



India's Leading Agri Bio-Tech Company

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ANNUAL REPORT 2016

AN ISO 9001 : 2008 CERTIFIED COMPANY

KILPEST INDIA LIMITED

BHOPAL

CIN:L24211MP1972PLC001131

FORTY FOURTH ANNUAL REPORT AND ACCOUNTS 2015-2016

BOARD OF DIRECTORS	: MR. R.K. DUBEY CHAIRMAN & MANAGING DIRECTOR
	MR. D.K. DUBEY MR. N.K. DUBEY
	} WHOLETIME DIRECTOR
	SMT. MITHALA DUBEY ADDL. DIRECTOR
	CA. SHABBAR HUSAIN
	} INDEPENDENT DIRECTOR
BANKERS	: STATE BANK OF INDIA PANCHANAN BHAWAN BRANCH, T.T. NAGAR, BHOPAL (M.P.)
AUDITORS	: M/S R.C. BAHETI & CO. CHARTERED ACCOUNTANTS BHOPAL
REGISTERED OFFICE AND FACTORY	: 7-C, INDUSTRIAL AREA, GOVINDPURA, BHOPAL - 462 023
LUCKNOW SALES DEPOT	: D-1207, HIMALAYA MARG, INDIRA NAGAR, LUCKNOW.
RAIPUR SALES DEPOT	: 71/12, GURUTEG BAHADUR NAGAR, OPP. NAYA GURUDWARA, RAVIGRAM, RAIPUR.
CUTTACK SALES DEPOT	: APCO MARKETING, FRIENDS COLONY, CUTTACK
REGISTRAR & TRANSFER AGENTS	: M/s. ADROIT CORPORATE SERVICES PVT. LTD. 19/20, JAFFERBHOY INDUSTRIAL ESTATE, 1ST FLOOR, MAKWANA ROAD, MAROL NAKA, ANDHERI (E), MUMBAI - 400 059

KILPEST INDIA LIMITED

NOTICE OF ANNUAL GENERAL MEETING

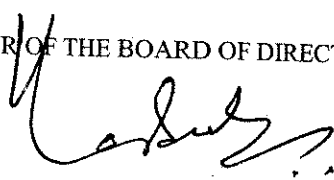
NOTICE is hereby given that the FORTY FOURTH ANNUAL GENERAL MEETING of KILPEST INDIA LIMITED, will be held at the Registered office of the Company at 7-C, Industrial Area, Govindpura, Bhopal 462 023 on Friday 30th September, 2016 at 11.30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016 and the Profit & Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. N. K. Dubey who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint auditors and fix their remuneration for the year ending on 31st March, 2017.
4. To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution: "RESOLVED THAT pursuant to provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member by the company by sending it to him by registered post or speed post to his office or address, the consent of the company be and is hereby accorded to charge Rs. 100/- (Rupees One Hundred Only) per document, from the members by way of Demand Draft in favour of "KILPEST INDIA LTD", pursuant to any request made by the shareholder for delivery of such document to him, through the mode of services mentioned above, provided such request along with DD has been duly received by the company's registered office shall send the desired documents within stipulated time period to the shareholders."

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

BY ORDER OF THE BOARD OF DIRECTORS


(R. K. DUBEY)

CHAIRMAN & MG. DIRECTOR

Place: Bhopal
Dated: 28th May, 2016

Registered Office:
7-C, Industrial Area,
Govindpura, Bhopal-462 023.
CIN: L24211MP1972PLC001131
Ph: 91-755-2586536 / 2586537
Fax : 91-755-2580438 Website: www.kilpest.com
Email: kilpest@bsnl.in / kilpestbpl@yahoo.co.in dkdkilpest@yahoo.co.in

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

- (iii) Shareholders should log on to the e-voting website www.evotingindia.com
- (iv) Click on “Shareholders” tab.
- (v) Now Enter your User ID
 - (a) For CDSL : 16 digits beneficiary ID
 - (b) For NSDL : 8 Character DPID followed by 8 Digits Client ID.
 - (c) Members holding shares in Physical Form should holder enter Folio Number registered with the company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and has logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below :

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details Or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both details are not recorded with the depository or company please enter the member id / folio number in the Dividend bank details fields as mentioned in instruction (iv).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then reach directly the Company 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. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding share in physical form, the details can be used for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <KILPEST INDIA LTD> on which you choose to vote.
- (xiii) 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 assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) 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.

- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non-Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be mailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) 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 write an email to helpdesk.evoting@cdslindia.com.

The results declared along with the Scrutinizer's Report shall be placed on the Company's website and shall also be communicated to BSE Limited where the shares of the Company are listed.

Details regarding Re-appointment of Directors at the Forthcoming Annual General Meeting.

Name of the Director	Mr. Nikhil Dubey
Date of Birth	07/11/1970
Date of Appointment	11/08/1993
Expertise in specific Functional Area	Spanning 25 years experience, Shri Nikhil Kuber Dubey has hands-on wide experience in Finance, Banking and Taxation. Shri Nikhil Kuber Dubey devotes whole time attention to the management of the commercial affairs of the company. He is responsible for the day-to-day finance and banking of the company and carries out his duties as entrusted to him from time to time by the Board of Directors. He has successfully attended several programmes for organization business leadership.
List of other Directorships held in Public Limited Companies	Nil
Chairman/Member of Committees of the Board of other Public Limited Companies in which he is a Director	Nil
Shareholding in the company	4.13%

REPORT OF THE DIRECTORS

Dear Members,

We are delighted to present report on our business and operations for the year ended 31st March, 2016.

FINANCIAL RESULTS:

The Company's financial performance for the year ended 31st March 2016 is summarized below:

Particulars	(Rs. in Lakhs)	
	Year ended 31-03-2016	Year ended 31-03-2015
Sales Turnover (Less : Excise)	1569.96	1791.41
Profit before Depreciation	51.59	56.05
Less: Depreciation	26.36	27.64
Profit before Tax	25.23	28.42
Less: Provision for Taxation	6.54	6.14
Net Profit after Tax	18.69	22.28

PERFORMANCE FOR THE YEAR 2015-2016:

Agrochemical Industry is facing challenging times currently due to drought year and tough market conditions. Crop yields have been impacted and farmer's net realization is also affected badly. Still the sales turnover is Rs 1569.96 lac which is marginally lower by 12.36% as compared to last year which was Rs 1791.41 lac and likewise the PBT stood at Rs 25.23 lac which is marginally lower by 11.22% as compared to last year which was Rs 28.42 lac.

To ward off the risk of monsoon and dropping agro-products prices, the company has been increasing its focus on Public Health Business and Export. These two areas will help in warding off the risks associated with agricultural business.

However, this year hopefully the agricultural business will do well as several forecasts have predicted good monsoon. This year will end the back to back drought faced from the last three years by the industry.

The JV has made a wide range of diagnostic kits ranging from infectious diseases to oncology, which are being accepted by big names customers in diagnostic market. In times to come this JV would become a market leader. JV project (Molecular Diagnostic Business) sales grew by 60% and EBITDA grew from Rs 8.85 lac to Rs 49.39 lac ; NP grew from Rs 0.96 lac to Rs. 14.79 lac. This trend is expected to continue this year also.

FIXED DEPOSITS :

No fixed deposits have been accepted from public during the financial year 2015-16.

DIVIDEND:

Due to inadequate profit, your Directors regret their inability to recommend any Dividend for the year.

TRANSFER TO RESERVES:

No transfer to the General Reserves has been made during the financial year 2015-16.

EXPANSION:

The Company has taken steps to consolidate the production for achieving the economies of scale. However, the Company has not taken up any major expansion during the year under review.

CHANGES IN THE NATURE OF BUSINESS, IF ANY:

There was no change in the nature of business of the Company during the financial year ended 31st March 2016.

