



ANNUAL REPORT

2016-17

IFFCO KISAN SANCHAR LIMITED

DIRECTORS' REPORT
2016-17

Dear Members,

Your Directors have great pleasure in presenting the 10th Annual Report of the Company together with the Audited Statements of Annual Accounts for the Financial Year ended 31st March, 2017.

PERFORMANCE OF COMPANY

Financial Performance of the Company during the year 2016-17 was as follows:

<u>Financial Performance</u>	(In lakh)	
Particulars	2016-17	2015-16
Turnover from Business Operations	43,686	35,021
Other Income	173	191
Total Income	43,859	35,212
Less: Cost of Goods Sold	38,469	29,507
Employees Remuneration & Benefits	2,926	2,820
Sales and General Administration Expenses	1,880	1,781
Total Expenditure	43,275	34,108
Profit before Interest, Depreciation & Tax	584	1,104
Less: Depreciation	143	267
PBIT	441	837
Less: Interest	-	-
PBT	441	837
Less: Provision for Tax	151	288
Profit/ (Loss) after Tax	290	549
Balance Brought Forward from the Previous Year	2,715	2,313
Amount available for Appropriations	3,005	2,862
Appropriations:		
Proposed Dividend	100	100
Tax on Proposed Dividend	20	20
Transfer to General Reserve	15	27
Balance Carried to Balance Sheet	2870	2,715
	3,005	2,862

Your Company recorded Gross Revenue of ` 43,859 lakh during the F.Y. 2016-17 (against ` 35,212 lakh in F.Y. 2015-16). The Company recorded Pre-tax Profit of ` 441 lakh in the year 2016-17 as against Profit of ` 837 lakh during the previous year 2015-16. Your company earned a Net Profit of ` 290 lakh after making tax provision of ` 151 lakh during the Financial Year 2016-17.

MARKETING PERFORMANCE

In the year 2016-17, the Company attained a growth rate of 19% in Gross Activation (GAD) with an increase of 3.97 lakh over previous year, and the Revenue Earning Customer (REC) base increased by 2.39 lakh. The REC base increased to 38.61 lakh from 36.22 lakh. The company registered a growth rate of 28% in Primary Recharge Revenue with an all-time high Revenue of ` 378.00 crore during 2016-17, an increase of ` 83 core in absolute terms over 2015-16.

DIVIDEND

The Board has recommended a dividend of ` 2 per equity share ` 10 each for the Financial Year 2016-17. The total dividend payout to Shareholders will amount to ` 1.00 crore (Rupees One crore only). The Dividend distribution tax shall be borne by the Company. 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 ₹ 14.50 lakh, which is 5 % of the current profit of the Company.

INDUSTRY SCENARIO

Indian Telecom Industry:

Total number of Mobile Subscribers as of March 2017 was 895.258 million. Airtel has the maximum subscribers' base.

Group Company wise % market share (Subscribers) - March 2017			
Sl. No.	Name of Company	Total Sub Figures	% Market Share
1	Bharti Airtel	273,648,383	33.25%
2	Vodafone	209,062,866	25.40%
3	IDEA	195,368,847	23.74%
4	Aircel	90,899,868	11.04%
5	Telenor	50,493,149	6.13%
6	MTNL	3,627,320	0.44%
	All India	823,100,433	
7	R Jio*	72,157,644	
	All India (including Rjio)	895,258,077	

* Reliance Jio Figures are as of December 2016

Source: Cellular Operators Association of India (COAI)

