percentage of such entities? (Less than 30%, 30 – 60% and More than 60%)

No, however, KRBL works with all its farmers towards ensuring that they participate in sustainable agricultural practices- by providing them with training on the latest agricultural practices, and supplying high quality seeds to ensure less resource consumption and maximum rice production.

Section D: BR Information

1. Details of Director/Directors responsible for BR

a) Details of the Director/Director responsible for implementation of the Business Responsibility policy/policies

- Name Mr. Anil Kumar Mittal
- DIN 00030100
- Designation Chairman & Managing Director

b) Details of the Business Responsibility Head

- DIN 00030100
- Name Mr. Anil Kumar Mittal
- Designation Chairman & Managing Director
- Telephone number 0120-4060300
- e-mail id investor@krblindia.com

2. Principle-wise (as per NVGs) BR Policy/Policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility.

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Principle 3: Businesses should promote the wellbeing of all employees

Principle 4: Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantaged vulnerable, and marginalized

Principle 5: Businesses should respect and promote human rights

Principle 6: Business should respect, protect, and make efforts to restore the environment

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Principle 8: Businesses should support inclusive growth and equitable development

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

3) If answer against any principle, is 'No', please explain why: (Tick up to 2 options):

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the principles	NA								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done in the next 6 months									
5	It is planned to be done in the next year									
6	Any other reason (please specify)									

3. Governance related to BR

- a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

KRBL assesses the business performance every 6 months.

- b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Business Responsibility Report is published annually. The same is forming part of Directors' Report in Annual Report 2017-18 and is available on company website www.krblrice.com/investorrelations.html under the heading FY 2017-18.

Section E: Principle Wise Performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?**

KRBL's policies on ethics, bribery and corruption- i.e. its code of conduct covers not only its employees, but also includes other people associated with it- contractors/ suppliers. KRBL's code of conduct or "Vigil Mechanism Policy" constantly promotes ethical behaviour in all its business activities in accordance with the best international governance practices through its directors, employees, business associates and other stakeholders, KRBL has established a system to report unethical behaviour, malpractices, fraud and other incidents of misconduct. KRBL has a policy in place in which all the directors, employees and business associates have the ability to directly access the Chairman of Audit Committee, who then work towards resolving the issues. KRBL is putting in a mechanism in place to develop a supply chain policy to ensure that best practices are followed throughout its supply chain.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

During this year, we have not received any significant complaint related to unethical practices across all our operations.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. **List up to 3 products or services whose design has incorporated social or environmental concerns, risks, and/or opportunities.**

- 1) All rice brands- India Gate, Nur Jahan, Doon, Indian Farm, Bemisal etc.
- 2) Solar Energy
- 3) Wind Energy

2. **For each product, provide the following details in respect of resources (energy, water, raw material etc.) per unit of product.**

- (i) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

Division	Resources	Reduction
Rice	Energy Savings	1,51,804 kwh
	Carbon Reduction	1,24,212.10 CO ₂

- (ii) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Not Applicable.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Provide details thereof, in about 50 words or so.**

KRBL have a policy for sustainable sourcing. KRBL is mostly involved in rice processing, and its major suppliers are farmers. KRBL ensures that farmers follow best agricultural practises to ensure reduction in resource consumption in the agricultural phase. Through modern agricultural techniques, reduction in energy, and water is achieved, and utilization of materials like fertilizer and pesticides is also reduced. KRBL ensures that farmers maintain good soil conditions throughout agricultural processes.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

KRBL sources rice only from local farmers in the basmati rice growing regions around the places where it operates. In order to ensure that all the farmers that it works along with gain good quality harvest, KRBL provides them with quality seeds that are a result of extensive research and

development, it provides them with adequate training on agricultural techniques to maximize produce- optimal pesticide and fertilizer usage, best agricultural equipment to use, etc. They are also paid right prices for their agricultural produce. KRBL ensures that the farmers that it works along with are a part of its CSR activities too, and it has put various projects into place to improve their livelihood.

5. Does the company have mechanism to recycle products and waste? If yes, what is the percentage of recycling waste and products?

Yes, KRBL has a mechanism in place to recycle waste. KRBL ensures that none of its operational by-products go to waste. KRBL uses the state-of-the-art processing technologies within its divisions to ensure that a minimal amount of waste is generated within all its facilities. The main by-products generated in KRBL's facilities are Rice Bran and Paddy Husk. Rice bran can be used to make edible oil, and paddy husk is used in the manufacture of rice husk boards, silica gel and manufacture of furfural. Soluble rice bran is also used as cattle feed. KRBL uses the rice husk that's generated in its facilities to produce non-conventional power, to meet along with its power requirements. Any excess energy generated is sold to the Punjab State Electricity Board. All of KRBL's by-products are recycled. Within its energy division, the cotton waste that is generated and the oil waste are given to recycling vendors

Principle 3: Businesses should promote the wellbeing of all employees

1. Please indicate the total number of employees

We have 2197 as on Employees as on March 31, 2018.

2. Please indicate the total number of employees hired on temporary/ contractual/casual basis.

We have 475 Contractual Employees as on March 31, 2018.

3. Please indicate the number of permanent women employees.

68

4. Please indicate the number of permanent employees with disability.

NIL.

5. Do you have an employee association that is recognized by management?

No unions within the company.

6. What percentage of your permanent employees are a member of this recognized employee association?

N.A.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

KRBL has not received any complaints on any labour issues including child labor, forced labour, involuntary labour and sexual harassment during the reporting period.

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

KRBL provides training to all employees for enhancement of performance and skill development. In the year 2017-2018, training sessions of 7-8 hours/month were conducted for employees. Different types of training programs were conducted- ISO/SQF/BRC, Personal Hygiene, Quality Parameter, Stock rotation, fire safety, first Aid, Machine operation, Regular affairs, site security, maintenance related to food safety, pest control, rice grain identification, industrial relation, problem solving etc.

Principle 4: Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantage vulnerable, and marginalized.

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes, KRBL has mapped its internal and external stakeholders.

Internal Stakeholders:

- Management
- Employees
- Farmers

External Stakeholders:

- Customers
- Partners
- Suppliers
- Vendors
- Retailers
- Government authorities/regulators
- Local communities

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable, and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

Yes, the Company has undertaken special initiatives like funding education of children studying in govt. schools,

interacting with farmers to consult them on various agricultural aspects. Further, construction of sewage lines and toilet facilities near the area where it operates.

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

KRBL's human rights policy extends across all its operations. It covers all its employees, suppliers, farmers and contractors associated with it. KRBL is in process of further extending its human rights policy across different stakeholder groups.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

We have not received any complain related to human rights violation during the reporting period.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

The Company has Environment protection policy which aims to ensure that environmental considerations are taken into account in all our operations in order to reduce environmental footprint and protect the environment at different levels. The policy extends to employees, service partners, vendors and farmers.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

KRBL is actively involved in addressing issues in relation to environment. In order to reduce energy consumption within its rice division, KRBL has undertaken various initiatives- the major one being setting up a biomass energy generation facility that uses rice husk (byproduct generated at KRBL facility) as fuel.

KRBL is committed to continuously reduce energy consumption at its various units. List of initiatives taken in this regard are mention in "Annexure 1" of Directors' Report.

Moreover, KRBL recycles waste water within its facilities.

KRBL's energy division was started to reduce dependency on fossil fuels, with wind and solar energy assets. Further details can be viewed on the hyperlink <http://www.krblrice.com/ourstrengths.html>

3. Does the company identify and assess potential environmental risks? Y/N

Yes, KRBL has identified and assessed potential environmental risks in relation to its operations. The key risks are

- 1) Climate change risks
- 2) Water availability risks
- 3) Agricultural risks
- 4) Raw material risk

The Company has environment protection policy which identified the environment risks and take steps to reduce negative environment impact on the business.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Yes, KRBL has a project in relation to Clean Development Mechanism for its biomass generation facility.

With a vision to reduce energy consumption and GHG impact, KRBL implemented rice husk based cogeneration plants in Dhuri and Ghaziabad. These cogeneration plants have reduced the energy usage in Dhuri as well as Ghaziabad by reducing the amount of diesel and grid electricity that would otherwise have been consumed. The biomass power plants also displace possible GHG emissions from use of DG. Through the biomass power plants, KRBL's requirement of thermal energy is being met.

Baseline emissions (tons CO2)	Emissions (tons per GWh)	Energy displaced (GWh)
16,934	800	21.168

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

KRBL's rice division has a biomass power generation unit to meet along with its energy requirements, thus reducing its dependency on grid electricity and DG.

KRBL is committed to continuously reduce energy consumption at its various units. List of initiatives taken in this regard are mention in "Annexure 1" of Directors' Report. KRBL's energy division is completely focused on production of solar and wind energy. Focusing on clean energy production, KRBL is working extensively towards clean energy portfolio having 146.94 MW in 2017-2018.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, KRBL's emission and generated waste are within the permissible limits given by CPCB/SPCB.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes, the Company has been associated with India Basmati Farmers from last many decades. Even in the face of severe competition, KRBL continues to receive the support from its network of farmers, distributors, retailers, stockists, suppliers and trading partners.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

As a part of India Basmati Farmers, KRBL is associated with various farmers with whom it works to improve basmati rice agricultural process at different levels, by providing them with high quality seeds, providing them with training to ensure that sustainable agricultural practices are followed, that reduce resource consumption- water, energy, pesticide, fertilizers, and at the same time, increase the rice that is produced.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

KRBL has a CSR Committee that is responsible for the development of the company's CSR activities, and develop, monitor and review various CSR initiatives as specified under Companies Act, 2013 relative to environmental protection as well as community involvement and development. At KRBL, CSR projects and programs are undertaken after identifying the communities that require development.

KRBL has undertaken initiatives for supporting inclusive growth and equitable development through its CSR activities. Details of CSR initiatives taken by company are given in "Annexure 5" of Directors' Report.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

KRBL undertakes its CSR activities and initiatives through its in-house team as well as through external NGO/ government structures/any other organization etc.

3. Have you done any impact assessment of your initiative?

Yes, the Company assess the impact of CSR Projects and Programs undertaken at its CSR committee meetings.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

The Company has spent ₹ 322.27 Lacs as part of its CSR initiatives. Details of CSR initiatives taken by company are given in "Annexure 5" of Directors' Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Yes, KRBL frequently monitors its initiatives & projects to ensure that it is successfully adopted by the community. It also conducts regular feedback surveys to ensure the successful implementation of its projects. KRBL's CSR policy ensures effective implementation of various CSR programs by monitoring them on a constant basis.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

No customer complaints have been received in the reporting year.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks(additional information)

Yes, product information details are always displayed on the label over and above what is mandated as per local laws. Being a rice processing company, product safety is of extreme importance to KRBL.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

No.

ANNEXURE-7

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 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 arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis –

NONE: DURING THE REPORTING PERIOD, ALL TRANSACTIONS WERE AT ARM'S LENGTH BASIS.

- (a) Name(s) of the related party and nature of relationship: **N.A.**
- (b) Nature of contracts/ arrangements/ transactions: **N.A.**
- (c) Duration of the contracts/ arrangements/ transactions: **N.A.**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **N.A.**
- (e) Justification for entering into such contracts or arrangements or transactions: **N.A.**
- (f) Date(s) of approval by the Board: **N.A.**
- (g) Amount paid as advances, if any: **N.A.**
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: **N.A.**

2. Details of material contracts or arrangement or transactions at arm's length basis:

NONE: DURING THE REPORTING PERIOD, THERE WAS NO MATERIAL* CONTRACT OR ARRANGEMENT.

(*As defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and adopted by the Board of Directors in the Related Party Transactions Policy of the Company, "Material Related Party Transaction" means a transaction with a related party if the transaction/ transactions to be entered into individually or taken together with previous transactions during a Financial Year, exceeds 10% of the annual consolidated turnover of the company as per the last audited financial statements of the company.)

- (a) Name(s) of the related party and nature of relationship: **N.A.**
- (b) Nature of contracts/ arrangements/ transactions: **N.A.**
- (c) Duration of the contracts/ arrangements/ transactions: **N.A.**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **N.A.**
- (e) Date(s) of approval by the Board, if any: **N.A.**
- (f) Amount paid as advances, if any: **N.A.**

for and on behalf of the Board of Directors

Sd/-

Anil Kumar Mittal

Chairman & Managing Director

DIN: 00030100

Place: Noida, Uttar Pradesh

Date: July 24, 2018

Report on Corporate Governance



REPORT ON CORPORATE GOVERNANCE

Transparency is the key to good governance & e-governance is the only effective way of transparent governance.

Hon'ble P.M. Narendra Modi

KRBL Limited ('KRBL' or 'the Company') believes that good corporate governance is all about ensuring that companies are managed as efficiently as possible in the interests of the stakeholders. Efficient corporate governance requires a clear understanding of the respective roles of the Board and of senior management and their relationships with others in the corporate structure. The relationship of the Board and management shall be characterized by sincerity, their relationship with employees shall be characterized by fairness, their relationship with the communities in which they operate shall be characterized by good citizenship, and their relationship with government shall be characterized by a commitment to compliance.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

In KRBL, Corporate Governance philosophy stems from our belief that corporate governance is an integral element in improving efficiency and growth as well as enhancing investor confidence level. The Board of Directors have the important role of overseeing management performance on behalf of Stakeholders. Stakeholders necessarily have little voice in the day to day management of corporate operations, but have the right to elect representatives (Directors) to look out for their interests and to receive the information they need to make investment and voting decisions.

Over the last few years, the Board of Directors of Our Company have from time to time developed corporate governance practices to enable the Directors to effectively and efficiently discharge their responsibilities individually and collectively to the shareholders of the Company in the areas of; - fiduciary duties - oversight of the Management - evaluation of the Management performance – support and guidance in shaping company policies and business strategies.

KRBL's Corporate Governance has been a high priority both in letter as well as in spirit. The Company's Board of Directors represents the Stakeholders interest in perpetuating a successful business and optimizing long term financial returns in a manner consistent with applicable legal

requirements and ethical considerations. The Board is responsible for identifying and taking reasonable actions to help and assure that the Company is managed in a way designed to achieve this result.

The Company is fully compliant with the mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "SEBI Listing Regulations") formulated by the Securities and Exchange Board of India.

2. BOARD OF DIRECTORS

A. SIZE AND COMPOSITION OF BOARD

The present policy of KRBL regarding size and composition of the Board is to have an optimum combination of Executive and Non-Executive Directors along with Woman Director which clearly demarcate the functions of governance and management.

As on March 31, 2018, the Board comprises of 10 (Ten) members, 5 (five) of which are Independent Non-Executive Directors constituting 50% of the Board strength and remaining 5 (Five) are Executive Directors including 1 (One) Woman Director, 2 (Two) are Joint Managing Directors and 1 (One) is Chairman & Managing Director. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations as well as the Companies Act, 2013 read with the Rules issued thereunder.

As per Regulation 17(b) of the SEBI Listing Regulations, where the listed entity does not have a regular Non-Executive Chairperson, at least half of the Board of Directors shall comprise of Independent Directors. The Chairperson of KRBL Board is an executive director and a promoter as well. Accordingly, half of the Board of KRBL comprises of Independent Non- Executive Directors.

Further, at present there are 5 (five) Independent Non-Executive directors on the Board of KRBL Limited which is in compliance with the provisions of Composition of Board as per SEBI Listing Regulations.

All Independent Directors are drawn from amongst eminent professionals with an expertise in Business/ Finance/Law/Public Enterprises and other allied field. All Independent Directors adhere to the criteria defined

under Regulation 16 of SEBI Listing Regulations read with the provisions of Section 152, 149 and other applicable provisions of the Companies Act, 2013, at every Annual General Meeting.

B. ROTATION OF DIRECTORS

The Independent Directors of your Company will hold office for 5 (Five) consecutive years from the date of 21st Annual General Meeting as held on September 9, 2014, (except Mr. Alok Sabharwal who will hold office for 5 (Five) consecutive years w.e.f August 11, 2016). No Independent Directors are liable to retire by rotation. However, they can resign from directorship any time before their respective tenure.

Pursuant to the provision of Section 149(13) of the Companies Act, 2013, and as per Amended Articles of Association of the Company, all directors except Independent Directors are liable to retire by rotation.

In accordance with the provisions of Section 152 of the Companies Act, 2013, and as per Amended Articles of Association of the Company, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta, both Joint Managing Directors, will retire by rotation at the ensuing Annual General

Meeting and are eligible for re-appointment. This shall not constitute a break in office of Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta, both as Joint Managing Director in the Company.

All the Directors of the Company are entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with the requisite powers, authorities and duties.

C. DIRECTORS ATTENDANCE RECORD AND THEIR OTHER DIRECTORSHIP(S) AND COMMITTEE MEMBERSHIP(S)

As mandated by Regulation 26 of the SEBI Listing Regulations, none of the Directors is a member of more than 10 (Ten) Board level Committees or Chairman of more than 5 (Five) Committees across all listed companies in which he/she is a Director. Directors' attendance at the Board Meetings during the financial year and the last Annual General Meeting (AGM) and also their Directorships and Memberships in other committees are given below:

Composition of the Board, Attendance Record, Directorships and Committee Membership for the Financial Year 2017-18

Brief Information about Directors		Attendance record during Financial Year 2017-18			Directorship/Membership /Chairmanship as on March 31, 2018		
Name of the Directors	Directors Identification Number	Number of Board Meeting held and attended		Attendance at the last AGM	Number of Directorships in all Companies*	Number of Committee Positions held in all Companies**	
		Held	Attended			Chairman	Member
Executive Directors							
Mr. Anil Kumar Mittal	00030100	5	5	Yes	14	1	1
Mr. Arun Kumar Gupta	00030127	5	5	No	14	-	-
Mr. Anoop Kumar Gupta	00030160	5	5	Yes	14	-	1
Mr. Ashok Chand	00030318	5	4	No	1	-	-
Ms. Priyanka Mittal	00030479	5	1	Yes	3	-	1
Independent Non-Executive Directors							
Mr. Ashwani Dua	01097653	5	4	No	5	2	4
Mr. Devendra Kumar Agarwal	06754542	5	4	Yes	1	1	1
Mr. Shyam Arora	00742924	5	3	Yes	2	-	3
Mr. Vinod Ahuja	00030390	5	4	Yes	15	-	3
Mr. Alok Sabharwal	03342276	5	4	Yes	1	-	-

* This includes Directorships in all Companies, including KRBL Limited (Listed, Unlisted Public and Private Limited Companies incorporated in India).

** For the purpose of considering the limit of the committees on which a directors can serve, all public limited companies, whether listed or not, are considered. Further Committees considered for the purpose are those prescribed under explanation to Regulation 26(1)(b) of the SEBI Listing Regulations viz. Audit Committee and Stakeholders Relationship Committee of Indian public limited companies including KRBL Limited. Further in addition to Audit Committee and Stakeholders Relationship Committee the Nomination & Remuneration Committee and CSR Committee are also taken into consideration.

D. LIMIT ON THE NUMBER OF DIRECTORSHIPS

In compliance with Regulation 25 of the SEBI Listing Regulations, the Independent Directors on the Board of the Company does not serve as an Independent Directors in more than 7 (Seven) Listed Companies and in case he/she is serving as a Whole Time Director in any Listed Company, does not hold position as an Independent Director in more than 3 (Three) Listed Companies.

E. MAXIMUM TENURE OF INDEPENDENT DIRECTORS

In accordance with the provisions of Section 149(11) of the Companies Act, 2013, the current tenure of Independent Directors of the Company has been fixed for a period of 5 (Five) consecutive years from the date of Annual General Meeting held on September 9, 2014 (except Mr. Alok Sabharwal whose tenure has been fixed for a period of 5 (Five) consecutive Years as w.e.f August 11, 2016) upto the conclusion of Annual General Meeting to be held in the year 2019.

F. FORMAL LETTER OF APPOINTMENT TO INDEPENDENT DIRECTORS

- a. In accordance with the provisions of SEBI Listing Regulations read with Schedule IV of the Companies Act, 2013, the Company has issued formal letters of appointment to all the Independent Directors.
- b. The terms and conditions of Appointment of Independent Directors has been disseminated on the Company's website at the weblink http://www.krblice.com/policy-guidelines/terms_conditions_for_appointmen_of_independent_directors.pdf

G. PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

The Nomination and Remuneration Committee, in its meeting held on January 24, 2018, has laid down the criteria for performance evaluation of Board of the Company, its Committees and the individual Board members, including Independent Directors.

The performance evaluation of Independent Directors was done by the entire Board of Directors excluding the directors being evaluated.

H. SEPARATE MEETING OF THE INDEPENDENT DIRECTORS

During the reporting Financial Year, a separate Meeting of the Independent Directors of the Company was held on March 22, 2018, at M-31 A, Greater Kailash Market Part-II, New Delhi-110048, where in the following items as enumerated under Schedule IV of the Companies Act, 2013, read with Regulation 25 of the SEBI Listing Regulations were discussed:

- Review of Performance of Non-Independent Directors and Board as a whole.
- Review of Performance of the Chairman of the Company after taking into consideration the views of Executive and Non-Executive Directors.
- Assessment of the quality, quantity and timeliness of flow of information between the Company, Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Mr. Vinod Ahuja was appointed as the Chairman to lead the meeting of the Independent Directors.

I. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

- i) In compliance with the provisions of Regulation 25 of the SEBI Listing Regulations, all Independent Directors are familiarized about the company, through various programs from time to time, including the following:
 - (a) nature of the industry in which the company operates;
 - (b) business model of the company;
 - (c) roles, rights and responsibilities of Independent Directors; and
 - (d) any other relevant information.
- ii) The policy on the familiarization programs for Independent Directors along with the programmes conducted for Independent Directors has been uploaded on the Company's website at the weblink http://www.krblice.com/policy-guidelines/familiarization_programme_for_independent_directors.pdf

J. NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS

Non-Executive Directors neither holds any Equity Shares nor hold any convertible instruments of the company.

K. ROLES AND RESPONSIBILITIES OF THE BOARD

The primary role of the Board is that of trusteeship to protect and enhance shareholders value through strategic direction to the company. As trustee, the Board of Directors has fiduciary responsibility to ensure that the company has clear goals aligned to shareholder value and its growth. The Board exercises its duties with care, skill and diligence and exercises independent judgment. The Board sets strategic goals and seeks accountability for their fulfillment. The Board also directs and exercises appropriate control to ensure

that the Company is managed in a manner that fulfills stakeholders' aspirations and societal expectations.

- Disclosure of Information
 - Members of Board of Directors and key managerial personnel shall disclose to the Board of Directors whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the company.
 - The Board of Directors and senior management shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision-making.
- Key functions of the Board
 - The Board reviews and guides Corporate Strategy, Major Plans of Action, Risk Policy, Annual Budgets and Business Plans; Setting Performance Objectives; Monitoring Implementation and Corporate Performance; and Overseeing Major Capital Expenditures, Acquisitions and Divestments.
 - Board monitors the effectiveness of the Company's governance practices and making changes as needed.
 - Selects, Compensates, Monitors and, when necessary, replaces key executives and overseeing succession planning.
 - Ensures a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.
 - Monitors and manages potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions.
 - Ensures the integrity of the Company's Accounting and Financial Reporting Systems, including the Independent Audit, and that appropriate systems of control are in place, in particular, systems for Risk Management, Financial and Operational Control, and Compliance with the law and relevant standards.
 - Oversees the process of disclosure and communications.
 - Monitors and reviews Board Evaluation Framework.
- Align key managerial personnel and remuneration of Board of Directors with the long term interests of the company and its shareholders.
- Company has well established committees of the Board of Directors, and their mandate, composition and working procedures have been well defined and disclosed by the Board of Directors.
- Other responsibilities
 - The Board provides the strategic guidance to the company, ensures effective monitoring of the management and should be accountable to the company and the shareholders.
 - The Board sets corporate culture and the values by which executives throughout a group will behave.
 - Board members acts on a fully informed basis, in good faith, with Due Diligence and Care, and in the best interest of the Company and the shareholders.
 - The Board encourages continuing directors training to ensure that the Board members are kept up to date.
 - Where Board decisions affect different shareholder groups differently, the Board treats all shareholders fairly.
 - The Board applies high ethical standards. It takes into account the interests of stakeholders.
 - The Board is able to exercise objective Independent Judgement on Corporate Affairs.
 - Board considers assigning a sufficient number of Non-Executive Board Members capable of exercising Independent Judgement to tasks where there is a potential for conflict of interest.
 - The Board ensures that, while rightly encouraging positive thinking, these do not result in over-optimism that either leads to significant risks not being recognised or exposes the company to excessive risk.
 - The Board has ability to 'Step Back' to assist executive management by challenging the assumptions underlying: Strategy, Strategic Initiatives (such as acquisitions), Risk Appetite, Exposures and the Key areas of the Company's focus.
 - Board members should be able to commit themselves effectively to their responsibilities.

- In order to fulfil their responsibilities, board members have access to accurate, relevant and timely information.
 - The Board and Senior Management facilitate the Independent Directors to perform their role effectively as a Board member and also a member of a committee.
- Role of Independent Directors
Independent Directors have emerged as the cornerstones of the worldwide Corporate Governance movement. Their increased presence in the boardroom has been hailed as an effective deterrent to fraud and mismanagement, inefficient use of resources, inequality and unaccountability of decisions and as a harbinger for striking the right balance between individual, economic and social interests.

Independent Directors plays a key role in the decision-making process of the Board. The Independent Directors are committed to act in what they believe to be in the best interest of the Company and its Shareholders. The Independent Directors are professionals, with expertise and experience in general corporate management, Public Policy, Finance, Financial Services and Other allied fields. This wide knowledge of their respective fields of expertise and best-in-class boardroom practices helps foster varied, unbiased, Independent and experienced perspective. The company benefits immensely from their inputs in achieving its strategic direction.

L. INTER-SE RELATIONSHIP AMONGST DIRECTORS

Mr. Anil Kumar Mittal, Chairman & Managing Director, Mr. Arun Kumar Gupta and Mr. Anoop Kumar Gupta, both Joint Managing Directors, all three are brothers and Ms. Priyanka Mittal, Whole Time Director is the daughter of Mr. Anil Kumar Mittal, Chairman & Managing Director of the Company.

3. BOARD MEETINGS AND PROCEDURES

A. BOARD MEETINGS

Company's Corporate Governance Policy requires the Board to meet at least four times in a year. The maximum gap between two board meetings should not be more than 120 (One hundred and twenty) days as prescribed under Regulation 17 of the SEBI Listing Regulations. Additional board meetings may be convened to address the specific needs of the Company. In case of business exigencies or matters of urgency, the board may also approve resolution by circulation as permitted by the Companies Act, 2013.

B. BOARD PROCEDURE

Board Meetings are governed by a structured agenda. The Agenda is prepared in consultation with the Chairman of the Board and all other Board Members. The agenda for the meetings of the board together with the appropriate supporting documents are circulated well in advance to all the Board members. Detailed presentations are also made to the Board covering operations, Business Performance, Finance, Sales, Marketing, Global and Domestic Business Environment and related details. All necessary information including but not limited to those as mentioned in Part-A Schedule II of the SEBI Listing Regulations are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company. The Board also reviews periodical compliances of all laws, rules and regulations. At the Board Meeting, members have full freedom to express their opinion and decisions are taken after detailed deliberations. Members of the senior management team are invited to attend the Board Meetings as and when required, which provides additional inputs to the items being discussed by the Board.

C. DETAILS OF BOARD MEETINGS HELD AND ATTENDED BY THE DIRECTORS DURING FINANCIAL YEAR 2017-18

S. No.	Date of Board Meetings	Board Strength	Number of Directors Present	% of attendance
1.	Monday, May 29, 2017	10	8	80.00
2.	Thursday, August 10, 2017	10	10	100.00
3.	Wednesday, November 8, 2017	10	8	80.00
4.	Wednesday, January 3, 2018	10	5	50.00
5.	Wednesday, January 24, 2018	10	8	80.00

In terms of Regulation 17 of the SEBI Listing Regulations the gap between any two meetings did not exceed 120 (One hundred and twenty) days.

D. SHAREHOLDING OF DIRECTORS

The Shareholding of Directors (Holding in individual capacity) as on March 31, 2018 are given below:

Name	Number of Shares Held
Mr. Anil Kumar Mittal	100
Mr. Arun Kumar Gupta	100
Mr. Anoop Kumar Gupta	100
Ms. Priyanka Mittal	100

E. DISCLOSURE PURSUANT TO REGULATION 36 OF THE SEBI LISTING REGULATIONS REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS AT THE FORTHCOMING AGM

1. Mr. Arun Kumar Gupta

Mr. Arun Kumar Gupta, is a Commerce Graduate from Delhi University. He is one of the first director of the Company, named in the Articles of Association and has been appointed as Joint Managing Director since December 1994.

Nature of his expertise in specific functional areas:

Mr. Arun Kumar Gupta is having more than 36 years of experience in the field of Rice Industry. He is a Promoter and Director of KRBL Limited. An expert on the Basmati Paddy Supply Chain Management and the Paddy Milling Technology. He has steered the Company into a growth trajectory. He holds various eminent positions in various reputed organization. He plays a key role on the project implementation of the Company.

Disclosure of relationship between directors inter-se:

Mr. Anil Kumar Mittal, Chairman & Managing Director and Mr. Anoop Kumar Gupta, Joint Managing Director are brothers of Mr. Arun Kumar Gupta and Ms. Priyanka Mittal, Whole Time Director is the daughter of Mr. Anil Kumar Mittal, Chairman & Managing Director of the Company.

Listed Entities (other than KRBL Limited) in which Mr. Arun Kumar Gupta, Joint Managing Director holds Directorship and Membership/ Chairmanship in Committees are as follows:

Directorship: Nil

Chairperson of Board Committees:

Nil

Member of Board Committees:

Nil

Shareholding in the Company (including HUF and Trust): 4,61,43,714

2. Mr. Anoop Kumar Gupta

Mr. Anoop Kumar Gupta, is a Science Graduate from Delhi University. He is one of the first director of the Company, named in the Articles of Association and has been appointed as Joint Managing Director since December 1994.

Nature of his expertise in specific functional areas:

Mr. Anoop Kumar Gupta is having more than 32 years of experience in the field of Rice Industry. He is a Financial Architect and the Chief Strategist of the Company. He has added immense value to the Company's financial stability. Further has also been the Executive Committee member of All India Rice Exporters Association. Moreover he is also responsible for domestic marketing and advertisement.

Disclosure of relationship between directors inter-se:

Mr. Anil Kumar Mittal, Chairman & Managing Director and Mr. Arun Kumar Gupta, Joint Managing Director are brothers of Mr. Anoop Kumar Gupta and Ms. Priyanka Mittal, Whole Time Director is the daughter of Mr. Anil Kumar Mittal, Chairman & Managing Director of the Company.

Listed Entities (other than KRBL Limited) in which Mr. Anoop Kumar Gupta holds Directorship and Membership/ Chairmanship in Committees are as follows:

Directorship: Nil

Chairperson of Board Committees: Nil

Member of Board Committees: Nil

Shareholding in the Company (including HUF and Trust): 4,61,49,338

4. COMMITTEES OF THE BOARD

The Board has constituted various Committees with an optimum representation of its members and with specific term of reference in accordance with Companies Act, 2013 and the SEBI Listing Regulations. KRBL has 6 (six) Board level Committees.



DETAILS OF ROLE AND COMPOSITION OF THESE COMMITTEES, INCLUDING THE NUMBER OF MEETINGS HELD DURING THE FINANCIAL YEAR AND THE RELATED ATTENDANCE ARE PROVIDED BELOW:

A. AUDIT COMMITTEE

I. Composition of the Committee

As on March 31, 2018, the Audit Committee of KRBL comprises of following Members:

Name	Designation	Category
Mr. Devendra Kumar Agarwal	Chairman	Non-Executive & Independent
Mr. Ashwani Dua	Member	Non-Executive & Independent
Mr. Vinod Ahuja	Member	Non-Executive & Independent
Mr. Shyam Arora	Member	Non-Executive & Independent

All the members of the Committee have good knowledge of Finance, Accounts and Business Management. The Chairman of the Committee, Mr. Devendra Kumar Agarwal, has considerable accounting and related Financial Expertise. The Statutory Auditors, the Internal Auditors and the Cost Auditors of the Company attend the meetings of the Committee on the invitation of the Chairman.

The composition of the Audit Committee is in compliance with the requirements of Section 177 of the Companies Act, 2013 read with the provisions of Regulation 18 of SEBI Listing Regulations.

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management’s financial reporting process, to ensure

accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The audit committee oversees the work carried out in the financial reporting process by the management, the internal auditors and the independent auditors, and notes the process and safeguards employed by each of them.

Mr. Raman Sapra, Company Secretary, acts as Secretary to the Audit Committee.

II. Terms of Reference

The roles, powers and functions of the Audit Committee of KRBL are in accordance with the provisions of Section 177 of the Companies Act, 2013, read with Regulation 18 and PART-C of Schedule II of the SEBI Listing Regulations.

The Audit Committee of KRBL has powers, which includes the following:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considered necessary.
- The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
- The Audit Committee shall have authority to investigate into any matter in relation to the items

specified above or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company.

The Role of the Audit Committee of KRBL includes the following:

- The recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Examination of the financial statement and the auditors' report thereon.
- Approval or any subsequent modification of transactions of the company with related parties.
- Scrutiny of Inter-Corporate Loans and Investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of Internal Financial Controls and Risk Management Systems.
- Monitoring the end use of funds raised through public offer and related matters.
- Oversight of the Company's Financial Reporting Process and the disclosure of its Financial Information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing, with the management, the Annual Financial Statements before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Section 134 (5) of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the Financial Statements arising out of Audit Findings.
- Compliance with Listing and Other Legal requirements relating to Financial Statements.
- Disclosure of any Related Party Transactions.
- Qualifications in the draft Audit Report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing, with the management, performance of statutory and Internal Auditors, adequacy of the Internal Control Systems.
- Reviewing the adequacy of Internal Audit function, if any, including the structure of the Internal Audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit.
- Discussion with Internal Auditors about any significant findings and follow up there on.
- Reviewing the findings of any Internal Investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the board.
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the Depositors, Debenture Holders, Shareholders (in case of Non-payment of declared dividends) and creditors.
- To review the functioning of the Vigil Mechanism/ Whistle Blower, in case the same is existing.
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- Carrying out any other function as is mentioned in the Terms of Reference of the Audit Committee.

The Audit Committee of KRBL review the following information:

- Management discussion and analysis of financial condition and result of operation;
- Statement of significant related party transaction (as defined by the audit committee) submitted by management;
- Management letter/letter of internal control weaknesses issued by the statutory auditor;
- Internal audit reports relating to internal control weakness; and
- The appointment, removal and term of remuneration of the chief internal auditor shall be subject to review by audit committee.

III. Meetings and Attendance

During the financial year 2017-18, 4 (four) meetings of Audit Committee were held. Details of Audit Committee Meetings held and attended by members during the financial year 2017-18 are as follows:

S. No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of attendance
1.	Monday, May 29, 2017	4	3	75.00
2.	Thursday, August 10, 2017	4	4	100.00
3.	Wednesday, November 8, 2017	4	4	100.00
4.	Wednesday, January 24, 2018	4	3	75.00

The attendance details of the Audit Committee members are as follows:

S. No.	Name	Position held	Meetings Held	Meetings attended	% of attendance
1.	Mr. Devendra Kumar Agarwal	Chairman	4	4	100.00
2.	Mr. Ashwani Dua	Member	4	3	75.00
3.	Mr. Shyam Arora	Member	4	3	75.00
4.	Mr. Vinod Ahuja	Member	4	4	100.00

B. NOMINATION AND REMUNERATION COMMITTEE

I. Composition of the Committee

As on March 31, 2018, the Nomination and Remuneration Committee of KRBL comprises of following members:

Name	Designation	Category
Mr. Ashwani Dua	Chairman	Non-Executive & Independent
Mr. Shyam Arora	Member	Non-Executive & Independent
Mr. Vinod Ahuja	Member	Non-Executive & Independent

The purpose of the committee is to screen and to review individuals qualified to serve as Executive Directors, Non-Executive Directors and Independent Directors, consistent with criteria approved by the Board.

