

ANNUAL REPORT 2015-16

DIRECTORS' REPORT
2015-16

Dear Members,

Your Directors have great pleasure in presenting the 9th Annual Report of the Company together with the Audited Statements of Annual Accounts for the Financial Year ended 31st March, 2016.

PERFORMANCE OF COMPANY

Financial Performance of the Company during the year 2015-16 was as follows:

<u>Financial Performance</u>	(Rs. In lakh)	
Particulars	2015-16	2014-15
Gross Revenue	35,212	30,998
Less: Cost of Goods Sold	29,507	26,011
Employees Remuneration & Benefits	2,820	2,181
Sales and General Administration Expenses	1,781	1,417
	1,104	1,389
Profit before Interest, Depreciation & Tax		
Less: Depreciation	267	377
	837	1,012
PBIT		
Less: Interest	-	-
	837	1,012
PBT		
Less: Provision for Tax	288	342
	549	670
Profit/ (Loss) after Tax		
Balance Brought Forward from the Previous Year	2,313	1,874
	2,862	2,544
Amount available for Appropriations		
Appropriations:		
Proposed Dividend	100	100
Tax on Proposed Dividend	20	20
Transfer to General Reserve	27	33
Balance Carried to Balance Sheet	2,715	2,391

2,862

2,544

Your Company recorded Gross Revenue of Rs. 35,212 lakh during the year 2015-16 (against Rs. 30,998 lakh in 2014-15). The Company recorded Pre-tax Profit of Rs. 837 lakh in the year 2015-16 as against Profit of Rs. 1,012 lakh during the previous financial year. Your company earned a Net Profit of Rs. 549 lakh after making tax provision of Rs. 288 lakh during the year 2015-16.

MARKETING PERFORMANCE

In the year 2015-16, the Company attained a growth rate of 13% in Gross Activation (GAD) with an increase of 2,37,695 over previous year, and the Revenue Earning Customer (REC) base increased by 2,91,242. The REC base increased to 36,22,025 from 33,30,783. The company registered a growth rate of 14.50% in Primary Recharge Revenue with an all-time high Revenue of Rs. 294.9 crore during 2015-16.

DIVIDEND

The Board has recommended a dividend of Rs. 2 per equity share of Rs. 10 each (20% of face value) for the Financial Year 2015-16. The total dividend payout will amount to Rs. 120.36 lakh, (Rupees One Hundred Twenty lakh and Thirty Six Thousand only) including the Dividend Distribution Tax of Rs. 20.36 lakh @ 20.36%. The payment of dividend is subject to the approval by the Shareholders in the ensuing Annual General Meeting of the Company.

DEPOSITS

During the year under review, the Company had not accepted any deposits covered within the meaning of Section 73 to 76 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014.

RESERVES

The amount transferred to the Reserves is Rs. 27.44 lakh, which is 5% of the current profit of the Company.

TOTAL REVENUE

During this year, the Company achieved a turnover of Rs. 350.21 crore and earned other income of Rs. 1.91 crore resulting in total revenue of Rs. 352.12 crore.

INDUSTRY SCENARIO

Indian Telecom Industry:

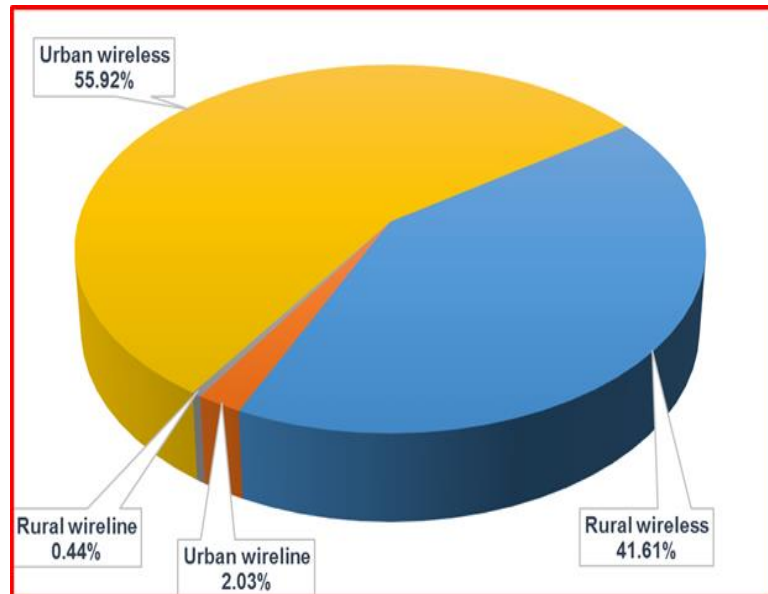
India has total telecom subscriber strength of 1,033.60 million as of March, 2016 observing an annual growth of 6.16% during FY 2015-16. Tele density rose to 82.89% in FY 2015-16 as compared to 77.58% last year. However, tele density in Rural India is at just 50.88% (as compared to 47.78% in 2014-15), hence leaving a much wider scope for growth in the market. Among these, 1,027.17 million are wireless users showing a growth of 7.09% whereas a decline 5.48% was observed in wire-line users during the year. Total Internet Subscribers increased by 24.04% to 331.66 million. Growth in gross addition during FY 2015-16 is tabulated below:

