

**BOARD OF DIRECTORS**

<b>SRI B K GURBANI</b>	:	Chairman and Managing Director
<b>SRI HARNAM R BATHIJA</b>	:	Director
<b>SMT MEERA B GURBANI</b>	:	Director
<b>SRI B JAYAPRAKASH REDDY</b>	:	Director
<b>SRI ANIL S SIDHANI</b>	:	Director
<b>SRI GEORGE KURIAN</b>	:	Director

**AUDITORS:**

**M/s KJD Srinivas & Co.**  
Chartered Accountants  
Plot No.67, Paigah Colony,  
SP Road,  
Secunderabad -500003

**BANKERS:**

HDFC Bank Ltd, Tamilnad Mercantile Bank Limited  
& AXIS Bank Limited

**REGISTERED OFFICE:**

100, 3rd Floor, Kiran Arcade  
Sarojini Devi road,  
Secunderabad – 500 003  
Andhra Pradesh, India  
Phone: 040 – 27841778  
Fax: 040-27813931  
E-Mail: gurbani@sify.com  
Website: www.gurbanigroup.com

**WORKS:**

133, APIIC Industrial Estate,  
Medchal-500 401,  
Ranga Reddy Dist, AP.  
Phone: 08418 222427/28  
Fax: 08418 222429

**REGISTRARS & TRANSFER AGENTS:**

M/s. Big Share Services Private Ltd  
306, 3rd Floor, Right Wing, Amrutha Ville,  
Opp. Yashoda Hospital,  
Raj Bhavan Road, Somajiguda,  
Hyderabad – 500 082.  
Phone : 040-23374967

### **NOTICE**

NOTICE is hereby given that the **Twenty Second Annual General Meeting** of the Members of the Company will be held at 11:00 Hrs on **SATURDAY, 28<sup>TH</sup> SEPTEMBER, 2013** at Lions Club Conference Hall, LIC Building, 2<sup>nd</sup> Floor, Paradise Circle, Secunderabad – 500 003 to transact the following items of business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Profit & Loss Account for the financial period ended March 31<sup>st</sup> 2013, the Balance Sheet as at that date, & the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Sri Anil Santumal Sidhani who retires by rotation being eligible offer himself for re-appointment.
3. To appoint a Director in place of Sri George Kurian who retires by rotation being eligible offer himself for re-appointment.
4. To appoint Auditors to hold the office from conclusion of this Annual General Meeting to conclusion of the next Annual General Meeting and to fix their remuneration.

#### **SPECIAL BUSINESS:**

##### **5. SHIFTING OF REGISTERED OFFICE FROM SECUNDERABAD TO MEDCHAL:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to provisions of Section 146 and other applicable provisions, if any, of the Companies Act, 1956 consent of the Members of the Company be and is hereby accorded to shift the Registered office of the company from 100, 3<sup>rd</sup> Floor, Kiran Arcade, Sarojini Devi Road, Secunderabad – 500 003 to Plot No. 133, Industrial Estate, Medchal, Ranga Reddy Dist - 501401.”

“FURTHER RESOLVED THAT Mr. B K Gurbani, Managing Director of the Company be and is hereby authorised to intimate the aforesaid change to the Registrar of Companies, Andhra Pradesh in the specified form and to carry out all necessary steps in this connection.”

For and on behalf of the Board  
**For SAMPRE NUTRITIONS LIMITED**

Sd/-

**B K GURBANI**

Chairman and Managing Director

Place: Secunderabad.

Date: 27.08.2013

## **NOTES**

1. A member entitled to attend & vote is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a member of the company. The proxy in order to be effective must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. Members/ proxies are requested to bring their copies of Annual Report and the attendance slip duly filled in for attending the meeting. Copies of the Annual reports will not be provided at the meeting.
3. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the business in Item No. 5 is annexed hereto.
4. The Register of Members and Share transfer books of the Company will remain closed from **Thursday, 26<sup>th</sup> September, 2013 to Saturday, 28<sup>th</sup> September, 2013** (both days inclusive)
5. Members are requested to quote ledger folio number in all their correspondence to avoid delay in communication.
6. Members are advised to consolidate their ledger folios where they are holding shares in different folios in the same name.
7. Members are requested to notify any change in their addresses to the Company's Share and Depository Transfer Agents.
8. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively), has undertaken a "Green Initiative in Corporate Governance" and allowed companies to share documents with its members in the electronic mode. A recent amendment to the Listing Agreement with the Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their e-mail address for the said purpose. Members are requested to support this green initiative by registering/ updating their e-mail addresses for receiving electronic communications.

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### **EXPLANATORY STATEMENT**

*(Pursuant to Section 173(2) of the Companies Act, 1956)*

#### **ITEM NO. 5**

Your Board of Directors has decided to shift the registered Office from Secunderabad to Medchal for the ease in carrying on operations of the company.

The Present Registered office of the company is at 100, 3<sup>rd</sup> Floor, Kiran Arcade, Sarojini Devi Road, Secunderabad – 500 003.

As per provisions of Section 146 of the Companies Act, 1956 Shifting of registered office of the company outside the city limits requires the approval of the members by passing special resolution. Hence your board of directors recommends the resolution as set out above for your approval.

None of the directors of the company is, in any way, concerned or interested in the said resolution.

For and on behalf of the Board  
**For SAMPRE NUTRITIONS LIMITED**

Sd/-

**B K GURBANI**

Chairman and Managing Director

Place: Secunderabad.  
Date: 27.08.2013

## DIRECTORS' REPORT

To  
The Members,

Your Directors have pleasure in presenting herewith the Twenty Second Annual Report of together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2013

### **FINANCIAL RESULTS**

(Rs.in lakhs)

<b>PARTICULARS</b>	<b>Current Year 2012-13</b>	<b>Previous Year 2011-12</b>
<b>Income</b>		
Revenue from operations	1081.34	816.88
Other Income	2.10	0.91
<b>Total Income</b>	<b>1083.44</b>	<b>817.79</b>
<b>Expenditure</b>	<b>1062.47</b>	<b>785.73</b>
Net profit before tax	20.97	32.06
Provision for taxation		
a) Current tax	17.31	17.41
b) Deferred tax	(13.26)	(2.95)
c) Fringe Benefit Tax	—	—
Profit after tax	16.92	17.60

### **OVERALL PERFORMANCE OF THE COMPANY:**

During the financial year under review, your Company has recorded a turnover of Rs.1081.34 Lakhs and incurred a net profit after tax of Rs. 16.92 Lakhs compared to Turnover of Rs. 816.88 Lakhs and net profit after tax of Rs. 17.60 Lakhs during the previous financial year.

Your Board of Directors are hopeful, that the performance of the Company will improve in the coming financial years.

### **DIVIDEND**

Due to insufficiency of profits your directors do not recommend any dividend for the financial year 2012-13.

### **DIRECTORS:**

Sri Anil Santumal Sidhani and Sri George Kurian retire by rotation at this Annual General Meeting and being eligible offer themselves for re-appointment.  
Board recommends their re-appointment.

**PERSONNEL:**

None of the Employees of the Company is drawing remuneration exceeding limits prescribed U/s. 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

**DEPOSITS:**

Your company has not accepted any deposits falling under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules 1975 during the year.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 217(2AA) of the Companies Act, 1956 the directors of your Company hereby confirm that:

- i. In preparation of annual accounts for the financial year ended 31<sup>st</sup> March, 2013 the applicable accounting standards have been followed along with proper explanation relating to material departure, if any, there from;
- ii. The directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31<sup>st</sup> March 2013 and of the profit and loss of the company for that period;
- iii. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- iv. The directors have prepared the annual accounts on a going concern basis.

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

As required under Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, the information is given in Annexure – 1 attached hereto which forms a part of this report.

**AUDITORS:**

M/s. KJD Srinivas & Co., Chartered Accountants, Statutory Auditors of the Company retire at the ensuing annual general meeting and being eligible offer themselves for re-appointment for financial year 2013-14.

Further Company is in receipt of confirmation from M/s. KJD Srinivas & Co, Chartered Accountants that in the event of their re-appointment as Statutory Auditor at the ensuing Annual General Meeting, such appointment will be in accordance with the limits specified in Section 224 (1B) of the Companies Act, 1956.

The Board recommends their re-appointment.

## **CORPORATE GOVERNANCE**

### **A) REPORT ON CORPORATE GOVERNANCE:**

Report on Corporate Governance including Auditor's Certificate on Compliance with the code of Corporate Governance under Clause 49 of the listing agreement is enclosed as **Annexure – III** to this report.

### **B) MANAGEMENT DISCUSSION & ANALYSIS REPORT:**

Aspects of Management Discussion and Analysis are enclosed as **Annexure - II** to this report.

### **ACKNOWLEDGEMENTS:**

Your Directors take this opportunity to place on record their gratitude for the continued support received from its Principals – Cadbury India Limited (Kraft Foods), The Himalaya Drug Company & Alkem Laboratories Limited. Your Directors also acknowledge with deep sense of appreciation the continued support from Shareholders, Investors, Suppliers, Bankers' – HDFC Bank Ltd, AXIS Bank Limited and Tamilnad Mercantile Bank Limited various Departments of Central and State Governments.

