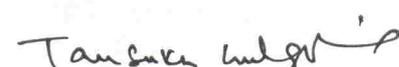


FORM A
**Annual Audit Report to be filed with the Stock Exchange along with Audited Annual
 Accounts pursuant to Clause 31(a) of the Listing Agreement**

1.	Name of the Company:	KRYPTON INDUSTRIES LIMITED
2.	Annual financial statements for the year ended	31st March, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A.
5.	<p>For JAGDISH AGARWAL & ASSOCIATES Chartered Accountants Firm Regn. No. 320253E</p>  <p>CA. P. AGARWAL Partner M. No. FCA 055436</p> <p align="right">  JAY SINGH BARDIA Chairman and Managing Director </p> <p align="right">  TANSUKH GULGULIA Director </p> <p align="right">  T. C. BACHHAWAT Audit Committee Chairman </p>	

**KRYPTON INDUSTRIES
LIMITED**

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AGM ON WEDNESDAY, 27TH AUGUST, 2014

Venue

KRYPTON INDUSTRIES LIMITED

CIN : L25199WB1990PLC048791

Falta Special Economic Zone, Sector - 1, Plot No. 31 & 32
P. S. Diamond Harbour, 24 Parganas (South), West Bengal - 743 504
Time : 11:30 A.M.

ALL SHAREHOLDERS ARE WELCOME

**24TH ANNUAL REPORT
BOARD OF DIRECTORS**

JAY S. BARDIA : MANAGING DIRECTOR
TANSUKH GULGULIA : DIRECTOR
T. C. BACHHAWAT : DIRECTOR
PRADEEP KUMAR SINGH : DIRECTOR

ADMINISTRATIVE

P. L. BARDIA : CHIEF EXECUTIVE
TARUN KUMAR DAS : COMPANY SECRETARY
BANKER : 1) BANK OF BARODA
International Business Branch
4, India Exchange Place
Kolkata - 700 001.
2) THE FEDERAL BANK LTD.
1, R. N. Mukherjee Road Branch
Kolkata - 700 001
AUDITORS : M/s. JAGDISH AGARWAL & ASSOCIATES
Chartered Accountants
446, City Centre,
19, Synagogue Street, Kolkata - 700 001.
DEMAT REGISTRAR : MAHESHWARI DATAMATICS (P) LTD.
& 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001
SHARE TRANSFER AGENT Phone : 033-22435809/5029, Fax : 033-22484787
HEAD OFFICE : 410, Vardaan Building
25A, Abanindra Nath Tagore Sarani
4th Floor, Kolkata - 700 016
Phone : 033-22871366, Fax : 033-22871084
Website : www.kryptongroup.com
E-mail : kyrpton@vsnl.com

- REGISTERED OFFICE : FALTA SPECIALECONOMIC ZONE
& Sector - 1, Plot No. 31 & 32
WORKS - I Falta, 24 Parganas (S)
Pin - 743 504, West Bengal
Phone : 91-3174-222227
- WORKS - II : P. O. & Village Banganagar,
Diamond Harbour Road
24-Parganas (S), West Bengal - 743 513
Phone : 91-3174-241005
- WORKS - III : FALTA SPECIALECONOMIC ZONE
Sector - 2, Plot No. 48, 24 Parganas (S)
Pin - 743 504, West Bengal
Phone : 91-3174-222262 / 67
- WORKS - IV : FALTA SPECIALECONOMIC ZONE
Sector - 2, 24 Parganas (S)
Pin - 743 504, West Bengal
Phone : 91-3174-222602
- WORKS - V : FALTA SPECIALECONOMIC ZONE
Sector - 2, Plot No. 49, 24 Parganas (S)
Pin - 743 504, West Bengal
Phone : 91-3174-222719
- WORKS - VI : Sarisa Falta Road, Sadhurhat
P.S. - Ramnagar, 24 Parganas (S)
West Bengal - 743 504

KRYPTON INDUSTRIES LIMITED

NOTICE

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the members of Krypton Industries Limited (CIN : L25199WB1990PLC048791) will be held at Falta Special Economic Zone, Sector 1, Plot No. 31 & 32, P S Diamond Harbour, 24 Parganas (s), Pin 743504 on Wednesday, the 27th day of August, 2014 at 11.30 A.M. to transact the following business:

ORDINARY BUSINESS :

1. To consider and adopt the Accounts of the Company for the financial year ended 31st March, 2014, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Tilok Chand Bachhawat (DIN: 00580356) who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and in this regard to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution** :

"RESOLVED THAT pursuant to the provisions of Section 139 (2) and 142(1) of the Companies Act, 2013, M/s Jagdish Agarwal & Associates (Firm registration No : 320253E), Chartered Accountants, the retiring Auditors, be and are hereby appointed as Statutory Auditors of the Company for a period of three (3) years subject to ratification by members at every Annual General Meeting commencing from the conclusion of this Annual General Meeting until the conclusion of the fourth consecutive Annual General Meeting on such remuneration as may be determined by the Board of Directors of the Company on a year to year basis."

SPECIAL BUSINESS :

4. To Appoint Mr. Pradeep Kumar Singh (DIN: 00386800) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT, pursuant to the provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, and the rules made there under and Clause 49 of the Listing Agreement, Mr. Pradeep Kumar Singh (DIN: 00386800) Independent Director, from whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 signifying his intentions for the Directorship of the Company, be and is hereby appointed as an Independent Director of the Company to hold office up to the conclusion of 29th Annual General Meeting in the calendar year 2019, not liable to retire by rotation."

Registered Office:

Falta Special Economic Zone
Sector-1, Plot-31&32, Falta,
24-Parganas (S), Pin-743504
West Bengal
CIN : L25199WB1990PLC048791

By Order of the Board
For **Krypton Industries Limited**

Tarun Kumar Das
Company Secretary

Date : 30.05.2014

NOTES:

1. A copy of this notice has been placed on the website of the Company www.kryptongroup.com.
2. The notice is being sent to all the members of the Company, whose names appear on the register of members / record of Depositors as on 18th July, 2014.
3. A Member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on poll on his behalf. A proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the registered office of the Company not less than 48 hours before the commencement of the Annual General Meeting i.e. by 11:30 A.M of 25/08/2014.
4. The Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013 (corresponding to Section 173(2) of the Companies Act, 1956), in respect of the Special Business and the details pursuant to Clause 49 of the Listing Agreement executed with Stock Exchanges, of Directors seeking for re-appointment at the Annual General Meeting is annexed hereto.
5. Members, who wish to obtain information on the Accounts of the Company for the financial year ended 31st March, 2014 may send their queries at least 10 days before the date of Annual General Meeting to the Company Secretary at the Registered Office of the Company.
6. Members / Proxies are requested to bring their attendance slips along with copy of the Annual Report and accounts to the Annual General Meeting.
7. Members holding shares in physical form are requested to advise immediately, change in their address, if any, quoting their folio number(s), to the company's Registrar & Share Transfer Agent.
8. Members holding shares in dematerialized form may please note that while opening a depository account they may have given their Bank Account details. If Members want to change/correct the Bank Account details, they should communicate immediately to the concerned Depository Participant. Members are also requested to furnish the MICR code of their Bank to the Depository Participant. **The company will not entertain any direct request from members for deletion/change in Bank Account details as furnished by the Depository Participants to the Company.**
9. Members holding shares in physical Form are requested to notify/send the following to the Company's Registrar and Share Transfer Agent to facilitate better servicing:
 - Any change in their address /mandate / bank details.
 - Particulars of their bank account, in case the same has not been furnished earlier and
 - Share Certificates, held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such share holdings into a single account.
10. Non-Resident Shareholders are requested to inform the company immediately:
 - An address, in India, for sending all communications from the company.
 - E-mail address, phone no(s) / fax no(s), if any.
 - The particulars of NRE Bank Account maintained in India with complete name and address of the Bank, if not furnished earlier.
 - Change in residential status on return to India for permanent settlement.

KRYPTON INDUSTRIES LIMITED

11. Members who hold shares in physical form in single name are advised, in their own interest to avail of the nomination facility by filling Form 2B (in duplicate) as prescribed under the Companies (Central Government's) General Rules & Forms, 1956, with the Company or Registrar & Share Transfer Agent. The Company's Registrars & Share Transfer Agent on request will supply blank forms. Members holding shares in the dematerialised form may contact their Depository Participant for recording nomination in respect of their shares.
12. The Register of Members and Share Transfer books will remain closed from 20/08/2014 to 27/08/2014 (both day inclusive).
13. In accordance with Clause 35B of the Listing Agreement and Section 108 of the Companies Act, 2013 & Rule 20 of the Rules of Companies (Management & Administration) Rules 2014, the Company is pleased to provide an e-voting facility to the shareholders and the necessary arrangements have been made by the company with the Central Depository Services Limited to facilitate the e-voting system.

I. The instructions for members for voting electronically are as under :-

A. In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com.
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below :

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of O's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. - Sequence number is communicated in the Attendance Slip/ Covering Letter.

DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

KRYPTON INDUSTRIES LIMITED

- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

B. In case of members receiving the physical copy:

- (i) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (ii) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (iii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

General Instruction :

- (II) The Board of Directors, have, at their meeting held on 18th June, 2014, appointed Mr. H.R.Agarwal, Chartered Accountant (in Practice) as the scrutinizer for conducting the evoting process in a fair and transparent manner. The scrutinizer's address is 219-C, Old China Bazar Street, 1st Floor, Room no. B-6, Kolkata - 700001.
 - (III) The e-voting period commences on 20th August, 2014 (10.00 A.M.) and ends on 22nd August, 2014 (6.00 P.M.). During this period, the shareholders of the Company, holding shares either in physical or dematerialized form, as on the cut-off date of 18th July, 2014 may cast their vote electronically. Once, the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - (IV) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the company as on the cut-off date of 18th July, 2014.
 - (V) The Scrutinizer shall within a period of not exceeding three (3) days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - (VI) The results shall be declared at the AGM of the Company. The results declared alongwith the Scrutinizer's Report shall be placed on the website of the Company and the websites of the Agency within two days of passing of the resolutions at the relevant Annual General Meeting and communicated to the NSE and BSE Limited.
14. Members who hold the shares in dematerialized form are requested to bring their client ID and DP ID Nos. for easier identification of attendance at the meeting

Registered Office:

Falta Special Economic Zone
Sector-1, Plot-31&32, Falta,
24-Parganas (S), Pin-743504
West Bengal
CIN : L25199WB1990PLC048791

Date : 30.05.2014

By Order of the Board
For **Krypton Industries Limited**

Tarun Kumar Das
Company Secretary

Annexure to the Notice

Extract of Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

ITEM NO. 4

Mr. Pradeep Kumar Singh is a Non-Executive (Independent) Director (DIN: 00386800) of the Company. He joined the Board of Directors in December, 2010. As per Section 149, 152 and any other applicable provisions of the Companies Act, 2013, and as per Clause 49 of Listing Agreement (Revised), Mr. Pradeep Kumar Singh is to be re-appointed as an Independent Director for a term of five years.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from Mr. Pradeep Kumar Singh along with a deposit of Rs. 100,000/- proposing the candidature of him for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Pradeep Kumar Singh (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and (ii) intimation in Form DIR-8 in terms of Companies(Appointment & Qualification of Directors) Rules 2014 to the effect that he is not disqualified under sub-Section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub- Section (6) of Section 149 of the Companies Act, 2013 .

The resolution seeks the approval of members for the appointment of Mr. Pradeep Kumar Singh as an Independent Director, of the Company up to the conclusion of sixth Annual General Meeting pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Pradeep Kumar Singh, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made there under and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Pradeep Kumar Singh as an Independent Director setting out the terms and conditions is available for inspection without any fees by the members at the Company's registered office during normal business hours on working days up to the date of the AGM.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Pradeep Kumar Singh as an Independent Director.

No director, key managerial personnel or their relatives, except Mr. Pradeep Kumar Singh, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No.4 for the approval of the members.

Mr. Pradeep Kumar Singh is interested in the resolutions set out respectively in item No 4 of the Notice with regard to his appointment.

The relatives of Mr. Pradeep Kumar Singh may be deemed to be interested in the resolution set out in item no 4 of the Notice to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out in item No 4.

KRYPTON INDUSTRIES LIMITED

INFORMATION OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

Name of Director	Date of Birth	Qualification	Experience	Directorship held in other Indian Companies	Membership/ Chairmanship of Committees in other Companies	No. of shares held in the Company
Mr. T. C. Bachhawat	07.12.1953	CA	20 years	1. Sherawali Trade-Link Pvt. Ltd. 2. Fiddle Deal Trade Pvt. Ltd. 3. Pune Plasto Engineers Pvt. Ltd.	NIL	160849
Mr. Pradeep Kumar Singh	15.01.1962	M.A.	25 years	1. Swastik Project Ltd. 2. Indus Earth Movers & Infrastructures Pvt. Ltd. 3. Captivate Developers & Services Pvt. Ltd. 4. Tarachand Estates Pvt. Ltd. 5. Narayani Complex Private Limited 6. Alishan Realtor Pvt. Ltd. 7. Nishchinta Realtor Pvt. Ltd. 8. Deeprekha Tracom Pvt. Ltd. 9. Amar Appartments Pvt. Ltd.	NIL	NIL

Registered Office: Falta Special Economic Zone
Sector-1, Plot-31&32, Falta
24-Parganas (S), Pin-743504
West Bengal
CIN : L25199WB1990PLC048791

By Order of the Board
For **Krypton Industries Limited**

Tarun Kumar Das
Company Secretary

Date: 30.05.2014

DIRECTORS' REPORT

Dear shareholders,

Your Directors present the 24th Annual Report together with the audited accounts of your company for the year ended 31st March 2014.

