



KRITI NUTRIENTS LIMITED
ANNUAL REPORT 2012-2013

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WISDOM
FOCUS LOYALTY
DEDICATION FOCUS
DETERMINATION ALERTNESS
CREATIVITY HUMILITY
WISDOM ATTITUDE
HARD WORK PASSION ENDURANCE
FOCUS PERSUASIVE COURAGE
ATTITUDE PERSEVERANCE
SELF-CONFIDENCE FOCUS LOYALTY
ENDURANCE COMMITMENT
DEDICATION FOCUS LOYALTY
CREATIVITY FOCUS DILIGENCE
PERSEVERANCE HARD WORK
ENDURANCE WISDOM
LOYALTY FOCUS PASSION
DILIGENCE ATTITUDE
FOCUS

RIGHT



Board of Directors

1. Shri Shiv Singh Mehta - Managing Director
2. Shri Saurabh Singh Mehta - Executive Director
3. Smt. Purnima Mehta - Director
4. Shri Manoj Fadnis - Director
5. Shri Prakash M. Pethe - Director
6. Dr. Somnath Ghosh - Director

Auditors

R. S. Bansal & Co.
Chartered Accountants
Urvashi 1st Floor, 3 Jaora Compound,
Indore - 452001 (M.P.)

Bankers

State Bank of India
State Bank of Travancore
IDBI Ltd.
The Cosmos-Co-Operative Bank Limited

Company Secretary

Mr. Sumit Jaitely

Registered Office

Mehta Chambers, 34, Siyaganj, Indore - 452007 (M.P.)

Corporate Support Center

Chetak Chambers, 4th Floor, 14 RNT Marg,
Indore - 452001 (M.P.)

Share Transfer Agent

M/s Ankit Consultancy Pvt Ltd.
60, Electronics Complex,
Pardeshipura,
Indore - 452010 (M.P.)



NOTICE

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Members of KRITI NUTRIENTS LIMITED will be held on Saturday the 14th of September, 2013 at 5:00 P.M. at Corporate Support Center of the Company situated at 4th Floor Chetak Chambers, 14 R. N. T. Marg, Indore (M.P.)-452001 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt Audited Balance Sheet as at 31st March, 2013 and the Profit and Loss Account for the year ended on that date together with the Directors' Report and Auditors' Report thereon.
2. To declare Dividend for the Financial Year ended on 31st March 2013.
3. To appoint a director in place of Mr. Prakash Madhav Pethe, who is liable to retire by rotation, but not seeking his re-appointment.
4. To appoint M/s R.S. Bansal & Co., Chartered Accountants, Indore, as Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modifications, if any, the following resolution as Special Resolution.

"RESOLVED THAT pursuant to the provisions of section 198,316,269,302 read with schedule XIII and all other provisions of the Companies Act, 1956 as may be applicable, the approval of members of the company be and is hereby granted for re-appointment of, Mr. Shiv Singh Mehta who is already the Managing Director of another company, namely Kriti Industries (India) Limited be and is hereby confirmed as Managing Director of the company for a further period of three years commencing from 12th January 2013, on the terms and conditions contained in the explanatory statement.

6. To consider and if thought fit, to pass with or without modifications, if any, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 314 read with the Schedule XIII thereof (including any statutory modifications or reenactment thereof, for the time being in force) and other applicable provisions, if any, of the Companies Act, 1956 and the approval of members of the company be and is hereby granted for the re-appointment of, Mr. Saurabh Singh Mehta as the Whole Time Director designated as Executive Director of the company for the further period of three years with effect from 1st August, 2013 on the remuneration and terms and conditions mentioned in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to increase, reduce, alter or vary the terms of remuneration in such manner from time to time as the Board may deem fit within the limits specified in Schedule XIII of the said Act, as existing or as amended, modified or re-enacted from time to time.

RESOLVED FURTHER THAT pursuant to Section 198 and all other applicable provisions of the Companies Act, 1956 the remuneration as given under be paid as minimum remuneration to Mr. Saurabh Singh Mehta notwithstanding that in any financial year of the Company during his tenure as Executive Director, the company has made no profit or profits are inadequate."

By order of the Board,

Place: Indore

Sumit Jaitely

Date: 26th July, 2013

Company Secretary

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxy in order to be effective must be received by the company not less than 48 hours before the commencement of the meeting.
2. The Company has already notified closure of Register of Members and Share Transfer Books from Friday 06th September, 2013 to Saturday 14 September, 2013 (both days inclusive) for the determining the names of members eligible for dividend on equity shares, if declared at the meeting.



- (a) The Dividend on equity shares if declared at the meeting will be credited/dispatched between 16th September, 2013 to 20th September, 2013, to those members whose names shall appear on the Company's Register of Members on 05th September, 2013 and in respect of the shares held in Demat form, the dividend will be paid to members, those names are furnished by NSDL/CDSL as beneficial owners as on that date.
3. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend, the Company or its Registrar and Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates, such changes are to be advised only to the depository participant of the members.
4. All the shareholder are requested to opt for ECS facility, For shares held in physical he/ she may send the duly filled ECS MANDATE FORM annexed to the last page of the Annual by enclosing a blank cancelled cheque leaf for the purpose of noting the MICR details to Ankit Consultancy Private Ltd. 60, Electronic Complex, Pardeshipura, Indore 452010.
- In case the investor is holding the shares in demat form, such investor may please contact his/her Depository Participant for recording the ECS mandate.
- The ECS mandate details provided by an investor will be used for payments in respect of shares held by such investor.
5. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the company.
6. Relevant documents referred into the accompanying notice are open for inspection by the members at the Registered office or Corporate Support Center of the Company on all working days between 11.00 A.M. to 1.00 P.M. up to the date of meeting.
7. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificates will be returned to the members after making requisite changes thereon.
8. Members desires of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
9. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the company. As per the provisions of the Companies Act, 1956, facility for making nominations is now available to INDIVIDUALS holding shares in the Company. The Nomination Form-2B prescribed by the Government can be obtained from the Share Transfer Agent or may be downloaded from the website of the Ministry of Company affairs.
10. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by the Companies and has issued circulars stating that service of notice/documents including annual report can be sent by email to its members. To support these green initiative of the government in full measures, members who have not registered their email address, so far are requested to register their email address so that they can receive the Annual Report and other communications from the company electronically.
11. Brief resume of directors those proposed to be appointed, nature of their expertise in specific functional areas, names of companies, in which they hold directorship, shareholding and relationship between directors inter-se stipulated under Clause No.49 of the Listing Agreement with the stock exchanges, or provided here under:



EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 5

Mr. Shiv Singh Mehta, Managing Director of Kriti Industries (India) Limited was re-appointed as a Managing Director in the company by the unanimous resolution of Board of Directors in their meeting held on 27.10.2012. The remuneration committee has considered and recommended his appointment in the company as the Managing Director for a further period of three years commencing from 12th January, 2013.

The Remuneration Committee has not recommended any remuneration for the above appointment of Mr. Shiv Singh Mehta as he is at present drawing remuneration from Kriti Industries (India) Limited. Board of Directors of the company has been given authority to review the remuneration as and when deemed fit.

Mr. Shiv Singh Mehta shall be entitled for reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the company's business from time to time.

Mr. Shiv Singh Mehta is a dynamic leader and under his initiative and directions, the company would benefit in its future endeavors. His devotion, vision and experience are essential for the continuing growth of the company. Hence the Board of Director commends the resolution for re-appointment of Mr. Shiv Singh Mehta w.e.f. 12.01.2013 for the approval of members at the ensuing annual general meeting at no remuneration.

The notice and explanatory statement may be treated as an abstract of the terms and conditions of appointment and remuneration payable to Mr. Shiv Singh Mehta, as required under section 302 of the Companies Act, 1956.

None of the directors except Mr. Shiv Singh Mehta, Mrs. Purnima Mehta and Mr. Saurabh Singh Mehta, are concerned or interested in the resolution.

ITEM NO. 6

The Board of Directors at its meeting held on 26th July, 2013 passed the resolution for re- appointment of Mr. Saurabh Singh Mehta as Executive Director of the Company w.e.f. 1st August 2013 for a period of three years on following remuneration and terms &

conditions.

- a. Salary : Rs. 100000/- per month
- b. Perquisites and allowances: Rs. 50000/- per month
The perquisites and allowances shall include House Rent Allowances, Medical Allowances and Leave travel concession.
- c. Commission: Payable for each financial year @ 1% of the net profit as computed in accordance with the provisions of Section 349 & 350 of the Companies Act, 1956.
- d. Reimbursements and other facilities; not considered as perquisites :
 - i. Reimbursement of expenses incurred for travelling, boarding and lodging during business trips; expenses of telephone at residence and cell phone;
 - ii. Provision of car with driver;
 - iii. Payment of club fees.
- e. Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year during the tenure, the Company has no profit or its profits are inadequate, the remuneration as set above shall be the minimum remuneration payable.
- f. No sitting fees shall be payable for attending the Board meeting or committee meeting thereof.

The notice and explanatory statement may be treated as an abstract of the terms and conditions of appointment and remuneration payable to Mr. Saurabh Singh Mehta, as required under Section 302 of the Companies Act, 1956.

Mr. Saurabh Singh Mehta, is B.E. in Computer Science from Ohio State University, USA and M.B.A. from S. P. Jain Institute, Mumbai. Mr. Mehta is keenly involved in the day to day affairs of the Company. The Board of Directors of the Company recommends his appointment.

None of the Directors except Mr. Saurabh Singh Mehta himself, Mr. Shiv Singh Mehta, Mrs. Purnima Mehta being relatives may be deemed to be interested in the resolution.



Additional information relevant for the approval of the remuneration payable to Mr. Saurabh Singh Mehta

1. General Information:

- a. Nature of Industry: The Company is engaged in extraction of Soyabean seed, refining soya oil.
- b. Date or expected date of commencement of commercial production: The company was incorporated on 24.09.1996 and taken over business of erstwhile solvent division of Kriti Industries (India) Limited w.e.f 1st January, 2010.
- c. Financial performance as per Audited Financial Results for the year ended 31st March, 2013.

Particular	31.03.2013 (In crores)
Income from operation	467.86
Profit before depreciation	4.75
Profit / (Loss) Before Tax	2.10
Profit after tax	1.05

d. Export Performance:

- * Foreign exchange earned for the financial year ended 31st March 2013: 76.06 Crores.

2. Information about the appointee:

- a. Background Details: Mr. Saurabh Singh Mehta is a B.E. in Computer Science and M.B.A. He has over 10 years of diverse experience in the Industry.
- b. Past Remuneration drawn (during 2012-2013) : 20.56 Lacs

- c. Job Profile and suitability: Mr. Saurabh Singh Mehta exercises substantial powers of management, subject to the superintendence, control and direction of the Board of Directors of the Company. He is responsible for the operations and affairs of the Company. Taking into consideration his qualifications and expertise, Mr. Saurabh Singh Mehta is best suited for the responsibilities assigned to him by the Board of Directors.

d. Remuneration Proposed: As above.