Your Directors also wish to convey their thanks and place on record their appreciation for the sincere efforts put in by the employees at all levels for the progress of the company.

For and on behalf of the Board  
**For SAMPRE NUTRITIONS LIMITED**

Sd/-

**B K GURBANI**

Chairman and Managing Director

Place: Secunderabad.  
Date: 27.08.2013

## FORM - "A"

## Annexure- I

[ PARTICULARS UNDER THE COMPANIES (DISCLOSURES OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1998. ]

## CONSERVATION OF ENERGY

<b>A. POWER AND FUEL CONSUMPTION</b>	<b>Current Year</b>	<b>Previous Year</b>
	<b>2012-13</b>	<b>2011-12</b>
<b>1. Electricity</b>		
<b>a) Purchased Unit(Kwh)*</b>	<b>6,46,213</b>	<b>5,53,278</b>
Total Amount Rs.	<b>40,71,140</b>	<b>29,09,207</b>
Rate/Unit Rs.	<b>6.30</b>	<b>5.26</b>
<b>b) Own Generation</b>		
i. Through Diesel Generator:		
Units Generated (Kwh)	<b>1,06,189</b>	<b>87,126</b>
Total Cost	<b>58,72,268</b>	<b>39,23,280</b>
Cost/Unit Rs.	<b>55.30</b>	<b>45.03</b>
ii. Through steam turbine/generator	-	-
<b>2. Fire Wood (for Boiler)</b>		
Used for Generation of Steam in Boiler		
- Quantity - Tons	<b>1,159</b>	<b>2,505</b>
- Total Amount - Rs.	<b>61,43,733</b>	<b>56,35,266</b>
- Average Rate - Rs.	<b>5,300</b>	<b>2,250</b>
<b>3. Furnace Oil</b>		
- Quantity- Liters	Nil	Nil
- Total Amount- Rs.	Nil	Nil
- Average Rate- Rs.	Nil	Nil
<b>4. Other/internal generation</b>	Nil	Nil

## B. CONSUMPTION PER KG OF PRODUCTION

<b>Particulars</b>	<b>2012-13</b>	<b>2011-12</b>
<b>Total Production (Kgs.)</b>	<b>48,57,169</b>	<b>59,72,253</b>
Electricity (Kwh)	<b>0.83</b>	<b>0.56</b>
Furnace Oil	NIL	NIL
Fire Wood(Kgs)	<b>1.26</b>	<b>1.24</b>
Diesel (ltrs)	<b>1.20</b>	<b>0.66</b>

**FORM - "B"**

**PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION**

**A. RESEARCH AND DEVELOPMENT (R&D) :**

1. The company is continuously putting the efforts for upgrading the product development and process. Time to time the stability tests and product shelf life is being monitored.
2. Besides of the product Development Company is also putting efforts to train the staff & work force.
3. The vitaminized candy "**CANDY NUTRI**" efficacy studies & effectiveness are conducted and company is improving further to develop this product.
4. Expenditure on R & D:  
Capital - The Company has spent an amount of Rs.5 lakhs towards lab equipment

**B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION:**

The Company has invested in additional upgradation of the equipment to deliver high quality of "**ECLAIRS**" product of its principle customer M/s. Cadbury's India Limited, for which the cream center filling equipment is replaced by a new one including 3 tier conveyer was installed to maintain the 8°C temperature for cooling the product at 1 ton per hour.

**FOREIGN EXCHANGE EARNINGS & OUTGO: (IN RS.)**

	<b>2012-13</b>	<b>2011-12</b>
Foreign Exchange earnings	Nil	Nil
Foreign Exchange outgo	Nil	759,817



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **INDUSTRY STRUCTURE AND DEVELOPMENTS:**

There are a number of trends within the chocolate industry that are driving growth; and Increasing disposable incomes as well as changing public sentiments regarding health and our global community are the driving forces behind this growth in innovation.

Premium and specialty items have shown strong growth over the long-term. During the recession, there had been a shift away from premium items, but as the economy has continued to recover, sales of premium items have taken the lead again. High-end varieties can be baked on the premises, come from a renowned region or have a hidden secret recipe. Seasonal and boxed assorted chocolates have been experiencing the fastest growth, and sales are expected to expand 13% between 2010 and 2015.

Over the last several decades there has been increased understanding of what constitutes a healthy diet, and there has been a dramatic increase in sales of sugar free, reduced fat and reduced calorie offerings. Dark chocolate is known to lower both blood pressure and cholesterol, and has nearly 8 times the number of antioxidants as found in strawberries. A recent survey found that 35% of respondents believe dark chocolate to be healthier.

### **INDIAN CHOCOLATE INDUSTRY AT A GLANCE IN 2012 - 2013**

The Indian chocolate industry may surpass the Rs 7,500-crore mark by 2015 with the help of growing consumption in the urban and semi-urban areas, according to the industry chamber Associated Chambers of Commerce and Industry of India (ASSOCHAM). Currently, the Indian chocolate market is worth around Rs 4,500 crore. The Indian chocolate industry is registering a compound annual growth rate of 25 per cent at present. The demand for chocolates in India has clocked about 35% rise as against last year primarily in urban areas due to the rising shift to chocolates from traditional mithai around the festival season.

High income levels in the urban sector is a good reason for the rapid growth of the chocolate industry in India. More than 65% of the consumption occurs in the urban market. Today, the Indian confectionery industry is one of the fastest growing in the world with an estimated market size of over Rs 2,000 crore per annum accounting for an annual growth of 18-20 per cent.

### **OPPORTUNITIES, THREATS, RISKS AND CONCERNS:**

#### **Chocolate Industry Franchise Opportunities**

There are a wide variety of chocolate industry opportunities available for the franchisee, based on location, clientele, and affluence. Franchises exist in storefront or online variety and for shipping or hand delivery; specialty stores provide high-end treats and bulk candy stores offer large quantities of varying quality!

The chocolate industry has proven both resilient during the recession and innovative to meet changing consumer tastes and criteria. Growth will remain strong as chocolate gains in popularity in new markets and the global economy powers ahead. Healthier varieties are gaining market share and discerning consumers are willing to pay a premium for ethical production, but through it all, chocolate demand continues to grow.

## **Chocolate Leads the Way**

One of the primary demand drivers for chocolate and other sweets is consumer taste, and consumers continue to love chocolate! Long a beloved treat in the western world, a recent study in Great Britain showed that 91% of females and 87% of males consume chocolate products. But the taste for chocolate is now expanding into highly populated nations with a growing middle class, such as China and India. Rising disposable incomes and changing tastes will continue to drive growth in the industry overseas, just as improving domestic economic conditions increase sales at home.

The candy and confectionery industry remained strong through the recent recession, with the chocolate industry in particular having strong sales despite belt tightening. Considered a luxury, chocolate surprised many industry observers with continued sales strength over the last several years. Though people spent less on big ticket items like vacations, consumers refused to give up the little ways they spoil themselves at home. A chocolate bar is often considered an “affordable luxury.”

Profitability for large confection and candy producers is derived from manufacturing and supply chain efficiency, as well as effective marketing. Smaller companies look to offer premium or specialty products. For all companies involved in the chocolate industry, however, rising commodity prices can be cause for concern. Cocoa prices can be exceedingly variable as it is largely grown in developing nations with often unstable political situations. Recent turmoil in the Ivory Coast, the largest producer of cocoa, has caused prices to skyrocket for the beans. Lack of access to modern insecticides and fertilizers also makes production less predictable. Large producers of cocoa manage and absorb much of this risk, but will begin to pass on higher prices beyond a certain point.

## **PRODUCT PERFORMANCE:**

During the year under review your company has reached a turnover of Rs.1081.34 Lakhs. This contributes major income from contract manufacturing.

## **Material Developments in Human Resources and Industrial Relations Front:**

Your Company has undertaken certain employees' Development initiatives which have very positive impact on the moral and team spirit of the employees. The Company has continued to give special attention to Human Resources/Industrial Relations development. Industrial relations remained cordial throughout the year and there was no incidence of strike, lock-out etc.

Your Company's human resource management systems and processes are designed to enhance employee engagement, organizational capability and vitality so as to ensure that our businesses is positioned world class for competitive superiority and capable of achieving your Company's ambitious plans for growth. A key component of your Company's human resource strategy is the unique strategy of organization that ensures that each business is enabled to focus on its own product market while at the same time, leverages the synergies of a multi-business conglomerate. This unique strategy of organization also focuses on developing and nurturing distributed leadership and ensures that each of your Company's businesses is managed by a team of competent, passionate and inspiring leaders, capable of building a future-ready organization through continuous learning, innovation and world class execution.

## **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has adequate systems of internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

An external independent firm carries out the internal audit of the Company operations and reports its findings to the Audit Committee on a regular basis. Internal Audit also evaluates the functioning and quality of internal controls, and provides assurance of its adequacy and effectiveness through periodic reporting.

## **REPORT ON CORPORATE GOVERNANCE**

**Annexure - III**

The following are the details furnished in the form as required under the Listing Agreement.