1. FINANCIAL RESULTS

During the year under review, the company achieved an aggregate income of Rs.4281.88 lakhs. The highlights of the financial results are as under:

	Amount in (Rupees in '000)	
	Current Year 2013-2014	Previous Year 2012-2013
Sales	425662.71	424931.01
Other Income	2525.27	5878.78
Gross Total Income	428187.98	430809.79
Profit before Interest, Depreciation & Tax	42951.38	37389.89
Interest	15559.09	16583.69
Depreciation	13848.61	12816.45
Profit before Exceptional Items & Extraordinary items and Tax	13543.68	7989.75
Exceptional Items	-	-
Profit before Tax and after Exceptional Items	13543.68	7989.75
Provision for Taxation	4518.86	3999.33
Profit after Tax	9024.82	3990.42
Balance in P&L A/c brought Forward	97449.81	48913.43
Balance Available for Appropriation	106474.63	97449.81
Proposed Dividend	0.00	0.00
Tax on Proposed Dividend	0.00	0.00
Transfer to General Reserve	0.00	0.00
Balance carried to Balance Sheet	106474.63	97449.81

2. OVERVIEW AND REVIEW OF OPERATION

A review on division wise performance of the company is furnished below:-

Tyre Division

The total income of the tyre division for the year 2013-14 amounted to Rs.2206.51 lakhs compared to Rs.2255.64 lakhs in the previous year. The profit before tax amounted to Rs.71.14 lakhs as compared to profit of Rs.82.83 lakhs previous year.

KRYPTON INDUSTRIES LIMITED

Company is in process to increase the productivity and cost reduction of every product in general. With reorganizing of different merged units, overall performance will improve and overall all operational cost will decrease.

Footwear division

The total income of the footwear division for the year 2013-14 amounted to Rs. 1556.99 lakhs compared to Rs.1781.51 lakhs in the previous year. The unit reported a loss before tax of Rs. (47.87) lakhs during the year compared to loss of Rs. (59.85) lakhs in the previous year.

The continuous increases in raw materials and slower market conditions have impacted the growth and profitability of this business.

The company has take a comprehensive review of the situation and taking steps to change the product and customer mix for a stable business and specifically adding overseas customers to its business and we have tied up with VKC group which will also help us to boost our profitability in significant manner in the coming years.

Company has retained all its customers and has good continuous orders in hand.

Wheel division

The total income of this unit for the year 2013-14 amounted to Rs.575.87 lakhs compared to Rs.1740.75 lakhs in the previous year. As in the financial year 2013-14. The unit has done the job work for other group units due to which its total income has reduced but profitability has not impacted too much.

The unit reported the profit before tax for the year 2013-14 amounted to Rs.106.46 lakhs compared to Rs. 135.50 lakhs in the previous year.

The unit is in process to further improve its performance due to new efficiency increasing steps being taken and we will see results by mid of 2014-15.

Engineering division

The total income of this unit for the year 2013-14 amounted to Rs.497.71 lakhs compared to Rs.424.86 lakhs in the previous year.

The unit posted the profit before tax for the year 2013-14 amounted to Rs.8.15 lakhs compared to Rs. (74.16) lakhs.

The Indian Rehab Care Equipment Market has stated accepting the Brand "**iCare**" which was very encouraging for our company and we are working on our Brand to grow it further in coming years.

Company has always taken a long term view of this business and this year the company is expecting a much better performance due to weaker rupee and stronger Chinese Yuan, as we have to compete with Chinese products in India as well as across the world. This currency situation will help us to increase our sales quickly.

Plastic division

The total income of this unit for the year 2013-14 amounted to Rs.94.79 lakhs compared to Rs.158.31 lakhs. The unit reported the loss for the year 2013-14 amounted to (Rs.2.53) lakhs compared to Rs. (9.23) lakhs.

Sadhurhat division

The company has started the commercial production of its new unit from 01.12.2013. The new unit is engaged in manufacturing MCP Tubeless Tires for domestic market. The total income of this unit w.e.f 01.12.2013 for the year 2013-14 amounted to Rs.175.16 lakhs and the unit reported the loss for the year 2013-14 amounted to (Rs.3.97) lakhs.

Due to preliminary & pre operative expenditure written off in its first financial year this unit has made loss and from financial year 2014-15 onwards this unit will start making profits.

3. DIVIDEND

In order to strengthen the financial position of the company the Board of Directors have decided not to recommend any dividend for the Financial Year ended 31st March, 2014 and plough back the profits of the company in its business.

4. SUBSIDIARY COMPANIES

At present, the company does not have any subsidiary company.

5. CAPITAL EXPENDITURE

Your company has further invested in year 2013-14 Rs.173.19 Lakhs with a total cumulative investment of Rs. 592.89 Lakhs in expansion programs of its new unit situated at Sadhurhat for the PU Tubeless Tire and has been successfully implemented its commercial production from 1st December, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required Listing agreement with Stock Exchange:-

A. Industry Structure & Developments:-

Krypton Industries Limited (KIL) has a flat top line but better bottom line, which was focus of the company during last year due to difficult market conditions, high input cost and manufacturing expenses.

Major focus was been given to market expansion in Indian market with better penetration in the market which company has achieved for its tire and hospital / disable support equipment business. Both the business is doing better than previous year and poised to give a better results this year also.

The footwear business had a negative growth and company has restructured the business further to get better results in the current and future year. The business model has needed a fresh view and implementation of the fresh view needed new customer base and cost structure, which your company was able to implement during last year and those effects will be visible in future.

B. Outlook and opportunities

Your Company has identified the following opportunities and future building business areas :

Our Company's major focus is on the tire and wheels business. Our company's better profitability

as compared to previous year regardless of flat sales have shown that we are on the right track. Primarily, the PU tire for Bicycle, rehab care and industrial application tire business will be our main focus this year and years to come for the domestic as well as international market.

With hospital / disabled support equipment business has now establishes and recognized as a serious good quality supplier, the future looks very promising. With some new quality certification of the products, needed for government orders, this product line will be better positioned to do business with government. With new government in place, Medical support to every person seems a focus area for the new government, there will be more opportunities for this business.

With new structuring of the footwear division, the cost control and redefining on the business process will give incremental benefit in future.

C. Outlook on threats, risk and concern

1. Business Risks:

Company is working in different markets in India as well overseas which exposes it to Foreign exchange fluctuation, each countries regulations, cost of manufacturing is also an area of concern during last few years.

Your company has taken up program to reduce financial cost with implementing tighter control over cash flows and utilization of funds. Overall exposure and debtors certainly have a business risk which is normal.

Reduction of manufacturing cost with upgrading the production machinery, processes and training of personnel is priority area for us.

Material cost fluctuations are although difficult to control. Development of new products and materials for production for reducing cost and improving quality has been taken up to control this risk and improve overall performance.

2. Financial Risks:

Large part of cost is affected by import cost and any major fluctuation in US\$ can affect the performance of the company. Although foreign exchange risks somewhat balanced by exports and company regularly cover such risk.

The interest cost is still on the higher side although reduced in the previous year. Company is putting systems to improve this situation.

3. Legal & Statutory Risks

Company is complying regularly with all the regulatory requirements with respect to manufacturing, taxations, statutory requirements, company law, SEBI etc, with new laws coming in, this exercise will need more inputs which company is working towards.

4. Political Risks

Any major change in local, national or international can effect the business but as, at the

moment, company does not have any business with government entities, the risk is minimal. Although company is trying to secure government business at the moment, this can impact positive as well as negatively in a small percentage of growth of the company.

D. Internal Control System and their adequacy:

Your Company believes that Internal Control is a necessary concomitant of the principle of governance that freedom of management should be exercised within a framework of appropriate checks and balances. Your Company remains committed to ensuring an effective internal control environment that provides assurance on the efficiency of operations and security of assets.

The company has an Audit Committee, the details of which have been provided in the Corporate Governance Report. The Audit Committee reviews internal reports and provides suggestions for improvement /takes corrective actions. The committee also meets the Company's Statutory Auditors to ascertain, interalia, their views on the Adequacy of Internal Control Systems in the company and keeps Board of Directors informed from time to time.

E. Financial Performance

Over all financial Performance of the company is satisfactory but needs lot of improvements and which your company will surely do this year and in the years to come.

F. Human Resource Developments:

During the fiscal 2013-2014 company has more than 250 Persons on its payroll. Apart from this company has generated indirect employment to more than 500 persons in nearby locations. Company is working on to restructure the total organization to help its growth with further recruitment in the top and middle management level at different positions.

G. Cautionary Note:

Certain statements made in the "Management Discussion & Analysis Report " which seek to describe the company's objectives, projections, estimates, expectation or predictions etc may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual result may differ from such expectations, projections, etc., whether express or implied. Several factors could make significant difference to the Company's operations. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities, etc. which the company doesn't have any direct control.

6. FIXED DEPOSITS

The Company has neither invited nor accepted any fixed deposits from the public within the meaning of section 58A of the Companies Act, 1956 during the year under review.

7. LISTING AT STOCK EXCHANGES

The equity shares of the company are listed on the stock exchanges at Bombay, Calcutta, Delhi and Jaipur. The annual Listing fees for the year 2013-2014 has been paid to all these stock exchanges

KRYPTON INDUSTRIES LIMITED

8. CORPORATE GOVERNANCE

A separate section on corporate governance together with a certificate from the Auditors of the company regarding full compliance with the provisions of Clause 49 of the Listing Agreement with the stock exchanges forms a part of the Annual Report.

9. DIRECTORS

In accordance with the provision of the Companies Act, 1956 Mr. T C Bachhawat (DIN : 00580356) retires by rotation as director at the forthcoming Annual General Meeting and is eligible for reappointment.

10. FINANCE/RIGHTS ISSUE

Your company has issued equity shares of Rs.10/- each on right basis at a price of Rs. 15/- in the ratio 17:10 in April 2011 aggregating to 1,01,99,329 shares against a total amount received of Rs.1529.90 lakhs and the company has refunded Rs. 433.30 lakhs to the shareholders. The company has utilized the balance of Rs.1096.60 lakhs against which 7310680 shares have been allotted fully paid up on 7th May 2011. On 31.03.2014 the amount utilized in the following manner:-

Sl. No.	Particulars	Amount in'Lakhs (Rs.)
a.	Expenses Incurred / Deployed to Footwear Division	441.07
b.	Expenses Incurred / Deployed to Tire Division	617.55
c.	Right Issue Expenses	37.98
d.	Fixed Deposit with scheduled banks	NIL
e.	Deposit with BSE(Refundable)	NIL
f.	Balance lying in the current accounts with Scheduled Bank	NIL
		1096.60

11. DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, your Directors confirm having:

- Followed in the preparation of the Annual Accounts, the applicable Accounting Standards with proper explanation relating to material departures if any;
- Selected such accounting policies and applied them consistently and made judgments and estimates that are responsible and prudent so as to give true and fair view of the state of affairs of your company at the end of the financial year and of the profit of your company for that period.
- 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 your company and for preventing and detecting fraud and other irregularities.; and
- Prepared the annual accounts on a going concern basis.

12. PARTICULARS OF EMPLOYEES

During the year under review there was no employee in the employment of the company falling within the purview of section 217(2A) of the Companies Act, 1956 read with Rules made there under.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGES EARNINGS AND OUT GO:

The information as required Under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 are appended as Annexure to the Report hereinafter.

14. AUDITOR'S REPORT

The Auditors Report is self-explanatory and doesn't warrant any comment.

15. ISO 9001-2008 & IS 7454

Your company operates in ISO 9000 quality assurance system as per the ISO 9001-2008 standards. The Audit was duly carried out during the year 2013-14. The new standards are mainly customer oriented and they will help our Company to get much better controls to improve with best customer satisfaction standards.

The company has been granted the license by Bureau of Indian Standards (BIS) to use Standard Mark i.e. IS 7454 in respect of Rehabilitation equipment- Wheelchairs Folding and Adult size according to which we will manufacture highest quality of wheelchairs as per the specification.

16. AUDITORS

M/s. Jagdish Agarwal & Associates (Registration No.320253E) retire as Auditors of the Company at the conclusion of the forthcoming Annual General Meeting and have confirmed their eligibility and willingness to accept the office of the Auditors, if re-appointed.

17. APPRECIATION

Your Directors take this opportunity to record their appreciation for the continued and sustained support and co-operation extended to the Company by the Government of India, State Governments, Financial Institutions and Banks, Dealers and Customers, Suppliers, Transporters, Employees, Shareholders and all other Stakeholders.

Registered Office : Falta Special Economic Zone
Sector-1, Plot-31&32, Falta
24-Parganas (S), Pin-743504
West Bengal
CIN : L25199WB1990PLC048791

By Order of the Board
For **Krypton Industries Limited**

Jay Singh Bardia
Chairman

Date: 30.05.2014

KRYPTON INDUSTRIES LIMITED

ANNEXURE TO THE DIRECTORS REPORT

Statement showing particulars pursuant to the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988.