Mr. Raman Sapra, Company Secretary, acts as Secretary to the Nomination and Remuneration Committee.

II. TERMS OF REFERENCE

The role of the Nomination and Remuneration Committee of KRBL also covers such functions and scope as prescribed under Section 178 of the Companies Act, 2013 read with allied Rules framed thereunder and Regulation 19 and Part-D of Schedule II of the SEBI Listing Regulations.

The Role of the Nomination and Remuneration Committee of KRBL includes the following:

- formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel, Senior Management Personnel and other employees of KRBL;
- formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;
- devising a policy on diversity of Board of Directors;
- identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal; and

- determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors.

The Nomination and Remuneration Committee of KRBL have the following Duties and Responsibilities:

- To identify the persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees of KRBL.
- To formulate the criteria for evaluation of Independent Director and the Board.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board and to determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To develop a succession plan for the Board and to regularly review the plan.
- To assist the Board in fulfilling responsibilities.
- To implement and monitor policies and processes regarding principles of corporate governance.
- To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- To ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

- To ensure that remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

III. MEETINGS AND ATTENDANCE

During the financial year 2017-18, 3 (Three) meetings of Nomination and Remuneration Committee were held. Details of Nomination and Remuneration Committee Meetings held and attended by members during the financial year 2017-18 are as follows:

S. No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of attendance
1.	Thursday, August 10, 2017	3	3	100.00
2.	Wednesday, November 8, 2017	3	3	100.00
3.	Wednesday, January 24, 2018	3	2	66.67

The attendance details of the Nomination and Remuneration Committee members are as follows:

S. No.	Name	Position held	Meetings Held	Meetings attended	% of attendance
1.	Mr. Ashwani Dua	Chairman	3	3	100.00
2.	Mr. Shyam Arora	Member	3	2	66.67
3.	Mr. Vinod Ahuja	Member	3	3	100.00

IV. Remuneration Policy

The Remuneration policy of the Company is to lay down a framework in relation to remuneration of Directors, KMP, Senior Management Personnel and other Employees and directed towards rewarding performance, based on review of achievements on periodic basis.

The remuneration paid to Directors is recommended by the Remuneration Committee and approved by the Board of Directors in the Board Meeting, subject to the subsequent approval by the shareholders at the General Meeting and such other authorities, as the case may be and the remuneration paid to Senior Management and KMP is approved by the remuneration committee.

The Non-Executive Directors will be paid with the sitting fee, if any, subject to the approval of Board of Directors/ including any sub-committee thereof, upto the limit as specified under the Companies Act, 2013 and also in Compliance with the SEBI Listing Regulations.

The Nomination and Remuneration policy is available on the website of the company at the web link www.krblrice.com/policy-guidelines/nomination-remuneration-policy.pdf

*V. Remuneration of Directors

Details of Remuneration and Sitting Fees paid to the Directors during the Financial Year 2017-18 are as follows:

Name of Directors	Salaries	Perquisites	Sitting Fees*	Total
Mr. Anil Kumar Mittal	98,40,000	39,600	-	98,79,600
Mr. Arun Kumar Gupta	98,40,000	39,600	-	98,79,600
Mr. Anoop Kumar Gupta	98,40,000	39,600	-	98,79,600
Mr. Ashok Chand	27,20,952	39,600	-	27,60,552
Ms. Priyanka Mittal	56,03,904	39,600	-	56,43,504
Mr. Ashwani Dua	-	-	40,000	40,000
Mr. Devendra Kumar Agarwal	-	-	40,000	40,000
Dr. Alok Sabharwal	-	-	40,000	40,000
Mr. Shyam Arora	-	-	30,000	30,000
Mr. Vinod Ahuja	-	-	40,000	40,000

* Independent Non-Executive Directors are paid Sitting fees, further the same is exclusive of Service Tax which is borne by the Company.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

I. Composition of the Committee

As on March 31, 2018, the Stakeholders Relationship Committee of KRBL comprises of following members:

Name	Designation	Category
Mr. Ashwani Dua	Chairman	Non-Executive & Independent
Mr. Shyam Arora	Member	Non-Executive & Independent
Mr. Vinod Ahuja	Member	Non-Executive & Independent

Mr. Raman Sapra, Company Secretary, acts as Secretary and compliance officer to the Stakeholders Relationship Committee.

II. Terms of Reference

The terms of reference and the ambit of powers of Stakeholders Relationship Committee are as per Regulation 20 and Part-D of Schedule II of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013, and allied rules as may be notified from time to time.

The Stakeholders Relationship Committee of KRBL is responsible for the Duties and functions which includes the following:

To approve or deal with applications for Transfer, Transmission, Transposition and Mutation of Share Certificates including duplicate, split, sub-division or consolidation of certificates and to deal with all related matters.

- To look into and redress Shareholders/Investors Grievances relating to:
 - Transfer of shares;
 - Non-receipt of Declared Dividends;
 - Non-receipt of Annual Reports;
 - All such complaints directly concerning the Shareholders/Investors as stakeholders of the Company; and
 - Any such matters that may be considered necessary in relation to Shareholders and investors of the Company.

III. Meetings and Attendance

During the financial year 2017-18, 4 (four) meetings of Stakeholders Relationship Committee were held. Details of Stakeholders Relationship Committee Meetings held and attended by members during the financial year 2017-18 are as follows:

S. No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of attendance
1.	Monday, May 29, 2017	3	2	66.67
2.	Thursday, August 10, 2017	3	3	100.00
3.	Wednesday, November 8, 2017	3	3	100.00
4.	Wednesday, January 24, 2018	3	2	66.67

The attendance details of the Stakeholders Relationship Committee members are as follows:

S. No.	Name	Position held	Meetings Held	Meetings attended	% of attendance
1.	Mr. Ashwani Dua	Chairman	4	3	75.00
2.	Mr. Shyam Arora	Member	4	3	75.00
3.	Mr. Vinod Ahuja	Member	4	4	100.00

IV. INVESTORS GRIEVANCE REDRESSAL

Pursuant to the Regulation 13 of SEBI Listing Regulations, KRBL has duly filed with the recognized stock exchange(s) on a quarterly basis, within twenty one days from the end of each quarter, a statement giving the number of investor complaints pending at the beginning of the quarter, those received during the quarter, disposed off during the quarter and those remaining unresolved at the end of the quarter.

No complaints were pending at the beginning of the year and three complaints were received by the company during the year which is resolved within specified time. So, no complaints were outstanding as on March 31, 2018. No requests for Transfer/Transmission and for Dematerialization were pending for approval as on March 31, 2018. The Registrar and Share Transfer Agents, M/s. Alankit Assignments Limited (RTA) dealt with all grievances of the Shareholders and Investors received directly through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Company maintains continuous interaction with the RTA and takes proactive steps and actions for resolving complaints/queries of the shareholders/Investors and also takes initiatives for solving critical issues. Shareholders are requested to furnish their telephone numbers and / or e-mail addresses to facilitate prompt action. The Company has designated the e-mail id: investor@krblindia.com exclusively for the purpose of registering complaints by Investors electronically. This e-mail id is also displayed on the Company's website: www.krblrice.com

D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In accordance with provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, Company has a well-established Corporate Social

Responsibility Committee, to formulate and recommend to the Board, CSR activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013, to recommend the amount of expenditure to be incurred on such activities and to monitor the Corporate Social Responsibility Policy of the company from time to time.

I. Composition of the Committee

As on March 31, 2018, the Corporate Social Responsibility Committee of KRBL comprises of following 4 (Four) Members out of which 3 (Three) are Executive Directors and 1 (one) is Non-Executive Independent Director:

Name	Designation	Category
Mr. Anil Kumar Mittal	Chairman	Executive & Chairman & Managing Director
Mr. Anoop Kumar Gupta	Member	Executive & Joint Managing Director
Mr. Ashwani Dua	Member	Non-Executive & Independent Director
Ms. Priyanka Mittal	Member	Executive & Whole-Time Director

Mr. Raman Sapra, Company Secretary, acts as Secretary to the CSR Committee.

II. Terms of Reference

The Terms of Reference of Corporate Social Responsibility Committee includes the Duties and Functions of the Corporate Social Responsibility Committee of KRBL are as per Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Corporate Social Responsibility Committee of KRBL is responsible for the functions which includes the following:

- Formulate and Recommend to the Board, a Corporate Social responsibility Policy which shall indicate the activities to be under taken by the company as specified in Schedule VII of the Companies Act, 2013.
- To recommend the amount of expenditure to be incurred on the activities referred in policy.
- Monitor Corporate Social Responsibility Policy of the company from time to time.
- Prepare transparent monitoring mechanism for ensuring implementation of the projects, programmes, activities proposed to be undertaken by the Company.

The Duties of the Corporate Social Responsibility Committee of KRBL includes the following:

- Consider and formulate the Company's value and strategy as regards to CSR.
- Develop and review the CSR policies relating to workplace quality, environmental protection, operating practices and community involvement.
- Identify CSR issues, and related risks and opportunities that are relevant to the Company's operations, and incorporate the issues or factors into the Company's existing risk management.
- Monitor and oversee the implementation of the Company's CSR policies and practices to ensure compliance with the applicable legal and regulatory requirements.
- Evaluate and enhance the Company's CSR performance and make recommendation to the Board for improvement.
- Review and endorse the Company's Annual CSR Report for Board's approval for public disclosure.
- Contribute towards better society and a Cleaner Environment.
- Develop and review the CSR policies relating to workplace quality, Environmental Protection, Operating Practices and Community Involvement.
- Identify CSR issues, and related risks and opportunities that are relevant to the Company's operations, and incorporate the issues or factors into the Company's existing Risk Management.
- Evaluate and enhance Company's CSR performance and make recommendation to the Board for improvement.
- Prepare Transparent monitoring mechanism for ensuring implementation of the projects, programs, activities proposed to be undertaken by KRBL.
- Monitor Corporate Social Responsibility Policy of KRBL time to time.

The company has formulated the CSR Policy in line with Schedule VII of the Companies Act, 2013, which is available on the website of the Company at the web link www.krbllimited.com/policy-guidelines/policy-corporate-social-responsibility.pdf.

III. Meeting and Attendance

During the financial year 2017-18, 4 (Four) meetings of Corporate Social Responsibility Committee were held.

Details of Corporate Social Responsibility Committee Meetings held and attended by members during the financial year 2017-18 are as follows:

S. No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of attendance
1.	Saturday, July 1, 2017	4	3	75.00
2.	Monday, December 4, 2017	4	3	75.00
3.	Friday, January 12, 2018	4	4	100.00
4.	Wednesday, March 14, 2018	4	4	100.00

The attendance details of the Corporate Social Responsibility Committee members are as follows:

S. No.	Name	Position held	Meetings Held	Meetings attended	% of attendance
1.	Mr. Anil Kumar Mittal	Chairman	4	4	100.00
2.	Mr. Anoop Kumar Gupta	Member	4	4	100.00
3.	Mr. Ashwani Dua	Member	4	2	50.00
4.	Ms. Priyanka Mittal	Member	4	4	100.00

E. RISK MANAGEMENT COMMITTEE

Pursuant to the provisions of Regulation 21 of the SEBI Listing Regulations, the company through its Board of Directors has constituted a Risk Management Committee on February 18, 2015.

The purpose of Risk Management Committee of the Board of Directors is to assist the Board in fulfilling its corporate governance oversight responsibilities with regard to the Identification, Evaluation and Mitigation of Operational, Strategic and External Environment Risks.

I. Composition of the Committee

As on March 31, 2018, the Risk Management Committee of KRBL comprises of following 4 (Four) Members out of which 3 (Three) are Executive Directors and 1 (one) is Chief Financial Officer:

S. No.	Name	Designation	Category
1.	Mr. Arun Kumar Gupta	Chairman	Executive & Joint Managing Director
2.	Mr. Anoop Kumar Gupta	Member	Executive & Joint Managing Director
3.	Mr. Ashok Chand	Member	Executive & Whole Time Director
4.	Mr. Rakesh Mehrotra	Member	Chief Financial Officer

Mr. Raman Sapra, Company Secretary, acts as Secretary to the Risk Management Committee.

II. Terms of References

The role of the Risk Management Committee of KRBL is to identify the risks impacting Company's business and formulate and administer Policies/ Strategies aimed at Risk Minimization and risk mitigation as part of risk management.

The Risk Management Committee of KRBL is responsible for the Duties and functions which includes the following:

- The Risk Management Committee shall annually review and approve the Risk Management Policy and associated frameworks, processes and practices of the Company.
- The Risk Management Committee shall ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
- The Risk Management Committee shall evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner.
- The Risk Management Committee will coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice).
- The Risk Management Committee may form and delegate authority to sub-committees when appropriate. The risk management committee shall make regular reports to the Board.
- The Risk Management Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

- The Board shall review the performance of the risk management committee annually.
- The Risk Management Committee shall have access to any internal information necessary to fulfill its oversight role. The risk management committee shall also have authority to obtain advice and assistance from internal or External Legal, accounting or other advisors.

III. Meeting and Attendance

During the Financial Year 2017-18, one Meeting of the Risk Management committee was held. Meeting and Attendance details of Risk Management Committee meeting are as follows:

S. No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of attendance
1.	Wednesday, January 24, 2018	4	4	100.00

The attendance details of the Risk Management Committee members are as follows:

S. No.	Name	Position held	Meetings Held	Meetings attended	% of attendance
1.	Mr. Arun Kumar Gupta	Chairman	1	1	100.00
2.	Mr. Anoop Kumar Gupta	Member	1	1	100.00
3.	Mr. Ashok Chand	Member	1	1	100.00
4.	Mr. Rakesh Mehrotra	Member	1	1	100.00

F. BORROWING AND INVESTMENT COMMITTEE

The Board of Directors of the Company in its meeting held on September 08, 2016 constituted a committee namely **"Borrowing and Investment Committee"**, to formulate the timely and effective decisions related to availing of borrowings and investments made by the Company from time to time.

I. Composition of the Committee

As on March 31, 2018, the Borrowing and Investment Committee of KRBL comprises of following 4 (Four) Members out of which 3 (Three) are Executive Directors and 1 (one) is Chief Financial Officer:

S. No.	Name	Designation	Category
1.	Mr. Anil Kumar Mittal	Chairman	Executive & Chairman & Managing Director
2.	Mr. Arun Kumar Gupta	Member	Executive & Joint Managing Director
3.	Mr. Anoop Kumar Gupta	Member	Executive & Joint Managing Director
4.	Mr. Rakesh Mehrotra	Member	Chief Financial officer

Mr. Raman Sapra, Company Secretary, acts as Secretary to the Borrowing and Investment Committee.

II. Terms of References

The Borrowing and Investment Committee of KRBL is responsible for the Duties and functions which includes the following:

- To approve all investment proposals, related borrowings and execution of instruments in relation thereto.
- To approve any significant disposition of any investment that would have strategic implication for an asset or class of asset when deemed appropriate.
- To identify and assessment of risks associated with while taking the decisions of investments and borrowings and introduce the measures to mitigate such risks.
- The committee shall ensure that the Company is taking appropriate measures to achieve prudent balance between investments and borrowings.
- The committee may form and delegate authority to sub-committees when deem appropriate. The committee shall make regular reports to the Board.
- The committee shall have access to any internal information necessary to fulfill its oversight role. The committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

III. Meeting and Attendance

During the Financial Year 2017-18, 2 (Two) Meeting of the Borrowing and Investment Committee were held. Meeting and Attendance details of Borrowing and Investment Committee meeting are as follows:

S. No.	Date of Committee Meetings	Committee Strength	Number of Members Present	% of attendance
1.	Thursday, June 29, 2017	4	4	100.00
2.	Saturday, December 9, 2017	4	4	100.00

The attendance details of the Borrowing and Investment Committee members are as follows:

S. No.	Name	Position held	Meetings Held	Meetings attended	% of attendance
1.	Mr. Anil Kumar Mittal	Chairman	2	2	100.00
2.	Mr. Arun Kumar Gupta	Member	2	2	100.00
3.	Mr. Anoop Kumar Gupta	Member	2	2	100.00
4.	Mr. Rakesh Mehrotra	Member	2	2	100.00

5. SUBSIDIARY COMPANIES – MONITORING FRAMEWORK

KRBL does not have any material subsidiary as defined under Regulation 16(1)(c) of the SEBI Listing Regulations. Material Subsidiary means a Subsidiary Company whose income or net worth (i.e. paid-up capital and free reserves) exceeds 20% of the consolidated income or net worth respectively, of the listed holding Company and its subsidiaries in the immediately preceding accounting year.

The Company's Audit Committee reviews the Consolidated Financial Statements of the Company as well as the Financial Statements of the subsidiaries, including the investments made by the subsidiaries. The minutes of the Board Meetings, along with a report of the significant transactions and arrangements of the unlisted subsidiaries of the Company are periodically placed before the Board of Directors of the Company.

The Company has formulated a policy for determining its Material Subsidiaries and the same is available on the website of the Company at the weblink: http://www.krblrice.com/policy-guidelines/policy_for_determining_material_subsidiaries.pdf

6. GENERAL BODY MEETINGS

A. GENERAL BODY MEETING HELD DURING LAST 3 YEARS

Year	Time, Day, Date and Location	Summary of Resolutions Passed in regard to Special Resolutions
24 th AGM- 2017	11.00 A.M. Tuesday September 26, 2017 Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110 003	- No special Resolution was passed in AGM.
23 rd AGM – 2016	11.00 A.M. Thursday September 8, 2016 Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110 003	- Consider and approve Issue of Redeemable Non-convertible Debenture on Private Placement basis.
22 nd AGM – 2015	11.00 A.M. Monday September 28, 2015 FICCI K. K. Birla Auditorium, 1, Tansen Marg, New Delhi-110001	- Adoption of New Set of Articles of Association of the Company containing regulations in conformity with the provisions of Companies Act, 2013. - Approval of Issue of Redeemable Non Convertible Debenture On Private Placement Basis.

B. SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT DURING THE FINANCIAL YEAR 2017-18

During the Financial Year 2017-18, No Special Resolution was passed through postal ballot.

7. DISCLOSURES

A. MANAGEMENT DISCUSSION AND ANALYSIS

The Annual Report has a detailed chapter on Management Discussion and Analysis, which forms part of this report.

B. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

Related party transactions as required by the Indian Accounting Standard Ind AS-24 on “Related Party Disclosures” issued by the Institute of Chartered Accountants of India (ICAI) disclosed in Notes to the Annual Accounts. Members may refer to the notes to accounts for details of Related Party Transactions. However these are not having potential conflict with the interest of the Company at large.

The Company has formulated a Policy on Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of the Companies Act, 2013 read with the provisions of Regulation 23 of the SEBI Listing Regulations and the same is available on the website of the company at the web link: <http://www.krblice.com/policy-guidelines/policy-related-party.pdf>

C. DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS

The Company has followed prescribed Accounting Standards – IND AS as laid down by the Institute of Chartered Accountants of India (ICAI) and notified by the Ministry of Corporate Affairs in preparation of its financial statements. Kindly refer to note no. 2 of the financial statements (standalone and consolidated) for significant accounting policies adopted by the Company.

D. STATUTORY COMPLIANCE, PENALTIES AND STRICTURES

There were no cases of non-compliance with stock exchanges or SEBI Regulations. Also no penalties or strictures were imposed by any Stock Exchange or SEBI or any other statutory authorities for any violation related to the capital market during the last 3 (three) years.

E. VIGIL MECHANISM POLICY

The Company promoted ethical behavior in all its business activities and in line with the best international governance practices, KRBL has established a system through which Directors, employees, business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company’s code of conduct without fear of reprisal. The Company has a policy, under which all Directors, Employees, Business

Associates have direct access to the Chairman of the Audit Committee. The Policy has been disclosed on the website of the company at the weblink www.krblrice.com/policy-guidelines/vigilmechanism-whistle-blower-policy.pdf

F. PECUNIARY RELATIONSHIP OR TRANSACTIONS WITH NON-EXECUTIVE DIRECTORS

There is no pecuniary relationship or transactions with Non- Executive Directors except payment of sitting fee to Non- Executive Directors.

G. DISCLOSURE REGARDING APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

Disclosure regarding Directors appointed/re-appointed is given under the head Directors. Further, the relevant details also forming part of the Notice of 25th Annual General Meeting of the Company.

H. RISK MANAGEMENT

As required under Regulation 21 of the SEBI Listing Regulations, the Company has a review procedure to apprise the Board of Directors of the Company on the Key Risk Assessment areas and suggest Risk Mitigation Mechanism.

I. CORPORATE SOCIAL RESPONSIBILITY

The detailed Annual Report on Corporate Social Responsibility have also been disclosed as **Annexure-5** in the Directors' Report Section of the Annual Report. The Policy is available on the website of the company at the weblink <http://www.krblrice.com/policy-guidelines/policy-corporate-social-responsibility.pdf>

J. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company is committed to provide a protective environment at workplace for all its women employees. To ensure that every woman employee is treated with dignity and respect and as mandated under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has a formulated policy for prevention of sexual harassment of its women employees. The Policy is available on the website of the company at the weblink www.krblrice.com/policy-guidelines/SEXUAL%20HARASSMENT%20POLICY.pdf

K. CEO/ CFO CERTIFICATION

The CEO and CFO certification on the Financial Statements and the cash flow statement for the year is given at the end of the report on Corporate Governance Report.

8. MEANS OF COMMUNICATION

FINANCIAL RESULTS AND ANNUAL REPORTS ETC.

The Quarterly Unaudited Financial Results and the Annual Audited Financial Results as approved and taken on record by the Board of Directors of the Company are published during the year under review in Leading National Newspapers, i.e. Economic Times, Business Standard, Financial Express, Jansatta and Nav Bharat Times and are also sent immediately to all the Stock Exchanges with which the Shares of the Company are listed.

The Quarterly and Annual Financial Statements, the Annual Report of the Company and other information can also be retrieved by Investors from the website of the Company www.krblrice.com, under investor relations section.

INVESTOR RELEASES/ PRESENTATIONS

Official press releases, presentations made to the media, analysts, institutional investors, etc. can also be retrieved by Investors from the website of the Company www.krblrice.com, under investor relations.

9. GENERAL SHAREHOLDER INFORMATION

ANNUAL GENERAL MEETING

Day, Date & Time:	Monday, August 20, 2018, 11.00 AM
Venue:	Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110003
Financial Calendar:	The Financial year of the Company start from 1 st April of a year and ends on March 31 of the following year.

FINANCIAL REPORTING

Financial Year	April 1 to March 31
For the Financial Year 2017-18 results were announced on:	
1 st Quarter ended June 30, 2017	August 10, 2017
2 nd Quarter and Half Year ended September 30, 2017	November 8, 2017
3 rd Quarter ended December 31, 2017	January 24, 2018
4 th Quarter and Year Ended March 31, 2018	May 10, 2018

For the Financial Year 2018-19, result are likely to be announced on: (Tentative and subject to change)

1 st Quarter ended June 30, 2018	By Last Week of July, 2018
2 nd Quarter and Half Year ended September 30, 2018	By Last Week of October, 2018
3 rd Quarter ended December 31, 2018	By Last Week of January, 2019
4 th Quarter and Year Ended March 31, 2019	By Second Week of May, 2018

10. CODE OF CONDUCT

The Company has adopted a Code of Business Conduct and Ethics for Board of Directors, Senior Management Personnel and Other Employees. The code of Business Conduct and Ethics for Board of Directors, Senior Management Personnel and Other Employees is available on the website at the weblink www.krblrice.com/policy-guidelines/code_of_business_conduct_ethics.pdf

Company has obtained affirmation for adherence to the Code. The declaration from the Chairman & Managing Director to the effect forms a part of this report.

Declaration as required under Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	
All Directors, Senior Management and every employee of the Company have affirmed compliance with the KRBL Code of Business Conduct and Ethics for the Financial Year ended March 31, 2018.	
Sd/-	
Anil Kumar Mittal	
Noida, Uttar Pradesh July 24, 2018	Chairman & Managing Director DIN: 00030100

11. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING AND CODE OF PRACTICE AND PROCEDURE FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

KRBL Limited has duly adopted Code of Conduct to Regulate, Monitor and Report Trading by Insider. Pursuant to the requirement of SEBI Circular No. CIR/ISD/02/2015 dated September 16, 2015. The said Code is available on the website of the Company at the web link http://www.krblrice.com/policy-guidelines/code_of_conduct_insider_trading.pdf

Further pursuant to Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations, 2015, KRBL Limited has also adopted a Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information in adherence to the principles set out in Schedule A to

the said Regulations. The said Code is available on the website of the Company at the web link http://www.krblrice.com/policy-guidelines/code_of_fair_disclosure.pdf

12. DATE OF BOOK CLOSURE

The dates of Book Closure shall be from Wednesday, August 8, 2018 to Monday, August 20, 2018 (both days inclusive).

13. DIVIDEND PAYMENT DATE

The Board of Directors in its meeting held on May 10, 2018 had recommended the final Dividend of ₹ 2.30 (230%) per paid up equity shares of ₹ 1/- each aggregating to ₹ 5,413.97 Lac (Excluding Dividend Distribution Tax) for the financial year 2017-18. The final dividend shall be paid to those shareholders whose names will be provided by the depositories after the closure of business hours on August 7, 2018, being record date fixed for the purpose. The Final Dividend as recommended by the Board of Directors and approved by the shareholders in the ensuing Annual General Meeting will be paid on or before September 19, 2018.

14. REGISTRAR AND SHARE TRANSFER AGENT

The Company has appointed M/s. Alankit Assignments Limited, having its office at Alankit Heights, 1E/13, Jhandewalan Extension, New Delhi-110 055 as its Registrar and Transfer Agent (RTA) for electronic mode of Transfer of Share of both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as well as physical transfer of shares.

The Company's shares are traded in the Stock Exchanges compulsorily in demat mode. Pursuant to the provisions of Regulation 40 of SEBI Listing Regulations, physical shares sent for transfer are duly transferred, if they are complete in all respects; or if company has any objection they return back such share, as the case may be, within 15 days of receipt of the documents. Share transfers in physical form can be lodged with Alankit Assignments Limited, Registrar & Transfer Agents (RTA) at the above mentioned address.

The Stakeholders Relationship Committee reviews the Share transfers approved by the RTA, Company Secretary or Manager-Corporate Affairs, who have been delegated with requisite authority. All requests for Dematerialization of shares are processed and confirmed to the depositories, NSDL and CDSL, within 15 days. The Members holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DP) regarding change of address, change of bank mandates and nomination.

15. DEMATERIALIZATION OF SHARES AND LIQUIDITY

Pursuant to the provisions of Regulation 31 of SEBI Listing Regulations, Company's shares are required to be traded compulsorily in the Dematerialized form and are available for trading under both the depository systems in India – NSDL and CDSL. The International Securities Identification Number (ISIN) allotted to the Company's Equity Shares under the depository system is INE001B01026. The Annual Custodial Fees for the Financial Year 2017-18 has been paid to both the depositories.

During the year under review 85,010 shares of the company covered in 39 requests were converted into Dematerialized form and 202 shares of the company covered in 2 requests were converted into physical form. As on March 31, 2018, 235,126,978 shares of the company constituting 99.89% of the Paid-up share capital are in Dematerialized form.

For guidance on depository services, shareholders may write to the Company or to the respective depositories:

National Securities Depository Limited (NSDL)	Central Depository Services (India) Limited (CDSL)
Trade World, 4 th Floor Kamala Mills Compound Senapati Bapat Marg, Lower Parel Mumbai – 400013 Telephone: 022 – 24994200 Facsimile: 022 – 24972933 E-mail: investor@nsdl.co.in Website: www.nsdl.co.in	Phiroze Jeejeebhoy Towers 28 th Floor, Dalal Street Mumbai – 400023 Telephone: 022 – 22723333 Facsimile: 022 – 22723199 E-mail: info@cdslindia.com Website: www.cdslindia.com

16. LISTING ON STOCK EXCHANGES

The Company's shares are listed and actively traded on the below mentioned Stock Exchanges:

I. NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE)

"Exchange Plaza" C-1, Block G,
Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051
Website: www.nseindia.com
Symbol: KRBL, Series: Eq.

II. BSE LIMITED (BSE)

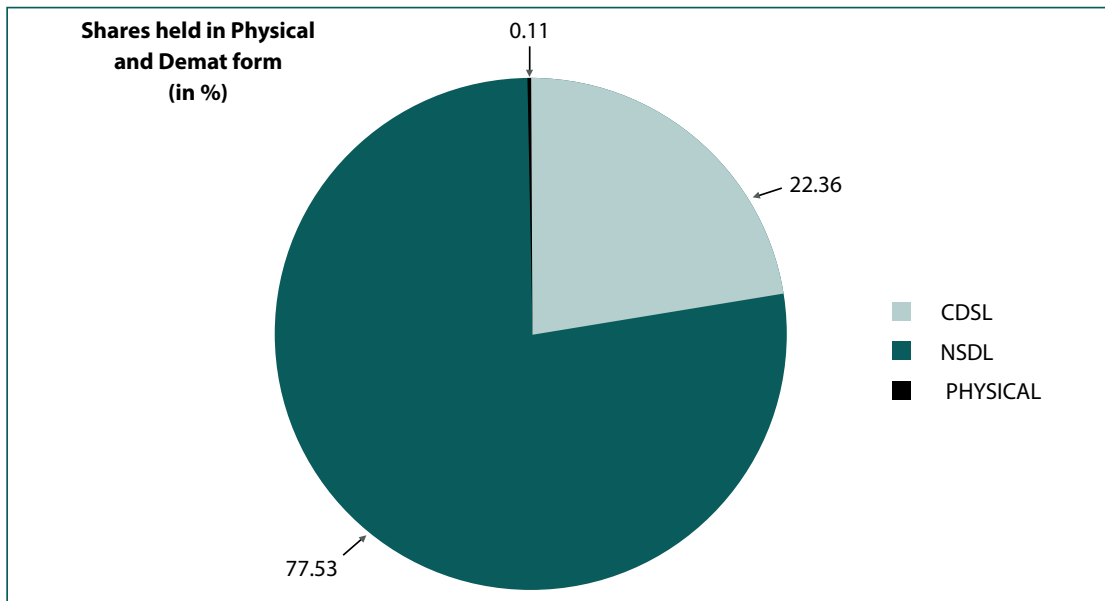
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai – 400 001
Website: www.bseindia.com
Stock Code: 530813

Your Company has paid the listing fees to BSE and NSE for the Financial Year 2017-18.

17. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2018

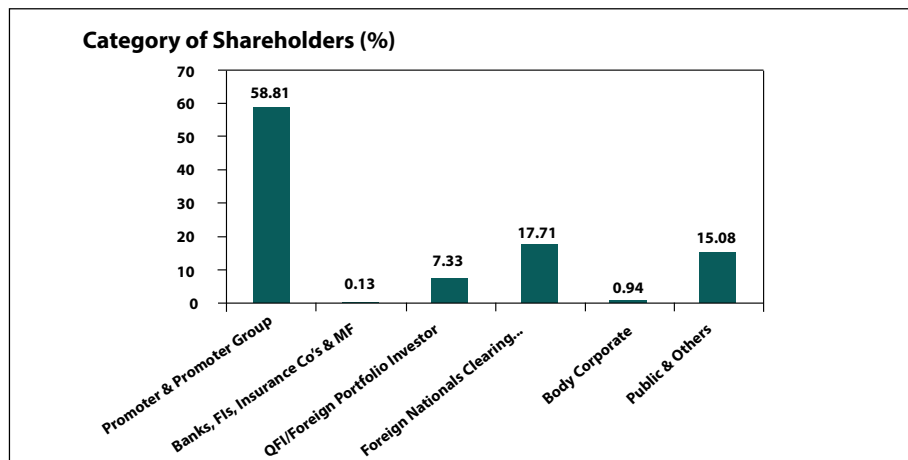
Number of Shares held (₹ 1 paid up)	Folios		Shares of ₹1/- Paid up	
	Numbers	%	Numbers	%
1 – 50	10,518	35.61	2,17,428	0.09
51 – 100	3,702	12.53	3,28,738	0.14
101 – 500	8,894	30.11	28,22,050	1.20
501 – 1000	3,371	11.41	25,32,684	1.08
1001 – 5000	2,370	8.02	50,11,832	2.13
5001 – 10000	307	1.04	22,28,897	0.95
10001 – 50000	283	0.96	56,12,498	2.38
50001 – 100000	34	0.12	25,19,053	1.07
100000 & Above	60	0.20	21,41,16,712	90.96
Total	29,539	100.00	23,53,89,892	100.00

18. SHARES HELD IN PHYSICAL AND DEMATERIALIZED FORM AS ON MARCH 31, 2018 (IN %)



19. CATEGORY OF SHAREHOLDING AS ON MARCH 31, 2018

Category	Number of Shares held	%
Promoter & Promoter Group	13,84,39,916	58.81
Banks, FIs, Mutual Fund, Alternate Investment Fund & NBFC's	3,01,678	0.13
Foreign Portfolio Investor	1,72,43,851	7.33
Foreign Nationals, Clearing Members, Trust, Employee Trust, NRIs, LLPs, Foreign Body Corporate	4,16,80,521	17.71
Body Corporate	22,16,099	0.94
Public and Others	3,55,07,827	15.08
Total	23,53,89,892	100.00



20. TOP TEN SHAREHOLDERS (OTHER THAN PROMOTERS) AS ON MARCH 31, 2018

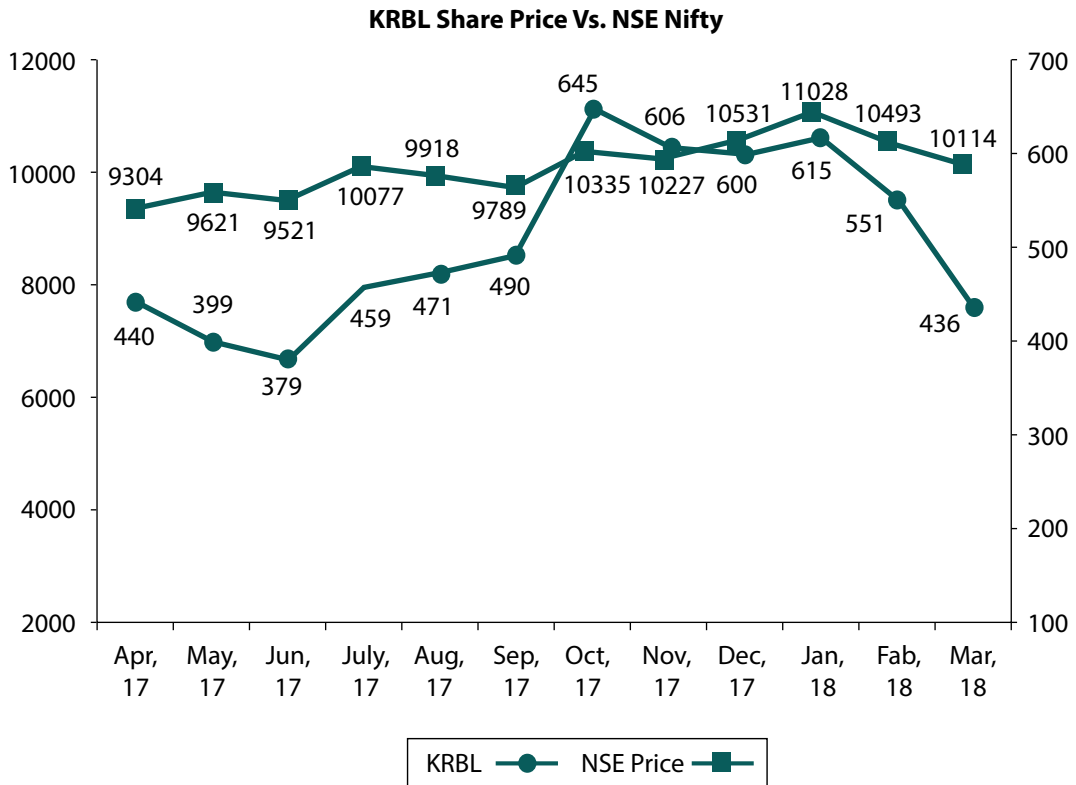
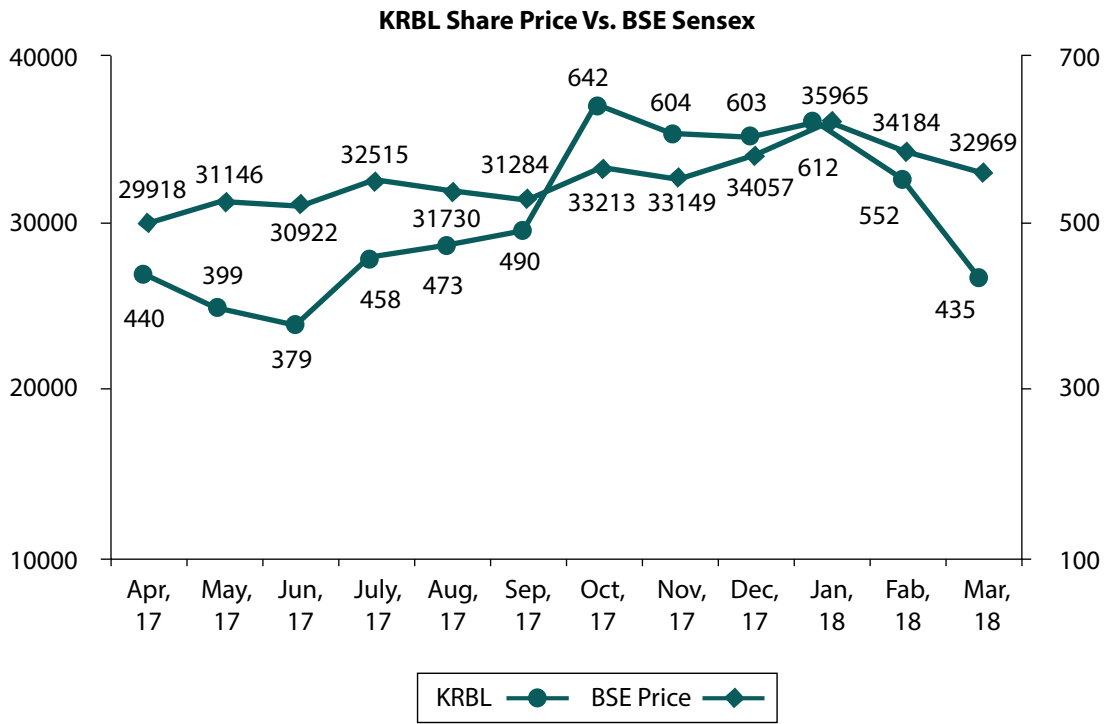
S. No.	Name	Number of Shares held
1.	Reliance Commodities DMCC	2,29,00,000
2.	Anil Kumar Goel	93,41,845
3.	Abdulla Ali Obeid Balsharaf	35,88,330
4.	Omar Ali Obeid Balsharaf	42,50,000
5.	Kotak Mahindra (International Limited)	61,99,270
6.	Som Nath Aggarwal	36,55,438
7.	Seema Goel	27,99,000
8.	Premier Investment Fund Limited	12,78,684
9.	Indian Clearing Corporation Limited	64,94,891
10.	Vanguard Emerging Markets Stock Index Fund, A Se-ries of Vanguard International Equity Index Fund	14,74,543

21. MARKET PRICE DATA

Monthly High and Low quotes and volume of shares traded on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE):

Month	BSE Limited				National Stock Exchange of India Limited			
	High (₹)	Low (₹)	Number of Shares Traded	Turnover (₹ in Lacs)	High (₹)	Low (₹)	Number of Shares Traded	Turnover (₹ in Lacs)
April, 2017	441.95	403.80	213,367	897.80	441.90	403.20	14,33,353	6,043.64
May, 2017	452.35	392.00	419,709	1,781.30	451.70	391.00	30,76,862	13,058.91
June, 2017	419.95	371.00	306,541	1,224.70	421.70	371.15	24,92,914	9,968.13
July, 2017	477.60	378.80	712,800	3,182.08	477.00	378.25	78,15,998	34,929.59
August, 2017	480.30	428.00	260,195	1,202.54	482.00	425.00	22,02,687	10,191.31
September, 2017	503.00	457.00	300,004	1,455.60	504.50	457.70	26,32,688	12,804.93
October, 2017	649.90	491.10	269,351	1,563.17	648.00	490.55	32,96,888	19,164.84
November, 2017	672.90	582.20	162,803	1,044.66	675.00	586.60	15,37,673	9,902.91
December, 2017	673.00	588.45	91,638	561.27	627.90	592.10	11,99,024	7,353.08
January, 2018	649.40	596.00	231,765	1,444.39	649.00	594.55	34,95,230	21,929.62
February, 2018	650.00	521.30	6,755,196	40,134.73	651.95	538.00	31,69,830	18,738.26
March, 2018	563.55	426.00	401,273	1,861.06	564.90	428.00	45,66,032	21,129.89

22. STOCK PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES:



23. OUTSTANDING ADRS/GDRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS AND LIKELY IMPACT ON EQUITY

The Company had allotted 3,428,594 nos. of underlying equity shares of ₹ 10/- each at a premium of ₹ 145.08 aggregating to ₹ 5,316.94 Lacs pursuant to the offer of 1,714,297 Global Depository Receipts (GDRs) made by the Company on February 24, 2006 to Foreign Investors, in accordance with the provisions of Section 81 and 81(1A) of the Companies Act, 1956 and Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipts Mechanism) Scheme, 1993, on preferential basis.

The Company's Global Depository Receipts (GDRs) were listed on the Luxembourg Stock Exchange (Code: US4826571030), at de la Bourse de Luxembourg, 11, av de la Porter – Neuve, L-2227 Luxembourg. As all GDRs were converted into Equity Shares, so company delisted its GDRs from Luxembourg Stock Exchange w.e.f. July 7, 2010. However, listing of the underlying equity shares are continued on the BSE Limited and National Stock Exchange of India Limited.

24. SHARE TRANSFER SYSTEM

All share transfer and other communications regarding share certificates, change of address, dividends, etc should be addressed to Registrar and share Transfer Agent. Stakeholders Relationship Committee is authorized to approve transfer of shares in the physical segment. The Committee has delegated authority for approving transfer and transmission of shares and other related matters to the officers of the Company. Such transfers take place on weekly basis. A summary of all the transfers/ transmissions etc. so approved by officers of the Company is placed at every Committee Meeting. All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of SEBI Listing Regulations, and files a copy of the same with the Stock Exchanges.

25. RECONCILIATION OF SHARE CAPITAL AUDIT

Mr. Deepak Kukreja, Partner, Deepak Kukreja & Associates, FCS Number 4140, CP Number 8265, Practicing Company Secretaries, carries out the Reconciliation of Share Capital Audit as mandated by SEBI, and reports on the Reconciliation of Total Issued and Listed Capital with that of total share capital admitted / held in Dematerialized form with NSDL and CDSL and those held in physical

form. This audit is carried out on quarterly basis and the report thereof is submitted to the Stock Exchanges, where the Company's shares are listed and is also placed before the Stakeholders Relationship Committee of the Board.

26. UNPAID DIVIDEND

Pursuant to the provisions of Section 124 read with Section 125 of the Companies Act, 2013, (previously Section 205C of the Companies Act, 1956), the Company is required to transfer the Dividend unpaid for a period of 7 (seven) years from the due date to the Investor Education and Protection Fund (IEPF) set up by the Central Government. Accordingly, the unclaimed Final Dividend for the year ended 2009-10 have been transferred and necessary Statement in Form IEPF-1 Pursuant to rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 has been filed.

Time frame of transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF):

Date of Declaration of Dividend	Dividend for the year	Due Date of transfer to IEPF
27/09/2011	2010-11	03/11/2018
25/09/2012	2011-12	01/11/2019
23/09/2013	2012-13	30/10/2020
09/09/2014	2013-14	16/10/2021
28/09/2015	2014-15	05/11/2022
10/03/2016	2015-16 (Interim)	16/04/2023
26/09/2017	2016-17	02/11/2024

Attention is drawn that the Unclaimed Final Dividend for the Financial Year 2010-11 will be due for transfer to IEPF later this year. Communication has been sent by the Company to the concerned shareholders advising them to lodge their claim with respect to unclaimed Dividend. Once unclaimed Dividend is transferred to IEPF, no claims will lie in respect thereof with the company.

27. FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

During the year 2017-18, the Company had managed the foreign exchange risk and hedged it to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of financial risk management are disclosed in note number 30.06 to the Standalone Financial Statements forming part of this Annual report.

28. NON-MANDATORY REQUIREMENTS

In addition to the mandatory requirements, the Company has also adopted the following non-mandatory requirements as per Regulation 27(1) of SEBI Listing Regulations:

(i) Shareholders' Rights

The Company has a policy of announcement of the audited/unaudited, quarterly/half yearly/Annual financial results.

In the next few days from the announcement of the audited/unaudited, quarterly/half yearly/Annual financial results, the company generally organizes webcast live investor conference calls and the media interactions with the management, where the management responds to the various queries.

(ii) Reporting of Internal Auditor

The Internal Auditors directly reports to the Audit Committee.

29. COMPLIANCE OFFICER

Raman Sapra
Company Secretary
5190, Lahori Gate, Delhi-110 006
Phone: (011) 23968328
E-mail: investor@krblindia.com
CIN: L01111DL1993PLC052845

30. PLANT LOCATION

- 9th Milestone, Post-Dujana, Bulandshahr Road, Dist. Gautambudh Nagar, Uttar Pradesh-203 207.
- 29/15-29/16, Village Jindpur, G. T. Karnal Road, Alipur, Delhi-110 036.
- Plot Number 258-260, Extended Lal Dora, Alipur, Delhi-110 036.
- Village Bhasaur, (Dhuri), Distt. Sangrur, Punjab-148 024.
- Village Akbarpur Barota, Distt. Sonipat, Haryana-131 104

31. REGISTERED OFFICE & ADDRESS FOR CORRESPONDENCE

REGISTERED OFFICE:

5190, Lahori Gate,
Delhi-110 006
Phone: (011) 23968328
Fax: (011) 23968327
E-mail: investor@krblindia.com
Website: www.kbrlrice.com
CIN: L01111DL1993PLC052845

ADDRESS FOR CORRESPONDENCE:

C-32, 5th & 6th Floor,
Sector 62, Noida-201301,
Gautam Budh Nagar,
Uttar Pradesh
Phone: 0120-4060300
Fax: 0120-4060398

32. ADDRESS OF REDRESSAL AGENCIES TO LODGE THE GRIEVANCES

MINISTRY OF CORPORATE AFFAIRS

'A' Wing, Shastri Bhawan, Rajendra Prasad Road, New Delhi – 110 001
Tel.: (011) 2338 4660, 2338 4659
Website: www.mca.gov.in

SEBI

Plot No.C4-A, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra
Tel : +91-22-26449000 / 40459000
Fax : +91-22-26449019-22 / 40459019-22
Tel : +91-22-26449950 / 40459950
Toll Free Investor Helpline: 1800 22 7575
E-mail : sebi@sebi.gov.in
Website: www.sebi.gov.in

SEBI Complaints Redress System (SCORES):

The investors' complaints are also being processed through the centralized web base complaint redressal system of SEBI. The salient features of SCORES are availability of centralized database of the complaints, uploading online action taken reports by the Company. Through SCORES the investors can view online, the action taken and current status of the complaints. SEBI vide its Circular dated 26th March, 2018 have streamlined the process of filing investor grievances in the SCORES in order to ensure speedy and effective resolution of complaints filed therein. The said Circular can be accessed on the website of SEBI at www.sebi.gov.in/legal/circulars/mar-2018/investor-grievance-redress-mechanism-new-policy-measures_38481.html

STOCK EXCHANGES

National Stock Exchange of India Ltd.

Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (East),
Mumbai – 400 051
Tel No: (022) 26598100 - 8114
Fax No: (022) 26598120
Website: www.nseindia.com

BSE Limited

Phiroze Jeejeebhoy Towers, 25th Floor,
Dalal Street
Mumbai – 400 001
Phones : 91-22-22721233/4,
91-22-66545695 (Hunting)
Fax : 91-22-22721919
Email: corp.comm@bseindia.com
Website: www.bseindia.com

DEPOSITORIES:

NSDL

Trade World, 'A' Wing, 4th & 5th Floors,
Kamala Mills Compound,
Lower Parel, Mumbai – 400 013
Tel.: (022) 2499 4200
Fax: (022) 2497 6351
Email: info@nsdl.co.in
Website: www.nsdl.co.in

CDSL

Marathon Futurex, A-Wing, 25th Floor Lower Parel,
Mumbai – 400 013
Toll free: 1800-22-5533
Email: complaints@cdslindia.com
Website: www.cdslindia.com

REGISTRAR & SHARE TRANSFER AGENT

M/s. Alankit Assignments Limited
Alankit Heights, 1E/13,
Jhandewalan Extension,
New Delhi-110055
TEL: (011)-42541955,59, Fax : (011)-23552001
Email id- info@alankit.com
Website : www.alankit.com

for and on behalf of the Board of Directors

Sd/-

Anil Kumar Mittal

Place: Noida, Uttar Pradesh
Date: July 24, 2018

Chairman & Managing Director
DIN: 00030100

Auditors' Certificate on Corporate Governance

To
The Members,
M/s KRBL LIMITED
5190, Lahori Gate,
Delhi - 110 006

We have examined the compliance of conditions of corporate governance by KRBL Limited ("the Company") for the year ended March 31, 2018, as stipulated in regulations 17 to 27, and clause (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

for **DMK Associates**
Company Secretaries

Sd/-

Deepak Kukreja
FCS, LL.B, ACIS(UK)

Partner

FCS No. 4140, C.P. No. 8265

Place: New Delhi

Date: July 24, 2018

CEO's and CFO Certification

We, Anil Kumar Mittal, Chairman & Managing Director and Rakesh Mehrotra, Chief Financial Officer, responsible for finance function certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2018 and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended on March 31, 2018 which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. The Company's other certifying officers and we have disclosed, based on our recent evaluation, wherever applicable, to the Company's Auditors and through them to the Audit Committee of the Company's Board of Directors:
 - i. significant changes in internal control over financial reporting during the year 2017-18;
 - ii. significant changes in accounting policies during the year 2017-18 and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

Anil Kumar Mittal

Chairman & Managing Director

Sd/-

Rakesh Mehrotra

Chief Financial Officer

Place: Noida, Uttar Pradesh

Date: July 24, 2018

Consolidated Financials



INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED IND AS FINANCIAL STATEMENTS

To the Members of KRBL Limited, New Delhi

REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying Consolidated Ind AS Financial Statements of **KRBL Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statements of Changes in Equity and Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors are responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements are free from material misstatement.

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

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED IND AS FINANCIAL STATEMENTS

and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS:

- (i) In the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at March 31, 2018
- (ii) In the case of the Consolidated Statement of Profit & Loss, of the consolidated Profit & Loss for the year ended on that date; and
- (iii) In the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.
- (iv) In the case of the Consolidated Statement of changes in equity for the year ended on that date.

OTHER MATTER

We did not audit the financial statements / financial information of the Subsidiary Companies, whose financial statements / financial information reflect total assets (net) of ₹ 13.91 Crores as at March 31, 2018, total revenue of ₹ 4.33 Crores and net cash flows amounting to ₹ (0.86) Crores for the year ended March 31, 2018. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements, in so far

as it relates to the amounts and disclosures included in respect of the subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Sub-section (3) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of a subsidiaries, as noted in the 'Other Matter' paragraph, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss [including other comprehensive Income], the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements;
 - (d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED IND AS FINANCIAL STATEMENTS

- Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the said Group companies is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding company and Subsidiaries and the operating effectiveness of such controls, refer to our separate Report in **"Annexure I"**; and
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of subsidiaries, as noted in the 'Other Matter' paragraph:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities, as referred to in Note No. 30.03 to the consolidated Ind AS financial statements.
- ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
- iv. The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made since the requirement does not pertain to financial year ended 31 March 2018.

for **SSAY & Associates**
 (Firm Registration No. 012493N)
 Chartered Accountants

Plot No. 3, 2nd Floor
 Local Shopping Complex
 B-Block Market
 Vivek Vihar, Phase-I
 New Delhi-110 095
 Dated: May 10, 2018

Sd/-
(Yugal Kishor Malhotra)
 Partner
 (Membership No. 542048)

ANNEXURE I TO THE INDEPENDENT AUDITORS' REPORT ON THE REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

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

In conjunction with our audit of the Consolidated Ind AS Financial Statements of KRBL Limited ("the Holding Company") as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and audit evidence obtained by other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

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

ANNEXURE I TO THE INDEPENDENT AUDITORS' REPORT ON THE REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

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 and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal controls over financial reporting criteria established by the company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary companies is based on the corresponding report of the auditor of such company.

for **SSAY & Associates**
(Firm Registration No. 012493N)
Chartered Accountants

Plot No. 3, 2nd Floor
Local Shopping Complex
B-Block Market
Vivek Vihar, Phase-I
New Delhi-110 095
Dated: May 10, 2018

Sd/-
(Yugal Kishor Malhotra)
Partner
(Membership No. 542048)

CONSOLIDATED BALANCE SHEET

As at March 31, 2018

Particulars	Note	(₹ in Lacs except as stated)	
		As at March 31, 2018	As at March 31, 2017
A. ASSETS			
Non- Current Assets			
Property, plant and equipment	3	97,655.58	1,00,755.58
Capital work in progress	3	224.92	170.89
Investment property	3	410.62	428.51
Intangible assets	3	127.86	134.33
Financial assets			
Loans	4	294.49	331.45
Other financial assets	5	108.78	583.26
Prepayments	6	1,279.64	1,368.33
Other assets	7	2,267.57	3,143.50
Total		1,02,369.46	1,06,915.85
Current Assets			
Inventories	8	2,46,272.07	2,01,996.34
Financial assets			
Investments	9	898.58	1,011.06
Trade receivables	10	24,410.46	23,002.17
Derivative instrument		1.89	-
Cash and cash equivalents	11	3,951.72	435.46
Bank balances other than above	12	3,030.34	40.76
Loans	4	24.94	10.83
Other financial assets	5	1,348.33	2,640.69
Prepayments	6	1,077.36	1,257.77
Other assets	7	1,002.26	4,913.04
Total		2,82,017.95	2,35,308.12
TOTAL ASSETS		3,84,387.41	3,42,223.97
B. EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	2,353.90	2,353.90
Other equity	14	2,26,436.09	1,88,378.40
Non-Controlling Interest		88.35	88.24
Total		2,28,878.34	190,820.54
Liabilities			
Non Current Liabilities			
Financial Liabilities			
Borrowings	15	5,195.26	8,732.08
Provisions	16	590.31	485.54
Deferred Tax Liabilities (net)	17	13,202.00	11,377.81
Total		18,987.57	20,595.43
Current Liabilities			
Financial Liabilities			
Borrowings	15	1,16,414.55	96,505.18
Trade Payables	18	9,959.80	25,417.11
Other Financial Liabilities	19	3,325.76	4,291.54
Other Current Liabilities	20	5,202.49	2,899.48
Provisions	16	867.70	948.83
Current Tax Liabilities (Net)		751.20	745.86
Total		1,36,521.50	1,30,808.00
TOTAL EQUITY AND LIABILITIES		3,84,387.41	3,42,223.97
The Accompanying Notes form an integral part of the Financial Statements	1-30		

Annexure to our Report of Date

for and on behalf of the Board of Directors

for **S S A Y & Associates**
Firm Regn.No- 012493N
Chartered Accountants

Sd/-
Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Sd/-
Anil Kumar Mittal
Chairman & Managing Director
DIN-00030100

Sd/-
Yugal Kishor Malhotra
Partner
M.No. 542048

Sd/-
Raman Sapra
Company Secretary
M.No. F9233

Sd/-
Rakesh Mehrotra
Chief Financial Officer
M.No. 84366

Place : Noida, Uttar Pradesh
Date : May 10, 2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2018

(₹ in Lacs except as stated)

Particulars	Note	Year Ended March 31, 2018	Year Ended March 31, 2017
INCOME			
Revenue from Operations	21	3,24,652.05	3,14,764.81
Other Income	22	1,753.97	1,028.04
TOTAL INCOME		3,26,406.02	3,15,792.85
EXPENSES			
Cost of materials consumed	23	2,25,537.23	2,47,091.31
Purchases of stock in trade	24	1,220.95	1,797.10
Changes in inventories of finished goods ,work in progress & stock-in-trade	25	(9,841.37)	(25,937.73)
Employee benefits expenses	26	7,718.52	7,154.08
Depreciation and amortisation expenses	3	6,777.67	6,141.99
Finance costs	27	6,924.35	5,483.99
Other expenses	28	22,567.29	20,306.31
TOTAL EXPENSES		2,60,904.64	2,62,037.05
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		65,501.38	53,755.80
Exceptional items		-	-
PROFIT BEFORE TAX		65,501.38	53,755.80
Tax Expense:	29		
Current Tax		20,232.96	11,576.89
Deferred Tax		1,824.19	2,239.27
Total Tax Expense		22,057.15	13,816.16
PROFIT FOR THE YEAR		43,444.23	39,939.64
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		23.98	(128.32)
Income tax relating to Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		(7.14)	44.41
Other Comprehensive Income for the year		16.84	(83.91)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		43,461.07	39,855.73
EARNING PER EQUITY SHARE (Face value of ₹ 1 each)			
Basic (In ₹)		18.46	16.97
Diluted (In ₹)		18.46	16.97
The Accompanying Notes form an integral part of the Financial Statements	1-30		

Annexure to our Report of Date

for **S S A Y & Associates**
Firm Regn.No- 012493N
Chartered Accountants

Sd/-
Yugal Kishor Malhotra
Partner
M.No. 542048

Place : Noida, Uttar Pradesh
Date : May 10, 2018

for and on behalf of the Board of Directors

Sd/-
Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Sd/-
Raman Sapra
Company Secretary
M.No. F9233

Sd/-
Anil Kumar Mittal
Chairman & Managing Director
DIN-00030100

Sd/-
Rakesh Mehrotra
Chief Financial Officer
M.No. 84366

CONSOLIDATED CASH FLOW STATEMENT

For the year ended March 31, 2018

(₹ in Lacs except as stated)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax from Continuing Operations	65,501.38	53,755.80
Adjustment for :		
Depreciation & Amortization Expenses	6,777.67	6,141.99
Loss/(Profit) on Sale of Property, Plant & Equipment	4.28	(6.63)
Effect of Exchange Rate Difference	(201.03)	(23.07)
Profit on Sale of Investment	22.44	(227.42)
Interest Expense	6,934.89	4,872.64
Interest Receipt	(1,220.85)	(631.68)
Unwinding of security deposit	(19.87)	(17.90)
Dividend on Investment	(34.57)	(39.03)
Foreign Currency Translation Reserve	22.92	(63.45)
(Profit)/ Loss on Investment Property	2.09	(36.06)
MTM (Profit)/loss on derivatives	(10.54)	611.35
Operating Profit Before Working Capital Changes	77,778.81	64,336.54
Adjustments for Working Capital Changes		
Decrease/(Increase) in Loans	(14.11)	22.80
Decrease/(Increase) in Prepayments	269.10	(573.69)
Decrease/(Increase) in Other Assets	3,526.33	(250.44)
Decrease/(Increase) in Other financial assets	1,292.36	(1,424.53)
Decrease/(Increase) in Inventories	(44,275.73)	(22,430.13)
Decrease/(Increase) in Trade Receivables	(1,408.29)	(7,555.87)
(Decrease)/Increase in Provisions	71.17	168.71
Increase/(Decrease) in Trade Payable	(15,457.32)	11,189.15
(Decrease)/Increase in Other Financial Liabilities	(951.27)	(3,491.73)
(Decrease)/Increase in Other Current Liabilities	2,303.02	(3,007.56)
Cash Generated From Operations	23,134.07	36,983.26
Income Tax Paid (Net)	(18,967.26)	(11,150.60)
NET CASH FLOW FROM OPERATING ACTIVITIES (TOTAL - A)	4,166.81	25,832.65
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment/Addition of WIP	(3,901.92)	(20,725.01)
Sale of Property, Plant & Equipment/ Deduction of WIP	190.31	30.05
Sale Proceeds of Investment	90.04	38.95
Proceeds / (Investment) in fixed deposits	(2,512.75)	(210.04)
Profit/ (Loss) on Investment Property	(2.09)	36.06
Dividend on Investments	34.57	39.03
NET CASH GENERATED / (-) USED IN INVESTING ACTIVITIES (TOTAL - B)	(6,101.84)	(20,790.96)

CONSOLIDATED CASH FLOW STATEMENT

For the year ended March 31, 2018

(₹ in Lacs except as stated)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
C. CASH FLOW FROM FINANCING ACTIVITIES		
FDR balance transfer on the merger of Radha Raj Ispat Private Limited with KRBL Limited	-	1,026.17
Increase/(Decrease) in Long- Term Loans	(56.84)	(76.22)
Increase/(Decrease) in Long- Term Provisions	104.77	121.42
Prior period items	-	2.55
Increase/(Decrease) in Long- Term Borrowings	(3,536.83)	(11,590.01)
Increase/(Decrease) in Short- Term Borrowings	19,909.38	7,366.23
Effect of Exchange Rate Difference	201.03	23.07
Interest Paid	(6,962.42)	(4,872.63)
Interest Received	1,220.85	631.68
Dividend Paid	(5,428.64)	-
NET CASH FLOW FROM FINANCING ACTIVITIES (TOTAL-C)	5,451.30	(7,367.74)
NET CHANGES IN CASH AND BANK BALANCES (TOTAL A+B+C)	3,516.27	(2,326.05)
Cash & Cash Equivalents-Opening Balance	435.45	2,761.50
Cash & Cash Equivalents-Closing Balance	3,951.72	435.45
CASH & CASH EQUIVALENTS		
Cash in hand	83.64	32.37
Cash with Income Tax Department	50.00	50.00
Balance with Scheduled Bank	3,818.08	353.08
	3,951.72	435.45

Notes.

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
- Figures in Brackets represent outflows.
- Previous year figures have been regrouped / rearranged wherever considered necessary.

Annexure to our Report of Date

for **S S A Y & Associates**
Firm Regn.No- 012493N
Chartered Accountants

Sd/-
Yugal Kishor Malhotra
Partner
M.No. 542048

Place : Noida, Uttar Pradesh
Date : May 10, 2018

for and on behalf of the Board of Directors

Sd/-
Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Sd/-
Raman Sapra
Company Secretary
M.No. F9233

Sd/-
Anil Kumar Mittal
Chairman & Managing Director
DIN-00030100

Sd/-
Rakesh Mehrotra
Chief Financial Officer
M.No. 84366

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2018

Particulars	Equity							Total other equity	Total equity
	share capital	Capital reserve	Capital redemption reserve	General reserve	Share premium	Foreign Currency Translation Reserve	Retained earnings		
Balance as at April 01, 2016	2,353.90	-	77.22	25,050.48	9,655.04	1,892.84	1,10,804.63	1,47,480.21	1,49,834.11
Profit for the year	-	-	-	-	-	-	39,939.64	39,939.64	39,939.64
Other Comprehensive Income for the year	-	-	-	-	-	-	(83.91)	(83.91)	(83.91)
Total Comprehensive Income for the year	-	-	-	-	-	-	39,855.73	39,855.73	39,855.73
Transferred from Radha Raj Ispat Private Limited pursuant to amalgamation into KRBL Limited	-	-	-	-	-	-	1,026.17	1,026.17	1,026.17
Transferred to General Reserve	-	-	-	-	-	-	(6,000.00)	(6,000.00)	(6,000.00)
Transferred from Profit & Loss Appropriations A/c	-	-	-	6,000.00	-	-	-	6,000.00	6,000.00
Prior Period Items	-	-	-	-	-	-	(2.55)	(2.55)	(2.55)
Other change during the period	-	82.29	-	-	-	(63.45)	-	18.84	18.84
Balance as at March 31, 2017	2,353.90	82.29	77.22	31,050.48	9,655.04	1,829.39	1,45,683.98	1,88,378.40	1,90,732.30
Balance as at April 01, 2017	2,353.90	82.29	77.22	31,050.48	9,655.04	1,829.39	1,45,683.98	1,88,378.40	1,90,732.30
Profit for the year	-	-	-	-	-	-	43,444.23	43,444.23	43,444.23
Other Comprehensive Income for the year	-	-	-	-	-	-	16.84	16.84	16.84
Total Comprehensive Income for the year	-	-	-	-	-	-	43,461.07	43,461.07	43,461.07
Dividends	-	-	-	-	-	-	(4,943.19)	(4,943.19)	(4,943.19)
Dividend Distribution Tax	-	-	-	-	-	-	(483.11)	(483.11)	(483.11)
Transferred to General Reserve	-	-	-	-	-	-	(6,000.00)	(6,000.00)	(6,000.00)
Transferred from Profit & Loss Appropriations A/c	-	-	-	6,000.00	-	-	-	6,000.00	6,000.00
Other change during the period	-	-	-	-	-	22.92	-	22.92	22.92
Balance as at March 31, 2018	2,353.90	82.29	77.22	37,050.48	9,655.04	1,852.31	1,77,718.75	2,26,436.09	2,28,789.99

Annexure to our Report of Date

for **S S A Y & Associates**
Firm Regn.No- 012493N
Chartered Accountants

Sd/-
Yugal Kishor Malhotra
Partner
M.No. 542048

Place : Noida, Uttar Pradesh
Date : May 10, 2018

for and on behalf of the Board of Directors

Sd/-
Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Sd/-
Raman Sapra
Company Secretary
M.No. F9233

Sd/-
Anil Kumar Mittal
Chairman & Managing Director
DIN-00030100

Sd/-
Rakesh Mehrotra
Chief Financial Officer
M.No. 84366

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

1 COMPANY INFORMATION

- KRBL Limited (the Company) is a Domestic Public Limited Company and listed on the Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). The Company is World's leading Basmati Rice player with milling capacity of 195 MT per hour. The company has fully integrated operations with involvement in every aspect of Basmati value chain, right from seed development, contact farming, procurement of paddy, storage, processing, packaging, branding and marketing. Among the many brands launched by the company "India Gate" is the flagship brand both in Domestic and International Markets.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Principles of Consolidation

- The Consolidated Financial Statements relates to KRBL Limited ('the Company'), its subsidiary Companies ('the Group Companies'). The Consolidated Financial Statements have been prepared on the following basis:
- The financial statements of the parent and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, revenues and expenses after eliminating intra-Group balances / transactions and resulting profits in full.
- The results and financial position of all the Group Companies are translated into the reporting currency as follows:
 - (i) Current Assets and Liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
 - (ii) Income and expenses for each income statement are translated at average exchange rates (unless average rate is not reasonable at the rates prevailing on the transaction dates, in such case income and expenses are translated at the rate on the dates of the transactions); and
 - (iii) All resulting exchange differences are accumulated in foreign currency translation reserve until the disposal of net investment.
- Non-Controlling Interest share in net assets of 'the Group' is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

2.2 Basis of Preparation

- These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

2.3 Use of Estimates and Judgements

- The preparation of Financial Statements requires management to make certain assumptions and estimates that affect the reported amount, the Financial Statements and Notes thereto. Difference between actual results and estimates are recognised in the period in which they materialize.

2.4 Property, Plant & Equipment including Intangible Assets

- Property, Plant & Equipment are stated at cost of acquisition / installation inclusive of freight, duties, and taxes and all incidental expenses and net of accumulated depreciation. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing costs. All upgradation / enhancements are generally charged off as revenue expenditure unless they bring similar significant additional benefits.
- Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress" and stated at the amount spent upto the date of Balance Sheet.
- Freehold Land is stated at original cost of acquisition.
- Intangible assets are stated at their cost of acquisition.

2.5 Depreciation

- Depreciation on Property, Plant & Equipment has been provided on straight line method, in terms of useful life of the Assets as prescribed in Schedule II to the Companies Act 2013.
- Computer software charges, patent, trademark & design and goodwill are recognised as intangible

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

assets and amortized on straight line method over a period of 10 years except one software which is depreciated in 6 years on straight line method based upon life of servers where it is installed.

2.6 Investment Properties

- Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

2.7 Investments and Other Financial Assets

- **Classification:** The Company classifies its financial assets in the following measurement categories:
 - those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
 - those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

- **Measurement:** At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

2.7.1 Investments

- Investments that are readily realizable and are intended to be held for not more than one year at the point of acquisition are classified as "Current Investments". All other Investments are classified as "Non-Current Investments". The Company measures its Current investments at fair value through profit and loss. Non-current investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of non-current investments.

2.8 Dividend to equity shareholders

- Dividend to equity shareholders is recognised as a liability and deducted from shareholders' equity, in the period in which the dividends are approved by the equity shareholders in the general meeting.

2.9 Inventories

- Items of inventories are measured at lower of cost or net realizable value. Raw material on shop floor and work-in process is taken as part of raw material and valued accordingly.
- The cost is calculated on weighted average cost method and it comprises expenditure incurred in normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity. Obsolete, slow moving & defective inventories are identified at the time of physical verification and wherever necessary a provision is made.
- By-products are valued at net realizable value and are deducted from the cost of main product.
- Inventory of Finished Excisable products are valued inclusive of Excise Duty.

2.10 Cash and Cash Equivalent

- Cash and cash equivalents are short-term, highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

2.11 Revenue Recognition and Accounting for Sales & Services

- Revenue from sale of goods is recognised when all the significant risk and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. On recognition of revenue the Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, export sales are adjusted for exchange fluctuations on exports realised during the year and the trade receivable in foreign exchange which are restated at the year end. Domestic sales are recognised net of Sales Return, Mandi Fee, Discounts, Scheme on Sales, Sales Tax and GST.
- Sale of energy is accounted for on basis of energy supplied. Sale of Certified Emission Reduction

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

(CER) is recognised as income on delivery of CERs to the customer. Sale of Renewable Energy Certificate (REC) is recognised as income on sale of REC on the IEX/PXIL.

- Dividend income is recognised when the right to receive Dividend is established. Revenue and Expenditure are accounted for on going concern basis. Interest Income / Expenditure is recognised using the time proportion method based on the rates implicit in the transaction.
- Revenue in respect of Insurance / others claims, Interest, Commission, etc. is recognised only when it is reasonably certain that the ultimate collection will be made.

