



# Rama Phosphates Limited

**31<sup>ST</sup> ANNUAL REPORT 2015 – 16**

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**BOARD OF DIRECTORS**

**CHAIRMAN & MANAGING DIRECTOR**

Mr. D. J. Ramsinghani

**DIRECTORS**

Mr. H. D. Ramsinghani

Mr. D. N. Singh

Mr. K. Raghuraman

Mr. M. Shanmugam  
Nominee Director Bank of India  
(upto 09.07.2015)

Mr. R. K. Shrivastava  
Nominee Director Bank of India  
(w.e.f. 06.01.2016)

Mr. A. K. Thakur

Mrs. N. H. Ramsinghani

**CHIEF FINANCIAL OFFICER**

Mr. J. K. Parakh

**COMPANY SECRETARY**

Mr. Kiran P. Jain

**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](mailto:rnt.helpdesk@linkintime.co.in)  
Website : [www.linkintime.co.in](http://www.linkintime.co.in)

**REGISTERED OFFICE**

51-52, Free Press House,  
Nariman Point, Mumbai 400021  
(CIN) : L24110MH1984PLC033917  
Email : [rama@ramagroup.co.in](mailto:rama@ramagroup.co.in)  
Website : [www.ramaphosphates.com](http://www.ramaphosphates.com)  
Tel.No. (91-22) 2283 3355 / 2283 4182  
Fax : (91-22) 2204 9946

**WORKS :**

**ISO 9001: 2008 Certified**



**a) Fertilizer and Chemical Division**

- 1) **Indore – Madhya Pradesh**  
20/4 KM Stone, Indore – Ujjain Road  
(Dharampuri), Dist. Indore 453 557.
- 2) **Udaipur - Rajasthan**  
4807/11, Umra Village,  
Jamarkotra Road, Teh. Girwa,  
Dist. Udaipur 313 901.
- 3) **Pune - Maharashtra**  
**Rama Krishi Rasayan**  
(A Division of Rama Phosphates Limited)  
P.O. Loni Kalbhor, Pune Solapur Road,  
Tal. Haveli, Dist. Pune 412 201.



**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 Thirty First Annual General Meeting (“AGM”) of the Members of Rama Phosphates Limited (“the Company”) (CIN:L24110MH1984PLC033917) will be held on **Wednesday, September 28, 2016 at 11.00 a.m.** at The 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 Financial Statements of the Company for the financial year ended March 31, 2016, together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend of Rs 0.80 per Equity Share of Rs 10/- each full paid up for the financial year 2015-16
3. To appoint a Director in place of Mrs. N. H. Ramsinghani (DIN: 01327609), who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint auditors and to fix their remuneration and in this regard, to consider, and if thought fit, to pass, with or without modification(s), the following as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, (the Rules), and pursuant to the recommendations of the Audit Committee, M/s Khandelwal & Mehta LLP, Chartered Accountants, having Firm Registration No. W100084, be and are hereby appointed as Statutory Auditors of the Company in place of the retiring Statutory Auditors M/s Dayal & Lohia (Registration No. 102200W) who is crossing the permissible limit for appointment as Statutory Auditors under Companies Act, 2013, to hold office from the conclusion of this Annual General Meeting (“AGM”) upto the conclusion of the 36<sup>th</sup> AGM of the Company, on a remuneration to be fixed by the Board of Directors of the Company, based on the recommendation of the Audit Committee, in addition to reimbursement of all out of pocket expenses incurred by them in connection with the audit of the accounts of the Company”.

### SPECIAL BUSINESS

#### 5. Appointment of Mr. N.R. Joshi as Independent Director

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161 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 SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Mr. N. R. Joshi (DIN 03574604) who was appointed as an Additional Director by the Board of Directors effective from 19<sup>th</sup> May, 2016 and who holds office up to the date of this Annual General meeting and in respect of whom the Company has received a notice in writing 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 up to the conclusion of the 36<sup>th</sup> Annual General Meeting of the Company in the calendar year 2021”.

#### 6. Ratification of Remuneration to Cost Auditor

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

“**RESOLVED THAT** pursuant to provisions of Section 148(3) 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) the remuneration payable during the financial year 2016-17 to Mr. R.S.Raghavan, Cost Accountant (Membership No – 1179) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2016-17, amounting to Rs 2,00,000 (Rupees Two Lacs) as also the payment of service tax as applicable and re-imbursement of out of pocket expenses incurred by him in connection with the aforesaid audit be and is hereby ratified and confirmed.”