CURRENT LISTING:

Presently, the Equity Shares of the company are listed on the Bombay Stock Exchange Ltd, Mumbai.

DIRECTORS :

In accordance with the provisions of the Companies Act, 2013, Mr. Nikhil Kuber Dubey, Director retiring by rotation and being eligible, offered himself for re-appointment at the ensuing Annual General Meeting.

Independent Director has given declaration that he meets the criteria of independence as laid down under section 149(6) of the Companies Act, 2013.

KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Companies Act, 2013, Mrs. Navneet Kaur, was hereby appointed as the Company Secretary of the company w.e.f. 11/01/2016.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year 2015-16 as stipulated under SEBI Listing Regulations, is presented in a separate section forming part of Annual Report.

CORPORATE GOVERNANCE:

A separate report on Corporate Governance and forms part of Annual Report and the certificate from the Company's Auditors regarding compliance of conditions of Corporate Governance is annexed to the Corporate Governance Report.

INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

WHISTLE BLOWER POLICY/VIGIL MECHANISM:

The details pertaining to Whistle Blower Policy are included in the Corporate Governance Report, which forms part of this report.

PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The consolidated financial statements of the Company and its subsidiaries, prepared in accordance with applicable accounting standards, issued by the Institute of Chartered Accountants of India, forms part of the Annual Report.

The statement pursuant to the provisions to Section 129(3) of the Companies Act 2013, containing salient features of the financial statement of the Company's Subsidiary in Form AOC1 is given in Annexure - III.

EVALUATION OF THE PERFORMANCE OF THE BOARD, COMMITTEES OF DIRECTORS AND INDIVIDUAL DIRECTORS:

During the year, the Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. Structured questionnaires were prepared after taking into consideration various applicable criteria and factors. The questionnaires were approved by the Company's Nomination and Remuneration Committee. The evaluation of performance of the Board, Committees of Directors and individual Directors was carried out in accordance with the said evaluation mechanism.

AUDITORS:

M/s R.C.Baheti & Co. Chartered Accountants, retire at the ensuing Annual General Meeting and are eligible for reappointment.

AUDITORS' REPORT:

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remarks or disclaimer given by the Auditors in their Report.

SECRETARIAL AUDITOR:

The Board has appointed Mr. P.K. Rai & Associates Practising Company Secretary, to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith marked as Annexure IV to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

INVESTOR EDUCATION AND PROTECTION FUND:

During the year, the Company was not required to transfer any amount to the Investor Education and Protection Fund.

HUMAN RESOURCE MANAGEMENT:

Our Employees are most valuable assets of the Company.

We encourage innovation, meritocracy and the pursuit of Excellence. We have setup a scalable recruitment and human resources management process, which enables us to attract and retain employees. Cordial employee relations were maintained throughout the year in Company. The directors express their appreciation for the contribution made by employees to operations of the Company during the year.

PARTICULAR OF EMPLOYEES:

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, in respect of the employees of the Company, will be provided upon request.

Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

AUDIT COMMITTEE :

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

NOMINATION AND REMUNERATION COMMITTEE :

The Nomination and Remuneration Committee comprises directors namely Mr. Shabbar Husain and Mr. D.K. Dubey.

The Company's Policy relating to appointment of Directors, payment of Managerial Remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished as Annexure II and forms part of this Report.

MEETINGS OF THE BOARD :

Seven meetings of the Board of Directors were held during the year. The details of which are given in the Corporate Governance Report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

A statement showing additional information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required are provided in Annexure V to this Report.

EXTRACT OF ANNUAL RETURN :

Extract of Annual Return of the Company is annexed herewith as Annexure I to this Report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS :

Details of Loans, Guarantees and Investments covered under the Provisions of Section 186 of the Companies Act, 2013 are given in the accompanying Financial Statements.

MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRING AFTER BALANCE SHEET.

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