- e. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person. The remuneration proposed is commensurate with the remuneration packages paid to similar senior level appointees in other Companies.

3. Other information:

- a. Steps taken or proposed to be taken for improvement of profitability:

The company has taken the following steps for improvement in performance:

- * Focus on value added product.
- * Focus on Branding and Promotion.
- * Implementation of MR-1 Project.

- b. Expected increase in productivity and profits in measurable terms: The above steps taken by the company will yield improved working results.

Your Board proposes resolution, as set out in Item No 6 as a Special Resolution.

Details of the directors seeking appointment / reappointment at the Annual General Meeting

Name of the Director	Mr. Shiv Singh Mehta	Mr. Saurabh Singh Mehta
Date of Birth	03.03.1954	29.07.1981
Date of appointment	26.12.2009	26.12.2009
Expertise in Specific areas	Finance, Marketing, Technical and Business	Marketing, Finance and Administration
Qualification	B.E., M.B.A.	B.E., M.B.A



Name of the Director	Mr. Shiv Singh Mehta	Mr. Saurabh Singh Mehta
List of Outside Director ship held	Kriti Industries (India) Ltd. Kriti Auto and Engineering Plastics Private Limited Sakam Trading Private Limited Rajratan Global Wire Limited Chetak Builders Private Limited Organization of Plastics Processors of India	Kriti Auto and Engineering Plastics Private Limited
Chairman/ Member of the committees of the Board of Directors of the Company	Chairman: Investor Grievance's Committee Chairman: Financial Committee	
Chairman/ member of the Committees of Director of other companies in which he/she is a Director (a) Audit Committee (b) Investors' Grievance Committee (C) Remuneration Committee (d) Compensation committee	Nil Nil Kriti Industries (India) Limited Nil	Nil Nil Nil Nil
No & Percentage of Shares held	No. of Shares: 2028099 4.05%	No. of Shares: 30440 0.06%



DIRECTORS' REPORT

Your Directors have pleasure in presenting the Annual Report together with Audited Accounts of the Company for the period ended on 31st March, 2013.

FINANCIAL RESULTS

The performance of the Company for the Year 2012-13 is summarized below:

(Rs. in Lacs)

PARTICULARS	2012-13	2011-12
Total Income	46786.25	45784.66
Profit/(Loss) before Interest,		
Depreciation & Taxes	1120.10	1760.62
Less: Interest	645.53	952.04
Profit Before Depreciation & Taxes	474.57	808.58
Less: Depreciation	264.10	230.32
Profit/ (Loss) Before Tax	210.47	578.26
Provision for Taxation	105.27	181.68
Net Profit/(loss)	105.19	396.58
Add: Balance Brought Forward	544.72	435.49
Profit available for Appropriation	649.91	832.07
Proposed Dividend	30.06	75.16
Corporate Dividend Tax	5.10	12.19
Transferred to General Reserve	50.00	200.00
Balance Carried over to Balance Sheet	564.75	544.72

YEAR IN RETROSPECT

The Company has achieved total Turnover of Rs. 46786.25 Lacs including exports of Rs. 7606.7 Lacs and Profit Before Tax Rs. 210.47 and Profit After Tax Rs. 105.19 Lacs.

The working of the company was adversely affected due to disparity in soya bean seed prices and realisation of protein meal in overseas market.

DIVIDEND

Your directors are pleased to recommend a dividend of Rs. 0.06 (6%) for the financial year 2012-2013 on 50103520 Equity Shares of Rs. 1/- each aggregating to Rs. 30.06 lacs.

CORPORATE GOVERNANCE:

The Company has complied with the mandatory provisions on Corporate Governance as prescribed in the Listing Agreement

with the Stock Exchanges. A separate report on Corporate Governance is included as a part of the Annual Report along with the Auditors' Certificate on its compliance.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors hereby confirm that: -

1. In the preparation of Annual Accounts, the applicable accounting standards have been followed along with the proper explanation relating to material departures.
2. The Directors have selected such accounting policies and applied them consistently and have made judgment and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at end of the year ended 31st March, 2013 and of the Profit and Loss Account of the Company for that period
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the Annual Accounts for the period ended 31st March, 2013 on a going concern basis.

DIRECTORS:

Mr. Prakash Madhav Pethe the director liable to retire by rotation has expressed his unwillingness for reappointment at the ensuing Annual General Meeting, resulting the office of the directors held by Mr. P. M. Pethe would be ceased on the closure of the Annual General Meeting. Board expresses their sincere appreciation to Mr. Prakash Madhav Pethe for his kind guidance given to the company during his tenure.

Mr. P. M. Pethe was the independent Director and Board proposes to find out a suitable person to appoint a new director as an Independent Director as required under Clause 49 of the Listing Agreement.

Your Board proposes for the re-appointment of Mr. Shiv Singh Mehta as the Managing Director w.e.f. 12th January, 2013 and Mr. Saurabh Singh Mehta as the Whole-Time Director w.e.f. 01st August, 2013 for a further period of 3 years and recommend to pass resolutions as set out in the notice of the annual general meeting.



AUDITORS AND AUDITOR REPORT

M/s. R. S. Bansal & Co., Chartered Accountant, Indore the Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible offers themselves for re-appointment.

The notes on Financial Statements referred to in the Auditors Report are self explanatory and do not call for any further comments.

COST AUDITOR:

Mr. S.P.S. Dangi, proprietor of M/s S.P.S Dangi, Cost Auditor was appointed as Cost Auditor for the Financial Year 2012-13. Mr. S.P.S. Dangi being eligible has expressed his willingness to be reappointed as Cost Auditor of the company for the Financial Year 2013-14.

STATUTORY INFORMATION:

PUBLIC DEPOSIT:

The company has not received/accepted any deposits from public during the year under review.

PARTICULARS OF EMPLOYEES

The Company does not have on its roll any employee drawing remuneration attracting provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

Information as per section 217(1)(e) read with Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 is annexed hereto and forms part of this report.

INDUSTRIAL RELATIONS

Your directors' wish to place on record their appreciation for the contribution made by the company's workforce at all levels of operations for the success and progress of the company.

ACKNOWLEDGEMENT

We thank our banks, investors, clients, distributors, vendors and other business associates for their continued support towards conduct of efficient operations of the company throughout the year.

We take this opportunity to appreciate the contribution made by our employees at all levels for their dedicated service made towards the growth of the Company. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

FOR & ON BEHALF OF THE BOARD,

Place: Indore

Date: 26th July, 2013

Shiv Singh Mehta

Managing Director



ANNEXURE

Information as per Section 217(1) (e) read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules 1988 and forming part of the Directors' Report for the year ended 31st March, 2013.

(A) CONSERVATION OF ENERGY

(a) Energy Conservation measures taken:

(1) Energy conservation devices have been installed and the equipments are maintained properly to reduce energy consumption.

(2) New systems are being devised to reduce electric power, fuel, and water consumption.

(b) Additional Investment and proposals for reduction of consumption of energy.

By relocating, modifying the available equipment, energy, conservation measures are being implemented on continuous basis.

(c) Impact of above measures:

The above measures have resulted in energy saving and subsequent decrease in the cost of production.

(d) Total energy consumption and energy consumption per unit of production:

As per Form "A" Annexed.

A. POWER AND FUEL CONSUMPTION

	12 Months period ended March, 2013	15 Months period ended March, 2012
1. Electricity		
a) Purchased Units	6621729	8419744
Total Amount (in Rs.)	45694642	48198611
Rate/Unit (Average Rs.)	6.90	5.72
b) Own Generation		
i) Units	95204	96280
Units per ltr. of Diesel Oil (Rs.)	2.82	3.25
Cost per unit (Rs.)	18.90	12.70
ii) Through Steam Turbine / Generator		
Unit/Unit per ltr. of Diesel oil Cost/Unit		
2. Coal (specify quality & where used)		
RDM/Steam B Grade used in Boiler		
Quantity (Tones)	11500	13435
Total Cost (Rs.)	65771245	77681780
Average Rate (Rs.)	5719.24	5782.05
3. Furnace Oil		
Quantity (K.Ltr.)	-	-
Total Amount	-	-
Average Rate	-	-
4. Others/internal Generation		
Total Cost	-	-
Quantity	-	-
Rate/Unit	-	-

**(B). CONSUMPTION PER UNIT OF PRODUCTION**

	EXTRACTION		REFINERY		LECITHIN	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Electricity						
(Units per ton)	40.50	41.99	61.52	70.66	112.67	109.14
Coal (Specify quality) (Kg. per ton)	71.79	54.99	152.55	134.97	345.81	320.13

B) TECHNOLOGY ABSORPTION**(a) Research and Development (R & D)**

1. Specific areas in which R & D carried out: Company has carried out R & D in process development and improvement in existing processes to improve the quality of products, reduction in energy and effluents.
2. Benefits derived as result of R & D: Improvements in processes has helped company in reducing the energy consumptions of some products. This has helped in giving good and consistent quality products in market.
3. Future plan of action: Company will continue to pursue R & D in developments of new processes and new value added products.
4. Expenditure on R & D: Expenditure incurred on R & D are charged under primary heads of accounts and not separately allocated.

(b) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts in brief made towards technology absorption, adaptation and innovation:

The company has through R & D developed processes adopted which helped in reducing the energy consumption.

2. Benefits derived as result of the above efforts: Improvement in processes, reduction of cost and product development

(C) FOREIGN EXCHANGE EARNING & OUTGO

(Rs. In Lacs)

	12 Months period ended March, 2013	12 Months period ended March, 2012
1. Earning		
FOB value of Exports	7606.7	15934.21
2. Outgoing		
a) CIF Value of Imports	44.48	89.25
b) Expenditure in Foreign Currency	14.57	30.07

FOR & ON BEHALF OF THE BOARD,

Shiv Singh Mehta

Managing Director

Place: Indore

Date: 26th July, 2013



CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Kriti group is committed to the adoption of best governance practices. The company's vision document spells out a direction for the policies and procedures which ensure long term sustainability. Value creation is thus a continuous endeavor at 'Kriti'.

On the same lines the Company has always followed fair business and corporate practices while dealing with the shareholders, employees, customers, creditors, lenders and the society at large.

In harmony with this philosophy, the Company relentlessly strives for excellence by benchmarking itself with esteemed companies with good corporate governance. Your company is compliant with all the provisions of Clause 49 of the Listing Agreement of the Stock Exchange. The details of compliance are as follows:

BOARD OF DIRECTORS

The Board of Directors of the Kriti Nutrients Limited (KNL) consists of an optimum combination of executive, non-executive and independent directors, to ensure the independent functioning of the board. The Board consists of six Directors. Out of which four are non-executive directors. Three out of the four non-executive directors are independent.

Director liable to retire by rotation and re-appointment of the Managing and Whole-Time Directors

Mr. Prakash Madhav Pethe, a Non Executive Independent Director liable to retire by rotation, and do not offered himself for re-appointment, resulting the office of the director held by him shall be vacated on the closure of the Annual General Meeting. Your Board proposes to find out suitable person for appointment as an Independent Director in due course.