S. No.	Particulars	Growth in Gross Addition (in %)
1	Airtel	26.7
2	Industry	12.0
3	IFFCO Kisan	13.7

Bharti Airtel leads the wireless market at 24.3% Customer Market Share (CMS) followed by the 2nd player at 19.2%.

Below is a graphical representation of the composition of the subscribers i.e. 1036.41 million.

COMPOSITION OF TELEPHONE SUBSCRIBERS



Rural Telecom Industry:

The users for wireless telecommunication in rural India were 444.80 million as of March 2016, observing a 9.84% growth as compared to the previous year. During the year, there were 112.16 million Mobile internet users with a growth of 21.67% over FY 2014-15. The year-on-year (Y-O-Y) growth rate of Rural and Urban Tele density was 8.36% and 2.96%, respectively.

Industry Update:

Telecom Industry continues to be very competitive and showing an early sign of consolidation in line with experience in other developed markets. Entry of another large competitor is expected shortly. Profitability of major telecom players is getting impacted by substantive increase in spectrum price based on recent auctions in most of the telecom circles.

Opportunities for IFFCO Kisan:

Rural India is just at 50.88% Tele density, thus leaving a lot of scope for rural market penetration for IFFCO Kisan. Further with increased percentage of mobile internet, users' data related services are expected to grow in the next 3 years. During the year 2015-16, IFFCO Kisan has shifted focus from providing information services only on mobile through voice messages to providing its services through mobile application as well as certain field based activities.

Media Activities

TV stations of Doordarshan Delhi, Lucknow, Jaipur, Chennai, Bangalore and Hyderabad invited IFFCO Kisan for talk / discussions and interviews. Similarly, All India Radio of different stations invited our participation in their agriculture programs. Print media also covered IFFCO Kisan story in their articles.

VALUE ADDED SERVICES (VAS)

Value Added Services (VAS) continued to maintain its quality through disseminating more relevant and critical information in interesting manner. During the period under report, listening parameters were maintained at satisfactory level. Average Listening Duration (ALD) of the voice messages, on all India basis, at the end of March 2016

was 43.2 seconds. By March 2016, Listening Universe (LU) increased to 16.14 lakh from 11.23 lakh in March 2015.

Other details of VAS coverage was as under:

S. No.	Particulars	April 2015 – March 2016
1	No. of States Covered	19
2	No. of Zones in States	108
3	Content strength	47
4	Experts on Panel	44
5	Total Messages	1,18,815
6	Helpline Queries	42,406
7	Feedback	13,797
8	Success stories	730
9	Phone In Programmes	810
10	Quiz Programmes	867
11	Communities	76

- Helpline infrastructure facility, as Hosted Call Center (HCC) through a centralized gateway which was available for three locations, namely, Chandigarh, Lucknow and Bhubaneswar got extended to six more locations viz. Ahmedabad, Bhopal, Hyderabad, Jaipur, Kolkata and Patna. Work of connecting balance state offices with HCC system is in progress. From the analysis of helpline calls answered, it was observed that calls were mostly related to Agri Market (both on output and inputs), weather information, Field and horticulture crops and animal husbandry. Within the field crops, importance was given to Paddy, Wheat, Cotton, Sugarcane, Soybean and Mustard crop, though queries were answered on 38 crops. In cultivation practices of crops, maximum queries were on Plant Protection, Crop Varieties and Nutrient Management.
- Farmer's feedback was regularly taken to improve the content and make it more relevant. Content Management System was further strengthened by providing additional tag words in each category so that retrieval of the information is easy. Based on the feedback, information on more crops was added to the GYAN

BHANDAR of the portal. In all, information on 52 field and horticulture crops has been provided.

