



Rama Phosphates Limited

29TH ANNUAL REPORT 2013 – 2014

ISO 9001: 2008 Certified

BOARD OF DIRECTORS

CHAIRMAN & MANAGING DIRECTOR

D.J. Ramsinghani

DIRECTORS

H. D. Ramsinghani

D. N. Singh

K. Raghuraman

M. L. Goyal (upto 01/01/2014)
Nominee Director Bank of India

M. Shanmugam (w.e.f. 01/01/2014)
Nominee Director Bank of India

A. K. Thakur (w.e.f. 12/08/2014)

COMPANY SECRETARY

J. K. Parakh

BANKERS

Bank of India

State Bank of India

Syndicate Bank

AUDITORS

M/s. Dayal & Lohia

Chartered Accountants

Mumbai

REGISTRARS & TRANSFER AGENT

LINK INTIME INDIA PRIVATE LIMITED

C-13, Pannalal Silk Mills Compound, L.B.S. Marg,

Bhandup West, Mumbai 400078

Tel.No. 25963838 Fax No.:25946969

Email : rnt.helpdesk@linkintime.co.in

Website : www.linkintime.co.in

REGISTERED OFFICE

812, Raheja Chambers, Nariman Point,
Mumbai 400 021

(CIN) : L24110MH1984PLC033917

Email : rama@ramagroup.co.in

Website : www.ramaphosphates.com

Tel.No. (91-22) 2283 3355 / 2283 4182

Fax : (91-22) 2204 9946

CORPORATE OFFICES

51-52, Free Press House,
Nariman Point, Mumbai 400021

Email : rama@ramagroup.co.in

Website : www.ramaphosphates.com

Tel.No. (91-22) 2283 3355 / 2283 4182

Fax : (91-22) 2204 9946

Indore – Madhya Pradesh

100, Chetak Centre, R.N.T.Marg,
Indore 452 001.

Pune- Maharashtra

P.O. Loni Kalbhori, Tal. Haveli,
Dist. Pune – 412 201.

Udaipur - Rajasthan

106, 1st Floor, 4-A, Vinayak Complex,
New Fatehpura, Udaipur 313 004

WORKS :

a) Fertilizer and Chemical Division

1) Indore – Madhya Pradesh

20/4 KM Stone, Indore – Ujjain Road
(Dharampuri), Dist. Indore 453 557.



2) Pune - Maharashtra

Rama Krishi Rasayan

(A Division of Rama Phosphates Limited)
P.O. Loni, Kalbhori, Pune Solapur Road,
Tal. Haveli, Dist. Pune 412 201



3) Udaipur - Rajasthan

4807/11, Umra Village,
Jamarkotra Road, Teh. Girwa,
Dist. Udaipur 313 901

b) Soya Oil Division-ISO-14001 Accredited

Indore – Madhya Pradesh

20/6 KM Stone, Indore – Ujjain Road
(Dharampuri), Dist. Indore 453 557.



NOTICE

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the Members of the Company will be held on Monday, the 29th day of September, 2014 at 11.00 a.m. at Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400001 to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Profit & Loss for the year ended March 31, 2014 and the Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To declare a Dividend on Equity Shares for the year ended 31st March, 2014.
3. To appoint a Director in place of Mr. H. D. Ramsinghani (DIN 00035416) who retires by rotation and being eligible, offers himself for reappointment.
4. To consider, and if thought fit, to pass with or without modifications, the following Resolution, as an Ordinary Resolution :
 “RESOLVED THAT the retiring Statutory Auditors M/s Dayal & Lohia (Registration No 102200W) Chartered Accountants be and they are hereby reappointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of next Annual General Meeting on remuneration to be fixed by Board of Directors.”

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification, as an Ordinary Resolution the following :
 “RESOLVED THAT pursuant to provisions of Section 148 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force) Mr. R. Srinivasaraghavan (Registration No. 100098) appointed as Cost Auditor of the Company for audit of cost accounting records for the financial year 2014-15 be paid a remuneration of ₹ 1,57,500/- plus applicable taxes and reimbursement of out of pocket expenses.”
 “FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary or expedient to give effect to the above resolution.”
6. To consider and if thought fit, to pass with or without modification(s) if any, the following as an Ordinary Resolution :
 “RESOLVED THAT pursuant to the provisions of Sections 149 and 152 and other applicable provisions of the Companies Act, 2013, if any, and the rules made there under (including any statutory modifications or re-enactment thereof for the time being in force) read with Schedule IV of the Act and Clause 49 of the Listing Agreement, Mr. Deonath Singh (DIN 00021741) a Director of the Company in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company who shall not be liable to retire by rotation and shall hold office for five consecutive years for a term up to the conclusion of the 34th Annual General Meeting of the Company in the calendar year 2019.”
7. To consider and if thought fit, to pass with or without modification(s) if any, the following as an Ordinary Resolution :
 “RESOLVED THAT pursuant to the provisions of Sections 149 and 152 and other applicable provisions of the Companies Act, 2013, if any, and the rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) read with Schedule IV of the Act and Clause 49 of the Listing Agreement, Mr. K. Raghuraman (DIN 00320507) a Director of the Company in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company who shall not be liable to retire by rotation and shall hold office for five consecutive years for a term up to the conclusion of the 34th Annual General Meeting of the Company in the calendar year 2019.”
8. To consider and if thought fit, to pass with or without modification(s) if any, the following as an Ordinary Resolution :
 “RESOLVED THAT pursuant to the provisions of Sections 149 and 152 and other applicable provisions of the Companies Act, 2013, if any, and the rules made there under (including any statutory modifications or re-enactment thereof for the time being in force) read with Schedule IV of the Act and Clause 49 of the Listing Agreement, Mr. A. K. Thakur (DIN 00031778) who was appointed as an Additional by the Board of Directors under Section 161 of the Act with effect from 12th August, 2014 and holds office up to the date of this Annual General meeting of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company who shall not be liable to retire by rotation and shall hold office for five consecutive years for a term up to the conclusion of the 34th Annual General Meeting of the Company in the calendar year 2019.”
9. To consider, and if thought fit, to pass, with or without modification, as a Special Resolution the following :
 “RESOLVED THAT subject to such approvals, consents and sanctions as may be necessary and further subject to such terms, conditions, stipulations and restrictions as may be imposed by the authorities while granting such approvals, consents and sanctions, the consent of the Members be and it is hereby accorded pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, read with Schedule V of the Companies Act, 2013 (Corresponding to Sections 198, 269, 309 and any other applicable Provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the Companies Act, 1956) for the reappointment of Mr. D. J. Ramsinghani as the Managing Director of the Company for a period of three years with effect from April 01, 2014 on the terms and conditions as set out in the draft agreement between the Company and Mr. D. J. Ramsinghani placed before the meeting and for the purpose of identification initialed by the Chairman hereof.”

“FURTHER RESOLVED THAT the Directors be and they are hereby authorised to execute the Agreement, in terms of the said draft with such alterations, changes and/or variations as may be agreed between the Directors and Mr. D. J. Ramsinghani.”

“FURTHER RESOLVED THAT the Board of Directors be and it is hereby authorised to take such steps as may be necessary to give effect to the above Resolutions.”

10. To consider and if thought fit, to pass, with or without modification, as a Special Resolution the following :

“RESOLVED THAT in supersession of the Resolution passed at the 16th Annual General Meeting of the members held on December 26, 2001 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force and circulars, notifications, clarifications, rules made/passed there under from time to time) and in accordance with the provisions of the Articles of Association of the Company, the consent of the Company be and it is hereby accorded to the Board of Directors of the Company to borrow from time to time such sum or sums of money as it may deem fit for the purpose of the business of the Company notwithstanding that the monies already borrowed by the Company (apart from the temporary loans obtained/to be obtained from the Company bankers in the ordinary course of business) will exceed the aggregate of the paid up share capital of the Company and its free reserves provided that the total amount up to which money may be Borrowed by the Board of Directors shall not exceed the sum of ₹ 300 crores at any one time.”

‘FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary or expedient to give effect to the above resolution.’

11. To consider and if thought fit, to pass, with or without modification, as a Special Resolution the following :

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification thereof and circulars, notifications, clarifications, rules made/passed there under from time to time), consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company or Committee thereof to mortgage and /or create, modify charge in addition to the existing charges and/or mortgages created by the Company, on all or anyone or more of the movable / immovable properties or such other assets of the Company, where so ever situated, both present and future, together with power to take over the management in certain events of default on such terms and conditions and at such time or times and in such form or manner as it may deem fit, to or in favour of the Financial Institutions / Banks / or such persons / institutions / Companies, etc. hereinafter referred as “the Lenders” to secure any Term Loans / Cash Credit Facilities / Debentures / Bonds or the like, obtained / to be obtained from any of the aforesaid Lenders together with interest thereon at the respective agreed rate(s), compound interest, additional interest, liquidated damage(s), commitment charge(s), premia on prepayment or on redemption, cost, charge(s), expenses and all other monies payable by the Company to such Lenders under the respective loan / other agreement(s) entered / to be entered into between the Company and the Lender(s) in respect of the said borrowing(s), such security to rank in such manner as may be agreed to between the concerned Lenders / parties and as may be considered expedient by the Board of Directors or Committee thereof.

“FURTHER RESOLVED THAT the Board of Directors or Committee thereof be and is hereby authorized and it shall always be deemed to have been so authorized to finalize and execute with the Lenders / Trustees the requisite agreements, documents, deeds and writings for creating the aforesaid mortgage(s) and / or charge(s) on such terms and conditions as may be necessary to give effect to the above resolution.”

“FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary or expedient to give effect to the above resolution.”

12. To consider and if thought fit, to pass, with or without modification, as a Special Resolution the following :

“RESOLVED THAT pursuant to section 14 and all other applicable provisions of the Companies Act, 2013, if any, and the Rules made there under , the consent of the Company be and it is hereby accorded to include the following text in Article 43 of the Articles of Association of the Company -

“The Managing Director of the Company can also hold the position of the Chairman at the same time”

“RESOLVED FURTHER THAT the Directors of the Company be and are hereby severally authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the aforementioned resolution, including but not limited to the filing of necessary forms with the Ministry of Corporate Affairs and to comply with all other requirements in this regard.”

NOTES

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

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Explanatory Statement pursuant to section 102 of the Companies Act, 2013 in respect of Special Business item nos 5 to 12 are enclosed.

3. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, the 15th day of September, 2014 to Monday, the 29th day of September, 2014 (both days inclusive).
4. The Dividend on Equity Shares, as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid to those members whose names shall appear on Company's Register of members on September 29, 2014 and in respect of shares held in dematerialized form, the dividend will be paid to the members whose names are furnished by Depositories as on September 14, 2014.
5. As on March 31, 2014 the total Unclaimed Dividend for the Financial Year 2012 – 2013 is ₹ 2,59,276/-.
The Shareholders, who have not claimed their Dividend, are requested to write to the Registrar and Transfer Agent, M/s Link Intime Registry Private Limited, Mumbai to claim the amount of Dividend.
Pursuant to Section 124 of the Companies Act, 2013, if the Dividend Amount is not claimed within 7 Years from the date it become due for payment, such unclaimed amount will be transferred to Investor Education and protection Fund and thereafter no claim shall lie against the Company.
6. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Corporate Office of the Company on all working days, except Saturdays, Sundays and Public Holidays from 11.00 am to 1.00 pm up to the date of the meeting.
7. Members desirous of seeking any information concerning the Accounts are requested to address their queries, in writing, to the Company at the Corporate Office at least seven days before the date of the Meeting so that the requested information can be made available at the time of the meeting.
8. Members / Proxies should bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.
9. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering / updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Link Intime India Private Limited.
10. The Company is pleased to provide e-voting facility through Central Depository Services (India) Limited (CDSL) to enable all the Members to cast their votes electronically on the resolutions mentioned in the Notice dated August 12, 2014 for the 29th Annual General Meeting of the Company.

e-Voting instructions

The instructions for members for voting electronically are as under ;

- (I) In case of members receiving Notice of AGM by e-mail or physical copy (for members whose E-mail IDs are not registered with the Company / Depository Participants or have requested for a physical copy) :
 - 1) Log on to the e-voting website www.evotingindia.com
 - 2) Click on 'Shareholders' tab to cast your votes.
 - 3) Now, Select the Electronic Voting Sequence Number – "EVSN" along with "COMPANY NAME" from the drop down menu and click on "SUBMIT"

If you are holding shares in Demat form and had logged on to www.evotingindia.com and had cast your vote earlier for EVSN of any Company, then your existing login id and password are to be used.

In case you do not have an existing login id and password as referred to in (4) above, the following procedure is to be followed :

- 4) Fill up the following details in the appropriate boxes :

| | For Members holding shares in Demat Form | For Members holding shares in Physical Form |
|--------------------------|--|--|
| User ID | For NSDL : 8 Character DP ID followed by 8 Digits Client ID For CDSL : 16 digits beneficiary ID | Folio Number registered with the Company |
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders) | |
| DOB | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. | |
| Dividend Bank Details | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. | |

- 5) After entering these details appropriately, click on "SUBMIT" tab.
- 6) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.

The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ % & *). Kindly note that this password is to be also used by the demat holders for voting for resolutions of the company or any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.

- 7) Click on the relevant EVSN along with the Company name on which you choose to vote.
- 8) On the voting page, you will see Resolution Description and against the same the option “YES/NO” for voting. Select the option YES or No as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- 9) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- 10) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- 11) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- 12) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- 13) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code, click on Forgot Password and enter the details as prompted by the system.

Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to log on to <http://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.

- (II) The voting period begins on 22.09.2014 at 9.00 am and ends on 24.09.2014 at 5.00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 15, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (III) The Company has appointed Mr. Sanjay R. Dholakia, Practicing Company Secretary (Membership Number FCS 2655) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (IV) The results shall be declared on or after the Annual General Meeting. The results along with the Scrutinizer’s report shall be placed on the website of the Company and on the website of CDSL within two working days and also communicated to the Stock Exchange.
- (V) In case you have any queries or issues regarding e-voting, you may refer the “Frequently Asked Questions” (FAQs) and e-voting manual available at www.evotingindia.com under help section or send an email to helpdesk.evoting@cdslindia.com.

By Order of the Board
For RAMA PHOSPHATES LIMITED
J. K. PARAKH
COMPANY SECRETARY

Place : Mumbai
Dated : August 12, 2014
Regd Office :
812, Raheja Chambers,
Nariman Point, Mumbai 400 021
Tel : 91 - 022 - 22834123
Fax : 91 - 022 - 22049946
CIN : L24110MH1984PLC033917
Email : rama@ramagroup.co.in
Website : www.ramaphosphates.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 WITH REFERENCE TO THE SPECIAL BUSINESS SPECIFIED IN THE NOTICE CONVENING THE TWENTY NINTH ANNUAL GENERAL MEETING OF THE COMPANY.

ITEM NO. 5

The Board on the recommendation of the Audit Committee, has approved the appointment and remuneration of Mr R. Srinivasaraghavan (Registration No. 100098) as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors / Key managerial Personnel of the Company / their relatives are, in any way, concerned or interested financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

ITEM NO. 6

Mr. Deonath Singh is a Non Executive Independent Director of the Company. Mr. Deonath Singh is a Chemical Engineer and has over 48 years of rich and varied experience in the field of Chemicals, Petrochemicals and Textiles. He joined the Board of Directors on April 01, 2000.

It is proposed to appoint Mr. Deonath Singh as an Independent Director not liable to retire by rotation for a term of five years. The Company has received a notice in writing from a member along with deposit of the requisite amount under the provisions of Section 160 of the Act, proposing the candidature of Mr. Deonath Singh for the office of Director.

Mr. Deonath Singh is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company.

In the opinion of the Board, Mr. Deonath Singh fulfils the conditions specified in Section 152 of the Act and rules made there under for his appointment as Independent Director of the Company and is independent of the management.

The Company has also received declaration from Mr. Deonath Singh that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The draft letter of appointment of Mr. Deonath Singh as an Independent Director setting out terms and conditions is open for inspection at the Corporate Office of the Company between 11.00 a.m. to 1.00 p.m. on all days except Saturdays, Sundays and holidays, until the date of the Annual General meeting or any adjournment thereof.

Mr. Deonath Singh does not hold by himself or for any other person on a beneficial basis, any shares in the Company. Brief resume of Mr. Deonath Singh is given in the Corporate Governance Report forming part of the Annual Report.

Except Mr. Deonath Singh being the appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financially or otherwise, in this Resolution. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

ITEM NO. 7

Mr. K. Raghuraman is a Non Executive Independent Director of the Company. He joined the Board of Directors on May 17, 2013.

Mr. K. Raghuraman is Chartered Accountant and has a rich and varied experience in the field of Accounts and Finance spanning over 35 Years. It is proposed to appoint Mr. K. Raghuraman as an Independent Director not liable to retire by rotation for a term of five years. The Company has received a notice in writing from a member along with deposit of the requisite amount under the provisions of Section 160 of the Act, proposing the candidature of Mr. K. Raghuraman for the office of Director.

Mr. K. Raghuraman is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company.

In the opinion of the Board, Mr. K. Raghuraman fulfils the conditions specified in Section 152 of the Act and rules made there under for his appointment as Independent Director of the Company and is independent of the management.