Shri Shiv Singh Mehta who was holding the office of the Managing Director in Kriti Industries (India) Ltd. was re-appointed by Board as the Managing Director for a further per period of there years w.e.f. 12th January, 2013 by the Board at their meeting held on 27th October 2012 without any remuneration.

Further that Shri Saurabh Singh Mehta was also re-appointed as the Whole-Time Director and designated as the Executive Director of the Company for a further period of there years w.e.f. 01st August,2013 by the Board at their meeting held on 26th July, 2013 on the remuneration as set out in the notice of the Annual General Meeting.

The composition of the Board of Directors and the number of board committee in which they are chairman/ member are as under:

Name	Category	No. of Directorship in other Public Limited Companies	No. of Committee position held in other Public Limited Companies	
			Chairman	Member
Shri Shiv Singh Mehta	Promoter & Managing Director	Two	One	Three
Smt. Purnima Mehta	Promoter & Non-Executive Director	One	Nil	One
Shri Manoj Fadnis	Independent & Non-Executive Director	Two	One	Three
Shri Saurabh Singh Mehta	Executive Director	Nil	Nil	Nil
Shri Prakash Madhav Pethe	Independent & Non-Executive Director	Nil	Nil	Nil
Dr. Somnath Ghosh	Independent & Non-Executive Director	One	One	One

Board Procedure

During the year under review, four meetings of the Board of Directors were held. The dates of the meetings were decided in advance and key information was placed before the Board. The Board of Directors meetings were held on 26th May 2012, 28th July 2012, 27th October 2012 and 09th February 2013.

Attendance record of Directors

The names and categories of the Directors on the Board, their record of attendance at Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorship and membership of Committees held by them in other public limited companies as on 31st March, 2013 are:



	No. of Board Meetings held during the year	No. of Board Meetings Attended	Attendance at the last AGM held on 22th September, 2012
Shri Shiv Singh Mehta	4	4	Yes
Smt. Purnima Mehta	4	4	Yes
Shri Manoj Fadnis	4	3	Yes
Shri Saurabh Singh Mehta	4	4	Yes
Shri Prakash M. Pethe	4	3	No
Dr. Somnath Gosh	4	1	No

AUDIT COMMITTEE

(A) Terms of reference

The Audit Committee has adequate powers and detailed terms of reference to play effective role as required under the provisions of section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

(B) Constitution and Composition

The terms of reference of the audit committee are extensive and include all that is mandated in clause 49 of the Listing Agreement with the Stock Exchange and Section 292 A of the Companies Act, 1956. The Company has complied with the requirements of clause 49(II)(A) of the Listing Agreements as regards composition of the Audit Committee.

The Audit Committee of the Company as on 31st March, 2013 comprises of the following Directors of the Company.

Name of the Director	Designation
Shri Manoj Fadnis	Chairman
Shri Prakash M. Pethe	Member
Smt. Purnima Mehta	Member

All the three members of the audit committee are non-executive directors and two of them are independent.

(C) Meeting and attendance during the year

Four meetings were held during the financial year 2012-13 on 26th May 2012, 26th July 2012, 27th October 2012 and 09th February 2013. The attendance of each member of the committee is as under:

Name of the Director	No. of Meeting attended
Shri Manoj Fadnis	4
Shri Prakash M. Pethe	3
Smt. Purnima Mehta	4

REMUNERATION COMMITTEE

(A) Terms of reference

The Remuneration Committee recommends remuneration, promotions, increments etc. for the whole time directors and relative of the directors to the Board for approval.

(B) Constitution and Composition

The Remuneration Committee of the Company as on 31st March, 2013 comprises of the following Directors of the Company.

Name of the Director	Designation
Shri Manoj Fadnis	Chairman
Dr. Somnath Gosh	Member
Shri Prakash Pethe	Member

All the three members of the remuneration committee are non-executive and independent directors.


Remuneration to Managing Director and Executive Director

Shri Shiv Singh Mehta, Managing Director of the Company was appointed without any remuneration, hence no remuneration was paid to him by the company.

The terms of remuneration of Shri Saurabh Singh Mehta, Executive Director has already been fixed by the Board of directors and to be approved by the shareholders at ensuing Annual General Meeting. During the financial year 2012-13, the particulars of remuneration paid to Whole-time Director is as under: -

(Rs. in Lacs)

Name of the Director	Salary	Perquisites	Commission	Period of Contract
Shri Saurabh Singh Mehta	13.44	4.85	2.27	3 Years starting from 1st August, 2013

Remuneration of Non- Executive Directors

The details of remuneration paid to the Non-Executive Directors during the financial year 2012-13 are given below. Non-Executive Directors are not entitled for any remuneration other than the sitting fees.

S No.	Name of the Non-Executive Director	Sitting Fees (Rs.)
1	Shri Manoj Fadnis	7000
2	Dr. Somnath Ghosh	1000
3	Shri Prakash M. Pethe	6000
4	Smt. Purnima Mehta	8000

INVESTORS' GRIEVANCE COMMITTEE

The Board of Directors of the Company constituted the Investors' Grievance Committee consisting of:

Name of the Director	Designation
Shri Shiv Singh Mehta	Chairman
Shri Manoj Fadnis	Member
Shri Somnath Ghosh	Member

DISCLOSURES
A. Disclosure regarding materially significant related party transactions:

None of the transaction with any of the related parties were in conflict with the interest of the company. Attention of members is drawn to the disclosure of transactions with the related parties set out in Note No. 3.15 of Notes on Accounts, forming part of the Annual report. All related party transactions are negotiated on arms length basis and are intended to further the interest of the company.

B. Disclosure of non-compliance by the Company:

There has been no instance of non-compliance on any matter related to the capital markets, during the last two years.

COMMUNICATION TO SHAREHOLDERS

As per the relevant regulations of Stock Exchanges and SEBI the Company will publish quarterly unaudited financial results as required under the Listing Agreement in the prescribed format. The results will be sent to the Stock Exchanges for general information and for posting the same on their web site. The notice of the AGM along with the report will be sent to the shareholders well in advance of the AGM.

INFORMATION ON GENERAL BODY MEETINGS

The details of the location and time for last three Annual General Meetings are given hereunder: -

Year	Location	Date	Time
2011-2012	4th Floor, Chetak Chamber, 14, RNT Marg, Indore	22nd September, 2012	4:30 P.M.
2010-2011	4th Floor, Chetak Chamber, 14, RNT Marg, Indore	24th September, 2011	4:00 P.M.
2009-2010	4th Floor, Chetak Chamber, 14, RNT Marg, Indore	30th June, 2010	3.00 P.M.

There were no Extraordinary General Meeting as well as no resolution was passed by way of Postal Ballot during the year 2012-13.


GENERAL SHAREHOLDER INFORMATION
Annual General Meeting

The Annual General Meeting of the Company will be held on Saturday, the 14th September, 2013 at 5:00 P.M. at Corporate Support Center of the company situated at "Chetak Chambers" 4th Floor, 14 R.N.T. Marg, Indore.

Financial Calendar for the year 2013-14 (Provisional)

a.	Results for the first quarter ending 30 th June, 2013	By end of July, 2013
b.	Results for the second quarter ending 30 th September, 2013	By end of October, 2013
c.	Results for the third quarter ending 31 st December, 2013	By end of January, 2014
d.	Results (Audited) for the fourth quarter ending 31 st March, 2014	By end of May, 2014
e.	Annual General Meeting for the year ending March, 2014	By end of September, 2014

Book Closure Dates

The Company's Share Transfer Book will remain closed from Friday 06th September, 2013 to Friday 14th September, 2013 (both days inclusive) for purpose of Annual General Meeting.

LISTING

The Company's shares are traded on BSE and MPSE.

The Company's shares are presently listed on the Bombay Stock Exchange Limited Mumbai and Madhya Pradesh Stock Exchange Limited, Indore, Madhya Pradesh. The Company has paid annual listing fee for the year 2013-14.

Stock Code/ Details of Scrip

BSE :-533210
NSDL & CDSL-ISIN :-INE798K01010

Market Price Data (Rs.)

The monthly high and low quotations of shares of the Company traded at the Bomoy Stock Exchange, Mumbai during the financial year 2012-13 are given below:

Month	High (Rs.)	Low (Rs.)
April, 2012	7.35	4.45
May, 2012	6.47	4.32
June, 2012	4.93	3.77
July, 2012	6.95	4.06
August, 2012	6.19	4.22
September, 2012	5.70	4.02
October, 2012	5.85	4.21
November, 2012	5.25	4.00
December, 2012	6.19	5.09
January, 2013	7.05	5.35
February, 2013	5.86	4.56
March, 2013	5.14	3.41

Share Transfer System

The Share Transfer-cum-Investors Grievance Committee attends to share transfer formalities once in a fortnight. Demat requests are normally confirmed within an average period of 15 days from the date of receipt. The Company has appointed following agency as Share Transfer Agent (Electronic + Physical). The shareholders may address their communication, suggestions, grievances and queries to:

Ankit Consultancy Pvt. Limited

Plot No. 60, Electronic Complex

Pardeshipura

Indore- 452 010 (M.P)

Tel: 0731-2551745, 0731-2251746

Fax: 0731-4065798

E-mail: ankit_4321@yahoo.com


Shareholding Pattern as on 31.03.2013

Category	No. of Shares held	Percentage of Shareholding
A. Promoter's holding		
1. Promoters		
a. Indian Promoters	33096878	66.06
b. Foreign Promoters		
2. Persons acting in concert		
Sub-Total	33096878	66.06
B. Non-Promoter's holding		
3. Institutional Investors		
a. Financial Institution and Banks	1600	0.00
b. FIIs		
Sub-Total	1600	0.00
4. Others		
a. Corporate Bodies	2071104	4.13
b. Indian Public	14765064	29.47
c. NRIs/OCBs	167174	0.33
d. Any Other (Clearing Member)	1700	0.00
Sub-Total	17005042	33.94
GRAND TOTAL	50103520	100

Distribution of Shareholding as on 31st March, 2013

No. of Shares	No. of Shareholders	% of Shareholders
1-1000	3888	66.51
1001-2000	1038	17.76
2001-3000	283	4.84
3001-4000	328	5.61
4001-5000	44	0.75
5001-10000	131	2.24
10001 above	134	2.29
Total	5846	100.00

Dematerialisation of Shares & Liquidity

The shares of the Company are under compulsory demat segment and are listed on Bombay Stock Exchange, Mumbai and Madhya Pradesh Stock Exchange, Indore. The Company's shares are available for trading in the depository of both NSDL & CDSL.

Details of Demat Shares as on 31st March 2013

	No. of Shareholders/Beneficial Owners	No. of Shares	% of Capital
NSDL	2123	41859696	83.54
CDSL	1136	4845344	9.67
Sub-Total	3259	46705040	93.21
Shares in physical form	2587	3398480	6.79
Grand Total	5846	50103520	100.00



Outstanding Convertible Instruments

There are no outstanding warrants or any convertible instruments.