A) CONSERVATION OF ENERGY

(a) POWER AND FUEL CONSUMPTION	Current year 2013-2014	Previous Year 2012-2013
(1) Electricity		
a) Purchased (from State Grid)		
Units (in KWH)	1509059	1490897
Total amount (Rs. in Lakhs)	140.85	127.71
Rate / Units (Rs/ KWH)	9.33	8.56
b) Own Generator		
Through diesel Generator		
Units (KWH)	27160	24853
Units per litre of Diesel Oil (KWH /Litres)		
Cost / Unit (Rs. / KWH)	11.15	7.46
(2) Coal, furnace Oil, other	-	-
(b) CONSUMPTION PER UNIT OF PRODUCTION		
(1) MCP TYRES & PLASTIC RIM WITH TYRES		
Production (Pcs in Lakhs)	20.89	19.24
Electricity per pc (unit)	0.41	0.40
(2) FOOTWEAR		
Production (Pairs in Lakhs)	13.30	15.16
Electricity per pair (unit)	0.34	0.37
(3) HOSPITAL EQUIPMENTS & COMPONENTS		
Production (Pcs in Lakhs)	0.62	0.48
Electricity per pc (unit)	3.16	3.31

(B) TECHNOLOGY ABSORPTION

1. Specific areas in which where R & D carried out by the Company

Our company is working on developing high performance MCP tubeless tires for bicycles so that we can compete with Rubber Tires manufacturer pan India basis. Also we are doing R&D on high performance of PU tires which is a completely a new area for us with huge potential.

Our company with its new merged units are working to expand its product base in Rehab Care/ Hospital Furniture Division by adding new products.

Our company is working to enhance our footwear unit production with same infrastructure by effective handling of man power and de bottlenecking in production.

2. Benefit derived as a result of the above R&D

Our in-house designs are specifically designed as per Indian specification and we have been granted IS 7454 by Bureau of Indian Standards (BIS) which is highest quality standard for wheelchair product, which shows our dedication for quality and it will a big boost for the Company in the coming

years. The "i Care" product range has been accepted in Indian market and we are getting with very good response. Your company plan to distribute the whole product range in India and also for global market.

The High performance Tires & castor wheels project is under beginning stage till we are seeing immense potential in Indian market and worldwide. Also we see a huge potential in Indian Bicycle market in coming years.

Footwear productivity will increase in coming years with our de bottlenecking initiative.

3. Future Plan of Action

Company will further increase its product range by manufacturing new product lines for disable persons and patient support equipments and Hospital furniture.

Your company is doing more products development for India market. First phase of trials, data collections and research on these data has given lot of inputs for modifying / developing new products for Indian market mainly, targeting bicycles, electric bikes and push carts. Your company has put up its PU tire development team on these products for future growth in the India market.

FOREIGN EXCHANGE EARNING AND OUTGO	<u>2013-2014</u> (Rs. in '000)	<u>2012-2013</u> (Rs. in '000)
1. (A) Foreign Exchange Earning	138559.02	115095.39
2. (B) Foreign Exchange Outgo		
(i) CIF VALUE OF IMPORTS		
• Raw materials, Component & trading Goods	106914.14	112472.90
• Stores and Spare parts & Component	2869.09	1636.69
• Capital Goods	7042.10	1073.47
(ii) Others	510.07	741.30

Registered Office : Falta Special Economic Zone
Sector-1, Plot-31&32, Falta
24-Parganas (S), Pin-743504
West Bengal
CIN : L25199WB1990PLC048791

By Order of the Board
For **Krypton Industries Limited**

Jay Singh Bardia
Chairman

Date: 30.05.2014

REPORT ON CORPORATE GOVERNANCE

(Pursuant to clause 49 The Listing Agreement)

1. Company's Philosophy on Corporate Governance

The basic philosophy of corporate governance in the Company is to maximize long-term shareholder's value, keeping in view the needs and interests of all its stakeholders and to achieve business excellence. The Company is committed to transparency in all its dealings and places high emphasis on business ethics.

The key elements of good corporate governance include honesty, trust and integrity, openness, performance orientation, responsibility and accountability, mutual respect, and a commitment to the organization. The Corporate Governance framework of the Company ensures that timely and accurate disclosure is being made on all material matters regarding the Company, including the financial situation, performance, ownership and governance of the Company. The Board believes good Corporate Governance is voluntary and self-disciplinary. The Board supports principles of good governance and lays appropriate emphasis on regulatory compliance, integrity and accountability.

2. Board of Directors:

a) Composition and category of Directors

The Board of Directors of the Company as on 31st March, 2014 comprised of total 4 Directors, consisting of One Executive Director and 3 Non Executive Independent Directors. Mr. Jay Singh Bardia, Managing Director is the only Executive Director. During the year under review the Board met 13 times on 11.04.13, 29.05.13, 28.06.13, 26.07.13, 13.08.13, 27.09.13, 19.10.13, 28.10.13, 12.11.13, 27.12.13, 29.01.14, 12.02.14 and 21.03.14. The constitution of the Board during the year ended 31st March 2014 and their attendance at the Board Meetings, last Annual General Meeting and the Directorship/ Chairmanship/ Membership of Committee of each Director in other companies are as under:

Sl. No.	Name of Director	Attendance		Category of Directors	Relationship with other	No. of Directorship In other Public Limited Companies		No. of Committee Membership/Chairmanship in other Public Limited Companies	
		Board	Last AGM			Listed	Others	Chairman	Members
1.	Mr. Jay S. Bardia	13	Yes	Executive, Chairman-cum Managing Director	None	NIL	1	NIL	NIL
2.	Mr. Tilok Chand Bachhawat	05	Yes	Independent Non-Executive	None	NIL	NIL	NIL	NIL
3.	Mr. Tansukh Gulgulia	07	No	Independent Non -Executive	None	NIL	1	NIL	NIL
4.	Mr. Pradeep Kumar Singh	13	Yes	Independent, Non-executive	None	NIL	1	NIL	NIL

None of the director is a member in more than 10 committees or acts as a Chairman of more than 5 Committees across all companies in which he is a director.

Necessary information as mentioned in Annexure 1A to Clause 49 of the Listing Agreement has been placed before the Board for consideration.

b) Board Procedure:

Scheduling and selection of Agenda Items for Board Meetings:

- i) The Company holds minimum of four Board Meetings in each year, which are pre-scheduled after the end of each quarter. Apart from the four pre-scheduled Board Meetings, additional Board Meetings are convened by giving appropriate notice at any time to address the specific needs of the Company.
- ii) All departments in the Company are encouraged to plan their functions well in advance, particularly with regard to matters requiring discussion / approval in the Board Committee Meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the Agenda for the Board Meetings.
- iii) The Board is given presentations covering Finance, the major business segments and operations of the Company, before taking on record the results of the Company for the preceding financial quarter at each of the pre-scheduled Board Meeting.

The Chairman of the Board and the Company Secretary in consultation with the other concerned persons in senior management finalise the agenda papers for the Board Meeting. Directors have access to the Company Secretary's support and all information of the Company and are free to suggest inclusion of any matter in the Agenda.

Board Material Distributed in Advance

Agenda Papers are circulated to the Directors, in advance. All material information is incorporated in the Agenda Papers for facilitating meaningful and focused discussions at the Meeting. Where it is not practicable to attach any documents to the Agenda, the same are placed on the table at the Meeting.

Recording Minutes of Proceedings at Board/Committee Meetings

The Company Secretary records the minutes of the proceedings of each Board Meeting. Draft Minutes are circulated to all the members of the Board for their comments. The minutes of proceedings of a Meeting are entered in the Minutes Book within 30 days from the conclusion of the Meeting.

Compliance

The Company Secretary while preparing the agenda, notes on agenda, minutes etc. of the Meeting(s), is responsible for and is required to ensure adherence to all the applicable provisions of law including the Companies Act, 1956.

c) Reappointment of Director liable to retire by rotation:

According to the provisions of the Companies Act, 1956 at every Annual General Meeting of the Company one- third of directors are liable to retire by rotation. Thus, Mr. Tilok Chand Bachhawat (DIN: 00580356) shall retire at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

KRYPTON INDUSTRIES LIMITED

d) Directors with materially significant related party transaction, pecuniary or business relationship with the company:

Except for drawing remuneration and sitting fees, none of the directors have any other materially significant related party transaction, pecuniary or business relationship with the company.

3. Audit Committee:

The terms of reference, role and scope are in line with those prescribed by Clause 49 of the Listing Agreement with the Stock Exchange(s). The Company also complies with provisions of section 292A of the Companies Act, 1956 pertaining to Audit Committee and its functioning.

- a) The Audit Committee consists of Mr. Jay Singh Bardia, Managing Director and other two Independent non-executive directors viz., Mr.T.C.Bachhawat, F.C.A. and Mr. Tansukh Gulgulia, LL.B.

Mr. T. C. Bachhawat, an Independent Director, has been designated as the Chairman of the Committee, who is having good knowledge in finance and accountings. The Committee is mandated to meet at least four times in a year. Mr. Tarun Kumar Das acted as Secretary to the Committee.

- b) Brief description of the terms of reference to the Audit Committee: -

- I. Overview of Company's Financial Reporting process & the disclosure of its Financial Information to ensure that the Financial Statement reflects true and fair position and that sufficient and credible information is disclosed.
- II. Recommending to the board the appointment, re-appointment and if required, the replacement or removal of Statutory Auditor and fixation of Audit fees and approval of payment for any other services rendered by them.
- III. Reviewing with the management, the performance of the external & internal auditors, and adequacy of Internal Control System.
- IV. Reviewing the adequacy of internal audit functions.
- V. Reviewing with the management, the unaudited Quarterly/Half yearly and annual financial statements before submissions to the Board for approval, focusing on: -
 - Any changes in accounting policies and practices and reason.
 - Major Accounting entries involving estimates based on the exercise of judgment by the management.
 - Qualifications in draft Audit Report.
 - Significant adjustments arising out of audit.
 - The Going Concern assumption.
 - Compliance with Accounting Standards.
 - Compliance with Stock Exchange and Legal Requirements concerning financial statements.
- VI. Reviewing the company's financial and risk management policies.

Composition of Audit Committee: -

SL. No.	Name of Member	Category	No. of meetings attended
1	Mr. T.C Bachhawat	Chairman	4
2	Mr. Jay Singh Bardia	Member	4
3	Mr. T. S. Gulgulia	Member	4

Four Committee meetings were held during the year viz., on 29.05.13, 13.08.13, 12.11.13 and 12.02.14.

4. Remuneration Committee :

The Remuneration Committee of the Board of Directors of the Company was set up by the Board in May 2004. The Committee has been constituted to recommend / review remuneration of the Managing Director, based on his performance and defined assessment criteria. The Committee consists of three independent Directors viz. Mr. Tansukh Gulgulia, Mr. Pradeep Kumar Singh and Mr.T.C.Bachhawat. Mr. Pradeep Kumar Singh has been designated as the Chairman of the Committee. All directors were present in the meeting. The Managing Director, Mr. Jay Singh Bardia, receives remuneration, which is based on the recommendation of the board and within the ceilings fixed by the shareholders.

- a) Remuneration Policy :** The Company decides the remuneration package of Senior Management members by emphasizing the current employment scenario of Remuneration package of the industry.

The company pays remuneration by way of salary, perquisites & allowances, incentives & commission (variable components) to its Managing Directors & Non-Executive Directors etc. Annual Increments if any are decided by the Remuneration Committee within the salary schedule as approved by the members and are effecting from 1st April 2007 annually.

It was unanimously decided by the Directors in the committee meeting held on 01.02.2013 not to take commission during the year.

b) Remuneration to Executive Director:

Remuneration of the Managing Director for the year-ended 31.03.2014, which was approved by shareholders, is as follows:

Salary	Rs. 30,00,000
Commission	NIL
	Rs. 30,00,000

c) Remuneration to Non -Executive Director:

Remuneration of non-executive Directors for the year ended March 31, 2014 is as follows:-

Name of the Directors	Sitting Fees (Rs.)	Others (Rs.)	Total (Rs.)
Mr. Pradeep Kumar Singh	6,500	NIL	6,500
Mr. T. C. Bachhawat	2,500	NIL	2,500
Mr. Tansukh Gulgulia	3,500	NIL	3,500

d) Details of the Shares of the Company held by directors as on March 31, 2014 are as follows :

Name of the Directors	No. of Shares held
Mr. Pradeep Kumar Singh	NIL
Mr. T.C. Bachhawat	1,60,849
Mr. Tansukh Gulgulia	38,000
Mr. Jay Singh Bardia	15,38,550

KRYPTON INDUSTRIES LIMITED

5. Shareholders /Investors Grievance Committee:

The Shareholders/Investors Grievance Committee reviews & redresses the investor / queries / grievances/complaints on the matter relating to the transfer of shares, non receipt of Annual Reports, Non receipt of dividend declared etc. The committee also looks into the matters relating to approval, transfers, transmission, consolidation and splitting of such certificates. The company adopts a policy of disposing of investor's complaint within a span of 15 days.