The Company has also received declaration from Mr. K. Raghuraman that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The draft letter of appointment of Mr. K. Raghuraman as an Independent Director setting out terms and conditions is open for inspection at the Corporate Office of the Company between 11.00 a.m. to 1.00 p.m. on all days except Saturdays, Sundays and holidays, until the date of the Annual General meeting or any adjournment thereof.

Mr. K. Raghuraman does not hold by himself or for any other person on a beneficial basis, any shares in the Company. Brief resume of Mr. K. Raghuraman is given in the Corporate Governance Report forming part of the Annual Report.

Except Mr. K. Raghuraman being the appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financially or otherwise, in this Resolution. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

ITEM NO. 8

Mr. A. K. Thakur is a Non Executive Independent Director of the Company. He joined the Board of Directors on 12th August, 2014.

Mr. A. K. Thakur is Chartered Accountant and has rich and varied experience in the field of Accounts, Finance and Audit spanning over 40 Years. It is proposed to appoint Mr. A. K. Thakur as an Independent Director not liable to retire by rotation for a term of five years. The Company has received a notice in writing from a member along with deposit of the requisite amount under the provisions of Section 160 of the Act, proposing the candidature of Mr. A. K. Thakur for the office of Director.

Mr. A. K. Thakur is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company.

In the opinion of the Board, Mr. A. K. Thakur fulfils the conditions specified in Section 152 of the Act and rules made there under for his appointment as an Independent Director of the Company and is independent of the management.

The Company has also received declaration from Mr. A. K. Thakur that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The draft letter of appointment of Mr. A. K. Thakur as an Independent Director setting out terms and conditions is open for inspection at the Corporate Office of the Company between 11.00 a.m. to 1.00 p.m. on all days except Saturdays, Sundays and holidays, until the date of the Annual General meeting or any adjournment thereof.

Mr. A. K. Thakur does not hold by himself or for any other person on a beneficial basis, any shares in the Company. Brief resume of Mr. A. K. Thakur is given in the Corporate Governance Report forming part of the Annual Report.

Except Mr. A. K. Thakur being the appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financially or otherwise, in this Resolution. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

ITEM NO. 9

The Board of Directors of the Company, at their meeting held on February 14, 2014 have reappointed Mr. D. J. Ramsinghani as the Managing Director of the Company for a period of three years with effect from April 1, 2014 subject to such consents, approvals and sanctions as may be required :

The terms and conditions of the reappointment of Mr. D. J. Ramsinghani as the Managing Director of the Company are as follows :

1. Date of Reappointment : April 01, 2014
2. Period of Reappointment : Three years with effect from April 01, 2014
3. Salary : ₹ 2,20,000/- per month in the grade of 220000 – 50000 – 320000 with annual increments on 1st April in each year.
4. Perquisites & Allowances :

In addition to the salary, Mr. D. J. Ramsinghani as the Managing Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, servants allowance, contribution to Provident Fund and Superannuation or Annuity Fund as per the Rules of the Company, Gratuity as per the Rules of the Company, medical reimbursement for self and family, leave travel concession for self and family, club fees, personal accident insurance for self and family, life insurance and such other perquisites and allowances in accordance with the Rules of the Company or as may be agreed to by the Board of Directors and Mr. D. J. Ramsinghani, PROVIDED such perquisites and allowances will be subject to a maximum of his Annual Salary.

Perquisites and allowances shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

Provision for use of Company's car for official duties and telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling. Company's contribution to Provident Fund and Superannuation or Annuity Fund to the extent these either singly or together are not taxable under the Income-tax Act, Gratuity payable as per the rules of the Company and encashment of leave at the end of his tenure shall also not be included in the computation of limits for the remuneration or perquisites as aforesaid.

5. Commission :

The Managing Director shall be paid commission at rate of 1% for each financial year on the net profit of the Company as calculated under Section 198 and such other applicable provisions, if any, of the Companies Act, 2013, as may be determined by the Board of Directors from time to time.

6. Minimum Remuneration :

Notwithstanding anything herein, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above, subject to the requisite approvals being obtained.

The Draft Agreement between the Company and Mr. D. J. Ramsinghani is open for inspection of the members at the Corporate Office of the Company on all days except Saturdays, Sundays and Public Holidays between 11.00 a.m. and 1.00 p.m.

Mr. D. J. Ramsinghani may be deemed to be concerned or interested in the Resolution as it relates to his own appointment. Mr. H. D. Ramsinghani may also be deemed to be concerned or interested in the Resolution being related to Mr. D. J. Ramsinghani.

ITEM NO. 10

The Members of the Company, at the Sixteenth Annual General Meeting held on December 26, 2001 had authorized the Board of Directors to borrow up to a limit of ₹ 300 crores under the provisions of the Companies Act, 1956. In view of the notification of the Companies Act, 2013 fresh approval of the members is proposed to be obtained pursuant to the various provisions of the Companies Act, 2013 and the rules made there under to borrow monies up to the said limit of ₹ 300 crores.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested financially or otherwise, in the resolution set out at Item No. 10 of the Notice.

ITEM NO. 11

The Members of the Company have, from time to time, approved the creation of security by way of mortgage and/or charge on movable / immovable properties of the Company under the Provisions of the Companies Act, 1956. In view of the notification of the Companies Act, 2013 fresh approval of the members is proposed to be obtained pursuant to the various provisions of the Companies Act, 2013 and the rules made there under to create security by way of mortgage and/or charge on movable / immovable properties of the Company against the borrowings, under Section 180(1)(a) of the Companies Act, 2013.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, either financially or otherwise, in the resolutions.

ITEM NO. 12

As per section 203 of the Companies Act, 2013 an individual shall not be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company at the same time unless, inter alia, the Articles of the Company provide otherwise. As Mr. D. J. Ramsinghani is the Chairman and Managing Director of the Company, it is proposed to amend the Articles of Association of the Company to comply with the provisions of Section 203 of the Companies Act, 2013.

Except for Mr. D. J. Ramsinghani and Mr. H. D. Ramsinghani, no other Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, either financially or otherwise, in the resolution.

A copy of the amended Articles of Association along with the proposed change is open for inspection at the Corporate Office of the Company on all working days, except Saturdays, Sundays and Public Holidays during business hours up to the date of the meeting. A copy of the amended articles of Association is also being uploaded on the website of the Company for the perusal of the Members.

By Order of the Board
For RAMA PHOSPHATES LIMITED

J. K. PARAKH
COMPANY SECRETARY

Place : Mumbai

Date : August 12, 2014

Regd Office :

812, Raheja Chambers,
Nariman Point, Mumbai 400 021

Tel : 91 - 022 - 22834123

Fax : 91 - 022 - 22049946

CIN : L24110MH1984PLC033917

Email : rama@ramagroup.co.in

Website : www.ramaphosphates.com

INFORMATION PURSUANT TO CLAUSE 49 (VI) OF THE LISTING AGREEMENT

As required under the Listing Agreement, the particulars of Directors proposed to be appointed / reappointed at the forthcoming Annual General Meeting are given below :

Reappointment

1. Mr. H. D. Ramsinghani retires by rotation at the forthcoming Annual General Meeting and is eligible for reappointment.

Mr. H. D. Ramsinghani has done his Post Graduation in Management from U. S. A and has over 28 years of rich and varied experience in the field of Textiles, Petrochemicals and Fertilizers.

Mr. H. D. Ramsinghani is Director of the Company since 2008.

He is the Chairman and Managing Director of Rainbow Denim Limited and Rainbow Agri Industries Limited. He is also a Director of Rama Petrochemicals Limited, Rama Industries Limited and Nova Gelicon Private Limited. He is a Committee Member / Chairman in the following Companies :

| Name of the Company | Name of the Committee | Designation |
|-----------------------------|-------------------------------------|-------------|
| Rainbow Denim Limited | Stakeholders Relationship Committee | Member |
| Rama Petrochemicals Limited | Stakeholders Relationship Committee | Member |
| Rama Industries Limited | Audit Committee | Member |
| Rainbow Agri Inds. Limited | Audit Committee | Chairman |

Appointment

- Mr. Deonath Singh is a Chemical Engineer from Banaras Hindu University and has over 48 years of experience in the field of Chemicals and Petrochemicals. He has held senior positions in several companies viz. Synthetics and Chemicals Limited, Cyanides and Chemicals Co., Alkyl Amines Chemicals Limited etc. Mr. Deonath Singh does not hold any Shares of the Company.

He is a Director of the following companies :

Rama Petrochemicals Limited
Rainbow Denim Limited
Rama Industries Limited

He is a Committee Member / Chairman in the following companies :

| Name of the Company | Name of the Committee | Designation |
|-----------------------------|-------------------------------------|-------------|
| Rama Petrochemicals Limited | Audit Committee | Member |
| | Stakeholders Relationship Committee | Member |
| Rainbow Denim Limited | Audit Committee | Member |
| | Stakeholders Relationship Committee | Chairman |
| Rama Industries Limited | Audit Committee | Chairman |

- Mr K. Raghuraman is Chartered Accountant and has a rich and varied experience in the field of Accounts and Finance spanning over 35 Years. Mr K. Raghuraman does not hold any Shares of the Company.

He is Director in the following Companies :

| | |
|---------------------------------------|--------------------------------------|
| Oriental Carbon and Chemicals Limited | Ladderup Finance Limited |
| Nagarjuna Agrichem Limited | Ladderup Corporate Advisory Pvt. Ltd |
| Birla Ericsson Opticals Limited | Centbank Financial Services Limited |
| Canbank Factors Limited | Nelco Limited |

He is Committee Member / Chairman in the following Companies :

| Name of the Company | Name of the Committee | Designation |
|-------------------------------------|-----------------------|-------------|
| Nagarjuna Agrichem Limited | Audit Committee | Member |
| Birla Ericsson Opticals Limited | Audit Committee | Member |
| Ladderup Finance Limited | Audit Committee | Member |
| Canbank Factors Limited | Audit Committee | Chairman |
| Centbank Financial Services Limited | Audit Committee | Member |

- Mr. A. K. Thakur is Chartered Accountant and has rich and varied experience in the field of Accounts, Finance and Audit spanning over 40 Years. Mr. A. K. Thakur does not hold any Shares of the Company.

He is Director in the following Companies :

Rama Industries Limited
SML Isuzu Limited
Peerless Securities Limited.

He is Committee Member / Chairman in the following Companies :

| Name of the Company | Name of the Committee | Designation |
|-----------------------------|-----------------------|-------------|
| Rama Industries Limited | Audit Committee | Member |
| SML Isuzu Limited | Audit Committee | Member |
| Peerless Securities Limited | Audit Committee | Member |

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty Ninth Annual Report together with Audited Statement of Accounts for the year ended March 31, 2014.

| FINANCIAL RESULTS | YEAR ENDED 31/03/2014 | YEAR ENDED 31/03/2013 |
|--|--------------------------|--------------------------|
| Sales & Other Income | 54105.69 | 62035.43 |
| Profit Before Financial Charges & Depreciation | 1046.67 | 5050.85 |
| Less: Financial Charges | 962.85 | 1112.42 |
| Profit Before Depreciation | 83.82 | 3938.43 |
| Less : Depreciation | 410.54 | 429.93 |
| Net Profit Before Tax | (326.72) | 3508.50 |
| Tax Expenses | | |
| Current Tax | - | 480.57 |
| Deferred Tax | (132.84) | 464.92 |
| Tax for earlier years | 17.07 | |
| Net Profit Before Adjustment | (210.95) | 2563.01 |
| Profit/(Loss) After Adjustments | (210.95) | 2563.01 |
| Profit/(Loss) for the year | (210.95) | 2563.01 |
| - Dividend on Equity Shares | 88.47 | 141.55 |
| - Tax on Proposed Dividend | 15.03 | 22.96 |
| Profit & (Loss) balance brought forward from the previous year | 3893.47 | 1494.97 |
| Balance carried to Balance Sheet | 3579.02 | 3893.47 |

1. DIVIDEND

Your Directors are pleased to maintain dividend track record initiated by the company and that in spite of net loss incurred during the year, glad to recommend a dividend of ₹ 0.50 per Equity Share on 17693213 Equity Shares of ₹ 10/- each for the financial year ended 31st March, 2014. This nominal dividend is paid as against ₹ 0.80 paid in the previous year. The total outgo on account of Dividend shall be ₹ 103.50 Lacs including Corporate Dividend Tax.

2. REVIEW OF OPERATIONS

Your company operates in two divisions, i.e. Fertilizer division and Oil division. Our Phosphatic fertilizer, Single Super Phosphate (Powder & Granulated) brands of "Girnar" and "Suryaphool" are well-entrenched and well-accepted in the market. Apart from SSP, company manufactures mixed fertilizer NPK along with industrial chemicals like Sulphuric Acid and Oleum whilst soya seed crushing activity is undertaken at our Indore unit.

The nutrient based subsidy (NBS) policy implemented for phosphatic and potassic fertilizers w.e.f. 1st May, 2010 was well-intended one which resulted in proposals from major players for addition of capacity. But the price differentiation between Urea and other phosphatic fertilizers resulted in huge imbalance in nutrient consumption.

The average capacity utilization of SSP industry for financial year 2013-14 was reduced to 49.20% from 58.30% during 2012-13 whilst during the year your company has achieved 80% of average capacity utilization of SSP as against 91% reported during the previous financial year, which is considered to be highest in the industry of our size and operations. It is pertinent to note that your company could achieve this feat with active support from consortium member banks and better management of working capital at its disposal and timely availability of raw material.

Company continued to focus on its core business of SSP though thrust was given for NPK also. There was tremendous growth in NPK production since past three years, i.e. with meager quantity of 2915 MT in 2011-12 to 20700 MT in the year 2013-14. Company's fertilizer division has achieved 80% capacity utilization and produced 380328 MT as against 91% achieved in corresponding year 2012-13 with production of 435846 MT. Though industry average as per FAI data stands at 49.20% in the F.Y. 2013-14 against 58.40% in the F.Y. 2012-13 only 20 units were operated at above 60% capacity. The company at present maintains overall market share of 9.05% against 40.70 lac MT despatches reported in the country during the year 2013-14. Moreover, for want of higher working capital, this year also your company could not concentrate more on soya oil. Company introduced value-added product "Soil Conditioner" at Udaipur plant. However, during the current year the Company intends to increase production of NPK, Sulphuric acid, Oleum and Soya oil with the sanction and release of additional working capital.

Your company achieved sales turnover of ₹ 53,176.82 Lacs. Whilst share of fertilizer and chemicals division is ₹ 34,778.37 Lacs and soya division is ₹ 18,398.45 lacs, Company incurred net loss of ₹ 210.95 lacs. The reasons beyond the control of Management viz., reduction in subsidy and MRP by Govt. of India, excess availability of phosphatic fertilizer in the channel inspite of stagnant in demand and slide in sales and also over capacity due to entry of new players posing intense competition coupled with foreign exchange loss have affected the overall performance of the company.

It would not be out of place to mention here that business environment has become intensely competitive and in order to sustain and survive through this difficult phase, the Company has taken all possible extraordinary measures. Thus ensuring in efficient management of all resources, innovative approach to cost reduction and achieving operation efficiency at optimum levels.

However, had there been timely support by Working Capital lenders, seed crushing at our Indore oil division would have operated at optimum capacity and brought in additional revenue though during the year under review, the company has crushed a little higher quantity of 47219 MT of soya seed as against 46656 MT crushed during 2012-13. Thus the soya facilities were under-utilised.

Your Directors are hopeful that with the continuance of NBS Policy with additional contribution envisaged from the proposed capacity expansion of SSP plants and also optimum capacity utilization of soya division coupled with introduction value-added product of "Soil Conditioner" and with the unstinted support from working capital bankers, the performance of the company would further improve in the current year.

Industry Award for Best Performance:

This award is instituted by the Apex industry body, The Fertilizer Association of India (FAI) New Delhi. Your directors are glad to inform that for the third year in a row, your company was bestowed with "Best Performance Award" in the entire SSP industry for overall performance in the year 2013. The details of award are given here below :

For the year 2011 : Indore Unit

For the year 2012 : Pune Unit

For the year 2013 : Indore Unit

Thus we have achieved hat trick.

ISO Accreditation :

The Oil Division of your company has conformed with the requirements under ISO 14001 : 2004 accreditation for the Environmental Management System and the certificate issued in the year June-2007 is periodically renewed.

In pursuit of achieving Quality Standards, our Oil Division has fulfilled requisite conditions and received accreditation with ISO 9001 : 2008 during this year.

Similarly, our Fertilizer Division has also obtained accreditation for ISO 9001 : 2008 during this year.

This is an additional feather in our cap which will ensure Quality Management System.

3. EXPANSION ACTIVITY

Udaipur unit : Company has Proposed Expansion Project of Single Super Phosphate (1,81,000 to 3,15,000 TPA) and NPK (60,000 TPA), and Boronated SSP (25,000 TPA), and LABSA (20,000 TPA). The said proposal was considered by the 19th Reconstituted Appraisal Committee of MOEF during the meeting held on 28th and 30th May 2014. The formal Environmental Clearance is awaited by the company.

Indore unit : Our proposal for expansion of SSP capacity from 1.65 lac to 2.50 lac MT is approved by 10th Reconstituted Appraisal Committee of MOEF during the meeting held on 29th and 31st July 2013. However, company awaits the Environmental Clearance shortly.