Plant locations of the Company

Industrial Area No. 3, Dewas (M.P)

Address for communication

The shareholders may address their communication, suggestions, grievances and queries to:

Ankit Consultancy Pvt. Limited

Plot No. 60, Electronic Complex

Pardeshipura

Indore- 452 010 (M.P)

Tel: 0731-2551745, 0731-2251746

Fax: 0731-4065798

E-mail: ankit_4321@yahoo.com

Auditors' Certificate on Corporate Governance

The company has obtained a certificate from the auditors of the company regarding compliances with the provisions of the corporate governance laid down in Clause 49 (VII) of the Listing Agreement with Stock Exchanges.

AUDITORS' REPORT ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Shareholders of Kriti Nutrients Limited

We have examined the compliance of the conditions of Corporate Governance by Kriti Nutrients Limited, Indore for the period ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an 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, the Company has complied with the conditions of Corporate Governance as stipulated in the above Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accounts of India we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the Investor / Shareholders Grievance Committee.

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 R. S Bansal and Company
Chartered Accountants
FRN:000939C

Place : Indore
Date : 26th July, 2013

Vijay Bansal
(Partner)
M.No. 075344



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The primary business of your Company is processing of soya bean-seeds and refining of crude oil for edible use. The company produces soya meal, soya refined oil and value added products such as lecithin and soya flour.

Industry depend to a large extent on the monsoon. As per industry survey, soya bean production in the current year is expected to increase by 7-8 percent and likely to touch 11 Million Tonne of which on an average 60 -65% is being produced by Madhya Pradesh.

During the year under review, the international economic and political situations coupled with monetary conditions have influenced domestic business sentiments. Also, volatility in the currency and commodity prices and the depreciation in the value of Indian rupee had impacted cost structure and margins.

OPPORTUNITY:

Company has established dedicated customers for high protein quality soya meal and its value added products in overseas market. The company's product are preferred by the customers for the quality standards maintained by the company consistently.

The company has latest refinery plant for soya cooking refined oil. 'Kriti' is well established brand which carries preference in the market.

There is good opportunity for increase in volume of soya meal in overseas and refined oil in domestic market with better margins.

THREATS:

Manufacturing activities are mainly dependent on the availability of seed, which is directly related to the monsoon. High volatility of currency exchange rates and seed prices associated with speculation on a large scale is a cause of concern as it directly affects business margins.

Excess crushing capacity and new entrants with tax incentives creates unequal competition.

BUSINESS STRATEGY:

Company markets its High Protein SBM mainly to South East Asian Countries and the company's focus will be on: -

- ◆ Introduction of higher grade SBM & Value Added Products in new markets.
- ◆ Strengthening Distribution Network
- ◆ Promotion of Brand
- ◆ Customer education on quality, adulteration and certification

FINANCIAL PERFORMANCE:

The financial statements are prepared in compliance with the Companies Act, 1956 and as per the generally accepted accounting principles, policies and practices prevalent in India. The Company's financial performance is discussed in details under the head "Financial Results" in Directors' Report to the Members.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The internal control system of the company is in place and is commensurate with the size & scale of its operations. The Internal Audit department with the help of external agencies & based on risk assessment, regularly performs internal audits & ensure the effectiveness of internal control systems.

The company has implemented suitable controls on ongoing basis to assure that all resources are utilized optimally, financial transactions are reported with the accuracy and all applicable laws and regulations are strictly complied with. The audit findings are reviewed by the Audit Committee of the Board and corrective actions as deemed necessary are taken.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

Your company's Industrial relations continued to be harmonious during the year under review. The company continues to invest in people through various initiatives which enable the work force to meet out the production requirements and challenges related thereto and to infuse positive enthusiasm towards the organization.

CAUTIONARY STATEMENT:

Estimates and expectations stated in this Management Discussion and Analysis Report may be "forward-looking statements" within the meaning of applicable securities, laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets, changes in the Government regulations, tax laws, and other statutes and incidental factors.



INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Kriti Nutrients Limited
34, Siyaganj, Indore (M.P.)
Report on the Financial Statements:

We have audited the accompanying financial statements of KRITI NUTRIENTS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year ended March 31, 2013, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

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 sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material 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 are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the 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 March 31, 2013;
- b) in the case of the Statement of Profit and Loss Account, of the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2) As required under provisions of 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 purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and;
 - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act;
 - (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

FOR: R.S.BANSAL & COMPANY
CHARTERED ACCOUNTANTS
FRN: 000939C

(VIJAY BANSAL)
PARTNER
M.N.075344

PLACE: INDORE
DATED: 4th May,2013



ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Kriti Nutrients Limited for the year ended on 31st March, 2013.

As required by the Companies Auditor's Report Order, 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we further report that :-

1. In respect of its fixed assets:
 - a. As informed to us, the Company has maintained proper records, on yearly basis, showing full particulars, including quantitative details and situation of fixed assets. The entire records have been maintained on computer system through SAP.
 - b. As informed to us, the Company has physically verified fixed assets during the year. According to information and explanation given to us no material discrepancies were noticed on such verification.
 - c. In our opinion and according to the information and explanation given to us, the Company has not disposed off any substantial assets during the year which has affected its status as going concern.
2. In respect of its inventories:
 - a. The inventory of the Company has been physically verified during the year by the management at regular interval.
 - b. In our opinion and according to the information and explanation given to us, the procedure of physical verification of inventories followed by the management is 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. No material discrepancies have been noticed on physical verification of stock as compared to book records.
3. In respect of loans secured or unsecured granted or taken by the company:
 - (A) In respect of loan granted by the company-
 - a. As per information and explanation given to us, the Company has granted unsecured loans to parties covered under section 301. The details are as under :-

Name	Maximum Amount (In Rs.)	Amount Outstanding (In Rs.)
Kriti Industries (I) Ltd. (A subsidiary of Holding Company)	11,96,98,667/-	NIL

- b. The Company has charged interest on such loans, as per information made available to us, the other terms and conditions are prima facie not prejudicial to the interest of the company.
- c. As per information and explanation given to us, receipt of principal and interest is as per the agreed terms.
- d. As explained and informed to us, no amount is overdue as at the end of the year.

(B) In respect of loan taken by the company-

- a. According to the information and explanation given to us, the Company has obtained unsecured loans from parties covered under section 301.

The details are as under:-

Name	Maximum Amount (In Rs.)	Amount Outstanding (In Rs.)
Sakam Trading Pvt. Ltd. (Holding Company)	2,65,50,745 /-	1,00,35,260/-
Kriti Industries (I) Ltd. (Subsidiary Company of Holding Company)	3,70,00,000 /-	6,66,825/-

- b. The Company has paid interest on such loans, as per information made available to us, the other terms and conditions are prima facie not prejudicial to the interest of the company.
- c. As per information and explanation given to us, repayment of principal and interest is as per the agreed terms.



4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures 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.
5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
 - a. As explained & informed to us Company has entered all transactions, which are required to be entered in the register maintained in pursuant of the Section 301 of the Companies Act, 1956.
 - b. As per information and explanation given to us, the transactions have been entered at reasonable prices having regard to the prevailing market price at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company neither accepted nor invited any deposits from public within the provision of Section 58A, 58AA of Companies Act, 1956 and rules made there under.
7. As explained and informed to us, the Company has its own system for Internal Audit and the company works under SAP environment, which seems to be reasonable looking the size and nature of its business.
8. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of the cost records under section 209(1) (d) of the Companies Act, 1956 in respect of the refining activities of the company to which said rules are made applicable and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made detailed examinations of the records with a view to determined whether they are accurate or complete.
9. In respect of statutory dues:
 - a. According to information and explanations given to us, there are no undisputed statutory dues payable in respect of Provident Fund, Employee's State Insurance, Income Tax, Wealth Tax, Custom Duty, Excise Duty & Cess Investor Education and Protection Fund, which are outstanding for a period of more than 6 months as at the last date of financial year from the date they became payable, except for the following:-

S. No.	Name of the Statute	Period to which the amounts relates	Amount (in Rs.)
1.	WEALTH TAX	2011-12	6,542

- b. According to the information & explanations given to us, there are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty & cess which have not been deposited on account of any dispute, except the following -

S. No.	Name of the Statute	Forum where Dispute is pending	Period to which the amounts relates	Amount in Rs.
1.	M.P. COMMERCIAL TAX	APPELLATE BOARD, BHOPAL	2004-05	21,55,460
2.	M.P. COMMERCIAL TAX	APPELLATE BOARD, BHOPAL	2005-06	81,41,497
3.	M.P. COMMERCIAL TAX	APPELLATE BOARD, BHOPAL	2005-06	8,95,411
4.	VAT	APPELLATE BOARD, BHOPAL	2006-07	8,70,630
5.	CENTRAL SALES TAX	M. P. HIGH COURT, JABALPUR	2006-07	1,14,25,030
6.	CENTRAL SALES TAX	APPELLATE BOARD, BHOPAL	2005-06	32,699
7.	ENTRY TAX	APPELLATE BOARD, BHOPAL	2004-05	7,99,081
8.	ENTRY TAX	APPELLATE BOARD, BHOPAL	2005-06	50,31,195
9.	ENTRY TAX	APPELLATE BOARD, BHOPAL	2006-07	5,13,848
10.	ENTRY TAX	APPELLATE BOARD, BHOPAL	2007-08	18,22,609
11.	ENTRY TAX	APPELLATE BOARD, BHOPAL	2008-09	3,90,591
12.	ENTRY TAX	APPELLATE BOARD, BHOPAL	2008-09	19,71,548



10. As informed and explained to us there is no accumulated cash losses of the Company. Further, the Company has not incurred any cash losses during the period covered by the report and immediately preceding the financial year.
11. Based on our audit and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of any loan from Financial Institutions or Banks.
12. According to the information and explanation given to us, the Company has not given any loans and advances on the basis of security by way of Pledge of Shares, debentures and other securities.
13. Provision relating to any special statute applicable to chit fund is not applicable to the Company.
14. According to the information and explanations given to us, the Company is not dealing or trading in share, securities, debentures and other investments.
15. According to the information and explanation given to us, the Company has not given any guarantee in respect of loan taken by others from any banks or financial institutions.
16. According to the information and explanations given to us, and based on documents provided to us, term loan availed by the Company were, prima-facie, applied by the Company for the purposes for which the loans were obtained.
17. According to the information and explanations given to us, and based on documents provided to us, we are of the opinion that no short-term fund has been utilized for long term investment.
18. We are informed that, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained u/s 301 of the Act.
19. According to the information and explanations given to us and records examined by us, the Company has not issued debentures and hence regarding creation of securities in respect of debentures issued does not arise.
20. The Company has not raised any money by public issue of shares during the period.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the period.