- I. The Share Transfer Committee was re-constituted as Shareholders/Investors Grievance Committee on 08.12.2011 in compliance with the Clause 49 of the Listing Agreement with the Stock Exchange. The Shareholders/ Investors/ Grievance Committee met on 24 different occasions during the year under consideration. The meetings are held on 10th and 25th of every calendar month and if there is a public holiday on that day then meeting holds on the immediately next working date.
- II. The Composition of and meetings attended by the members are as under:

Name of the Directors	No. of Meeting attended
Mr.Tansukh Gulgulia Chairman of the Committee	24
Mr Pradeep Kumar Singh	24

Mr. Tarun Kumar Das was Company Secretary of the Company who acted as a Compliance Officer of the committee.

III. Investors Grievance Redressal :

No. of Complaints pending at the beginning of the financial year 2013-2014	:-	NIL
No. of Complaints received during the financial year 2013-2014	:-	NIL
No. of Complaints redressed during the financial year 2013-2014	:-	NIL
No. of Complaints pending at the end of the financial year 2013-2014	:-	NIL

- Name, designation and address of Compliance Officer :
Mr. Tarun Kumar Das
Company Secretary
Krypton Industries Ltd.
410, Vardaan Building
25A, Camac Street
Kolkata-700 016
Tel : 033-2287-1366/1367
Fax : 033 2287 1084
E-mail : krypton @vsnl.com

The request for transfer/ dematerialisation of shares was carried out within the stipulated time period as per regulation of SEBI.

6. General Body Meeting

A. General Meetings :

Details of Place and Time of last three Annual General Meeting were given below:

YEAR	DATE	VENUE	TIME
2010-2011	28.09.2011	FALTA SPECIAL ECONOMIC ZONE Sector-1, Plot No. 31 & 32 Falta, 24-Parganas (S) Pin - 743 504,West Bengal	11.30 AM
2011-2012	28.09.2012	FALTA SPECIAL ECONOMIC ZONE Sector-1, Plot No. 31 & 32 Falta, 24-Parganas (S) Pin - 743 504,West Bengal	11.30 AM
2012-2013	30.08.2013	FALTA SPECIAL ECONOMIC ZONE Sector-1, Plot No. 31 & 32 Falta, 24-Parganas (S) Pin - 743 504,West Bengal	11.30 AM

B. Postal Ballot :

No Postal Ballot was conducted during the year.

7. Disclosures

A) Related party transactions:

The Related Party transactions in ordinary course of business have been disclosed in the Note 38 of the financial accounts. Company has not entered into any transaction of material nature with the promoters, directors, management, subsidiaries or relatives, etc that may have potential conflict with the interests of the company at large.

B) Compliances by the Company:

During the last 3 years no penalties or strictures have being imposed on the company by the Stock Exchanges, SEBI or any other statutory authority on any matter related to Capital Markets.

C) Share Capital Reconciliation Audit:

CA. Hari Ram Agarwal, partner of M/s H. R. Agarwal & Associates, a Practicing Chartered Accountant, carried out a Share Capital Reconciliation Audit in accordance with SEBI circular D & CC /FITTC/ CIR -16/2002 Dated 31.12.2002 during the year on quarterly basis to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CSDL) and the total issued and listed capital. Any difference in aggregate is reported in quarterly reports. Moreover, number of requests confirmed after 21 days and / or number of requests pending beyond 21 days during /at the end of each quarter by / with RTA is reflected in the report along with reasons for delay, if any.

KRYPTON INDUSTRIES LIMITED

8. Means of Communication:

- i) The company regularly intimates un-audited quarterly financial results to the stock exchanges immediately after these on record by the Board. These Financial results are normally published in The Economics Times / Business Standard and Kalantar. The results are not sent individually to the shareholders.
- ii) Management Discussion and Analysis Report forms part of the Report of Directors.

9. General Shareholder Information

a) 24th Annual General Meeting:

Date : 27th August, 2014
Time : 11:30 A.M.
Venue : FALTA SPECIAL ECONOMIC ZONE
Sector-1, Plot No. 31 & 32
Falta, 24-Parganas (S)
Pin - 743 504, West Bengal

b) Financial Calendar:

- i)

<u>Event</u>	:	<u>Date of approval by the Board for publication</u>
First Quarter Results	:	13th August, 2013
Half Yearly Results	:	12th November, 2013
Third Quarter Results	:	12th February, 2014
Final Audited Results	:	30th May, 2014
 - ii) Posting of Annual Report : On or before 25/07/2014
 - iii) Last date of Receipt of Proxy Forms : 25th August, 2014 (within 11:30 A.M)
- c) Date of Book Closure** : 20th August to 27th August, 2014
- d) Listing on Stock Exchanges** : Bombay Stock Exchange
Calcutta Stock Exchange
Delhi Stock Exchange
Jaipur Stock Exchange

The company confirms that it has paid annual listing fees for the year 2013-2014.

e) Stock Code / Symbols

- 1) Stock Exchange Codes
 - i) Bombay Stock Exchange, Mumbai : Krypton 523550
 - ii) The Calcutta Stock Exchange Association Ltd. : Physical K-025
 - iii) Jaipur Stock Exchange : Physical -1836
 - iv) Delhi Stock Exchange : NOT AVAILABLE
- 2) ISIN No. : INE 951B01014

- f) Registrar & Transfer Agents** : **Maheshwari Datamatics Pvt. Ltd**
6, Mangoe Lane, 2nd Floor,
Kolkata -700 001
E-Mail: mdp@cal.vsnl.net.in
Phone : 033 2243 5809/5029
Fax : 033 2248 4787

However, keeping in view the convenience of shareholders, documents relating to shares continue to be received by the company as well as at the Registrar's Office.

g) Share Transfer Systems:

The physical shares received by the company for transfer are sent immediately to the Registrar and Share Transfer Agent of the company. The Registrar on receipt of share for transfer verifies the same and sends them to the Compliance Officer for necessary action on bi-monthly basis. The shares received for transfer are approved at Share transfer Committee Meetings which are generally held twice in a month. In case of transfer in Physical mode an option letter of simultaneous dematerialisation of shares is sent to the transferees immediately. If no reply is received in 30 days the share certificate duly endorsed are returned immediately to the shareholders. If dematerialisation confirmation is received then the shares are sent immediately to NSDL/CSDL for transfer in the Shareholders DP account. The Transfer of shares in the electronic mode is handled by the Registrar & Share Transfer agent.

h) Dematerialisation of shares:

The shares of the company are in compulsory demat segment and are available for trading in the depository system of both the National Securities Depository Limited & Central Depository Services (India) Limited. As on 31st March, 2014, equity shares of the company forming 87.6914 % of the share capital of the Company stand Dematerialized.

i) Stock Market Data:

Monthly high and low quotations of shares traded at Bombay Stock Exchange (BSE) and performance in relation to BSE Sensex from April 2013 to March 2014 are as under:

Months	Krypton at BSE		BSE SENSEX	
	High (Rs)	Low (Rs)	High	Low
April, 2013	18.95	10.80	19622.68	18144.22
May, 2013	17.00	13.15	20443.62	19451.26
June, 2013	15.00	11.35	19860.19	18467.16
July, 2013	16.80	13.25	20351.06	19126.82
August, 2013	15.75	14.73	19569.20	17448.71
September, 2013	15.00	12.25	20739.69	18166.17
October, 2013	14.64	11.75	21205.44	19264.72
November, 2013	13.60	11.07	21321.53	20137.67
December, 2013	12.00	10.65	21483.74	20568.70
January, 2014	12.20	10.06	21409.66	20343.78
February, 2014	11.74	9.75	21140.51	19963.12
March, 2014	11.65	9.41	22467.21	20920.98

KRYPTON INDUSTRIES LIMITED

j) Distribution of Shareholding:

i) Category wise shareholding pattern as on 31.03.2014 was as under:

CATEGORY	NO.OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
PROMOTER'S HOLDING		
FOREIGN PROMOTERS	-	-
INDIAN PROMOTERS*	3873141	26.353
NON-PROMOTERS HOLDING		
BANKS, FINANCIAL INSTITUTIONS, INSURANCE COMPANIES (CENTRAL/STATE GOVT. INSTITUTIONS/ NON-GOVT. INSTITUTIONS)	200	0.0014
MUTUAL FUNDS/UTI	200	0.0014
OTHERS		
PRIVATE CORPORATE BODIES	2041070	13.8875
INDIAN PUBLIC	7544801	51.3352
NRIs/OCBs	1237718	8.4214
TOTAL	14697130	100

ii) DISTRIBUTION OF SHARE HOLDING AS ON 31.03.2014

Nominal Value of Shares (Rs)	Share Holders		No. of Shares	
	(Numbers)	%of Total	(Numbers)	% of Total
(1)	(2)	(3)	(4)	(5)
Upto 5,000	7157	87.9454	894960	6.0894
5001 to 10000	307	3.7724	247661	1.6851
10001 to 20000	177	2.175	266497	1.8133
20001 to 30000	94	1.1551	242023	1.6467
30001 to 40000	52	0.639	184758	1.2571
40001 to 50000	78	0.9585	376247	2.5600
50001 to 100000	83	1.0199	639054	4.3482
100001 & Above	190	2.3347	11845930	80.6003
Grand Total :	8138	100.0000	14697130	100.0000

k) Outstanding GDRs /ADRs/warrant or any Convertible Instruments, conversion date and likely impact on equity: Your Company has not issued any such warrants till date.

l) Plant Location : <u>DIVISION - I (Tyre Division)</u> Falta Special Economic Zone Sector-1, Plot No. 31 & 32 Falta, 24-Parganas (S) Pin - 743 504, West Bengal	<u>DIVISION -II (Footwear Division)</u> Banganagar, Diamond Harbour Road Falta, 24-Parganas (S) Pin- 743 513, West Bengal
<u>DIVISION - III (Wheel Division)</u> Falta Special Economic Zone Sector-2, Plot No. 48 24-Parganas (S) Pin - 743 504, West Bengal	<u>DIVISION - IV (Engineering Division)</u> Falta Special Economic Zone Sector-2, 24-Parganas (S) Pin- 743 504, West Bengal
<u>DIVISION - V (Plastic Division)</u> Falta Special Economic Zone Sector-2, Plot No. 49 24-Parganas (S) Pin - 743 504, West Bengal	<u>DIVISION- VI (Sadhurhat Division)</u> Sarisa Falta Road, Sadhurhat, PS- Ramnagar, 24 Parganas (S), West Bengal -743504

- m) Address for Correspondence:** M/s Krypton Industries Ltd
410, Vardaan Building, 25A, Camac Street,
4th Floor, Kolkata-700016
E-Mail: krypton @vsnl.com
Ph : 033 22871366/ 1367, Fax -033 22871084

Compliance with the Non Mandatory Requirements

i) The Board

Since the Chairman is holding executive position, he is entitled to re-imburement of expenses incurred in performance of his duties.

ii) Remuneration Committee

Discussed in Point No.4 of the Report on Corporate Governance

iii) Shareholders Rights

The Company's results are available on website www.corpfiling.co.in. A half yearly declaration of financial performance including summary of the significant events is presently not being sent to each household of the shareholders. However the Company's half yearly results are published in English Newspaper (having a wide circulation) and in Bengali newspaper.

iv) Audit qualifications

During the period under review, there is no audit qualification on company's financial statements.

v) Training of the Board Members

Presently, Company doesn't have any training programme.

vi) Mechanism for evaluating non-executive Board Members

Presently, company doesn't have such mechanism as contemplated for evaluating the performance of non- executive Board Members.

vii) Whistle Blower Policy

Presently, the company doesn't have any Whistle Blower Policy.

CEO / CFO CERTIFICATION

(Pursuant to Clause 49 of Listing Agreement)

The Board of Directors

KRYPTON INDUSTRIES LIMITED

Pursuant to Clause 49 of the Listing agreement, this is to certify that:

1. We have reviewed financial statements and the Cash Flow Statement for the year ended 31st March 2014, and to the best of our knowledge and belief;
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements might be misleading;
 - b) These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, there are no transactions entered into by the Company during the years, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibilities for establishing and maintaining internal control for financial reporting. We have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken for rectifying these deficiencies.
4. We have indicated to the Auditors and Audit Committee
 - a) Significant changes in internal control over financial reporting during the year.
 - b) Significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management, or an employee having a significant role in the company's internal control system over financial reporting.

For Krypton Industries Limited

Place: Kolkata
Date: 30.05.2014

Sd/-
Jay Singh Bardia
(Managing Director)

Sd/-
Panna Lal Bardia
(Chief Executive)

Declaration on Compliance of the Company's Code of Conduct

As provided under clause 49 of the Listing Agreement with the Stock Exchange, all Board members and Senior Management Personnel have affirmed compliance with code of conduct as applicable to them for the year ended 31st March, 2014.