2.12 Research and Development

- Revenue expenditure on Research & Development is written off in the year in which it is incurred. Capital Expenditure on Research & Development is included under Property, Plant & Equipment.

2.13 Employee Benefits

- Contributions to defined provident fund are charged to the statement of profit and loss on accrual basis. Present liability for future payment of gratuity and unavailed leave benefits are determined on the basis of actuarial valuation at the balance sheet date and charged to the statement profit and loss. Gratuity fund is managed by the Kotak Life Insurance.

2.14 Derivative financial instruments

- Derivative financial instruments such as forward contracts, option contracts and cross currency swaps, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

2.15 Foreign Currency Transactions

- Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.
- Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange

rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

- In respect of Non integral foreign operation - both monetary and non-monetary items are translated at the closing rate and resultant difference is accumulated in foreign currency translation reserve, until the disposal of net investment.
- Non monetary foreign currency item are carried at cost.

2.16 Government Grant

- Grants from the government are recognised when there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Grant received from government towards Property, Plant & Equipment acquired/constructed by the Company is deducted out of gross value of the asset acquired/ constructed and depreciation is charged accordingly.

2.17 Borrowing

- Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

2.18 Borrowing Costs

- Interest and other borrowing costs attributable to qualifying assets are capitalised as a part of such assets till such time the assets are ready for use. Other interest and borrowing costs are charged to Statement of Profit and Loss.

2.19 Income taxes

- The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences. Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences.

- Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively the liability of Company on Account of Income Tax is estimated considering the provisions of Income-Tax Act, 1961.
- Deferred tax is recognised subject to the consideration of prudence on timing differences being the difference between book and tax profits that originate in one year and capable of reversal in one or more subsequent years.

2.20 Leases

i) As a lessee:

- Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company, as lessee, are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

ii) As a lessor:

- Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term.

2.21 Provisions, Contingent Liability and Contingent Assets

- The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made. Contingent Assets neither recognised nor disclosed in the Financial Statement.

2.22 Segment Reporting

- Segments are identified based on dominant source and nature of risks and returns and internal financial reporting system to the management. Inter segment revenue are accounted for on the basis of transactions which are primarily market led. Revenue and expenses which relate to enterprises as a whole and are not attributable to segments are included under "Other Unallocable Expenditure Net of Unallocable Income"

2.23 Financial and Management Information System

- An Integrated Accounting System has been put to practice which unifies both Financial Books and Costing Records. The books of account and other records have been designated to facilitate compliance with the relevant provisions of the Companies Act on one hand and provide Internal Financial Reporting System for Planning, Review and Internal Control on the other. The Cost Accounts are designed to adopt Costing Systems appropriate to the business carried out by the Division, with each Division incorporating into its costing system, the basic tenets and principles of Standard Costing, Budgetary Control and Marginal Costing as appropriate.

2.24 Impairment of Financial Asset

- Expected credit losses are recognised for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

2.25 Impairment of Non-Financial Asset

- The Company assesses at each Balance Sheet date whether there is any indication that an assets may be impaired. If any such Indication exists; the Company estimates the recoverable amount of assets. If such recoverable amount of the assets or the recoverable amount of the cash generating unit to which the assets belong is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of Profit & Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets is reflected at recoverable amount.

2.26 Mergers/Amalgamation

- Mergers / Amalgamations (in the nature of Merger) of other company / body Corporate with the company are accounted for on the basis of purchase method,

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

the Asset / Liabilities being incorporated in terms of values of assets and Liabilities appearing in the books of transferor entity on the date of such merger / amalgamation for the purpose of arriving at the figure of Goodwill or Capital Reserve.

2.27 Standards Issued but not Effective

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2018.

(a) Issue of Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts

with customers based on the identification and satisfaction of performance obligations.

(b) Amendment to Existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards:

- i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
- ii. Ind AS 40 - Investment Property
- iii. Ind AS 12 - Income Taxes
- iv. Ind AS 28 - Investments in Associates and Joint Ventures and
- v. Ind AS 112 - Disclosure of Interests in Other Entities

Application of above standards are not expected to have any significant impact on the Company's Financial Statements.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

3A PROPERTY, PLANT AND EQUIPMENT

(₹ in Lacs)

Particulars	Freehold land	Building	Plant & machinery	Furniture & fixtures	Office Equipment & Others	Vehicles	Total
Gross Block							
Balance at April 01, 2016	5,279.22	13,721.39	95,003.25	1,418.51	382.28	2,756.95	1,18,561.60
Additions	926.69	4,778.20	23,717.44	394.06	83.23	679.28	30,578.90
Disposals/transfers	-	-	(82.13)	(16.30)	(50.52)	(99.95)	(248.90)
Balance as at March 31, 2017	6,205.91	18,499.59	1,18,638.56	1,796.27	414.99	3,336.28	1,48,891.60
Additions	354.61	1,796.17	1,421.60	35.91	53.13	164.79	3,826.21
Disposals/transfers	-	-	(168.68)	-	(1.07)	(100.80)	(270.55)
Balance as at March 31, 2018	6,560.52	20,295.76	1,19,891.48	1,832.18	467.05	3,400.27	1,52,447.26
Accumulated Depreciation							
Balance as at April 01, 2016	-	2,729.84	37,210.68	684.05	229.54	1,410.73	42,264.84
Additions	-	627.81	5,002.52	125.03	42.52	298.80	6,096.68
Disposals/transfers	-	-	(76.20)	(13.77)	(46.16)	(89.37)	(225.50)
Balance as at March 31, 2017	-	3,357.65	42,137.00	795.31	225.90	1,620.16	48,136.02
Additions	-	722.27	5,515.38	131.60	54.47	307.91	6,731.63
Disposals/transfers	-	-	(8.55)	-	(0.70)	(66.72)	(75.97)
Balance as at March 31, 2018	-	4,079.92	47,643.83	926.91	279.67	1,861.35	54,791.68
Net Block							
Balance as at March 31, 2017	6,205.91	15,141.94	76,501.56	1,000.96	189.09	1,716.12	1,00,755.58
Balance as at March 31, 2018	6,560.52	16,215.84	72,247.65	905.27	187.38	1,538.92	97,655.58

Notes

- None of the Property, Plant & Equipment has been revalued during the year.
- Addition to Property, Plant & Equipment and Capital work-in-progress include net borrowing cost capitalised during the year ₹ Nil (P.Y. ₹ Nil)
- There has been no impairment loss on Assets during the year.
- None of the assets are covered under any group of lease.

3B CAPITAL WORK IN PROGRESS

(₹ in Lacs)

Particulars	Total
Net book value	
Balance as at April 01, 2016	10,026.41
Balance as at March 31, 2017	170.89
Balance as at March 31, 2018	224.92

3C INVESTMENT PROPERTY

(₹ in Lacs)

Particulars	Total
Gross Carrying Amount	
Balance at April 01, 2016	520.33
Balance as at March 31, 2017	520.33

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Particulars	(₹ in Lacs)
Balance as at March 31, 2018	520.33
Accumulated Depreciation	
Balance as at April 01, 2016	73.93
Additions	17.89
Balance as at March 31, 2017	91.82
Additions	17.89
Balance as at March 31, 2018	109.71
Net book value	
Balance as at March 31, 2017	428.51
Balance as at March 31, 2018	410.62
Fair Value	
As at March 31, 2017	509.95
As at March 31, 2018	490.56

Information regarding income and expenditure of investment property

Particulars	March 31, 2018	March 31, 2017
Rental income derived from investment properties	30.55	37.04
Less: Direct operating expenses (including repairs and maintenance) generating rental income	32.64	0.98
Profit (Loss) arising from investment properties before depreciation	(2.09)	36.06
Less: Depreciation	17.89	17.89
Profit (Loss) arising from investment properties	(19.98)	18.17

Premises given on operating lease:

The Company had given a warehouse in Kandla, Gujarat on cancellable operating lease. During the year a major portion of warehouse is taken under repairs and maintenance since January 2018 and lease rentals stands proportionately reduced.

Estimation of fair value

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent in Gandhi Dham, Gujarat area.

This valuation is based on valuations performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair value measurement is categorized in level 2 fair value hierarchy.

3D INTANGIBLE ASSETS

Particulars	Patents, trademark & design	Computer software	Goodwill	Total
Gross Block				
Balance at April 01, 2016	22.37	245.86	17.02	285.25
Additions	-	1.63	-	1.63
Balance as at March 31, 2017	22.37	247.49	17.02	286.88

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Particulars	(₹ in Lacs)			
	Patents, trademark & design	Computer software	Goodwill	Total
Additions	-	21.68	-	21.68
Balance as at March 31, 2018	22.37	269.17	17.02	308.56
Accumulated Amortisation				
Balance as at April 01, 2016	14.25	110.35	0.54	125.14
Additions	2.24	25.17	-	27.41
Balance as at March 31, 2017	16.49	135.52	0.54	152.55
Additions	2.24	25.91	-	28.15
Balance as at March 31, 2018	18.73	161.43	0.54	180.70
Net Block				
Balance as at March 31, 2017	5.88	111.97	16.48	134.33
Balance as at March 31, 2018	3.64	107.74	16.48	127.86

3E DEPRECIATION AND AMORTISATION EXPENSES

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Depreciation on Property Plant & Equipment	6,731.63	6,096.69
Depreciation on Investment Property	17.89	17.89
Amortisation of Intangible Assets	28.15	27.41
Total	6,777.67	6,141.99

4 LOANS

4A NON CURRENT

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Unsecured- considered good unless otherwise stated		
Security deposit	294.49	331.45
Total	294.49	331.45

This includes Security deposit of ₹ 200.53 Lacs (P.Y. ₹ 180.66 Lacs) which is receivable from related party.

4B CURRENT

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Loans to employees	24.94	10.83
Total	24.94	10.83

5 OTHERS FINANCIAL ASSETS

5A NON- CURRENT

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Unsecured- considered good unless otherwise stated		
Investment in term deposits (original maturity of more than 12 months)	108.78	583.26
Total	108.78	583.26

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

5B CURRENT

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured- considered good unless otherwise stated		
Income Receivable	1,348.33	2,640.69
Total	1,348.33	2,640.69

6 PRE-PAYMENTS

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Prepaid lease rent	1,360.83	1,442.02
Other prepaid expenses	996.17	1,184.08
Total	2,357.00	2,626.10
6A Non Current	1,279.64	1,368.33
6B Current	1,077.36	1,257.77

7 OTHER ASSETS

7A NON-CURRENT

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Capital advance	174.75	187.65
MAT credit entitlement	-	1,260.37
Balance with statutory authorities	2,092.82	1,695.48
Total	2,267.57	3,143.50

7B CURRENT

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Statutory dues recoverable	691.74	1,230.28
Other Receivable	171.95	34.22
Other loans and advances	138.57	3,648.54
Total	1,002.26	4,913.04

8 INVENTORIES

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Raw Materials*	95,761.27	60,988.94
Finished Goods*	1,42,332.11	1,32,490.38
Stores, Spares & Packing Material	8,178.69	8,517.02
Total	2,46,272.07	2,01,996.34

* Raw Material and Finished Goods includes transit stock.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

9 CURRENT INVESTMENT

Particulars	Face Value	No. of Shares / Units		Amount (in ₹ Lacs)	
		As at	As at	As at	As at
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Equity instruments (Quoted)					
Fair value through profit & loss					
NHPC limited	10.00	8,82,712	8,82,712	244.51	284.23
Coal India Limited	10.00	76,437	76,437	216.55	223.69
Power Grid Corporation of India Limited	10.00	1,07,667	1,07,667	208.07	212.43
Shipping Corporation of India Limited	10.00	2,42,265	2,42,265	155.41	185.70
MOIL Limited	10.00	18,923	18,923	74.04	59.37
Total		13,28,004	13,28,004	898.58	965.42
Mutual fund instruments (Unquoted)					
Fair value through profit & loss					
SBI Infrastructure Fund- Regular Plan Growth	10.00	-	2,50,000	-	34.09
SBI Magnum Equity Fund - Regular Plan Dividend	10.00	-	36,127	-	11.55
Total			2,86,127		45.64
Total Investments		13,28,004	16,14,131	898.58	1,011.06
Aggregate book value of quoted investments				956.67	956.67
Market Value of quoted investments				898.58	965.42
Aggregate book value of unquoted investments				-	45.64

10 TRADE RECEIVABLES

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, Considered Good	2,292.16	1,048.52
Total (A)	2,292.16	1,048.52
Others		
Secured, Considered Good	-	31.92
Unsecured, Considered Good	22,118.30	21,921.73
Total (B)	22,118.30	21,953.65
Total (A+B)	24,410.46	23,002.17

Debt due from Directors /Firm in which the Directors are interested is ₹ Nil (P.Y. ₹ Nil)

Refer Note No. 30.06 for information about credit risk and market risk.

11 CASH & CASH EQUIVALENTS

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Cash in hand	83.64	32.38
Cash with Income Tax Department	50.00	50.00
Balance with banks:		
In Current Accounts	3,735.64	183.87
Investments in Term deposits	82.44	169.21
Total	3,951.72	435.46

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

12 BANK BALANCES OTHER THAN ABOVE

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Unpaid Dividends- earmarked balances with banks	43.11	40.76
Investments in Term deposits (Deposit with original maturity of more than 3 months but within 12 months from the Balance Sheet date)	2,987.23	-
Total	3,030.34	40.76

13 EQUITY SHARE CAPITAL

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Authorised		
300,000,000 (P.Y. 300,000,000) Ordinary Equity Shares of ₹ 1 each	3,000.00	3,000.00
Total	3,000.00	3,000.00
Issued & Subscribed		
236,244,892 (P.Y. 236,244,892) Ordinary Equity Shares of ₹ 1 each	2,362.45	2,362.45
Total	2,362.45	2,362.45
Paid up		
235,389,892 (P.Y. 235,389,892) Ordinary Equity Shares of ₹ 1 each, Fully Paid up	2,353.90	2,353.90
Total	2,353.90	2,353.90

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	Amount (₹ in Lacs)	No. of Shares	Amount (₹ in Lacs)
Ordinary Equity Shares outstanding at the beginning of the year	23,53,89,892	2,353.90	23,53,89,892	2,353.90
Ordinary Equity Shares outstanding at the end of the year	23,53,89,892	2,353.90	23,53,89,892	2,353.90

b) Terms/ rights attached to ordinary Equity shares

The Company has only one class of Equity Shares having a face value of ₹ 1 per share. Each holder of Equity Shares is entitled to have one vote per share. The Company declares dividend in Indian Rupees and pays in INR to Resident Shareholders and in USD to the Foreign Shareholders under FDI Category.

The Board of Directors of the Company in their meeting held on May 10, 2018 had recommended a final dividend @230% i.e. ₹ 2.30 per equity share of face value of ₹ 1/- each for the year ended March 31, 2018 (P.Y. ₹ 2.10 per share). The same shall be paid subject to the approval of shareholders in the ensuing Annual General Meeting of the Company.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

c) Details of Shareholders holding more than 5% shares in the Company

S. No	Particulars	As at March 31, 2018		As at March 31, 2017	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Anil Mittal Family Trust*	4,25,45,864	18.07%	100	-
2	Arun Kumar Gupta Family Trust*	4,12,93,714	17.54%	100	-
3	Anoop Kumar Gupta Family Trust*	3,88,49,338	16.50%	100	-
4	Reliance Commodities DMCC	2,29,00,000	9.73%	2,29,00,000	9.73%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

S. No	Particulars	As at March 31, 2018		As at March 31, 2017	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
5	Anulika Gupta*	100	-	4,12,93,714	17.54%
6	Binita Gupta*	100	-	3,88,49,338	16.50%
7	Anil Kumar Mittal*	100	-	2,14,90,649	9.13%
8	Preeti Mittal*	100	-	1,62,05,515	6.88%

* Due to inter-se promoter group share transfer from Anil Kumar Mittal, Preeti Mittal, Priyanka Mittal & Ashish Mittal to Anil Mittal Family Trust, Anulika Gupta to Arun Kumar Gupta Family Trust and Binita Gupta to Anoop Kumar Gupta Family Trust, the shareholding of Anil Kumar Mittal, Preeti Mittal, Anulika Gupta and Binita Gupta were reduced and they were not part of the shareholders holding more than 5% shares in the company as on March 31, 2018. Further due to inter-se promoter group share transfer, the shareholding of Anil Mittal Family Trust, Arun Kumar Gupta Family Trust and Anoop Kumar Gupta Family trust were increased and they became the shareholders holding more than 5% shares in the company as on March 31, 2018.

d) **Aggregate number of bonus shares issued, Shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:** During the Buy-Back period i.e. March 4, 2013 to February 11, 2014, the Company has Bought Back and Extinguished 77,22,048 Equity Shares at an average price of ₹ 23.58 per share, utilising a sum of ₹ 18.21 Crores (Rupees Eighteen Crores Twenty One Lacs) excluding Transaction Cost. Aggregate number of Bonus shares issued in last 5 years immediately preceding the reporting date is Nil.

14 OTHER EQUITY

(₹ in Lacs)

Particulars	Capital Reserve	Capital Redemption Reserve	General reserve	Share premium	Foreign Currency Translation Reserve	Retained earnings	Total other equity
Balance as at April 01, 2016	-	77.22	25,050.48	9,655.04	1,892.84	1,10,804.63	1,47,480.21
Profit for the year	-	-	-	-	-	39,939.64	39,939.64
Other Comprehensive Income for the year	-	-	-	-	-	(83.91)	(83.91)
Total Comprehensive Income for the year	-	-	-	-	-	39,855.73	39,855.73
Transferred from Radha Raj Ispat Private Limited pursuant to amalgamation into KRBL Limited	-	-	-	-	-	1,026.17	1,026.17
Transferred to General Reserve	-	-	-	-	-	(6,000.00)	(6,000.00)
Transferred from Profit & Loss Appropriations A/c	-	-	6,000.00	-	-	-	6,000.00
Prior Period Items	-	-	-	-	-	(2.55)	(2.55)
Other change during the period	82.29	-	-	-	(63.45)	-	18.84
Balance as at March 31, 2017	82.29	77.22	31,050.48	9,655.04	1,829.39	1,45,683.98	1,88,378.40
Balance as at April 01, 2017	82.29	77.22	31,050.48	9,655.04	1,829.39	1,45,683.98	1,88,378.40
Profit for the year	-	-	-	-	-	43,444.23	43,444.23
Other Comprehensive Income for the year	-	-	-	-	-	16.84	16.84
Total Comprehensive Income for the year	-	-	-	-	-	43,461.07	43,461.07
Dividends	-	-	-	-	-	(4,943.19)	(4,943.19)
Dividend Distribution Tax	-	-	-	-	-	(483.11)	(483.11)
Transferred to General Reserve	-	-	-	-	-	(6,000.00)	(6,000.00)
Transferred from Profit & Loss Appropriations A/c	-	-	6,000.00	-	-	-	6,000.00
Other change during the period	-	-	-	-	22.92	-	22.92
Balance as at March 31, 2018	82.29	77.22	37,050.48	9,655.04	1,852.31	1,77,718.75	2,26,436.09

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

15 BORROWINGS

15A BORROWINGS (NON CURRENT)

(₹ in Lacs)

Particulars	Non Current		Current*	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Secured				
Term Loans- From Banks				
a) ICICI Bank (Bahrain Branch)- ECB#	-	1,354.68	1,361.07	1,354.68
b) State Bank of India#	4,679.61	6,040.00	1,344.00	1,344.00
c) Kotak Mahindra Bank Limited #	-	807.69	-	615.38
d) Kotak Mahindra Bank Limited #	434.79	381.11	163.72	381.11
e) ICICI Bank Limited #	80.86	127.60	46.74	46.74
f) Corporation Bank Limited #	-	21.00	-	28.00
Total	5,195.26	8,732.08	2,915.53	3,769.91

* Refer Note No. 19-Other Financial Liabilities Current maturities of long term debts.

Secured by first pari-passu charge on entire movable and immovable Property, Plant & Equipment of the Company and second pari-passu charge on entire current assets of the Company.

• There is no default in repayment of Principal or Interest thereon.

S. No.	Type of Secured Loan, Name of Bank & Sanctioned Amount	As at March 31, 2018		As at March 31, 2017	
		Terms of Repayment	Rate of Interest	Terms of Repayment	Rate of Interest
a)	ECB Loan from ICICI Bank (Bahrain) Branch (Sanctioned Amount US\$ 12.51 Million i.e. ₹ 77.47 Crores)	₹ 2,784.32 lacs was prepaid on 2-3-2017 after that annual repayment schedule has been modified and reset for Repayable in 4 semi annual installments of US \$ 10.65 Lacs (₹ 659.72 Lacs) each, starting from August 2017 and maturing on February 2019 i.e. Balancing period of 1 years from Balance Sheet Date. Loan amount has been restated as on March 31, 2018 with USD INR Exchange rate as at closing date	Interest to be paid on half yearly basis. Effective Interest rate is 6 Months LIBOR plus 335 Basis Points	₹ 2,784.32 lacs was prepaid on 2-3-2017 after that annual repayment schedule has been modified and reset for Repayable in 4 semi annual installments of US \$ 10.65 Lacs (₹ 659.72 Lacs) each, starting from August 2017 and maturing on February 2019 i.e. Balancing period of 2 years from Balance Sheet Date. Loan amount has been restated as on March 31, 2017 with USD INR Exchange rate as at closing date	Interest to be paid on half yearly basis. Effective Interest rate is 6 Months LIBOR plus 335 Basis Points
b)	Term Loan from State Bank of India (Sanctioned Amount ₹ 94 Crores)	Repayable in 28 quarterly installments of ₹ 336 Lacs each, starting from December 2015 and maturing on September 2022 i.e. Balancing period of 5 years and 6 Months from Balance Sheet Date	Interest has been reset to be paid on monthly basis @ prevailing MCLR +0.25% p.a.	Repayable in 28 quarterly installments of ₹ 336 Lacs each, starting from December 2015 and maturing on September 2022 i.e. Balancing period of 5 years and 6 Months from Balance Sheet Date	Interest has been reset to be paid on monthly basis @ prevailing MCLR +0.25% p.a.
c)	Kotak Mahindra Bank Limited (Sanctioned Amount ₹ 40 Crores)	-	-	Loan of ₹ 1500 lac has been prepaid on 1-3-2017 and balance Loan amount will be pre-paid in the month of April 2017	Interest to be paid on monthly basis at Base Rate

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

S. No.	Type of Loan, Name of Bank & Sanctioned Amount	As at March 31, 2018		As at March 31, 2017	
		Terms of Repayment	Rate of Interest	Terms of Repayment	Rate of Interest
d)	Kotak Mahindra Bank Limited (Sanctioned Amount ₹ 7.63 Crores)	Repayable in 8 quarterly installments of ₹ 95.27 Lacs each, starting from June 2017 and maturing on December 2019 i.e. Balancing period of 1 years and 9 months from Balance Sheet Date	Interest to be paid on monthly basis @ 6 months MCLR + 0.95% p.a.	Repayable in 8 quarterly installments of ₹ 95.27 Lacs each, starting from June 2017 and maturing on December 2019 i.e. Balancing period of 2 years from Balance Sheet Date	Interest to be paid on monthly basis @ 6 months MCLR + 0.95% p.a.
e)	Term Loan from ICICI Bank Limited (Sanctioned Amount ₹ 4 Crores)	Repayable in 20 quarterly installments of ₹ 29.06 Lacs each starting from December 2013 and maturing on September 2018 i.e. Balancing period of 6 Months from Balance Sheet Date	Interest to be paid on Monthly basis @ 6 months MCLR + 1.20% p.a.	Repayable in 20 quarterly installments of ₹ 29.06 Lacs each starting from December 2013 and maturing on September 2018 i.e. Balancing period of 1 years and 6 Months from Balance Sheet Date	Interest to be paid Monthly@ Bank Base Rate Plus 0.50% p.a.
f)	Term Loan from Corporation Bank Limited (Sanctioned Amount ₹ 1.68 Crores)	-	-	Repayable in 24 quarterly installments of ₹ 7.00 Lacs each starting from April 2013 and maturing on December 2018 i.e. Balancing period of 1 years and 9 Months from Balance Sheet Date	Interest to be paid Monthly@ Bank Base Rate Plus 0.50% p.a.

15B SHORT TERM BORROWINGS

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Secured#		
i) Loans repayable on demand		
- From banks	96,543.89	70,973.92
Total (A)	96,543.89	70,973.92
Unsecured		
i) Loans repayable on demand		
- From banks	15,000.00	-
- From others (Commercial Paper)		20,000.00
ii) Loans and advances from related party	4,870.66	5,531.26
Total (B)	19,870.66	25,531.26
Total (A+B)	1,16,414.55	96,505.18

Working capital facilities (fund based & non fund based limits) are secured by first pari-passu charge on the entire current assets of the Company. These facilities are further secured by the second pari-passu charge on entire moveable & immoveable Property, Plant & Equipment of the Company and personal guarantee of Promoter Directors of the Company.

• There is no default in repayment of Principal or Interest thereon.

16 PROVISIONS

16A NON CURRENT

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Provisions for employee benefits		
Leave encashment payable	590.31	485.54
Total	590.31	485.54

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

16B CURRENT

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Employee benefits		
Bonus & incentives payable	280.11	316.17
Gratuity payable	149.82	227.28
Salary & wages payable	402.46	356.05
Directors remuneration payable	35.31	18.35
Others		
Provision for Excise Duty	-	30.98
Total	867.70	948.83

17 DEFERRED TAX LIABILITIES (NET)

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Deferred Tax Liabilities		
Property, Plant & Equipment and Intangible Assets	14,420.54	12,838.63
Investments	-	6.56
Borrowings	8.53	18.60
Total Deferred Tax Liabilities (A)	14,429.07	12,863.79
Deferred Tax Assets		
Employee Benefits	(192.56)	(178.87)
Investments	(20.10)	-
Others	(1,014.41)	(1,307.11)
Total Deferred Tax Assets (B)	(1,227.07)	(1,485.98)
Deferred Tax Liabilities (net) (A-B)	13,202.00	11,377.81

Significant components of Net Deferred Tax Assets and Liabilities for the year ended March 31, 2018, are as follows:

Particulars	Opening Balance	Recognised in Profit and Loss	Closing Balance
Deferred Tax (Assets)/Liabilities in relation to :			
Property, Plant & Equipment and Intangible Assets	12,838.62	1,581.92	14,420.54
Provision for employee benefits	(178.87)	(13.69)	(192.56)
Receivables and other financial assets	(19.31)	(31.50)	(50.81)
MAT credit entitlement	(1,284.81)	321.21	(963.60)
Derivative instrument	(2.99)	2.99	-
Unrealised gain on securities carried at fair value through Statement of Profit and Loss	6.56	(26.67)	(20.10)
Borrowings	18.60	(10.07)	8.53
Net Deferred Tax (Assets) / Liabilities	11,377.81	1,824.19	13,202.00

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Significant components of Net Deferred Tax Assets and Liabilities for the year ended March 31, 2017, are as follows:

Particulars	Opening Balance	Recognised in Profit and Loss	Closing Balance
Deferred Tax (Assets)/Liabilities in relation to :			
Property, Plant & Equipment and Intangible Assets	10,742.05	2,096.57	12,838.62
Provision for employee benefits	(40.69)	(138.18)	(178.87)
Receivables and other financial assets	(1,539.40)	1,520.09	(19.31)
MAT credit entitlement	-	(1,284.81)	(1,284.81)
Derivative instrument	208.60	(211.59)	(2.99)
Unrealised gain on securities carried at fair value through Statement of Profit and Loss	31.59	(25.02)	6.56
Borrowings	(263.61)	282.21	18.60
Net Deferred Tax (Assets) / Liabilities	9,138.54	2,239.27	11,377.81

18 TRADE PAYABLES

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Trade payables	9,902.93	25,361.54
Other payables	56.87	55.57
Total	9,959.80	25,417.11

- Based on information available with the company there are no overdue amount payable to Micro, Small and Medium Enterprises, as defined in The Micro, Small and Medium Enterprises Development Act, 2006. This has been determined to the extent such parties have been identified on the basis of information available with the Company which has been relied upon by the Auditors.

19 OTHER FINANCIAL LIABILITIES

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Current maturities of long-term debts (Refer to Note No. 15A)	2,915.53	3,769.92
Interest accrued but not due on borrowings	163.70	191.23
Unpaid dividend#	43.11	40.76
Security received	180.52	266.37
Payable to employees (Target, Schemes and Other Payables)	22.90	14.62
Derivative instrument	-	8.64
Total	3,325.76	4,291.54

There are no amount due & outstanding to be credited to the Investor Education & Protection Fund.

20 OTHER CURRENT LIABILITIES

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Advance from customers	332.31	1,255.94
Other payables		
Statutory dues payable	663.78	301.05
Expenses payable	4,206.40	1,342.49
Total	5,202.49	2,899.48

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

21 REVENUE FROM OPERATIONS

Particulars	(₹ in Lacs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Sale of Products (including excise duty)		
Rice- Export	1,29,998.24	1,08,296.53
Rice- Domestic	1,66,703.53	1,82,185.73
Electricity Generation (Including CERs Sale)- Domestic	12,370.83	9,799.45
Bran Oil- Domestic	3,615.78	3,841.60
Furfural- Export	-	961.71
Furfural- Domestic	917.37	600.79
Furfuryl Alcohol- Domestic	2,887.04	138.62
Rice Bran- Domestic	1,666.25	2,767.08
Glucose- Domestic	655.79	346.90
Quinoa- Export	290.13	60.50
Quinoa- Domestic	189.57	0.30
D Oil Cake- Domestic	2,332.81	3,401.73
Sale of Traded Products		
Seed- Domestic	1,958.26	1,826.95
By Products, Scrap & Others	1,066.45	536.92
Total	3,24,652.05	3,14,764.81

22 OTHER INCOME

Particulars	(₹ in Lacs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Warehouse income	41.91	37.04
Net gain on fair valuation of investments through profit and loss	(22.44)	227.42
Interest income	1,240.72	649.59
Dividend income	34.57	39.03
Foreign exchange gain	201.03	23.07
Other non operating income	258.18	51.89
Total	1,753.97	1,028.04

23 COST OF MATERIALS CONSUMED

Particulars	(₹ in Lacs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Paddy	1,47,195.95	1,26,305.16
Rice	62,505.76	1,05,210.03
Others	15,752.68	15,431.23
Excise Duty	82.84	144.89
Total	2,25,537.23	2,47,091.31

24 PURCHASE OF TRADED GOODS

Particulars	(₹ in Lacs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Seeds	1,220.95	1,797.10
Total	1,220.95	1,797.10

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

25 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS & STOCK-IN-TRADE

(₹ in Lacs)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Opening Inventories		
Rice	1,30,296.36	1,04,836.65
Seeds	1,578.98	1,177.30
Others	497.18	420.84
Total (A)	1,32,372.52	1,06,434.79
Closing Inventories		
Rice	1,39,970.79	1,30,296.36
Seeds	1,412.68	1,578.98
Others	830.42	497.18
Total (B)	1,42,213.89	1,32,372.52
Total (A-B)	(9,841.37)	(25,937.73)

26 EMPLOYEE BENEFITS EXPENSE

(₹ in Lacs)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Salaries and Wages, Bonus etc.	6,979.87	6,647.64
Contribution to provident and other funds	432.98	354.99
Gratuity	173.80	96.41
Staff Welfare expenses	131.87	55.04
Total	7,718.52	7,154.08

27 FINANCE COSTS

(₹ in Lacs)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Interest Expense		
On term loans	918.52	2,225.40
On others	4,029.32	4,013.47
Total (A)	4,947.84	6,238.87
Bank charges	148.74	177.91
Net (Gain)/Loss on foreign currency transactions & translations	1,827.77	(932.79)
Total (B)	1,976.51	(754.88)
Total (A+B)	6,924.35	5,483.99

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

28 OTHER EXPENSES

Particulars	(₹ in Lacs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Power & Fuel	962.73	1,022.01
Consumption of Stores and Spares	1,246.53	754.72
Repairs & Maintenance		
Machinery	1,938.02	1,844.99
Buildings	267.22	242.00
Others	83.69	116.21
Land, Warehouse and Godown Rent	927.43	940.98
Fumigation	493.05	463.14
Rice Sorting Charges-Job Work	10.43	250.27
Freight and Cartage	1,582.23	1,582.19
Travelling and Conveyance	358.83	443.48
Postage, Telegram and Telephone	89.38	104.88
Rent Office and Others	192.25	198.98
Legal and Professional [Refer note (a) below]	488.50	385.68
Fees, Rates and Taxes	298.98	71.79
Vehicle Running, Repairs & Maintenance	211.53	233.83
Insurance	274.47	212.20
Printing and Stationery	76.72	73.66
Testing and Inspection	187.32	101.33
Charity and Donation	21.53	35.24
Contribution to Political Parties (Refer Note No. 31.23)	-	30.00
Freight on Sales	4,645.54	4,150.32
Clearing and Forwarding	1,513.15	1,139.96
Sales and Business Promotion	152.29	247.55
Advertisement	4,137.73	3,885.82
Meeting and Seminar	248.55	262.00
Commission and Brokerage	708.89	734.82
Taxes on sales	693.56	256.42
Corporate Social Responsibility	322.27	208.31
Lease rentals	81.19	73.69
Other Miscellaneous Expenses	353.28	239.84
Total	22,567.29	20,306.31

(a) Legal and Professional Charges includes:

Particulars	(₹ in Lacs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Payment to Auditors		
For audit	21.04	27.42
For tax audit	3.75	2.88
For taxation and certification work	-	1.73
Payment to Cost Auditors		
For audit	0.59	0.58
Reimbursement of out of pocket expenses	0.10	0.06

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

29 RECONCILIATION OF TAX EXPENSE TO BE MADE IN BOOKS:

Reconciliation of effective tax rate

The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows:

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Statutory income tax rate	34.61%	34.61%
Differences due to		
Depreciation deductible for tax purposes	(0.31%)	(8.53%)
Expenses deductible due to investment incentives	(4.37%)	(3.42%)
Expenses deductible for tax purpose for investment in New Plant & Machinery	-	(1.58%)
Effect of Deferred Tax & MAT Credit entitlement	2.67%	4.16%
Others	(0.28%)	0.38%
Effective Tax Rate	32.32%	25.62%

30 OTHER NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

30.01 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND-AS) 19:- EMPLOYEE BENEFITS

DEFINED BENEFIT PLANS:

(a) Following information are based on report of Actuary:

		(₹ in Lacs)	
S. No.	Amount recognised as expense in respect of defined benefit plans:	March 31, 2018	March 31, 2017
1	Gratuity (Funded)	149.82	224.73
2	Leave Encashment (unfunded)	138.69	142.57

(b) The Company has classified the various benefits provided to employees as under:

Gratuity: The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

Leave Encashment: The Company provides for Leave Encashment for during the year on an arithmetical basis and the same is payable to the employees on separation from the Company due to death, retirement, superannuation or resignation. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the Balance Sheet date.