## **COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:**

The Company's philosophy of Corporate Governance is aimed at assisting the top management of the Company in the efficient conduct of the business and in meeting its obligation to stakeholders, and is guided by a strong emphasis on transparency, accountability and integrity. This improves public understanding of the structure, activities and policies of the organization. Consequently, the organization is able to enhance the trust and confidence of the stakeholders. It is a culture based on a foundation of sound business ethics for accomplishing the long term strategic goal of the Company while taking into account the expectations of all the key stakeholders and within the applicable legal framework

Given below is a brief report on the practice followed at Sampre Nutritions Limited towards achievement of good Corporate Governance.

## **BOARD OF DIRECTORS:**

The present strength of the Board consists of Six Directors, Four of them are Independent Non-Executive, one is Promoter - Executive director and one is Promoter Non-Executive Director. Your company has taken all necessary steps to strengthen the Board with Optimum combination of Independent and Promoter Directors. Board of Directors guides, direct and oversees overall management of the company and protect interest of shareholders, employees and the society at large.

**During the financial year 2012-13 Seven (7) Board Meetings were held on the following dates:**

12.05.2012	19.07.2012	14.08.2012	27.08.2012
03.11.2012	12.12.2012	12.02.2013	

Attendance of each director at the Board meeting and last Annual General Meeting (AGM) and the number of Companies and committees where he or she is Director / Member (as on the date of Directors' Report).

S. No	Name of the Director	Category	Attendance at last AGM	Attendance in		Other Boards	
				Board Meeting Held	Board Meeting Attends	Directorship	Committees
1.	B K GURBANI	Promoter and Executive	YES	7	6	1	—
2	HARNAM R BHATIJA	Non-Executive Independent	YES	7	6	1	--
3	MEERA B GURBANI	Promoter and Non-Executive	YES	7	7	2	—
4	B JAYAPRAKASHREDDY	Non-Executive Independent	YES	7	5	1	--
5	ANIL S SIDHANI	Non-Executive Independent	YES	7	6	-	—
6	GEORGE KURIAN	Non-Executive Independent	YES	7	5	-	—

**Additional information on Directors retiring by rotation and seeking re-appointment at the Annual General Meeting in terms of Clause 49 of the Listing Agreement.**

<b>Name of the Director</b>	:	<b>Sri. Anil Santumal Sidhani</b>
<b>Date of Birth</b>	:	03.08.1967
<b>Age</b>	:	46
<b>Date of First Appointment</b>	:	30-07-2007
<b>Experience in Specific Functional Area</b>	:	He has 21 years experience in engineering and confectionery industries.
<b>No of Shares held in the company</b>	:	Nil
<b>Qualification</b>	:	B.com

<b>Name of the Director</b>	:	<b>Sri. George Kurian</b>
<b>Date of Birth</b>	:	18.09.1960
<b>Age</b>	:	53
<b>Date of First Appointment</b>	:	29-09-2007
<b>Experience in Specific Functional Area</b>	:	He has 27 Years or rich varied experience in Pharmaceuticals/Confectionery industries majority of which has been with reputed Multinational Companies viz. M/s. Astra IDL, Parke-Davis Limited & Pfizer and well Known Indian companies like M/s. Dabur Pharmaceuticals Limited. He has headed training department of control Manufacturing division for "Halls" brand.
<b>No of Shares held in the company</b>	:	Nil
<b>Qualification</b>	:	Post Graduate in Microbiology with proficiency course in Genetic Engineering

#### **AUDIT COMMITTEE**

Audit Committee of your company as on date consists of following Non-executive Independent Directors:

- |    |                         |   |          |
|----|-------------------------|---|----------|
| 1. | Mr. B Jayaprakash Reddy | - | Chairman |
| 2. | Mr. Harnam R Bhatija    | - | Member   |
| 3. | Mr. Anil Sidhani        | - | Member   |

#### **Meetings and attendance during the year**

The committee met five times during the financial year on 11.05.2012, 13.08.2012, 27.08.2012, 01.11.2012 and 11.02.2013 attendance of each Member of Committee is as follows.

<b>S. No</b>	<b>Name of the Member</b>	<b>Designation</b>	<b>No of Meetings held</b>	<b>No of Meetings attended</b>
1	Mr. B Jayaprakash Reddy	Chairman	5	5
2	Mr. Harnam R Bathija	Member	5	5
3	Mr. Anil S Sidhani	Member	5	4

### **BROAD TERMS OF REFERENCE**

The broad terms of reference are:

- (a) Reviewing with the management the internal control systems, observations of the auditors, half-yearly and annual financial statements before submission to the Board.
- (b) Recommendation of matters relating to financial management and audit reports;
- (c) The Committee is authorized to investigate into matters referred /delegated to it by the Board and, for this purpose, has full access to information / records of the Company including seeking external professional support, if necessary.

### **4. REMUNERATION COMMITTEE**

#### **◆ Brief description of terms of reference**

The Remuneration Committee is vested with the power to decide and pay to the Executive and Non-Executive directors of the Company. This power is exercisable on behalf of the Board of Directors and the Shareholders.

#### **◆ Composition-name of members and Chairperson**

The Remuneration Committee constitutes of following directors:

S.No,	Name of the Member	Designation
1.	Mr. B Jayaprakash Reddy	Chairman
2.	Mr. Harnam R Bhatija	Member
3.	Mr. Anil S Sidhani	Member

### **DETAILS OF THE DIRECTORS' REMUNERATION**

Name	Designation	Remuneration paid/to be paid for the Financial year 2012-13 (in Rs.)		
		Salary & Perks	Commission	Total
B K Gurbani	Chairman & Managing Director	6,60,000	—	6,60,000
Meera B. Gurbani	Director	2,40,000	—	2,40,000

### **SHAREHOLDERS AND INVESTOR GRIEVANCE COMMITTEE**

Composition of Shareholder and Investor Grievance Committee is as follows.

S.No.	Name of the Member	Designation
1.	Sri Meera B Gurbani	Chairman
2.	Sri B Jayaprakash Reddy	Member

The committee specifically looks after the services of the Registrars and share transfer agents and recommends measures for providing efficient services to investors. It shall resolve within the reasonable time, various complaints received from the investors.

## OTHERS

### (a) Name and designation of Compliance officer

**B K GURBANI**

Chairman & Managing Director

### (b) Details of Investor complaints received and readressed during the year

Number of Complaints	Year 2012 – 13		
	Received	Resolved	Pending
Total Complaints	05	05	NIL

### (c) General Body Meetings

**Location and time where the last three AGMs held :**

Year	Location	Date	Time (A.M)	No of Special Resolutions
2011-12	Lions Club Conference Hall, LIC Building, 2 <sup>nd</sup> Floor, Paradise Circle, Secunderabad-3	28.09.2012	11.00	Nil
2010-11	Lions Club Conference Hall, LIC Building, 2 <sup>nd</sup> Floor, Paradise Circle, Secunderabad-3	31.10.2011	11.00	Nil
2009-10	Lions Club Conference Hall, LIC Building, 2 <sup>nd</sup> Floor, Paradise Circle, Secunderabad-3	27.09.2010	11.00	NIL

## **DISCLOSURES:**

### ***CEO and CFO Certification:***

The Managing Director and Chief Financial Officer have given a certificate to the Board as contemplated in Clause 49 of the Listing Agreement.

### ***Related Party Transactions:***

There are no materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of company at large:

Transactions with related parties were disclosed in the Notes to Accounts in the Annual Report.

### ***Details of Non Compliance and Penalties:***

There was no non-compliance by the company during the last 3 years on any matter relating to capital markets and there were no penalties, strictures imposed on the company by stock Exchange or SEBI or any statutory authority.

### ***Means of Communication:***

Quarterly results and Annual Results of the Company are normally published in Telugu & English Newspaper. Further all material information which will have some bearing on the operation of the company is sent to stock exchanges concerned.

## **Management Discussion and Analysis Report**

As required by Clause 49 of the Listing Agreement, Management Discussion and Analysis report is a part of the Annual Report.

### **GENERAL SHAREHOLDER INFORMATION**

**AGM:** The Twenty First Annual General Meeting of the Company will be held on **Saturday, 28th September, 2013** at 11.00 A.M at Lions Club Conference Hall, LIC Building, 2<sup>nd</sup> Floor, Paradise Circle, Secunderabad – 500 003.

### **Financial Calendar:**

First Quarter Results	Last week of July, 2013
Second Quarter Results	Last week of October, 2013
Third Quarter Results	Last week of January, 2014
Audit Results	Last week of May, 2014

**Book Closure Date: Tuesday, 26<sup>th</sup> September, 2013 to Saturday 28<sup>th</sup> September, 2013** (both days inclusive)

**Listing on Stock Exchanges:** The shares of the company are listed on Bombay Stock Exchange Limited.

Listing fee for the financial year 2013-14 has been paid to Bombay Stock Exchange Limited. Trading in the shares of the company is active at BSE. Company has complied with all the listing compliances.