For Krypton Industries Limited

Jay Singh Bardia
Managing Director

Date: 30.05.2014

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Krypton Industries Limited

We have examined the compliance of the conditions of Corporate Governance by **Krypton Industries Limited** for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination has been limited to a review of procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

We 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 **JAGDISH AGARWAL & ASSOCIATES**
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO. 320253E

Place : Kolkata.
Dated : 30.05.2014

CA. J.P.AGARWAL
PARTNER
Membership No.055436

INDEPENDENT AUDITORS' REPORT

To the Members of
Krypton Industries Limited

Report on Financial Statements

We have audited the accompanying financial statements of **Krypton Industries Limited** (referred to as "**The Company**"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in term of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 the 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 the 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 the 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal Control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the 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 aforesaid financial statements give the information required by the act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

- 1. As required by the Companies (Auditors Report) Order, 2003 ("The Order") issued by the Central Government of India in terms of Section 227(4A) 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 by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in term of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs).
 - (e) On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **JAGDISH AGARWAL & ASSOCIATES**
CHARTERED ACCOUNTANTS
Firm Registration no.320253E

Place: Kolkata.
Dated: The 30th Day of May, 2014

J.P.AGARWAL
PARTNER
Membership No.055436

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

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - (b) As per Company's policy, verification of fixed assets is being conducted in a phased programme by the management designed to cover all assets over a period of five years, which in our opinion is reasonable having regard to the size of the Company and the nature of assets. The verification of assets due as per this programme has been carried out. No material discrepancies were noticed on such physical verification.
 - (c) In our Opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern assumption of the company is not affected.
- (ii) In respect of its inventories:
 - (a) During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of our examination of the record of inventories, we are of the opinion that, the Company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) In respect of the loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - (a) The Company has not granted any loan during the year to companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements of Clauses (iii) (b), (iii) (c) and (iii) (d) of paragraph 4 of the Order are not applicable.
 - (e) The company has taken unsecured loan from relative of the Chief Executive Officer covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year ended balance of loan from such party was ₹ 6468.30 (in '000) [P. Y. Rs. 6468.30 (in '000)]
 - (f) In our opinion the rate of interest and other terms and conditions on which the unsecured loan has been taken from the party listed in the register maintained under section 301 of the Companies Act, 1956 are not prima facie, prejudicial to the interest to the Company.
 - (g) The payment of principal amounts and interest in respect of such loans during the year has been regular/as per stipulation.
- (iv) According to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventories, fixed assets and with regard to the sale of goods & services. During the course of our audit, no major weakness has been noticed in the underlying internal controls.
- (v) (a) Based on the Audit Procedure applied by us and according to information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

KRYPTON INDUSTRIES LIMITED

- (b) In our opinion and according to information and explanation given to us, the transactions made in pursuance of such contracts have been made at prices which are reasonable having regard to prevailing market prices at the relevant time and the exceeding the value of ₹ 5,00,000 in respect of each party during the year have been made at prices which appear reasonable as per information available with the company.
- (vi) According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (vi) of Paragraph 4 of the Order are not applicable.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (ix) In respect of Statutory Dues:
- (a) As explained to us, the statutory dues payable by the Company comprises of provident fund, employees' state insurance, income tax, sales tax, custom duty, excise duty, cess and etc. According to the records of the Company and information and explanations given to us, the Company has been regularly depositing the aforesaid undisputed statutory dues with the appropriate authorities. There are no undisputed statutory dues as referred to above as at 31st March, 2014 outstanding for a period of more than six months from the date they become payable.
- (b) According to the records of the Company and information and explanations given to us, there are dues of income - tax aggregating ₹ 95,42,775.60/-, which have not been deposited on account of disputes, the details of which are set out below. We have been informed that there are no further dues in respect of income tax, sales tax and custom duty which have not been deposited on account of any dispute.

<u>Nature of Demand</u>	<u>Amount of Demand/Dispute</u>	<u>Amount Deposited</u>	<u>Forum where dispute is pending</u>
I. Income Tax (For The Company)	Disallowance of claim U/S 80 HHC	—	Appeal U/s 250 for Assessment Year 2002-03 Before Appellate Tribunal.
II. Income Tax (For The Company)	₹ 14, 58,561/-	₹ 2, 50,000/-	Appeal u/s 250 for Assessment Year 2003-04 Before Appellate Tribunal.
III. Income Tax (For The Company)	₹ 30, 94,600/-	₹ 19, 19,086/-	Appeal u/s 246 A(1)(a) for Assessment Year 2005-06 Before Appellate Tribunal.
IV. Income-tax (For The Company)	₹ 7, 27,591/-	—	Appeal u/s 250 for Assessment Year 2004-05 Before Appellate Tribunal.
V. Income Tax (For EWPL now Merged with the Company)	₹ 5, 23,839/-	₹ 4, 00,000/-	Appeal u/s 250 for Assessment Year 2007-08 Before Appellate Tribunal.

KRYPTON INDUSTRIES LIMITED

VI. Income-tax (For EWPL now Merged with the Company)	₹ 12,92,342/-	—	Appeal u/s 250 for Assessment Year 2008-09 Before Appellate Tribunal.
VII. Sales Tax & Vat (For The Company)	₹ 43,56,213/-	₹ 38300/-	Appeal with Joint Commissioner for the Financial Year 2010-2011
VIII. Sales Tax & Vat (For The Company)	₹ 6,97,015.60/-	—	Appeal with Joint Commissioner for the Financial Year 2010-2011

(x) The Company has no accumulated losses and has not incurred cash losses during the financial year covered by our audit and there is no cash loss in the immediately preceding financial year.

(xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to banks. The Company has not issued any debentures.

(xii) In our opinion and according to the explanations given to us and based on the information available, no loan and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) As the Company is not a chit fund / nidhi / mutual benefit funds / society. Therefore, the provisions of paragraph 4(xiii) of the Order are not applicable to the Company.

(xiv) As the Company is not dealing or trading in shares, securities, debentures and other investments, paragraph 4(xiv) of the Order is not applicable.

(xv) As the company has no subsidiaries, therefore the provision of paragraph 4(xv) of the Order is not applicable.

(xvi) In our opinion, the Term Loan, have been applied for the purpose for which they were obtained.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short - terms basis have been used for long - term investment except permanent working capital.

(xviii) As the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act, paragraph 4(xviii) of the Order is not applicable.

(xix) As the Company has not issued any debentures, paragraph 4(xix) of the Order is not applicable.

(xx) The company has not raised any monies by way of public issue during the year, therefore the provision of paragraph 4(xx) of the Order is not applicable.

(xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that, no material fraud on or by the Company has been noticed or reported during the course of our audit during the year.

For **JAGDISH AGARWAL & ASSOCIATES**
CHARTERED ACCOUNTANTS
Firm Registration No.320253E

Place: Kolkata.
Dated: The 30th Day of May, 2014

J.P.AGARWAL
PARTNER
Membership No.055436

KRYPTON INDUSTRIES LIMITED

Balance Sheet as at 31st March, 2014

	Note No.	As at 31/03/2014 (₹ in Thousands)	As at 31/03/2013 (₹ in Thousands)
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	'2'	146,971.30	146,971.30
Reserves and Surplus	'3'	<u>148,735.54</u>	<u>139,710.72</u>
		<u>295,706.84</u>	<u>286,682.02</u>
Non-Current Liabilities			
Long-term Borrowings	'4'	32,247.97	17,513.88
Deferred Tax Liabilities (Net)	'5'	15,418.73	13,609.66
Other Long-term Liabilities	'6'	<u>697.25</u>	<u>4,027.45</u>
		<u>48,363.95</u>	<u>35,150.99</u>
Current Liabilities			
Short-term Borrowings	'7'	110,721.00	112,452.17
Trade Payables	'8'	65,173.54	51,049.99
Other Current Liabilities	'9'	5,255.21	13,572.06
Short-term Provisions	'10'	<u>2,725.49</u>	<u>1,942.39</u>
		<u>183,875.24</u>	<u>179,016.61</u>
TOTAL		<u>527,946.03</u>	<u>500,849.62</u>
<u>ASSETS</u>			
Non-Current Assets			
Fixed Assets			
Tangible Assets	'11'	224,210.49	165,278.11
Capital Work-in-Progress	'12'	-	41,969.88
Non-Current Investments	'13'	925.33	925.33
Long-term Loans and Advances	'14'	10,384.83	10,628.34
Other Non-Current Assets	'15'	<u>2,002.62</u>	<u>8,541.19</u>
		<u>237,523.27</u>	<u>227,342.85</u>
Current Assets			
Inventories	'16'	134,252.16	125,427.77
Trade Receivables	'17'	98,676.91	89,972.01
Cash and Bank Balances	'18'	19,618.94	32,491.11
Short-term Loans and Advances	'19'	15,911.38	10,968.88
Other Current Assets	'20'	<u>21,963.37</u>	<u>14,647.00</u>
		<u>290,422.76</u>	<u>273,506.77</u>
TOTAL		<u>527,946.03</u>	<u>500,849.62</u>

Summary of significant accounting policies '1'

The accompanying accounting notes are an integral part of the financial statements.

JAY SINGH BARDIA
Managing Director

PRADEEP KUMAR SINGH
Director

TARUN KUMAR DAS
Company Secretary

In terms of our attached report of even date
For **JAGDISH AGARWAL & ASSOCIATES**
CHARTERED ACCOUNTANTS
Firm Registration no.320253E

Place: Kolkata.
Dated: The 30th Day of May, 2014

J.P.AGARWAL
PARTNER
Membership No.055436

KRYPTON INDUSTRIES LIMITED

Statement of Profit and Loss for the year ended 31st March, 2014

	Note No.	Year Ended 31/03/2014 (₹ in Thousands)	Year Ended 31/03/2013 (₹ in Thousands)
INCOME			
Gross Revenue from Operations	'21'	429,693.94	428,377.55
Less: Excise Duty		4,031.23	3,446.54
Net Revenue from Operations		425,662.71	424,931.01
Other Income	'22'	2,525.27	5,878.78
Total Revenues		428,187.98	430,809.79
EXPENSES			
Purchases of Stock-in-Trade		6,910.48	16,601.11
Cost of Materials Consumed	'23'	223,957.46	222,342.76
Changes in Inventories	'24'	(14,652.53)	2,904.76
Employee Benefits Expenses	'25'	55,946.97	57,512.63
Power and Fuel	'26'	14,649.55	13,238.33
Finance Costs	'27'	15,559.09	16,583.69
Depreciation and Amortization	'28'	13,848.61	12,816.45
Other Expenses	'29'	98,424.67	80,820.31
Total Expenses		414,644.30	422,820.04
Profit/ (Loss) before Exceptional items and Tax		13,543.68	7,989.75
Exceptional Items	'30'	-	-
Profit before Tax		13,543.68	7,989.75
Tax Expenses:	'31'		
Current Tax		2,709.79	3,169.90
Deferred Tax		1,809.07	829.43
Profit/ (Loss) for the period		9,024.82	3,990.42
Earnings per Equity Share:			
Basic & Diluted EPS (₹)	'36'	0.61	0.27

Summary of significant accounting policies '1'

The accompanying accounting notes are an integral part of the financial statements.

JAY SINGH BARDIA
Managing Director

PRADEEP KUMAR SINGH
Director

TARUN KUMAR DAS
Company Secretary

In terms of our attached report of even date
For **JAGDISH AGARWAL & ASSOCIATES**
CHARTERED ACCOUNTANTS
Firm Registration no.320253E

Place: Kolkata.
Dated: The 30th Day of May, 2014

J.P.AGARWAL
PARTNER
Membership No.055436

KRYPTON INDUSTRIES LIMITED

Cash Flow Statement for the year ended 31st March, 2014

	Year ended 31/03/2014 (₹ in Thousands)	Year ended 31/03/2013 (₹ in Thousands)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	13,543.68	7,989.75
Adjustment for :		
Finance Costs	15,559.09	16,583.69
Depreciation and Amortization Expenses	13,848.61	12,816.45
Preliminary Expense Written Off	373.00	373.00
Pre-operative Expense Written Off	315.93	-
Balance written off	(667.11)	(597.55)
Income from Investing Activities	(2,138.99)	(5,085.20)
	<u>27,290.53</u>	<u>24,090.39</u>
Operating profit before working capital changes	40,834.21	32,080.14
Changes in working Capital:		
Inventories	(8,824.39)	(1,895.41)
Trade and other Receivables	(15,354.16)	1,323.93
Trade and other Payables	5,806.70	(16,868.76)
	<u>(18,371.85)</u>	<u>(17,440.24)</u>
Cash generation from Operation	22,462.36	14,639.90
Payment of Direct Taxes	(2,183.35)	(4,206.79)
Net Cash generated/ (used) - Operating Activities	<u>20,279.01</u>	<u>10,433.11</u>
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	(31,127.04)	(7,127.44)
Capital work in progress	-	(18,382.94)
Purchase of Investments	-	(100.00)
Sale of Investments	-	400.00
Proceeds/ Repayment of Loans from/to Body Corporate (Net)	(4,317.66)	(5,105.02)
Decrease in short term provision	440.01	1,479.97
Increase in long term loans and advances and non current asset	7,384.84	21,734.90
Decrease in other long term liabilities and other liabilities	(3,330.20)	(9,449.75)
Interest Received	1,330.80	6,943.58
Net Cash Generated/ (Used) - Investing Activities	<u>(29,619.25)</u>	<u>(9,606.70)</u>

KRYPTON INDUSTRIES LIMITED

C. CASH FLOW FROM FINANCING ACTIVITIES

Repayment of Long-term Borrowings	15,119.68	(20,543.77)
Proceeds/ Repayment of Short-term Borrowings (Net)	(1,731.17)	10,465.40
Finance Cost Paid	(15,944.68)	(16,495.32)
Dividend Paid (includes amount transferred to Investor Education & Protection Fund)	(975.76)	(925.37)
Net Cash Generated/ (Used) - Financing Activities	<u>(3,531.93)</u>	<u>(27,499.06)</u>
Net Increase/ (Decrease) in Cash and Cash Equivalents	<u>(12,872.17)</u>	<u>(26,672.65)</u>
Add : Opening Cash and Cash Equivalents	32,491.11	54,141.71
Add : On Amalgamation	-	5,022.05
Closing Cash and Cash Equivalents	<u>19,618.94</u>	<u>32,491.11</u>

Notes:

1. The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 "Cash Flow Statement" as specified in the Companies (Accounting Standard) Rule 2006.
2. Figures have been regrouped/ rearranged wherever necessary.