Provident Fund: Retirement benefit in the form of provident fund is a defined contribution scheme. All the employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and the Company contribute monthly at a stipulated rate. Contributions are made to PF in India for employees at the rate of 12% of the basic salary as per the rules and regulations. The Company has no liability for future provident fund benefits other than its annual contribution and recognizes such contributions as an expense in the period in which employee renders the related service. The contributions are made to recognised provident fund administered by the government.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

(c) The assumptions used for the actuarial valuation are as under:

S. No.	Defined benefit plans:	March 31, 2018		March 31, 2017	
		Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Actuarial Assumptions					
1	Discount rate	7.87%	7.87%	7.71%	7.71%
2	Expected rate of return on plan assets	7.87%	NA	7.71%	NA
3	Mortality Rate during employment	Indian Assured Lives Mortality (2006-2008) Ultimate	Indian Assured Lives Mortality (2006-2008) Ultimate	Indian Assured Lives Mortality (2006-2008) Ultimate	Indian Assured Lives Mortality (2006-2008) Ultimate
4	Expected rate of increase in compensation levels	6.00%	6.00%	6.00%	6.00%

Significant estimates with respect to Defined benefit plans:

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in India.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increase and gratuity increase are based on expected future inflation rates in India.

(d) The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

(₹ in Lacs)					
S. No.	Defined benefit plans:	March 31, 2018		March 31, 2017	
		Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
1	Change in Present Value of Projected benefit Obligation				
	Defined Benefit at the beginning of the period	883.02	485.54	621.34	364.12
	Current Service Cost	110.30	54.15	82.55	38.95
	Past Service Cost	45.98	-	-	-
	Interest cost	68.08	37.44	49.40	28.95
	Benefits paid	(45.03)	(33.90)	(23.77)	(21.15)
	Remeasurements-actuarial gain/loss -due to change in financial assumptions	(20.17)	(11.35)	80.76	43.02
	Remeasurements-actuarial gain/loss -due to experience	(17.03)	58.45	72.74	31.65
	Present Value of Benefit Obligation at the end of the period	1,025.15	590.33	883.02	485.54

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

		(₹ in Lacs)			
S. No.	Defined benefit plans:	March 31, 2018		March 31, 2017	
		Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
2	Change in fair Value of Plan assets				
	Fair value of plan assets at the beginning of the period	655.74	-	447.03	-
	Expected return on plan assets	50.56	-	35.54	-
	Employee Contribution made	227.28	-	171.76	-
	Benefits paid	(45.03)	-	(23.77)	-
	Return on plan assets, excluding interest income	(13.22)	-	25.18	-
	Fair value of plan assets at the end of the period	875.33	-	655.74	-
3	Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets				
	Present Value of funded/ (unfunded) obligation as at the end of the period	1,025.15	590.33	883.02	485.54
	Fair Value of Plan Assets as at the end of the period	(875.33)	-	(655.74)	-
	Funded Status	149.82	590.33	227.28	485.54
	Net Liability/Asset recognised in the Balance Sheet	149.82	590.33	227.28	485.54
4	Expenses Recognised in Statement of profit or loss				
	Current Service Cost	110.30	54.15	82.55	38.95
	Interest expense/ (income) (net)	17.52	37.44	13.86	28.95
	Past Service Cost	45.98	-	-	-
	Actuarial (Gains)/Losses	-	47.10	-	74.67
	Expected return on plan assets	-	-	-	-
	Expense at the end of the period	173.80	138.69	96.41	142.57
5	Recognised in other Comprehensive income				
	Remeasurements-actuarial gain/loss on obligation for the period	(37.20)	-	153.50	-
	Return on plan assets, excluding interest income	13.22	-	(25.18)	-
	Expense at the end of the period	(23.98)	-	128.32	-
6	The major category of plan assets as a percentage of total plan				
	Leave Encashment : Unfunded	-	590.33	-	485.54
	Gratuity : Government of India Assets	-	-	-	-
	Cash cash equivalents	-	-	-	-
	Corporate bonds	-	-	-	-
	Insurance Fund	875.33	-	655.74	-
	Other	-	-	-	-
	Total	875.33	590.33	655.74	485.54

(e) Maturity Analysis of projected benefit obligation from the fund:

		(₹ in Lacs)	
Projected benefits payable in the future years from the date of reporting		Gratuity (Funded)	Gratuity (Funded)
		March 31, 2018	March 31, 2017
1 year		150.47	73.42
2 to 5 years		117.32	101.92
6 to 10 years		243.41	223.68

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

(f) **Prescribed contribution for Next Year (12 Months):** ₹ 316.99 Lacs

(g) **Sensitivity analysis:**

(₹ in Lacs)

Particulars	Gratuity (Funded)		Gratuity (Funded)	
	March 31, 2018		March 31, 2017	
	Change in assumptions	Effect on Gratuity obligation	Change in assumptions	Effect on Gratuity obligation
Discount rate	1% increase	(113.15)	1% increase	(105.02)
	1% decrease	136.89	1% decrease	127.44
Future salary increase	1% increase	130.88	1% increase	128.38
	1% decrease	(110.70)	1% decrease	(107.48)
Employee turnover rate	1% increase	26.05	1% increase	20.02
	1% decrease	(30.22)	1% decrease	(23.40)

30.02 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 17:- LEASES

1 OPERATING LEASE COMMITMENTS-COMPANY AS LESSEE

Future minimum rentals payable under non-cancellable operating leases as at March 31st are, as follows:

(₹ in Lacs)

Particulars	March 31, 2018	March 31, 2017
- Not later than one year	856.78	821.88
- Later than one year but not later than five years	1,942.18	2,680.31
- Later than five years	576.67	576.67
Lease payment recognised in the Statement of Profit and Loss for non-cancellable operating lease	863.82	824.66

Significant Leasing arrangement:

The Company has entered into leasing arrangements in respect of godowns/premises. Further, some lands are also taken on lease for power generation projects at different locations which has been classified as operating lease.

- **Basis of determining contingent rent:**

- Contingent rents are payable for excessive, improper or unauthorised use of the assets, beyond the terms of the lease agreement, prejudicially affecting the resale value of the asset, either by way of increase in lease rentals or by way of lump-sum amount, as agreed between the parties.

- **Renewal/purchase options & escalation clauses:**

- Lease agreements are renewable for further period or periods on terms and conditions mutually agreed between the parties. Variations in lease rentals are made in the event of a change in the basis of computation of lease rentals by the lessor.

- **There are no restrictions imposed by the lease arrangements, concerning dividend and additional debt.**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

2 OPERATING LEASE COMMITMENTS-COMPANY AS LESSOR

Future minimum rentals receivable under non-cancellable operating leases as at March 31st are, as follows:

Particulars	(₹ in Lacs)	
	March 31, 2018	March 31, 2017
- Not later than one year	9.00	37.04
- Later than one year but not later than five years	-	-
- Later than five years	-	-
Lease receipts recognised in the statement of Profit and Loss for non-cancellable operating lease	30.55	37.04

Note: During the year a major portion of warehouse is taken under repairs and maintenance since January 2018 and lease rentals stands proportionately reduced.

30.03 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 37:- PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

CONTINGENCIES AND CAPITAL COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) :

1 Contingencies:

Particulars	(₹ in Lacs)	
	March 31, 2018	March 31, 2017
Claims against the Company not acknowledged as debts		
(a) Liability relating to Bank Guarantee	579.16	14.85
(b) Disputed liability relating to Sales Tax/VAT	12.59	3.12
- Amount paid against disputed Sales Tax/VAT appeal ₹ 11.29 Lacs (March 31, 2017- ₹ 2.20 Lacs)		
(c) Disputed purchase tax liability under Punjab Vat Act, 2005, including any modification/amendment thereto, on paddy purchased in the course of exports*	905.49	905.49
- Amount paid against disputed purchase tax liability under appeal ₹ Nil (March 31, 2017- ₹ 226.37 Lacs)		
(d) Disputed Liability in respect of additional demand of purchase tax on paddy**	1,381.96	1,952.90
- Amount paid against disputed purchase tax liability under appeal ₹ 641.43 Lacs (March 31, 2017 ₹641.43 Lacs)		
(e) Others***	132.19	29.29
- Amount paid against other disputed liabilities is ₹ 5.30 Lacs (March 31, 2017- ₹ 5.30 Lacs)		
Total	3,011.39	2,905.65

Note:

* The matter was decided in favour of the company by the Hon'ble VAT Tribunal, Punjab and the amount paid against this liability (₹ 226.37 Lacs) was refunded to the company on May 15, 2017. However, Punjab VAT Department has gone into appeal with the Hon'ble High Court of Punjab and Haryana against the said order of VAT Tribunal.

** The appeal are pending before Hon'ble VAT Tribunal, Punjab. As per the legal opinion the demand created by VAT department is arbitrary and the matter will be decided in favour of company.

*** This includes two disputed liabilities during the year March 31, 2018, for United States of America (USA) & United Arab Emirates (UAE) which are converted into INR on the exchange rate as at March 31, 2018.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

2 Capital Commitments:

Particulars	(₹ in Lacs)	
	March 31, 2018	March 31, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	605.13	145.01

30.04 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 24: RELATED PARTY DISCLOSURES NATURE OF RELATIONSHIP AND TRANSACTION WITH RELATED PARTIES:

1 Related Parties and their Relationship:

- a) **Subsidiary Company**
- : KRBL DMCC
 - : K B Exports Private Limited
- b) **Key Management Personnel:**
- Mr. Anil Kumar Mittal : Chairman & Managing Director
 - Mr. Arun Kumar Gupta : Joint Managing Director
 - Mr. Anoop Kumar Gupta : Joint Managing Director
 - Ms. Priyanka Mittal : Whole Time Director
 - Mr. Ashok Chand : Whole Time Director
 - Mr. Rakesh Mehrotra : Chief Financial Officer
 - Mr. Raman Sapra : Company Secretary
- c) **Independent Non-Executive Directors:**
- Mr. Vinod Ahuja : Independent Non Executive Director
 - Mr. Ashwani Dua : Independent Non Executive Director
 - Mr. Shyam Arora : Independent Non Executive Director
 - Mr. Devendra Kumar Aggawal : Independent Non Executive Director
 - Mr. Alok Sabharwal : Independent Non Executive Director
- d) **Employee benefit plans where there is significant influence:**
- KRBL Limited Employees Group Gratuity Trust
- e) **Relatives of Key Management Personnel:**
- Mrs. Preeti Mittal : Wife of Mr. Anil Kumar Mittal
 - Mrs. Anulika Gupta : Wife of Mr. Arun Kumar Gupta
 - Mrs. Binita Gupta : Wife of Mr. Anoop Kumar Gupta
 - Mr. Ashish Mittal : Son of Mr. Anil Kumar Mittal
 - Mrs. Sonali Mittal : Wife of Mr. Ashish Mittal
 - Mrs. Neha Singh : Daughter of Mr. Arun Kumar Gupta
 - Mr. Kunal Gupta : Son of Mr. Arun Kumar Gupta
 - Mrs. Avantika Gupta : Wife of Mr. Kunal Gupta
 - Mrs. Rashmi Gupta : Daughter of Mr. Anoop Kumar Gupta
 - Mr. Akshay Gupta : Son of Mr. Anoop Kumar Gupta

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Mrs. Anushree Gupta	: Wife of Mr. Akshay Gupta
Mr. Ayush Gupta	: Son of Mr. Anoop Kumar Gupta
Mrs. Sanchi Gupta	: Wife of Mr. Ayush Gupta
Anil Kumar Mittal HUF	: Mr. Anil Kumar Mittal is Karta of HUF
Arun Kumar Gupta HUF	: Mr. Arun Kumar Gupta is Karta of HUF
Anoop Kumar Gupta HUF	: Mr. Anoop Kumar Gupta is Karta of HUF

f) Enterprises over which key management personnel are able to exercise significant influence:

Khushi Ram Behari Lal	: Partnership Firm in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Partners.
Aakash Hospitality Pvt. Ltd.	: Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
Anurup Exports Pvt. Ltd.	: Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
Adwet Warehousing Pvt. Ltd.	: Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
K B Exports Pvt. Ltd.	: Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
Holistic Farms Pvt. Ltd.	: Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
India Gate Foods Pvt. Ltd.	: Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta, Ms. Priyanka Mittal and Mr. Kunal Gupta and Mr. Ashish Mittal are Directors.
KRBL Foods Ltd.	: Public Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta, Mrs. Preeti Mittal, Mrs. Anulika Gupta & Mrs. Binita Gupta are Directors.
Radha Raj Logistics Pvt. Ltd.	: Private Limited Company in which Mr. Anil K. Mittal, Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
Radha Raj Infrastructure Pvt. Ltd.	: Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta, Mr. Anoop K. Gupta, Mr. Ashwani Dua, Mr. Manav Dua and Mr. Balbir Kapoor are Directors.
Padmahasta Warehousing Pvt. Ltd.	: Private Limited Company in Which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
KRBL Infrastructure Ltd.	: Public Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta, Mrs. Preeti Mittal, Mrs. Anulika Gupta & Mrs. Binita Gupta are Directors.
Radha Raj IT City & Parks Pvt. Ltd.	: Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
Solid Infradevelopers Pvt. Ltd.	: Private Limited Company in which Mr. Anil K. Mittal, Arun K. Gupta & Mr. Anoop K. Gupta and Mr. Sanjeev Gupta are Directors.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

g) Trust/Society over which key management personnel are able to exercise significant influence :

Seth Banwari Lal Charitable Trust	:	Trust in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Trustees.
Seth Khushi Ram Charitable Trust	:	Trust in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Trustees.
Seth Banwari Lal Education Society	:	Society in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Trustees.
Anil Kumar Mittal Children Welfare Trust	:	Trust in which Mr. Arun K. Gupta & Mr. Anoop K. Gupta are trustees.
Arun Kumar Gupta Children Welfare Trust	:	Trust in which Mr. Anil K. Mittal & Mr. Anoop K. Gupta are trustees.
Anoop Kumar Gupta Children Welfare Trust	:	Trust in which Mr. Anil K. Mittal & Mr. Arun K. Gupta are trustees.
Anil Mittal Family Trust	:	Trust in which Mr. Anil K. Mittal and Mrs. Preeti Mittal are trustees.
Anoop Kumar Gupta Family Trust	:	Trust in which Mr. Anoop K. Gupta, Mr. Akshay Gupta and Mr. Ayush Gupta are trustees.
Arun Kumar Gupta Family Trust	:	Trust in which Mr. Arun K. Gupta and Mr. Kunal Gupta are trustees.
Anulika Gupta Family Trust	:	Trust in which Mr. Arun K. Gupta and Mrs. Anulika Gupta are trustees.
Binita Gupta Family Trust	:	Trust in which Mr. Anoop K. Gupta and Mrs. Binita Gupta are trustees.
Ashish Mittal Family Trust	:	Trust in which Mr. Anil K. Mittal, Mrs. Preeti Mittal and Mr. Ashish Mittal are trustees.

2 TRANSACTIONS WITH RELATED PARTIES :

a) Related Party Transactions entered during the year:

Particulars	(₹ in Lacs)									
	Enterprises trusts over which significant influence exercised by key management personnel		Subsidiary Company		Key Managerial Persons		Other Related Parties		Total	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Purchase of goods	2.65	2.90	-	-	-	-	-	-	2.65	2.90
Sale of goods	742.14	731.68	50.79	88.19	-	-	-	-	792.93	819.87
Arrangement Fees Paid	-	-	45.64	5.25	-	-	-	-	45.64	5.25
Rent/Vehicle Hire Charges paid	747.60	742.63	-	-	12.28	10.98	43.20	30.90	803.08	784.51
Dividend paid	2,576.47	-	-	-	330.77	-	-	-	2,907.24	-
Dividend received	-	-	2,570.09	-	-	-	-	-	2,570.09	-
Interest Paid	22.70	98.54	-	-	-	-	-	-	22.70	98.54
Discount Allowed	51.05	-	-	-	-	-	-	-	51.05	-
Loans Taken	-	-	-	-	3,044.40	4,255.00	-	-	3,044.40	4,255.00
Remuneration on A/c of Salary & Perquisites	-	-	-	-	460.11	509.82	72.00	49.58	532.11	559.41

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

b) Balance Outstanding at the end of the Financial Year:

(₹ in Lacs)

Particulars	Enterprises trusts over which significant influence exercised by key management personnel		Subsidiary Company		Key Managerial Persons		Other Related Parties		Total	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Receivable/ (Payable) on account of goods sale/services rendered/received	(239.54)	(859.50)	2.28	102.23	-	-	-	-	(237.26)	(757.27)
Receivable on account of Security deposit/Prepaid Lease	971.00	971.00	-	-	-	-	-	-	971.00	971.00
Payable on account of Loans Taken	-	-	-	-	4,870.66	5,531.26	-	-	4,870.66	5,531.26

c) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those prevailing in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which related party operates. Outstanding balances at the year-end are unsecured. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

d) Transactions with key management personnel

The Company has taken an interest free loan from directors of the company and is repayable on demand (Refer Note no. 15B)

30.05 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 108:- OPERATING SEGMENTS

Segmental Reporting:

For management purposes, the Company is organized into business units based on its products and services and has two reportable segments, as follows:

- Agri - Comprises of agricultural commodities such as rice, Furfural, seed, bran, bran oil, etc.
- Energy - Comprises of power generation from wind turbine, husk based power plant & solar power plant.

No operating segment have been aggregated to form the above reportable operating segments.

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

a) Summary of Segmental Information for the year ended March 31, 2018:

	(₹ in Lacs)			
Particulars	Agri	Energy	Unallocable	Total
Segment operating Revenue				
External	3,12,281.22	19,491.30	-	3,31,772.52
Less: Inter-Segment	-	7,120.47	-	7,120.47
Net revenue from operations	3,12,281.22	12,370.83	-	3,24,652.05
Segment Result	63,353.26	8,561.90	-	71,915.16
Less: Finance Cost	-	-	6,035.78	6,035.78
Less: Other Unallocable expenditure net of unallocable income	-	-	378.00	378.00
Segment Profit before Taxation	63,353.26	8,561.90	6,413.78	65,501.38
Tax Expense:				
Current Tax				20,232.96
Deferred Tax				1,824.19
Total Tax Expense				22,057.15
Profit For The Year				43,444.23
Other Comprehensive Income for the year				16.84
Total Comprehensive Income for the Year				43,461.07
Other Disclosures				
Segment Assets	3,14,172.65	70,214.76	-	3,84,387.41
Segment Liabilities	1,37,655.76	17,853.31	-	1,55,509.07
Segment Revenue based on the locations of the customers				
Middle East	89,289.20	-	-	89,289.20
India	1,81,992.85	12,370.84	-	1,94,363.69
Other than Middle East & India	40,999.16	-	-	40,999.16
Segment Assets				
Middle East	7,867.65	-	-	7,867.65
India	3,04,785.30	70,214.76	-	3,75,000.07
Other than Middle East & India	1,519.69	-	-	1,519.69

b) Summary of Segmental Information for the year ended March 31, 2017:

	(₹ in Lacs)			
Particulars	Agri	Energy	Unallocable	Total
Segment operating Revenue				
External	3,04,965.35	15,196.32	-	3,20,161.67
Less: Inter-Segment	-	5,396.86	-	5,396.86
Net revenue from operations	3,04,965.35	9,799.46	-	3,14,764.81
Segment Result	52,264.51	5,518.37	-	57,782.88
Less: Finance Cost	-	-	3,693.08	3,693.08
Less: Other Unallocable expenditure net of unallocable income	-	-	334.00	334.00
Segment Profit before Taxation	52,264.51	5,518.37	4,027.08	53,755.80
Tax Expense:				
Current Tax				11,576.89
Deferred Tax				2,239.27
Total Tax Expense				13,816.16

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Particulars				(₹ in Lacs)
	Agri	Energy	Unallocable	Total
Profit For The Year				39,939.64
Other Comprehensive Income for the year				(83.91)
Total Comprehensive Income for the Year				39,855.73
Other Disclosures				
Segment Assets	2,68,557.27	73,666.70	-	3,42,223.97
Segment Liabilities	1,21,914.17	29,489.26	-	1,51,403.43
Segment Revenue based on the locations of the customers				
Middle East	81,100.35	-	-	81,100.35
India	1,95,604.09	9,799.46	-	2,05,403.55
Other than Middle East & India	28,260.91	-	-	28,260.91
Segment Assets				
Middle East	3,429.67	-	-	3,429.67
India	2,60,546.73	73,666.70	-	3,34,213.43
Other than Middle East & India	4,580.87	-	-	4,580.87

(c) Revenue from major customers: The company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

30.06 DISCLOSURE IN RESPECT OF FINANCIAL RISK MANAGEMENT:

1 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including cash and cash equivalents and deposit with banks and financial institutions.

Credit risk management:

i) Trade receivable related credit risk

Concentrations of credit risk with respect to trade receivables are limited, due to the customer base being large and diverse. All trade receivables are reviewed and assessed for default on routine basis. Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low and so trade receivables are considered to be a single class of financial assets.

ii) Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposit with banks, money market liquid mutual funds with financial institutions and derivative financial instruments. The Company's maximum exposure to credit risk as at March 31, 2018 and March 31, 2017 is the carrying value of each class of financial assets.

iii) Treasury related credit risk

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. The Company actively manages its exposure to credit risk, reducing surplus cash balances wherever possible through investment in bank deposits. Further, the company ensures it diversifies its treasury related credit risk by investing in bank deposits in different banks. Limits are set for maximum investment in deposits in each bank.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Security Deposits	294.48	331.45
Investments in Mutual Funds	-	45.64
Investments in quoted equity shares	898.58	965.42
Trade Receivables	24,410.46	23,002.17
Derivative instrument	1.89	-
Total	25,605.42	24,344.68

The ageing of trade receivables at the reporting date was:

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Not past due	12,421.50	13,087.39
Past due 0-30 days	3,475.66	7,570.67
Past due 31-120 days	4,883.51	758.88
Past due 120 days-one year	2,935.95	1,320.43
More than one year	693.84	264.80
Total	24,410.46	23,002.17

2 Liquidity Risk:

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

A Maturities of financial liabilities

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Particulars	(₹ in Lacs)						
	Carrying amount	On demand	March 31, 2018				
			6 months or less	6-12 months	1-2 years	2-5 years	
Long term Borrowings	8,110.78	-	1,457.76	1,457.76	1,859.65	3,335.61	-
Working capital borrowings	1,11,543.89	1,11,543.89	-	-	-	-	-
Loan from related party	4,870.66	4,870.66	-	-	-	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

(₹ in Lacs)

Particulars	March 31, 2018						
	Carrying amount	On demand	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Trade Payables	9,959.80	-	9,959.80	-	-	-	-
Interest accrued but not due on borrowings	163.70	-	163.70	-	-	-	-
Unpaid dividend	43.11	43.11	-	-	-	-	-
Security received	180.52	180.52	-	-	-	-	-
Payable to employees	22.90	-	22.90	-	-	-	-

(₹ in Lacs)

Particulars	March 31, 2017						
	Carrying amount	On demand	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Long term Borrowings	12,501.99	-	3,014.87	1,591.79	3,176.59	4,054.73	664.00
Working capital borrowings	90,973.92	40,973.92	50,000.00	-	-	-	-
Loan from related party	5,531.26	5,531.26	-	-	-	-	-
Trade Payables	25,417.11	-	25,417.11	-	-	-	-
Interest accrued but not due on borrowings	191.23	191.23	-	-	-	-	-
Unpaid dividend	40.76	40.76	-	-	-	-	-
Security received	266.37	266.37	-	-	-	-	-
Payable to employees	14.62	-	9.18	1.00	4.44	-	-

3 Market risk - foreign exchange risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- currency risk;
- price risk; and
- interest rate risk.

4 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 21:- THE EFFECT OF CHANGES IN FOREIGN EXCHANGE RATES:

Potential Impact of Risk:

A Currency Risk

The Company operates internationally and consequently the Company is exposed to foreign exchange risk through its sales in overseas market. The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows policies which includes the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

The Company has Outstanding Forward contracts as on March 31, 2018 and there is Marked to Market (MTM) unrealised gain/(loss) on forward contracts of ₹ (35.57) Lacs as at March 31, 2018, (P.Y. Nil), which has been accounted for accordingly in the books of accounts.

Derivative Instruments

- i) Outstanding forward exchange contracts as entered into by the Company for the purpose of hedging its foreign currency exposures are as under:

Foreign currency	Cross Currency	(₹ in Lacs)			
		Sell contract		Buy contract	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
USD	Indian Rupee	9,756.00	Nil	Nil	Nil
EURO	USD	33,053.92	Nil	Nil	Nil

- ii) Foreign currency exposure recognised by the Company that have not been hedged by a derivative instrument or otherwise are as under :

Particulars	(₹ in Lacs)					
	₹ in Lacs		USD in Lacs		EURO in Lacs	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
a) Receivables in Foreign Currency						
- Sundry Debtors (including Orders in Hand)	36,446.26	22,411.42	510.18	345.82	40.67	-
b) Payables in Foreign Currency						
- Sundry Creditors	-	-	-	-	-	-
- Expenses Payable	2,451.44	-	38.10	-	-	-

Apart from above Company has foreign currency Liability (PCFC/Advances received from customers/ ECB) of ₹ 72,597.16 Lacs as at March 31, 2018, (P.Y. ₹ 30,380.79 Lacs) at the year end, further as per the IND AS the effect of change in foreign exchange gain/(loss) as on March 31, 2018 is amounting to ₹ 97.16 Lacs P.Y ₹ (109.56 Lacs) has been taken to statement of profit and loss.

- iii) Foreign currency risk sensitivity :

A change of 5% in Foreign currency would have following Impact on profit before tax :

Currency	(₹ in Lacs)			
	March 31, 2018		March 31, 2017	
	5% increase	5% decrease	5% increase	5% decrease
USD	1,659.10	(1,659.10)	(1,120.57)	1,120.57
EURO	163.94	(163.94)	-	-

B Interest Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at March 31, 2018, the Company had long term borrowings amounting to ₹ 8,110.78 Lacs (P.Y. ₹ 12,502.00 Lacs).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

Interest rate sensitivity

(₹ in Lacs)

A change of 100 bps in interest rates would have following impact on profit before tax:	March 31, 2018	March 31, 2017
100 bps increase- decrease in profits	64.48	113.01
100 bps decrease- increase in profits	64.48	113.01

Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates (after considering repayments) were utilised for the whole financial year.

C Price Risk

The Company is mainly exposed to the price risk due to its investment in equity shares and mutual funds. The price risk arises due to uncertainties about the future market values of these investments

The table below summarises the impact of increase/decrease of the index on the Company's equity and profit for the year. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

(₹ in Lacs)

Impact on profit before tax	March 31, 2018	March 31, 2017
Sensex increase by 5%	44.93	50.55
Sensex decrease by 5%	(44.93)	(50.55)

30.07 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 113:- FAIR VALUE MEASUREMENT:

Significant estimates with respect to fair value of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the present valuation technique. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

A Fair value measurement of Financial Instruments

(₹ in Lacs)

Financial instruments by category	March 31, 2018								
	FVTPL			FVOCI			Amortised cost		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets									
Investment									
Equity instruments (Quoted)	898.58	-	-	-	-	-	-	-	-
Mutual fund instruments (Unquoted)	-	-	-	-	-	-	-	-	-
Loans									
Security deposit	-	-	-	-	-	-	-	-	294.48

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

(₹ in Lacs)

Financial instruments by category	March 31, 2018								
	FVTPL			FVOCI			Amortised cost		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Loans to employees	-	-	-	-	-	-	-	-	24.94
Other Financial Assets									
Investment in term deposits	-	-	-	-	-	-	-	3,096.01	-
Income receivable	-	-	-	-	-	-	-	-	1,348.33
Trade receivables	-	-	-	-	-	-	-	-	24,410.46
Derivative instrument	-	-	-	-	-	-	-	-	1.89
Cash & cash equivalents	-	-	-	-	-	-	-	-	3,951.72
Other bank balances	-	-	-	-	-	-	-	-	43.11
Total Financial Assets	898.58	-	-	-	-	-	-	3,096.01	30,074.93
Financial liabilities									
Borrowings	-	-	-	-	-	-	-	-	1,24,525.34
Trade payables	-	-	-	-	-	-	-	-	9,959.80
Other financial liabilities	-	-	-	-	-	-	-	-	410.23
Total Financial Liabilities	-	-	-	-	-	-	-	-	1,34,895.37

(₹ in Lacs)

Financial instruments by category	March 31, 2017								
	FVTPL			FVOCI			Amortised cost		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets									
Investment									
Equity instruments (Quoted)	965.42	-	-	-	-	-	-	-	-
Mutual fund instruments (Unquoted)	-	45.64	-	-	-	-	-	-	-
Loans									
Security deposit	-	-	-	-	-	-	-	-	331.45
Loans to employees	-	-	-	-	-	-	-	-	10.83
Other Financial Assets									
Investment in term deposits	-	-	-	-	-	-	-	583.26	-
Income receivable	-	-	-	-	-	-	-	-	2,640.69
Trade receivables	-	-	-	-	-	-	-	-	23,002.17
Derivative instrument	-	-	-	-	-	-	-	-	-
Cash & cash equivalents	-	-	-	-	-	-	-	-	435.46
Other bank balances	-	-	-	-	-	-	-	-	40.76
Total Financial Assets	965.42	45.64	-	-	-	-	-	583.26	26,461.36
Financial liabilities									
Borrowings	-	-	-	-	-	-	-	-	1,09,007.17

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

(₹ in Lacs)

Financial instruments by category	March 31, 2017								
	FVTPL			FVOCI			Amortised cost		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Trade payables	-	-	-	-	-	-	-	-	25,417.11
Other financial liabilities	-	-	-	-	-	-	-	-	521.63
Total Financial Liabilities	-	-	-	-	-	-	-	-	1,34,945.91

B Fair value hierarchy

This section explains the judgements and estimates made in determining the fair value of financial instruments that are (a) recognised and measured at fair value (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three level prescribed under the accounting standard. An explanation of each level follows below :

Assets and liabilities measured at amortised cost, for which fair value are disclosed

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximises the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs are required to fair value an instrument are observable the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers among levels 1, 2 and 3 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

C Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include the use of discount cash flows for estimating fair value of loans to employees, security deposits and borrowings.

The carrying amounts of trade receivables, cash and cash equivalents, consignment debtors, interest accrued, other receivables, other bank balances, trade payables, employee payables and other current payables are considered to be the same as fair values, due to their short term nature.

The fair value for loans and security deposits were calculated based on cash flow discounted using a current lending rate. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk. The fair value of loans to employees and security deposits approximates the carrying amount.

The fair value for borrowings was calculated based on cash flow discounted using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk. The fair value of borrowings approximates the carrying amount.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

30.08 DISCLOSURE IN RESPECT OF CAPITAL MANAGEMENT:

A Risk management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimize returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The management and the Board of Directors monitors the return on capital as well as the level of dividend to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

B Dividend

Under Previous GAAP, proposed dividend and related dividend distribution tax was recognised as a provision in the year to which they relate, irrespective of when they are declared. Under Ind AS, dividend and related dividend distribution tax are recognised as a liability in the year in which it is approved by the shareholders in the Annual General Meeting of the Company.

		(₹ in Lacs)	
S. No.	Particulars	March 31, 2018	March 31, 2017
i)	Dividend on Equity shares declared and paid during the year		
	During the Financial Year 2017-18, the company has declared and paid Final Dividend of ₹2.10 per share for Financial Year 2016-17.	-	4,943.19
ii)	Dividend not recognised at the end of the reporting period		
	The directors have recommended the payment of a final dividend of ₹ 2.30 per fully paid equity share for the year ended March 31, 2018. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	5,413.97	

30.09 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND-AS) 33 - EARNINGS PER SHARE (EPS):

EPS is calculated by dividing the profit attributable to the Equity shareholders by the average number of Equity Shares outstanding during the year. Number used for calculating basic and diluted earnings per equity is stated below:

Particulars	March 31, 2018	March 31, 2017
Profit attributable to equity holders of the Company (₹ in lacs)	43,444.23	39,939.64
Weighted average number of Equity shares for Basic & Diluted	23,53,89,892	23,53,89,892
Nominal value per equity share (In ₹)	1.00	1.00
Earnings per share (Basic & Diluted) (In ₹)	18.46	16.97

30.10 DISCLOSURE IN RESPECT OF DIVIDEND PAID:

Remittance in Foreign Currency on account of Dividends:	March 31, 2018	March 31, 2017
(a) No. of Non-Resident shareholders to whom dividend is remitted	5	-
(b) No. of Equity Shares held by them	3,90,00,000	-
(c) Amount of Dividend paid (₹ in Lacs)	819.00	-
(d) Year to which the Dividend relates	2016-17	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

30.11 DISCLOSURE IN RESPECT OF AMOUNT RECEIVED IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND:

Particulars	March 31, 2018	March 31, 2017
(a) Name of the Company from whom dividend is Received	KRBL DMCC	-
(b) Type of Company	Wholly Owned Subsidiary	-
(c) Amount of Dividend Received (₹ in lacs)	2,570.09	-
(d) Year to which the Dividend relates	2017-18	-

30.12 DISCLOSURE IN RESPECT OF SUBSIDY RECEIVED/RECEIVABLE:

A sum of ₹ Nil (P.Y. ₹ 203.06 Lacs) has been received from DMI through NABARD towards construction of rural godown . The entire grant so received / receivable has been deducted from the respective cost of the Capital Expenditure.

30.13 DISCLOSURE IN RESPECT OF CIF VALUE OF IMPORTS MADE DURING THE YEAR:

Particulars	March 31, 2018	March 31, 2017
Spare Parts and Components	129.43	57.44
Capital Goods Purchased	131.65	349.52

(₹ in Lacs)

30.14 DISCLOSURE IN RESPECT OF EARNINGS IN FOREIGN EXCHANGE ON MERCANTILE BASIS:

Particulars	March 31, 2018	March 31, 2017
Earnings in Foreign Exchange on Mercantile basis:	1,27,675.33	1,06,682.24

(₹ in Lacs)

30.15 DISCLOSURE IN RESPECT OF F.O.B. VALUE OF EXPORTS:

Particulars	March 31, 2018	March 31, 2017
F.O.B. Value of Exports:	1,27,962.12	1,07,783.99

(₹ in Lacs)

30.16 DISCLOSURE IN RESPECT OF EXPENDITURE IN FOREIGN CURRENCY ON MERCANTILE BASIS:

Particulars	March 31, 2018	March 31, 2017
Foreign Travel & Other(Total)	54.65	32.33
-By Directors ₹ 20.94 Lacs (PY ₹ 29.97 Lacs)		
Ocean Freight	2,330.42	1,525.21
Legal, Professional & Other charges	251.48	170.79
Selling & Distribution Expenses	794.79	218.10
Interest on Foreign Currency Loans	102.86	256.59
Others	367.31	889.35
Total	3,901.51	3,092.37

(₹ in Lacs)

30.17 DISCLOSURE IN RESPECT OF PAYMENT ON ACCOUNT OF KEYMAN INSURANCE POLICY:

Particulars	March 31, 2018	March 31, 2017
Payment of Insurance charges on account of Keyman Insurance policy:	38.00	42.00

(₹ in Lacs)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT

30.18 DISCLOSURE IN RESPECT OF UNCLAIMED DIVIDEND:

Particulars	(₹ in Lacs)	
	March 31, 2018	March 31, 2017
Unclaimed Dividend which has been deposited in separate accounts with Scheduled Bank:	43.11	40.76

30.19 DISCLOSURE IN RESPECT OF RESEARCH & DEVELOPMENT EXPENDITURE:

The Company has in-House R & D Centre, The details of revenue/capital expenditure incurred by the R&D Centre during the year are as under :

Particulars	(₹ in Lacs)	
	March 31, 2018	March 31, 2017
(a) Revenue Expenditure charged to Statement Profit & Loss Account		
i) Salary and other Benefits	349.83	319.99
ii) Others	130.14	103.07
Total	479.97	423.06

30.20 DISCLOSURE IN RESPECT OF CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:

Particulars	(₹ in Lacs)	
	March 31, 2018	March 31, 2017
Amount required to be spent as per Section 135 of the Act	878.40	743.29
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) On purpose other than (i) above	322.27	208.31
Total amount spent during the year	322.27	208.31

30.21 DISCLOSURE IN RESPECT OF CONTRIBUTION TO POLITICAL PARTIES:

Following are the particulars as required pursuant to the provisions of Section 182 of the Companies Act, 2013, for contributions as made to the political parties

Particulars	(₹ in Lacs)	
	March 31, 2018	March 31, 2017
Name of the Political Parties		
a) Aam Aadmi Party	-	10.00
b) Punjab Pradesh Congress Committee	-	20.00
Total	-	30.00

30.22 THE CONSOLIDATED FINANCIAL STATEMENTS HAVE BEEN PREPARED IN ACCORDANCE WITH INDIAN ACCOUNTING STANDARD (IND-AS) 110 "CONSOLIDATED FINANCIAL STATEMENTS":

- a) The Subsidiary company with KRBL Limited, The parent, constitutes the group considered in the preparation of these consolidated financial statement is given below:

Name	Country of Incorporation	Percentage of ownership interest as at	
		March 31, 2018	March 31, 2017
KRBL DMCC	U.A.E	100.00%	100.00%
K B Exports Pvt. Ltd.	India	70.00%	70.00%

- b) The group has adopted Indian Accounting Standard (Ind-AS) 19 on 'Employee Benefits'. These consolidated Financial Statements include the obligations as per requirement of this standard except for the Subsidiary which is Incorporated outside India who have determined the valuation/provision for employee benefit as per their requirements that coming. In the opinion of the management, the impact of this deviation is not considered material.