### NOTES:

1. The relative explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Business under Item Nos. 5 & 6 of the accompanying notice are annexed hereto.
2. In respect of Resolution at item nos. 3 & 5, a statement giving additional information on Directors seeking appointment/re-appointment is annexed herewith as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI Regulations).
3. **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.**

4. The Register of Members and the Share Transfer Books of the Company will remain closed from September 21, 2016 to September 28, 2016 (both days inclusive).
5. The payment of dividend, if declared at the said meeting, will be made to those shareholders whose name shall appear on the Company's register of members on September 21, 2016 on or before October 15, 2016.
6. The Shareholders, who have not claimed their Dividend, are requested to write to the Registrar and Transfer Agent, M/s. Link Intime India 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 of become due for payment, such unclaimed amount will be transferred to Investor Education and Protection Fund and thereafter no claim shall becoming against the Company.

Information in respect of such unclaimed dividend when due for transfer to the Investor Education and Protection Fund (IEPF) are given below:

Sl. No.	For the Financial year ended	Date of Payment of Dividend	Due date for transfer to the Investor Education and Protection Fund	Unclaimed dividend as on April 30, 2016
1	March 31, 2013	October 10, 2013	October 09, 2020	2,56,956.80
2	March 31, 2014	October 10, 2014	October 09, 2021	1,70,274.50

7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered 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.
8. Members desirous of seeking any information concerning the Accounts are requested to address their queries, in writing, to the Company at the Registered 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.
9. 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.
10. 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.
11. 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 10, 2016 for the 31<sup>st</sup> Annual General Meeting of the Company.

#### **e-Voting instructions**

The instructions for members for voting electronically are as under:

- (I) The voting period begins on 24/09/2016 at 9.00 am and ends on 27/09/2016 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 21, 2016, 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.

#### **(II) Procedure :**

The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

(i) Click on Shareholders.

(ii) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iii) Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.

(iv) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN are requested to use the sequence number printed on the sticker.
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.

	For Members holding shares in Demat Form and Physical Form
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) Members holding shares in physical form will then directly reach 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.
- (vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (ix) 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.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) 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.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xiv) If Demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) 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](http://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 emailed to [helpdesk.evoting@cdslindia.com](mailto: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 should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.

- (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 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](http://www.evotingindia.com) under help section or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

By Order of the Board  
For RAMA PHOSPHATES LIMITED

KIRAN P. JAIN  
COMPANY SECRETARY

Place: Mumbai

Dated: August 10, 2016

**Regd Office :**

51-52 Free Press House, Nariman Point,  
Mumbai 400 021

Tel : 91 - 022 - 22833355/22834182

Fax : 91 - 022 - 22049946

CIN : L24110MH1984PLC033917

Email : [rama@ramagroup.co.in](mailto:rama@ramagroup.co.in)

Website : [www.ramaphosphates.com](http://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 THIRTY FIRST ANNUAL GENERAL MEETING OF THE COMPANY.**

**Item No. 5**

Mr. N.R. Joshi is an Independent Director of the Company. Mr. N.R. Joshi is a B.E Chemical Engineer and has over 40 years of rich and varied experience in Ossein and Gelatine Manufacturing.

It is proposed to appoint Mr. N.R. Joshi as an Independent Director of the Company 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. N.R. Joshi for the office of Director.

Mr. N.R. Joshi 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. N.R. Joshi 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. N.R. Joshi that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.

The draft letter of appointment of Mr. N.R. Joshi as an Independent Director setting out terms and conditions is open for inspection at the Registered 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. N.R. Joshi does not hold by himself or for any other person on a beneficial basis, any shares in the Company. Brief resume of Mr. N.R. Joshi is given in the Corporate Governance Report forming part of the Annual Report.

Except Mr. N.R. Joshi 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.

The Board of Directors recommends the Ordinary Resolution set out at item No. 5 of the Notice for approval by the Members.

**Item No. 6**

The Board on the recommendation of the Audit Committee approved the appointment and remuneration of Mr. R. S. Raghavan, Cost Accountant (Membership No - 1179) as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested in the said resolution.