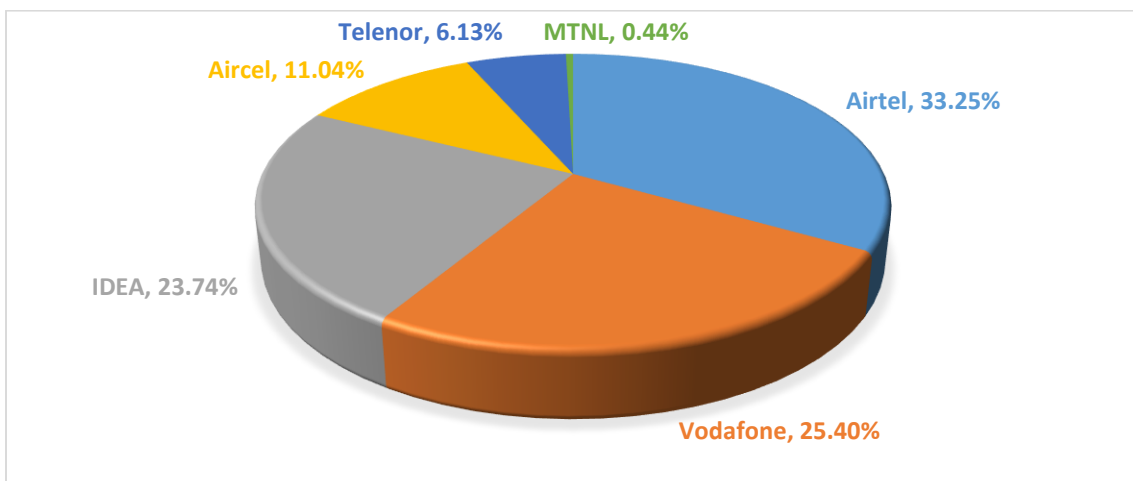
India has total rural Subscribers' base of 401 million as of Feb, 2017 observing an annual growth of 9% during FY 2016-17. Growth in Gross Adds during FY 2016-17 is tabulated below:

S. No.	Particulars	Growth in Gross Addition (in %)
1	Airtel Rural	12
2	Industry	9
3	IFFCO Kisan	10

The telecom sector went through a major upheaval during the financial year 2016-17. The entry of a new player with smart phone centric data services, free schemes

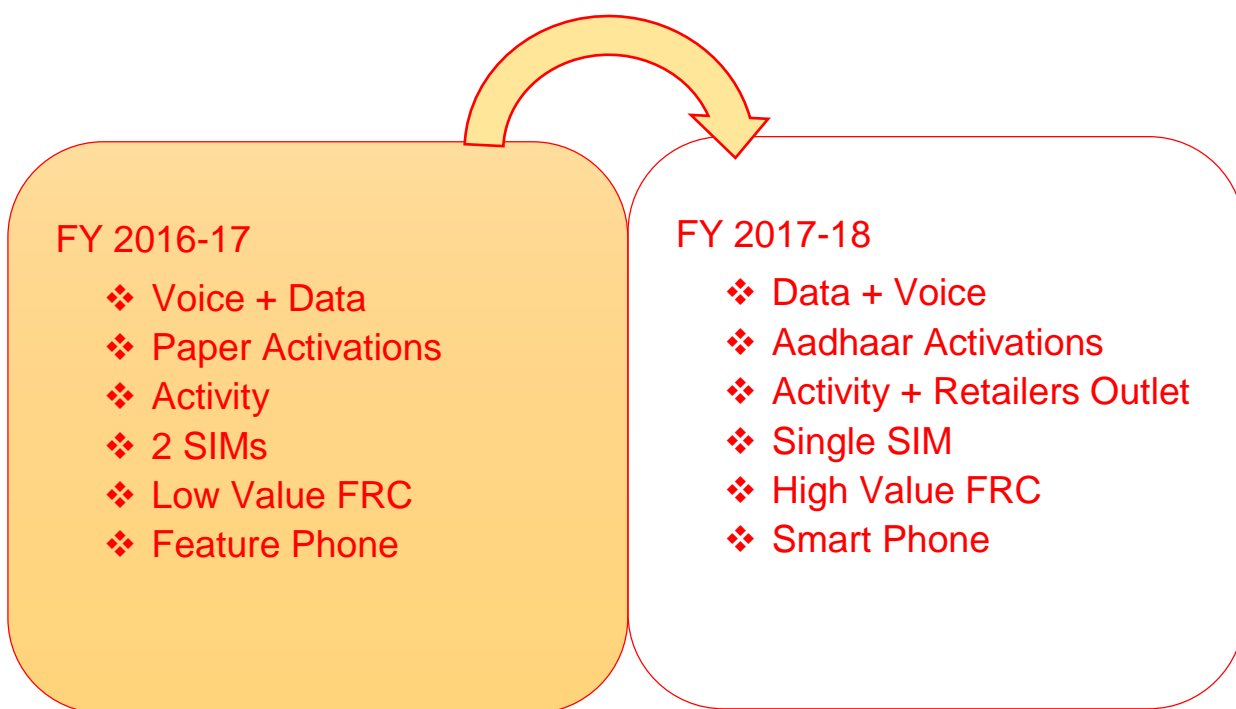
and price distortions caused major turbulence in the market during the year. The Demonetization had further impacted the business significantly. The merger of two major conglomerates in telecom industry has initiated a process of consolidation in this competitive industry. These factors have impacted even IFFCO KISAN business substantially. However, your company is confident that the concept and mission of IFFCO KISAN is even more relevant in these challenging times to strengthen the engagement with subscribers by providing more customized and personalized services. The unique model topped with effective advisory services is expected to receive greater response.