FOR: R.S.BANSAL & COMPANY
CHARTERED ACCOUNTANTS
FRN: 000939C

(VIJAY BANSAL)
PARTNER
M.N.075344

PLACE: INDORE
DATE: 4th May, 2013



BALANCE SHEET AS AT 31.03.2013

PARTICULARS	Note No.	(Rs. in Lacs)	
		As at 31.03.2013	As at 31.03.2012
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	501.04	501.04
(b) Reserves and Surplus	3	1340.62	1224.34
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	1214.36	687.96
(b) Deferred Tax Liabilities (Net)	5	444.36	381.19
(c) Other Long Term Liabilities	6	234.76	397.42
(3) Current Liabilities			
(a) Short-Term Borrowings	7	63.73	191.20
(b) Trade Payables	8	2260.20	1655.98
(c) Other Current Liabilities	9	605.51	444.01
(d) Short-Term Provisions	10	94.53	264.09
	Total	<u>6759.11</u>	<u>5747.23</u>
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	3528.37	3168.36
(ii) Intangible Assets	12	59.93	66.88
(iii) Capital Work-In-Progress	0.23	1.60	
(b) Non-Current Investments	13	8.41	8.41
(c) Long Term Loans and Advances	14	69.33	58.39
(2) Current Assets			
(a) Inventories	15	1830.77	974.65
(b) Trade Receivables	16	466.23	328.36
(c) Cash and Bank Balances	17	226.89	344.59
(d) Short-Term Loans and Advances	18	316.08	360.63
(e) Other Current Assets	19	252.87	435.36
	Total	<u>6759.11</u>	<u>5747.23</u>

Significant Accounting Policies & Other Notes on Account 1

As per our Report of even date attached

For R.S.Bansal & Company

Chartered Accountants

FRN:000939C

For and on behalf of the Board of Directors

Vijay Bansal

(Partner)

M.No. 075344

Shiv Singh Mehta

(Managing Director)

Purnima Mehta

(Director)

Sumit Jaitely

(Company Secretary)

Place: Indore

Date:- 4th May, 2013



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

		(Rs. in Lacs)	
PARTICULARS	Note No.	2012-13	2011-12
Revenue from Operations	20	46677.89	45728.28
Less : Excise Duty		47.10	37.03
		<u>46630.79</u>	<u>45691.25</u>
Other Income	21	108.36	56.37
	Total Revenue	<u>46739.15</u>	<u>45747.62</u>
Expenses:			
Cost of Materials Consumed		42153.79	38213.47
(Increase)/Decrease in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade		(718.48)	704.87
Employee Benefit Expense	22	479.46	414.88
Financial Costs	23	645.53	952.04
Depreciation and Amortization Expense	11-12	264.10	230.32
Other Eexpenses	24	3704.28	4653.78
	Total Expenses	<u>46528.68</u>	<u>45169.36</u>
Profit Before Exceptional and Extraordinary Items and Tax		210.47	578.26
Exceptional Items		0.00	0.00
Profit Before Extraordinary Items and Tax		210.47	578.26
Extraordinary Items		0.00	0.00
Profit Before Tax		<u>210.47</u>	<u>578.26</u>
Tax Expense:			
Current Tax		42.11	160.00
Deferred Tax		63.16	21.68
Profit/(Loss) For The Period		<u>105.19</u>	<u>396.58</u>
Earning Per Equity Share:			
(1) Basic		0.21	0.79
(2) Diluted		0.21	0.79

Significant Accounting Policies & Other Notes to the Account 1

As per our Report of even date attached

For R.S.Bansal & Company

Chartered Accountants

FRN:000939C

For and on behalf of the Board of Directors

Vijay Bansal

(Partner)

M.No. 075344

Shiv Singh Mehta

(Managing Director)

Purnima Mehta

(Director)

Sumit Jaitely

(Company Secretary)

Place: Indore

Date:- 04th May, 2013


Notes Forming Part of The Balance Sheet and Statement of Profit & Loss Statement

(Rs. in Lacs)

NOTE	As at 31.03.2013	As at 31.03.2012
NOTE -2 SHARE CAPITAL		
2.1 AUTHORIZED		
2.1.1 100000000 Equity Shares of Re. 1/- each	<u>1000</u>	<u>1000</u>
2.2 ISSUED, SUBSCRIBED AND PAID UP		
2.2.1 50103520 equity shares of Rs 1/- each fully paid up. Out of which 49603520 shares issued on 27.01.2010 as fully paid up on account of scheme of arrangement as approved by The Hon'ble High Court of M.P. Indore Bench The company has only one class of shares referred to as equity shares having a par value of Rs.1 each holder of the equity share as referred in the records of the company as of date of the shareholder's meeting is referred to one vote in respect of each share held for all matters submitted to vote in the shareholder's meeting. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the company the holders of equity shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts.		
2.2.2 Reconciliation of shares		
2.2.2.1 Opening Balance of 50103520 equity shares of Rs. 1/- each	501.04	501.04
2.2.2.2 Issued during the year NIL	0.00	0.00
2.2.2.3 Closing Balance 50103520 equity shares of Rs. 1/- each	<u>501.04</u>	<u>501.04</u>

2.3 SHAREHOLDER HOLDING MORE THAN 5 % OF SHARES OF THE COMPANY AND ITS PERCENTAGE
2.3.1 SAKAM TRADING PRIVATE LIMITED (HOLDING COMPANY)

Current year :

No. of Shares: 26099473

% of Shares: 52.09%

Previous year :

No. of Shares: 26099473

% of Shares: 52.09%

Pursuant to the Hon'ble High Court of M.P. order dated 1.11.2011 approving the scheme of amalgamation of promoter group companies viz Kriti Corporate Service Pvt.Ltd., Kriti Auto Accessories Private Ltd., Kasta Pipes Pvt.Ltd.and Shipra Pipe Pvt Ltd. with Sakam Trading Pvt.Ltd., the Shareholding of the above transferor companies are vested in Sakam Trading Pvt.Ltd. Thus Sakam Trading Pvt.Ltd. became holding company w.e.f. 27.02.12 of Kriti Nutrients Ltd.

2.3.2 CHETAK BUILDERS PRIVATE LIMITED (ASSOCIATE COMPANY)

Current Year:

No. of Shares: 4608158

% of Shares: 9.20%

Previous year :

No. of Shares: 4608158

% of Shares: 9.20%


Notes Forming Part of The Balance Sheet and Statement of Profit & Loss Statement

	(Rs. in Lacs)	
NOTE	As at 31.03.2013	As at 31.03.2012
NOTE-3 RESERVES & SURPLUS		
3.1 RESERVES		
3.1.1 General Reserve	400.00	200.00
Add: Transfer from Statement of Profit & Loss	50.00	200.00
Closing Balance	<u>450.00</u>	<u>400.00</u>
3.2 CAPITAL RESERVE		
(Arosen due to scheme of arrangement)	<u>295.56</u>	<u>295.56</u>
3.3 CONTINGENCY RESERVE (FREE RESERVE)		
Add: Transfer from Statement of Profit & Loss	25.00	25.00
	0.00	0.00
	<u>25.00</u>	<u>25.00</u>
3.4 EXCHANGE FLUCTUATION RESERVE		
(Refer point no 2.9 (d) of Note No. 1)	5.31	-40.95
3.5 SURPLUS		
3.5.1 Statement of Profit & Loss		
3.5.1.1 Opening Balance	544.73	435.49
3.5.1.2 Add Profit & Loss during the period	<u>105.19</u>	<u>396.58</u>
	649.92	832.07
less:		
3.5.2 Proposed Dividend @ Rs.0.06 per share	30.06	75.16
3.5.3 Corporate Dividend Tax	5.11	12.19
3.5.4 Transferred to General Reserve	50.00	200.00
Balance in Surplus	<u>564.75</u>	<u>544.72</u>
	Total	<u>1340.62</u>
		<u>1224.33</u>
NOTE -4 LONG TERM BORROWINGS		
4.1 TERM LOAN		
4.1.1 SECURED		
4.1.1.1 From Banks		
a) IDBI Bank Ltd.	16.00	80.00
(i) (Repayable in 9 Qrtly installments of Rs.16 lacs each , Last installment due on 1st April 2014 Rate of Interest 14.75% p.a. at year end.)		
(ii) Repayable in 17 monthly installments of Rs.11 lacs each, Last installment due on 1st September, 2013 Rate of Interest 14.75% p.a. at year end.)	0.00	58.00
b) Sate Bank of Hyderabad (Repayable in 18 qtrly installments of Rs.36 lacs each , Last installment due on 31st December, 2014 Rate of Interest: 15.45% p. a. at year end)	113.72	259.79
c) The Cosmos Co-operative Bank Ltd. (Repayable in 72 monthly installments of Rs.12 lacs each , Last installment due on 31st December, 2019 Rate of Interest: 13.00% p. a. at year end)	401.82	290.17


Notes Forming Part of The Balance Sheet and Statement of Profit & Loss Statement

(Rs. in Lacs)

NOTE	As at 31.03.2013	As at 31.03.2012
(Repayable in 54 monthly installments of Rs.12 lacs each , Last installment due on 31st January, 2017 Rate of Interest: 13.30% p.a.at year end (Above loans are secured / to be secured by First charge/ Mortgage on fixed assets on pari passu basis of the company and personal guarantee of Managing Director and Executive Director)	682.82	0.00
Total	<u>1214.36</u>	<u>687.96</u>
NOTE-5 DEFERRED TAX LIABILITY NET		
5.1 Deferred Tax Liability Net	444.36	381.19
Total	<u>444.36</u>	<u>381.19</u>
NOTE-6 OTHER LONG TERM LIABILITIES UNSECURED		
6.1 Loans and advances from related parties	100.00	355.00
6.2 Other Long Term Liabilities (Refer point no.3.9 of Note no.1)	134.76	42.42
Total	<u>234.76</u>	<u>397.42</u>
NOTE-7 SHORT TERM BORROWINGS		
7. 1 Loans repayable on Demand		
7.1.1 SECURED		
From banks	63.73	191.20
(Secured by hypothecation of finished goods, Raw material, Stock in process, store and spares, sundry debtors, export bills, receivables and second charge on fixed assets of the company and personal guarantee of Managing director and Executive Director)		
Total	<u>63.73</u>	<u>191.20</u>
NOTE-8 TRADE PAYABLES		
8.1 Trade Payable	2260.20	1655.98
Total	<u>2260.20</u>	<u>1655.98</u>
NOTE-9 OTHER CURRENT LIABILITIES		
9.1 Outstanding Expenses	20.96	58.74
9.2 Statutory Liabilities	22.71	30.93
9.3 Current maturities of Long term debt (Refer point no.3.4 of Note no.1)	556.88	352.03
9.4 Unpaid dividends	4.96	2.31
Total	<u>605.51</u>	<u>444.01</u>
NOTE-10 SHORT TERM PROVISIONS		
10.1 Provision for employees benefits (bonus)	17.25	16.74
10.2 Provision of Income Tax	42.11	160.00
10.3 Proposed dividend	30.06	75.16
10.4 Corporate Dividend Tax	5.11	12.19
Total	<u>94.53</u>	<u>264.09</u>


Notes Forming Part of The Balance Sheet and Statement of Profit & Loss

(Rs. in Lacs)