JAY SINGH BARDIA
Managing Director

PRADEEP KUMAR SINGH
Director

TARUN KUMAR DAS
Company Secretary

In terms of our attached report of even date
For **JAGDISH AGARWAL & ASSOCIATES**
CHARTERED ACCOUNTANTS
Firm Registration no.320253E

Place: Kolkata.
Dated: The 30th Day of May, 2014

J.P.AGARWAL
PARTNER
Membership No.055436

Notes to the Financial Statements as at and for the year ended 31st March 2014

1. SIGNIFICANT ACCOUNTING POLICIES:

(a) BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention, except stated otherwise, on an accrual basis and in accordance with the generally accepted accounting principles in India, the applicable mandatory Accounting Standards as notified by the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The Financial Statements are presented in Indian Rupees rounded off to the nearest rupees in thousands.

(b) USE OF ESTIMATES

The preparation of the Financial Statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the Financial Statements, and the reported amounts of revenue and expenses during the reported period. Actual result could differ from those estimates.

(c) FIXED ASSETS

All fixed assets are valued at Cost less accumulated Depreciation.

(d) DEPRECIATION

- (i) Depreciation on fixed assets has been provided on Straight Line Method at the rates prescribed in Schedule XIV of the Companies Act, 1956.
- (ii) In the case of Moulds, the cost of Moulds is being amortised over the estimated life of the Moulds.
- (iii) Depreciation on fixed assets are accounted for on pro-rata basis with reference to date of use / disposal.

(e) INVENTORIES

- (i) Finished Goods - At cost or net realizable value, whichever is lower.
- (ii) Trading Goods - At cost or net realizable value, whichever is lower.
- (iii) Raw Materials, Stores, Spare Parts, Packing Materials & Work-In-Progress - At cost.
- (iv) Raw Material - Upper (Produced) - At Cost
- (v) The values of Finished Goods include Excise Duty, where applicable

(f) EMPLOYEE BENEFITS

- (i) Short Term Employee Benefits: (i.e. benefits payable within one year) are recognized in the period in which employee services are rendered.
- (ii) Post Employment and other Long Term Employee Benefit: In respect of Gratuity, the Company's contribution to the Group Gratuity - cum - Life Insurance Scheme under Cash accumulation System of Life Insurance Corporation of India is charged against the revenue, on receipt of demand.

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2014

(g) PROVISIONS

Provisions are recognised where reliable estimate can be made for probable outflow of resources to settle the present obligation as a result of past event and the same is reviewed at each Balance Sheet date.

(h) FOREIGN CURRENCY TRANSACTIONS

- (i) Foreign Currency transactions are recorded at the exchange rates prevailing on the date of transaction.
- (ii) At each Balance sheet date, monetary foreign currency items are reported using closing rates.
- (iii) Exchange difference arising on the settlement of monetary items are recognized as income or expense in the period in which they arise.

(i) EXCISE DUTY/SERVICE TAX AND SALES TAX/VALUE ADDED TAX

Excise duty/Service Tax is accounted on the basis of both, payments made in respect of goods cleared/ services provided as also goods lying in warehouses.

(j) RECOGNITION OF INCOME AND EXPENDITURE

Sales are recognized when goods are supplied and are recorded net of Trade discount and other Taxes. Other Incomes and Expenses are accounted for on accrual basis and provision is made for all known losses and expenses. Interest Income is recognized on time proportion basis taking into account the amount outstanding and rates applicable.

(k) CONTINGENT LIABILITIES

Contingent Liabilities are not provided for in the Accounts and are shown separately in notes to financial Statements.

(l) INVESTMENTS

Investments, which are readily realisable and intended to be held for not more than one year the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. The portion of long term investment expected to be realised within twelve months after the reporting date are disclosed under current investments as per the requirement of revised schedule VI.

(m) BORROWING COSTS

Borrowing cost is recognized in the period to which they relate and is charged to Statement of Profit and Loss.

(n) TAXATION

Provision for Tax is made for both current and deferred taxes. Current Tax is provided on the taxable income of the company using the applicable tax rates and tax laws.

Deferred tax assets and liabilities arising on account for timing differences, which are capable of reversal in subsequent periods are recognised using tax rates and tax laws, which have been enacted or substantively enacted.

Notes to the Financial Statements as at and for the year ended 31st March 2014

(o) SEGMENT REPORTING

The Company identifies primary segments based on the pre-dominant sources of risk effects and returns depending on organization and of the management and internal financial reporting system. The operating segments are the segments for which separate financial information are available and operating profit/loss there from are evaluated regularly by the management for allocation of resources and assessment of performance.

Revenue, expenses assets and liabilities which relate to the company as a whole which are not allocable to segments on direct and/or reasonable basis have been included under "unallocated revenue/expenses/assets/liabilities"

(p) EARNINGS PER SHARE

Annualized Earnings Per Share (Basic and Diluted) is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

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Notes to the Financial Statements as at and for the year ended 31st March 2014

	As at 31/03/2014 (₹ in Thousands)	As at 31/03/2013 (₹ in Thousands)
2. Share Capital :		
Authorized Shares :		
2,16,00,000 (Previous year 2,16,00,000)		
Equity Shares of ₹ 10 each	<u>216,000.00</u>	<u>216,000.00</u>
Issued, Subscribed and Paid-up Shares :		
14697130 (Previous year 1,46,97,130)		
Equity Shares of ₹ 10 each of full paid	<u>146,971.30</u>	<u>146,971.30</u>

A. Reconciliation of Shares outstanding at the beginning and at the end of year are given below :

	2013-14		2012-13	
	Numbers	(₹ Thousands)	Numbers	(₹ Thousands)
Equity Shares outstanding at the beginning of the year	14,697,130	146,971.30	11,611,080	116,110.80
Add: Equity Shares Issued during the year under the Scheme of Merger	-	-	3,086,050	30,860.50
Less: Equity Shares bought back/ redeemed during the year	-	-	-	-
Equity Shares outstanding at the end of the year	14,697,130	146,971.30	14,697,130	146,971.30

B. Terms/Rights attached to Equity Shares :

The company has only one class of equity shares having a par value of ₹10 per share. Each share holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuring Annual General Meeting. In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

C. Detail of shareholder holding more than 5 percent shares of the Company as on reporting date are given below :

Name of shareholder	As at 31/03/2014		As at 31/03/2013	
	Numbers of Shares held	Percentage of Holding	Numbers of Shares held	Percentage of Holding
Jay Singh Bardia	1,538,550	10.47%	1,538,550	10.47%
Panna Lal Bardia	1,584,944	10.78%	1,351,713	9.20%

D. Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the period of five year immediately preceding the reporting date :

Particulars	Year ended				
	3/31/2014	3/31/2013	3/31/2012	3/31/2011	3/31/2010
Number of equity shares issued under merger/amalgamation		3,086,050	-	-	-

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2014

	As at 31/03/2014 (₹ in Thousands)	As at 31/03/2013 (₹ in Thousands)
3. Reserves and Surplus :		
a) Capital Reserve		
Opening Balance	-	1,500.00
Add: Transferred from Transferor Companies	-	2,957.00
Less: Loss Adjustment under Amalgamation	-	(4,457.00)
(A)	-	-
b) General Reserve	(B)	(B)
	5,707.51	5,707.51
c) Securities Premium Account	(C)	(C)
	36,553.40	36,553.40
d) Surplus/ (deficit) in the Statement of Profit and Loss		
Opening Balance	97,449.81	48,913.43
Add: Profit/(loss) for the period	9,024.82	3,990.42
Less: Loss Adjustment under Amalgamation	-	(3,094.50)
Add: Transferred from Transferor Companies [including Net Profit for the Period 01.04.2011 to 31.03.2012 ` 7064.31 (in ` 000)]	-	47,640.46
Net surplus / (deficit) in the statement of profit & Loss	(D)	
	106,474.63	97,449.81
Total Reserve and Surplus (A+B+C+D)	148,735.54	139,710.72

4. Long-term Borrowings

	Non Current Maturities		Current Maturities	
	31.03.2014 (₹ Thousands)	31.03.2013 (₹ Thousands)	31.03.2014 (₹ Thousands)	31.03.2013 (₹ Thousands)
Term Loans :				
From Banks (Secured)	11,404.68	-	2,025.00	-
From Related Parties (Unsecured)				
-Refer Note No. 38	-	-	6,468.30	6,468.30
From Other Parties (Unsecured)	19,307.35	16,423.77	27,809.65	24,631.49
Car Loan (Secured)	1,535.94	1,090.11	1,304.18	607.28
	32,247.97	17,513.88	37,607.13	31,707.07
Secured Borrowings	12,940.62	1,090.11	3,329.18	607.28
Unsecured Borrowings	19,307.35	16,423.77	34,277.95	31,099.79
Amount disclosed under the head				
Short term borrowings "(Note 7)"	-	-	(37,607.13)	(31,707.07)
	32,247.97	17,513.88	-	-

- A. Car loan from HDFC Bank of Tyre Division was taken during the financial year 2010-2011 and carries interest @ 8.75% p.a. the loan is repayable in 60 monthly installment of ₹ 51.59 (in '000), inclusive of interest from the date of loan. The car loan is secured by hypothecation of Mercedes Car itself.
- B. Car loan from HDFC Bank of Tyre Division was taken during the financial year 2013-2014 and carries interest @ 10.75% p.a. the loan is repayable in 36 monthly installment of ₹ 19.57 (in '000), inclusive of interest from the date of loan. The car loan is secured by hypothecation of Swift Dzire.

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Notes to the Financial Statements as at and for the year ended 31st March 2014

- C. Car loan from HDFC Bank of Tyre Division was refinanced during the financial year 2013-2014 and carries interest @ 13.75 % p.a. the loan is repayable in 24 monthly installment of ₹ 55.07 (in '000), inclusive of interest from the date of loan. The car loan is secured by hypothecation of Car.
- D. Car Loan from ICICI Bank of Wheel Division was taken during the Financial Period 2012-13 and carries interest @ 10.95 % p.a. The loan is repayable as per term each along with interest from the date of loan. This loan is secured by hypothecation of the Car.
- E. The Term Loan from The Federal Bank Ltd. of Sadurhat Division was sanctioned during the Financial Period 2013-14 and carries floating interest @ Base Rate + 3.50% with monthly rests (as per Sanction Letter dated 15.10.2013) with a Limit of ₹ 135 Lakhs. The loan is repayable monthly from July, 2014 bearing Principal Amount of ₹ 2.25 Lakhs along with interest. The term loan is secured by the Exclusive Equitable mortgage over the industrial Property at Mouza - Sankua, P.S. - Ramnagar, 24 Parganas (South), Khorda, Falta P.Z. Road, J.L. No. 59 & 41, Dag No. 439, 440 & 441, including Land and Civil Structure constructed thereon, and hypothecation of Machinerics procured or to be procured and proposed to be financed by the Bank. Further, the loans are secured by personal guarantee of Mr. J.S Bardia , the Managing Director of the company.

	As at 31/03/2014 (₹ in Thousands)	As at 31/03/2013 (₹ in Thousands)
5. <u>Deferred Tax Liabilities (Net)</u>		
Deferred Tax Liabilities		
Opening Balance	13,609.66	3,762.19
Acquired through Amalgamation	-	9,018.04
Related to Fixed Assets and Amortization Expenses	<u>1,809.07</u>	<u>829.43</u>
Deferred Tax Liabilities (Net)	<u>15,418.73</u>	<u>13,609.66</u>
6. <u>Other Long-term Liabilities</u>		
Trade Payables	695.93	284.38
Commission Payable	-	3,054.13
Other Liabilities	<u>1.32</u>	<u>688.94</u>
	<u>697.25</u>	<u>4,027.45</u>
7. <u>Short-term Borrowings</u>		
Current Maturities of Long term borrowings (A)	37,607.13	31,707.07
Cash Credit (Secured)	63,209.75	57,301.32
L/C Margin	-	12.28
Packing Credit (Secured)	<u>9,904.12</u>	<u>23,431.50</u>
	<u>110,721.00</u>	<u>112,452.17</u>

- A. For current Maturities of long term borrowings please refer to Note no.4.
- B. The cash credit from Bank of Baroda of Tyre Division was reviewed during the financial year 2012-13 and carries floating interest @ Base Rate + 4.25% with monthly rests subject to Limit of ₹ 50 Lacs. The loan is repayable as per term each along with interest, from the date of loan. The term loan is secured by hypothecation of both present and future stock of raw material, work in progress, Finished goods, consumable spares, hypothecation of Book Debts, Notarized Power of Attorney for Book Debts, Equitable mortgage of Land and building/Factory Shed and hypothecation of Plant & Machinery of the company lying in and/or stored and / or installed at any place in India or abroad. Further the loans are secured by personal guarantee of Mr J.S Bardia , the managing Director of the company alongwith Personal guarantee of Mr. T.S Gulgulia , Director the company and Mr P.C. Daga. The company has not yet accepted the sanction letter and is under negotiation with the Bank.