On the positive front, the introduction of Biometric Devices (BMD) in September 2016 contributed to improvement in the quality of acquisition of subscribers. BMDs have eased the process of on boarding new customers with KYC data based on Aadhaar. The simplified process has the potential for IFFCO KISAN to penetrate better in the rural areas as the distribution network can be strengthened with more partners who are directly engaged in agricultural and allied areas. Hitherto, such potential partners were discouraged by the long and complicated processes of acquisition. IFFCO KISAN was amongst the first to adopt the BMD facility in several Circles. The BMD based activations stood at 84 % as on April, 2017.



Bharti Airtel leads the wireless market at 33.25% Customer Market Share (CMS) followed by the 2nd player at 25.4%. (Note: Reliance Jio data is not available with the source- COAI)

Strategic Shift



MEDIA ACTIVITIES

During the year 2016-17, IFFCO KISAN participated in various talks/discussions and interviews through All India Radio (Delhi, Bihar, Gujarat, Maharashtra, Rajasthan and UP) and Doordarshan (Andhra Pradesh, Madhya Pradesh, Maharashtra, Punjab and Rajasthan). IFFCO KISAN also sponsored PHONE IN PROGRAM series (effective from November, 2016) with All India Radio (National Channel) wherein on every 1st Wednesday of the month, farmers' queries on specific topics are

answered by invited experts. Print media also covered IFFCO KISAN story in their articles. During the year, 212 news items in print media, 38 radio talks, 33 TV talks on regional and national channels were recorded. IFFCO Kisan also participated in sales promotion oriented 230 farmers meetings and 113 exhibitions.

VALUE ADDED SERVICES (VAS)

Value Added Services (VAS) continued to maintain its quality through disseminating more relevant and critical information to the rural community as evident by significant improvement in listening parameters. Average Listening Duration (ALD) of the voice messages, on all India basis, at the end of March 2017 was 45.3 seconds as against 43.2 seconds in March 2016. By March 2017, Listening Universe (LU) increased to 19.13 lakh from 16.14 lakh in March 2016.

Other details of VAS coverage are as under:

1. Content Dissemination:

S. No.	Particulars	April 2016 – March 2017
1	No. of States Covered	18
2	No. of Zones in States	103
3	Content strength	42
4	Experts on Panel	24
5	Total Messages	79,658
6	Helpline Queries	1,52,834
7	Queries on Portal/ Mobile App	34,527
8	Feedback	10,879
9	Success stories	562
10	Phone In Programmes	649
11	Quiz Programmes	647
12	Communities	59

During the year 2016-17, Content team had the additional responsibility of answering farmers queries received on portal and mobile app. Thus, the service of query resolution was extended to non- Green SIM users as well. Earlier, weather data was made available at the district level. However, during the year 2016-17, specific information was made available for block/ taluk level.