The Board of Directors recommends the Ordinary Resolution set out at item No.6 of the Notice for approval by the Members.

By Order of the Board  
**For RAMA PHOSPHATES LIMITED**

**KIRAN P. JAIN**  
**COMPANY SECRETARY**

Place: Mumbai

Dated: August 10, 2016

**Regd Office :**

51-52 Free Press House,  
Nariman Point, Mumbai 400 021  
Tel : 91 - 022 - 22833355/22834182  
Fax : 91 - 022 - 22049946  
CIN : L24110MH1984PLC033917  
Email : [rama@ramagroup.co.in](mailto:rama@ramagroup.co.in)  
Website : [www.ramaphosphates.com](http://www.ramaphosphates.com)



## INFORMATION PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATION, 2015

As required under the **SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015** the particulars of Directors who are proposed to be appointed/reappointed at the forthcoming Annual General Meeting are as follows;

### Reappointment

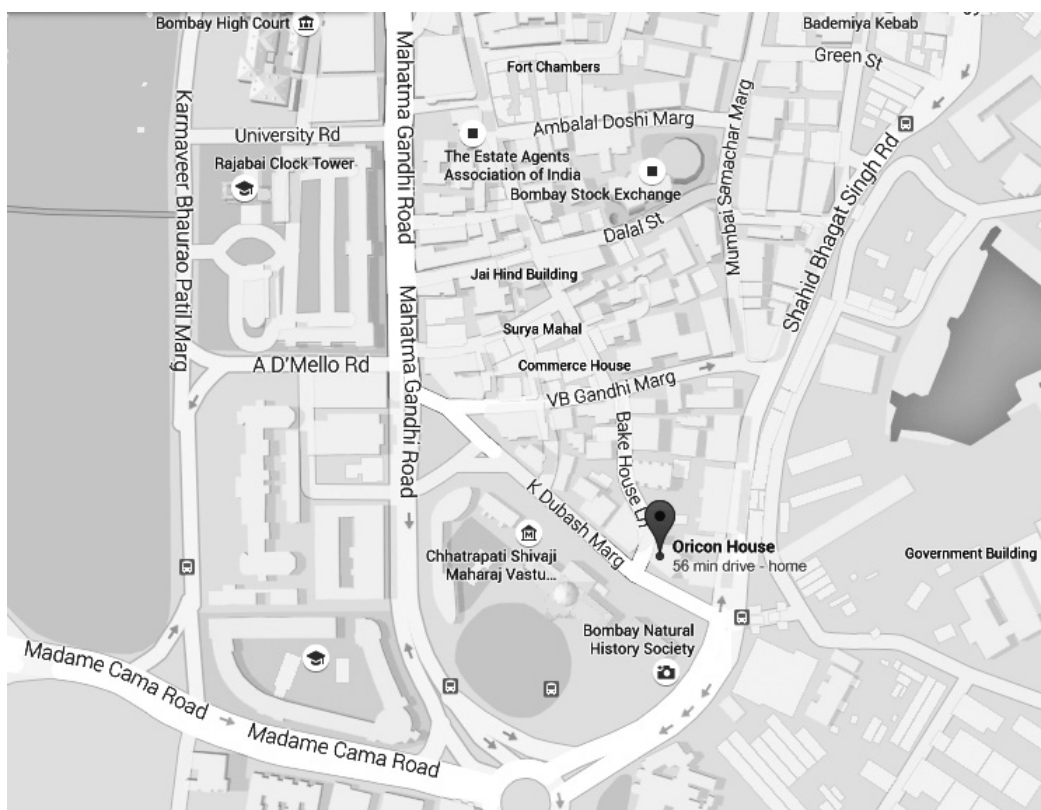
- Mrs. N. H. Ramsinghani retires by rotation at the forthcoming Annual General Meeting and is eligible for reappointment.  
Mrs. N. H. Ramsinghani has over thirty years of rich and varied experience in the field of Business Administration and international trade.  
Mrs. N. H. Ramsinghani does not hold any shares of the Company.  
Mrs. N. H. Ramsinghani is a relative to Director - H. D. Ramsinghani and Chairman and Managing Director - Mr. D. J. Ramsinghani.  
Mrs. N. H. Ramsinghani is a Director of Rainbow Denim Limited and Rama Petrochemicals Limited. She is neither Chairman nor a Member of any Committees of the Board of any Company.