30.23 ADDITIONAL INFORMATION REGARDING SUBSIDIARIES COMPANIES:

Name of the Entity	Net Assets, i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (₹ in Lacs)	As % of Consolidated Profit or Loss	Amount (₹ in Lacs)	As % of Consolidated Profit or Loss	Amount (₹ in Lacs)	As % of Consolidated Profit or Loss	Amount (₹ in Lacs)
Parent Company								
KRBL Limited (Parent Company)*	99.58%	227,930.29	100.38%	43,608.22	100.00%	16.84	100.38%	43,625.06
Subsidiary Companies								
KRBL DMCC*	0.38%	859.70	(0.38%)	(163.99)	-	-	(0.38%)	(163.99)
K B Exports Pvt. Ltd.	-	-	-	-	-	-	-	-
Minority Reserves								
Subsidiary Companies								
K B Exports Pvt. Ltd.	0.04%	88.35	-	-	-	-	-	-
Total	100.00%	228,878.34	100.00%	43,444.23	100.00%	16.84	100.00%	43,461.07

Turnover includes Other income and Other Operational Income but does not include Dividend income as received from subsidiary company as the same was clubbed on Consolidation. Further Share in Profit of Parent Company doesn't include the income as received from the subsidiary company.

* Converted into Indian Rupees at the exchange rate, 1 AED = ₹ 17.7187 as on March 31, 2018.

30.24 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND-AS) 10:- EVENT AFTER THE REPORTING PERIOD:

The Board of Directors in its meeting on May 10, 2018 has recommended Equity dividend of 2.30 per share (P.Y ₹ 2.10 per share) for the financial year 2017-18.

30.25 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND-AS) 38:- INTANGIBLE ASSETS:

In accordance with Accounting Standard AS - 38 on 'Intangible Assets', during the year ended March 31, 2018 ₹ 21.68 Lacs (P.Y. ₹ 1.63 Lacs) have been capitalized on account of computer software development charges.

30.26 DURING THE YEAR, THE OFFICERS OF THE DIRECTORATE OF ENFORCEMENT, MINISTRY OF FINANCE, GOVERNMENT OF INDIA VISITED U/S 17 OF THE PMLA 2002, THE PREMISES OF THE COMPANY IN AN ONGOING INVESTIGATION OF SOME MATTERS PERTAINING TO MR. GAUTAM KHAITAN, SOLICITOR AND THE ERSTWHILE INDEPENDENT DIRECTOR OF THE COMPANY FROM JULY 30, 2007 TO APRIL 18, 2013 AND IN THE COURSE OF WHICH STATEMENTS OF SOME DIRECTORS/OFFICERS OF THE COMPANY WERE RECORDED BY THEM. NOTHING INCRIMINATING IN THE AFFAIRS OF THE COMPANY HAS BEEN ALLEGED BY THEM SO FAR AS ON THIS DATE.

30.27 DURING CONSTRUCTION PHASE COMPANIES GENERALLY TEMPORARILY INVEST THE SURPLUS FUNDS TO REDUCE THE COST OF CAPITAL OR FOR OTHER BUSINESS REASONS. HOWEVER SUBSEQUENTLY THE SAME ARE UTILISED FOR THE STATED OBJECTIVE.

30.28 THE FIGURES ARE ROUNDED OFF TO NEAREST RUPEES IN LACS.

30.29 PREVIOUS YEARS FIGURES HAVE BEEN REGROUPED/REARRANGED WHEREVER CONSIDERED NECESSARY. HOWEVER, THERE WERE NO MATERIAL IMPACT OF THE SAME.

Annexure to our Report of Date

for and on behalf of the Board of Directors

for **S S A Y & Associates**
Firm Regn.No- 012493N
Chartered Accountants

Sd/-
Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Sd/-
Anil Kumar Mittal
Chairman & Managing Director
DIN-00030100

Sd/-
Yugal Kishor Malhotra
Partner
M.No. 542048

Sd/-
Raman Sapra
Company Secretary
M.No. F9233

Sd/-
Rakesh Mehrotra
Chief Financial Officer
M.No. 84366

Place : Noida, Uttar Pradesh
Date : May 10, 2018

FORM AOC-1

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

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

Part "A": Subsidiaries

S. No.	Particulars	Name of the Subsidiary			
		KRBL DMCC		K B Exports Private Limited	
		As on March 31, 2018	As on March 31, 2017	As on March 31, 2018	As on March 31, 2017
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA
2.	Reporting currency	AED	AED	INR	INR
3.	Exchange rate to INR as on the last date of the relevant Financial year in the case of foreign subsidiaries	17.7187	17.6533	NA	NA
4.	Share Capital (INR in Lacs)	217.27	217.27	300.00	300.00
5.	Reserves & Surplus (INR in Lacs)	(969.46)	1,678.54	(5.32)	(5.69)
6.	Total Assets (INR in Lacs)	1084.80	3,894.66	294.81	294.37
7.	Total Liabilities (INR in Lacs)	1836.99	1,998.85	0.13	0.06
8.	Details of investments	-	-	-	-
9.	Turnover (INR in Lacs)	58.53	204.52	-	-
10.	Profit/(Loss) before taxation (INR in Lacs)	(164.25)	(172.66)	-	-
11.	Provision for taxation	-	-	-	-
12.	Profit/(Loss) after taxation (INR in Lacs)	(164.25)	(172.66)	-	-
13.	Proposed dividend (INR in Lacs)	-	-	-	-
14.	% of Shareholding	100%	100%	70%	70%

- a) K B Exports Pvt. Ltd. has not commenced commercial activities since incorporation and currently is not operational.
- b) Part B of the Annexure is not applicable as there are no associate companies/ joint ventures of the Company as on March 31, 2018.

Annexure to our Report of Date

for **S S A Y & Associates**
Firm Regn.No- 012493N
Chartered Accountants

Sd/-
Yugal Kishor Malhotra
Partner
M.No. 542048

Place : Noida, Uttar Pradesh
Date : May 10, 2018

for and on behalf of the Board of Directors

Sd/-
Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Sd/-
Raman Sapra
Company Secretary
M.No. F9233

Sd/-
Anil Kumar Mittal
Chairman & Managing Director
DIN-00030100

Sd/-
Rakesh Mehrotra
Chief Financial Officer
M.No. 84366

Standalone Financials



INDEPENDENT AUDITORS' REPORT ON STANDALONE IND AS FINANCIAL STATEMENTS

To the Members of KRBL Limited, New Delhi

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Standalone Ind AS Financial Statements of KRBL Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year and other explanatory information [herein after referred to as "Standalone Ind AS Financial Statements"].

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITY

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

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

We conducted our audit of Standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report.

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in

INDEPENDENT AUDITORS' REPORT ON STANDALONE IND AS FINANCIAL STATEMENTS

conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at March 31, 2018, and its Profit and other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure I" a statement on matters specified in paragraphs 3 & 4 of the said order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
 - e) On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure II"; and
- g) With respect to the other matters to be included in the Auditor's Report in the accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of the pending litigations on its financial position in its Standalone Ind AS Financial Statements - Refer Note 30.03 to the Standalone Ind AS Financial Statements;
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 30.06 to the Standalone Ind AS Financial Statements; and
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
 - (iv) The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made since the requirement does not pertain to financial year ended 31 March 2018.

for **SSAY & Associates**
(Firm Registration No. 012493N)
Chartered Accountants

Plot No. 3, 2nd Floor
Local Shopping Complex
B-Block Market
Vivek Vihar, Phase-I
New Delhi-110 095
Dated: May 10, 2018

Sd/-
(Yugal Kishor Malhotra)
Partner
(Membership No. 542048)

ANNEXURE I TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

The Annexure I referred to in the independent auditors' report of even date to the members of KRBL Limited ("the Company") on the Standalone Ind AS Financial Statements as of and for the year ended March 31, 2018, we report that:

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- b) The Company has a program of verification to cover all the items of Property, Plant & Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant & Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as Property, Plant & Equipment in the standalone financial statements, the lease agreements are in the name of the Company.
- (ii) a) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore the provisions of Clause 3 (iii)a, 3(iii)b and 3(iii)c of the said order are not applicable to the company.
- (iv) The company has not granted any loans or made any investments, or provided any guarantees or securities to the parties covered under section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said order are not applicable to the company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act, and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, a detailed examination of cost records has not been made by us with a view to determine whether they are accurate or complete.
- (vii) (a) According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, wealth-tax, sales-tax, value added tax, service tax, goods & services tax (GST) customs duty, excise duty, cess and other statutory dues applicable to it.
- According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, wealth-tax, sales-tax, value added tax, service tax, goods and services tax (GST), customs duty and excise duty, cess were outstanding, as at March 31, 2018 for a period of more than six months from the date they became payable.
- (b) According to the records of the company, there are no material dues of income-tax, wealth-tax, sales tax, value added tax, service tax, goods and services tax (GST), customs duty, excise duty, cess which have not been deposited on account of any dispute. However, according to information and explanations given to us, the following dues of income tax and value added tax have not been deposited by the Company on account of disputes:

ANNEXURE I TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

Name of the statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount (₹ in Lacs)
Punjab VAT	Purchase-tax on paddy purchased in the course of exports	Punjab and Haryana High Court	FY 2009-10	905.49
Punjab VAT	Additional Demand of Purchase-tax on paddy	Hon'ble VAT Tribunal, Punjab	FY 2010-11	8.64
Punjab VAT	Additional Demand of Purchase-tax on paddy	Hon'ble VAT Tribunal, Punjab	FY 2011-12	250.89
Punjab VAT	Additional Demand of Purchase-tax on paddy	Hon'ble VAT Tribunal, Punjab	FY 2012-13	127.02
Punjab VAT	Additional Demand of Purchase-tax on paddy	Hon'ble VAT Tribunal, Punjab	FY 2013-14	353.99
Punjab VAT	Sales Tax/VAT	Hon'ble VAT Tribunal, Punjab	FY 2017-18	1.30

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of dues to any financial institutions, bankers and government. The Company does not have any borrowing by way of debentures.

(ix) The Company has not raised any monies by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Act, where applicable and the details have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) According to information and explanations given to us, the Company is not required to be registered under Section 45 - IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

for SSAY & Associates
(Firm Registration No. 012493N)
Chartered Accountants

Plot No. 3, 2nd Floor
Local Shopping Complex
B-Block Market
Vivek Vihar, Phase-I
New Delhi-110 095
Dated: May 10, 2018

Sd/-
(Yugal Kishor Malhotra)
Partner
(Membership No. 542048)

ANNEXURE II TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

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

We have audited the internal financial controls over financial reporting of KRBL Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Act.

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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

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

for **SSAY & Associates**
(Firm Registration No. 012493N)
Chartered Accountants

Plot No. 3, 2nd Floor
Local Shopping Complex
B-Block Market
Vivek Vihar, Phase-I
New Delhi-110 095
Dated: May 10, 2018

Sd/-
(Yugal Kishor Malhotra)
Partner
(Membership No. 542048)

BALANCE SHEET

As at March 31, 2018

Particulars	Note	(₹ in Lacs except as stated)	
		As at March 31, 2018	As at March 31, 2017
A. ASSETS			
Non- Current Assets			
Property, plant and equipment	3	96,574.27	99,718.68
Capital work in progress	3	224.92	170.89
Investment property	3	410.62	428.51
Intangible assets	3	111.38	117.85
Financial assets			
Investment	4	427.27	427.27
Loans	5	288.62	325.77
Other financial assets	6	108.78	583.26
Prepayments	7	1,279.64	1,368.33
Other assets	8	2,267.57	3,143.50
Total		1,01,693.07	1,06,284.06
Current Assets			
Inventories	9	2,46,160.88	2,01,864.07
Financial assets			
Investments	4	898.58	1,011.06
Trade receivables	10	24,412.66	23,107.38
Derivative instrument		1.89	-
Cash and cash equivalents	11	3,868.62	266.24
Bank balances other than above	12	3,030.34	40.76
Loans	5	24.94	10.83
Other financial assets	6	1,348.33	2,640.69
Prepayments	7	1,077.36	1,257.77
Other assets	8	975.25	2,081.07
Total		2,81,798.85	2,32,279.87
TOTAL ASSETS		3,83,491.92	3,38,563.93
B. EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	2,353.90	2,353.90
Other equity	14	2,25,576.39	1,84,807.54
Total		2,27,930.29	1,87,161.44
Liabilities			
Non Current Liabilities			
Financial Liabilities			
Borrowings	15	5,195.26	8,732.08
Provisions	16	590.31	485.54
Deferred Tax Liabilities (net)	17	13,202.00	11,377.81
Total		18,987.57	20,595.43
Current liabilities			
Financial Liabilities			
Borrowings	15	1,16,414.55	96,505.18
Trade Payables	18	10,017.94	25,417.11
Other Financial Liabilities	19	3,325.76	4,291.54
Other current liabilities	20	5,196.91	2,898.53
Provisions	16	867.70	948.84
Current Tax Liabilities (Net)		751.20	745.86
Total		1,36,574.06	1,30,807.06
TOTAL EQUITY AND LIABILITIES		3,83,491.92	3,38,563.93
The Accompanying Notes form an integral part of the Financial Statements	1-30		

Annexure to our Report of Date

for and on behalf of the Board of Directors

for **S S A Y & Associates**
Firm Regn.No- 012493N
Chartered Accountants

Sd/-
Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Sd/-
Anil Kumar Mittal
Chairman & Managing Director
DIN-00030100

Sd/-
Yugal Kishor Malhotra
Partner
M.No. 542048

Sd/-
Raman Sapra
Company Secretary
M.No. F9233

Sd/-
Rakesh Mehrotra
Chief Financial Officer
M.No. 84366

Place : Noida, Uttar Pradesh
Date : May 10, 2018

STATEMENT OF PROFIT AND LOSS

For the year ended March 31, 2018

(₹ in Lacs, except as stated)

Particulars	Note	Year Ended March 31, 2018	Year Ended March 31, 2017
INCOME			
Revenue from Operations	21	3,24,644.32	3,14,648.48
Other Income	22	4,006.96	607.00
TOTAL INCOME		3,28,651.28	3,15,255.48
EXPENSES			
Cost of materials consumed	23	2,25,537.23	2,47,091.31
Purchases of stock in trade	24	1,220.95	1,797.10
Changes in inventories of finished goods, work in progress & stock-in-trade	25	(9,862.81)	(26,065.24)
Employee benefits expenses	26	7,502.08	6,989.33
Depreciation and amortisation expenses	3	6,768.28	6,134.94
Finance costs	27	6,922.72	5,481.79
Other expenses	28	22,327.68	19,897.93
TOTAL EXPENSES		2,60,416.13	2,61,327.16
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		68,235.15	53,928.32
Exceptional items		-	-
PROFIT BEFORE TAX		68,235.15	53,928.32
Tax Expense:	29		
Current Tax		20,232.65	11,576.67
Deferred Tax		1,824.19	2,239.27
Total Tax Expense		22,056.84	13,815.94
PROFIT FOR THE YEAR		46,178.31	40,112.38
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		23.98	(128.32)
Income tax relating to Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		(7.14)	44.41
Other Comprehensive Income for the year		16.84	(83.91)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		46,195.15	40,028.47
EARNING PER EQUITY SHARE (Face value of ₹ 1 each)			
Basic (In ₹)		19.62	17.04
Diluted (In ₹)		19.62	17.04
The Accompanying Notes form an integral part of the Financial Statements	1-30		

Annexure to our Report of Date

for and on behalf of the Board of Directors

for **S S A Y & Associates**
Firm Regn.No- 012493N
Chartered Accountants

Sd/-
Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Sd/-
Anil Kumar Mittal
Chairman & Managing Director
DIN-00030100

Sd/-
Yugal Kishor Malhotra
Partner
M.No. 542048

Sd/-
Raman Sapra
Company Secretary
M.No. F9233

Sd/-
Rakesh Mehrotra
Chief Financial Officer
M.No. 84366

Place : Noida, Uttar Pradesh
Date : May 10, 2018

CASH FLOW STATEMENT

For the year ended March 31, 2018

Particulars	(₹ in Lacs except as stated)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax from Continuing Operations	68,235.15	53,928.32
Adjustment for :		
Depreciation & Amortization Expenses	6,768.28	6,134.94
Loss/(Profit) on Sale of Property, Plant & Equipment	4.28	(6.63)
Effect of Exchange Rate Difference	(201.03)	(23.07)
Loss/(Profit) on Sale of Investment	22.44	(227.42)
Interest Expense	6,933.26	4,870.43
Interest Receipt	(1,011.77)	(210.65)
Unwinding of security deposit	(19.87)	(17.90)
Dividend on Investment	(2,604.66)	(39.03)
(Profit)/ Loss on Investment Property	2.09	(36.06)
MTM (Profit)/ Loss on derivatives	(10.54)	611.35
Operating Profit Before Working Capital Changes	78,117.63	64,984.28
Adjustments for Working Capital Changes		
Decrease/(Increase) in Loans	(14.11)	22.80
Decrease/(Increase) in Prepayments	269.10	(573.71)
Decrease/(Increase) in Other Assets	721.37	(216.72)
Decrease/(Increase) in Other financial assets	1,292.36	(1,424.53)
Decrease/(Increase) in Inventories	(44,296.82)	(22,559.31)
Decrease/(Increase) in Trade Receivables	(1,305.28)	(7,412.73)
(Decrease)/Increase in Provisions	71.17	168.71
Increase/(Decrease) in Trade Payable	(15,399.18)	11,189.15
(Decrease)/Increase in Other Financial Liabilities	(951.01)	(3,491.73)
(Decrease)/Increase in Other Current Liabilities	2,298.38	(2,995.73)
Cash Generated From Operations	20,803.61	37,690.48
Income Tax Paid (Net)	(18,966.95)	(11,150.29)
NET CASH FLOW FROM OPERATING ACTIVITIES (TOTAL-A)	1,836.66	26,540.18
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment /Addition of WIP	(3,848.11)	(20,141.09)
Sale of Property, Plant & Equipment/Deduction of WIP	190.30	30.05
Sale proceeds of investments	90.04	38.95
Proceeds / (Investment) in fixed deposits	(2,512.75)	(210.04)
Profit/(Loss) on Investment Property	(2.09)	36.06
Dividend on Investments	2,604.66	39.04
NET CASH GENERATED / (-) USED IN INVESTING ACTIVITIES (TOTAL - B)	(3,477.95)	(20,207.03)
C. CASH FLOW FROM FINANCING ACTIVITIES		
FDR balance transfer on the merger of Radha Raj Ispat Private Limited with KRBL Limited	-	1,026.17
Increase/(Decrease) in Long- Term Loans	(57.03)	(74.94)
Increase/(Decrease) in Long- Term Provisions	104.77	121.42
Prior period items	-	2.55
Increase/(Decrease) in Long- Term Borrowings	(3,536.83)	(11,590.01)
Increase/(Decrease) in Short- Term Borrowings	19,909.38	7,366.38

CASH FLOW STATEMENT

For the year ended March 31, 2018

(₹ in Lacs except as stated)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Effect of Exchange Rate Difference	201.03	23.07
Interest Paid	(6,960.78)	(4,870.43)
Interest Received	1,011.77	210.65
Dividend Paid	(5,428.64)	-
NET CASH FLOW FROM FINANCING ACTIVITIES (TOTAL-C)	5,243.67	(7,785.15)
NET CHANGES IN CASH AND BANK BALANCES (TOTAL A+B+C)	3,602.38	(1,452.00)
Cash & Cash Equivalents-Opening Balance	266.24	1,718.24
Cash & Cash Equivalents-Closing Balance	3,868.62	266.24
CASH & CASH EQUIVALENTS		
Cash in hand	83.64	32.37
Cash with Income Tax Department	50.00	50.00
Balance with Scheduled Bank	3,734.98	183.87
	3,868.62	266.24

Notes.

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
- Figures in Brackets represent outflows.
- Previous year figures have been regrouped / rearranged wherever considered necessary.

Annexure to our Report of Date

for **S S A Y & Associates**
Firm Regn.No- 012493N
Chartered Accountants

Sd/-
Yugal Kishor Malhotra
Partner
M.No. 542048

Place : Noida, Uttar Pradesh
Date : May 10, 2018

for and on behalf of the Board of Directors

Sd/-
Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Sd/-
Raman Sapra
Company Secretary
M.No. F9233

Sd/-
Anil Kumar Mittal
Chairman & Managing Director
DIN-00030100

Sd/-
Rakesh Mehrotra
Chief Financial Officer
M.No. 84366

STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2018

Particulars	Equity share capital	Other Equity					Total other equity	Total equity
		Capital reserve	Capital redemption Reserve	General reserve	Share premium	Retained earnings		
Balance as at April 01, 2016	2,353.90	-	77.22	25,050.48	9,655.04	108,890.42	143,673.16	146,027.06
Profit for the year	-	-	-	-	-	40,112.38	40,112.38	40,112.38
Other Comprehensive Income for the year	-	-	-	-	-	(83.91)	(83.91)	(83.91)
Total Comprehensive Income for the year	-	-	-	-	-	40,028.47	40,028.47	40,028.47
Transferred from Radha Raj Ispat Private Limited pursuant to amalgamation into KRBL Limited	-	-	-	-	-	1,026.17	1,026.17	1,026.17
Transferred to General Reserve	-	-	-	-	-	(6,000.00)	(6,000.00)	(6,000.00)
Transferred from Profit & Loss Appropriations A/c	-	-	-	6,000.00	-	-	6,000.00	6,000.00
Prior Period Items	-	-	-	-	-	(2.55)	(2.55)	(2.55)
Other change during the period	-	82.29	-	-	-	-	82.29	82.29
Balance as at March 31, 2017	2,353.90	82.29	77.22	31,050.48	9,655.04	1,43,942.51	1,84,807.54	1,87,161.44
Balance as at April 01, 2017	2,353.90	82.29	77.22	31,050.48	9,655.04	1,43,942.51	1,84,807.54	1,87,161.44
Profit for the year	-	-	-	-	-	46,178.31	46,178.31	46,178.31
Other Comprehensive Income for the year	-	-	-	-	-	16.84	16.84	16.84
Total Comprehensive Income for the year	-	-	-	-	-	46,195.15	46,195.15	46,195.15
Dividends	-	-	-	-	-	(4,943.19)	(4,943.19)	(4,943.19)
Dividend Distribution Tax	-	-	-	-	-	(483.11)	(483.11)	(483.11)
Transferred to General Reserve	-	-	-	-	-	(6,000.00)	(6,000.00)	(6,000.00)
Transferred from Profit & Loss Appropriations A/c	-	-	-	6,000.00	-	-	6,000.00	6,000.00
Balance as at March 31, 2018	2,353.90	82.29	77.22	37,050.48	9,655.04	1,78,711.36	2,25,576.39	2,27,930.29

Annexure to our Report of Date

for **SSAY & Associates**
Firm Regn.No- 012493N
Chartered Accountants

Sd/-
Yugal Kishor Malhotra
Partner
M.No. 542048

Place : Noida, Uttar Pradesh
Date : May 10, 2018

for and on behalf of the Board of Directors

Sd/-
Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Sd/-
Raman Sapra
Company Secretary
M.No. F9233

Sd/-
Anil Kumar Mittal
Chairman & Managing Director
DIN-00030100

Sd/-
Rakesh Mehrotra
Chief Financial Officer
M.No. 84366

NOTES FORMING PART OF THE FINANCIAL STATEMENT

1 COMPANY INFORMATION

- KRBL Limited (the Company) is a Domestic Public Limited Company and listed on the Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). The Company is World's leading Basmati Rice player with milling capacity of 195 MT per hour. The company has fully integrated operations with involvement in every aspect of Basmati value chain, right from seed development, contact farming, procurement of paddy, storage, processing, packaging, branding and marketing. Among the many brands launched by the company "India Gate" is the flagship brand both in Domestic and International Markets.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

- These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

2.2 Use of Estimates and Judgements

- The preparation of Financial Statements requires management to make certain assumptions and estimates that affect the reported amount, the Financial Statements and Notes thereto. Difference between actual results and estimates are recognized in the period in which they materialize.

2.3 Property, Plant & Equipment including Intangible Assets

- Property, Plant & Equipment are stated at cost of acquisition / installation inclusive of freight, duties, and taxes and all incidental expenses and net of accumulated depreciation. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing costs. All upgradation / enhancements are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

- Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress" and stated at the amount spent upto the date of Balance Sheet.
- Freehold Land is stated at original cost of acquisition.
- Intangible assets are stated at their cost of acquisition.

2.4 Depreciation

- Depreciation on Property, Plant & Equipment has been provided on straight line method, in terms of useful life of the Assets as prescribed in Schedule II to the Companies Act 2013.
- Computer software charges, patent, trademark & design and goodwill are recognized as intangible assets and amortized on straight line method over a period of 10 years except one software which is depreciated in 6 years on straight line method based upon life of servers where it is installed.

2.5 Investment Properties

- Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

2.6 Investments and Other Financial Assets

- **Classification:** The Company classifies its financial assets in the following measurement categories:
 - those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
 - those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

- **Measurement:** At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENT

2.6.1 Investments

- Investments that are readily realizable and are intended to be held for not more than one year at the point of acquisition are classified as "Current Investments". All other Investments are classified as "Non-Current Investments". The Company measures its Current investments at fair value through profit and loss. Non-current investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of non-current investments.

2.7 Dividend to equity shareholders

- Dividend to equity shareholders is recognised as a liability and deducted from shareholders' equity, in the period in which the dividends are approved by the equity shareholders in the general meeting.

2.8 Inventories

- Items of inventories are measured at lower of cost or net realizable value. Raw material on shop floor and work-in process is taken as part of raw material and valued accordingly.
- The cost is calculated on weighted average cost method and it comprises expenditure incurred in normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity. Obsolete, slow moving & defective inventories are identified at the time of physical verification and wherever necessary a provision is made.
- By-products are valued at net realizable value and are deducted from the cost of main product.
- Inventory of Finished Excisable products are valued inclusive of Excise Duty.

2.9 Cash and Cash Equivalent

- Cash and cash equivalents are short-term, highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

2.10 Revenue Recognition and Accounting for Sales & Services

- Revenue from sale of goods is recognised when all the significant risk and rewards of ownership

in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. On recognition of revenue the Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, export sales are adjusted for exchange fluctuations on exports realized during the year and the trade receivable in foreign exchange which are restated at the year end. Domestic sales are recognized net of Sales Return, Discounts, Scheme on Sales, Sales Tax and GST.

- Sale of energy is accounted for on basis of energy supplied. Sale of Certified Emission Reduction (CER) is recognized as income on delivery of CERs to the customer. Sale of Renewable Energy Certificate (REC) is recognized as income on sale of REC on the IEX/PXIL.
- Dividend income is recognised when the right to receive Dividend is established. Revenue and Expenditure are accounted for on going concern basis. Interest Income / Expenditure is recognized using the time proportion method based on the rates implicit in the transaction.
- Revenue in respect of Insurance / others claims, Interest, Commission, etc. is recognised only when it is reasonably certain that the ultimate collection will be made.

2.11 Research and Development

- Revenue expenditure on Research & Development is written off in the year in which it is incurred. Capital Expenditure on Research & Development is included under Property, Plant & Equipment.

2.12 Employee Benefits

- Contributions to defined provident fund are charged to the statement of profit and loss on accrual basis. Present liability for future payment of gratuity and unavailed leave benefits are determined on the basis of actuarial valuation at the balance sheet date and charged to the statement of profit and loss. Gratuity fund is managed by the Kotak Life Insurance.

NOTES FORMING PART OF THE FINANCIAL STATEMENT

2.13 Derivative financial instruments

- Derivative financial instruments such as forward contracts, option contracts and cross currency swaps, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

2.14 Foreign Currency Transactions

- Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.
- Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.
- In respect of Non integral foreign operation - both monetary and non-monetary items are translated at the closing rate and resultant difference is accumulated in foreign currency translation reserve, until the disposal of net investment.
- Non monetary foreign currency item are carried at cost.

2.15 Government Grant

- Grants from the government are recognised when there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Grant received from government towards Property, Plant & Equipment acquired/constructed by the Company is deducted out of gross value of the asset acquired/ constructed and depreciation is charged accordingly.

2.16 Borrowing

- Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

2.17 Borrowing Costs

- Interest and other borrowing costs attributable to qualifying assets are capitalised as a part of such assets till such time the assets are ready for use. Other interest and borrowing costs are charged to Statement of Profit and Loss.

2.18 Income taxes

- The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences. Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences.
- Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively the liability of Company on Account of Income Tax is estimated considering the provisions of Income-Tax Act, 1961.
- Deferred tax is recognized subject to the consideration of prudence on timing differences being the difference between book and tax profits that originate in one year and capable of reversal in one or more subsequent years.

2.19 Leases

i) As a lessee:

- Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company, as lessee, are classified as operating leases. Payments

NOTES FORMING PART OF THE FINANCIAL STATEMENT

made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

ii) As a lessor:

- Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term.

2.20 Provisions, Contingent Liability and Contingent Assets

- The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made. Contingent Assets neither recognised nor disclosed in the Financial Statement.

2.21 Segment Reporting

- Segments are identified based on dominant source and nature of risks and returns and internal financial reporting system to the management. Inter segment revenue are accounted for on the basis of transactions which are primarily market led. Revenue and expenses which relate to enterprises as a whole and are not attributable to segments are included under "Other Unallocable Expenditure Net of Unallocable Income"

2.22 Financial and Management Information System

- An Integrated Accounting System has been put to practice which unifies both Financial Books and Costing Records. The books of account and other records have been designated to facilitate compliance with the relevant provisions of the Companies Act on one hand and provide Internal Financial Reporting System for Planning, Review and Internal Control on the other. The Cost Accounts are designed to adopt Costing Systems appropriate to the business carried out by the Division, with each Division incorporating into its costing system, the basic tenets and principles of Standard Costing, Budgetary Control and Marginal Costing as appropriate.

2.23 Impairment of Financial Asset

- Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

2.24 Impairment of Non-Financial Asset

- The Company assesses at each Balance Sheet date whether there is any indication that an assets may be impaired. If any such Indication exists; the Company estimates the recoverable amount of assets. If such recoverable amount of the assets or the recoverable amount of the cash generating unit to which the assets belong is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of Profit & Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets is reflected at recoverable amount.

2.25 Mergers/Amalgamation

- Mergers / Amalgamations (in the nature of Merger) of other company / body Corporate with the company are accounted for on the basis of purchase method, the Asset / Liabilities being incorporated in terms of values of assets and Liabilities appearing in the books of transferor entity on the date of such merger / amalgamation for the purpose of arriving at the figure of Goodwill or Capital Reserve.

2.26 Standards Issued but not Effective

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2018.

(a) Issue of Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

NOTES FORMING PART OF THE FINANCIAL STATEMENT

(b) Amendment to Existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards:

- i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
- ii. Ind AS 40 - Investment Property
- iii. Ind AS 12 - Income Taxes
- iv. Ind AS 28 - Investments in Associates and Joint Ventures and
- v. Ind AS 112 - Disclosure of Interests in Other Entities

Application of above standards are not expected to have any significant impact on the Company's Financial Statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENT

3A PROPERTY, PLANT AND EQUIPMENT

(₹ in Lacs)							
Particulars	Freehold land	Building	Plant & machinery	Furniture & fixtures	Office Equipment & Others	Vehicles	Total
Gross Block							
Balance at April 01, 2016	4,994.64	13,547.64	95,003.25	1,413.96	378.78	2,756.49	1,18,094.76
Additions	926.69	4,228.33	23,717.44	394.06	82.98	645.50	29,995.00
Disposals/transfer	-	-	(82.13)	(16.30)	(50.52)	(99.95)	(248.90)
Balance as at March 31, 2017	5,921.33	17,775.97	1,18,638.56	1,791.72	411.24	3,302.04	1,47,840.86
Additions	354.60	1,760.52	1,421.60	26.77	44.12	164.79	3,772.40
Disposals/transfer	-	-	(168.68)	-	(1.07)	(100.80)	(270.55)
Balance as at March 31, 2018	6,275.93	19,536.49	1,19,891.48	1,818.49	454.29	3,366.03	1,51,342.71
Accumulated Depreciation							
Balance as at April 01, 2016	-	2,729.84	37,210.67	680.24	227.47	1,409.82	42,258.04
Additions	-	627.81	5,002.52	124.84	42.42	292.04	6,089.63
Disposals/transfer	-	-	(76.20)	(13.77)	(46.16)	(89.37)	(225.50)
Balance as at March 31, 2017	-	3,357.65	42,136.99	791.31	223.73	1,612.49	48,122.17
Additions	-	722.27	5,515.38	129.68	52.41	302.50	6,722.24
Disposals/transfer	-	-	(8.55)	-	(0.70)	(66.72)	(75.97)
Balance as at March 31, 2018	-	4,079.92	47,643.82	920.99	275.44	1,848.27	54,768.44
Net Block							
Balance as at March 31, 2017	5,921.33	14,418.32	76,501.57	1,000.41	187.51	1,689.55	99,718.68
Balance as at March 31, 2018	6,275.93	15,456.56	72,247.66	897.50	178.85	1,517.77	96,574.27

Notes

- None of the Property, Plant & Equipment has been revalued during the year.
- Addition to Property, Plant & Equipment and Capital work-in-progress include net borrowing cost capitalised during the year ₹ Nil (P.Y. ₹ Nil)
- There has been no impairment loss on Assets during the year.
- None of the assets are covered under any group of lease.