2. Content Enrichment in Portal/ Mobile App

Continuous efforts were made to enrich the content on best practices for cultivation of different crops and animal rearing so that large spectrum of users are benefitted by visiting the “IFFCO Kisan“ mobile app/ portal. By the end of March, 2017, content on a total of 106 items (103 crops and 3 animals) was available in the section of Agri Library in Hindi, 41 in Telugu, 50 in Gujarati, 43 in Marathi, 50 in Tamil, 12 in Bengali, 50 in Kannad, 14 in Punjabi and 33 in Odiya. Downloads have increased because of the rich content in the Agri library and by end of the March 2017, a total of 2.75 lakh downloads were achieved.

3. Farmers club and Farmers Producers Organizations :

Content team also increased its engagement with farmers through Farmers Club and Farmers Producer Organizations. Farm/ village visits were organized to take up soil testing, animal health and providing facilities for enhancing livelihood opportunities in rural areas. Establishing a small unit of Gir Cows at Med (Jaipur) Rajasthan, installation of water purification unit at Pandua (Hooghly), West Bengal and cumin cleaning and grading unit at Vav (Banaskantha), Gujarat were part of income enhancement activities under livelihood development programme.

INFORMATION AND COMMUNICATION TECHNOLOGY

During the Financial Year 2016-17, major strides were made in IT with launch of new applications and enhancement of existing systems. A major highlight of Financial

Year 2016-17 was the launch of 'myIFFCOKisan', a mobile app / web portal for enhancing internal productivity. The entire marketing channel including retailers and distributors are geo tagged and field teams' visits and engagement with them are recorded online and monitored. The approval process for newly created channel, travel plans, visit details, field events, request for payments associated with field visits and tours, processing of reimbursements and release of payments are undertaken through this mobile and web enabled application. Further, 'myIFFCOKisan' also facilitates application of leave, attendance recording, alerts and notifications on schemes, rules and instructions, access to status of pending applications, etc. The in-house application has also helped in saving cost on third party tools used earlier. Possibilities of converting this system into a product for sale to other customers is being explored.

'IFFCO Kisan Agriculture Mobile App', is augmented with several new features and over 2.75 lakh farmers have downloaded the application. 'Ask the Expert' to raise queries along with images of their crops for expert advice, request for loans and 'Buy - Sell' module to post interest to buy or sell in agricultural commodities continue to be favourites with farmers. The iOS version of the App was also launched during the year. Integrated Information Management System (IIMS) was strengthened with a new dash board. The Business ERP was enhanced with more features and the necessary modifications to meet the requirements of new GST law are being incorporated.

In order to promote and support greenery in urban areas and also hand hold enthusiasts in urban areas, a new application 'IFFCO Kisan Urban Greens (IKUG)' was launched in mobile and web format. The mobile app contains detailed information on 130 indoor and outdoor plants and also provides facilities to raise queries to experts. Further, IKUG provides tips, best practices and guidance for raising plants in urban households, kitchen and terrace gardens.

BUSINESS DEVELOPMENT

Several ongoing projects were concluded successfully and business development team embarked on new initiatives during the financial year 2016-17. The organization had successfully concluded the Fisheries Project in Odisha launched in association with Directorate of Fisheries, Odisha. As part of the project, four lakh fishermen were enrolled and provided alerts and advisories on various aspects of interest to inland, Chilika and marine fishermen. The Project is expected to be extended to cover more fishermen.

'IFFCO Green SIM Card' and 'IFFCO Samadhan' services have drawn considerable interest from organizations working for the development and welfare of rural India. Your Company worked with 'Jeevika' in Bihar to provide mobile phone based advisory services to 50,000 women members of self-help groups in five districts. The initiative is expected to be expanded to cover another 50,000 women and extended to all the districts in the state. Similarly, 20,000 Sericulture farmers were covered in Jharkhand in association with State Sericulture Board. The services are being expanded to cover 50,000 sericulture farmers. Many other similar initiatives are in the pipe line.