- A workshop covering the entire Content Team was organised during April 24-25, 2015 at New Delhi. Content Team was briefed on IFFCO Kisan Rural Portal, Mobile App, IIMS and creation of Farmers Club.
- Activity of creating Farmers clubs was undertaken during 2015-16 with primary objective of having ground level engagement of Content team for better understanding of agricultural situation and also for enhancing core and diversified business through these clubs. Besides the above, these clubs became potential areas where CSR activities of the organization were mostly conducted. In all, 643 clubs were created and templates developed for creation of Farmers Clubs, including steps involved in creation and activation of Farmers Club and selection of Krishak Bandhus i.e. nodal persons of the clubs. Towards the business promotion and income enhancement of the member farmers, some of these Farmers Clubs are being developed in to Farmer Producers Organizations (FPOs). Steps were taken to form three FPOs in Gujarat and one in West Bengal. Business Development Plans for these FPOs are being developed by involving the farmer members.

INFORMATION AND COMMUNICATION TECHNOLOGY

During the financial year 2015-16, the content management system - 'Integrated Information Management System (IIMS)', the Business ERP and ICT infrastructure were augmented to meet the business needs. A highlight of the year was that a Mobile Application 'IFFCO Kisan' with a supporting rural portal was developed in-house to provide an additional channel of engagement with farmers. ICT strategies were re-designed to provide more effective services to farmers through the growing segment of data users and smart phones. For internal users, many new workflow based services were introduced through an intranet portal and mobile application - 'myiffcokisan'. This platform is being further expanded to cater to all the employee related processes including Appraisal, Leave Report and ERP system of IFFCO Kisan. A new mobile application was developed to monitor the quality of

sales outlets formed in the field. An important milestone achieved during the year was that all applications were migrated to a cloud environment for greater efficiency. The IT team has also supported in developing applications to meet a few requirements of IFFCO Group companies, such as, a mobile application with portal for E-Bazar and design and development of 'IFFCO Group Portal'.

MOBILE APPLICATION FOR FARMERS - 'IFFCO KISAN'

A comprehensive Mobile Application - 'IFFCO Kisan' was added to the bouquet of services offered to the farmers. The in-house developed mobile application has been designed to address a growing segment of farmers adopting smart phones and comfortable in using mobile internet based services. 'IFFCO Kisan' is being developed in a phased manner to cater to this growing segment and promoting the usage of mobile phone as a single source of all information needs of farmers. The App presently offers customized information related to farm advisory, alerts, reference material on all aspects of 52 crops, weather, market information from various sources, access to experts, a platform for buyers and sellers to come together, focused chat rooms to discuss agricultural issues. The mobile application has personalization features to provide advisory at individual level. The App is being further enhanced to cater to the requirements in villages, such as, health, employment, finance, etc.

BUSINESS DEVELOPMENT

Institutional partnerships with like minded organizations is an important strategy of IFFCO Kisan to develop an eco-system that can effectively address the problems of farmers. Further, IFFCO Kisan had been making constant endeavour to open new avenues to nurture the bond with the farmers. Business Development team has played a key role in forging partnerships to expand the scale and scope of services. In this quest, the Business Development team was augmented during the financial year. The efforts of the team have contributed to enrolling lakhs of fishermen in association with the state team of Odisha. The Government of Odisha has renewed the contract for FY 2016-17. Similar project was also initiated in Andhra Pradesh. In various states like Bihar, partnerships were forged with 'Jeevika' under livelihoods

scheme and state extension agencies. Several pilot initiatives on the health, skill development and Farmer Producers Organization (FPO) are also initiated, which are at an advanced stage of finalization.

KISAN CALL CENTRE (KCC) MANAGEMENT SERVICES

IFFCO Kisan was awarded the contract to run Kisan Call Center Service (KCC) in the year 2012 for a period of 3 years. Our services became operational from May 2012 with 212 seats. During the year 2015-16, no additional seats were added hence the total number of seats remained 452. Calls from all the States and Union Territories are being addressed from 14 locations by 545 Farm Tele Advisors (FTAs) under the guidance of 20 Supervisors (total strength 565). FTAs are capable of answering the queries mostly, however, for specific subject related query, the calls are escalated to Experts. On an average 26,000 calls are received daily out of which nearly 18,400 calls are answered. During the year 2015-16, the total calls landed were 0.95 crore and the answered calls were 0.67 crore. The GOI has further renewed the contract for 5th year i.e. from 1.05.2016 to 30.04.2017.