### Appointment

- Mr. N. R. Joshi is a B.E Chemical Engineer from Gujarat University and has over 40 years of rich and varied experience in Ossein and Gelatine Manufacturing.  
Mr. N. R. Joshi does not hold any shares of the Company  
Mr. N. R. Joshi is a Whole Time Director in Rama Industries Limited. He is neither Chairman nor a Member of any Committees of the Board of any Company

### Map Showing Location of the venue of the AGM of Rama Phosphates Limited

**Venue : The Babasaheb Dahanukar Hall, Orion House, Maharashtra Chamber of Commerce Path, Fort, Mumbai - 400001**



## **DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2015-2016**

**Dear Members,**

Your Directors have pleasure in presenting the 31<sup>st</sup> Annual Report together with the Audited Financial Statements for the financial year ended March 31, 2016.

### **FINANCIAL HIGHLIGHTS**

During the year under review, performance of your Company is as under:

₹ in Lacs

<b>FINANCIAL RESULTS</b>	<b>YEAR ENDED 31/03/2016</b>	<b>YEAR ENDED 31/03/2015</b>
Sales & Other Income	39024.09	40030.94
Profit Before Financial Charges & Depreciation	2608.98	35.05
Less: Financial Charges	1064.33	1024.65
Profit/(Loss) Before Depreciation	1544.65	(989.60)
Less : Depreciation	360.23	372.85
Net Profit/(Loss) Before Tax	1184.42	(1362.45)
<b><u>Tax Expenses</u></b>		
Current Tax	--	--
Deferred Tax	377.70	(409.28)
Tax For Earlier Years	--	23.70
Net Profit/(Loss) Before Adjustments	806.72	(976.87)
Profit/(Loss) After Adjustments	806.72	(976.87)
Profit /(Loss) For The Year	806.72	(976.87)
- Dividend On Equity Shares	141.55	NIL
- Tax On Proposed Dividend	28.82	NA
Profit & (Loss) Balance Brought Forward from the Previous Year	2436.28	3579.02
Balance Carried To Balance Sheet	3072.63	2436.28

### **SHARE CAPITAL**

The paid up Equity Share Capital as at March 31, 2016 stood at ₹ 1767.43 Lacs. During the year under review, the Company has neither issued any shares with differential voting rights nor had granted any stock options or sweat equity.

### **DIVIDEND**

Your Directors are pleased to recommend a final dividend of ₹ 0.80 ps. per equity share of ₹ 10/- each fully paid up for the financial year 2015-16. The dividend if declared by the members at the 31<sup>st</sup> Annual General Meeting to be held on 28<sup>th</sup> September, 2016, will be paid on or before 15<sup>th</sup> October, 2016.

### **REVIEW OF OPERATIONS**

Your Company is in the business of Single Super Phosphate (SSP) manufacturing and also industrial chemicals. Generally SSP manufactured is in the form of Powder and used for direct consumption whilst some quantity is converted into Granular form as per the need of consumption. These two products as also our value-added Boronated SSP are falling under Nutrient Based Subsidy scheme (NBS). At the same time, Company is manufacturing NPK mixed fertilizer of different grades, which is out of ambit of NBS and the same is manufactured and sold as per the market demands.

Our fertilizer products are sold under Gimar and Suryaphool brands. We have prominent presence in the market and very good brand recall. The Company recently launched value-added fertilizer, Boronated Single Super Phosphate at Indore subsequent to great acceptance in the market of our product from Udaipur unit.

The Chemicals division of the Company involved in manufacture of Sulphuric Acid and Oleum is based at Indore and Pune. The Sulphuric Acid is primarily sold in the market at remunerative prices though it is one of the basic raw materials for manufacture of SSP fertilizer since the Company sources spent acid from the market at cheaper rates and thus keep a check on product cost.

The Company's another division Soya seed crushing and refining unit is operated from Indore.

### **Fertilizer Division**

The overall production of SSP increased in the country significantly after changes in SSP policy during 2008-09 and implementation of NBS policy from 2010-11. During 2009-10, 2010-11 and 2011-12 production of SSP recorded high growth rate of 22%, 20% and 17% respectively over the previous years. Subsequent thereto, the momentum of growth of production slowed down in 2012-13 at 2.60% and turned negative in 2013-14 and 2014-15.