NOTE	As at 31.03.2013	As at 31.03.2012
NOTE-13 NON- CURRENT INVESTMENT		
Trade Investment in equity instruments		
13.1 Unquoted		
11.2.1 The Cosmos Co-operative Bank Ltd. 10000 Equity Shares of Rs. 10/- each (Pre.Yr.Rs. 1.00)	1.00	1.00
Non Trade Investment in equity instruments		
13.2 Quoted		
13.2.1 I.D.B.I (2880 Equity Shares of Rs. 10/- each (Market Price as on 31.03.2013 Rs. 2.31 lacs (Prv. Yr. Rs. 3.02 lacs))	2.34	2.34
13.2.2 Reliance Power Ltd (25 shares of Rs. 10/- each (Market value as on 31.03.2013 Rs .02 lacs (Prv. Yr. Rs. .03 lacs))	0.07	0.07
13.2.3 SBI Mutual Fund 50000 units of Rs. 10 each (Market price as on 31.03.2013 Rs.5.63 lacs (Prv. Yr. Rs.5.16 lacs)) (Refer point no.2.5 of Note No.1)	5.00	5.00
Total	<u>8.41</u>	<u>8.41</u>

NOTE-14 LONG TERM LOANS AND ADVANCES

14.1 SECURITY DEPOSITS	69.33	58.39
Total	<u>69.33</u>	<u>58.39</u>

NOTE-11-12 FIXED ASSETS

NOTE	PARTICULARS	GROSS BLOCK				DEPRECIATION				Net Block	
		01.04.2012	Additons-	Deduction-	Total	01.04.12	For Year	Written back	TOTAL	31.03.13	31.03.12
11	TANGIBLE										
11.1	Land	53.59	0.00	0.00	53.59	0.00	0.00	0.00	0.00	53.59	53.59
11.1	Lease Hold Land	11.71	66.60	0.00	78.31	0.00	0.00	0.00	0.00	78.31	11.71
11.2	Factory Building	935.61	108.87	0.00	1044.48	300.74	32.71	0.00	333.45	711.03	634.87
11.3	Plant & Machinery	4078.77	415.48	35.12	4459.13	1665.80	210.58	33.73	1842.65	2616.48	2412.98
11.4	Dies & Moulds	22.40	2.46	0.00	24.86	13.24	2.42	0.00	15.67	9.20	9.16
11.5	Vehicles										
	Car	43.22	3.62	0.00	46.83	6.68	3.80	0.00	10.48	36.35	36.54
	Fork Lift	0.00	9.91	0.00	9.91	0.00	1.26	0.00	1.26	8.66	0.00
11.6	Furniture & Fixture	34.69	5.29	0.00	39.99	27.97	1.20	0.00	29.18	10.81	6.72
11.7	Computer	25.49	1.86	0.00	27.35	22.70	0.71		23.41	3.94	2.79
12	INTANGIBLE										
12.1	SOFTWARE	0.95	0.00	0.00	0.95	0.95	0.00		0.95	0.00	0.00
12.2	LICENCE(SAP)	67.79	4.46		72.25	0.92	11.41		12.33	59.93	66.88
12.3	Goodwill	7.98	0.00	0.00	7.98	7.98	0.00	0.00	7.98	0.00	0.00
	TOTAL RS.	5282.22	618.55	35.12	5865.64	2046.98	264.10	33.73	2277.35	3588.29	3235.24
	Previous Balance	4503.82	778.40	0.00	5282.22	1816.66	230.32	0.00	2046.98	3235.24	

Note 1 : Lease hold land is on lease for 99 years and renewable for a further period and being perpetual in nature and therefore not amortized.

Note 2 : Addition in Cost incurred represents (additional premium and stamp duty etc) of Rs 66.60 lacs on account of charge in registration document due to scheme of demerger has been considered as addition to the cost of lease hold land.

Note 3 : Depreciation is reckoned from the first day of subsequent month, when the asset is first put to use.


NOTES Forming Part of The Balance Sheet and Statement of Profit & Loss

	(Rs. in Lacs)	
NOTE	As at 31.03.2013	As at 31.03.2012
NOTE-15 INVENTORIES		
15.1 Raw Material	439.40	256.22
15.2 Finished Goods	1056.04	337.56
15.3 Stores and Spares & others	335.33	380.87
(Mode of valuation of above stocks are as per point no.2.6 of Notes no 1)		
Total	<u>1830.77</u>	<u>974.65</u>
NOTE-16 TRADE RECEIVABLES		
16.1 Trade Receivables (Unsecured Considered good)		
Over Six months	23.55	26.64
Others	442.68	301.72
Total	<u>466.23</u>	<u>328.36</u>
NOTE-17 CASH AND BANK BALANCES		
17.1 Cash & Cash Equivalents		
17.1.1 Balances with Banks	6.74	6.82
17.1.2 Cash on hand	3.55	2.98
17.2 Other Bank Balances		
17.2.1 Unpaid dividend	4.96	2.31
17.2.2 Fixed deposit with banks held as margin money against borrowing (Out of this fixed deposit aggregating Rs.115.49 Lacs is having maturity beyond 12 months)	211.64	332.48
Total	<u>226.89</u>	<u>344.59</u>
NOTE-18 SHORT-TERM LOANS AND ADVANCES		
18.1 Unsecured, Considered goods		
Advances recoverable in cash or kind or for value to be received	316.08	360.63
Total	<u>316.08</u>	<u>360.63</u>
NOTE-19 OTHER CURRENT ASSETS		
19.1 Sundry Deposits	23.93	11.64
19.2 Advance Tax/ Tax Deducted at source	9.91	82.06
19.3 CENVAT	1.99	9.17
19.4 Accrued Interest/ Income	217.04	332.49
Total	<u>252.87</u>	<u>435.36</u>
NOTE-20 REVENUE FROM OPERATIONS		
20.1 Sale of Products	46446.06	45204.10
20.2 Other Operating Revenues	231.83	524.18
	46677.89	45728.28
20.3 Less :Excise Duty	47.10	37.03
Total	<u>46630.79</u>	<u>45691.25</u>
NOTE-21 OTHER INCOME		
21.1 Interest Income	100.93	22.45
21.2 Dividend Income	0.06	0.05
21.3 Net gain/ (loss) on Sale of fixed Asset	6.21	0.00
21.4 Other Non-Operating Income	1.16	18.00
21.5 Net Gain on Foreign Currency Transactions	0.00	15.87
Total	<u>108.36</u>	<u>56.37</u>



Notes Forming Part of The Balance Sheet and Statement of Profit & Loss

(Rs. in Lacs)

NOTE	2012-13	2011-12
NOTE-22 EMPLOYEE BENEFITS EXPENSES		
22.1 Salaries & Wages	395.26	336.46
22.2 Contribution to Provident and Other Fund	32.98	27.49
22.3 Staff Welfare Expenses	30.66	27.49
22.4 Director Remuneration	19.12	22.00
22.5 P.F on Director's Remuneration	1.44	1.44
Total	<u>479.46</u>	<u>414.88</u>
NOTE-23 FINANCIAL COST		
23.1 Interest Expenses	516.03	764.98
23.2 Other Borrowing Cost	129.50	187.06
Total	<u>645.53</u>	<u>952.04</u>
NOTE-24 OTHER EXPENSES		
(I) Manufacturing Expenses		
24.1 Stores and Spares Consumed	155.22	165.37
24.2 Hexane Consumed	186.49	228.33
24.3 Chemicals Consumed	155.47	153.09
24.4 Coal Consumed	657.28	781.25
24.5 Power Charges	474.64	507.82
24.6 Hammali & Cartage	196.73	224.40
24.7 Freight Inward	21.63	22.05
24.8 Repairs & Maintenance	25.42	19.85
24.9 Insurance Charges	22.48	31.21
24.10 Water Charges	27.89	29.71
24.11 Miscellaneous Manufacturing Expenses	32.38	20.69
Sub Total (I)	<u>1955.65</u>	<u>2183.77</u>
(II) Administrative Expenses		
24.12 Stationery & Printing	1.58	2.56
24.13 Rent, Rates and Taxes	32.35	22.99
24.14 Postage, Telegram and Telephones	7.65	4.91
24.15 Auditor's Remuneration		
24.15.1 Audit Fees	1.12	1.12
24.15.2 Travailing	0.02	0.02
24.16 Conveyance Expenses	8.23	5.33
24.17 Legal & Professional Charges	15.70	27.05
24.18 Director's Meeting Fee	0.22	0.25
24.19 Net loss on Foreign Currency Transactions	60.68	0.00
24.20 Miscellaneous Expenses	43.02	10.03
Sub Total (II)	<u>170.57</u>	<u>74.27</u>
(III) Selling & Distribution Expenses		
24.21 Advertisement & Publicity	22.35	2.63
24.22 Sales Promotion Expenses	119.65	21.50
24.23 Brokerage & Commission	6.15	2.90
24.24 Freight Outward	934.36	1121.47
24.25 Sales Tax & Octroi	0.03	1.75
24.26 Export Expenses	432.48	1183.59
24.27 Sundry Balances Written off	0.00	2.12
24.28 Traveling Expenses	63.05	58.81
24.29 Bad Debts	0.00	0.98
Sub Total (III)	<u>1578.06</u>	<u>2395.75</u>
TOTAL (I+II+III)	<u>3704.28</u>	<u>4653.78</u>



CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2013

(Rs. in Lacs)

Particulars	Year ended 31.03.2013		Year ended 31.03.2012	
	Amount	Amount	Amount	Amount
Cash Flow From Operating Activities				
Net Profit before Tax		210.47		578.26
Adjustments for :				
Dividend Received	(0.06)		(0.05)	
Depreciation	264.10		230.32	
(Profit)/ Loss on Sale of Fixed Assets	(6.21)		-	
Financial Income	(102.10)		(56.32)	
Financial Expense	645.53	801.26	952.04	1,125.99
Cash Operating Profit before working capital changes		1,011.73		1,704.25
Increase / (Decrease) in Trade Payables	604.22		(488.08)	
Increase / (Decrease) in Short term Provisions	(159.48)		(387.65)	
Increase / (Decrease) in Other Current Liabilities	(46.00)		(97.69)	
(Increase) / Decrease in Inventories	(856.12)		3,381.14	
(Increase) / Decrease in Trade Receivables	(91.61)		1,167.60	
(Increase) / Decrease in Long term Loans & Advances	(10.94)		(17.29)	
(Increase) / Decrease in Short term Loans & Advances	44.55		(83.49)	
(Increase) / Decrease in Other Current Assets	192.40	(322.99)	581.09	4,055.63
Tax Paid		(9.91)		(82.06)
Net Cash From Operating Activities (A)		678.83		5,677.82
Cash Flow From Investing Activities				
Dividend Income	0.06		0.05	
Financial Income	102.10		56.32	
Purchase of Fixed Assets	(617.18)		(645.62)	
Sale Proceed Of Fixed Assets (Net)	7.60		-	
Investment in Fixed Deposits having maturity of more than three months	120.84		(149.70)	
Net Cash Used In Investing Activities (B)		(386.58)		(738.95)
Cash Flow From Financing Activities				
Repayment of Short Term Borrowings	(127.47)		(4,199.59)	
Increase / (Decrease) in Other Long Term Liability	(162.66)		345.35	
Proceeds from Long Term Borrowings	1,185.15		308.08	
Repayment of Long Term Borrowings	(453.89)		(362.57)	
Dividend Paid on Equity Shares	(75.16)		(75.16)	
Dividend Distribution Tax Paid	(12.19)		(12.19)	
Financial Expenses	(645.53)		(952.04)	
Net Cash Used In Financing Activities (C)		(291.75)		(4,948.12)
Net Decrease In Cash and Cash Equivalents (A + B + C)		0.49		(9.25)
ADD :Cash and cash equivalents - Opening - 1st April		9.80		19.05
Cash and cash equivalents - Closing - 31st March		10.29		9.80