4. DIRECTORS

During the year under review, Bank of India has withdrawn the nomination of Mr. Mohan Lal Goyal and nominated Mr. M. Shanmugam as its Nominee Director in his place. The Board places on record its sincere appreciation of the valuable contribution made by Mr. Mohan Lal Goyal during his association with the Company.

Mr. H. D. Ramsinghani who retires by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment.

In accordance with the Provisions of the Sections 149 and 152 of the Companies Act, 2013 and the rules made there under, it is proposed to appoint Mr. Deonath Singh, Mr. K. Raghuraman and Mr. A. K. Thakur as non-executive Independent Directors for a period of five years from the date of the forthcoming Annual General Meeting.

5. CORPORATE GOVERNANCE

A Report on Corporate Governance along with the Auditor's Certificate regarding Compliance of the conditions of Corporate Governance as also a Management Discussion and Analysis Report pursuant to clause 49 of the Listing Agreement are annexed hereto.

6. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. Appropriate policies have been selected and applied consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and Statement of Profit & Loss of the Company for that period;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. The financial accounts have been prepared on a going concern basis.

7. AUDIT COMMITTEE

In accordance with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement, the Company has constituted an Audit Committee comprising of the following Directors viz. Mr. K. Raghuraman (Chairman), Mr. Deonath Singh and Mr. H. D. Ramsinghani. Audit Committee acts in accordance with the terms of reference specified from time to time by the Board.

OTHER COMMITTEES

The Company has constituted the Stakeholders Relationship Committee comprising of following Directors viz. of Mr. Deonath Singh (Chairman), Mr. H. D. Ramsinghani and Mr. D. J. Ramsinghani.

The Company has constituted Corporate Social Responsibility Committee (CSR) comprising of following Directors viz. Mr. Deonath Singh (Chairman), Mr. H. D. Ramsinghani and Mr. K. Raghuraman.

The Company has also constituted the Risk Management Committee comprising of following Directors viz. Mr. Deonath Singh (Chairman), Mr. H. D. Ramsinghani and Mr. K. Raghuraman.

8. CONSERVATION OF ENERGY AND TECHNICAL ABSORPTION

Information required under section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and also read with applicable provisions of the Companies Act, 2013 is annexed in **Form-A** and forms part of the report.

9. DISCLOSURE OF PARTICULARS

Information as required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 relating to the conservation of energy, technology absorption, foreign exchange earning and outgo is annexed hereto and forms a part of this Report.

10. PERSONNEL

There were no employees who were employed during the period under review or part thereof and who were in receipt of remuneration in excess of the limits specified under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended to date.

11. AUDITORS REPORT

Your Directors refer to the observations made by the Auditors in their Report and wish to state as follows :

The Company has given interest free loans to sick company and its subsidiary in the earlier years and has made provision for entire amount in the books of accounts and at the same time Company is making full efforts for recovery of these dues.

12. AUDITORS

M/s. Dayal & Lohia, Chartered Accountants (Firm Registration No. 102200W) the Auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting and being eligible to offer themselves for reappointment. The Company has received a certificate from them certifying that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Companies Act, 2013.

13. COST AUDIT

The Cost Account Records maintained by the Company for “Fertilizers”, “Sulphuric Acid” and “Soya” are subject to yearly audit by qualified Cost Auditors. The Company has reappointed Mr. R. S. Raghavan, a qualified Cost Auditor for conducting the Cost Audit of such records for the financial year 2014-15. The Company has received a Certificate from Cost Auditor certifying his independence and arm’s length relationship with the Company.

The Cost Audit Report for the financial year ended 31st March, 2013 was filed on 30th September, 2013 with Ministry of Corporate Affairs, New Delhi. The Cost Audit Report for the financial year ended 31st March, 2014 will be filed within the stipulated time.

14. FIXED DEPOSITS

The Company has not accepted any Public Deposits and as such no amount principle or interest on public deposits was outstanding as on the date of the Balance Sheet.

15. INDUSTRIAL RELATIONS

The Industrial Relations remained cordial at all the units of the Company during the year under review.

16. ACKNOWLEDGEMENT

Your Directors sincerely record their appreciation with gratitude for the continued support and assistance extended to the Company by the Financial Institutions, Banks and various Government Departments and Agencies and Creditors. The Directors place on record their appreciation for continued support of shareholders of the company. The Directors also wish to place on record the appreciation to the team of executives, staff and workers, who have shown devotion and efficiency in performing their jobs.

For and on behalf of the Board

D. J. RAMSINGHANI
CHAIRMAN & MANAGING DIRECTOR

Place : Mumbai

Dated : August 12, 2014

ANNEXURE TO DIRECTORS' REPORT - FORM A

PARTICULARS PURSUANT TO SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2014.

I. CONSERVATION OF ENERGY :**A. Energy conservation measures taken:**

Following Energy conservation measures were taken during the year 2013-14.

a. Single Super Phosphate Plant :

1. Complete recycling of process waste of SAP & SSP in SSP for compliance of Zero discharge thereby reducing fresh water requirement by almost 50 %.
2. Enhancing of Filter Press capacity & Moisture separator performance in SSP Scrubbing system thereby process optimization & energy saving.
3. Necessary arrangement for procurement of dry rock phosphate has been carried out to avoid higher consumption of furnace oil for rock drying.
4. In SSP plant debottlenecking of Rock grinding section has been done to enhance ball mill output resulting in less power consumption per MT of production by revamping certain equipments modifying ducts .
5. Installed one Auto Transformer system for Ball Mill ID and Fan Motor & Scrubber fan thereby reducing power consumption.
6. Transparent sheets installed in new Crane Shed / GSSP Shed. Avoided Electrical lighting requirement during day time.
7. Drip irrigation system installed for plantation watering.

b. Sulphuric Acid Plant :

1. In SAP, replaced partial quantity of low activity catalyst with high activity catalyst for improving conversion & steam / power recovery along with complete insulation refurbishment of 2 major equipments i.e. Hot Gas Filter and Waste Heat Boiler.
2. With effective chemical dosing & with higher concentration of cycles in Acid cooling towers & TG cooling tower has been done thereby conserving water & power.
3. With close monitoring of steam captive consumption in SAP thereby enhancing TG power units.
4. With addition of New resins in DM Plant, increased output between two regeneration, thereby reducing waste water / water conservation.

c. GSSP Plant:

1. In GSSP Plant, recycle in the process of Granulation has been reduced. This has helped in minimizing the fuel consumption.
2. Regular monitoring of consumption of power through Managers by installation of energy saving fans and capacitors.

d. Oil Division:

1. For reducing street light power consumption, 150w HPSV lamps were replaced with 400w lamps and at some places 250w SOMV lamps were replaced with 65w LED lamps. Over and above, auto-timer is installed for automatic control for on & off system so as to avoid manual operations. Motion sensor has been provided in the conference hall.
2. In Prep section, two motors of screw conveyor and aeration tank of ETP have been replaced with 7.5 HP and 5 HP from existing 15 HP and 12.5HP motors.
3. Coal consumption has been reduced by collecting entire condensate water of plant and prep section in the closed feed water tank of the tank and thus avoiding heat losses.
4. For reducing Hexane losses, all damaged and leaking tubes of economisers have been replaced for proper condensation of hexane vapours which gave dramatic reduction in consumption of Hexane, coal and power.

B. Additional investment proposals, if any, being implemented for reduction in consumption of energy :

At Udaipur we plan to install Solar Energy System for the office building to cater to power demand of light, fan / computer & street light etc. which will result in electricity savings.

C. Impact of measures at (A) and (B) above for reduction of Energy Consumption and consequent impact on the cost of production of goods :

All above actions have resulted in good control on cost of production in SSP plant.

D. Particulars with respect to energy consumption per unit of production**a) POWER AND FUEL CONSUMPTION:**

| | Year ended 31.03.2014 | Year ended 31.03.2013 |
|---------------------------------------|--------------------------|--------------------------|
| i) Electricity | | |
| a) Purchased: | | |
| Units (in thousands) | 13546 | 13844 |
| Total amount (₹ in lacs) | 925.09 | 942.67 |
| Rate / Unit (₹) | 6.83 | 6.81 |
| b) Own Generation: | | |
| i) Through diesel generator: | | |
| Units (in thousand) | 47.89 | 34.96 |
| Units per litre of diesel oil | 2.42 | 2.51 |
| Cost / Unit (₹) | 24.55 | 18.92 |
| ii) Through steam turbine/generator : | | |
| Units (in thousand) | 4046.81 | 6312.42 |
| ii) Coal (₹ in lacs) | 541.14 | 624.24 |
| iii) Furnace Oil (₹ in lacs) | 138.09 | 171.14 |

b) CONSUMPTION PER UNIT OF PRODUCTION:

SSP : Single Super Phosphate

GSSP : Granulated SSP

SA : Sulphuric Acid

SEP : Solvent Extraction Plant

| | 31.03.2014 | | | | | | 31.03.2013 | | | | | |
|---------------------------|------------|-------|-------|-------|-------|----------|------------|-------|-------|-------|-------|----------|
| | SSP | GSSP | NPK | SA | SEP | Refinery | SSP | GSSP | NPK | SA | SEP | Refinery |
| Electricity Units/ PMT | 24.48 | 11.89 | 12.57 | 73.56 | 38.20 | 72.28 | 21.83 | 11.36 | 13.24 | 67.41 | 38.31 | 76.33 |
| Furnace Oil Litre /PMT | 0.80 | NIL | NIL | 0.21 | NIL | NIL | 0.82 | NIL | NIL | 0.12 | NIL | NIL |
| Coal Kg / PMT | NIL | 24.95 | 29.51 | NIL | 57.39 | 136.81 | NIL | 35.57 | 22.55 | NIL | 67.94 | 96.63 |

II. TECHNOLOGY ABSORPTION:**A) RESEARCH & DEVELOPMENT (R & D)****a) Specific areas in which R & D is carried out by the Company :**

The specific areas in which the R & D activities are carried out by the Company are relating to improvement in quality of the existing products and development of new products to meet market demands and change in the product mix.

Fertilizer Division:

1. Installation of Online SO₂ analyser in SAP & Online Fluorine analyser in SSP for continuous stack monitoring.
2. Installation of online SPM monitoring instruments in stack (Suspended particulate matter) at Udaipur unit.

Oil Division:

3. In oil division for controlling stack emission of FBC boiler, filter bag system has been installed at 15 TPH capacity.
4. In coal crushing plant of boiler, installed cyclonic dust collecting system made in-house.

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

Research and Development has always been a continuous process at various Units of the Company. The areas in which R & D is carried out are (a) minimization of effluents and (b) better sampling. In addition to this, following benefits have been arrived -

1. Automation in Oleum manufacturing process by installation of Auto control valves & Strength Monitoring instrument.
2. Improvement in Fluorine scrubbing system in SSP Plant by installation of Moisture Separator for minimizing stack appearance and thus maintain good environment.

c) **Future Plan of Action:**

Fertilizer Division:

1. The company plans Automation in SSP manufacturing process through fully computerized DCS technology for maintaining Product quality & faster curing product.
2. After receiving extremely good and overwhelming response from farmers for various grades of Granulated NPK Mixed Fertilizer, Company is planning to utilize its installed capacity to its maximum.
3. At Udaipur the company plans for in-house modifications of SSP plant & new stream of SSP plant along with its crane shed extension to enhance plant capacity to the tune of 3.10 lacs MT for which awaiting EC from MoEF, Govt. of India.
4. Improvement in Fluorine scrubbing system in SSP plant by installation of modified scrubber system and Filter Press for minimizing stack appearance and thus maintain good environment.
5. The company plans for in-house modification of SSP plant along with its crane shed extension to the tune of 2.50 lacs MT capacity Enhancement at Indore for which awaiting EC from Govt. of India.
6. The Company plans for keeping another stand-by STG of Germany make in ready to operate at Indore.

Oil Division:

7. For reducing power consumption, VFD system to be installed at FBC boiler's ID and FD fans in oil division.
8. Viability study on suitable solar energy system is in progress in oil division.

B) TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:

The Company has not imported any foreign technology.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- I. Activities relating to exports, initiatives taken to increase exports, development of new export plans.
During the year, there is NIL export. The company is looking forward for increase in exports in its Soya business.
- II. Total foreign exchange used & earned :

| | | (₹ in lacs) |
|----------|---|-------------|
| Used | : | 16148.04 |
| Earnings | : | NIL |

For and on behalf of the Board

D. J. RAMSINGHANI
CHAIRMAN & MANAGING DIRECTOR

Place : Mumbai
Dated : August 12, 2014

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance

The Company has fully implemented the code of Corporate Governance as required by the Listing Agreement with various Stock Exchanges and it is committed to the Philosophy of good Corporate Governance in letter and spirit.

2. Board of Directors

- a) The present strength of the Board consists of Six Directors. (One Executive and Five Non Executive Directors.)
- b) The attendance at Board Meetings and last Annual General Meeting of each of the Directors during the financial year of the Company was as under :

| Name of Director | Category Executive, Non-executive/ Independent | Attendance at | | Director ship of other Board (including alternate Directorships and Private Companies) | Membership/ Chairmanship of other Board Committees | | Share- holding (No. of Shares) |
|---|---|-------------------|--------------------------------------|--|---|--------|---|
| | | Board Meetings | Last Annual general meeting | | Chairman | Member | |
| Mr. D. J. Ramsinghani* Chairman & Managing Director | Promoter Executive | Three | Yes | One | Nil | Nil | 60 |
| Mr. Deonath Singh Director | Non Executive Independent | Three | Yes | Three | Two | Three | Nil |
| Mr. H. D. Ramsinghani* Director | Promoter Non Executive | Four | Yes | Five | One | Three | Nil |
| Mr. Mohan Lal Goyal Nominee Director – Bank of India (upto 01/01/2014) | Non Executive | Two | No | Nil | Nil | Nil | Nil |
| Mr. K. Raghuraman Director | Non Executive Independent | Four | Yes | Eight | One | Four | Nil |
| Mr. M. Shanmugam Nominee Director – Bank of India (w.e.f. 01/01/2014) | Non Executive | Nil | N.A. | Nil | Nil | Nil | Nil |
| Mr. A. K. Thakur Director (w.e.f. 12/08/2014) | Non Executive Independent | Nil | N.A. | Three | Nil | Three | Nil |

*Except Mr. D. J. Ramsinghani, Chairman and Managing Director and Mr. H. D. Ramsinghani, Non Executive Director, who are relatives, none of the other Directors are related to each other.

- (c) During the year Four Board Meetings were held on the following dates :
May 17, 2013, August 14, 2013, November 06, 2013 and February 14, 2014.

3. Code of Conduct

The Company has framed a Code of Conduct for the members of the Board of Directors and Senior Management personnel of the company. The declaration by the Chairman and Managing Director regarding compliance by the members of the Board and the Senior Management personnel with the said code of conduct is annexed hereto.

4. Audit Committee

Role of the Audit Committee and its terms of reference includes reviewing the financial statements, overseeing the Company's Annual Report and discussions with internal and external Auditors.

The Committee presently comprises of Mr. K. Raghuraman – Chairman, Mr. Deonath Singh and Mr. H. D. Ramsinghani.

During the year Four Meetings of the Audit Committee were held on May 17, 2013, August 14, 2013, November 06, 2013 and February 14, 2014. The attendance at Audit committee meetings of each of the Directors is as under:

| Name of the Director | Attendance at Audit Committee Meetings |
|-----------------------|--|
| Mr. Deonath Singh | Four |
| Mr. H. D. Ramsinghani | Four |
| Mr. K. Raghuraman | Four |

5. Share Transfer Committee

The Board has delegated the power of share transfers to a Committee of Directors comprising of Mr. D. J. Ramsinghani – Chairman, Mr. K. Raghuraman and Mr. Deonath Singh as also to the Registrars and Transfer Agent of the Company who attend to the Share Transfer formalities, transmission of shares, issue of duplicate certificates and issue of certificates on split / consolidation / renewal etc. at least once in a fortnight. The transfers etc. approved by the Registrars and Transfer Agent and the Share Transfer Committee are also noted at every meeting of the Board of Directors. The Board has designated Mr. J. K. Parakh – Company Secretary as the Compliance Officer.

No investor complaint is pending for a period exceeding one month.

6. Remuneration Committee

The Remuneration Committee determines the managerial remuneration including perquisites payable to Managerial Personnel and makes recommendations to the Board of Directors.

The Committee presently comprises of Mr. K. Raghuraman – Chairman, Mr. Deonath Singh and Mr. M. Shanmugam and One meeting of the Remuneration Committee was held during the year under review.