A major challenge faced by farmers is to realize best price for their produce. Towards this, the organization is attempting to work with Farmers Producer Organizations (FPOs) to help their collective capacity to negotiate, reduce the influence of middle men and undertake value additions through cleaning, sorting, grading and processing. Training and support for trading in domestic markets, direct supplies to bulk buyers and exporters and hedging on futures trading is being extended.

KISAN CALL CENTRE (KCC) MANAGEMENT SERVICES

IFFCO Kisan was awarded the contract to run Kisan Call Centre Service (KCC) by Department of Agriculture and Cooperation (DAC), Ministry of Agriculture and Farmers' Welfare, Government of India in the year 2012. Our services became operational with effect from May 2012 with 212 seats. During the year 2016-17, total number of seats were 452. Farmers' 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. FTAs are capable of answering the most queries, however, for specific subject related query, the calls are escalated to Experts. On an average monthly 7.3 lakh calls were received out of which nearly 75% calls were answered. During the year 2016-17, the total calls landed were 88 lakh and the answered calls were 66 lakh. The KCC Services have drawn high national visibility and IFFCO KISAN is actively working with DAC to ensure high quality of services to the farmers.

IFFCO KISAN - OUTLOOK FOR 2017-18

The Company is geared up to meet the market challenges by improving the existing 'IFFCO Green SIM Card' based services and also deepening the relationship with farmers offering more services of relevance to them. Information, alert and advisory services continue to be a major area of concern for farmers. IFFCO KISAN is treading towards greater personalization with a well-conceived strategy towards data in conjunction with voice services. Greater customization will be the focus for voice message oriented services while personalization will be the guiding factor in the data oriented App based services. Greater automation and induction of data analytics will be the key strategy in furthering improving existing services.

The existing ongoing services are proposed to be augmented with on the ground support to the farmers with diversification into adjacent areas of relevance. During the years of engagement with farmers, the Company has observed the need for on the ground support which will expand business opportunities and at the same time fulfill the mission of empowering the farmer subscribers. Based on the successful implementation of few pilots in the Country, the Company will roll out an ambitious plan to work with farmer based and farmer focused organizations and hand hold them to increase their collective strength. The Company will strive to leverage its infrastructure to increase and improve engagement levels with the rural base. Credit is a major area of concern and stress for the rural population. The Company is poised to extend credit and savings product to the rural subscribers. IFFCO KISAN will make major inroads into Airtel Payment Bank related services to promote cash

less transactions along with a bouquet of other services towards financial inclusion of rural India. The Company will strive to create a greater value proposition to the subscribers by offering more and pertinent services in association with other IFFCO Group companies.

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 16/06/2016, 26/09/2016, 19/12/2016 and 23/03/2017.

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	4
4	Shri Manish Gupta	Nominee Director	4	1
5	Shri Ranjan Sharma	Director	4	4
6	Shri Ajai Puri	Nominee Director	4	2
7	Shri Pratip Chaudhuri	Independent Director	4	4
8	Ms. Mala Srivastava*	Independent Director	4	3

Note: *Ms. Mala Srivastava was appointed as Independent Director on the Board w.e.f. 16/06/2016.

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

During the year 2016-17, Ms. Mala Srivastava was appointed on the Board of IFFCO Kisan w.e.f. 16th June, 2016 for a period of two years. The appointment of Ms. Mala Srivastava as Independent Director was approved by the Shareholders at their Annual General Meeting held on 15th July, 2016.

Pursuant to Section 149 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, Shri Pratip Chaudhuri was appointed as Independent Director by the Shareholders in the Extra Ordinary General Meeting of the Company held on 25/03/2015 for a period of two years w.e.f. 26/03/2015. The aforesaid term of appointment was expiring on 25/03/2017. Keeping in view the rich experience possessed by Shri Pratip Chaudhuri in banking sector, and his positive contribution towards the growth of the Company during the last two years, the said appointment was renewed for a further period of two years w.e.f. 26/03/2017.