Notes to the Financial Statements as at and for the year ended 31st March 2014

- C. The packing credit from Bank of Baroda of Tyre Division was reviewed during the financial year 2012-13 and carries floating interest @ Base Rate + 1.25% for PC below 270 Days (Base Rate +7% if above 270 days) with monthly rests subject to Limit of ₹ 100 Lacs. The loan is secured by hypothecation of both present and future stock of raw material, work in progress, Finished goods, Lodgement of Letter of Credit/Company Order, WTPCG of ECGC, Equitable mortgage of Land and building/Factory Shed. Further the loans are secured by personal guarantee of Mr J.S Bardia, the managing Director of the company alongwith Personal guarantee of Mr. T.S Gulgulia, Director the company and Mr P.C. Daga. The company has not yet accepted the sanction letter and is under negotiation with the Bank.
- D. The cash credit from Bank of Baroda of Footwear Division was reviewed during the financial year 2013-14 and carries floating interest @ Base Rate + 4.25% with monthly rests (as per Sanction Letter dated 20.01.2013) with a Limit of ₹ 400 Lacs. The loan is repayable as per term each along with interest, from the date of loan. The term loan is secured by hypothecation of both present and future stock of raw material, work in progress, Finished goods, consumable spares, hypothecation of Book Debts, Power of Attorney for Book Debts, B.P. Undertaking, D.P. Undertaking, Equitable mortgage of Land and building/Factory Shed and hypothecation of Plant & Machinery of the company lying in and/or stored and / or installed at any place in India or abroad. Further the loans are secured by personal guarantee of Mr J.S Bardia, the managing Director of the company alongwith Personal guarantee of Mr. T.S Gulgulia, Director of the company and Mr P.C. Daga. There Company has not yet accepted the Sanction Letter and is under negotiation with the Bank.
- E. The Cash credit from Bank of Baroda of Wheel Division was taken during the financial Period 2011-12 and carries interest rate of base rate+3.5% at a floating rate with monthly rests. The loan is repayable as per term each along with interest, from the date of loan. This loan is secured by hypothecation of stocks of Raw Material, W.I.P, Finished Goods and Spares of the co., D.P. Note, Letter of Continuing Security, Hypothecation of Book Debts upto 90 days, Irrevocable Power of Attorney for Book Debts (to be notarized), Undertaking cum declaration cum authority and Extension of charge on Plant & Machinery. These loans were further secured by Equitable Mortgage of Leasehold land at Falta and structure standing thereon in the name of the company, lien on FDR and further secured by personal guarantee of Mr J.S Bardia and Mr. T.S Gulgulia, Directors the company and Binod Kumar Sipani. (As per sanction letter dated 25/04/2012).
- F. The Cash Credit was renewed from Bank of Baroda of Plastic Division during the financial year 2012-13 and carries interest rate of Base Rate+3.25% with Monthly rests a Limit of ₹ 50 Lacs. Cash Credit Limit with Bank of Baroda are secured by hypothecation of all kinds of Stocks, book debts, coverage of WTPCG & WTPSG of ECGS of the Company. This loan was further secured by Equitable Mortgage of Factory Land & Building, Plant & Mahinery at SEZ Falta, Extension of Margin on NFB Facilities to also secure the other facilities and further secured by Personal Gurantee of Mr. Jay Singh Bardia, Director of the Company and Mr. Punam Chand Buchha, Mr. Binod Kumar Sipani and Mr. Sunil Jain.
- G. The Cash Credit from The Federal Bank Ltd. of Sadhurhat Division was sanctioned during the financial year 2013-14 and carries floating interest @ Base Rate + 3.50% with monthly rests (as per Sanction Letter dated 15.10.2013) with a Limit of ₹ 230 Lacs. The loan is repayable as per term each along with interest from the date of loan. The term loan is secured by 1st Pari Passu Charge on the entire Current Assets of the Company, both present and future, with Bank of Baroda under Multiple Banking Arrangement, including Hypothecation of Stock at 25% Margin and Book Debts at 50% Margin. The Cash Credit is further secured by Collateral of Extension of Equitable mortgage over the industrial Property at Mouza - Sankua, P.S. - Ramnagar, 24 Parganas (South), Khorda, Falta already charged as Primary Security for the Term Loan. Further the loans are secured by personal guarantee of Mr J.S Bardia, the managing Director of the company.
- H. The Borrowings of Wheel Division, Engg. Division are in the name of Eco Wheels Private Limited and yet to be transferred in the name of Krypton Industries Limited.

The Borrowings of Plastic Division is in the name of Barons Polymers Pvt. Ltd. and yet to be transferred in the name of Krypton Industries Limited

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Notes to the Financial Statements as at and for the year ended 31st March 2014

	As at 31/03/2014 (₹ in Thousands)	As at 31/03/2013 (₹ in Thousands)
8. Trade Payables		
Payable to Micro, Small and Medium Enterprises (Refer Note No. 37)	-	20.50
Trade Payables	<u>65,173.54</u>	<u>51,029.49</u>
	<u>65,173.54</u>	<u>51,049.99</u>
9. Other Current Liabilities		
Interest accrued and due on Unsecured borrowings	1,137.03	1,522.62
Unpaid/ Unclaimed Dividends	757.05	1,732.81
Customers' Credit Balances and Advances against orders	718.84	371.64
Statutory dues Payables		
Tax deducted at source payable	947.89	712.46
Provident Fund , ESI, and other Government Charges	557.17	547.93
Excise Duty Payable	13.47	53.04
WB Professional Tax Payable	1.72	7.39
Duties and taxes	1,103.04	712.34
Other Liabilities	<u>19.00</u>	<u>7,911.83</u>
	<u>5,255.21</u>	<u>13,572.06</u>
10. Short-term Provisions		
Provision for Current Tax	2,725.49	1,615.70
Provision for Audit Fees	-	326.69
	<u>2,725.49</u>	<u>1,942.39</u>
11. Tangible Assets		

A. Summary of cost and net carrying amount of each class of tangible assets are given below:

	Cost		Accumulated Depreciation		Net Carrying Amount	
	31/03/2014 (₹ Thousands)	31/03/2013 (₹ Thousands)	31/03/2014 (₹ Thousands)	31/03/2013 (₹ Thousands)	31/03/2014 (₹ Thousands)	31/03/2013 (₹ Thousands)
Freehold Land	14,392.03	3,677.51	-	-	14,392.03	3,677.51
Buildings	106,836.13	79,071.66	17,952.32	14,770.88	88,883.81	64,300.78
Plant and Machinery	179,290.68	149,773.73	79,282.43	70,815.04	100,008.25	78,958.69
Furniture and Fixtures	10,603.17	8,768.22	4,290.93	3,852.60	6,312.24	4,915.62
Electrical Installations	12,255.64	10,727.91	4,498.14	3,729.58	7,757.50	6,998.33
Vehicles	8,060.10	7,322.35	3,365.22	2,719.60	4,694.88	4,602.75
Office Equipment	5,595.13	5,411.06	3,985.66	3,721.22	1,609.47	1,689.84
Computer	714.55	214.00	162.24	79.41	552.31	134.59
	<u>337,747.43</u>	<u>264,966.44</u>	<u>113,536.94</u>	<u>99,688.33</u>	<u>224,210.49</u>	<u>165,278.11</u>

(a) Reconciliation of the gross and net carrying amounts of assets at the beginning and year ending 31/03/2014 are as under:

Cost	As at		Disposals (₹ Thousands)	Other Adjustments (₹ Thousands)	As at 31/03/2014 (₹ Thousands)
	31/03/2013 (₹ Thousands)	Additions* (₹ Thousands)			
Freehold Land	3,677.51	10,714.52	-	-	14,392.03
Buildings	79,071.66	27,764.47	-	-	106,836.13
Plant and Machinery	149,773.73	29,516.95	-	-	179,290.68
Furniture and Fixtures	8,768.22	1,834.95	-	-	10,603.17
Electrical Installations	10,727.91	1,527.73	-	-	12,255.64
Vehicles	7,322.35	737.75	-	-	8,060.10
Office Equipment	5,411.06	184.07	-	-	5,595.13
Computer	214.00	500.55	-	-	714.55
	<u>264,966.44</u>	<u>72,780.99</u>	-	-	<u>337,747.43</u>
Previous Year	257,839.00	7,127.44	516.82	-	264,966.44

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Notes to the Financial Statements as at and for the year ended 31st March 2014

Accumulated Depreciation	As at	Additions	Deductions/	As at
	31/03/2013		Other Adjust	31/03/2014
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
Buildings	14,770.88	3,181.44	-	17,952.32
Plant and Machinery	70,815.04	8,467.39	-	79,282.43
Furniture and Fixtures	3,852.60	438.33	-	4,290.93
Electrical Installation	3,729.58	768.56	-	4,498.14
Vehicles	2,719.60	645.62	-	3,365.22
Office Equipment	3,721.22	264.44	-	3,985.66
Computer	79.41	82.83	-	162.24
	99,688.33	13,848.61	-	113,536.94
Previous Year	86,871.88	12,816.45	-	99,688.33

* The title of Building and Vehicles acquired pursuant to the Scheme of Amalgamation (Merger) (High Court order dated 28.02.2013) are yet to be transferred in the Name of the Company.

	As at	As at
	31/03/2014	31/03/2013
	(₹ in Thousands)	(₹ in Thousands)
12. Capital Work-in-Progress		
Cost of civil construction	-	20,281.92
Land	-	10,714.52
Plant & Machinery	-	9,510.89
Computer & Software	-	163.29
Electrical Installation	-	983.33
Preliminary & Pre Operative Expenses	-	315.93
	<u>-</u>	<u>41,969.88</u>
13. Non-Current Investments		
Other Investments		
Investments in Equity Instruments (Unquoted) - (a)	202.00	202.00
Investments in Mutual Funds (Quoted) - (b)	500.00	500.00
Investments in Others		
Gold Coins	223.33	223.33
	<u>925.33</u>	<u>925.33</u>

A. Disclosure with regard to investments in bodies corporate are given below:

	Face value per Unit	As at 31/03/2014		As at 31/03/2013	
		Numbers	(₹ Thousands)	Numbers	(₹ Thousands)
(a) Other Investment - Unquoted					
i. Investments in Equity Instruments					
Krypton Developers Limited	Others ₹ 10	9,400	94.00	9,400	94.00
I Care International Pvt. Ltd	Others ₹ 10	10,800	108.00	10,800	108.00
		<u>20,200</u>	<u>202.00</u>	<u>20,200</u>	<u>202.00</u>

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Notes to the Financial Statements as at and for the year ended 31st March 2014

	Face value per Unit	As at 31/03/2014		As at 31/03/2013	
		Numbers	(₹ Thousands)	Numbers	(₹ Thousands)
(b) Investment in Others - Quoted					
i. Investments in Mutual Fund					
Franklin India High Growth (MF)	Others	₹ 10	9779.951	100.00	9779.951
Baroda Pioneer Infrastructure Fund	Others	₹ 10	30000	300.00	30000
Baroda Pioneer Banking & Financial Services	Others	₹ 10	9985	100.00	9985
			<u>500.00</u>		<u>500.00</u>

ii. Aggregate amount and of quoted investments and aggregate market value of quoted investments are given below :

	As at 31/03/2014 (₹ in Thousands)	As at 31/03/2013 (₹ in Thousands)
Aggregate amount of Quoted Investments	500.00	500.00
Aggregate market value of Quoted Investments	529.84	451.90

iii. The market value of investment is higher than cost, therefore the provision of AS 13 Accounting for Investments is not applicable.

14. Long-term Loans and Advances :

Capital Advances			
Unsecured, Considered Good	(A)	<u>2,143.00</u>	<u>1,143.00</u>
Security Deposits and interest on security deposits			
Unsecured, Considered Good	(B)	<u>1,413.29</u>	<u>2,587.39</u>
Loans and Advances to others			
Unsecured, Considered Good	(C)	<u>6,828.54</u>	<u>6,897.95</u>
Total (A+B+C)		<u>10,384.83</u>	<u>10,628.34</u>

15. Other Non-Current Assets :

Long Term Trade Receivables			
Unsecured, Considered Good	(A)	<u>883.62</u>	<u>7,049.19</u>
Unamortized Expenses	(B)	<u>1,119.00</u>	<u>1,492.00</u>
Total (A+B)		<u>2,002.62</u>	<u>8,541.19</u>

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Notes to the Financial Statements as at and for the year ended 31st March 2014

	As at 31/03/2014 (₹ in Thousands)	As at 31/03/2013 (₹ in Thousands)
16. Inventories :		
Raw Materials	45,194.55	50,074.83
Work-in-Progress	15,293.23	11,888.02
Consumable Stores	2,837.53	3,601.81
Finished Goods	41,959.83	37,740.35
Stock-in-Trade	1,940.02	2,336.70
Stores and Spares	9,112.82	9,299.64
Upper (produced Raw Material)	17,471.67	10,033.68
Packing Material	442.51	452.74
	134,252.16	125,427.77
17. Trade Receivables :		
Outstanding for a period exceeding six months		
<i>Unsecured, Considered Good</i>	21,798.59	12,141.07
Outstanding for a period less than six months		
<i>Unsecured, Considered Good</i>	76,878.32	77,830.94
	98,676.91	89,972.01
18. Cash and Bank Balances :		
Cash and Cash Equivalents		
Deposits maturing within 12 months	4,354.29	16,850.53
Balance with Banks:		
Current Account	3,930.58	3,026.52
Cash on hand	8,347.38	3,443.43
	16,632.25	23,320.48
Other Balances		
Balance with Banks :		
On Unclaimed Dividend Account	757.05	1,732.81
Margin Money Account	32.52	3,120.52
Balances/Deposits with Banks maturing after 12 months	2,197.12	4,317.07
EEFC A/c	-	0.23
	2,986.69	9,170.63
Total	19,618.94	32,491.11

Note: The Bank Account included above, acquired pursuant to the Scheme of Amalgamation (Merger) (High Court order dated 28.02.2013) are yet to be transferred in the Name of the Company.