7. Stakeholders Relationship Committee

The Committee presently comprises of Mr. Deonath Singh – Chairman, Mr. D. J. Ramsinghani and Mr. H. D. Ramsinghani. In terms of Clause 47 of the Listing Agreement the Company has appointed Mr. J. K. Parakh – Company Secretary as the Compliance Officer and the investors are requested to register their complaints, if any, on the exclusive email ID: jparakh@ramagroup.co.in

A Summary of complaints received and resolved by the Company during the period is given below :

| | Received | Resolved |
|--|----------|----------|
| Non-Receipt of Share Certificates duly transferred | 8 | 8 |
| Non-Receipt of Dividend Warrants | 2 | 2 |
| Non-Receipt of Annual Report | 3 | 3 |
| Non-Receipt of Exchange Certificate | 6 | 6 |
| Miscellaneous | 1 | 1 |
| Letters from Stock Exchanges, SEBI and Ministry of Corporate Affairs | NIL | NIL |

8. Remuneration of Directors

(a) Director

The remuneration paid to the Director during the period was as follows :

| Name | Designation | Remuneration (₹ In lacs) | Sitting Fees (₹) |
|-----------------------|------------------------------|--------------------------|------------------|
| Mr. D. J. Ramsinghani | Chairman & Managing Director | 30.26 | NIL |

(b) Non - Executive Directors :

The Non-Executive Directors are not paid any remuneration except sitting fees for attending meetings of the Board or committees thereof. Details of Sitting Fees paid to the Non-Executive Directors are as follows :

| Name of Director | Sitting Fees (₹) |
|-----------------------|------------------|
| Mr. H. D. Ramsinghani | 16,000/- |
| Mr. Deonath Singh | 14,000/- |
| Mr. Mohan Lal Goyal * | 4,000/- |
| Mr. K. Raghuraman | 18,000/- |

*Sitting Fees paid to Bank of India (BOI) for meetings attended by its Nominee Director Mr. Mohan Lal Goyal

9. General Body Meetings :

| Financial Year | Date | Time | Location |
|----------------|------------|------------|--|
| 2010-11 | 30/09/2011 | 10.00 A.M. | Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400001. |
| 2011-12 | 21/09/2012 | 10.00 A.M. | M.C. Ghia Hall, Bhogilal Hargovindas Bldg., 18/20, Kaikhushru Marg, Mumbai 400001. |
| 2012-13 | 27/09/2013 | 10.00 A.M. | Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400001. |

10. Postal Ballot / Special Resolution

No Resolutions were required to be approved through Postal Ballot at the last Annual General Meeting nor is any resolution proposed for passing through Postal Ballot at the ensuing Annual General Meeting.

Details of Special Resolution passed in the previous Three Annual General Meetings.

| Date | Particulars |
|------------|--|
| 30.09.2011 | Re-appointment of Mr. D. J. Ramsinghani as the Managing Director for a period of three years w.e.f. April 01, 2011 |
| 21.09.2012 | No Special Resolutions were passed |
| 27.09.2013 | No Special Resolutions were passed |

11. Disclosures

- There were no transactions of material nature with the Directors or the Management or relatives of the Directors during the financial period, which could have potential conflict with the interests of the Company at large.
- Transactions with related parties as per requirements of Accounting Standard – 18 are disclosed elsewhere in the Annual Report. None of these transactions have potential conflict with interest of the Company at large.
- No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority on any matter related to the capital markets during the last three years.
- Apart from Mr. D. J. Ramsinghani, Chairman and Managing Director who is related to Mr. H. D. Ramsinghani, there are no other relationships between the Directors inter se.

12. Means of communication

The Company has not made any presentation to the institutional investors or analysts.

13. General Shareholder Information :

| | |
|---|--|
| Financial Year | : 1st April, 2013 to 31 st March, 2014 |
| Annual General Meeting | : 29th September, 2014 at 11.00 a.m. at Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400001. |
| Dates of Book Closure | : 15th September, 2014 to 29th September, 2014 (Both Days Inclusive) |
| Dividend Payment Date | : On or after October 06, 2014 |
| Listing on Stock Exchange | : Bombay, M. P, Calcutta, Ahmedabad, Delhi |
| Stock Code | : 524037 |
| International Securities Identification Number allotted By NSDL | : INE809A01024 |

14. Market Price Data (High/Low in ₹ during each month) :

| Month | High | Low |
|----------------|-------|-------|
| April 2013 | 53.80 | 45.00 |
| May 2013 | 60.40 | 46.55 |
| June 2013 | 52.80 | 34.50 |
| July 2013 | 48.00 | 34.30 |
| August 2013 | 37.50 | 29.40 |
| September 2013 | 39.80 | 31.00 |
| October 2013 | 36.90 | 29.00 |
| November 2013 | 40.30 | 31.50 |
| December 2013 | 41.00 | 31.00 |
| January 2014 | 45.85 | 34.40 |
| February 2014 | 38.35 | 29.20 |
| March 2014 | 34.15 | 28.65 |

15. Registrars & Transfer Agent

Link Intime India Private Limited
 C - 13, Pannalal Silk Mills Compound,
 L. B. S. Marg, Bhandup (West), Mumbai 400078
 Tel : 25963838; Fax : 25946969;
 Email : rnt.helpdesk@linkintime.co.in
 Website : www.linkintime.co.in

16. Distribution of Shareholding as on 31st March 2014:

| Number of Equity Share Holdings | Number of Shareholders | Percentage of Shareholders | Number of Shares | Percentage of Shareholding |
|---------------------------------|------------------------|----------------------------|------------------|----------------------------|
| 1 – 500 | 8691 | 91.01 | 907101 | 5.13 |
| 501 – 1000 | 407 | 4.26 | 323015 | 1.82 |
| 1001 – 2000 | 216 | 2.26 | 323350 | 1.83 |
| 2001 – 3000 | 84 | 0.88 | 212513 | 1.20 |
| 3001 – 4000 | 38 | 0.40 | 135662 | 0.77 |
| 4001 – 5000 | 22 | 0.23 | 106213 | 0.60 |
| 5001 – 10000 | 39 | 0.41 | 276942 | 1.56 |
| 10001 & above | 53 | 0.55 | 15408417 | 87.09 |
| Total | 9550 | 100.00 | 17693213 | 100.00 |

17. Shareholders' Profile as on March 31, 2014 :

| Sr.No. | Category of Shareholders | No. of Shares held | % to Total Capital |
|--------|---------------------------------|--------------------|--------------------|
| 1. | Promoters | 13269754 | 75.00 |
| 2. | Foreign Collaborators | NIL | NIL |
| 3. | Banks | 8560 | 0.05 |
| 4. | Financial Institutions | 560 | 0.00 |
| 5. | Foreign Institutional Investors | NIL | NIL |
| 6. | Mutual Funds | 5320 | 0.03 |
| 7. | Domestic Companies | 1572533 | 8.89 |
| 8. | Non Resident Indians | 75574 | 0.43 |
| 9. | General Public | 2760912 | 15.60 |
| | Total | 17693213 | 100.00 |

18. Dematerialization of shares as on March 31, 2014:

97.36% of the Company's total equity share capital representing 17226465 Equity Shares is held in dematerialized form.

19. Plant Location :

- (1) 20/4, KM Stone, Indore – Ujjain Road, (Dharamपुरi), Indore 453 557 (M.P.)
- (2) P. O. Loni Kalbhor, Tal Haveli, Dist Pune 412 201 (Maharashtra)
- (3) 4807/11, Umra Village, Jamarkotra Road, Teh. Girva, Dist. Udaipur 313 901 (Rajasthan)
- (4) 20/6, KM Stone, Indore Ujjain Road, (Dharamपुरi), Indore 453 557 (M.P.) - Oil Division

20. Address for Correspondence :

Shareholders should address all correspondence to the Company at 51/52, Free Press House, Nariman Point, Mumbai 400 021 or to the Registrar and Transfer Agent – Link Intime India Private Limited at C – 13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai 400 078.

21. Non Mandatory Items :

- a) At present there is no policy for fixing the tenure of Independent Directors.
- b) The Company has constituted a Remuneration Committee.
- c) Half yearly financial results including summary of significant events in the past six months are presently not being sent to the Shareholders.
- d) There is no formal policy at present for training of the Board members as all the Board members are eminent and experienced professionals.
- e) There is no formal mechanism at present for evaluation of Non Executive Directors.
- f) The Company has not established at present any formal Whistle Blower Policy.
- g) The replies to the Qualifications in Auditors Report on the financial statement are given in the Directors Report.

22. Appointment / Reappointment of Directors :

Mr. H. D. Ramsinghani is proposed to be reappointed at the forthcoming Annual General Meeting. Mr. Deonath Singh, Mr. K. Raghuraman and Mr. A. K. Thakur are proposed to be appointed as Independent Directors. The relevant information about the said Directors are given in the Notice convening the Annual General Meeting.

For and on behalf of the Board

**D. J. RAMSINGHANI
CHAIRMAN & MANAGING DIRECTOR**

Place : Mumbai

Dated : August 12, 2014

DECLARATION REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant to Clause 49 of the Listing Agreement.

The Company has in respect of the financial period ended 31/03/2014 and received from the members of the Board of Directors and the Senior Management Personnel a declaration of compliance with the Code of Conduct as applicable to them.

Place : Mumbai
Dated : August 12, 2014

D. J. RAMSINGHANI
CHAIRMAN & MANAGING DIRECTOR

CERTIFICATE

To the Members of
RAMA PHOSPHATES LIMITED

We have examined the compliance of conditions of Corporate Governance by **RAMA PHOSPHATES LIMITED**, for the year ended on 31st March 2014, as stipulated in clause 49 of the Listing Agreement of the said company with stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was 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 and based on the representations received from the Directors and the management we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

Based on the representation received from the Company's Share Transfer Agents, we state that complaint letters received from shareholders during the period 01/04/2013 to 31/03/2014 have been attended.

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.

Yours faithfully,
For Dayal and Lohia
Chartered Accountants
(Firm Registration No.102200W)

Place : Mumbai.
Date : August 12, 2014

(Sunil Khandelwal)
Partner
Membership No.101388

MANAGEMENT DISCUSSION & ANALYSIS REPORT

1. ECONOMIC SCENARIO

India started building up the fertilizer production capacity to meet the increasing demand of fertilizers with introduction of high yielding variety seeds in late 1960s. Application of nutrients through fertilizers was a prerequisite to achieve massive increase in agriculture productivity. Government of India took note of the need to produce fertilizers indigenously and worked out appropriate policies in 1970s. These policies gave a push to build up of domestic production capacity. The decade of 1980s can be called the 'golden era' of fertilizer sector in India.

Agriculture Scenario : India produced 264 million tonnes food grains last year which is higher than previous highest production of 259 million tonnes achieved in 2011-12. This was possible due to good monsoon rains and high water level in major reservoirs of the country. But this output is much lower than the 450 million tonnes of food grains production achieved by China from 2/3rd of arable land. In fact, yields of major crops in India are almost half than those achieved in China and even lower than average yields of the world. To overcome this deficiency, it is the need of the hour to initiate plant nutrients based on soil condition, quality seeds, crop rotation and other host of good farm practices. The current use of primary nutrients Nitrogen (N), Phosphorous (P) and Potassium (K) is highly imprudent in favour of excessive use of N compared to use of P&K. The present N:P:K use ratio of 8.2 : 3.2 : 1 is skewed as compared to generally recommended ratio of 4 : 2 : 1. There is a huge anomaly in the present subsidy level of Urea commanding 70% of its cost of production as compared to 30% of P&K fertilizers.

The production of SSP increased significantly after changes in SSP policy in 2008-09 and implementation of NBS policy from 2010-11 during which period it recorded growth rate of 22%, 20% and 17% respectively. However, the momentum slowed down in the subsequent year 2012-13 at 2.6% and turned negative in 2013-14. The overall production of 4.168 million tonnes in 2013-14 was lower by 6% over the previous year despite good weather. This negative growth is attributed to various reasons like fall in demand caused by huge inventory in the channel, liquidity problem caused by delay in payment of subsidy and non-payment of balance subsidy since Nov. 2012 coupled with reduction in subsidy payable and reduction in MRP.

Revival of Monsoon : Currently, the monsoon is well set and in full swing in the country and Meteorology Dept., forecasts heavy rains in most parts of the country including M.P., Gujarat and Maharashtra which are the major khariff oil seeds growing states. In M.P., and nearby areas 60 – 80% sowing has been completed; however, this year sowing of soya seed will be less as compared to the last year due to delay in the monsoon at the beginning of this season and also crisis of good quality graded seeds in the market and also some farmers diverted to cotton. As per market information, this year estimated soya crop would be around 80 to 90 lac tonnes as against 110 lac tonnes in the previous year due to late sowing subsequent to delayed monsoon.

2. INDUSTRY STRUCTURE AND DEVELOPMENTS

Fertilizer: The Company manufactures phosphatic fertilizer (SSP) viz. Single Super Phosphate in both Powder and Granulated form along with various grades of Mixed Fertilizer NPK and industrial chemicals Sulphuric Acid and Oleum. SSP is generally used for improved root growth and chlorophyll synthesis and thus improve quality of product since it contains 16% P₂O₅, 11% Sulphur, 21% Calcium and Minerals in Traces. The main attraction and utility of SSP is that it is cheaper in cost and available at 1/4th price of DAP & MAP and 2/3rd price of MOP without compromising on overall input value. Currently 17% of domestic production of Phosphate (P₂O₅) is contributed by SSP.

Consumption of Chemical Fertilizers and Balanced Use of Fertilizers : Consumption of fertilizers increased by 7 million tonnes nutrients in 1980s and by another 4 million tonnes in 1990s. Fertilizer industry did the yeoman service and continues to do so by providing quality fertilizers to more than 120 million farmers year after year.

The share of SSP to total production of P₂O₅ nutrient was 100 percent way back in 1950s before the complex fertilizers came in production in India. It declined to 44.8% during 1970-71 and 23.4% during 1980-81. Some improvement was noticed during 1990-91 when it touched 28.5%. In spite of the favourable scenario prevailing in the country, the phosphate segment has performed badly on actual production. The production of phosphates as nutrient P₂O₅ was 3.96 million tonnes in 2013-14 whilst it peaked at 4.4 million tonnes in 2006-07 and declined since then.

As per the data for international consumption available as of 2011, it is observed that India ranks third in the global consumption of SSP, next to China and Brazil. It is further interesting to note that in Egypt, bulk of the quantity, i.e. 93% of P₂O₅ consumption is sourced through SSP followed by New Zealand with 79%, Brazil 30%, China 17% and India with 10%.

Phosphatic industry is adversely affected by adhoc changes in Nutrient Based Subsidy (NBS) policy which created environment of uncertainty. These included fixing the subsidy and also fixing MRP indirectly in policy notification for 2013-14. In such a situation, fertilizer companies are unable to take decision on procurement of raw materials almost all of which are imported. Companies have then to rely on spot purchases which affect the production planning.

Reasons for capacity stagnation : According to FAI, the reasons for stagnant capacity and production are not far to seek. The phosphatic fertilizers always faced uncertain policy environment with knee jerk changes. The introduction of NBS was intended to put the fertilizer sector on reform path. But its selective introduction only for phosphatic and potassic fertilizers in 2010 and then adhoc changes in the fundamentals of policy have put the fertilizer industry in trouble looking for policy direction. The current situation has led to imbalanced use of primary nutrients harming the soil health in the process. It is also resulting in less than desirable agriculture productivity and thus poor return to the farmers on application of costly fertilizers.

Soya Oil: Edible oil production of India from domestic sources remained stagnant at between 7 – 8 million tonnes for the last many years. Hence, increasing import reliance is a natural phenomenon which will continue until production from domestic sources stepped up. Total oil production from domestic sources is likely to remain at 7.6 million tonnes in the year 2013-14, marginal increase from the last year level at 7.5 million tonnes. Overall import of the country in the first five months (Nov.13 to Mar.14) fell marginally by 6% to 4.3 million tonnes in the previous year in which Soya oil accounts for more than 40%. Edible oil production from domestic sources remained lower despite increase in overall seed production. The need of imports in total edible oil consumption of India is likely to hit 65.3% in the oil year (Nov-Oct 2013-14) against 61.2% in the previous year, according to USDA.

Soya oil, the second largest edible oil consumed in the country, caters to around 15% of the burgeoning domestic edible oil demand. In spite of delayed monsoon by more than a month, production of oilseeds is expected to be higher at 23.96 million tonnes against last 20.86 million tonnes boosted by a record high soyabean output of 15.68 million tonnes. In spite of achieving higher production, the productivity of soybean in the country stands at 43% of world average which needs to be improved by optimum use of fertilizers and other field mechanization wherever necessary.

Soybean crushing activity seen a huge drop due to lower availability of seeds. Since the start of this oil year (Oct-Sep) till March-14, India has crushed 5 million tonne of Soybean whilst last year India crushed 1 million tonne more soybean in the same period. The year saw capacity utilization at 25 to 30% as a whole as per the data released by SOPA. There has been a drop in crushing as availability of seeds is an issue and also disparity between Indian and International prices making it attractive to import soya oil which has impacted soybean crushing activity.

According to World Bank reports, edible oil experienced the fastest production and consumption growth rates of all agricultural commodities during recent decades which is likely to continue in the future. It further states that production growth rates for eight commodities, soybeans and palm oil shows two to three times higher those of food commodities. Edible oils are, perhaps, the only commodity group whose income elasticity is high not only for low and middle income countries but also for high income countries. This reflects the fact that as income increases, people tend to eat more in professional establishments and consume more pre-packed foods items, both of which are utilizing more edible oil than otherwise.

The Per Capita consumption of edible oils in India was only 4 kg in 1973 which increased to 9.40 kg in 2001-02, 10.50 kg in 2007-08 and estimated to reach 14.40 kg in 2013.14. This is still a lot below threshold level of consumption. However, this rapid growth in consumption is on account of increasing income, rising urban population, supply of oils by Govt. at subsidized rate under PDS and increasing out of home consumption etc. While the industry is growing at an accelerated pace driven by rising oil demand for household consumption, numerous industrial applications and as an alternative energy source, the value chain participants struggle to protect their margins amidst the challenges thrown by extreme price volatilities, regulatory uncertainties and availability of raw material as well as substitutes like crude palm oil.