IFFCO KISAN - OUTLOOK FOR 2016-17

A cohesive approach to continue to work for empowerment of farmers through information, alert and advisory services, strengthened by practical ground level support in phased manner through diversification to improve the quality of life for people living in villages will be the guiding philosophy for 2016-17. The present model of 'IFFCO Green SIM Card', with emphasis on voice based advisory services, will be strengthened by data driven mobile application for greater engagement with the farmers. In addition, the scope of services will be expanded to include areas of rural interest where the organization can directly handhold the farmers through various activities. The focus will be on enhanced productivity, improved processes and phased diversification. Improvement in internal productivity of employees through mobile application based services will be introduced.

The voice messages in local languages/dialects continue to receive emphasis for providing information and advisory services to rural subscribers. The thrust will be on quality to further improve the services from customer enrolment to delivery of

services to monitoring. Greater reliance will be placed on optimizing voice messages based on profiling through data analytics to provide more personalized and contextualized advisory to the farmers. Institutional partnerships will be expanded through intensive business development efforts to serve larger groups of people with a focused mandate. Systems will be augmented to ensure quality of sales channel and better monitoring.

The Mobile Application, 'IFFCO Kisan' will be evolved and positioned to meet the demands of growing number of subscribers adopting smart phones. The scope and scale of services will be expanded by inclusion of new areas, such as, health, employment, education, finance. Transaction based services will be included in a phased manner. The App will be evolved into a single gateway to meet all the needs of the subscribers.

Phased diversification into new areas to provide on the ground services will be a major focus of financial year 2016-17. Skill and employability are major challenges faced by youth living in rural areas. Skill Development will form a new area of thrust to train and skill the youth to increase their employment opportunities. Initiatives to support farmers and Farmers Clubs to promote Farmers Producers Organizations (FPO) will be attempted. Pilots in two states are proposed to be initiated for the purpose. Credit is a source of concern and challenge for farmers and IFFCO Kisan is endeavoring to extend support in this critical area to farmers. Towards this, efforts are being made to initiate steps which will eventually lead to formation of NBFC.

Attempt will be made to add more services that will make a difference to people living in rural areas.

EXTRACTS OF ANNUAL RETURN

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

BOARD OF DIRECTORS

Number of Meetings of the Board: During the year, 4 (Four) Board Meetings were held on 14/05/2015, 27/08/2015, 10/12/2015 and 9/03/2016. The particulars of attendance of Directors during the Board Meeting were as follows:

Sl. No.	Name of Director	Designation	No. of Meetings held	No. of Meetings attended
1	Dr. U.S. Awasthi	Chairman	4	4
2	Shri Rakesh Kapur	Managing Director	4	4
3	Shri Arabinda Roy	Nominee Director	4	3
4	Shri Manish Gupta	Nominee Director	4	2
5	Shri Ranjan Sharma	Director	4	4
6	Shri S.C. Mittal*	Nominee Director	4	-
7	Shri Nilanjan Roy	Nominee Director	4	1
8	Shri Ajai Puri	Nominee Director	4	2
9	Shri Dipakbhai K. Malani**	Director	4	2
10	Shri Pratip Chaudhuri	Independent Director	4	4
11	Ms. Praveen Mahajan***	Independent Director	4	1

Note: *Shri S.C. Mittal had ceased to be the Director of IFFCO Kisan w. e. f. 14/05/2015.

** Shri Dipakbhai K. Malani ceased to be a member of the Board w.e.f. 15/09/2015.

*** Ms. Praveen Mahajan had resigned from the Board w.e.f. 19/01/2016

Changes in the Composition of the Board and Declaration by Independent Directors

During the year 2015-16, Ms. Praveen Mahajan resigned as Independent Director with effect from 19/01/2016. The Board places on record its appreciation for the services rendered by Ms. Praveen Mahajan during her tenure with the Company.

Board at its Meeting held on 16th June, 2016 had approved the appointment of Ms. Mala Srivastava as Independent Director of the Company who would hold the office as Additional Director only up to the date of ensuing Annual General Meeting under the provisions of Companies Act, 2013. The appointment of Ms. Mala

Srivastava as Independent Director shall be approved by the Shareholders at the ensuing Annual General Meeting of the Company.