With regard to the current year under review, as per the data available with FAI upto Feb-16, there is overall decline in SSP production by 8.1% during Apr-Feb.16 at 35.52 lac MT over Apr-Feb.15. Thus all India capacity utilization of SSP declined from 45.6% in Apr-Feb.15 to 44.6% in Apr-Feb.16. Under this lackluster scenario, your Company has performed quite well by achieving 71% capacity utilization during current year which is marginally higher by 1% than the previous year 2014-15 despite severe drought situation in the states of Maharashtra & Karnataka. Your Company continued to maintain market share of 8.34% against all-India sale of 46.33 lacs MT during the current year against 8.43% on 42.27 lac MT in the previous year. This could be made possible by introduction of value-added product, viz. Boronated SSP from our Udaipur unit and by adopting suitable marketing strategies based on market requirements. Though efforts are being made by the industry as a whole to promote the consumption of SSP fertilizer in the country considering exclusivity of “S” (Sulphur) factor in SSP, on price front in comparison with Urea, the penetration is still limited and a lot more efforts are required to improve demand of the product.

During the year under review, Company has commissioned expanded quantity of SSP at Indore from 1.65 lac MT to 2.50 lac MT and thus the overall annual installed capacity of SSP has been increased from 4.78 lac MT to 5.63 lac MT. The mixed fertilizer NPK of various grades is produced and marketed from Pune unit, based on the market demand.

At Indore, Acid plant was re-started in the month of July-15 considering the marketing opportunity of acid. Both the plants at Indore and Pune are operated at optimum capacity.

The Fertilizer division reported improved turnover of ₹ 37691.64 lacs in 2015-16 as against ₹ 35013.10 lacs achieved in 2014-15. This could be made possible due to increase in sales volume by introduction of value-added product Boronated SSP and restarting of Acid plant production at Indore unit which was hitherto kept shut on commercial reasons.

**Soya division:** There was steep reduction in crushing activity at our Indore unit and that we could achieve ₹ 1213.32 lacs during this year as against ₹ 4885.29 lacs in the previous year. This was due to huge disparity in soya operations and also low international demand of De-Oiled Cake. Thus, Management took conscientious decision to restrict seed crush and reduce subsequent losses.

The aggregate turnover of the Company stands reduced at ₹ 38904.96 lacs as against ₹ 39898.39 lacs, mainly due to huge reduction in turnover of Soya division inspite of increase in turnover of core fertilizer business.

#### **Overall Financial Performance:**

EBITDA of the Company has been remarkably turned around to ₹ 2608.98 lacs during the year as against ₹ 35.05 lacs achieved in the previous year. The positive contribution from core fertilizer business has resulted in this remarkable feat. This is mainly due to overall control in procurement prices of raw material and packing material coupled with massive introduction of cost reduction exercises by the Management. Fixed cost of the Company has remained under strict control. Moreover, hitherto defunct Acid division at Indore has been restarted subsequent to buoyant acid market which also contributed a major chunk. The Company took efforts to control on outward freight and overall improvement in production efficiency and norms. Simultaneously, losses of Soya division have been narrowed down significantly by holding of stocks and selling at opportune time. There has been negligible increase in the financial cost due to delay in release of subsidy. By better working capital management, inventory has been reduced from ₹ 9438.54 lacs to ₹ 5411.89 lacs. The term loan liability of bank has been reduced from ₹ 173.15 lacs to ₹ 110.19 lacs which in other ways can be termed as ZERO DEBT Company. However, trade receivable has been increased from ₹ 5539.04 lacs to ₹ 7791.37 lacs. Subsidy receivable from GOI has been increased from ₹ 7537.81 lacs to ₹ 10271.16 lacs.

Since the overall fertilizer business environment is quite competitive and with optimistic prediction of monsoon of 109 per cent by IMD in the ensuing season, your Directors are quite hopeful to improve performance and take suitable measures to achieve the desired goals in the long run by better capacity utilization of fertilizer division, introduction of Boronated SSP at Indore and other new value-added products at Udaipur and simultaneously keeping a close watch on fixed expenses with clear focus on sale in economic zone to improve realization. The Company intends to run Soya division at optimum capacity keeping in view of increased acreage of soya cultivation in M.P.