3. OPPORTUNITIES AND THREATS

The fertilizer industry being a seasonal industry, it depends on the vagaries of monsoon. This year, there was inordinate delay in the onset of monsoon, which delayed the sowing pattern of major crops throughout the country. In spite of delay, till date, the rainfall is adequately spread out in the whole country which instilled hope in the minds of farmer to continue sowing. This delay would result in availability of food grains and pulses in the market.

For the industry of our size, we had to continue to withhold the supplies for want of demand in the market which otherwise would have been liquidated by middle of June. Thus, there was no loss of sale for the company though delay in liquidation.

The international price of Rock Phosphate is reached a semblance in the market. With this, it is hoped that the company would be in a position to save precious foreign exchange and thus improve profitability.

Company has also made strategic marketing tie up with Nagarjuna Fertilizers & GSFC for marketing fertilizers in U.P. and other states where the company has little presence. Moreover, company regularly participates in tender formalities called by various Marketing Federations in respective States and sources order for supply.

Company intends to monetize railway siding at Pune unit by giving co-use permission. This will bring in additional revenue to the company in the long run.

The company commands a high recall of our brands viz., “Girnar” and “Suryaphool” in the minds of farmers in respective area of our operation. Additionally, company is venturing on image building exercises by promoting its products in Trade Fairs, Dealer’s meet at our plants etc. So as to develop brand image, company earmarks substantial amount towards product development expenses.

Company’s manufacturing units are situated at strategic locations viz., Pune, Indore and Udaipur and operates mainly in Western India region. It is worth to note that out of 4.054 million tonnes despatched in the country, West zone accounted for largest share of 68.6% followed by East zone 12.2%, whilst North and South zones holding share of 10.1% and 9.1% respectively. Thus, we are in advantageous position.

In the current financial budget, it was announced investment allowance of 15% on investment of more than ₹ 25 cr in the existing units which we hope would help the company in expansion needs.

SSP is being the low cost fertilizer and domestically produced, Govt. is also encouraging SSP to substitute imports of other fertilizers like DAP and NPK, which is an indication of upward trend in future.

The company intends to revive its edible soya oil brand “Sufla” in the market during this year based on viability of operations.

The Government policy plays a major role in survival of fertilizer industry and timely release of funds towards subsidy amount would help the company in maintaining requisite cash flow on day-today- requirements.

In spite of adverse business environment due to stagnant demand, sliding sales and intense competition from new players in the market, the Company shall ensure for extraordinary measures for efficient management of all resources with innovative approach to cost reduction and achieve optimum operating efficiency.

4. SEGMENTWISE PERFORMANCE

The requisite information regarding Segment wise performance has been given in the Notes forming part of the Accounts.

5. OUTLOOK

There is no change in the prevailing NBS policy during this year subsequent to reduction of ₹ 500/- pmt announced in the previous year. However, company’s inherent strength in product and strategic marketing practices would make it sail through all hurdles.

On receipt of requisite Environment Clearance permission from MoEF authorities, company would be in a position to enhance capacities of Fertilizer production at both Indore and Udaipur units.

The main producer of Soya seed in the country is Madhya Pradesh state and it is reported that acreage cultivation is increased during this season which will result in higher consumption of SSP fertilizer and subsequent availability of plenty of soya seed in the country. The company intends to operate oil crushing plant at optimum capacity based on viability and funds availability and with commissioning of Lecithin plant and introduction of value-added product “Soil Conditioner”, viability will further improve.

Hopefully with the above initiatives, company would be in a position to deliver superior returns to the stake holders.

6. INTERNAL CONTROL SYSTEMS

The Company has an adequate system of internal control and conducts audit on quarterly basis at all plants and the salient points are discussed and corrective actions are taken. It also ensures that all assets are protected against loss from unauthorized use or disposition and all transactions are recorded and reported in conformity with generally accepted accounting principles.

7. FINANCIAL PERFORMANCE

During the year Company has achieved revenue of ₹ 54105.69 Lacs as compared to ₹ 62,035.43 Lacs for the year ended March 31, 2013. The Loss for the year is ₹ 210.95 Lacs as compared to Profit of ₹ 2563.01 Lacs achieved in the previous year.

8. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The industrial relations remained cordial during the year under review.

9. CAUTIONARY STATEMENT

Statements in this Report on Management Discussion and Analysis describing the Company’s objectives, projections, estimates, expectations or predictions are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that make a difference to the Company’s operations include poor monsoon, changes in Government regulations relating to fertilizer subsidy, economic conditions affecting demand/supply, price conditions in the markets in which the company operates, competition from small scale manufacturers, litigations and industrial relations. The Company assumes no responsibility to amend, modify or revise any of the statements on the basis of subsequent developments, information or events.

For and on behalf of the Board

Place : Mumbai

Dated : August 12, 2014

D. J. RAMSINGHANI
CHAIRMAN & MANAGING DIRECTOR

INDEPENDENT AUDITOR'S REPORT

To the Members of Rama Phosphates Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Rama Phosphates Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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, subject to:

Note 30b – regarding interest free advance made to a related party

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **Dayal and Lohia**
Chartered Accountants
Firm's Registration No. 102200W

(Sunil Khandelwal)
Partner
Membership No. 101388

Place : Mumbai
Date : 27th May, 2014

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in our Report of even date to the members of **Rama Phosphates Limited** on the financial statements for the year ended 31st March 2014.)

1. In respect of its Fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situations of fixed assets;
 - b) Management has carried out physical verification of fixed assets and no material discrepancy has been noticed on such verification.
 - c) The Company has not disposed off any substantial part of fixed assets so as to affect its going concern.
2. In respect of its inventories:
 - a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion, the procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) No material discrepancies have been noticed on physical verification of stocks as compared to book records in so far as it appears from our examination of the books.
3. a) According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to the companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
Accordingly sub clause (b), (c) and (d) are not applicable.
 - b) The company has an outstanding loan from one party covered under the register maintained under section 301 of the Companies Act, 1956, amounting to ₹ 148.07 lacs of which ₹ 31.79 lacs was repaid during the year.
 - c) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions are prima facie not prejudicial to the interest of the Company.
 - d) The payments of Principal amount and interest relating to this loan are regular.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and nature of its business with regard to purchase of inventory, fixed assets and for sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
5. During the year the Company has not entered into any contract referred to in section 301 of the companies Act, 1956.
6. According to the information and explanation given to us, the company has not accepted any deposits u/s 58A, 58AA or any other relevant provisions of the Companies Act, 1956, during the year.
7. In our opinion, the Company has an internal audit system commensurate with the size and the nature of the business.
8. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of the Company's Products to which the said rules are made applicable, and are of the opinion that prima facie, the prescribed accounts have been made and maintained. We have, however not made a detailed examination of the records with a view to determine whether they are accurate.
9. a) According to the records of the Company, there were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues outstanding as on 31st March, 2014, for a period of more than six months from the date they became payable.
 - b) According to the records of the Company and information and explanations given to us the following dues of sales tax, income tax, wealth tax, service tax, custom duty, excise duty have not been deposited on account of disputes: -

| Name of the Statute | Nature of the Dues | ₹ in lacs | Period to which the amount relates | Forum where dispute is pending |
|--------------------------------------|--------------------|-----------|---|--|
| Income Tax Act-1961 | Income Tax | 691.19 | F.Y. 2010-11 | CIT(Appeals) |
| Central Excise Act, 1944 | Excise duty | 161.72 | F.Y. 2005-06 | CESTAT - New Delhi |
| Central Excise Act, 1944 | Cenvat | 44.41 | F.Y. 2001-02 | Additional Commissioner - Central Excise, Indore |
| MP Commercial Tax Act, 1994 | Sales Tax | 3.58 | F.Y. 2001-02 | Appellate Board, Bhopal |
| MP Commercial Tax Act, 1994 | Sales Tax | 6.47 | F.Y. 1994-95 | Hon'ble M.P. High Court, Indore |
| Central Sales Tax Act, 1956 | Central Sales Tax | 4.07 | F.Y. 2001-02 | Appellate Board, Bhopal |
| Madhya Pradesh Entry Tax, 1976 | Entry Tax | 1.21 | F.Y. 2003-04, 2004-05, 2005-06, 2006-07 | Appellate Board, Bhopal |
| Central Sales Tax Act, 1956 | Central Sales Tax | 115.88 | F.Y. 2003-04 & 2004-05 | Hon'ble M.P.High Court, Indore |
| Madhya Pradesh Entry Tax, 1976 | Entry Tax | 157.71 | F.Y. 2007-08 | Hon'ble Supreme Court |
| Madhya Pradesh Value Added Tax, 2002 | VAT Tax | 5.55 | F.Y. 2010-11 | Appellate Board, Bhopal |

10. The Company does not have accumulated losses as at the end of the year and the Company has not incurred cash losses during the current and immediately preceding financial year.
11. According to the information and explanation given to us we are of the opinion that the company has not defaulted in repayment of dues to bank.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or any other securities.
13. In our opinion, the Company is not a Chit Fund, Nidhi or Mutual Fund/Society and therefore the provisions of clause 4 (xiii) of the order are not applicable.
14. The Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the order are not applicable.
15. According to the information and explanations given to us, and the representations made by the management, the Company has not given any guarantee for loans taken by others from any bank or financial institution.
16. In our opinion and on the basis of information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company for the purpose for which the loans were obtained.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, during the year no funds raised on short term basis have been used for long term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued debentures during the year.
20. The Company has not raised any money by public issue during the year.
21. According to the information and explanations given to us, and to the best of our knowledge and belief no fraud on or by the Company, has been noticed or reported during the year.

For **Dayal and Lohia**
Chartered Accountants
(Firm Registration No.102200W)

(Sunil Khandelwal)
Partner
M.No.: 101388

Place : Mumbai
Date : 27th May, 2014

BALANCE SHEET AS AT 31ST MARCH, 2014

| Particulars | Note no. | As at 31st March, 2014 ₹ In Lacs | As at 31st March, 2013 ₹ In Lacs |
|---|----------|--|--|
| EQUITY AND LIABILITIES | | | |
| Shareholder's Funds | | | |
| Share Capital | 2 | 1,767.43 | 1,767.22 |
| Reserves and Surplus | 3 | 10,939.75 | 11,253.88 |
| Non-Current Liabilities | | | |
| Long-term borrowings | 4 | 430.07 | 1,297.81 |
| Deferred tax liabilities (Net) | 5 | 503.15 | 636.00 |
| Long term provisions | 6 | 44.31 | 237.65 |
| Current Liabilities | | | |
| Short-term borrowings | 7 | 4,776.87 | 4,930.70 |
| Trade payables | 8 | 7,852.01 | 10,311.54 |
| Other current liabilities | 9 | 2,203.67 | 2,733.40 |
| Short-term provisions | 10 | 332.50 | 641.19 |
| Total | | <u>28849.76</u> | <u>33,809.39</u> |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | | | |
| Tangible assets | 11 | 3,412.96 | 3,648.01 |
| Capital work-in-progress | 11 | 594.26 | 281.84 |
| Non-current investments | 12 | 12.49 | 12.49 |
| Long-term loans and advances | 13 | 239.28 | 224.01 |
| Other non-current assets | 14 | 42.27 | 19.97 |
| Current assets | | | |
| Inventories | 15 | 12,035.41 | 9,136.09 |
| Trade receivables | 16 | 5,812.93 | 8,709.78 |
| Cash and cash equivalents | 17 | 557.55 | 579.05 |
| Short-term loans and advances | 18 | 551.97 | 443.07 |
| Other current assets | 19 | 5,590.64 | 10,755.08 |
| Total | | <u>28,849.76</u> | <u>33,809.39</u> |
| Significant Accounting Policies | 1 | | |
| The Accompanying Notes are integral part of the Financial Statement | | | |
| | | | 1 to 35 |

As per our report of even date

For Dayal & Lohia
Chartered Accountants
(Firm Regn No. 102200W)

For and on Behalf of the Board of Directors

Sunil Khandelwal
Partner
M. No. 101388

D. J. Ramsinghani **D. N. Singh**
Chairman & Managing Director **Director**

Place : Mumbai
Date : May 27, 2014

J. K. Parakh
Chief Financial Officer & Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

| Particulars | Note no. | For the year ended 31st March, 2014 ₹ In Lacs | For the year ended 31st March, 2013 ₹ In Lacs |
|--|----------|---|---|
| Revenue from Operations (Gross) | | 53,609.16 | 62,308.75 |
| Less: Excise Duty | | <u>432.34</u> | <u>580.24</u> |
| Revenue from Operations (Net) | 20 | 53,176.82 | 61,728.51 |
| Other Income | 21 | <u>928.87</u> | <u>306.92</u> |
| Total Revenue | | <u>54,105.69</u> | <u>62,035.43</u> |
| Expenses: | | | |
| Cost of materials consumed | 22 | 45,289.25 | 47,822.01 |
| Purchase of Stock-in-Trade | 22 | 104.29 | 370.54 |
| Changes in inventories of finished goods, work-in-process and Stock-in-Trade | 23 | (3,185.81) | (1,647.93) |
| Excise Duty | 24 | 30.35 | 5.90 |
| Employee benefit expenses | 25 | 1,579.21 | 1,335.16 |
| Other expenses | 26 | 9,241.73 | 9,098.90 |
| Financial costs | 27 | 962.85 | 1,112.42 |
| Depreciation & amortisation | 11 | <u>410.54</u> | <u>429.93</u> |
| Total Expenses | | <u>54,432.41</u> | <u>58,526.93</u> |
| Profit/(Loss) before tax | | (326.72) | 3,508.50 |
| Less:-Tax expense: | 28 | | |
| Current tax | | - | 480.57 |
| Deferred tax | | (132.84) | 464.92 |
| Tax for earlier years | | <u>17.07</u> | <u>-</u> |
| Profit/(Loss) for the year | | <u>(210.95)</u> | <u>2,563.01</u> |
| Earning per equity share | 29 | (1.19) | 14.49 |
| Significant Accounting Policies | 1 | | |
| The Accompanying Notes are integral part of the Financial Statement | | | |
| | 1 to 35 | | |

As per our report of even date

For Dayal & Lohia
Chartered Accountants
(Firm Regn No. 102200W)

Sunil Khandelwal
Partner
M. No. 101388

Place : Mumbai
Date : May 27, 2014

For and on Behalf of the Board of Directors

D. J. Ramsinghani **D. N. Singh**
Chairman & Managing Director **Director**

J. K. Parakh
Chief Financial Officer & Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

| | Year ended 31st March, 2014 ₹ In lacs | Year ended 31st March, 2013 ₹ In lacs |
|---|---|---|
| A. Cash flow from Operating activities | | |
| Net Profit before taxation and extra ordinary items | (326.72) | 3,508.50 |
| Adjustments for - | | |
| Depreciation | 410.54 | 429.93 |
| Interest and financial charges | 962.85 | 1,112.42 |
| Depreciation of Earlier year | (24.60) | (0.30) |
| Profit on sale of assets | (0.13) | (0.69) |
| Excess provision written back | (5.02) | (166.57) |
| Bad Debts recovered | - | (33.84) |
| Loss on sale / loss of fixed assets | - | 14.68 |
| Old Balances Written Off / (written back) | (46.45) | (22.73) |
| Exchange Fluctuation | 587.48 | 177.49 |
| Interest Received | (55.44) | (51.07) |
| Provision for doubtful debts | 2.05 | 11.16 |
| Operating profit before working capital changes | 1,504.56 | 4,978.98 |
| Decrease / (Increase) in trade and other receivables | 7,926.69 | (5,356.46) |
| Decrease / (Increase) in inventories | (2,899.33) | 22.36 |
| Increase / (Decrease) in short term borrowings | (153.83) | 330.48 |
| Increase / (Decrease) in trade payables and other liabilities | (3,528.00) | 3,416.64 |
| Cash generated from Operations | 2,850.09 | 3,392.00 |
| Less: Income Tax Paid | 458.91 | 1,941.07 |
| Net Cash from Operating Activities | (A) 2,391.18 | 1,450.93 |
| B. Cash flow from investing activities | | |
| Purchase of fixed assets | (463.30) | (968.42) |
| Sale of fixed assets | 0.13 | 0.69 |
| Interest Received | 41.50 | 51.07 |
| Net cash used in Investing Activities | (B) (421.67) | (916.64) |
| C. Cash flows from financing activities | | |
| Increase in Share Capital | 0.21 | 2.77 |
| Interest & Financial charges | (962.85) | (1,112.42) |
| Decrease in long term borrowings | (866.78) | (182.19) |
| Dividend Paid on Equity Shares | (138.95) | |
| Tax paid on dividends | (22.96) | |
| Increase in Securities Premium | 0.32 | 4.16 |
| Net cash from Financing Activities | (C) (1,991.01) | (1,287.68) |
| Net Decrease in cash and cash equivalent (A+B+C) | (21.50) | (753.39) |
| Cash and cash equivalents (Opening balance) | 579.05 | 1,332.44 |
| Cash and cash equivalents (Closing balance) | 557.55 | 579.05 |

As per our report of even date

For Dayal & Lohia
Chartered Accountants
(Firm Regn No. 102200W)

Sunil Khandelwal
Partner
M. No. 101388

For and on Behalf of the Board of Directors

D. J. Ramsinghani **D. N. Singh**
Chairman & Managing Director Director

Place : Mumbai
Date : May 27, 2014

J. K. Parakh
Chief Financial Officer & Secretary

Notes to the Financial Statements for the year ended March 31, 2014

1 SIGNIFICANT ACCOUNTING POLICIES :

A) GENERAL

- 1 The accounts are prepared on the basis of the Historical Cost Convention and in accordance with generally accepted accounting principles and provisions of the Companies Act, 1956.
- 2 The company follows mercantile system of accounting and recognises income and expenditure on accrual basis. Interest on unpaid call money is accounted for as and when received.
- 3 Sales include sale of by-products and are net of sales tax if any and includes subsidy.
- 4 Investments are valued at cost of acquisition. Only permanent diminution in the value of investments meant to be held for long term is recognised.