**Scrip Code** BSE - 530617

**Market Price Data** High/Low during each month in last financial year on the Stock Exchange is as follows

<b>Month</b>	<b>Bombay Stock Exchange Limited</b>	
	<b>High</b>	<b>Low</b>
April 2012	8.50	6.91
May 2012	9.90	7.84
June 2012	8.33	6.43
July 2012	10.74	7.55
Aug 2012	10.73	8.10
Sep 2012	10.45	8.00
Oct 2012	10.82	7.51
Nov 2012	10.60	9.01
Dec 2012	12.00	9.47
Jan 2013	12.25	9.63
Feb 2013	11.91	10.86
Mar 2013	11.88	9.41



ISIN No. for NSDL & CDSL

INE375C01014

Registrar and Transfer Agents :

M/s. Big Share Services Private Limited  
306, III Floor, Right Wing, Amrutha Ville,  
Opp: Yashoda Hospital,  
Somajiguda, Raj Bhavan Road,  
Hyderabad-500 082.

**SHAREHOLDING PATTERN AS ON 31st MARCH 2013**

Sl no	Category	No. Of Shares Held	% Of Shareholding
1	Indian Promoters	25,84,500	53.62
2	Mutual Funds & UTI	-	-
3	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions / Non-Govt. Institution)	-	-
4	FII's	-	-
5	Private Corporate Bodies	1,32,704	2.75
6	Indian Public	18,20,946	37.78
7	NRI's / OCB's	2,81,850	5.85
	<b>TOTAL</b>	<b>48,20,000</b>	<b>100.00</b>

**DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2013**

Sl. No.	Category From - To Rs Rs	Total Share Holders	% of Total Share Holders	Total Holding in Rupees	% of Total Capital
1	Upto - 5000	2,732	79.23	59,65,210	12.38
2	5001 - 10000	422	12.24	37,01,110	7.68
3	10001 - 20000	146	4.24	23,22,500	4.82
4	20001 - 30000	39	1.13	10,31,490	2.14
5	30001 - 40000	23	0.67	8,59,450	1.78
6	40001 - 50000	30	0.87	14,37,140	2.98
7	50001 - 100000	36	1.04	27,22,120	5.65
8	100001 and above	20	0.58	3,01,60,980	62.57
	<b>Total</b>	<b>3,448</b>	<b>100.00</b>	<b>4,82,00,000</b>	<b>100.00</b>

**Dematerialization of shares and liquidity**

The Shares of the Company are under compulsory demat trading. The Company has already entered into necessary agreements with NSDL and CDSL for demat facility.

85.54% of total equity capital of the Company is held in dematerialization form with NSDL and CDSL as on 31<sup>st</sup> March, 2013.

**Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity** Nil

**Address for correspondence for both physical and demat**

M/s. Big Share Services Private Limited  
306, III Floor, Right Wing, Amrutha Ville,  
Opp: Yashoda Hospital,  
Somajiguda, Raj Bhavan Road,  
Hyderabad -500 082.

**DECLARATION OF THE MANAGING DIRECTOR ON COMPLIANCE WITH CODE OF CONDUCT AND ETHICS**

SAMPRE NUTRITIONS LIMITED has adopted a Code of Business Conduct and Ethics ("the Code) which applied to all employees and directors of the company. Under code, it is responsibility of all employees and Directors to familiarize themselves with the Code and Comply with its standards.

I hereby certify that the Board Members and senior management personnel of Sampre Nutritions Limited have affirmed compliance with the Code for the Financial Year 2012-13.

Place : Secunderbad  
Date : 27.08.2013

Sd/-  
**B K GURBANI**  
Chairman & Managing Director

## **AUDITOR'S REPORT ON CORPORATE GOVERNANCE**

To,  
The Members  
M/s. **Sampre Nutritions Limited**  
**Secunderabad.**

We have examined the compliance of conditions of Corporate Governance by M/S. **Sampre Nutritions Limited** for the financial year ended 31<sup>st</sup> March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said company with Stock exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for insuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that in respect of Investor grievances received during the year ended 31<sup>st</sup> March, 2013, no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by Company. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **KJD SRINIVAS & CO**  
Chartered Accountants  
(Firm No. 05352S)

Place: Secunderabad  
Date: 27.08.2013

Sd/-  
**KJD SRINIVAS**  
Partner  
Membership Number : 200487

M/s **KJD Srinivas & Co.**  
Chartered Accountants  
Plot No.67, Paigah Colony,  
SP Road,  
Secunderabad -500003

## AUDITOR'S REPORT

To,  
The Members of  
**M/s. SAMPRE NUTRITIONS LIMITED**

*Report on Financial Statements*

- 1. We have audited the accompanying financial statements of M/s. SAMPRE NUTRITIONS LIMITED (“the company”), which comprise the Balance Sheet as at March 31st, 2013, the Statement of Profit & Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.**

*Management's Responsibility for the Financial Statements*

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 (“the Act”) and in accordance with the accounting principles generally accepted in. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The Procedure selected depend on the auditor's judgment, including the assessment of the risks of materials misstatement of materials misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that appropriate in the circumstances. An audit also includes evaluation the appropriateness of

the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluation the overall presentation of the financial statements.

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

#### **Opinion**

1. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
  - a. In the case of the Balance Sheet, of the state of affairs of the company as at 31st March 2013.
  - b. In the case of the Statement of Profit & Loss, of the Profit of the year ended on that date; and
  - c. In the case of Cash Flow Statement, of the cash flows of the company for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

2. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 2207(4A) of the Act, we give in the Annexure a Statement on the matters specified in paragraphs 4 and 5 of the Order.
3. As required by Section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.
  - e. On the basis of the written representation received from the directors as on 31<sup>st</sup> March 2013 taken on record by the Board of Directors, none of the directors is disqualified as a Director in terms of Section 274(1)(g) of the Act.

For **KJD SRINIVAS & CO**  
Chartered Accountants  
(Firm No. 05352S)

Place: Secunderabad  
Date: 29.05.2013

Sd/-  
**KJD SRINIVAS**  
Partner  
Membership Number : 200487

## **ANNEXURE TO THE AUDITOR'S REPORT**

In our opinion and according to the information and explanations given to us, the nature of the company's business / activities during the year are such that clauses (v), (x), (xii), (xiii), (xv), (xviii), (xix) and (xx) of paragraph 4 of the Order are not applicable to the Company. In respect of the other clauses, we report as under:

**(i) In respect of Fixed Assets:**

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the Information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) During the year, in our opinion, a substantial part of fixed assets has not been disposed off by the Company.

**(ii) In respect of Inventory:**

- (a) As explained to us, the Inventories other than material lying with third parties (which have substantially been confirmed) were physically verified during the year by the Management at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) In our opinion and according to the information and explanation given to us, the company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured, to / from companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1986 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. According to the information and explanation given to us, no Order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal on the Company.
- (vi) In our opinion, the Company has an internal audit system commensurate with the size of the Company and the nature of its business.
- (vii) We have broadly reviewed the cost records maintained by the Company, as prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima facie the prescribed cost records have been maintained and are being made up. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (viii) According to the information and explanation given to us and according to the books and records as produced and examined by us, in our opinion :
- (a) The Company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, Cess and other material statutory dues as applicable with the appropriate authorities.
  - (b) As at 31<sup>st</sup> March 2013, the following are the particulars of dues on account of income tax, sales tax, wealth tax, service tax, excise duty and Cess matters that have not been deposited on account of any dispute :

Name of the Statute	Nature of the Dues	Amount Rs.	Period to which the amount relates Various Years covering the period As on 31 <sup>st</sup> March 2013	Forum where pending
Central Excise Act, 1944	Excise Duty	Excise Duty Rs.74, 45,614/-, & Penalty of Rs.74, 45,614/-.	From April-2007 To March-2011	CESTAT, Bangalore, OIO No.34/2012 Dated: 19.07.2012.
Central Excise Act, 1944	Excise Duty	Excise Duty Rs.20, 03,700/-, & Penalty of Rs.60, 00,000/-.	From April-2011 To January-2012.	Commissioner of Central Excise Appeals O.R.No.135/2012 Dated:24.01.2013
Central Excise Act, 1944	Excise Duty	Interest Paid is Rs.5,92,478/- & is Rs.2,232/- & Excise Duty Paid of Rs.13,41,403/-	FY 2008-09	CESTAT, Bangalore, OIO No.33/2011 Dated: 17.08.2011
Central Excise Act, 1944	Excise Duty	Excise Duty Paid is Rs.3, 40,194/- & Interest and Penalty paid of Rs.1, 25,872/- & Rs.85, 049/-.	From April-2008 To March-2009	CESTAT, Bangalore, OIO No.04/2012 Dated: 12.03.2012
Central Excise Act, 1944	Excise Duty	Excise Duty of Rs.21, 83,993/- and Penalty of Rs.2, 00,000/-.	From February-2012 To September-2012.	Commissioner of Central Excise Appeals O.R.No.34/2013. Dated:31.05.2013.
Central Excise Act, 1944	Excise Duty	Excise Duty on Freebies Paid Rs. 63, 49,974/-.	From June-2008 To January-2013	Commissioner of Central Excise O.R.No.127/2013. Dated:02.07.2013

Out of the total disputed dues aggregating Rs.3, 41, 16,123/- of above, Rs.2,52,78,921/-has been stayed for recovery by the relevant authorities.