**Footnote to Cash Flow Statement:****(Rs. in Lacs)**

1. Components of Cash and Cash Equivalents are produced as under:		
Particulars	2012-13	2011-12
Cash & Cash Equivalents		
Balances with Banks		
Current Account	6.74	6.82
Fixed Deposit having maturity 3 month or less 1	-	-
Cheques, Draft on hand	-	-
Cash on hand	3.55	2.98
Total of Cash & Cash Equivalent	10.29	9.80
2. Reconciliation of Cash and Cash Equivalents with Cash and Bank		
as per the Balance Sheet Balances:		
Cash and cash equivalents as above	10.29	9.80
Add : Other Cash and Bank Balances		
Unpaid Dividend	4.96	2.31
Fixed Deposit account maturity more than 3 month & less than 12 month	96.15	332.48
Fixed Deposit account having maturity More than 12 Month	115.49	-
Cash and Bank Balances classified as Current (Refer Note 14)	226.89	344.59

As per our Report of even date attached

For and on behalf of the Board of Directors

For R.S.Bansal & Company

Chartered Accountants

FRN:000939C

Vijay Bansal

(Partner)

M.No. 075344

Shiv Singh Mehta*(Managing Director)***Purnima Mehta***(Director)*

Sumit Jaitely

(Company Secretary)

Place: Indore

Date:- 4th May, 2013



NOTENO. 1

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS (31.03.2013)

1. Corporate Information

Kriti Nutrients Ltd., a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on 20/06/2007 and having its Registered office in Indore (MP). The companies shares are listed in the Bombay Stock Exchange (BSE) and Madhya Pradesh Stock Exchange (MPSE). The Company is in the business of Soya Seed Extraction and Manufacturing & Selling of cooking oil under its own brand "KRITI".

2. Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India ('ICAI'), The Companies Accounting Standard Rules, 2006 and relevant provisions of Companies Act, 1956 ("the Act") to the extent applicable.

2.2 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3 Fixed assets and depreciation

Tangible assets

Fixed assets are stated at acquisition cost less accumulated depreciation. The cost of fixed assets comprises its purchase price including import duties and other non-refundable taxes or levies and any directly, attributable cost of bringing the asset to the working condition for its intended use

Depreciation is provided on the straight-line method ('SLM') as per the depreciation rates prescribed in Schedule XIV of the Act. Capital Work-In-Progress includes the cost of fixed assets that are not ready to use at the balance sheet date and advances paid to acquire capital assets before the balance sheet date.

Intangible assets

Intangible assets are stated at acquisition cost less accumulated amortization. Amortization is provided on straight line method (S.L.M) at the rate 16.21% p.a.

2.4 Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or a group of assets. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit & loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.5 Investments

Investments classified as long term investment are carried at cost. Provision for diminution, if any, shall be made to recognize a decline other than temporary, in the value of the investment.

2.6 Inventories

1. Stores and Spares parts, etc: At Cost, with moving average price on FIFO basis

2. Raw materials: At cost, with moving average price on FIFO basis.

3. Finished Goods: At estimated cost or net realizable value (whichever is lower)

4. By Products: At net realizable value.

Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

2.7 Revenue Recognition

(a) Revenue from sale of products is recognized on transfer of all significant risk and rewards of ownership of products to the customers, which is generally on dispatch of goods. Sales are stated exclusive of Value Added Tax.

(b) Dividend income is recognized when the right to receive the dividend is established.



- (c) Export incentives receivable are accrued for when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of export proceeds.

2.8 Employee Benefits

(a) Short Term Employee Benefits :

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. are recognized in the period in which the employee renders the related services.

(b) Post-Employment Benefits :

(i) Defined Contribution Plans: The Employee State Insurance Scheme and Contributory Provident Fund administered by Provident Fund Commissioner are defined contribution plans. The Company's contribution paid/payable under the schemes is recognized as expense in the profit and loss account during the period in which the employee renders the related service.

(ii) Defined Benefit Plans: The Company has taken Group Gratuity and Cash Accumulation Policy issued by the Life Insurance Corporation of India (LIC). The present value of the obligation under such defined benefit plans is determined based on actuarial valuation as advised by LIC, using the Projected Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, are as advised by LIC.

Actuarial gains and losses are recognized immediately in the Profit & Loss Account.

2.9 Foreign Currency Transactions

(a) Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the profit and loss account of the year.

(b) Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the closing exchange rate and the resultant exchange differences are recognized in the profit and loss account.

(c) Realized gain or loss on cancellation of forward exchange contract is recognized in the Profit and Loss Account for the year.

(d) Gain / Loss on exchange difference on pending forward exchange contract which are yet to be executed are measured on the basis of difference between spot rate at year end and with forward contract exchange rate (premium adjusted) of respective date through "Exchange Fluctuation Hedge Reserve" carved out of free reserve in Balance Sheet.

2.10 Borrowing Costs

The borrowing costs that are directly attributable to the acquisition, construction or productions of a qualifying asset are capitalized as part of the cost of that asset. The amount of borrowing cost eligible for capitalization is determined in accordance with Accounting Standard (AS) 16- Borrowing Costs issued by the Institute of Chartered Accountants of India (ICAI) and notified under the Companies Accounting Standard Rules, 2006.

2.11 Taxation

Tax expenses for the current year comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act 1961. Deferred tax is recognized, on timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

2.12 Earning Per Share

Basic and diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

2.13 Provisions for Contingencies

(a) Provisions comprise liabilities of uncertain timing or amount. Provisions are recognized when the company recognizes it has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

(b) Disclosures for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources when there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



- (c) Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

3 Other Notes to Accounts

3.1 Previous year figures have been reclassified /regrouped wherever necessary.

3.2 In the opinion of the Board of Directors of the Company, the Current Assets, Loans and Advances

have a value realizable in the ordinary course of business at least equal to the amount at which they are stated and provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.

3.3 Contingent liabilities

3.3.1 Estimated amount of contracts remaining to be executed on Capital Account Rs. 0.84 Lacs net of advance given (Previous Year Rs. 157.63 Lacs)

3.3.2 Bank has given guarantee on behalf of the Company to various parties to the extent of Rs. 150.59 Lacs (Previous Year Rs. 25.79 Lacs.)

3.3.3 Claims not acknowledge by the company on sale tax matters Rs 226.24 Lacs (Previous Year 248.39Lacs)

3.4 Installments of term loans from financial institutions falling due within one year are Rs 556.88 lacs (Previous year Rs. 352.03 Lacs).

3.5 Company's Income tax assessments have been completed up to Assessment year 2011-2012. In the opinion of Board of Director's provision for income tax made is adequate.

3.6 Unpaid overdue amount due on March 31, 2013 to Micro Small and Medium Enterprises and/or ancillary industrial suppliers on account of principal together with interest aggregate to Rs. Nil.

This disclosure is on the basis of the information available with the company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

3.7 The amount of Foreign Exchange Gain/ (Loss) included in the statement of profit & loss is Rs (60.68) lacs (Previous Year Gain Rs. 15.87 Lacs). Current year loss included in Administrative Expenses & Previous Year gain amount is included in Other Income.

3.8 In the opinion of the Board, all the current assets shall be realized, in the ordinary course of business, at the value on which they are stated.

3.9 Other Long term liabilities includes Dealership deposit from Dealers and based on commercial practice these are generally not claimed in short term therefore these are treated as long term liability

3.10 The disclosure required as per Accounting Standard (AS) 15 "Employees Benefit" issued by the Institute of Chartered Accountants of India (ICAI) and notified under the Companies Accounting Standards Rules, 2006 and based on the report generated by Life Insurance Corporation of India (LIC) is as under

(a) The company has taken Group Gratuity and Cash Accumulation Policy issued by the LIC, which is a defined benefit plan.

(b) Table showing changes in present value of obligations as on	31/03/2013	31/03/2012
Present value of obligations as at beginning of the year	42.33	46.83
Interest Cost	3.39	3.75
Current Service Cost	6.80	5.52
Benefit Paid	(4.29)	(2.11)
Actuarial (gain)/loss on obligations	(2.81)	(11.66)
Present value of obligations as at end of the year	45.42	42.33

(c) Table showing changes in the fair value of plan assets as on	31/03/2013	31/03/2012
Fair value of plan assets at beginning of the year	58.25	55.42
Expected return on plan assets	5.23	4.94
Contribution	0.00	0.00
Benefit Paid	(4.29)	(2.11)
Actuarial gain/ (loss) on plan assets	NIL	NIL
Fair value of the plan assets at the end of the year	59.19	58.25



(d) Table showing fair value of plan assets as on	31/03/2013	31/03/2012
Fair value of plan assets at beginning of the year	58.25	55.42
Actual return on plan assets	5.23	4.94
Contribution	0.00	0.00
Benefit Paid	(4.29)	(2.11)
Fair value of the plan assets at the end of the year	59.19	58.25
Funded status	13.77	15.92
Excess of actual over estimated return on plan assets	NIL	NIL
(Actual Rate of return= estimated rate of return as ARD falls on 31/03/2013)		
(e) Actuarial Gain/Loss recognized as on	31/03/2013	31/03/2012
Actuarial (Gain)/Loss for the year-obligation	2.81	11.66
Actuarial (Gain)/Loss for the year-plan assets	NIL	NIL
Total (Gain)/Loss for the year	(2.81)	(11.66)
Actuarial (Gain)/Loss recognized for the year	(2.81)	(11.66)
(f) Expenses recognized in statement of profit and loss	31/03/2013	31/03/2012
Current Service Cost	6.80	5.52
Interest cost	3.39	3.74
Expected return on Plan Asset	(5.23)	(4.94)
Net Actuarial (Gain)/Loss recognized in the year	(2.81)	(11.66)
Expenses recognized in the statement of Profit & Loss	2.15	(7.33)
(g) Assumption		
Discount rate	8%	8%
Salary Escalation	7%	7%

3.11 The company has only one business segment to be reported namely Soya Seed Extraction, as per Accounting Standard -17.