B) EXCISE DUTY

Liability for excise duty payable on finished products has been accounted in respect of goods lying at the end of the year and added to the value of closing stock.

C) FIXED ASSETS

- (a) Fixed Assets are stated at cost of acquisition including taxes, duties, freight and other incidental expenses related to acquisition and installation of the concerned assets and net off cenvat.

- (b) Impairment of Assets :

The carrying amount of assets are reviewed at each Balance sheet date if there is any indication of impairment based on internal / external factors.

If the carrying amount of the asset exceeds its estimated recoverable amount, an impairment loss is recognised in the Statement of Profit & Loss to the extent the carrying amount exceeds recoverable amount.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets, no longer exists or have decreased.

D) DEPRECIATION

Depreciation is provided on straight-line method, at the rates prescribed in Schedule XIV to the Companies Act, 1956 on a pro-rata basis commencing from the month of addition, except in case of plant and factory building of edible oil refinery and solvent extraction units and Sulphuric Acid plants where the Depreciation is provided on written down value method.

E) INVESTMENTS

Investments are stated at cost less any diminution in their value, which is other than temporary.

F) INVENTORIES

Inventories are valued as under :

| | |
|--|---|
| Raw materials, Work in Process and Packing materials | at cost on First in First out (FIFO) basis or net realisable value whichever is lower. Raw material and Work in Process are not written down below cost if the finished product in which they will be incorporated are expected to be sold at or above cost. |
| Finished goods | at cost or net realisable value whichever is lower. The cost is computed on weighted average method and includes cost of materials, cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition. |
| Stores & spares | at Cost on FIFO basis. |

G) BORROWING COST

Borrowing costs attributable to the acquisition or construction of fixed assets are capitalised as part of cost of the assets, upto the date the asset is put to use. Other Borrowing cost are charged to Statement of Profit & loss in the year in which they are incurred.

Notes to the Financial Statements for the year ended March 31, 2014

H) SUBSIDY RECEIVABLE

Subsidy receivable is accounted on the basis of actual sales and the deductions if any from the same, made by the Certifying Authority, are accounted as and when the same are communicated to the Company.

I) REVENUE RECOGNITION

- 1 Sales are recognised, net of returns and trade discounts, on despatch of goods to customers.
- 2 Sales includes sale of bye-products and are net of sales tax if any and includes subsidy.
- 3 Revenue in respect of insurance / other claims are recognised only when it is reasonably certain that the ultimate collection will be made.

J) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are accounted for at the exchange rates prevailing on the date of such transactions where these are not covered by forward contracts. Liabilities in foreign currencies as on the date of balance sheet are converted at the exchange rate prevailing on that date.

Exchange difference in respect of liabilities incurred to acquire fixed assets prior to April 1, 2007, are adjusted to the carrying amount of such fixed assets and in other cases, are recognised as income or expense in the period in which they arise.

K) PROVISION FOR RETIREMENT BENEFITS

i) Short term Employee benefits

Short term employee benefits are recognised as an expenses at the amount disclosed in the Statement of Profit and Loss for the period in which the related service is rendered.

ii) Post employment benefits

Post employment benefits are determined using the projected unit credit method, with actuarial valuation being carried out at Balance sheet date. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

Defined benefit plans : The Government provident fund scheme is funded contribution plan and the employee gratuity fund scheme is an funded defined benefit scheme.

iii) Long Term Employee benefits

The obligation for Long Term benefits such as Long Term Compensated absence, is defined benefit which is unfunded.

L) TAXES ON INCOME

- 1 Tax expense consists of both current as well as deferred tax liability. Current tax represents amount of Income tax payable including the tax payable u/s 115JB, if any, in respect of taxable income for the year.
- 2 Minimum alternate tax credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income tax within the specified period.
- 3 Deferred Tax is recognised on timing difference between the accounting income and the taxable income for the year that originates in one period and are capable of reversal in one or more subsequent period. Such Deferred Tax is quantified using the tax rates and laws enacted or substantively enacted as on Balance sheet date.

M) EARNING PER SHARE

The Company reports basic & diluted earnings per share (EPS) in accordance with Accounting Standard 20 on earnings per share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equityshares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

Notes to the Financial Statements for the year ended March 31, 2014

| | As at 31st March, 2014 ₹ In Lacs | As at 31st March, 2013 ₹ In Lacs |
|--|--|--|
| 2 SHARE CAPITAL : | | |
| a Authorised Share Capital | | |
| 3,10,00,000 Equity Shares (Prev. Year 3,10,00,000) of ₹10/- Each | 3,100.00 | 3,100.00 |
| 1,00,00,000 Preference Shares (Prev. Year 1,00,00,000) of ₹10/- Each | <u>1,000.00</u> | <u>1,000.00</u> |
| | 4,100.00 | 4,100.00 |
| b Issued and Subscribed Capital | | |
| 1,76,93,213 Equity Shares (Prev. Year 1,76,93,213) of ₹10/- Each | <u>1,769.32</u> | <u>1,769.32</u> |
| | 1,769.32 | 1,769.32 |
| Less: | | |
| c Calls Unpaid | | |
| From Others | <u>1.89</u> | <u>2.10</u> |
| | 1.89 | 2.10 |
| d Issued, Subscribed and Paid up | Total | |
| | <u>1,767.43</u> | <u>1,767.22</u> |

e Reconciliation of Shares outstanding at the beginning and at the end of the year

| Equity Shares | As at 31st March, 2014 | | As at 31st March, 2013 | |
|---|------------------------|---------------------|------------------------|---------------------|
| | Nos. | Amount ₹ in lacs | Nos. | Amount ₹ in lacs |
| At the beginning of the Year | 17,693,213 | 1,769.32 | 17,693,213 | 1,769.32 |
| Outstanding at the end of the year | 17,693,213 | 1,769.32 | 17,693,213 | 1,769.32 |

f Details of the rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital.**Equity Shares**

The Company has only one class of Equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per share. Dividend is payable in the proportion to the Capital Paid up. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

g Details of Shareholders holding more than 5% shares in the Company

| Name of the Share holders | As at 31st March, 2014 | | As at 31st March, 2013 | |
|--------------------------------------|------------------------|--------|------------------------|--------|
| | Nos. | % | Nos. | % |
| Equity | | | | |
| NRI Investors Inc. | 9,543,895 | 53.94% | 9,543,895 | 53.94% |
| Pooja Ramsinghani | 1,343,611 | 7.59% | 2,487,111 | 14.06% |
| Jupiter Corporate Services Pvt. Ltd. | 1,506,696 | 8.52% | 1,506,696 | 8.52% |

Notes to the Financial Statements for the year ended March 31, 2014

| | As at 31st March, 2014 ₹ In Lacs | As at 31st March, 2013 ₹ In Lacs |
|--|--|--|
| 3 RESERVES & SURPLUS : | | |
| a Capital Reserve | | |
| Opening Balance | 3,159.87 | 3,159.87 |
| Closing Balance | <u>3,159.87</u> | <u>3,159.87</u> |
| b General Reserve | | |
| Opening Balance | 16.50 | 16.50 |
| Closing Balance | <u>16.50</u> | <u>16.50</u> |
| c Securities Premium | | |
| Opening Balance | 4,124.04 | 4,119.88 |
| Addition during the year | 0.32 | 4.16 |
| Closing Balance * | <u>4,124.36</u> | <u>4,124.04</u> |
| * Net of unpaid security premium from others ₹ 2.83 Lacs (Previous Year ₹ 3.15 Lacs) | | |
| d Capital Redemption Reserve | | |
| Opening Balance | 60.00 | 60.00 |
| Closing Balance | <u>60.00</u> | <u>60.00</u> |
| e Profit & Loss Account | | |
| Balance as per last Balance Sheet | 3,893.47 | 1,494.97 |
| Add : Profit/(Loss) For the Year | (210.95) | 2,563.01 |
| Less : Appropriation | | |
| Dividend on Equity Shares | 88.47 | 141.55 |
| Tax on Dividend | 15.03 | 22.96 |
| | <u>3,579.02</u> | <u>3,893.47</u> |
| Total | <u>10,939.75</u> | <u>11,253.88</u> |

NON-CURRENT LIABILITIES

4 LONG-TERM BORROWINGS :

| | | |
|--|---------------|-----------------|
| a Particulars | | |
| Term Loans (Secured) | | |
| From Bank | 173.15 | 236.44 |
| From Others * | 252.38 | 283.62 |
| Vehicle Loan | 4.54 | 10.82 |
| Other Loans (Unsecured) | | |
| From Others | - | 766.93 |
| Total | <u>430.07</u> | <u>1,297.81</u> |
| * Includes loan from a related party | 116.28 | 148.06 |
| b Out of the Above Loans Guaranteed by Directors, Promoter & others | 173.15 | 236.44 |

Notes to the Financial Statements for the year ended March 31, 2014

| | As at 31st March, 2014 ₹ In Lacs | As at 31st March, 2013 ₹ In Lacs |
|--|--|--|
| c Terms and Conditions of Borrowings | | |
| (i) Term Loan of ₹ 236.12 lacs (Previous year ₹ 299.08 lacs) including current maturity from bank is secured by Exclusive and specific charge on the assets acquired for new GSSP plant at Udaipur. The loan is further collaterally secured with first pari-passu charge along with working capital lender over movable and immovable property situated at Fertiliser division Indore, Udaipur and first pari-passu charges along with working capital and other term lenders over movable and immovable property situated at Pune. The said loan is further secured by second charge along with working capital lenders on pari-passu basis over movable and immovable property situated at Oil division Indore. The above loan is further secured along with working capital lenders by first pari-passu charge on FDR of ₹ 98.04 Lacs along with equitable mortgage of the property situated at Mumbai owned by another company and guaranteed by personal guarantee of a Director, Promoters and corporate guarantee by another company. The Interest on the loan is payable @13.95% p.a (Previous year 14.50% p.a.) as at the year end. The Loan is repayable in 24 quarterly installments starting from May-2012 (Read note no. 7 d). | | |
| (ii) Vehicle loans of ₹ 10.82 Lacs (Previous year ₹16.47 Lacs) including current maturity from Bank are secured by way of Hypothecation of vehicles. Interest on the loans are payable @ 10.50% p.a. (Previous year 10.50%) as at year end. Loans are repayable in 36 monthly installments starting from February-2013. | | |
| (iii) Term Loans of ₹ 252.38 lacs (Previous year ₹ 283.62 lacs) from others are secured by way of first pari-passu charge along with working capital and term loan lenders from bank over movable and immovable properties situated at Pune. Said term loans are further secured by way of first pari-passu charge over immovable property situated at Indore Oil Division. The Interest on the loan is payable @ 9% p.a. (Previous year 9%) as at year end. The Loan is repayable in 36 quarterly installments starting from April-2009. | | |
| 5 DEFERRED TAX ASSETS/ LIABILITIES : | | |
| Deferred Tax Assets | | |
| Disallowances under Income tax act | 100.38 | 87.58 |
| Provisions for doubtful receivables | 35.02 | 37.38 |
| Unabsorbed Depreciation and Business Loss under Income Tax | 21.54 | - |
| | <u>156.94</u> | <u>124.96</u> |
| Deferred Tax Liabilities | | |
| Related to Fixed Assets | 660.09 | 760.96 |
| | <u>660.09</u> | <u>760.96</u> |
| Net Deferred Tax (Assets) / Liabilities | Total <u>503.15</u> | <u>636.00</u> |
| 6 LONG-TERM PROVISIONS : | | |
| Provision for Employee Benefits (Refer note no. 32) | | |
| Gratuity | - | 198.34 |
| Leave Encashment | 44.31 | 39.31 |
| | <u>44.31</u> | <u>237.65</u> |
| CURRENT LIABILITIES | | |
| 7 SHORT-TERM BORROWINGS : | | |
| a Working Capital Loans (Secured) | | |
| From Banks | 4,276.87 | 4,930.70 |
| b Inter Corporate Deposit (Unsecured) | | |
| From Others | 500.00 | - |
| | <u>4,776.87</u> | <u>4,930.70</u> |
| c Out of the Above Loans Guaranteed by Director, Promoters & Others | 4,276.87 | 4,930.70 |

Notes to the Financial Statements for the year ended March 31, 2014

As at
31st March, 2014
₹ In Lacs

As at
31st March, 2013
₹ In Lacs

d Terms and Conditions of Borrowings

Working Capital facilities from Banks are secured against hypothecation of raw material, stock in process, finished goods, stores and spares, Books debts, Subsidy and first pari-passu charge along with Bank Term lender over movable and immovable properties of fertiliser division situated at Indore, Udaipur and first pari-passu charges with other Term lenders over movable and immovable properties situated at Pune. This is further secured by second charge alongwith bank Term loan lender, on pari-passu basis over movable and immovable properties of Oil division situated at Indore.

The above working capital facilities are further secured along with bank Term lender by first pari-passu on FDR of ₹ 98.04 lacs along with equitable mortgage of the property situated at Mumbai owned by another Company and guaranteed by personal guarantee of a Director, Promoters and Corporate guarantee by another company. The working capital facility carries interest @ 13.45% on ₹ 3,171.12 lacs (Previous year Interest @ 14.25% on ₹ 3,329.30 lacs) @ 14.50% on ₹ 869.46 lacs (Previous year Interest @ 13.45% on ₹ 860.25 lacs), and @15.50% on ₹ 236.29 lacs (Previous year Interest @ 15.75% on ₹ 741.15 lacs).

8 TRADE PAYABLES :

| | | |
|--------------|-----------------|------------------|
| | 7,852.01 | 10,311.54 |
| Total | 7,852.01 | 10,311.54 |

The amount due to Micro, Small and Medium Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the company. The disclosures relating to Micro, Small and Medium Enterprises as at 31st March, 2014 are as under:

| | ₹ In Lacs | |
|---|------------|------------|
| | 31.03.2014 | 31.03.2013 |
| (i) The principal amount remaining unpaid to supplier as at end of the year; | 0.80 | 3.51 |
| (ii) The Interest due thereon remaining unpaid to supplier as at the end of the year; | 0.09 | 0.09 |
| (iii) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year; | 0.02 | - |
| (iv) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid); | 0.32 | 0.09 |
| (v) The amount of interest accrued and remaining unpaid at the end of accounting year; | 0.47 | 0.09 |

9 OTHER CURRENT LIABILITIES :

| | | |
|--|-----------------|-----------------|
| Current Maturity of Secured Long Term Borrowings (Refer note no. 4(c)) | 69.25 | 68.30 |
| Interest Accrued and due on Borrowings | 1.41 | 1.64 |
| Unclaimed Dividends | 2.59 | - |
| Deposits from Others | 160.25 | 164.05 |
| Advances from Customers | 1,256.24 | 1,588.37 |
| Other Payables including statutory dues | 713.93 | 911.04 |
| Total | 2,203.67 | 2,733.40 |

10 SHORT-TERM PROVISIONS :

Provision for Employee Benefits (Refer note no. 32)

| | | |
|------------------|---------------|--------------|
| Gratuity | 219.53 | 29.77 |
| Leave Encashment | 8.84 | 6.74 |
| | 228.37 | 36.51 |

Other Provisions

| | | |
|---|---------------|---------------|
| Proposed Dividend | 88.47 | 141.55 |
| Proposed Dividend Tax | 15.03 | 22.96 |
| Provision for Income Tax (Net of Advance Tax) | - | 439.50 |
| Wealth Tax | 0.63 | 0.67 |
| | 104.13 | 604.68 |
| Total | 332.50 | 641.19 |