- (ix) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution, bank or to debenture holders during the year.
- (x) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities. The Company has maintained proper records of transactions and contracts in respect of shares, securities, debenture and other investments and timely entries have been made therein. All share, securities, debentures and other investments have been held by the Company in its own name.
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- (xii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long-term investment.
- (xiii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no significant fraud on the Company has been noticed or reported during the year.

For **KJD SRINIVAS & CO**  
Chartered Accountants  
(Firm No. 05352S)  
Sd/-

Place: Secunderabad  
Date: 29.05.2013

**KJD SRINIVAS**  
Partner  
Membership Number : 200487

**SAMPRE NUTRITIONS LIMITED**  
**BALANCE SHEET AS ON 31.03.2013**

Amount in Rupees

PARTICULARS	Notes	AS ON 31.03.2013	AS AT 31.03.2012
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	48,200,000	48,200,000
Reserves and surplus	4	31,284,381	19,229,167
		<u>79,484,381</u>	<u>67,429,167</u>
<b>Share application money pending allotment</b>	-	-	-
<b>Non-current liabilities</b>			
Long-term borrowings	5	2,006,076	46,598,635
Long-term provisions	6	-	-
Deferred Tax Liability (net)	11	6,835,490	8,162,253
		<u>8,841,566</u>	<u>54,760,888</u>
<b>Current liabilities</b>			
Short-term borrowings	7	6,748,634	85,163
Other current liabilities	8	31,027,907	11,992,991
Short-term provisions	6	-	3,203,203
		<u>37,776,541</u>	<u>15,281,356</u>
<b>TOTAL</b>		<u>126,102,487</u>	<u>137,471,411</u>
<b>Assets</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	9	86,378,466	90,706,210
Intangible assets	10	-	-
Intangible assets under development		-	-
Non-current investments	-	-	-
Deferred tax assets (net)	-	-	-
Long-term loans and advances	-	-	-
Other non-current assets	-	-	-
		<u>86,378,466</u>	<u>90,706,210</u>
<b>Current assets</b>			
Current investments		-	-
Inventories	14	2,794,220	287,958
Trade receivables	15	20,553,599	29,854,503
Cash and bank balances	16	1,306,190	1,916,691
Short-term loans and advances	12	13,989,356	12,145,622
Other current assets	13	1,080,654	2,560,425
		<u>39,724,019</u>	<u>46,765,198</u>
<b>TOTAL</b>		<u>126,102,487</u>	<u>137,471,411</u>
Summary of significant accounting policies	2.1		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

**For KJD Srinivas & Co**  
Chartered Accountants  
(Firm No : 05352S)  
**KJD Srinivas**  
Partner (M.No. 200487)  
Place: Secunderabad  
Date: 29.05.2013

**for and on behalf of the Board**  
for Sampre Nutritions Limited

Sd/-  
**(B K GURBANI)**  
Chairman & Managing Director

Sd/-  
**(MEERA B GURBANI)**  
Director



**SAMPRE NUTRITIONS LIMITED**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2013**

PARTICULARS	Notes	Year ended 31.03.2013	Year ended 31.03.2012
<i>Amount in Rupees</i>			
<b>A. Income</b>			
Revenue from operations	17	108,134,162	81,688,249
Other income	18	210,289	90,375
<b>Total revenue (I)</b>		<b>108,344,451</b>	<b>81,778,624</b>
<b>Expenses</b>			
Raw Material Consumed	19	10,999,287	2,015,673
Manufacturing Expenses	20	62,262,334	41,634,353
Increase or Decrease in Stock	21	2,506,262	287,958
Employee benefit expenses	22	5,644,904	5,694,596
Finance costs	23	2,747,702	10,792,593
Other expenses	24	11,557,816	9,242,787
Depreciation and amortization expense	25	10,528,958	8,905,694
Preliminary Exp written off		-	-
<b>Total expenses (II)</b>		<b>106,247,262</b>	<b>78,573,654</b>
<b>(Loss) / profit before tax (III)=(I)-(II)</b>		<b>2,097,189</b>	<b>3,204,970</b>
<b>Tax expenses</b>			
Current tax		1,731,423	1,740,868
Deferred tax		(1,326,762)	(295,451)
(Excess)/short provision of tax relating to earlier years		-	-
<b>Total tax expense (IV)</b>		<b>404,661</b>	<b>1,445,417</b>
<b>(Loss) / profit for the year (III)-(IV)</b>		<b>1,692,528</b>	<b>1,759,553</b>
Less/Add: Prior Period Expenditure		-	-
<b>Balance carried to Balance Sheet</b>		<b>1,692,528</b>	<b>1,759,553</b>
<b>Earnings per equity share [nominal value of share Rs.10 (March 31, 2013: Rs.10)]</b>	30		
<b>Basic (Computed on the basis of total (loss) / profit for the year)</b>		<b>0.35</b>	<b>0.37</b>
<b>Diluted (Computed on the basis of total (loss) / profit for the year)</b>		<b>0.35</b>	<b>0.37</b>

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements

For **KJD Srinivas & Co**  
Chartered Accountants  
(Firm No : 05352S)

Sd/-

**KJD Srinivas**

Partner

(M.No. 200487)

Place: Secunderabad

Date: 29.05.2013

**for and on behalf of the Board**  
for Sampre Nutritions Limited

Sd/-

**(B K GURBANI)**

Chairman & Managing Director

Sd/-

**(MEERA B GURBANI)**

Director

**SAMPRE NUTRITIONS LIMITED**  
**NOTES TO BALANCE SHEET**

Amount in Rs.

PARTICULARS	AS ON 31.03.2013	AS ON 31.03.2012
<b>3. Share capital</b>		
<b>Authorized shares</b>		
60,00,000 (March 31, 2011: 60,00,000 ) equity shares of Rs.10/- each	60,000,000	60,000,000
<b>Issued, subscribed and fully paid-up shares</b>		
48,20,000 (March 31, 2011: 48,20,000) equity shares of Rs.10/- each fully paid up	48,200,000	48,200,000
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>48,200,000</b>	<b>48,200,000</b>

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

**Equity shares**

	31-Mar-2013		31-Mar-2012	
	No. of Shares	(in Rs)	No. of Shares	(in Rs)
At the beginning of the year	4,820,000	48,200,000	4,820,000	48,200,000
Issued during the year – Additional Issue	-	-	-	-
Issued during the year – Stock options	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>4,820,000</b>	<b>48,200,000</b>	<b>4,820,000</b>	<b>48,200,000</b>

**(b) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Dividend declared and paid would be in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Details of shareholders holding more than 5% shares in the Company**

Equity shares of Rs.10 each fully paid	As at March 31, 2013		As at March 31, 2012	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
1. B K Gurbani	916016	19%	916016	19%
2. Saritha. B. Gurbani	761862	15.80%	761862	15.80%
3. Meera B. Gurbani	397,246	8.24%	530762	11.01%

As per the records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**SAMPRE NUTRITIONS LIMITED**  
**NOTES TO BALANCE SHEET**

Amount in Rs.

<b>PARTICULARS</b>	<b>AS ON 31.03.2013</b>	<b>AS ON 31.03.2012</b>
<b>4. Reserves and surplus</b>		
<b>Surplus/ (deficit) in the statement of profit and loss</b>		
Balance as per last financial statements	14,029,167	15,299,988
Add: Profit/ (Loss) for the year	1,692,528	1,759,553
Less: Share of profit of firm already transferred	-	-
Less: Transfer of Balances	<u>10,362,686</u>	<u>(3,030,374)</u>
<b>Net surplus/ (deficit) in the statement of profit and loss</b>	<u>26,084,381</u>	<u>14,029,167</u>
State Subsidy	<u>1,500,000</u>	1,500,000
Share Premium	<u>3,700,000</u>	<u>3,700,000</u>
<b>Total reserves and surplus</b>	<u>31,284,381</u>	<u>19,229,167</u>
<b>5. Long-term borrowings</b>		
HDFC Bank Vehicle Loans	2,006,076	28,219,219
Other loans and advances	-	18,379,417
	<u>2,006,076</u>	<u>46,598,635</u>
<b>6. Provisions</b>		
<b>Long Term Provisions</b>		
Provision for Taxation	-	-
<b>Short term provisions</b>		
Provision for taxation (Net of advance tax)		1,740,868
Other provisions		1,462,334
		<u>3,203,203</u>
		<u>3,203,203</u>
<b>7. Short-term borrowings</b>		
<b>Loan repayable on demand</b>		
Axis Bank OD A/c No. 008010300000792	2,649,834	-
<b>Other loans and advances</b>		
Loan against Deposits	-	-
Unsecured borrowings	4,098,800	-
Credit Cared Dues		85,163
	<u>6,748,634</u>	<u>85,163</u>
<b>The above amount includes</b>		
Secured borrowings	2,649,834	-
Unsecured borrowings	4,098,800	85,163

**SAMPRE NUTRITIONS LIMITED**  
**NOTES TO BALANCE SHEET**

Amount in Rs.