The Company has received necessary declarations from Shri Pratip Chaudhuri and Ms. Mala Srivastava, Independent directors under Section 149(7) of the Companies Act, 2013, that they meet 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 Ranjan Sharma, Director of the Company shall retire by rotation at the ensuing Annual General Meeting of the Company and is eligible for reappointment. Your Directors has recommended the re-appointment of Shri Ranjan Sharma as Director of the Company.

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 selection 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 consent and confirmation from M/s Rajnish & Associates, Chartered Accountants conveying that if they are appointed as Statutory Auditors of the Company by the members at the forthcoming AGM, the same would be in compliance with the relevant provisions of Companies Act, 2013.

The Report of the Auditors to the Shareholders of the Company is annexed to the financial statements for the year ended 31st March, 2017. There is no specific observation 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 AUDITORS REPORT

In accordance with the provisions of 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, as Secretarial Auditors of the Company to conduct the Secretarial Audit for Financial Year 2016-17. The Secretarial Audit Report received

from M/s Amit Agrawal & Associates in the prescribed Form MR 3 is enclosed at **Annexure-II.**

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:

9. Shri A. Roy, Chairman
10. Ms. Mala Srivastava, Member*
11. Shri Ranjan Sharma, Member
12. Shri Ajai Puri, Member

During the Financial Year 2016-17, four Meetings of CSR Committee were held on 16/06/2016, 26/09/2016, 19/12/2016 and 23/03/2017.

The particulars of attendance of Directors during the CSR Committee Meeting were as follows:

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

*Ms. Mala Srivastava was appointed as Independent Director on the Board w.e.f. 16/06/2016.

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 was comprising of:

Name of Members	Status
Shri Pratip Chaudhuri	Chairman
Ms. Mala Srivastava*	Independent Director
Shri Ranjan Sharma	Director

Number of Meetings of the Audit Committee

During the Financial Year 2016-17, four Meetings of Audit Committee were held on 16/06/2016, 26/09/2016, 19/12/2016 and 23/03/2017. 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. Mala Srivastava*	Independent Director	4	3

*Ms. Mala Srivastava was appointed as Independent Director on the Board w.e.f. 16/06/2016.

NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013, Nomination and Remuneration Committee comprising of:

9. Ms. Mala Srivastava, Chairperson *
10. Shri Ajai Puri, Member
11. Shri Pratip Chaudhuri, Member
12. Shri Ranjan Sharma, Member

Number of Meetings of the Nomination & Remuneration (N & R) Committee

During the Financial Year 2016-17, two Meetings of N & R Committee were held on 16/06/2016 and 23/03/2017. The particulars of attendance of Directors during the N & R 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	2	2

2	Shri Ranjan Sharma	Director	2	2
3	Ms. Mala Srivastava*	Independent Director	2	1
4	Shri Ajai Puri	Nominee Director	2	1

*Ms. Mala Srivastava was appointed as Independent Director on the Board w.e.f. 16/06/2016.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

Independent Directors meeting was held on 23rd March, 2017 which was attended by Shri Pratip Chaudhuri and Ms. Mala Srivastava, Independent Directors of the Company. During the meeting, Independent Directors evaluated the performance of Executive Director, Non-Executive Directors and Chairman of the Company. Independent Directors also evaluated the performance of Board as a whole and also assessed the quality, quantity and timeliness of the flow of information to the Board.

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:

Company has complied with the provisions of Section 186 of Companies Act, 2013 in relation to loan, guarantee and Investment. Details of Investment are provided in the Notes to Financial Statements.

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 :-

F. 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.

G. Technology Absorption, Adoption And Innovation

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

H. Foreign Exchange Earnings And Outgo

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

Foreign Exchange Earning	NIL
Foreign Exchange Outgo	NIL

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirm that:

- (xv) In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (xvi) The Directors had selected such accounting policies 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 at the end of the financial year and of the profit and loss of the Company for that period;
- (xvii) The Directors had taken proper and sufficient care 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;
- (xviii) The annual accounts have been prepared on a going concern basis;
- (xix) 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 2016-17. 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: 15/06/2017
Place: New Delhi**

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