Notes to the Financial Statements for the year ended March 31, 2014

NON-CURRENT ASSETS

11 FIXED ASSETS :

₹ In Lacs

| Particulars | Gross Block at cost | | | | Depreciation & Amortisation | | | | | Net Block | |
|------------------------------|---------------------|---------------------------------|----------------------------------|---------------------|-----------------------------|---------------|----------------------------------|------------------|--------------------------|---------------------|---------------------|
| | As at 01.04.2013 | Additions during the year | Deductions during the year | As at 31.03.2014 | As at 01.04.2013 | For the year | Deductions during the year | Adjust- ments | Total upto 31.03.2014 | As at 31.03.2014 | As at 31.03.2013 |
| Tangible assets : | | | | | | | | | | | |
| Land Free-hold | 240.56 | 23.52 | - | 264.08 | - | - | - | - | - | 264.08 | 240.56 |
| Land Lease hold | 18.52 | - | - | 18.52 | - | 0.19 | - | 2.98 | 3.17 | 15.35 | 18.52 |
| Site Development | 6.66 | 0.41 | - | 7.07 | - | - | - | - | - | 7.07 | 6.66 |
| Buildings | 2,397.22 | 10.48 | - | 2,407.70 | 1,118.33 | 69.49 | - | - | 1,187.82 | 1,219.88 | 1,278.89 |
| Plant and equipment | 10,603.63 | 70.42 | - | 10,674.05 | 8,706.37 | 306.86 | - | (26.71) | 8,986.52 | 1,687.53 | 1,897.26 |
| Office equipment | 221.68 | 37.48 | 1.23 | 257.93 | 142.74 | 15.45 | 0.07 | (0.89) | 157.23 | 100.70 | 78.94 |
| Furniture and fixtures | 70.48 | 2.68 | - | 73.16 | 56.52 | 2.08 | - | (0.05) | 58.55 | 14.61 | 13.96 |
| Vehicles | 217.51 | 8.70 | 4.20 | 222.01 | 104.29 | 16.47 | 2.55 | 0.06 | 118.27 | 103.74 | 113.22 |
| Total | 13,776.26 | 153.69 | 5.43 | 13,924.52 | 10,128.25 | 410.54 | 2.62 | (24.61) | 10,511.56 | 3,412.96 | 3,648.01 |
| <i>Previous Year's Total</i> | <i>11,965.35</i> | <i>1,885.74</i> | <i>74.83</i> | <i>13,776.26</i> | <i>9,758.78</i> | <i>429.93</i> | <i>60.46</i> | <i>-</i> | <i>10,128.25</i> | <i>3,648.01</i> | <i>2,206.57</i> |
| Work-In-Progress : | | | | | | | | | | 594.26 | 281.84 |

As at
31st March, 2014
₹ In Lacs

As at
31st March, 2013
₹ In Lacs

12 NON-CURRENT INVESTMENTS :

Other than Trade

i Investment in Equity instruments (Related party) - Quoted - Fully Paid

3,07,100 (Previous Year 3,07,100) Shares of Rama Petrochemicals Ltd of ₹10 fully paid up

12.26

12.26

12.2612.26

ii Investment in Equity instruments - Unquoted - Fully Paid

16,100 (Previous Year 16,100) Shares of National Board of Trade of ₹ 10 paid up

0.01

0.01

716 (Previous Year 716) Shares of Bombay Mercantile Co-Op. Bank Ltd of ₹ 10 paid up

0.22

0.22

0.230.23**Total** 12.49 12.49

Aggregate amount of Market Value of quoted investment

6.88

6.51

13 LONG-TERM LOANS & ADVANCES :

a Capital Advances

Unsecured Considered good

- 13.84- 13.84

b Security Deposits

Unsecured, Considered good

178.26 149.67178.26 149.67

c Advances Recoverable in Cash

Unsecured, Considered good

1.49 1.541.49 1.54

d Other Loans & Advances

Prepaid Expenses

2.76 2.19

Balances with Statutory / Govt. Authorities

56.77 56.7759.53 58.96**Total** 239.28 224.01

Notes to the Financial Statements for the year ended March 31, 2014

| | As at 31st March, 2014 ₹ In Lacs | As at 31st March, 2013 ₹ In Lacs |
|---|--|--|
| 14 OTHER NON-CURRENT ASSETS : | | |
| Non Current Deposits with Banks held as margin money (Refer note no. 17) | 38.79 | 18.76 |
| Interest Accrued on Deposits | <u>3.48</u> | <u>1.21</u> |
| Total | <u>42.27</u> | <u>19.97</u> |
| CURRENT ASSETS | | |
| 15 INVENTORIES : | | |
| a Particulars | | |
| Raw Materials | 1,659.17 | 3,403.15 |
| Raw Materials in transit | 2,080.54 | 726.15 |
| Finished Goods | 7,504.96 | 4,319.15 |
| Stores & Spares | 569.84 | 547.60 |
| Packing Materials | <u>220.90</u> | <u>140.04</u> |
| Total | <u>12,035.41</u> | <u>9,136.09</u> |
| b Inventories are valued as under : | | |
| 1 Raw materials, Work in Process and Packing materials : at cost on First in First out (FIFO) basis or net realizable value whichever is lower. Raw material & Work in Process are not written down below cost if the finished product in which they will be incorporated are expected to be sold at or above cost. | | |
| 2 Finished goods : at cost or net realisable value whichever is lower. The cost is computed on weighted average method and includes cost of materials, cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition. | | |
| 3 Stores & spares : at Cost on FIFO basis. | | |
| 16 TRADE RECEIVABLES : | | |
| a Outstanding for a period exceeding 6 months from the due date | | |
| Unsecured, Considered Good | 932.25 | 232.66 |
| Doubtful | <u>75.15</u> | <u>76.95</u> |
| | 1,007.40 | 309.61 |
| Less: Provision for Doubtful Debts | <u>75.15</u> | <u>76.95</u> |
| | <u>932.25</u> | <u>232.66</u> |
| b Others | | |
| Unsecured, Considered Good | <u>4,880.68</u> | <u>8,477.12</u> |
| Total | <u>5,812.93</u> | <u>8,709.78</u> |

Notes to the Financial Statements for the year ended March 31, 2014

| | As at 31st March, 2014 ₹ In Lacs | As at 31st March, 2013 ₹ In Lacs |
|--|--|--|
| 17 CASH & CASH EQUIVALENTS : | | |
| Cash in Hand | 15.19 | 10.41 |
| Balances with Banks | 6.18 | 17.97 |
| Deposits with Bank | | |
| Deposit with Bank held as Margin Money / given as Security | | |
| Maturity up to 12 months | 536.18 | 550.67 |
| Maturity above 12 months | 38.79 | 18.76 |
| | <u>574.97</u> | <u>569.43</u> |
| Less: Amount Disclosed under Other Non Current Assets (Refer note no.14) | 38.79 | 18.76 |
| | <u>536.18</u> | <u>550.67</u> |
| Total | <u>557.55</u> | <u>579.05</u> |
| 18 SHORT-TERM LOANS & ADVANCES : | | |
| a Capital Advances | | |
| Unsecured, Considered good | 16.51 | - |
| | <u>16.51</u> | - |
| b Security Deposits | | |
| Unsecured, Considered good | 74.22 | 123.83 |
| | <u>74.22</u> | <u>123.83</u> |
| c Loans & Advances to Related Parties (Read note no. 30) | | |
| Unsecured, Considered good | - | - |
| Doubtful | 305.27 | 305.27 |
| | <u>305.27</u> | <u>305.27</u> |
| Less: Provision for Doubtful Advances | 305.27 | 305.27 |
| | <u>-</u> | <u>-</u> |
| d Advances Recoverable in Cash | | |
| Unsecured, Considered good | 339.33 | 191.19 |
| Doubtful | 13.22 | 13.30 |
| | <u>352.55</u> | <u>204.49</u> |
| Less: Provision for Doubtful Advances | 13.22 | 13.30 |
| | <u>339.33</u> | <u>191.19</u> |
| Includes due from an Officer of the Company | 24.09 | 24.00 |
| e Other Loans & Advances | | |
| Other advances | 20.18 | 29.02 |
| Prepaid Expenses | 56.90 | 62.04 |
| Balances with Statutory / Govt. Authorities | 44.83 | 36.99 |
| | <u>121.91</u> | <u>128.05</u> |
| Total | <u>551.97</u> | <u>443.07</u> |
| 19 OTHER CURRENT ASSETS : | | |
| a Subsidy Receivable | | |
| Subsidy Receivable | 5,058.37 | 10,233.37 |
| Less:- Provision for doubtful subsidy | 24.97 | 24.97 |
| Net Subsidy Receivable | <u>5,033.40</u> | <u>10,208.40</u> |
| b Interest Accrued on Deposits | 13.94 | 18.95 |
| c Other current assets | 543.30 | 527.73 |
| Total | <u>5,590.64</u> | <u>10,755.08</u> |

Notes to the Financial Statements for the year ended March 31, 2014

| | For the year ended 31st March, 2014 ₹ In Lacs | For the year ended 31st March, 2013 ₹ In Lacs |
|---|---|---|
| 20 REVENUE FROM OPERATIONS : | | |
| a Sale of Products | | |
| Finished Goods | 53,073.51 | 61,397.83 |
| Traded Goods | 96.25 | 324.08 |
| b Other Operating Revenues | | |
| Others | 7.06 | 6.60 |
| Total | 53,176.82 | 61,728.51 |
| c Details of Product Sold | | |
| i Finished Goods | | |
| Fertilisers & Chemicals | 34,680.47 | 43,762.76 |
| Soya Oil | 5,270.82 | 5,697.77 |
| De-Oiled Cake | 13,112.99 | 11,912.44 |
| Others | 9.23 | 24.86 |
| | 53,073.51 | 61,397.83 |
| ii Traded Goods | | |
| Sulphur | 96.25 | 324.08 |
| | 96.25 | 324.08 |
| d Subsidy recognised as income - Included in Sales | 10,996.29 | 15,574.17 |
| 21 OTHER INCOME : | | |
| Interest | 55.44 | 51.07 |
| Profit on Sale of Assets | 0.13 | 0.69 |
| Other loans no longer payable written back | 766.93 | - |
| Provision no longer required written back | 5.02 | 166.57 |
| Bad debts recovered | - | 33.84 |
| Depreciation of earlier years | 24.60 | 0.30 |
| Other non operating income Net of expenses * | 30.30 | 31.72 |
| Sundry Balances written back | 46.45 | 22.73 |
| Total | 928.87 | 306.92 |
| * Includes loss of ₹ 0.45 Lacs (Previous Year gain of ₹ 10.07 Lacs) due to hedging in commodity exchange. | | |
| 22 COST OF MATERIAL INCLUDING PACKING MATERIAL CONSUMED : | | |
| a Particulars | | |
| Opening Stock of Raw Material | 4,129.30 | 5,899.07 |
| Add: Purchases | 43,691.42 | 44,882.75 |
| | 47,820.72 | 50,781.82 |
| Less: Closing Stock of Raw Material | 3,739.71 | 4,129.30 |
| | 44,081.01 | 46,652.52 |
| Packing Material consumed | 1,208.24 | 1,169.49 |
| Total | 45,289.25 | 47,822.01 |
| b Details of Raw Material Consumed | | |
| Rock Phosphate | 19,826.53 | 21,922.03 |
| Sulphuric Acid and Spent Acid | 2,608.65 | 3,131.86 |
| Sulphur | 1,324.37 | 2,789.45 |
| Soya Seed | 17,591.62 | 16,758.90 |
| Others | 2,729.84 | 2,050.28 |
| | 44,081.01 | 46,652.52 |

Notes to the Financial Statements for the year ended March 31, 2014

| c | Imported and Indigenous Raw materials Consumed : | For the year ended 31st March, 2014 | | For the year ended 31st March, 2013 | |
|----|--|--|----------------|--|--|
| | | ₹ In lacs | % | ₹ In lacs | % |
| | Imported | 17,694.03 | 40.14% | 17,710.84 | 37.96% |
| | Indigenous | 26,386.98 | 59.86% | 28,941.68 | 62.04% |
| | | 44,081.01 | 100.00% | 46,652.52 | 100.00% |
| | | | | For the year ended 31st March, 2014 | For the year ended 31st March, 2013 |
| | | | | ₹ In Lacs | ₹ In Lacs |
| d | Values of Imports Calculated on CIF Basis | | | | |
| | Raw Materials | | | 10,001.91 | 8,337.88 |
| e | Purchase of traded goods | | | | |
| | Sulphur | | | 104.29 | 370.54 |
| | | | | Total | Total |
| | | | | 104.29 | 370.54 |
| 23 | CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE : | | | | |
| | (Increase) / Decrease in Inventories | | | | |
| | Opening Stock of Inventories | | | | |
| | Work-in-Process | | | - | 1.94 |
| | Finished Goods | | | 4,319.15 | 2,669.28 |
| | Stock-in-Trade | | | - | - |
| | | | | 4,319.15 | 2,671.22 |
| | Less: Closing Stock of Inventory | | | | |
| | Work-in-Process | | | - | - |
| | Finished Goods | | | 7,504.96 | 4,319.15 |
| | Stock-in-Trade | | | - | - |
| | | | | 7,504.96 | 4,319.15 |
| | Net Increase / Decrease | | | | |
| | Work-in-Process | | | - | 1.94 |
| | Finished Goods | | | (3,185.81) | (1,649.87) |
| | Stock-in-Trade | | | - | - |
| | | | | Total | Total |
| | | | | (3,185.81) | (1,647.93) |
| 24 | EXCISE DUTY : | | | | |
| | Excise duty on Opening stock | | | (16.40) | (11.48) |
| | Excise duty on Closing stock | | | 45.81 | 16.40 |
| | Adjustments | | | 0.94 | 0.98 |
| | | | | Total | Total |
| | | | | 30.35 | 5.90 |
| 25 | EMPLOYEE BENEFIT EXPENSES : | | | | |
| | Salaries & Wages | | | 1,393.94 | 1,173.26 |
| | Contribution to Provident & Other Funds | | | 86.96 | 77.37 |
| | Staff Welfare Expenses | | | 101.66 | 89.51 |
| | | | | 1,582.56 | 1,340.14 |
| | Less : Capitalised during the year | | | 3.35 | 4.98 |
| | | | | Total | Total |
| | | | | 1,579.21 | 1,335.16 |

Notes to the Financial Statements for the year ended March 31, 2014

| | For the year ended 31st March, 2014 ₹ In Lacs | For the year ended 31st March, 2013 ₹ In Lacs |
|--------------------------------------|---|---|
| 26 OTHER EXPENSES : | | |
| Consumption of Stores & Spares | 828.44 | 824.33 |
| Power & Fuel | 1,642.98 | 1,816.68 |
| Repairs to Buildings | 14.99 | 11.39 |
| Repairs to Machinery | 386.32 | 266.69 |
| Other Manufacturing Expenses | 682.34 | 687.79 |
| Selling & Distribution Expenses | 4,198.22 | 4,234.09 |
| Legal and Professional fees | 206.33 | 209.85 |
| Insurance | 66.57 | 57.07 |
| Rent | 4.37 | 205.39 |
| Rates & Taxes | 15.26 | 28.39 |
| Provision for doubtful debts | 2.05 | 11.16 |
| Directors sitting fees | 0.52 | 0.21 |
| Donation | 1.07 | 3.62 |
| Exchange Fluctuation | 587.48 | 177.49 |
| Loss on sales / loss of fixed assets | - | 14.68 |
| Prior year adjustments | 2.09 | 0.11 |
| Miscellaneous expenses | 623.69 | 552.99 |
| | 9,262.72 | 9,101.93 |
| Less : Capitalised during the year | 20.99 | 3.03 |
| Total | 9,241.73 | 9,098.90 |

a Imported and Indigenous Store and Spare parts Consumed :

| | For the year ended 31st March, 2014 | | For the year ended 31st March, 2013 | |
|------------|--|----------------|--|----------------|
| | ₹ In lacs | % | ₹ In lacs | % |
| Imported | - | 0.00% | - | 0.00% |
| Indigenous | 828.44 | 100.00% | 824.33 | 100.00% |
| | 828.44 | 100.00% | 824.33 | 100.00% |

| | For the year ended 31st March, 2014 ₹ In Lacs | For the year ended 31st March, 2013 ₹ In Lacs |
|---|---|---|
| b Details of Payment to Auditors (included in Legal & Professional fees) : | | |
| As Auditor | | |
| Audit Fee | 8.15 | 8.15 |
| Tax Audit Fee | 2.58 | 2.02 |
| In Other Capacity | | |
| Taxation Matters | 2.42 | 2.28 |
| Management Services | - | 1.86 |
| Other Certification | 8.75 | 11.09 |
| Reimbursement of expenses | 0.14 | 0.13 |
| | 22.04 | 25.53 |
| c Expenditure In Foreign Currency | | |
| Travelling, Membership & Subscription Expenses | 9.92 | 8.20 |

Notes to the Financial Statements for the year ended March 31, 2014

| | For the year ended 31st March, 2014 ₹ In Lacs | For the year ended 31st March, 2013 ₹ In Lacs |
|---|---|---|
| 27 FINANCIAL COST : | | |
| Interest | 871.19 | 945.00 |
| Other Borrowing Cost | 137.49 | 189.86 |
| | 1,008.68 | 1,134.86 |
| Less : Capitalised during the year | 45.83 | 22.44 |
| Total | 962.85 | 1,112.42 |
| 28 TAX EXPENSES : | | |
| a Current Tax | - | 710.00 |
| Excess / Short Provision of earlier Years | 17.07 | 65.57 |
| Less: MAT Credit Entitlement | - | 295.00 |
| | 17.07 | 480.57 |
| b Deferred Tax | (132.84) | 464.92 |
| Total | (115.77) | 945.49 |
| 29 EARNING PER SHARE : | | |
| (i) Basic & Diluted earning per share | | |
| (a) Numerator- Profit/(Loss) after Tax | (210.95) | 2,563.01 |
| (b) Denominator - Number of Equity Shares outstanding | 17,693,213 | 17,693,213 |
| (c) Nominal value of Shares (in ₹) | 10.00 | 10.00 |
| (d) Basic & Diluted earning Per Share (In ₹) | (1.19) | 14.49 |

Notes to the Financial Statements for the year ended March 31, 2014

30 RELATED PARTY DISCLOSURE :

a Names of Related Parties and Related Party Relationship

i Enterprise that directly or indirectly through one or more intermediaries, control, or are controlled by, or under common control with the reporting enterprise.

NRI Investors Inc.

ii Associates and Joint ventures of the reporting enterprise and the investing party or venturer in respect of which the reporting enterprise is an associate or joint venture.