PARTICULARS	AS ON 31.03.2013	AS ON 31.03.2012
<b>8. Other current liabilities</b>		
Trade payables (including acceptances and no MSME paybles)	20,198,074	7,932,990
<b>Other liabilities</b>		
Advance from Customers	-	-
Employee benefit payable	2,235,084	2,323,465
Statutory dues payable	4,260,782	1,736,536
Expenses and other payable	4,333,966	-
	<u>31,027,907</u>	<u>11,992,991</u>
<b>10. Intangible assets</b>	<b>NIL</b>	
<b>11. Deferred tax asset/ (liability) (net)</b>		
<b>Deferred tax asset/ (liability)</b>		
Opening Balance	(8,162,253)	(8,457,704)
Deferred Tax Asset / Liability for the period	1,326,762	295,451
<b>Deferred tax asset (net)</b>	<u>(6,835,490)</u>	<u>(8,162,253)</u>
<b>12. Loans and advances</b>		
<b>A. Security deposits</b>		
Electricity and other Deposits	3,595,995	3,595,995
	<b>(A) 3,595,995</b>	<b>3,595,995</b>
<b>B. Advances recoverable in cash or kind</b>		
Capital Advances	-	-
Unsecured, considered good	-	-
Unsecured, considered doubtful	4,058,840	-
	-	-
Provision for doubtful advances	-	-
	<b>(B) 4,058,840</b>	<b>-</b>
<b>C. Other loans and advances</b>		
Employee Loans (Secured, considered good)	29,900	-
Loans to Others(Unsecured, considered good)	-	-
<b>Balances with Revenue Authorities</b>		2,358,000
Balances with Revenue Authorities Excise Duty	1,101,302	
Balances with Revenue Authorities Vat	142,391	
Balances with Revenue Authorities Income Tax TDS	4,120,929	
Advance income tax	-	-
Prepaid expenses	940,000	-
Other Advances	-	6,191,627
	<b>(C) 6,334,521</b>	<b>8,549,627</b>
<b>Total (A+B+C)</b>	<u>13,989,356</u>	<u>12,145,622</u>

10. Tangible assets	Free Hold Land (in Rs)	Furniture & fixtures (in Rs)	Plant and Machinery (in Rs)	Factory Building (in Rs)	Vehicles		Office Equipment (in Rs)	Electrical Equipment (in Rs)	Lab Equipment (in Rs)	Computer (in Rs)	Office and Canteen (in Rs)	Air Conditioning (in Rs)	Generator (in Rs)	Misc Fixed Assets (in Rs)	Total (in Rs)
					(in Rs)	(in Rs)									
<b>Cost</b>															
At April 1, 2010	2,124,162	3,891,043	93,658,820	29,978,807	10,485,307	1,077,228	4,587,740	1,077,228	123,441	2,237,920	4,858,868	1,592,936	245,828	156,610,027	
Additions	-	-	6,278,389	-	6,045,867	138,243	60,611	138,243	77,140	-	-	-	207,279	12,830,029	
Disposals	-	-	-	-	191,000	-	-	-	-	-	-	-	-	191,000	
At March 31, 2011	2,124,162	3,891,043	99,937,209	29,978,807	16,340,174	1,215,471	4,648,351	1,215,471	200,581	2,237,920	4,858,868	1,592,936	463,107	169,249,056	
Additions	-	-	1,910,130	4,873,174	-	3,550	293,218	3,550	17,000	-	-	-	1,100	7,620,291	
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
At March 31, 2012	2,124,162	3,891,043	101,847,339	34,851,981	16,340,174	1,219,021	4,941,569	1,219,021	217,581	2,237,920	5,380,987	1,592,936	464,207	176,869,347	
Additions	-	179,004	2,653,956	1,461,743	1,066,618	42,709	416,487	42,709	17,919	-	-	-	124,989	6,011,525	
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
At March 31, 2013	2,124,162	4,070,047	104,501,295	36,313,724	17,406,792	1,261,730	5,358,056	1,261,730	235,500	2,237,920	5,380,987	1,592,936	579,196	182,880,672	
<b>Depreciation</b>															
Charge for the year	-	246,303	4,814,981	1,100,714	1,552,317	86,073	341,516	86,073	85,732	36,478	371,683	112,621	32,107	8,905,694	
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
At March 31, 2012	-	3,627,594	43,819,790	14,249,680	9,661,037	1,174,731	4,205,512	1,174,731	204,039	635,325	5,144,180	1,518,712	237,154	66,163,137	
Charge for the year	-	249,384	5,932,077	1,188,293	1,623,191	86,998	717,699	86,998	31,460	36,478	236,806	74,222	35,723	10,339,269	
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
At March 31, 2013	-	3,946,978	49,751,867	15,437,973	11,304,228	1,261,729	4,923,211	1,261,729	235,499	671,803	5,380,986	1,592,934	272,877	96,502,406	
<b>Net Block</b>															
At March 31, 2012	2,124,162	193,449	56,027,549	20,622,301	6,689,137	44,290	736,057	44,290	13,542	1,602,595	236,807	74,224	217,163	90,706,210	
At March 31, 2013	2,124,162	123,069	54,749,428	20,875,751	6,102,564	-	434,845	-	-	1,566,117	-	-	335,319	86,378,466	

The Company does not have any other leasehold assets except as disclosed above.  
All assets have been recognized at cost

#### 11. Intangible assets

NIL

**SAMPRE NUTRITIONS LIMITED**  
**NOTES TO BALANCE SHEET**

Amount in Rs.

<b>PARTICULARS</b>	<b>AS ON 31.03.2013</b>	<b>AS ON 31.03.2012</b>
<b>13. Other assets</b>		
Interest Reserve	-	1,299,663
Misc Expenditure to the extent not written off	1,080,654	1,260,762
	<u>1,080,654</u>	<u>2,560,425</u>
Provision for doubtful others	-	-
	<u>1,080,654</u>	<u>2,560,425</u>
<b>14. Inventories</b>		
(a) Raw materials	2,794,220	98,107
(b) Packing Materials	-	189,851
(c) Work-in-progress	-	-
(d) Finished goods	-	-
	<u>2,794,220</u>	<u>287,958</u>
<b>15. Trade receivables</b>		
Receivables(Outstanding for a period of more than six months)	-	-
<b>Other receivables (Outstanding for a period less than six months from the date they are due for payment)</b>	<b>20,553,599</b>	<b>29,854,503</b>
Unsecured, considered good	-	-
Doubtful	-	-
	<u>20,553,599</u>	<u>29,854,503</u>
Provision for doubtful trade receivables	-	-
	<u>20,553,599</u>	<u>29,854,503</u>
<b>16. Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Balances with banks:		
On current accounts	1,048,487	1,330,376
Deposits with original maturity of less than three months	-	-
Cash on hand	257,702	586,315
	<u>1,306,190</u>	<u>1,916,691</u>
<b>Other bank balances</b>		
Margin money deposit	-	-
	-	-
Amount disclosed under non-current assets	-	-
	<u>1,306,190</u>	<u>1,916,691</u>

**SAMPRE NUTRITIONS LIMITED**  
**NOTES TO BALANCE SHEET**

Amount in Rs.

<b>PARTICULARS</b>	<b>AS ON 31.03.2013</b>	<b>AS ON 31.03.2012</b>
<b>17. Revenue from operations</b>		
Sale of products	12,813,846	1,782,144
Processing Charges	95,320,316	79,906,105
	<b>108,134,162</b>	<b>81,688,249</b>
<b>18. Other income</b>		
Interest on deposits	30,089	-
Dividend Income	180,200	-
Other non operating income	-	90,375
	<b>210,289</b>	<b>90,375</b>
<b>19. Raw Materials and Packing Materials Consumed</b>		
Opening stock	287,958	-
Add: Purchases	13,505,549	2,303,631
	13,793,507	2,303,631
Less: Closing stock	2,794,220	287,958
<b>Cost of material consumed</b>	<b>10,999,287</b>	<b>2,015,673</b>
<b>20. Other Manufacturing Expenses</b>		
Fuel & Power Consumption	15,127,377	12,467,753
Factory Salaries and Wages (Including Provident fund and other funds)	30,328,617	25,830,364
Factory Expenses	1,115,749	1,113,543
Transport and Hamali Charges	134,453	135,894
Processing Loss and Other Charges	534,566	831,147
Repairs and Maintenance	2,198,272	1,255,653
Subcontracting Expenses	12,823,300	-
	<b>62,262,334</b>	<b>41,634,353</b>
<b>21. Increase/Decrease in Stock</b>		
Inventories at the end of the year:		
Finished goods	2,794,220	287,958
Work-in-progress	-	-
Raw Material	287,958	-
Increase/(Decrease) in stock	<b>287,958</b>	-
	<b>2,506,262</b>	<b>287,958</b>
<b>22. Employee benefit expenses</b>		
Salaries and wages including Provident Fund and other funds	3,602,566	3,950,873
Bonus	71,500	44,250
Gratuity	1,070,838	799,473
Directors Remuneration	900,000	900,000
	<b>5,644,904</b>	<b>5,694,596</b>

**SAMPRE NUTRITIONS LIMITED**  
**NOTES TO BALANCE SHEET**

Amount in Rs.