3.12 DEFERRED TAX CALCULATIONS

Sr. No.	DEFERRED TAX LIABILITY/ (ASSETS)	Current Year	Previous Year
a.	Depreciation	68.77	21.68
b.	Bonus	(5.6)	NIL
c.	Deferred tax liability (net) for the year	63.17	21.68
d.	Opening bal. of deferred tax liability	381.19	359.51
e.	Closing bal. of deferred tax liability	444.36	381.19



3.13 The Company has entered into leasing agreement with Chetak Builders Pvt. Ltd. for the lease of Commercial Premises. The disclosure as per Para 25 of Accounting Standard - 19 "LEASES"

(Rs. in Lacs)

Sr. No.	Particulars	Current Year	Previous Year
a.	Not later than one year	8.94	8.13
b.	later than one year not later than five years	41.39	38.98
c.	Lease payment recognized in Profit & Loss a/c for the Period	8.13	8.57

3.14 EARNING PER SHARE

The Company's share capital consists of equity share. The basic and diluted earning per share is calculated as under:

Sr No.	Nature of Transaction	Current Year	Previous Year
1.	Number of Shares	50103520	50103520
2.	Profit contribution for Basic EPS (Rs in lacs)	105.19	396.58
3.	Extra Ordinary Items (Within the meaning of AS-5, Net Profit or loss for the period, Prior Period items and Changes in the Accounting Policies)	-	-
4.	Basic Earning Per Share	0.21	0.79
5.	Nominal Value Per Share	1	1

3.15 In accordance with the Accounting Standard (AS) 18 "Related Party Disclosures" issued by The Institute of Chartered Accountants of India (ICAI) and notified under the Companies Accounting Standards Rules, 2006 the names of the related parties and the relevant disclosure is as under:-

(a) Name of the related party and description of relationship:

i. Key Management Personnel:

Shri Shiv Singh Mehta, Managing Director

Smt. Purnima Mehta, Director

Shri. Saurabh Singh Mehta, Executive Director

ii. Relatives of Key Management Personnel

Smt. Devki Hirawat (Daughter of Managing Director)

Smt. Nidhi Mehta (Wife of Executive Director)

iii Companies/Entities under the control of Key Management Personnel

1) Sakam Trading Pvt. Ltd. (Holding Company)

2) Kriti Industries (I) Ltd. (Subsidiary of Sakam Trading Pvt. Ltd.)

3) Kriti Auto & Engg. Plastics Pvt. Ltd. (Wholly owned subsidiary of Kriti Industries (I) Ltd)

4) Chetak Builders Pvt. Ltd. (Subsidiary of Sakam Trading Pvt. Ltd.)



The following transaction were carried out with the related parties in the ordinary course of business

(Rs. In lacs)

Sr. No.	Nature of Transaction	Subsidiary	Key Management Personnel	Relatives of Key Management Personnel	Companies/entities under the control of Key Management Personnel
1.	Remuneration	NIL (NIL)	20.56 (23.44)	NIL (NIL)	NIL (NIL)
2.	Sales of export scheme incentive License	NIL (NIL)	NIL (NIL)	NIL (NIL)	368.98 (567.41)
3	Purchase of Consumable Items	NIL (NIL)	NIL (NIL)	NIL (NIL)	1.30 (0.15)
4	Unsecured Loan Given	NIL (NIL)	NIL (NIL)	NIL (NIL)	1196.99 (1911.84)
	Unsecured Loan Taken	NIL (NIL)	NIL (NIL)	NIL (NIL)	316.06 (4033.95)
5	Interest Given	NIL (NIL)	NIL (NIL)	NIL (NIL)	16.33 (30.16)
6	Interest Taken	NIL (NIL)	NIL (NIL)	NIL (NIL)	76.31 (NIL)
7	Rent	NIL (NIL)	NIL (NIL)	NIL (NIL)	8.13 (8.57)

*The figures mentioned in the brackets are previous year figures.

3.16 Additional information required under Para (viii) of Part II of Revised Schedule VI to the Companies Act, 1956, is follows:

(Rs. in Lacs)

	Particulars	31.03.2013	31.03.2012
a.	Value of Import on C.I.F. basis		
	i. Raw Material	Nil	Nil
	ii. Capital Goods	44.48	89.25
b.	Earning in Foreign Currency		
	i. Export of goods on F.O.B. basis	7606.7	15934.21
c.	Expenditure in foreign currency		
	i. Interest	Nil	Nil
	ii. Commission	0.46	4.45
	iii. Others	14.11	25.62

3.17 Auditor's Remuneration

(in Lacs)

Auditor's Remuneration:	31.03.2013	31.03.2012
a. Statutory Audit Fees (Including service tax)	0.84	0.84
b. Tax Audit Fees1 (Including service tax)	0.28	0.28
c. Taxation & Other matters including Legal & Professional Expenses.	-	-



3.18 Information related Raw Material and Finished Goods

(Rs. in Lacs)

PARTICULARS	CONSUMPTION
RAW MATERIAL	
SOYABEAN SEED	29234.78 (31750.02)
SOYA CRUDE OIL	11362.61 (4830.39)
OTHERS	1556.40 (1633.06)
TOTAL	42153.79 (38213.47)

(Rs. in Lacs)

PARTICULARS	SALES
MANUFACTURED PRODUCT	
SOYA MEAL	21417.99 (22123.56)
SOYA CRUDE OIL	886.72 (1702.07)
REFINED OIL	22149.79 (18448.28)
OTHERS	2176.29 (3417.34)
TOTAL	46630.79 (45691.25)

As per our Report of even date attached.

For R.S.Bansal & Company

Chartered Accountants

FRN:000939C

Vijay Bansal

(Partner)

M.No. 075344

Place: Indore

Date:- 4th May, 2013

For and on behalf of the Board of Directors

Shiv Singh Mehta

(Managing Director)

Purnima Mehta

(Director)

Sumit Jaitely

(Company Secretary)



Notes

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KRITI NUTRIENTS LTD.

Regd. Office: "MEHTA CHAMBERS", 34, SIYAGANJ, INDORE - 452 007

ECS MANDATE FORM

I hereby authorize you to make all payments in respect of my holding in your Company to my bankers for crediting to my account as detailed below:

1. Shareholder's name :
(In Block letters) (First holder)
2. Folio Number/ DP ID :
and Client ID No. (Joint holder, if any)
3. No. of Shares held :
4. Name of the Bank :
5. Branch Name and Address :
.....
6. Account type : SBA/c Current A/c Others
(Mark 'X' in the appropriate box) (Please specify)
7. Bank account number :
8. Ledger folio number of the account :
(as appearing on cheque Book)
9. Nine digit code number of the :
bank and branch appearing on the cheque:
10. PAN :
11. E-mail ID :

I/we hereby declare that the particulars given above are correct and complete. If credit is not effected for the reason(s) of incomplete or incorrect information. I/we would not hold the Company responsible.

Date

Signature of the first holder
(as appearing in the Company's records)

Certificate of the Investor's bank

Certificate that the particulars of the bank account furnished above are correct as per our records.

Bank stamp

Date

Signature of the authorized
official of the bank

Note: Please attach cancelled cheque issued by your bank relating to your above account for verifying the accuracy of the code number.



KRITI NUTRIENTS LIMITED

Regd. Office: "MEHTA CHAMBERS", 34, SIYAGANI, INDORE - 452 007

ADMISSION - SLIP

Folio No. :

Please bring your copy of the Annual Report to the Meeting

No. of Shares Held :

I hereby record my presence at the Annual General Meeting of the Company being held at Chetak Chambers, 4th Floor, 14, R.N.T. Marg, Indore - 452 001 (M.P.) on Saturday the 14th September, 2013 at 5:00 P.M.

Name of the Shareholder

Name of the Proxy Holder/Authorised Representative.....

Signature of the Shareholder/Proxy/Authorised Representative.....

Notes :

1. A member/proxy/authorised representative wishing to attend the Meeting must complete this Admission Slip before coming to the Meeting and hand it over at the entrance.
2. If you intend to appoint a proxy, please complete, stamp, sign and deposit the Proxy Form given below at the Company's Registered Office at least 48 hours before the Meeting.

KRITI NUTRIENTS LIMITED

Regd. Office: "MEHTA CHAMBERS", 34, SIYAGANI, INDORE - 452 007

PROXY - FORM

I/We _____ of _____ being a member/members of KRITI NUTRIENTS LIMITED hereby appoint Shri/ Smt. /Km. _____ of _____ or failing him/her Shri /Smt. /Km. _____ of _____ failing him/her Shri /Smt./Km. _____ of _____ as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Saturday the 14th September, 2013 at 5:00 P.M. and at any adjournment thereof.

Signed this day of2013

Folio No :

No. of Shares Held :

<i>Affix One</i>
<i>Rupee</i>
<i>Revenue</i>
<i>Stamp</i>

Signatures

Note :

The Proxy, in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the Meeting.



KRITI NUTRIENTS LIMITED

"Chetak Chambers", 4th Floor, 14, R.N.T. Marg, INDORE - 452 001 Madhya Pradesh.
Phone : +91 731 271 9100; 271 9191 Fax : +91 731 270 4506; 404 2118.
REGD. OFF. : "Mehta Chambers", 34, Siyaganj, INDORE - 452 007 Madhya Pradesh.
Phone : +91 731 254 0963. E-mail : info@kritiindia.com. Website : http://www.kritiindia.com

July 26, 2013

To,
The Secretary,
Department of Corporate Services
Bombay Stock Exchange Limited
Floor 25, Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai-400 001

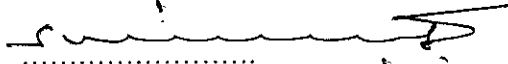
The Secretary,
Madhya Pradesh Stock Exchange Limited
201, Palika Plaza- II
MTH Compound,
Indore (M.P.) - 452 001

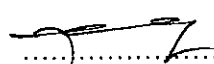
FORM A

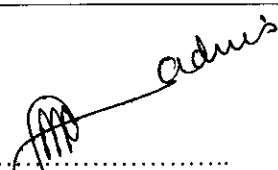
Format of covering letter of the annual audit report to be filed with stock exchange

1.	Name of the Company	KRITI NUTRIENTS LIMITED
2.	Annual financial statement for the year ended	31 st March, 2013
3.	Type of Audit observation	Un-qualified/ Matter of Emphasis
4.	Frequency of Observation	Whether appeared first time/repetitive/since how long period Not Applicable
5.	To be Signed by- <ul style="list-style-type: none">• CEO/Managing Director• CFO• Auditor of the company.• Audit Committee Chairman	

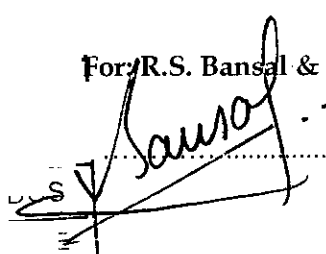
For: Kriti Nutrients Limited


Shiv Singh Mehta
Managing Director


Suresh Chandra
Chief Financial Officer


Manoj Fadnis
Chairman Audit Committee

For: R.S. Bansal & Company


R.S. Bansal