#### **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.

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

#### **EXPANSION ACTIVITY**

**Indore unit :** At Indore, the capacity expansion activity is completed and that the Company has received pollution consent to increase the annual capacity to 2.50 lac MT from the existing capacity of 1.65 lac MT.

**Udaipur unit:** The Environmental Clearance for the proposed expansion of Single Super Phosphate (1,81,000 TPA to 3,15,000 TPA) and NPK (60,000 TPA), and Boronated SSP (25,000 TPA), and LABSA (20,000 TPA) has been received and that Company would initiate necessary formalities to obtain CTO from the respective authorities.

#### **TRANSFER OF AMOUNT TO RESERVES**

The Company does not propose to transfer any amount to the general reserve for the Financial Year ended March 31, 2016.

#### **CHANGE IN NATURE OF BUSINESS**

There is no change in the nature of business of the Company.

**CORPORATE GOVERNANCE**

A separate report on Corporate Governance and Management Discussion and Analysis is annexed as part of the Annual Report along with the Auditor's Certificate on its compliance.

Your Directors refer to the observations made by the Auditors in their report on compliance with conditions of Corporate Governance and wish to state that the Company has complied with the various applicable provisions of Listing Agreement / Listing Regulations except that the composition of the Board is not in accordance with clause 49(II)(A)(2) of the Listing Agreement and Regulation 17(1)(b) of SEBI ((Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period **from 1st April, 2015 to 8th July, 2015** and **from 6th January, 2016 to 31st March, 2016**. However, as on date of signing the Directors Report the Company had complied with the requirements of minimum number of Independent Directors.

**EXTRACT OF ANNUAL RETURN**

The Extracts of Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 and the same is enclosed as **Annexure - A** to this Report.

**DIRECTORS**

Mrs. N.H. Ramsinghani, Director of the Company retires by rotation and being eligible, offers herself for re-appointment.

Bank of India had withdrawn the appointment of Mr. M. Shanmugam as Nominee Director w.e.f. July 9, 2015.

Bank of India had appointed Mr. R K Shrivastava as the Nominee Director on Board of the Company w.e.f. January 6, 2016.

**NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

During the year ended March 31, 2016, four Board Meetings were held. The dates on which the Board meetings were held are May 28, 2015, July 24, 2015, October 31, 2015 and January 23, 2016.

**PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS BY COMPANY**

Details of Loan, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements.

**WHISTLE BLOWER POLICY / VIGIL MECHANISM**

The Board of Directors has adopted Whistle Blower Policy. The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. All permanent employees of the Company are covered under the Whistle Blower Policy. A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the audit committee in exceptional cases.

The whistle Blower Policy has been uploaded on the website of the Company ([www.ramaphosphates.com](http://www.ramaphosphates.com)).

**NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee presently consists of the following Directors namely Mr. K. Raghuraman - Chairman, Mr. D.N. Singh and Mr. H. D. Ramsinghani.

**RISK MANAGEMENT COMMITTEE**

Business Risk Evaluation and Management is an on-going process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The Committee had formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day to day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat the risk. The Risk Management procedure will be reviewed by the Audit Committee and Board of Directors on a Quarterly basis at the time of review of Quarterly Financial Results of the Company.

However, regulation 21 of SEBI regulations relating to Risk Management Committee is not applicable to the Company.

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Corporate Social Responsibility (CSR) is commitment of the Company to improve the quality of life of the workforce and their families and also the community and society at large. The Company believes in undertaking business in such a way that it leads to overall development of all stakeholders and society at large.

The Board of Directors of the Company have constituted Corporate Social Responsibility Committee consisting of following persons namely Mr. D.N. Singh – Chairman, Mr. H.D. Ramsinghani and Mr. K. Raghuraman. This Committee had framed Corporate Social Responsibility Policy and the same was adopted by the Board of Directors on the recommendation of Corporate Social Responsibility Committee.

The details on CSR Policy developed and implemented by the Company are enclosed at **Annexure - B** to this report.

**RELATED PARTY TRANSACTIONS**

All transactions entered with Related Parties for the year under review were on an arm's length basis and in ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in form AOC-2 is not required. Further, there are no materially Related Party Transactions during the year under review with the Promoters, Directors or Key Managerial Personnel.