<b>PARTICULARS</b>	<b>AS ON 31.03.2013</b>	<b>AS ON 31.03.2012</b>
<b>23. Finance costs</b>		
Interest		
On Working Capital facility	429,050	3,049,281
On Term Loans	1,250,000	7,271,550
Other finance costs	991,506	461,631-
Bank charges	77,145	10,131
	<b><u>2,747,702</u></b>	<b><u>10,792,593</u></b>
<b>24. Other expenses</b>		
Advertisement Expenses	10,430	15,790
AGM Expenses	-	3,300
Building Maintenance	21,584	184,745
Business Promotion Expenses	1,756,020	943,755
Chit Loss	235,000	-
Courior and Postal Charges	82,866	84,481
Donations	14,500	12,101
Electricity Charges	57,345	193,255
Electrical Maintenance	252,882	281,578
Excise Duty Paid	-	89,427
General Expenses	1,528,306	848,222
House Keeping Expenses	3,787	131,661
Income Tax Paid AY 2010-11	-	232,087
Insurance	217,135	232,323
Internet Expenses	-	1,240
Legal and professional	893,950	377,983
Machinery Maintenance	472,997	810,034
Medical Expenses	86,740	58,565
Membership and Subscription Fee	25,000	2,000
Miscellaneous expenses	511,081	111,064
Office Expenses	172,668	99,505
Payments to auditors	168,540	311,930
Pest Control Expenses	237,308	217,637
Preliminary Expenses written off	180,108	180,108
Printing and stationery	345,639	223,484
Professional Tax	68,650	52,690
Rates and taxes	209,861	656,096
Rental Charges	360,000	360,000
Repairs and maintenance	10,525	34,680
Service Tax Paid	-	22,378
Security Services	338,229	363,881
Staff Welfare Expenses	101,355	229,725
Telephone Expenses	561,970	643,109
Transport Charges	117,588	21,264
Travelling and conveyance	2,443,731	1,147,786
Vehicle Maintainence	72,020	64,903
	<b><u>11,557,816</u></b>	<b><u>9,242,787</u></b>



**SAMPRE NUTRITIONS LIMITED  
NOTES TO BALANCE SHEET**

Amount in Rs.

<b>PARTICULARS</b>	<b>AS ON 31.03.2013</b>	<b>AS ON 31.03.2012</b>
<b>25. Depreciation and amortization expense</b>		
Depreciation of tangible assets	10,528,958	8,905,694
	<u>10,528,958</u>	<u>8,905,694</u>

## **Notes 1-2**

### **Corporate information**

The Company is into the activity of manufacturing of Sugar Candies. The principal place of business is situated at 133, APIIC Industrial Estate, Medchal-500 401, RR Dist, Andhra Pradesh.

### **SIGNIFICANT ACCOUNTING POLICIES:**

#### **I BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

#### **II Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

#### **III Inventories**

The basis for valuation of inventories is as under:

1	Raw Materials & Packing Materials	Cost or realizable value whichever is lower. Cost is computed on the basis of weighted average method including freight and related expenses reduced by CENVAT benefits.
2	Work-in-progress	At cost or net realizable value, whichever is lower (Cost includes materials and related overheads)
3	Finished Goods	At cost or net realizable value, whichever is lower
4	Stores, spare & consumables	Cost or realizable value whichever is lower. Cost is ascertained on weighted average basis.

#### **IV Cash and cash equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### **V Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## **VI Depreciation and amortization**

Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.

## **VII Revenue recognition**

Sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

## **VIII Other income**

Interest income is accounted on accrual basis. Dividend income, if any is accounted for when the right to receive it is established.

## **IX Tangible fixed assets**

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalized and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

## **X Government grants, subsidies and export incentives**

Subsidy received is credited to reserves and surplus.

## **XI Employee benefits**

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

### Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

### Defined benefit plans

For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined in accordance with the rules of the Company and are provided for based on the assumptions that such benefits are payable to employees at the end of the accounting year.

## **NOTES ON ACCOUNTS**

### **1. Contingent liabilities not provided for in respect of:**

- a. The company is in receipt of assessment order of Sales Tax for the years 05-06 & 06-07 by not considering the Input tax on the materials which were used in the Job works, against the said

assessment order, the company has preferred for appeal before the Deputy Commissioner of Sales Tax, Hyderabad. The Company is expecting a favorable result from the appellate authority.

**2. Secured Loans:**

- a. The loans under hire purchase schemes are secured by hypothecation of vehicles owned by the company
  - b. The working capital loan of Rs.26.50 Lakhs from AXIS Bank is primarily secured by first charge on stocks procured against confirmed orders / LC, hypothecation of book debts and export bills and collaterally secured by second charge on the fixed block of the company.
3. The sundry debtors, current assets, loans and advances have a value on realization, in the ordinary course of business, at least equal to the amount at which they are stated by the company.
  4. The company has corresponded with old debtors and creditors and the dues which were neither recoverable nor payable have been written off during the year. Still there are some parties from which the company is yet to receive confirmations in respect of balances outstanding in sundry debtors and creditors.
  5. As per the information available with the company, it appears that no dues outstanding for more than 30 days in excess of Rs.1,00,000/- as on 31<sup>st</sup> March 2013 in respect of Small Scale Industrial Undertakings. It is reported that there are no specific claims on the company from the small scale industrial supplier under the "Interest on Delayed Payments to small Scale and Ancillary Industrial Undertaking Act, 1993" during the said year.

**6. Payment to Auditors:**

Particulars	31 <sup>st</sup> March, 2013 (Amount Rs)	31 <sup>st</sup> March, 2012 (Amount Rs.)
Audit fees	100,000	1,00,000
Tax Audit Matters	30,000	30,000
Certification & Other Services	20,000	20,000
<b>Total</b>	<b>1,50,000</b>	<b>1,50,000</b>

**7. Director's Remuneration:**

Particulars	31 <sup>st</sup> March, 2013 (Amount Rs.)	31 <sup>st</sup> March, 2012 (Amount Rs.)
Salary & Allowances to Managing Director	6,60,000	6,60,000
Salary & Allowances to Other Directors	2,40,000	2,40,000
<b>Total</b>	<b>9,00,000</b>	<b>9,00,000</b>

8. There are no debts outstanding as on 31<sup>st</sup> March 2013 from Directors or other officers of the company other than imprest cash in order to meet running expenses.

**9. Segment Reporting:**

The company's business consists of one primary reportable business segment of manufacturing and sale of sugar boiled candies and toffees with manufacturing facility at single place and consists of major revenue on account of Processing charges, no separate disclosures pertaining to attributable

revenues, profits, assets, liabilities and capital employed are given as required under Accounting Standard – 22.

**10. Deferred Tax Liability:**

Deferred tax liability as on 01.04.2013 due to timing differences between financial statements and taxation statements based on the return of income filed by the company as per applicable rate of taxation, estimated has been shown under Deferred Tax Liability in Balance Sheet as per the procedure prescribed in the Accounting Standard – 22.

The movement of Provision of Deferred Tax for the year ended 31-03-2013 is as given below:

Particulars	(Liability) / Asset as on 01.04.2012	Asset / (Liability) for the year	(Liability) / Asset as on 31.03.2013
Timing Differences on account of depreciation of assets	(81,62,253)	13,26,762	(68,35,490)

**11. Earnings per Share (EPS)**

The earnings considered in ascertaining the company's Earnings per share comprise of net profit after tax. The number of shares used in computing Basic earnings per share is the weighted average number of shares outstanding during the year. The numerators and denominators used to calculate earnings per share.

Particulars	2012-13	2011-12
Profit attributable to Equity Share Holders (A)	16,92,528	17,59,239
Basic / Weighted Average Number of Equity Shares outstanding during the year (No. s) (B)	48,20,000	48,20,000
Nominal value of each equity Share (Rs.)	10/-	10/-
Earnings Per share	0.35	0.37

**12. Taxes on income**

The company made necessary provision for income tax and fringe benefit tax as per the provisions of income tax act, 1961.