Nil

iii Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual.

Nil

iv Key Managerial Person (KMP) and their Relatives with whom transactions have taken place during the year.

D. J. Ramsinghani - Chairman and Managing Director
 H. D. Ramsinghani - Director
 J. K. Parakh - CFO & Company Secretary
 Pooja D. Ramsinghani - Relative of Director
 Nilanjana H. Ramsinghani - Relative of Director

v Enterprises over which any person described in iii & iv above is able to exercise significant influence, and with whom transactions have taken place during the year.

Rama Industries Limited
 Rama Capital & Fiscals Service Private Limited
 Rama Petrochemicals Limited
 Rainbow Denim Limited
 Rainbow Agri Industries Limited
 Nova Gelicon Private Limited

b Transaction during the year with related parties.

| Particulars | Key Managerial Person and their relatives | | Enterprises over which (KMP) & their relatives are able to exercise significant influence | |
|---|---|------------|---|------------|
| | 31.03.2014 | 31.03.2013 | 31.03.2014 | 31.03.2013 |
| 1 Balance outstanding | | | | |
| Receivable | - | - | 140.65 | - |
| Payable | - | - | 567.72 | 2,087.19 |
| 2 Balance outstanding as Investments | - | - | 12.26 | 12.26 |
| 3 Loans & Advances receivable (Refer note no.18 b)* | - | - | 305.27 | 305.27 |
| 4 Loans & Advances repaid during the year | - | - | 42.00 | 50.00 |
| 5 Loans & Advances payable | - | - | 116.28 | 148.06 |
| 6 Interest on Loans & Advances | - | - | 10.21 | 12.66 |
| 7 Sitting fees | 0.52 | 0.21 | - | - |
| 8 Remuneration | 52.88 | 67.34 | - | - |
| 9 Sale of finished goods | - | - | - | 1,030.66 |
| 10 Purchase of goods | - | - | 335.59 | 2,256.61 |

* includes an interest free loan of ₹ 305.27 lacs (Previous year ₹ 305.27 lacs) due from a company against which provision has already been made in earlier years.

Notes to the Financial Statements for the year ended March 31, 2014

| c | Disclosure in respect of related party transactions during the year. | Particulars | Key Managerial Person and their relatives | | Enterprises over which (KMP) & there relatives are able to exercise significant influence | |
|-----------|--|--|--|--|---|------------|
| | | | 31.03.2014 | 31.03.2013 | 31.03.2014 | 31.03.2013 |
| | | | (₹ In Lacs) | | | |
| 1 | Balance outstanding | | | | | |
| | Receivable | - | - | 140.65 | - | |
| | Rainbow Agri Industries Ltd. | | | 140.65 | | |
| | Payable | - | - | 567.72 | 2,087.19 | |
| | Rainbow Agri Industries Ltd. | | | - | 1,270.35 | |
| | Rama Capital & Fiscal Services Pvt. Ltd. | | | - | 72.92 | |
| | Rama industries Ltd. | | | 556.49 | 743.92 | |
| | Rama Petrochemicals Ltd. | | | 11.23 | - | |
| 2 | Balance outstanding as Investments | - | - | 12.26 | 12.26 | |
| | Rama Petrochemicals Ltd. | | | 12.26 | 12.26 | |
| 3 | Loans & Advances receivable | - | - | 305.27 | 305.27 | |
| | Rama Capital & Fiscal Services Pvt. Ltd. | | | 305.27 | 305.27 | |
| | Mr J. K. Parakh | 24.09 | 24.00 | - | - | |
| 4 | Loans & Advances repaid during the year | - | - | 42.00 | 50.00 | |
| | Nova Gelicon Ltd | | | 42.00 | 50.00 | |
| 5 | Loans & Advances payable | - | - | 116.28 | 148.06 | |
| | Nova Gelicon Ltd | | | 116.28 | 148.06 | |
| 6 | Interest on Loans & Advances | - | - | 10.21 | 12.66 | |
| | Nova Gelicon Ltd | | | 10.21 | 12.66 | |
| 7 | Sitting fees | 0.52 | 0.21 | - | - | |
| | Mr H. D. Ramsinghani | 0.16 | 0.06 | | | |
| | Mr Deonath Singh | 0.14 | 0.06 | | | |
| | Mr C. R. Malaviya | - | 0.08 | | | |
| | Bank of India | 0.04 | 0.01 | | | |
| | Mr K Raghuraman | 0.18 | - | | | |
| 8 | Remuneration | 52.88 | 67.34 | - | - | |
| | Mr D. J. Ramsinghani | 30.26 | 49.14 | | | |
| | Mr J. K. Parakh | 22.62 | 18.20 | | | |
| 9 | Sale of finished goods | - | - | - | 1,030.66 | |
| | Rama industries Ltd. | | | | 1,030.66 | |
| 10 | Purchase of goods | - | - | 335.59 | 2,256.61 | |
| | Rama Capital & Fiscal Services Pvt. Ltd. | | | 14.78 | 72.92 | |
| | Rama industries Ltd. | | | 99.58 | 268.58 | |
| | Rama Petrochemicals Ltd. | | | 221.23 | - | |
| | Rainbow Agri Industries LTd. | | | - | 1,915.11 | |
| 11 | Gaurantee Given on our behalf | | | | | |
| | Mr D. J. Ramsinghani | | | | | |
| | | This transection is of non monetary consideration. | This transection is of non monetary consideration. | | | |
| 12 | Security Given on our behalf | | | | | |
| | Rama Capital & Fiscal Services Pvt. Ltd. | - | - | - | - | |
| | | | | This transection is of non monetary consideration. | This transection is of non monetary consideration. | |

Notes to the Financial Statements for the year ended March 31, 2014

31 SEGMENT REPORTING :

a Identification of Segments

The company has disclosed Business Segments as its primary segments. Reporting segments have been identified as Fertilizers & Chemicals and Oil, taking into account the nature of product, the different risk and returns, the organizational structure and the internal reporting system.

The company caters mainly to the need of domestic market. The direct export turnover is Nil during the year. As such there are no reportable geographical segments.

Segment revenue, Segment results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis to the respective segments.

b Segment Information

| Particulars | ₹ in Lacs | | | |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | Fertilizer & Chemicals | Oil | Unallocable | Total |
| Segment Revenue | 34,778.37 <i>44,088.19</i> | 18,398.45 <i>17,640.32</i> | 928.87 <i>306.92</i> | 54,105.69 <i>62,035.43</i> |
| Segment Results | 1,542.54 <i>5,652.62</i> | (398.90) <i>(255.77)</i> | 35.86 <i>(8.02)</i> | 1,179.50 <i>5,388.83</i> |
| Interest and financial cost for the year | - | - | (962.85) <i>(1,112.42)</i> | (962.85) <i>(1,112.42)</i> |
| Net Corporate Office Expenses | - | - | - | (427.60) <i>(1,713.40)</i> |
| Profit / (Loss) as per Statement of Profit & Loss | - | - | - | (210.95) <i>2,563.01</i> |
| Segment Asset | 26,918.43 <i>32,224.82</i> | 1,277.14 <i>941.81</i> | 654.19 <i>642.76</i> | 28,849.76 <i>33,809.39</i> |
| Segment Liabilities | 13,051.53 <i>17,080.53</i> | 1,039.68 <i>992.76</i> | 2051.37 <i>2,714.99</i> | 16142.58 <i>20,788.28</i> |
| Cost incurred during the year to acquire segment assets | 381.11 <i>807.87</i> | 59.41 <i>51.91</i> | 20.15 <i>33.81</i> | 460.68 <i>893.59</i> |
| Segment Depreciation | 359.32 <i>379.61</i> | 32.35 <i>35.37</i> | 18.87 <i>14.95</i> | 410.54 <i>429.93</i> |
| Non-cash Expenses other then Depreciation | (743.31) <i>(53.02)</i> | (0.11) <i>(144.57)</i> | 43.19 <i>-</i> | (700.23) <i>(197.59)</i> |

(Previous year figures are in italics)

Notes to the Financial Statements for the year ended March 31, 2014

- 32 The disclosure required under Accounting Standard 15 "Employee Benefits" issued by Institute of Chartered Accountants of India**
Refer note no. 6 & 10

a Details of Defined Benefit Plan

| Assumptions | Gratuity | | Leave encashment | |
|---|------------------|------------|------------------|------------|
| | 31.03.2014 | 31.03.2013 | 31.03.2014 | 31.03.2013 |
| Discount Rate | 9.15% | 8.50% | 9.15% | 8.50% |
| Rate of Increase in Compensation levels | 4.00% | 4.00% | 4.00% | 4.00% |
| Rate of return on plan assets | - | - | - | - |
| Withdrawal Rate | 2% / 1% | 0.80% | 2% / 1% | 0.80% |
| | ₹ in Lacs | | | |
| Change in present value of obligations | Gratuity | | Leave encashment | |
| | 31.03.2014 | 31.03.2013 | 31.03.2014 | 31.03.2013 |
| Present value of obligation | 228.11 | 201.26 | 46.04 | 39.00 |
| Interest cost for the year | 17.82 | 16.34 | 3.60 | 3.14 |
| Service cost for the year | 25.67 | 21.34 | 12.59 | 10.22 |
| Benefits paid during the year | (13.55) | (18.09) | (2.54) | (4.00) |
| Actuarial (gain)/loss on obligation | 6.26 | 7.26 | (6.54) | (2.32) |
| Present value of obligation | 264.31 | 228.11 | 53.16 | 46.04 |
| Changes in Fair Value of plan assets | | | | |
| Fair Value of Plan Assets at beginning of the year | - | - | - | - |
| Expected Return of Plan Assets | - | - | - | - |
| Contribution during the year | 57.01 | 18.09 | 2.54 | 4.00 |
| Benefit paid during the year | (13.55) | (18.09) | (2.54) | (4.00) |
| Actuarial gain/(loss) on plan assets | 1.31 | - | - | - |
| Fair Value of Plan Assets at end of the year | 44.78 | - | - | - |
| Liability recognised in Balance sheet | | | | |
| Present value of obligation | 264.31 | 228.11 | 53.16 | 46.04 |
| Fair Value of Plan Assets | 44.78 | - | - | - |
| Liability recognised in Balance sheet | (219.53) | (228.11) | (53.16) | (46.04) |
| Expenses recognised in Statement of Profit and Loss | | | | |
| Current Service Cost | 25.67 | 21.34 | 12.59 | 10.22 |
| Interest Cost | 17.82 | 16.34 | 3.60 | 3.14 |
| Expected return on Plan Assets | - | - | - | - |
| Net Actuarial (Gain)/Loss recognised for the year | 4.94 | 7.26 | (6.54) | (2.32) |
| Total Expenses recognised in the Statement of P & L | 48.43 | 44.94 | 9.65 | 11.05 |
| Movement in the liability recognised in the Balance Sheet | | | | |
| Liability | 228.11 | 201.26 | 46.04 | 39.00 |
| Expenses as above | 48.43 | 44.94 | 9.65 | 11.05 |
| Contribution paid | (57.01) | (18.09) | (2.54) | (4.00) |
| Liability | 219.53 | 228.11 | 53.16 | 46.04 |

- b** The Company has recognised ₹ 70.18 Lacs (Previous Year ₹ 57.52 Lacs) in the Statement of Profit and Loss for the year ended 31st March, 2014 under Defined Contribution Plans.

| | As at 31st March, 2014 ₹ In Lacs | As at 31st March, 2013 ₹ In Lacs |
|---|--|--|
| 33 CONTINGENT LIABILITY AND COMMITMENTS | | |
| a Contingent Liabilities not provided for | | |
| i Royalty on rock phosphates | 116.09 | 116.09 |
| ii Contingent liability due to reduction in brought forward losses on account of completed assessments having a bearing on current taxable income | 806.39 | 602.78 |
| iii Custom duty, Excise duty, Demurrage, Sales tax and others | 485.33 | 538.52 |
| iv Wages | 12.85 | 100.55 |
| v Right to Recompense under Corporate Debt Restructure to lenders | 764.00 | - |
| b Claims against the company not acknowledged as debt | | |
| i Electricity duty | 43.38 | 43.38 |
| ii Railway Claim | 127.18 | 101.85 |
| c Guarantees | | |
| Amount of Letters of Credit and Bank Guarantee issued by banks. | 177.87 | 187.45 |
| d Commitments | | |
| Estimated Amount of Capital Contracts Pending to be executed (Net of Advances) | 6.48 | 54.76 |
| 34 No amount is paid/payable by the Company under Section 441 A of the Companies Act, 1956 (cess on turnover) since the rules specifying the manner in which the cess shall be paid has not been notified yet by the Central Government. | | |
| 35 PREVIOUS YEAR FIGURES : | | |
| Previous year figures have been regrouped/rearranged, wherever necessary. | | |

As per our report of even date

For Dayal & Lohia
Chartered Accountants
(Firm Regn No. 102200W)

Sunil Khandelwal
Partner
M. No. 101388

Place : Mumbai
Date : May 27, 2014

For and on Behalf of the Board of Directors

D. J. Ramsinghani **D. N. Singh**
Chairman & Managing Director **Director**

J. K. Parakh
Chief Financial Officer & Secretary

RAMA PHOSPHATES LIMITED

Corporate Identification Number (CIN) : L24110MH1984PLC033917
 Regd. Office : 812, Raheja Chambers, Nariman Point, Mumbai 400 021 Tel.No. (91-22) 2283 3355 / 2283 4182 ; Fax : (91-22) 2204 9946
 Email :rama@ramagroup.co.in Website : www.ramaphosphates.com

ATTENDANCE SLIP

For Demat Shares

| | |
|-----------|--|
| DP ID | |
| CLIENT ID | |

For Physical Shares

| | |
|--------------------|--|
| REGD. FOLIO NO. | |
| NO. OF SHARES HELD | |

I certify that I am a Member/Proxy for the Member of the Company

I hereby record my presence at the Twenty Ninth Annual General Meeting of the Company held on Monday, September 29, 2014 at 11.00 a.m. at Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400 001.

 Name of the Member / Proxy
 (in BLOCK letters)

 Signature of the Member/Proxy

• Applicable for Members holding shares in an electronic form

RAMA PHOSPHATES LIMITED

Corporate Identification Number (CIN) : L24110MH1984PLC033917
 Regd. Office : 812, Raheja Chambers, Nariman Point, Mumbai 400 021 Tel.No. (91-22) 2283 3355 / 2283 4182 ; Fax : (91-22) 2204 9946
 Email :rama@ramagroup.co.in Website : www.ramaphosphates.com

PROXY FORM

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

Name of the Member (s) : _____ Registered address _____

Folio No/Client Id*: _____ DP ID* _____ E-mail Id : _____

• Applicable for Members holding shares in electronic form

I/We, being the Member(s) of _____ shares of Rama Phosphates Limited, hereby appoint :

- Name : _____ Address : _____
 _____ E-mail ID : _____ Signature _____ or failing him/her
- Name : _____ Address : _____
 _____ E-mail ID : _____ Signature _____ or failing him/her
- Name : _____ Address : _____
 _____ E-mail ID : _____ Signature _____ or failing him/her

as my/our proxy to attend and vote (on a poll) for me / us and on my/our behalf at the Twenty Ninth Annual General Meeting of the Company, to be held on Monday, September 29, 2014 at 11.00 a.m. at Babasaheb Dahanukar Hall, Oricon House, Maharashtra Chamber of Commerce Path, Fort, Mumbai 400 001 and at any adjournment thereof in respect of such resolutions as indicated below :

Signed this _____ day of _____ 2014

Signature of Member

Signature of Proxy Holder(s)

| |
|-------------------------------------|
| Affix Re 1/- Revenue Stamp |
|-------------------------------------|

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

| Resolution No. | Resolution | For | Against |
|----------------|---|-----|---------|
| | ORDINARY BUSINESS | | |
| 1 | Adoption of Statement of Profit & Loss, Balance Sheet, Reports of Directors and Auditors for the year ended March 31, 2014. | | |
| 2 | Declaration of Dividend for the Financial Year 2013 – 2014. | | |
| 3 | Reappointment of Mr. H. D. Ramsinghani (DIN 00035416) Director who retires by rotation. | | |
| 4 | Appointment of Statutory Auditors M/s Dayal & Lohia | | |
| | SPECIAL BUSINESS | | |
| 5. | Ratification of remuneration of the Cost Auditors for the Financial Year 2014 – 15. | | |
| 6. | Appointment of Mr. Deonath Singh (DIN 00021741) as an Independent Director. | | |
| 7. | Appointment of Mr. K. Raghuraman (DIN 00320507) as an Independent Director. | | |
| 8. | Appointment of Mr. A. K. Thakur (DIN 00031778) as an Independent Director. | | |
| 9. | Reappointment of Mr. D. J. Ramsinghani as Managing Director for further period of Three Years w.e.f. 01/04/2014 | | |
| 10. | Authority to the Board pursuant to Section 180 (1) (c) of the Companies Act, 2013. | | |
| 11. | Authority to the Board pursuant to Section 180 (1) (a) of the Companies Act, 2013. | | |
| 12. | Amendment of the Articles of Association of the Company. | | |

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If undelivered please return to :

Link Intime India Private Limited

Unit : Rama Phosphates Limited

C-13, Pannalal Silk Mills Compound,

L.B.S. Marg, Bhandup (W),

Mumbai 400 078