Further, Shri Nilanjan Roy, Bharti Nominee Director had resigned from the directorship of the Company with effective from 15th June, 2016. Bharti had reserved its right to replace/ nominate/ appoint Director(s) on the Board of IFFCO Kisan in place of Shri Nilanjan Roy. Therefore, the vacancy caused by the resignation of Shri Nilanjan Roy has not filled up. The Board places on record its appreciation for the services rendered by Shri Nilanjan Roy during his tenure with the Company.

The Company has received necessary declaration from Shri Pratip Chaudhuri, Independent director under Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

Retirement by Rotation:

In accordance with the provisions of Companies Act, 2013, Shri Manish Gupta, Director of the Company shall retire by rotation at the ensuing Annual General Meeting of the Company and is eligible for reappointment. Your Directors also recommended the re-appointment of retiring Director.

Policy on Directors' Appointment and Remuneration and other matters provided under Section 178 of Companies Act 2013

The Board on the recommendation of the Nomination & Remuneration Committee has framed a policy for selection and appointment of Directors, senior management and their remuneration, including criteria for determining qualifications, positive attributes, and independence of directors.

The formulation of appointment and section policy is to achieve an appropriate balance of skills, experience, knowledge and expertise amongst its Directors and members of Senior Management. This policy also aims to determine the independence of Directors, in case of their appointment as Independent Directors of

the Company. The Remuneration Policy is to determine that the level and composition of remuneration of Directors, KMPs, Senior Management and other employees is reasonable and sufficient to attract, retain and motivate, at all levels, the quality talent required to run the company successfully.

AUDITORS & THEIR REPORT

M/s Rajnish & Associates, Chartered Accountants, (Firm Registration No. 014666N) Statutory Auditors of the Company will hold office till the conclusion of the ensuing Annual General Meeting. The Company has received communication from M/s Rajnish & Associates, Chartered Accountants, confirming their willingness to accept the audit of the Company in the event of their re-appointment. M/s Rajnish & Associates have confirmed that their appointment if made will be in accordance with the limits specified under Section 139(1) of the Companies Act, 2013 and they fulfil the eligibility criteria specified under Section 141 of the Companies Act 2013. The Audit Committee has recommended to the Board, the appointment of M/s Rajnish & Associates Chartered Accountants as Statutory Auditors of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of 10th Annual General Meeting to be held in the year 2017, subject to ratification of their appointment at the Annual General Meeting.

The Report of the Auditors to the Shareholders of the Company is annexed to the financial statements for the year ended 31st March, 2016. There are no specific observations in the Report of the Auditors which require clarification.

INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial control with reference to the Financial Statements and no material weakness was reported.

SECRETARIAL AUDITOR'S REPORT

In accordance with the provisions with Section 204 of the Companies Act, 2013 read with Section 134 (3) of the Companies Act, 2013, Board had appointed M/s Amit Agrawal & Associates, (C.P. No. 3647) as Secretarial Auditors of the Company to conduct the Secretarial Audit for Financial Year 2015-16. The Secretarial Audit Report received from M/s Amit Agrawal & Associates in the prescribed Form MR 3 is enclosed at **Annexure-II**. There are no specific observations in the Report which require clarification.

CORPORATE SOCIAL RESPONSIBILITY

As per the provision of Section 135 of Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules, 2014, CSR Annual Report of the Company contain the initiatives undertaken by the Company on CSR activities during the year is enclosed in prescribed format as per **Annexure III**.

CSR Committee of Directors of the Board comprising of :-

5. Shri A. Roy, Chairman
6. Ms. Praveen Mahajan, Member*
7. Shri Ranjan Sharma, Member
8. Shri Ajai Puri, Member

During the Financial Year 2015-16, three Meetings of CSR Committee were held on 27/08/2015, 10/12/2015 and 9/03/2016 and the names of the Directors present at the CSR Committee Meetings are as under:

Sl. No.	Name of Director	Designation	No. of Meeting Held	No. of Meetings attended
1	Shri Arabinda Roy	Chairman	3	3
2	Shri Ranjan Sharma	Director	3	3
3	Ms. Praveen Mahajan*	Independent Director	3	1
4	Shri Ajai Puri	Nominee Director	3	1

*Ms. Praveen Mahajan had resigned from the Board w.e.f. 19/01/2016

AUDIT COMMITTEE

Pursuant to the provisions of Section 177 (1) of the Companies Act, 2013 (the Act), read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, Audit Committee of Directors had been re-constituted and comprised of three Directors namely:

Name of Members	Status
Shri Pratip Chaudhuri	Chairman
Ms. Praveen Mahajan*	Director
Shri Ranjan Sharma	Director

Number of Meetings of the Audit Committee

During the Financial Year 2015-16, 4 (Four) Audit Committee Meetings were held on 14/05/2015, 27/08/2015, 10/12/2015 and 9/03/2016. The particulars of attendance of Directors during the Audit Committee Meeting were as follows:

Sl. No.	Name of Director	Designation	No. of Meeting Held	No. of Meetings attended
1	Shri Pratip Chaudhuri	Independent Director	4	4
2	Shri Ranjan Sharma	Director	4	4
3	Ms. Praveen Mahajan*	Independent Director	4	1

*Ms. Praveen Mahajan had resigned from the Board w.e.f 19/01/2016.

NOMINATION AND REMUNERATION COMMITTEE:

The Board of Directors in order to comply with the requirements of Section 178 of the Companies Act, 2013 had constituted a Nomination and Remuneration Committee comprising of :

5. Ms. Praveen Mahajan, Chairperson *
6. Shri Ajai Puri, Member
7. Shri Pratip Chaudhuri, Member
8. Shri Ranjan Sharma, Member

*Ms. Praveen Mahajan had resigned from the Board w.e.f 19/01/2016.

The Nomination & Remuneration Committee has framed a policy for selection and appointment of Directors including determining qualifications independence of a Director, Key Managerial Personnel, Senior Management Personnel and their remuneration and other matters provided under Section 178(3) of the Companies Act, 2013. Nomination & Remuneration Committee also evaluated the performance of Individual Directors on the Board of the Company.

RELATED PARTY TRANSACTIONS

All contract/arrangements/transactions entered by the Company during the financial year with related parties were in ordinary course of business and on arms' length basis. The particulars of contracts or arrangements with related parties referred to in sub-Section (1) of Section 188 in the prescribed Form AOC-2 are annexed as **Annexure-IV**.

INFORMATION UNDER RULE 5 (2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is placed at **Annexure V**.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

During the year 2015-16, Company has not given any loan or provided any guarantee under Section 186 of the Companies Act, 2013. The status is as follows:

Loans: NIL

Guarantees: NIL

Investments: NIL

ASSOCIATE COMPANIES

The names of Companies, which have ceased to be associate companies during the Financial Year:- **Nil**

INFORMATION PURSUANT TO SECTION 134 (3) OF THE COMPANIES ACT, 2013:

Statement giving the details of conservation of energy, technology absorption and foreign exchange earnings and outgo in accordance with requirements of Section 134 (3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, is as follows :-

C. Conservation of Energy

As the Company primarily deals with the trading and service provider industry, and is engaged in the business of providing value added services on mobile telephony in rural and semi urban areas of the country, particulars related to the energy conservation is not applicable to the Company.

D. Technology Absorption, Adoption And Innovation

The point regarding technology absorption, adoption or innovation is not applicable to our company, being a service company.

E. Foreign Exchange Earnings And Outgo

The foreign exchange earnings and outgo during the year as follows:-

Foreign Exchange Earning	NIL
Foreign Exchange Outgo	INR 45,617 which is equivalent to USD 666.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company hereby confirmed:

- (x) That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures in the financial statement;
- (xi) That the Directors have selected such and applied them consistently and made judgments 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, 2016 and of the profit and loss of the Company for that period;
- (xii) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (xiii) That the annual accounts have been prepared on a going concern basis;
- (xiv) That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their gratitude to all the employees for their significant personal efforts and their collective contribution to enable the company to achieve good performance and maintain steady progress.

The Board of Directors places on record its deep appreciation of the valuable services and dedicated efforts of the members of the Company in the achievements during the year 2015-16. The Board also wishes to thank the Government of India, particularly, the Ministry of Agriculture, Department of Telecommunications as well

as various State Governments, regulatory and statutory authorities for their valuable support and guidance.

The Directors also place on record their appreciation of the continued support extended by the Member Shareholders, Joint Venture Partners, Content Partners, Institutional Partners, Community Partners and Business Partners in the Company's activities.

Finally, your Directors express their sincere thanks to the Statutory Auditors, Company's Bankers and Vendors and other constituents for their continued support.

**On behalf of the Board,
For IFFCO Kisan Sanchar Limited**

**Date: 16th June, 2016
Place: New Delhi**

**(U.S. Awasthi)
Chairman
DIN: 00026019**