3B CAPITAL WORK IN PROGRESS

(₹ in Lacs)	
Particulars	Total
Net book value	
Balance as at April 01, 2016	10,026.41
Balance as at March 31, 2017	170.89
Balance as at March 31, 2018	224.92

3C INVESTMENT PROPERTY

(₹ in Lacs)	
Particulars	Total
Gross Carrying Amount	
Balance at April 01, 2016	520.33
Balance as at March 31, 2017	520.33

NOTES FORMING PART OF THE FINANCIAL STATEMENT

Particulars	(₹ in Lacs)	
		Total
Balance as at March 31, 2018		520.33
Accumulated Depreciation		
Balance as at April 01, 2016		73.93
Additions		17.89
Balance as at March 31, 2017		91.82
Additions		17.89
Balance as at March 31, 2018		109.71
Net book value		
Balance as at March 31, 2017		428.51
Balance as at March 31, 2018		410.62
Fair Value		
As at March 31, 2017		509.95
As at March 31, 2018		490.56

Information regarding income and expenditure of investment property:

Particulars	(₹ in Lacs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Rental income derived from investment properties	30.55	37.04
Less: Direct operating expenses (including repairs and maintenance) generating rental income	32.64	0.98
Profit/(Loss) arising from investment properties before depreciation	(2.09)	36.06
Less: Depreciation	17.89	17.89
Profit/(Loss) arising from investment properties	(19.98)	18.17

Premises given on operating lease:

The Company had given a warehouse in Kandla, Gujarat on cancellable operating lease. During the year a major portion of warehouse is taken under repairs and maintenance since January 2018 and lease rentals stands proportionately reduced.

Estimation of fair value

The fair valuation is based on current prices in the active market for similar properties. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent in Gandhi Dham, Gujarat area.

This valuation is based on valuations performed by an accredited independent valuer. Fair valuation is based on replacement cost method. The fair value measurement is categorised in level 2 fair value hierarchy.

3D INTANGIBLE ASSETS

Particulars			(₹ in Lacs)
	Patents, trademark & design	Computer software	Total
Gross Block			
Balance at April 01, 2016	22.37	245.86	268.23
Additions	-	1.63	1.63
Balance as at March 31, 2017	22.37	247.49	269.86

NOTES FORMING PART OF THE FINANCIAL STATEMENT

Particulars	(₹ in Lacs)		
	Patents, trademark & design	Computer software	Total
Additions	-	21.68	21.68
Balance as at March 31, 2018	22.37	269.17	291.54
Accumulated Amortisation			
Balance as at April 01, 2016	14.25	110.35	124.60
Additions	2.24	25.17	27.41
Balance as at March 31, 2017	16.49	135.52	152.01
Additions	2.24	25.91	28.15
Balance as at March 31, 2018	18.73	161.43	180.16
Net Block			
Balance as at March 31, 2017	5.88	111.97	117.85
Balance as at March 31, 2018	3.64	107.74	111.38

3E DEPRECIATION AND AMORTISATION EXPENSES

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Depreciation on Property Plant & Equipment	6,722.24	6,089.64
Depreciation on Investment Property	17.89	17.89
Amortisation of Intangible Assets	28.15	27.41
Total	6,768.28	6,134.94

4 INVESTMENTS

4A NON CURRENT INVESTMENT

Particulars	Face Value	No. of Shares		Amount (₹ in Lacs)	
		As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Unquoted					
Investment in subsidiaries (At Cost)					
KRBL DMCC (Wholly owned subsidiary)	AED 1000	1,800	1,800	217.27	217.27
K B Exports Private Limited (Partially owned Subsidiary-70% holding)	INR 10	21,00,000	21,00,000	210.00	210.00
Total		21,01,800	21,01,800	427.27	427.27

4B CURRENT INVESTMENT

Particulars	Face Value	No. of Shares / Units		Amount (₹ in Lacs)	
		As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Equity instruments (Quoted)					
Fair value through profit & loss					
NHPC limited	10.00	8,82,712	8,82,712	244.51	284.23
Coal India Limited	10.00	76,437	76,437	216.55	223.69

NOTES FORMING PART OF THE FINANCIAL STATEMENT

Particulars	Face Value	No. of Shares / Units		Amount (₹ in Lacs)	
		As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Power Grid Corporation of India Limited	10.00	1,07,667	1,07,667	208.07	212.43
Shipping Corporation of India Limited	10.00	2,42,265	2,42,265	155.41	185.70
MOIL Limited	10.00	18,923	18,923	74.04	59.37
Total		13,28,004	13,28,004	898.58	965.42
Mutual fund instruments (Unquoted)					
Fair value through profit & loss					
SBI Infrastructure Fund- Regular Plan Growth	10.00	-	2,50,000	-	34.09
SBI Magnum Equity Fund - Regular Plan Dividend	10.00	-	36,127	-	11.55
Total		-	2,86,127	-	45.64
Total Investments		13,28,004	16,14,131	898.58	1,011.06
Aggregate book value of quoted investments				956.67	956.67
Market Value of quoted investments				898.58	965.42
Aggregate book value of unquoted investments				-	45.64

5 LOANS

5A NON CURRENT

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Unsecured- considered good unless otherwise stated		
Security deposit	288.62	325.77
Total	288.62	325.77

This includes Security deposit of ₹ 200.53 Lacs (P.Y. ₹180.66 Lacs) which is receivable from related party.

5B CURRENT

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Loans to employee	24.94	10.83
Total	24.94	10.83

6 OTHERS FINANCIAL ASSETS

6A NON- CURRENT

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Unsecured- considered good unless otherwise stated		
Investment in term deposits (original maturity of more than 12 months)	108.78	583.26
Total	108.78	583.26

NOTES FORMING PART OF THE FINANCIAL STATEMENT

6B CURRENT

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Unsecured- considered good unless otherwise stated		
Income Receivable	1,348.33	2,640.69
Total	1,348.33	2,640.69

7 PRE-PAYMENTS

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Prepaid lease rent	1,360.83	1,442.02
Other prepaid expenses	996.17	1,184.08
Total	2,357.00	2,626.10
7A Non Current	1,279.64	1,368.33
7B Current	1,077.36	1,257.77

8 OTHER ASSETS

8A NON-CURRENT

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Capital advance	174.75	187.65
MAT credit entitlement	-	1,260.37
Balance with statutory authorities	2,092.82	1,695.48
Total	2,267.57	3,143.50

8B CURRENT

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Statutory dues recoverable	689.31	1,230.28
Other Receivable	147.37	28.22
Other loans and advances	138.57	822.57
Total	975.25	2,081.07

9 INVENTORIES

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Raw Materials*	95,761.27	60,988.94
Finished Goods*	1,42,220.92	1,32,358.11
Stores, Spares & Packing Material	8,178.69	8,517.02
Total	2,46,160.88	2,01,864.07

* Raw Material and Finished Goods includes transit stock.

NOTES FORMING PART OF THE FINANCIAL STATEMENT

10 TRADE RECEIVABLES

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, Considered Good	2,292.16	1,048.52
Total (A)	2,292.16	1,048.52
Others		
Secured, Considered Good	-	31.92
Unsecured, Considered Good	22,120.50	22,026.94
Total (B)	22,120.50	22,058.86
Total (A+B)	24,412.66	23,107.38

Debt due from Directors /Firm in which the Directors are interested is ₹ 2.27 Lacs (P.Y. ₹ 102.23 Lacs)

Refer Note No. 30.06 for information about credit risk and market risk.

11 CASH & CASH EQUIVALENTS

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Cash in hand	83.64	32.37
Cash with Income Tax Department	50.00	50.00
Balance with banks		
In Current Accounts	3,734.98	183.87
Total	3,868.62	266.24

12 BANK BALANCES OTHER THAN ABOVE

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Unpaid Dividends- earmarked balances with banks	43.11	40.76
Investments in Term deposits (Deposit with original maturity of more than 3 months but within 12 months from the Balance Sheet date)	2,987.23	-
Total	3,030.34	40.76

13 EQUITY SHARE CAPITAL

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Authorised		
300,000,000 (P.Y. 300,000,000) Ordinary Equity Shares of ₹ 1 each	3,000.00	3,000.00
Total	3,000.00	3,000.00
Issued & Subscribed		
236,244,892 (P.Y. 236,244,892) Ordinary Equity Shares of ₹ 1 each	2,362.45	2,362.45
Total	2,362.45	2,362.45
Paid up		
235,389,892 (P.Y. 235,389,892) Ordinary Equity Shares of ₹ 1 each, Fully Paid up	2,353.90	2,353.90
Total	2,353.90	2,353.90

NOTES FORMING PART OF THE FINANCIAL STATEMENT

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	Amount (₹ in Lacs)	No. of Shares	Amount (₹ in Lacs)
Ordinary Equity Shares outstanding at the beginning of the year	23,53,89,892	2,353.90	23,53,89,892	2,353.90
Ordinary Equity Shares outstanding at the end of the year	23,53,89,892	2,353.90	23,53,89,892	2,353.90

b) Terms/ rights attached to ordinary Equity shares

The Company has only one class of Equity Shares having a face value of ₹1 per share. Each holder of Equity Shares is entitled to have one vote per share. The Company declares dividend in Indian Rupees and pays in INR to Resident Shareholders and in USD to the Foreign Shareholders under FDI Category.

The Board of Directors of the Company in their meeting held on May 10, 2018 had recommended a final dividend @230% i.e. ₹2.30 per equity share of face value of ₹ 1/- each for the year ended March 31, 2018 (P.Y. ₹ 2.10 per share). The same shall be paid subject to the approval of shareholders in the ensuing Annual General Meeting of the Company.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

c) Details of Shareholders holding more than 5% shares in the Company

S. No.	Particulars	As at March 31, 2018		As at March 31, 2017	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Anil Mittal Family Trust*	4,25,45,864	18.07%	100	-
2	Arun Kumar Gupta Family Trust*	4,12,93,714	17.54%	100	-
3	Anoop Kumar Gupta Family Trust*	3,88,49,338	16.50%	100	-
4	Reliance Commodities DMCC	2,29,00,000	9.73%	2,29,00,000	9.73%
5	Anulika Gupta*	100	-	4,12,93,714	17.54%
6	Binita Gupta*	100	-	3,88,49,338	16.50%
7	Anil Kumar Mittal*	100	-	2,14,90,649	9.13%
8	Preeti Mittal*	100	-	1,62,05,515	6.88%

* Due to inter-se promoter group share transfer from Anil Kumar Mittal, Preeti Mittal, Priyanka Mittal & Ashish Mittal to Anil Mittal Family Trust, Anulika Gupta to Arun Kumar Gupta Family Trust and Binita Gupta to Anoop Kumar Gupta Family Trust, the shareholding of Anil Kumar Mittal, Preeti Mittal, Anulika Gupta and Binita Gupta were reduced and hence they were not part of the shareholders holding more than 5% shares in the company as on March 31, 2018. Further due to inter-se promoter group share transfer, the shareholding of Anil Mittal Family Trust, Arun Kumar Gupta Family Trust and Anoop Kumar Gupta Family trust were increased and they became the shareholders holding more than 5% shares in the company as on March 31, 2018.

d) Aggregate number of bonus shares issued, Shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: During the Buy-Back period i.e. March 4, 2013 to February 11, 2014, the Company has Bought Back and Extinguished 77,22,048 Equity Shares at an average price of ₹ 23.58 per share, utilising a sum of ₹ 18.21 Crores (Rupees Eighteen Crores Twenty One Lacs) excluding Transaction Cost. Aggregate number of Bonus shares issued in last 5 years immediately preceding the reporting date is Nil.

NOTES FORMING PART OF THE FINANCIAL STATEMENT

14 OTHER EQUITY

Particulars	(₹ in Lacs)					
	Capital reserve	Capital redemption reserve	General reserve	Share premium	Retained earnings	Total other equity
Balance as at April 01, 2016	-	77.22	25,050.48	9,655.04	1,08,890.42	1,43,673.16
Profit for the year	-	-	-	-	40,112.38	40,112.38
Other Comprehensive Income for the year	-	-	-	-	(83.91)	(83.91)
Total Comprehensive Income for the year	-	-	-	-	40,028.47	40,028.47
Transferred from Radha Raj Ispat Private Limited pursuant to amalgamation into KRBL Limited	-	-	-	-	1,026.17	1,026.17
Transferred to General Reserve	-	-	-	-	(6,000.00)	(6,000.00)
Transferred from Profit & Loss	-	-	6,000.00	-	-	6,000.00
Appropriations A/c	-	-	-	-	-	-
Prior Period Items	-	-	-	-	(2.55)	(2.55)
Other change during the period	82.29	-	-	-	-	82.29
Balance as at March 31, 2017	82.29	77.22	31,050.48	9,655.04	1,43,942.51	1,84,807.54
Balance as at April 01, 2017	82.29	77.22	31,050.48	9,655.04	1,43,942.51	1,84,807.54
Profit for the year	-	-	-	-	46,178.31	46,178.31
Other Comprehensive Income for the year	-	-	-	-	16.84	16.84
Total Comprehensive Income for the year	-	-	-	-	46,195.15	46,195.15
Dividends	-	-	-	-	(4,943.19)	(4,943.19)
Dividend Distribution Tax	-	-	-	-	(483.11)	(483.11)
Transferred to General Reserve	-	-	-	-	(6,000.00)	(6,000.00)
Transferred from Profit & Loss	-	-	6,000.00	-	-	6,000.00
Appropriations A/c	-	-	-	-	-	-
Prior Period Items	-	-	-	-	-	-
Other change during the period	-	-	-	-	-	-
Balance as at March 31, 2018	82.29	77.22	37,050.48	9,655.04	1,78,711.36	2,25,576.39

15 BORROWINGS

15A BORROWINGS (NON CURRENT)

Particulars	(₹ in Lacs)			
	Non Current		Current*	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Secured				
Term Loans- From Banks				
a) ICICI Bank (Bahrain Branch)- ECB#	-	1,354.68	1,361.07	1,354.68
b) State Bank of India#	4,679.61	6,040.00	1,344.00	1,344.00
c) Kotak Mahindra Bank Limited #	-	807.69	-	615.38
d) Kotak Mahindra Bank Limited #	434.79	381.11	163.72	381.11
e) ICICI Bank Limited #	80.86	127.60	46.74	46.74
f) Corporation Bank Limited #	-	21.00	-	28.00
Total	5,195.26	8,732.08	2,915.53	3,769.91

* Refer Note No. 19-Other Financial Liabilities Current maturities of long term debts.

Secured by first pari-passu charge on entire movable and immovable Property, Plant & Equipment of the Company and second pari-passu charge on entire current assets of the Company.

• There is no default in repayment of Principal or Interest thereon.

NOTES FORMING PART OF THE FINANCIAL STATEMENT

S. No.	Type of Secured Loan, Name of Bank & Sanctioned Amount	As at March 31, 2018		As at March 31, 2017	
		Terms of Repayment	Rate of Interest	Terms of Repayment	Rate of Interest
a)	ECB Loan from ICICI Bank (Bahrain) Branch (Sanctioned Amount US\$ 12.51 Million i.e. ₹77.47 Crores)	₹ 2,784.32 lacs was prepaid on 2-3-2017 after that annual repayment schedule has been modified and reset for Repayable in 4 semi annual installments of US \$ 10.65 Lacs (₹ 659.72 Lacs) each, starting from August 2017 and maturing on February 2019 i.e. Balancing period of 1 years from Balance Sheet Date. Loan amount has been restated as on March 31, 2018 with USD INR Exchange rate as at closing date	Interest to be paid on half yearly basis. Effective Interest rate is 6 Months LIBOR plus 335 Basis Points	₹ 2,784.32 lacs was prepaid on 2-3-2017 after that annual repayment schedule has been modified and reset for Repayable in 4 semi annual installments of US \$ 10.65 Lacs (₹ 659.72 Lacs) each, starting from August 2017 and maturing on February 2019 i.e. Balancing period of 2 years from Balance Sheet Date. Loan amount has been restated as on March 31, 2017 with USD INR Exchange rate as at closing date	Interest to be paid on half yearly basis. Effective Interest rate is 6 Months LIBOR plus 335 Basis Points
b)	Term Loan from State Bank of India (Sanctioned Amount ₹ 94 Crores)	Repayable in 28 quarterly installments of ₹ 336 Lacs each, starting from December 2015 and maturing on September 2022 i.e. Balancing period of 5 years and 6 Months from Balance Sheet Date	Interest has been reset to be paid on monthly basis @ prevailing MCLR +0.25% p.a.	Repayable in 28 quarterly installments of ₹ 336 Lacs each, starting from December 2015 and maturing on September 2022 i.e. Balancing period of 5 years and 6 Months from Balance Sheet Date	Interest has been reset to be paid on monthly basis @ prevailing MCLR +0.25% p.a.
c)	Kotak Mahindra Bank Limited (Sanctioned Amount ₹ 40 Crores)	-	-	Loan of ₹ 1500 lac has been prepaid on 1-3-2017 and balance Loan amount will be pre-paid in the month of April 2017	Interest to be paid on monthly basis at Base Rate
d)	Kotak Mahindra Bank Limited (Sanctioned Amount ₹ 7.63 Crores)	Repayable in 8 quarterly installments of ₹ 95.27 Lacs each, starting from June 2017 and maturing on December 2019 i.e. Balancing period of 1 years and 9 months from Balance Sheet Date	Interest to be paid on monthly basis @ 6 months MCLR + 0.95% p.a.	Repayable in 8 quarterly installments of ₹ 95.27 Lacs each, starting from June 2017 and maturing on December 2019 i.e. Balancing period of 2 years from Balance Sheet Date	Interest to be paid on monthly basis @ 6 months MCLR + 0.95% p.a.
e)	Term Loan from ICICI Bank Limited (Sanctioned Amount ₹ 4 Crores)	Repayable in 20 quarterly installments of ₹ 29.06 Lacs each starting from December 2013 and maturing on September 2018 i.e. Balancing period of 6 Months from Balance Sheet Date	Interest to be paid on Monthly basis @ 6 months MCLR + 1.20% p.a.	Repayable in 20 quarterly installments of ₹ 29.06 Lacs each starting from December 2013 and maturing on September 2018 i.e. Balancing period of 1 years and 6 Months from Balance Sheet Date	Interest to be paid Monthly@ Bank Base Rate Plus 0.50% p.a.
f)	Term Loan from Corporation Bank Limited (Sanctioned Amount ₹ 1.68 Crores)	-	-	Repayable in 24 quarterly installments of ₹ 7.00 Lacs each starting from April 2013 and maturing on December 2018 i.e. Balancing period of 1 years and 9 Months from Balance Sheet Date.	Interest to be paid Monthly@ Bank Base Rate Plus 0.50% p.a.

NOTES FORMING PART OF THE FINANCIAL STATEMENT

15B SHORT TERM BORROWINGS

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Secured#		
i) Loans repayable on demand		
- From banks	96,543.89	70,973.92
Total (A)	96,543.89	70,973.92
Unsecured		
i) Loans repayable on demand		
- From banks	15,000.00	-
- From others (Commercial Paper)	-	20,000.00
ii) Loans and advances from related party	4,870.66	5,531.26
Total (B)	19,870.66	25,531.26
Total (A+B)	1,16,414.55	96,505.18

Working capital facilities (fund based & non fund based limits) are secured by first pari-passu charge on the entire current assets of the Company. These facilities are further secured by the second pari-passu charge on entire moveable & immoveable Property, Plant & Equipment of the Company and personal guarantee of Promoter Directors of the Company.

• There is no default in repayment of Principal or Interest thereon.

16 PROVISIONS

16A NON CURRENT

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Provisions for employee benefits		
Leave encashment payable	590.31	485.54
Total	590.31	485.54

16B CURRENT

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Employee benefits		
Bonus & incentives payable	280.11	316.17
Gratuity payable	149.82	227.28
Salary & wages payable	402.46	356.06
Directors remuneration payable	35.31	18.35
Others		
Provision for Excise Duty	-	30.98
Total	867.70	948.84

NOTES FORMING PART OF THE FINANCIAL STATEMENT

17 DEFERRED TAX LIABILITIES (NET)

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred Tax Liabilities		
Property, Plant & Equipment and Intangible Assets	14,420.54	12,838.63
Investments	-	6.56
Borrowings	8.53	18.60
Total Deferred Tax Liabilities (A)	14,429.07	12,863.79
Deferred Tax Assets		
Employee Benefits	(192.56)	(178.87)
Investments	(20.10)	-
Others	(1,014.41)	(1,307.11)
Total Deferred Tax Assets (B)	(1,227.07)	(1,485.98)
Deferred Tax Liabilities (net) (A-B)	13,202.00	11,377.81

Significant components of Net Deferred Tax Assets and Liabilities for the year ended March 31, 2018, are as follows:

Particulars	Opening Balance	Recognised in Profit and Loss	Closing Balance
Deferred Tax (Assets)/Liabilities in relation to :			
Property, Plant & Equipment and Intangible Assets	12,838.62	1,581.92	14,420.54
Provision for employee benefits	(178.87)	(13.69)	(192.56)
Receivables and other financial assets	(19.31)	(31.50)	(50.81)
MAT credit entitlement	(1,284.81)	321.21	(963.60)
Derivative instrument	(2.99)	2.99	-
Unrealised gain on securities carried at fair value through Statement of Profit and Loss	6.56	(26.67)	(20.10)
Borrowings	18.60	(10.07)	8.53
Net Deferred Tax (Assets)/Liabilities	11,377.81	1,824.19	13,202.00

Significant components of Net Deferred Tax Assets and Liabilities for the year ended March 31, 2017, are as follows:

Particulars	Opening Balance	Recognised in Profit and Loss	Closing Balance
Deferred Tax (Assets)/Liabilities in relation to :			
Property, Plant & Equipment and Intangible Assets	10,742.05	2,096.57	12,838.62
Provision for employee benefits	(40.69)	(138.18)	(178.87)
Receivables and other financial assets	(1,539.40)	1,520.09	(19.31)
MAT credit entitlement	-	(1,284.81)	(1,284.81)
Derivative instrument	208.60	(211.59)	(2.99)
Unrealised gain on securities carried at fair value through Statement of Profit and Loss	31.59	(25.02)	6.56
Borrowings	(263.61)	282.21	18.60
Net Deferred Tax (Assets)/Liabilities	9,138.54	2,239.27	11,377.81

NOTES FORMING PART OF THE FINANCIAL STATEMENT

18 TRADE PAYABLES

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Trade payables	9,961.07	25,361.54
Other payables	56.87	55.57
Total	10,017.94	25,417.11

* Based on information available with the company there are no overdue amount payable to Micro, Small and Medium Enterprises, as defined in The Micro, Small and Medium Enterprises Development Act, 2006. This has been determined to the extent such parties have been identified on the basis of information available with the Company which has been relied upon by the Auditors.

19 OTHER FINANCIAL LIABILITIES

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Current maturities of long-term debts (Refer to Note No. 15A)	2,915.53	3,769.92
Interest accrued but not due on borrowings	163.70	191.23
Unpaid dividend#	43.11	40.76
Security received	180.52	266.37
Payable to employees (Target, Schemes and Other payables)	22.90	14.62
Derivative instrument	-	8.64
Total	3,325.76	4,291.54

There are no amount due & outstanding to be credited to the Investor Education & Protection Fund.

20 OTHER CURRENT LIABILITIES

Particulars	(₹ in Lacs)	
	As at March 31, 2018	As at March 31, 2017
Advance from customers	332.31	1,255.94
Other payables		
Statutory dues payable	663.71	301.05
Expenses payable	4,200.89	1,341.54
Total	5,196.91	2,898.53

21 REVENUE FROM OPERATIONS

Particulars	(₹ in Lacs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Sale of Products (including excise duty)		
Rice- Export	1,29,990.51	1,08,180.20
Rice- Domestic	1,66,703.53	1,82,185.73
Electricity Generation (Including CERs Sale)- Domestic	12,370.83	9,799.45
Bran Oil- Domestic	3,615.78	3,841.60
Furfural- Export	-	961.71
Furfural- Domestic	917.37	600.79
Furfuryl Alcohol- Domestic	2,887.04	138.62
Rice Bran- Domestic	1,666.25	2,767.08
Glucose- Domestic	655.79	346.90
Quinoa- Export	290.13	60.50
Quinoa- Domestic	189.57	0.30
D Oil Cake- Domestic	2,332.81	3,401.73
Sale of Traded Products		
Seed- Domestic	1,958.26	1,826.95
By Products, Scrap & Others	1,066.45	536.92
Total	3,24,644.32	3,14,648.48

NOTES FORMING PART OF THE FINANCIAL STATEMENT

22 OTHER INCOME

Particulars	(₹ in Lacs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Warehouse income	30.55	37.04
Net gain on fair valuation of investments through profit and loss	(22.44)	227.42
Interest income	1,031.64	228.55
Dividend income	34.57	39.03
Dividend from Subsidiary Company	2,570.09	-
Foreign exchange gain	201.03	23.07
Other non operating income	161.52	51.89
Total	4,006.96	607.00

23 COST OF MATERIALS CONSUMED

Particulars	(₹ in Lacs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Paddy	1,47,195.95	1,26,305.16
Rice	62,505.76	1,05,210.03
Others	15,752.68	15,431.23
Excise Duty	82.84	144.89
Total	2,25,537.23	2,47,091.31

24 PURCHASE OF TRADED GOODS

Particulars	(₹ in Lacs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Seeds	1,220.95	1,797.10
Total	1,220.95	1,797.10

25 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS & STOCK-IN-TRADE

Particulars	(₹ in Lacs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Opening Inventories		
Rice	1,30,281.95	1,04,694.73
Seeds	1,578.98	1,177.30
Others	497.18	420.84
Total (A)	1,32,358.11	1,06,292.87
Closing Inventories		
Rice	1,39,977.82	130,281.95
Seeds	1,412.68	1,578.98
Others	830.42	497.18
Total (B)	1,42,220.92	1,32,358.11
Total (A-B)	(9,862.81)	(26,065.24)

26 EMPLOYEE BENEFITS EXPENSE

Particulars	(₹ in Lacs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Salaries and Wages, Bonus etc.	6,763.43	6,482.88
Contribution to provident and other funds	432.98	355.00
Gratuity	173.80	96.41
Staff Welfare expenses	131.87	55.04
Total	7,502.08	6,989.33

NOTES FORMING PART OF THE FINANCIAL STATEMENT

27 FINANCE COSTS

Particulars	(₹ in Lacs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Interest Expense		
On term loans	918.52	2,225.40
On others	4,029.32	4,013.47
Total (A)	4,947.84	6,238.87
Bank charges	147.11	175.71
Net (Gain)/Loss on foreign currency transactions & translations	1,827.77	(932.79)
Total (B)	1,974.88	(757.08)
Total (A+B)	6,922.72	5,481.79

28 OTHER EXPENSES

Particulars	(₹ in Lacs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Power & Fuel	962.38	1,021.24
Consumption of Stores and Spares	1,246.53	754.72
Repairs & Maintenance		
Machinery	1,938.02	1,844.99
Buildings	267.22	242.00
Others	82.71	116.11
Land, Warehouse and Godown Rent	927.43	940.98
Fumigation	493.05	463.14
Rice Sorting Charges-Job Work	10.43	250.27
Freight and Cartage	1,582.23	1,582.19
Travelling and Conveyance	354.56	440.21
Postage, Telegram and Telephone	83.04	98.32
Rent Office and Others	175.15	190.54
Legal and Professional [Refer note (a) below]	404.39	273.65
Fees, Rates and Taxes	290.13	64.09
Vehicle Running, Repairs & Maintenance	211.53	233.83
Insurance	255.60	202.61
Printing and Stationery	76.56	72.94
Testing and Inspection	187.32	101.33
Charity and Donation	21.53	35.24
Contribution to Political Parties (Refer Note No. 30.23)	-	30.00
Freight on Sales	4,645.54	4,149.47
Clearing and Forwarding	1,488.71	1,112.32
Sales and Business Promotion	94.00	134.74
Advertisement	4,086.77	3,786.25
Meeting and Seminar	248.55	262.00
Commission and Brokerage	761.36	729.69
Taxes on sales	693.56	256.42
Corporate Social Responsibility expenses	322.27	208.31
Lease rentals	81.19	73.69
Other Miscellaneous Expenses	335.92	226.63
Total	22,327.68	19,897.93

NOTES FORMING PART OF THE FINANCIAL STATEMENT

(a) Legal and Professional Charges includes:

Particulars	(₹ in Lacs)	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Payment to Auditors		
For audit	21.00	27.42
For tax audit	3.75	2.88
For taxation and certification work	-	1.73
Payment to Cost Auditors		
For audit	0.59	0.58
Reimbursement of out of pocket expenses	0.10	0.06

29 RECONCILIATION OF TAX EXPENSE TO BE MADE IN BOOKS:

Reconciliation of effective tax rate

The reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows:

Particulars	Year Ended	
	March 31, 2018	March 31, 2017
Statutory income tax rate	34.61%	34.61%
Differences due to		
Depreciation deductible for tax purposes	(0.31%)	(8.53%)
Expenses deductible due to investment incentives	(4.37%)	(3.42%)
Expenses deductible for tax purpose for investment in New Plant & Machinery	-	(1.58%)
Effect of Deferred Tax & MAT Credit entitlement	2.67%	4.16%
Others	(0.28%)	0.38%
Effective Tax Rate	32.32%	25.62%

30 OTHER NOTES FORMING PART OF THE FINANCIAL STATEMENTS

30.01 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND-AS) 19:- EMPLOYEE BENEFITS DEFINED BENEFIT PLANS:

(a) Following information are based on report of Actuary:

S. No	Amount recognised as expense in respect of defined benefit plans:	(₹ in Lacs)	
		March 31, 2018	March 31, 2017
1	Gratuity (Funded)	149.82	224.73
2	Leave Encashment (unfunded)	138.69	142.57

(b) The Company has classified the various benefits provided to employees as under:

Gratuity: The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

Leave Encashment: The Company provides for Leave Encashment for during the year on an arithmetical basis and the same is payable to the employees on separation from the Company due to death, retirement, superannuation or resignation. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the Balance Sheet date.

NOTES FORMING PART OF THE FINANCIAL STATEMENT

Provident Fund: Retirement benefit in the form of provident fund is a defined contribution scheme. All the employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and the Company contribute monthly at a stipulated rate. Contributions are made to PF in India for employees at the rate of 12% of the basic salary as per the rules and regulations. The Company has no liability for future provident fund benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. The contributions are made to recognised provident fund administered by the government.

(c) The assumptions used for the actuarial valuation are as under:

S. No	Defined benefit plans:	March 31, 2018		March 31, 2017	
		Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Actuarial Assumptions					
1	Discount rate	7.87%	7.87%	7.71%	7.71%
2	Expected rate of return on plan assets	7.87%	NA	7.71%	NA
3	Mortality Rate during employment	Indian Assured Lives Mortality (2006-2008)	Indian Assured Lives Mortality (2006-2008)	Indian Assured Lives Mortality (2006-2008)	Indian Assured Lives Mortality (2006-2008)
4	Expected rate of increase in compensation levels	Ultimate 6.00%	Ultimate 6.00%	Ultimate 6.00%	Ultimate 6.00%

Significant estimates with respect to Defined benefit plans:

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in India.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increase and gratuity increase are based on expected future inflation rates in India.

(d) The following tables summarise the components of net benefit expense recognized in the statement of profit or loss and the funded status and amounts recognized in the balance sheet for the respective plans:

S. No.	Defined benefit plans:-	March 31, 2018		March 31, 2017	
		Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
(₹ in Lacs)					
1	Change in Present Value of Projected benefit Obligation				
	Defined Benefit at the beginning of the period	883.02	485.54	621.34	364.12
	Current Service Cost	110.30	54.15	82.55	38.95

NOTES FORMING PART OF THE FINANCIAL STATEMENT

(₹ in Lacs)					
S. No.	Defined benefit plans:-	March 31, 2018		March 31, 2017	
		Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
	Past Service Cost	45.98			
	Interest cost	68.08	37.44	49.40	28.95
	Benefits paid	(45.03)	(33.90)	(23.77)	(21.15)
	Remeasurements-actuarial gain/loss -due to change financial assumptions	(20.17)	(11.35)	80.76	43.02
	Remeasurements-actuarial gain/loss -due to experience	(17.03)	58.45	72.74	31.65
	Present Value of Benefit Obligation at the end of the period	1,025.15	590.33	883.02	485.54
2	Change in fair Value of Plan assets				
	Fair value of plan assets at the beginning of the period	655.74	-	447.03	-
	Expected return on plan assets	50.56	-	35.54	-
	Employee Contribution made	227.28	-	171.76	-
	Benefits paid	(45.03)	-	(23.77)	-
	Return on plan assets, excluding interest income	(13.22)	-	25.18	-
	Fair value of plan assets at the end of the period	875.33	-	655.74	-
3	Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets				
	Present Value of funded/ (unfunded) obligation as at the end of the period	1,025.15	590.33	883.02	485.54
	Fair Value of Plan Assets as at the end of the period	(875.33)	-	(655.74)	-
	Funded Status	149.82	590.33	227.28	485.54
	Net Liability/Asset recognised in the Balance Sheet	149.82	590.33	227.28	485.54
4	Expenses Recognized in Statement of profit or loss				
	Current Service Cost	110.30	54.15	82.55	38.95
	Interest expense/ (income) (net)	17.52	37.44	13.86	28.95
	Past Service Cost	45.98	-	-	-
	Actuarial (Gains)/Losses	-	47.10	-	74.67
	Expected return on plan assets	-	-	-	-
	Expense at the end of the period	173.80	138.69	96.41	142.57
5	Recognized in other Comprehensive income				
	Remeasurements-actuarial gain/loss on obligation for the period	(37.20)	-	153.50	-
	Return on plan assets, excluding interest income	13.22	-	(25.18)	-
	Expense at the end of the period	(23.98)	-	128.32	-
6	The major category of plan assets as a percentage of total plan				
	Leave Encashment: Unfunded	-	590.33	-	485.54

NOTES FORMING PART OF THE FINANCIAL STATEMENT

S. No.	Defined benefit plans:-	(₹ in Lacs)			
		March 31, 2018		March 31, 2017	
		Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
	Gratuity: Government of India Assets	-	-	-	-
	Cash cash equivalents	-	-	-	-
	Corporate bonds	-	-	-	-
	Insurance Fund	875.33	-	655.74	-
	Other	-	-	-	-
	Total	875.33	590.33	655.74	485.54

(e) Maturity Analysis of projected benefit obligation from the fund:

Projected benefits payable in the future years from the date of reporting	(₹ in Lacs)	
	Gratuity (Funded)	Gratuity (Funded)
	March 31, 2018	March 31, 2017
1 year	150.47	73.42
2 to 5 years	117.32	101.92
6 to 10 years	243.41	223.68

(f) Prescribed contribution for Next Year (12 Months): ₹316.99 Lacs

(g) Sensitivity analysis:

Particulars	(₹ in Lacs)			
	Gratuity (Funded)		Gratuity (Funded)	
	March 31, 2018		March 31, 2017	
	Change in assumptions	Effect on Gratuity obligation	Change in assumptions	Effect on Gratuity obligation
Discount rate	1% increase	(113.15)	1% increase	(105.02)
	1% decrease	136.89	1% decrease	127.44
Future salary increase	1% increase	130.88	1% increase	128.38
	1% decrease	(110.70)	1% decrease	(107.48)
Employee turnover rate	1% increase	26.05	1% increase	20.02
	1% decrease	(30.22)	1% decrease	(23.40)

30.02 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 17:- LEASES

1 OPERATING LEASE COMMITMENTS-COMPANY AS LESSEE

Future minimum rentals payable under non-cancellable operating leases as at March 31st are, as follows:

Particulars	(₹ in Lacs)	
	March 31, 2018	March 31, 2017
- Not later than one year	856.78	821.88
- Later than one year but not later than five years	1,942.18	2,680.31
- Later than five years	576.67	576.67
Lease payment recognised in the Statement of Profit and Loss for non-cancellable operating lease	863.82	824.66

NOTES FORMING PART OF THE FINANCIAL STATEMENT

Significant Leasing arrangement:

The Company has entered into leasing arrangements in respect of godowns/premises. Further, some lands are also taken on lease for power generation projects at different locations which has been classified as operating lease.