**13. Disclosure as required by Accounting Standard 18 (AS – 18)**

"Related Party Disclosures" issued by the Institute of Chartered Accountants of India are as follows:

Name of the related parties and description of relationship

a) Associates: M/s. Royes Industries Limited  
M/s. Naturalle Health Products Pvt. Ltd.

b) Key Managerial Personnel Shri Brahma K Gurbani (MD)  
Smt. Meera B Gurbani (Director)

c) Details of transactions during the year :

Particulars	Associates	Key Managerial Personnel	Relatives of Key Managerial Personnel
Remuneration	NIL	9,00,000	-
Rent Paid	Nil	3,60,000	-

**14. Disclosure as required under Clause 32 of Listing Agreement.**

Loans and Advance to associates and other related parties in normal course of business:

(Rs. In Lakhs)

Name of the Co.mpany	Amount outstanding as on 31.03.2013	Max. Outstanding during the year
Royes Industries Limited	77.68	238.23
Naturalle Health Products Pvt. Ltd.	3.16	(62.93)

15. Previous year's figures have been re grouped / and or re arranged wherever necessary to confirm with the current year classification.
16. Provision for accruing liability for Super Annuation / Retirement benefits have been made in the basis of the liability as actually determined as at the year end.
17. Depreciation has been provided on straight line method in accordance with the provision of companies act, 1956.
18. There were no employees drawing remuneration of Rs.60.00lacs or more per annum or Rs.5.00 lacs or more per month, if employed for part of the year.
19. Paisa is rounded off to nearest rupee.
20. Micro and Medium Scale Business Entities:  
There are no micro, small and medium enterprises, to whom the company over dues, which are outstanding for more than 45 days as at 31<sup>st</sup> March 2013. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.
21. ADDITIONAL INFORMATION pursuant to provisions of para 3, 4C and 4D of part II Schedule VI of the Companies Act, 1956.

**Capacity production, Sales & Stocks**

Sl. No.	Particulars	2012-13		2011-12	
		Value	Quantity	Value	Quantity
A	Capacity Production, Sales & Stocks				
1.	Capacity				
a.	Licensed Capacity	N.A.	2400 TPA	N.A.	2400 TPA
b.	Installed Capacity (Single shift basis)	N.A.	2400 TPA	NA	2400 TPA

(As certified by Management but not verified by auditors being a technical matter)

Particulars	2012 – 13		2011 – 12	
	Quantity (Kg)	Value	Quantity (Kg)	Value
Opening Stock	778	2.88	54000	20.32
Production (Sugar based candies)	35829710	N.A.	5919031	N.A.
Closing Stock	42800	27.94	778	2.88
Sales – Own product (Sugar based candies Confectionery)	150545	128.14	17952	17.82
Sales – Job work	4706624	953.20	5954301	799.06

The quantitative details indicated above includes production & dispatches made on principal to principal basis and Loan license basis.

(Rs. in Lakhs)

Material Consumed	2012 – 13		2011 – 12	
	Quantity (Kg)	Value	Quantity (Kg)	Value
Raw Material (Nos / Kgs)				
- Sugar	81890	27.02	9876	3.01
- Glucose	76700	19.94	9097	2.28
- Flavours & others	14508	14.45	2130	1.98
<b>Total</b>	173098	61.41	21103	7.27
<b>Packing Material (Nos.)</b>				
Primary packing (laminare)	6345	14.59	502	1.21
Others	-	-	-	-
<b>Total</b>	179443	76.00	21605	8.48

B. Value of Imports on CIF Basis	N.A.	NA	N.A.	N.A.
C. Expenses in Foreign Currency	NIL	N.A.	N.A.	N.A.

D. Value of Imported and Indigenous Materials consumed and % of each to total consumption

i. Imported	NIL	NIL
ii. Indigenous	NIL	8.48
iii Percentage	NA	100%

Signature to schedule 1 to 14

As per our report attached

**For KJD SRINIVAS & CO**

Chartered Accountants

(Firm No : 05352S)

Sd/-

**KJD SRINIVAS**

Partner.

Membership No: 200487

Place: Secunderabad

Date: 29.05.2013

for and on behalf of the Board

Sd/-

**(B K GURBANI)**

Chairman & Managing Director

Sd/-

**(MEERA B GURBANI)**

Director

**SAMPRE NUTRITIONS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2013**

PARTICULARS	Year ending 31.03.2013	Year ending 31.03.2012
<b>Cash flow from operating activities</b>		
<b>(Loss) / profit before tax</b>	<b>2,097,189</b>	<b>3,204,970</b>
Add: Shortfall in payment of advance income tax		
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization	10,339,269	8,905,694
Interest/ Non-Operate Income	10,362,686	(3,030,374)
Loss/ (profit) on sale of fixed assets	-	-
<b>Operating (loss) / profit before working capital changes</b>	<b>22,799,144</b>	<b>9,080,290</b>
Movements in working capital :		
Increase/ (decrease) in other current liabilities	15,831,713	(21,385,876)
Decrease / (increase) in trade receivables	9,300,904	16,564,031
Decrease / (increase) in long-term loans and advances	-	-
Decrease / (increase) in short-term loans and advances	(1,843,734)	(4,244,617)
Decrease / (increase) in other current assets	(1,026,491)	2,741,694
Decrease / (increase) in other non-current assets	-	-
Cash generated from /(used in) operations	<b>45,061,535</b>	<b>2,755,522</b>
Direct taxes paid (net of refunds)	(1,731,423)	(1,740,868)
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>43,330,112</b>	<b>1,014,654</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets, including capital work in progress and capital advances	(6,011,525)	(7,620,291)
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(6,011,525)</b>	<b>(7,620,291)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of equity share capital (including share application money)	-	-
Long-term borrowings (net)	(44,592,559)	5,862,832
Short-term borrowings (net)	6,663,471	85,160
Finance Expenses	-	-
<b>Net cash flow from/ (used in) in financing activities (C)</b>	<b>(37,929,089)</b>	<b>5,947,992</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>(610,501)</b>	<b>(657,645)</b>
Cash and cash equivalents at the beginning of the year	1,916,691	2,574,336
<b>Cash and cash equivalents at the end of the year</b>	<b>1,306,190</b>	<b>1,916,691</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	257,702	586,315
With banks		
- on current account	1,048,487	1,330,376
- on deposit account	-	-
Less: Balances in margin money deposits placed to avail loans, Bank Guarantees from banks, financial institutions and as cash collateral in connection with asset assignments / securitization transactions.	-	-
<b>Total cash and cash equivalents</b>	<b>1,306,190</b>	<b>1,916,691</b>

As per our report attached

**For KJD SRINIVAS & CO**

for and on behalf of the Board

Chartered Accountants

(Firm No : 05352S)

Sd/-

**KJD SRINIVAS**

Partner - M. No: 200487

Sd/-

**(B K GURBANI)**

Chairman & Managing Director

Sd/-

**(MEERA B GURBANI)**

Director



M/s **KJD Srinivas & Co.**  
Chartered Accountants  
Plot No.67, Paigah Colony,  
SP Road,  
Secunderabad -500003

**AUDITORS' CERTIFICATE**

To  
The Board of Directors,  
**Sampre Nutritions Limited**  
100, S.D.Road, Secunderabad

We have examined the attached Cash Flow Statement of M/s. Sampre Nutritions Limited for the year ended 31<sup>st</sup> March, 2013.

The Statement has been prepared by the Company in accordance with the requirements of Clause 32 of listing agreement with the Stock Exchange and is based on and in agreement with the corresponding Profit & Loss account and Balance Sheet of the Company covered by our report of 31st March 2013 to the members of the Company.

For **M/s KJD SRINIVAS & CO.,**  
CHARTERED ACCOUNTANTS  
(Firm No : 05352S)

PLACE: Secunderabad.  
DATE : 29.05.2013

Sd/-  
**KJD SRINIVAS**  
Partner.  
Membership No.200487

**SAMPRE NUTRITIONS LIMITED**  
**100, SD Road, SECUNDERABAD – 500 003.**

**ATTENDANCE SLIP**

22nd ANNUAL GENERAL MEETING  
SATURDAY, 28th September, 2013 AT 11.00 AM

REGISTERED Folio no. / Demat Account No.(Client ID)	
DP ID No.	
Name of Shareholder	
Number of Shares held	

I / We hereby record my / our presence at the 22nd ANNUAL GENERAL MEETING of the company at the Lions Club Conference Hall, LIC Building, Second Floor, Paradise Circle, Secunderabad – 500 003.

**Shareholder's / Proxy's Signature**

- IMPORTANT:**
1. Share holder or Proxy holder attending this meeting must bring this attendance slip to the meeting and hand over at the entrance duly filed and signed.
  2. Shareholders or Proxy holders are requested to bring their copy of the Annual Report for reference at the meeting.

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**SAMPRE NUTRITIONS LIMITED**  
**100, SD Road, SECUNDERABAD – 500 003.**  
**PROXY FORM**

REGISTERED Folio no. / Demat Account No.(Client ID)	
DP ID No.	
Name of Shareholder	
Number of Shares held	

I / We \_\_\_\_\_ of \_\_\_\_\_ in the District of \_\_\_\_\_ being a member / members of Sampre Nutritions Limited, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in the District of \_\_\_\_\_ as my / our proxy to vote for me / us on my / our behalf at the 22nd Annual General Meeting of the Company to be held on Saturday, the 28th September, 2013 at 11.00a.m. at the Lions Club Conference Hall, LIC Building, Second Floor, Paradise Circle, Secunderabad – 500 003 and any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2013

Signature \_\_\_\_\_

Affix 1 Rupee Revenue Stamp
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**Note:**

1. The Proxy Form shall be completed and signed by the shareholder across the revenue stamp as per the specimen signature registered with the company.
2. The Proxy Form must be deposited at the Registered Office of the company not less than 48 hours before the time fixed for holding the meeting.