- **Basis of determining contingent rent:**

- Contingent rents are payable for excessive, improper or unauthorized use of the assets, beyond the terms of the lease agreement, prejudicially affecting the resale value of the asset, either by way of increase in lease rentals or by way of lump- sum amount, as agreed between the parties.

- **Renewal/purchase options & escalation clauses:**

- Lease agreements are renewable for further period or periods on terms and conditions mutually agreed between the parties. Variations in lease rentals are made in the event of a change in the basis of computation of lease rentals by the lessor.

- **There are no restrictions imposed by the lease arrangements, concerning dividend and additional debt.**

2 OPERATING LEASE COMMITMENTS-COMPANY AS LESSOR

Future minimum rentals receivable under non-cancellable operating leases as at March 31st are, as follows:

Particulars	(₹ in Lacs)	
	March 31, 2018	March 31, 2017
- Not later than one year	9.00	37.04
- Later than one year but not later than five years	-	-
- Later than five years	-	-
Lease receipts recognised in the Statement of Profit and Loss for non-cancellable operating lease	30.55	37.04

Note: During the year a major portion of warehouse is taken under repairs and maintenance since January 2018 and lease rentals stands proportionately reduced.

30.03 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 37:- PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

CONTINGENCIES AND CAPITAL COMMITMENTS (to the extent not provided for) :

1 Contingencies:

Particulars	(₹ in Lacs)	
	March 31, 2018	March 31, 2017
Claims against the Company not acknowledged as debts		
(a) Liability relating to Bank Guarantee	579.16	14.85
(b) Disputed liability relating to Sales Tax/VAT	12.59	3.12
- Amount paid against disputed Sales Tax/VAT appeal ₹ 11.29 Lacs (March 31, 2017- ₹ 2.20 Lacs)		
(c) Disputed purchase tax liability under Punjab Vat Act, 2005, including any modification/amendment thereto, on paddy purchased in the course of exports*	905.49	905.49

NOTES FORMING PART OF THE FINANCIAL STATEMENT

Particulars	(₹ in Lacs)	
	March 31, 2018	March 31, 2017
- Amount paid against disputed purchase tax liability under appeal ₹ Nil (March 31, 2017- ₹ 226.37 Lacs)		
(d) Disputed Liability in respect of additional demand of purchase tax on paddy**	1,381.96	1,952.90
- Amount paid against disputed purchase tax liability under appeal ₹ 641.43 Lacs (March 31, 2017- ₹ 641.43 Lacs)		
(e) Others***	132.19	29.29
- Amount paid against other disputed liabilities is ₹ 5.30 Lacs (March 31, 2017- ₹ 5.30 Lacs)		
Total	3,011.39	2,905.65

Note:

* The matter was decided in favour of the company by the Hon'ble VAT Tribunal, Punjab and the amount paid against this liability (₹ 226.37 Lacs) was refunded to the company on May 15, 2017. However, Punjab VAT Department has gone into appeal with the Hon'ble High Court of Punjab and Haryana against the said order of VAT Tribunal.

** The appeal are pending before Hon'ble VAT Tribunal, Punjab. As per the legal opinion the demand created by VAT department is arbitrary and the matter will be decided in favour of company.

*** This includes two disputed liabilities during the year March 31, 2018, for United States of America (USA) & United Arab Emirates (UAE) which are converted into INR on the exchange rate as at March 31, 2018.

2 Capital Commitments:

Particulars	(₹ in Lacs)	
	March 31, 2018	March 31, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	605.13	145.01

30.04 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 24: RELATED PARTY DISCLOSURES NATURE OF RELATIONSHIP AND TRANSACTION WITH RELATED PARTIES:

1 Related Parties and their Relationship:

- a) Subsidiary Company**
- : KRBL DMCC
 - : K B Exports Private Limited
- b) Key Management Personnel:**
- Mr. Anil Kumar Mittal : Chairman & Managing Director
 - Mr. Arun Kumar Gupta : Joint Managing Director
 - Mr. Anoop Kumar Gupta : Joint Managing Director
 - Ms. Priyanka Mittal : Whole Time Director
 - Mr. Ashok Chand : Whole Time Director
 - Mr. Rakesh Mehrotra : Chief Financial Officer
 - Mr. Raman Sapra : Company Secretary
- c) Independent Non-Executive Directors:**
- Mr. Vinod Ahuja : Independent Non Executive Director

NOTES FORMING PART OF THE FINANCIAL STATEMENT

Mr. Ashwani Dua	:	Independent Non Executive Director
Mr. Shyam Arora	:	Independent Non Executive Director
Mr. Devendra Kumar Aggawal	:	Independent Non Executive Director
Mr. Alok Sabharwal	:	Independent Non Executive Director

d) Employee benefit plans where there is significant influence:

KRBL Limited Employees Group Gratuity Trust

e) Relatives of Key Management Personnel:

Mrs. Preeti Mittal	:	Wife of Mr. Anil Kumar Mittal
Mrs. Anulika Gupta	:	Wife of Mr. Arun Kumar Gupta
Mrs. Binita Gupta	:	Wife of Mr. Anoop Kumar Gupta
Mr. Ashish Mittal	:	Son of Mr. Anil Kumar Mittal
Mrs. Sonali Mittal	:	Wife of Mr. Ashish Mittal
Mrs. Neha Singh	:	Daughter of Mr. Arun Kumar Gupta
Mr. Kunal Gupta	:	Son of Mr. Arun Kumar Gupta
Mrs. Avantika Gupta	:	Wife of Mr. Kunal Gupta
Mrs. Rashi Gupta	:	Daughter of Mr. Anoop Kumar Gupta
Mr. Akshay Gupta	:	Son of Mr. Anoop Kumar Gupta
Mrs. Anushree Gupta	:	Wife of Mr. Akshay Gupta
Mr. Ayush Gupta	:	Son of Mr. Anoop Kumar Gupta
Mrs. Sanchi Gupta	:	Wife of Mr. Ayush Gupta
Anil Kumar Mittal HUF	:	Mr. Anil Kumar Mittal is Karta of HUF
Arun Kumar Gupta HUF	:	Mr. Arun Kumar Gupta is Karta of HUF
Anoop Kumar Gupta HUF	:	Mr. Anoop Kumar Gupta is Karta of HUF

f) Enterprises over which key management personnel are able to exercise significant influence:

Khushi Ram Behari Lal	:	Partnership Firm in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Partners.
Aakash Hospitality Pvt. Ltd.	:	Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
Anurup Exports Pvt. Ltd.	:	Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
Adwet Warehousing Pvt. Ltd.	:	Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
K B Exports Pvt. Ltd.	:	Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.

NOTES FORMING PART OF THE FINANCIAL STATEMENT

Holistic Farms Pvt. Ltd.	:	Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
India Gate Foods Pvt. Ltd.	:	Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta, Ms. Priyanka Mittal and Mr. Kunal Gupta and Mr. Ashish Mittal are Directors.
KRBL Foods Ltd.	:	Public Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta, Mrs. Preeti Mittal, Mrs. Anulika Gupta & Mrs. Binita Gupta are Directors.
Radha Raj Logistics Pvt. Ltd.	:	Private Limited Company in which Mr. Anil K. Mittal, Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
Radha Raj Infrastructure Pvt. Ltd.	:	Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta, Mr. Anoop K. Gupta, Mr. Ashwani Dua, Mr. Manav Dua and Mr. Balbir Kapoor are Directors.
Padmahasta Warehousing Pvt. Ltd.	:	Private Limited Company in Which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
KRBL Infrastructure Ltd.	:	Public Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta, Mrs. Preeti Mittal, Mrs. Anulika Gupta & Mrs. Binita Gupta are Directors.
Radha Raj IT City & Parks Pvt. Ltd.	:	Private Limited Company in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Directors.
Solid Infradevelopers Pvt. Ltd.	:	Private Limited Company in which Mr. Anil K. Mittal, Arun K. Gupta & Mr. Anoop K. Gupta and Mr. Sanjeev Gupta are Directors.
g) Trust/Society over which key management personnel are able to exercise significant influence :		
Seth Banwari Lal Charitable Trust	:	Trust in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Trustees.
Seth Khushi Ram Charitable Trust	:	Trust in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Trustees.
Seth Banwari Lal Education Society	:	Society in which Mr. Anil K. Mittal, Mr. Arun K. Gupta & Mr. Anoop K. Gupta are Trustees.
Anil Kumar Mittal Children Welfare Trust	:	Trust in which Mr. Arun K. Gupta & Mr. Anoop K. Gupta are trustees.
Arun Kumar Gupta Children Welfare Trust	:	Trust in which Mr. Anil K. Mittal & Mr. Anoop K. Gupta are trustees.
Anoop Kumar Gupta Children Welfare Trust	:	Trust in which Mr. Anil K. Mittal & Mr. Arun K. Gupta are trustees.
Anil Mittal Family Trust	:	Trust in which Mr. Anil K. Mittal and Mrs. Preeti Mittal are trustees.
Anoop Kumar Gupta Family Trust	:	Trust in which Mr. Anoop K. Gupta, Mr. Akshay Gupta and Mr. Ayush Gupta are trustees.
Arun Kumar Gupta Family Trust	:	Trust in which Mr. Arun K. Gupta and Mr. Kunal Gupta are trustees.
Anulika Gupta Family Trust	:	Trust in which Mr. Arun K. Gupta and Mrs. Anulika Gupta are trustees.
Binita Gupta Family Trust	:	Trust in which Mr. Anoop K. Gupta and Mrs. Binita Gupta are trustees.
Ashish Mittal Family Trust	:	Trust in which Mr. Anil K. Mittal, Mrs. Preeti Mittal and Mr. Ashish Mittal are trustees.

NOTES FORMING PART OF THE FINANCIAL STATEMENT

2 TRANSACTIONS WITH RELATED PARTIES :

a) Related Party Transactions entered during the year:

(₹ in Lacs)

Particulars	Enterprises trusts over which significant influence exercised by key management personnel		Subsidiary Company		Key Managerial Persons		Other Related Parties		Total	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Purchase of goods	2.65	2.90	-	-	-	-	-	-	2.65
Sale of goods	742.14	731.68	50.79	88.19	-	-	-	-	792.93	819.87
Arrangement Fees Paid	-	-	45.64	5.25	-	-	-	-	45.64	5.25
Rent/Vehicle Hire Charges paid	747.60	742.63	-	-	12.28	10.98	43.20	30.90	803.08	784.51
Dividend paid	2,576.47	-	-	-	330.77	-	-	-	2,907.24	-
Dividend received	-	-	2,570.09	-	-	-	-	-	2,570.09	-
Interest Paid	22.70	98.54	-	-	-	-	-	-	22.70	98.54
Discount Allowed	51.05	-	-	-	-	-	-	-	51.05	-
Loans Taken	-	-	-	-	3,044.40	4,255.00	-	-	3,044.40	4,255.00
Remuneration on A/c of Salary & Perquisites	-	-	-	-	460.11	509.82	72.00	49.58	532.11	559.41

b) Balance Outstanding at the end of the Financial Year:

(₹ in Lacs)

Particulars	Enterprises trusts over which significant influence exercised by key management personnel		Subsidiary Company		Key Managerial Persons		Other Related Parties		Total	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Receivable/ (Payable) on account of goods sale/services rendered/received	(239.54)	(859.50)	2.28	102.23	-	-	-	-	(237.26)
Receivable on account of Security deposit/Prepaid Lease	971.00	971.00	-	-	-	-	-	-	971.00	971.00
Payable on account of Loans Taken	-	-	-	-	4,870.66	5,531.26	-	-	4,870.66	5,531.26

NOTES FORMING PART OF THE FINANCIAL STATEMENT

c) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those prevailing in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which related party operates. Outstanding balances at the year-end are unsecured. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties.

d) Transactions with key management personnel

The Company has taken an interest free loan from directors of the company and is repayable on demand (Refer Note no. 15B)

30.05 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 108:- OPERATING SEGMENTS

Segmental Reporting:

For management purposes, the Company is organized into business units based on its products and services and has two reportable segments, as follows:

- Agri - Comprises of agricultural commodities such as rice, Furfural, seed, bran, bran oil, etc.
- Energy - Comprises of power generation from wind turbine, husk based power plant & solar power plant.

No operating segment have been aggregated to form the above reportable operating segments.

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

a) Summary of Segmental Information for the year ended March 31, 2018:

	(₹ in Lacs)			
Particulars	Agri	Energy	Unallocable	Total
Segment operating Revenue				
External	3,12,273.49	19,491.30	-	3,31,764.79
Less: Inter-Segment	-	7,120.47	-	7,120.47
Net revenue from operations	3,12,273.49	12,370.83	-	3,24,644.32
Segment Result	66,085.40	8,561.90	-	74,647.30
Less: Finance Cost	-	-	6,034.15	6,034.15
Less: Other Unallocable expenditure net of unallocable income	-	-	378.00	378.00
Segment Profit before Taxation	66,085.40	8,561.90	6,412.15	68,235.15
Tax Expense:				
Current Tax				20,232.65
Deferred Tax				1,824.19
Total Tax Expense				22,056.84
Profit For The Year				46,178.31
Other Comprehensive Income for the year				16.84
Total Comprehensive Income for the Year				46,195.15
Other Disclosures				
Segment Assets	3,13,277.16	70,214.76	-	3,83,491.92
Segment Liabilities	1,37,708.32	17,853.31	-	1,55,561.63

NOTES FORMING PART OF THE FINANCIAL STATEMENT

Segment Revenue based on the locations of the customers

Middle East	89,289.20	-	-	89,289.20
India	1,81,992.85	12,370.84	-	1,94,363.69
Other than Middle East & India	40,991.43	-	-	40,991.43
Segment Assets				
Middle East	7,867.65	-	-	7,867.65
India	3,04,785.30	70,214.76	-	3,75,000.06
Other than Middle East & India	624.21	-	-	624.21

b) Summary of Segmental Information for the year ended March 31, 2017:

Particulars	(₹ in Lacs)			
	Agri	Energy	Unallocable	Total
Segment operating Revenue				
External	3,04,849.03	15,196.32	-	3,20,045.35
Less: Inter-Segment	-	5,396.87	-	5,396.87
Net revenue from operations	3,04,849.03	9,799.45	-	3,14,648.48
Segment Result	52,434.43	5,518.37	-	57,952.80
Less: Finance Cost	-	-	3,690.48	3,690.48
Less: Other Unallocable expenditure net of unallocable income	-	-	334.00	334.00
Segment Profit before Taxation	52,434.43	5,518.37	4,024.48	53,928.32
Tax Expense:				
Current Tax				11,576.67
Deferred Tax				2,239.27
Total Tax Expense				13,815.94
Profit For The Year				40,112.38
Other Comprehensive Income for the year				(83.91)
Total Comprehensive Income for the Year				40,028.47
Other Disclosures				
Segment Assets	2,64,897.23	73,666.70	-	3,38,563.93
Segment Liabilities	1,21,913.23	29,489.26	-	1,51,402.49
Segment Revenue based on the locations of the customers				
Middle East	80,997.56	-	-	80,997.56
India	1,95,604.09	9,799.45	-	2,05,403.54
Other than Middle East & India	28,247.38	-	-	28,247.38
Segment Assets				
Middle East	3,429.67	-	-	3,429.67
India	2,60,546.73	73,666.70	-	3,34,213.43
Other than Middle East & India	920.82	-	-	920.82

(c) **Revenue from major customers:** The company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

NOTES FORMING PART OF THE FINANCIAL STATEMENT

30.06 DISCLOSURE IN RESPECT OF FINANCIAL RISK MANAGEMENT:

1 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including cash and cash equivalents and deposit with banks and financial institutions.

Credit risk management:

i) Trade receivable related credit risk

Concentrations of credit risk with respect to trade receivables are limited, due to the customer base being large and diverse. All trade receivables are reviewed and assessed for default on routine basis. Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low and so trade receivables are considered to be a single class of financial assets.

ii) Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposit with banks, money market liquid mutual funds with financial institutions and derivative financial instruments. The Company's maximum exposure to credit risk as at March 31, 2018 and March 31, 2017 is the carrying value of each class of financial assets.

iii) Treasury related credit risk

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. The Company actively manages its exposure to credit risk, reducing surplus cash balances wherever possible through investment in bank deposits. Further, the company ensures it diversifies its treasury related credit risk by investing in bank deposits in different banks. Limits are set for maximum investment in deposits in each bank.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	(₹ in Lacs)	
	March 31, 2018	March 31, 2017
Security Deposits	288.62	325.77
Investments in Mutual Funds	-	45.64
Investments in quoted equity shares	898.58	965.42
Trade Receivables	24,412.66	23,107.38
Derivative instrument	1.89	-
Total	25,601.75	24,444.21

The ageing of trade receivables at the reporting date was:

Particulars	(₹ in Lacs)	
	March 31, 2018	March 31, 2017
Not past due	12,423.78	13,173.18
Past due 0-30 days	3,475.66	7,570.67
Past due 31-120 days	4,883.43	778.30
Past due 120 days-one year	2,935.95	1,320.43
More than one year	693.84	264.80
Total	24,412.66	23,107.38

NOTES FORMING PART OF THE FINANCIAL STATEMENT

2 Liquidity Risk:

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

A Maturities of financial liabilities

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Particulars	(₹ in Lacs)						
	March 31, 2018						
	Carrying amount	On demand	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Long term Borrowings	8,110.78	-	1,457.76	1,457.76	1,859.65	3,335.61	-
Working capital borrowings	1,11,543.89	1,11,543.89	-	-	-	-	-
Loan from related party	4,870.66	4,870.66	-	-	-	-	-
Trade Payables	10,017.94	-	10,017.94	-	-	-	-
Interest accrued but not due on borrowings	163.70	-	163.70	-	-	-	-
Unpaid dividend	43.11	43.11	-	-	-	-	-
Security received	180.52	180.52	-	-	-	-	-
Payable to employees	22.90	-	22.90	-	-	-	-

Particulars	(₹ in Lacs)						
	March 31, 2017						
	Carrying amount	On demand	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Long term Borrowings	12,501.99	-	3,014.87	1,591.79	3,176.59	4,054.73	664.00
Working Capital Borrowings	90,973.92	40,973.92	50,000.00	-	-	-	-
Loan from related party	5,531.26	5,531.26	-	-	-	-	-
Trade Payables	25,417.11	-	25,417.11	-	-	-	-
Interest accrued but not due on borrowings	191.23	191.23	-	-	-	-	-
Unpaid dividend	40.76	40.76	-	-	-	-	-
Security received	266.37	266.37	-	-	-	-	-
Payable to employees	14.62	-	9.18	1.00	4.44	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENT

3 Market risk - foreign exchange risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- currency risk;
- price risk; and
- interest rate risk.

4 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 21:- THE EFFECT OF CHANGES IN FOREIGN EXCHANGE RATES:

Potential Impact of Risk:

A) Currency Risk

The Company operates internationally and consequently the Company is exposed to foreign exchange risk through its sales in overseas market. The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows policies which includes the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

The Company has Outstanding Forward contracts as on March 31, 2018 and there is Marked to Market (MTM) unrealized gain/(loss) on forward contracts of ₹ (35.57) Lacs as at March 31, 2018, (P.Y. Nil), which has been accounted for accordingly in the books of accounts.

Derivative Instruments

- i) Outstanding forward exchange contracts as entered into by the Company for the purpose of hedging its foreign currency exposures are as under:

Foreign currency	Cross Currency	(₹ in Lacs)			
		Sell contract		Buy contract	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
USD	Indian Rupee	9,756.00	Nil	Nil	Nil
EURO	USD	33,053.92	Nil	Nil	Nil

- ii) Foreign currency exposure recognized by the Company that have not been hedged by a derivative instrument or otherwise are as under:

Particulars	(₹ in Lacs)					
	₹ in Lacs		USD in Lacs		EURO in Lacs	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
a) Receivables in Foreign Currency						
- Sundry Debtors (including Orders in Hand)	36,446.26	22,411.42	510.18	345.82	40.67	-
b) Payables in Foreign Currency						
- Sundry Creditors	-	-	-	-	-	-
- Expenses Payable	2,451.44	-	38.10	-	-	-

Apart from above Company has foreign currency Liability (PCFC/Advances received from customers/ ECB) of ₹ 72,597.16 Lacs as at March 31, 2018, (P.Y. ₹ 30,380.79 Lacs) at the year end, further as per the IND AS the effect of change in foreign exchange gain/(loss) as on March 31,2018 is amounting to ₹ 97.16 Lacs P.Y ₹ (109.56 Lacs) has been taken to statement of profit and loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENT

iii) Foreign currency risk sensitivity:

A change of 5% in Foreign currency would have following Impact on profit before tax :

(₹ in Lacs)

Currency	March 31, 2018		March 31, 2017	
	5% increase	5% decrease	5% increase	5% decrease
USD	1,659.10	(1,659.10)	(1,120.57)	1,120.57
EURO	163.94	(163.94)	-	-

B) Interest Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at March 31, 2018, the Company had long term borrowings amounting to ₹ 8,110.78 Lacs (P.Y. ₹ 12,502.00 Lacs).

Interest rate sensitivity

(₹ in Lacs)

A change of 100 bps in interest rates would have following Impact on profit before tax:	March 31, 2018	March 31, 2017
100 bps increase-decrease in profits	64.48	113.01
100 bps decrease-increase in profits	64.48	113.01

Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates (after considering repayments) were utilised for the whole financial year.

C) Price Risk

The Company is mainly exposed to the price risk due to its investment in equity shares and mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

The table below summarises the impact of increase/decrease of the index on the Company's equity and profit for the year. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

(₹ in Lacs)

Impact on profit before tax	March 31, 2018	March 31, 2017
Sensex increase by 5%	44.93	50.55
Sensex decrease by 5%	(44.93)	(50.55)

30.07 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 113: FAIR VALUE MEASUREMENT:

Significant estimates with respect to fair value of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the present valuation technique. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

NOTES FORMING PART OF THE FINANCIAL STATEMENT

A Fair value measurement of Financial Instruments

(₹ in Lacs)

Financial instruments by category	March 31, 2018								
	FVTPL			FVOCI			Amortised cost		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets									
Investment									
Equity instruments (Quoted)	898.58	-	-	-	-	-	-	-	-
Mutual fund instruments (Unquoted)	-	-	-	-	-	-	-	-	-
Loans									
Security deposit	-	-	-	-	-	-	-	-	288.62
Loans to employees	-	-	-	-	-	-	-	-	24.94
Other Financial Assets									
Investment in term deposits	-	-	-	-	-	-	3,096.01	-	-
Income receivable	-	-	-	-	-	-	-	-	1,348.33
Trade receivables	-	-	-	-	-	-	-	-	24,412.66
Derivative instrument	-	-	-	-	-	-	-	-	1.89
Cash & cash equivalents	-	-	-	-	-	-	-	-	3,868.62
Other bank balances	-	-	-	-	-	-	-	-	43.11
Total Financial Assets	898.58	-	-	-	-	-	3,096.01	-	29,988.17
Financial liabilities									
Borrowings	-	-	-	-	-	-	-	-	124,525.34
Trade payables	-	-	-	-	-	-	-	-	10,017.94
Other financial liabilities	-	-	-	-	-	-	-	-	410.23
Total Financial Liabilities	-	-	-	-	-	-	-	-	1,34,953.51

(₹ in Lacs)

Financial instruments by category	March 31, 2017								
	FVTPL			FVOCI			Amortised cost		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets									
Investment									
Equity instruments (Quoted)	965.42	-	-	-	-	-	-	-	-
Mutual fund instruments (Unquoted)	-	45.64	-	-	-	-	-	-	-
Loans									
Security deposit	-	-	-	-	-	-	-	-	325.77
Loans to employees	-	-	-	-	-	-	-	-	10.83
Other Financial Assets									
Investment in term deposits	-	-	-	-	-	-	583.26	-	-
Income receivable	-	-	-	-	-	-	-	-	2,640.69
Trade receivables	-	-	-	-	-	-	-	-	23,107.38
Derivative instrument	-	-	-	-	-	-	-	-	-
Cash & cash equivalents	-	-	-	-	-	-	-	-	266.24
Other bank balances	-	-	-	-	-	-	-	-	40.76

NOTES FORMING PART OF THE FINANCIAL STATEMENT

(₹ in Lacs)

Financial instruments by category	March 31, 2017								
	FVTPL			FVOCI			Amortised cost		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Total Financial Assets	965.42	45.64	-	-	-	-	-	583.26	26,391.67
Financial liabilities									
Borrowings	-	-	-	-	-	-	-	-	1,05,237.26
Trade payables	-	-	-	-	-	-	-	-	25,417.11
Other financial liabilities	-	-	-	-	-	-	-	-	4,291.54
Total Financial Liabilities	-	-	-	-	-	-	-	-	1,34,945.91

B Fair value hierarchy

This section explains the judgements and estimates made in determining the fair value of financial instruments that are (a) recognised and measured at fair value (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three level prescribed under the accounting standard. An explanation of each level follows below :

Assets and liabilities measured at amortised cost, for which fair value are disclosed

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximises the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs are required to fair value an instrument are observable the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers among levels 1, 2 and 3 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

C Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include the use of discount cash flows for estimating fair value of loans to employees, security deposits and borrowings.

The carrying amounts of trade receivables, cash and cash equivalents, consignment debtors, interest accrued, other receivables, other bank balances, trade payables, employee payables and other current payables are considered to be the same as fair values, due to their short term nature.

The fair value for loans and security deposits were calculated based on cash flow discounted using a current lending rate. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk. The fair value of loans to employees and security deposits approximates the carrying amount.

The fair value for borrowings was calculated based on cash flow discounted using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk. The fair value of borrowings approximates the carrying amount.

NOTES FORMING PART OF THE FINANCIAL STATEMENT

30.08 DISCLOSURE IN RESPECT OF CAPITAL MANAGEMENT:

A Risk management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The management and the Board of Directors monitors the return on capital as well as the level of dividend to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

B Dividend

Under Previous GAAP, proposed dividend and related dividend distribution tax was recognised as a provision in the year to which they relate, irrespective of when they are declared. Under Ind AS, dividend and related dividend distribution tax are recognised as a liability in the year in which it is approved by the shareholders in the Annual General Meeting of the Company.

		(₹ in Lacs)	
S. No.	Particulars	March 31, 2018	March 31, 2017
i)	Dividend on Equity shares declared and paid during the year During the Financial Year 2017-18, the company has declared and paid Final Dividend of ₹2.10 per share for Financial Year 2016-17.	-	4,943.19
ii)	Dividend not recognised at the end of the reporting period The directors have recommended the payment of a final dividend of ₹ 2.30 per fully paid equity share for the year ended March 31, 2018. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	5,413.97	

30.09 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND-AS) 33 - EARNINGS PER SHARE (EPS):

EPS is calculated by dividing the profit attributable to the Equity shareholders by the average number of Equity Shares outstanding during the year. Number used for calculating basic and diluted earnings per equity is stated below:

Particulars	March 31, 2018	March 31, 2017
Profit attributable to equity holders of the Company (₹ in lacs)	46,178.31	40,112.38
Weighted average number of Equity shares for Basic & Diluted	2,35,389,892	2,35,389,892
Nominal value per equity share (In ₹)	1.00	1.00
Earnings per share (Basic & Diluted) (In ₹)	19.62	17.04

30.10 DISCLOSURE IN RESPECT OF DIVIDEND PAID:

Remittance in Foreign Currency on account of Dividend:		March 31, 2018	March 31, 2017
(a)	No. of Non-Resident shareholders to whom dividend is remitted	5	-
(b)	No. of Equity Shares held by them	3,90,00,000	-
(c)	Amount of Dividend paid (₹ in Lacs)	819.00	-
(d)	Year to which the Dividend relates	2016-17	-

NOTES FORMING PART OF THE FINANCIAL STATEMENT

30.11 DISCLOSURE IN RESPECT OF AMOUNT RECEIVED IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND:

Particulars	March 31, 2018	March 31, 2017
(a) Name of the Company from whom dividend is Received	KRBL DMCC	-
(b) Type of Company	Wholly Owned Subsidiary	-
(c) Amount of Dividend Received (₹ In Lacs)	2,570.09	-
(d) Year to which the Dividend relates	2017-18	-

30.12 DISCLOSURE IN RESPECT OF SUBSIDY RECEIVED/RECEIVABLE:

A sum of ₹ Nil (P.Y. ₹ 203.06 Lacs) has been received from DMI through NABARD towards construction of rural godown . The entire grant so received / receivable has been deducted from the respective cost of the Capital Expenditure.

30.13 DISCLOSURE IN RESPECT OF CIF VALUE OF IMPORTS MADE DURING THE YEAR:

Particulars	March 31, 2018	March 31, 2017
Spare Parts and Components	129.43	57.44
Capital Goods Purchased	131.65	349.52

(₹ in Lacs)

30.14 DISCLOSURE IN RESPECT OF EARNINGS IN FOREIGN EXCHANGE ON MERCANTILE BASIS:

Particulars	March 31, 2018	March 31, 2017
Earnings in Foreign Exchange on Mercantile basis:	1,27,667.60	1,06,565.91

(₹ in Lacs)

30.15 DISCLOSURE IN RESPECT OF F.O.B. VALUE OF EXPORTS:

Particulars	March 31, 2018	March 31, 2017
F.O.B. Value of Exports:	1,27,954.39	1,07,667.66

(₹ in Lacs)

30.16 DISCLOSURE IN RESPECT OF EXPENDITURE IN FOREIGN CURRENCY ON MERCANTILE BASIS:

Particulars	March 31, 2018	March 31, 2017
Foreign Travel & Other(Total)	54.65	32.33
- By Directors ₹ 20.94 Lacs (PY ₹ 29.97 Lacs)		
Ocean Freight	2,330.42	1,525.21
Legal, Professional & Other charges	134.71	38.06
Selling & Distribution Expenses	714.20	25.00
Interest on Foreign Currency Loans	102.86	256.59
Others	40.20	627.40
Total	3,377.04	2,504.59

(₹ in Lacs)

30.17 DISCLOSURE IN RESPECT OF PAYMENT ON ACCOUNT OF KEYMAN INSURANCE POLICY:

Particulars	March 31, 2018	March 31, 2017
Payment of Insurance charges on account of Keyman Insurance policy:	38.00	42.00

(₹ in Lacs)

NOTES FORMING PART OF THE FINANCIAL STATEMENT

30.18 DISCLOSURE IN RESPECT OF UNCLAIMED DIVIDEND:

Particulars	(₹ in Lacs)	
	March 31, 2018	March 31, 2017
Unclaimed Dividend which has been deposited in separate accounts with Scheduled Bank:	43.11	40.76

30.19 DISCLOSURE IN RESPECT OF RESEARCH & DEVELOPMENT EXPENDITURE:

The Company has in-House R & D Centre, The details of revenue/capital expenditure incurred by the R&D Centre during the year are as under :

Particulars	(₹ in Lacs)	
	March 31, 2018	March 31, 2017
(a) Revenue Expenditure charged to Statement of Profit and Loss		
i) Salary and other Benefits	349.83	319.99
ii) Others	130.14	103.07
Total	479.97	423.06

30.20 DISCLOSURE IN RESPECT OF CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE:

Particulars	(₹ in Lacs)	
	March 31, 2018	March 31, 2017
Amount required to be spent as per Section 135 of the Act	878.40	743.29
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) On purpose other than (i) above	322.27	208.31
Total Amount spent during the year	322.27	208.31

30.21 DISCLOSURE IN RESPECT OF CONTRIBUTION TO POLITICAL PARTIES:

Following are the particulars as required pursuant to the provisions of Section 182 of the Companies Act, 2013, for contributions as made to the political parties

Particulars	(₹ in Lacs)	
	March 31, 2018	March 31, 2017
Name of the Political Parties		
a) Aam Aadmi Party	-	10.00
b) Punjab Pradesh Congress Committee	-	20.00
Total	-	30.00

30.22 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND-AS) 10:- EVENT AFTER THE REPORTING PERIOD:

The Board of Directors in its meeting on May 10, 2018 has recommended Equity dividend of 2.30 per share (P.Y ₹ 2.10 per share) for the financial year 2017-18.

30.23 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND-AS) 38:- INTANGIBLE ASSETS:

In accordance with Accounting Standard AS - 38 on 'Intangible Assets', during the year ended March 31, 2018 ₹ 21.68 Lacs (P.Y. ₹ 1.63 Lacs) have been capitalized on account of computer software development charges.

- 30.24 DURING THE YEAR, THE OFFICERS OF THE DIRECTORATE OF ENFORCEMENT, MINISTRY OF FINANCE, GOVERNMENT OF INDIA VISITED U/S 17 OF THE PMLA 2002, THE PREMISES OF THE COMPANY IN AN ONGOING INVESTIGATION OF SOME MATTERS PERTAINING TO MR. GAUTAM KHAITAN, SOLICITOR AND THE ERSTWHILE INDEPENDENT DIRECTOR OF THE COMPANY FROM JULY 30, 2007 TO APRIL 18, 2013 AND IN THE COURSE OF WHICH STATEMENTS OF SOME DIRECTORS/OFFICERS OF THE COMPANY WERE RECORDED BY THEM. NOTHING INCRIMINATING IN THE AFFAIRS OF THE COMPANY HAS BEEN ALLEGED BY THEM SO FAR AS ON THIS DATE.**
- 30.25 DURING CONSTRUCTION PHASE COMPANIES GENERALLY TEMPORARILY INVEST THE SURPLUS FUNDS TO REDUCE THE COST OF CAPITAL OR FOR OTHER BUSINESS REASONS. HOWEVER SUBSEQUENTLY THE SAME ARE UTILISED FOR THE STATED OBJECTIVE.**
- 30.26 THE FIGURES ARE ROUNDED OFF TO NEAREST RUPEES IN LACS.**
- 30.27 THE CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY AND ITS SUBSIDIARIES ARE ENCLOSED SEPARATELY IN ACCORDANCE WITH INDIAN ACCOUNTING STANDARD (IND-AS) 110 "CONSOLIDATED FINANCIAL STATEMENTS".**
- 30.28 PREVIOUS YEARS FIGURES HAVE BEEN REGROUPED/REARRANGED WHEREVER CONSIDERED NECESSARY. HOWEVER, THERE WERE NO MATERIAL IMPACT OF THE SAME.**

Annexure to our Report of Date

for and on behalf of the Board of Directors

for **S S A Y & Associates**
Firm Regn.No- 012493N
Chartered Accountants

Sd/-
Anoop Kumar Gupta
Joint Managing Director
DIN-00030160

Sd/-
Anil Kumar Mittal
Chairman & Managing Director
DIN-00030100

Sd/-
Yugal Kishor Malhotra
Partner
M.No. 542048

Sd/-
Raman Sapra
Company Secretary
M.No. F9233

Sd/-
Rakesh Mehrotra
Chief Financial Officer
M.No. 84366

Place : Noida, Uttar Pradesh
Date : May 10, 2018



THE STARS OF GOOD HEALTH



BRING HOME YOUR
HEALTHY OPTION



Globalizing Growth, Pioneering Health



Regd Office: 5 190, Lahori Gate, Delhi-1 10006, India
Phone: +91-11-23968328 Fax: +91-11-23968327
E-mail: investor@krblindia.com Website: www.krblrice.com
CIN No.: L01111DL1993PLC052845