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2014

	As at 31/03/2014 (₹ in Thousands)	As at 31/03/2013 (₹ in Thousands)
19. <u>Short-term Loans and Advances</u>		
Loans and Advances to Related Parties		
Unsecured, Considered Good (Advance against Managerial Remuneration)- Refer Note No. 38	200.00	-
Loans and Advances to Others		
Unsecured, Considered Good	9,139.24	4,897.43
	9,339.24	4,897.43
Advance Tax (including FBT)	2,001.00	1,601.00
Advance FSEZ Rent	231.49	314.15
Income Tax Deducted at Source - (a)		
Unsecured, Considered Good	4,339.65	4,156.30
	15,911.38	10,968.88

(a) Income Tax Deducted at Source includes amount deducted in the name of Transferor Co. and have been included above pursuant to the Scheme of Amalgamation (High Court order dated 28.02.2013)

20. Other Current Assets

Prepaid Insurance	-	54.61
Duties and taxes	14,952.59	14,419.66
Advance against Salary & Wages	53.40	-
Advance to Suppliers	5,869.46	-
Others	1,087.92	172.73
	21,963.37	14,647.00

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2014

	For year ended 31/03/2014 (₹ in Thousands)	For year ended 31/03/2013 (₹ in Thousands)
21. Revenue from Operations:		
Sale of Products		
M.C.P. Tyres & Armrest - Overseas	91,050.32	77,769.47
M.C.P. Tyres & Armrest - Exports	13,990.24	-
M.C.P. Tyres & Armrest - Domestic	81,264.70	91,489.27
Plastic Rim with Tyre & Components - Overseas	23,598.36	9,092.63
Plastic Rim with Tyre & Components - Domestic	-	1,020.97
Trading Goods - Overseas	7,243.84	16,091.44
Trading Goods - Domestic	883.93	800.53
Raw Material - Domestic	102.56	558.74
P.U. Shoe Sole - Domestic	58,725.26	63,578.04
P.U. Shoe Sole - Overseas	4,454.19	-
P.U. Sandles - Domestic	84,305.49	110,292.12
P.U. Sandles - Overseas	3,347.45	-
Wheel Chair Parts - Overseas	9,117.72	11,794.36
Hospital Equipments - Domestic	666.79	614.34
Wheel Chair - Domestic	38,688.90	36,813.14
Crutch and Walking Stick - Domestic	3,021.32	2,659.94
Metal Parts - Overseas	-	347.49
Upper - Domestic	4,224.39	195.66
Packing Material - Domestic	-	118.28
Spares - Domestic	1,475.33	-
Spares - Export	8.40	-
Spares - Overseas	6.39	-
Commode Chairs - Domestic	3,368.07	-
Consumable Stores - Domestic	5.46	-
Sale of Services		
Job Work charges	88.27	5,089.31
Other Operating Revenues		
Scrap Sales	56.56	51.82
Gross Revenue from Operations	429,693.94	428,377.55
Less: Excise Duty	4,031.23	3,446.54
Net Revenue from Operations	425,662.71	424,931.01
22. Other Income:		
Interest Income (a)	2,138.99	5,085.20
Prior Period Items (Net) - (b)	(330.50)	343.89
Other Non-Operating Income	716.78	449.69
	2,525.27	5,878.78
(a) Interest Income includes tax deducted at source amounting ₹ 145.44 (in '000) (Previous year ₹ 463.91 in '000) (TDS from Bank of Amalgamating Company are yet to be transferred in the name of the Company)		
(b) Details of Prior Period Items (Net)		
Prior Period Income	36.22	403.95
Prior Period Expenses	(366.72)	(60.06)
	(330.50)	343.89

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2014

	For year ended 31/03/2014 (₹ in Thousands)	For year ended 31/03/2013 (₹ in Thousands)
23. <u>Cost of Materials Consumed :</u>		
Raw Material		
Opening Stock	50,074.83	49,252.77
Add: Purchased	<u>228,104.92</u>	<u>223,674.61</u>
	278,179.75	272,927.38
Less: Cost of material sold	<u>9,027.74</u>	509.79
	269,152.01	272,417.59
Less: Closing Stock	<u>45,194.55</u>	50,074.83
	<u>223,957.46</u>	<u>222,342.76</u>
24. <u>Changes in Inventories:</u>		
Opening Inventories (Including acquired through Amalgamation)		
Work-in-Progress	11,888.02	12,551.41
Finished Goods	37,740.35	39,219.93
Upper (Produced Raw Material)	10,033.68	11,194.80
Stock-in-Trade	<u>2,336.70</u>	1,884.33
	<u>61,998.75</u>	<u>64,850.47</u>
Less: Closing Inventories		
Work-in-Progress	15,293.23	11,888.02
Finished Goods	41,959.83	37,740.35
Upper (Produced Raw Material)	17,471.67	10,033.68
Stock-in-Trade	<u>1,940.02</u>	2,336.70
	<u>76,664.75</u>	<u>61,998.75</u>
	<u>(14,666.00)</u>	2,851.72
Add: Increase/ Decrease of Excise Duty on Inventories	13.47	53.04
Changes in Inventories	<u>(14,652.53)</u>	<u>2,904.76</u>
25. <u>Employee Benefits Expenses :</u>		
Salaries and Wages	50,180.88	49,060.94
Contribution to Provident and other Funds	2,914.20	4,385.09
Employee Welfare	<u>2,851.89</u>	4,066.60
	<u>55,946.97</u>	<u>57,512.63</u>
26. <u>Power and Fuel :</u>		
Power and Fuel	<u>14,649.55</u>	<u>13,238.33</u>
27. <u>Finance Costs :</u>		
Interest Expenses	<u>15,559.09</u>	<u>16,583.69</u>
28. <u>Depreciation and Amortization Expenses :</u>		
Depreciation and Amortization Expenses	<u>13,848.61</u>	<u>12,816.45</u>
29. <u>Other Expenses</u>		
Auditor's Remuneration - (a)	546.79	602.20
Bank Charges	1,647.76	1,989.43
Cartage Expenses	-	10.49
Commission	853.89	1,964.51
Computer Software Charges	27.72	32.16
Consumption of Stores and Spares	32,488.14	31,924.75
Cost of Consumables Sold	-	1,181.96
Cost of Raw Material Sold	9,027.74	509.79
Discount Allowed (Net)	2,883.32	4,034.17

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2014

	For year ended 31/03/2014 (₹ in Thousands)	For year ended 31/03/2013 (₹ in Thousands)
Duty on Job Work	30.79	859.22
Excise Duty Reversed	(43.26)	(59.07)
Freight and Forwarding Expenses (Net)	23,161.91	13,813.44
(Gain)/ Loss on foreign currency transactions and translation (Net) - Refer Note No. 34	480.66	807.96
Insurance	730.84	1,035.50
Interest paid on Late Payment of CST	54.17	-
Interest paid on Late Payment of Entry Tax	-	36.63
Internet Expenses	-	25.71
Job Work Charges	890.45	-
Managerial remuneration & Commission	3,012.50	4,272.00
Merging Expenses	387.56	446.08
Miscellaneous Expenses	3,336.43	2,106.31
Mobile Phone	-	36.00
Other Repairs & Maintenance	330.68	270.92
Penal Interest on Term Loan	0.41	-
Penalty on SEZ Land	-	1,613.94
Preliminary Expenses Written off	373.00	373.00
Pre-Operative Expenses Written off	315.93	-
Pre-Operative Expenses incurred during the year	2,701.28	-
Printing & Stationery	472.65	835.45
Processing Charges	11.24	-
Professional Fees	2,576.89	1,128.55
Rates and Taxes	3,462.53	2,183.53
Rent	2,766.39	2,972.35
Repairs to Buildings	15.01	14.36
Repairs to Machinery	1,660.90	1,338.03
Sales Promotion Expenses	597.33	1,276.28
Sundry Balance written off	(667.11)	(597.55)
Telephone, Telegram & Postage	1,230.91	951.09
Travelling and Conveyance Exp.	1,500.25	1,847.68
Vehicle Running & Maintenance Expenses	1,331.50	983.44
West Bengal Pollution Control Expenses	227.47	-
	98,424.67	80,820.31
(a) Details of Auditor's Remuneration are as follows :		
Statutory Auditors:		
Audit Fee	337.08	280.90
Tax and Vat Audit	77.53	77.53
Other Services	132.18	243.77
	546.79	602.20
Note: The Lease Agreement is still in the name of the Amalgamating Companies (i.e Eco Wheels Pvt Ltd, Barons Polymers Pvt Ltd) and has not yet been transferred in the name of the Company		
30. Exceptional Items :		
Investment in subsidiary	-	400.00
Less: Amount Received against the investment	-	400.00
Loss on sale	-	-
Note: The holding in Krypton Developers Limited was reduced to 18.80% from 98.80% in FY 2012-13.		
31. Tax Expenses		
Current Tax		
Current Tax for the year	2,709.79	1,522.45
Current Tax Paid for earlier years	-	1,647.45
	2,709.79	3,169.90
Deferred Tax		
Deferred Tax for the year	1,809.07	829.43

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2014

32. Detail of Sales, Raw Material Consumption, Inventories, etc. under broad heads are given below :

A. Raw Materials Consumed :

Items	Imported		Indigenous		Consumed	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
1 Additive	149.81	56.79	4,396.18	4,073.51	4,545.99	4,130.30
2 Ancillary	-	-	97.30	-	97.30	-
3 Bearings & Components	797.88	4,659.92	-	-	797.88	4,659.92
4 Colour	647.90	915.55	3,885.33	3,933.78	4,533.23	4,849.33
5 Components	9,812.09	3,134.95	-	3,179.21	9,812.09	6,314.16
6 Dacon Yarn	4,042.28	3,260.23	-	-	4,042.28	3,260.23
8 Durathen	170.68	1,183.12	1,469.08	3,062.60	1,639.76	4,245.72
9 Isocynate	9,227.98	22,743.73	-	-	9,227.98	22,743.73
10 Lupronate (ISO)	35,668.06	13,174.31	28,165.75	36,470.21	63,833.81	49,644.52
11 Meg	249.06	-	537.71	308.12	786.77	308.12
12 Metal Bars	-	-	241.46	268.59	241.46	268.59
13 Metal Pipes & Bars	-	-	1,531.16	1,672.32	1,531.16	1,672.32
14 Metal Plate & Others	-	-	1,182.54	1,059.51	1,182.54	1,059.51
15 Metal Sheets & Pipes	-	-	5,419.85	4,406.53	5,419.85	4,406.53
16 Methylene Chloride (MCL)	51.62	681.50	881.82	1,637.59	933.44	2,319.09
17 Moplen EP 332K	-	39.03	790.56	1,689.67	790.56	1,728.70
18 Others	-	-	22,791.57	30,412.45	22,791.57	30,412.45
19 Plastic Dana & Master Batch	-	248.43	5,893.77	113.66	5,893.77	362.09
20 Polyol	40,386.08	19,333.25	34,518.64	28,629.60	74,904.72	47,962.85
21 Polyurethane	-	1,527.87	-	-	-	1,527.87
22 PPGF	-	-	98.26	1,284.76	98.26	1,284.76
23 Release Agent	-	19.31	1,079.97	1,967.69	1,079.97	1,987.00
24 Resin (P.P)	6,127.81	22,840.60	-	-	6,127.81	22,840.60
26 Silicon	245.83	32.26	224.70	428.75	470.53	461.01
27 Suprasec	2,392.75	1,138.51	-	-	2,392.75	1,138.51
28 Triethelene Diamine	-	-	507.82	194.32	507.82	194.32
29 Ultramid	150.31	63.96	-	-	150.31	63.96
30 Upper	-	-	105.98	599.47	105.98	599.47
31 Wheels (Tyres)	17.87	1,897.10	-	-	17.87	1,897.10
	110,138.01	96,950.42	113,819.45	125,392.34	223,957.46	222,342.76

B. Traded Goods :

Products	Purchases		Sales		Opening Stock		Closing Stock	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)
1 Mounting tools	-	-	13.49	-	162.63	162.63	159.23	162.63
2 Rim Wheel	6,554.97	14,801.13	6,756.03	15,472.88	1.19	1.19	1.19	1.19
3 P.P. Rim	-	-	-	-	7.56	7.56	7.56	7.56
4 Wheel Chair	-	-	-	-	49.78	49.78	49.78	49.78
5 ID Card	-	-	57.35*	-	57.35	57.35	-	57.35
6 Hinge	-	-	-	-	53.50	53.50	53.50	53.50
7 Aluminium Spacer	-	-	-	-	0.64	0.64	0.64	0.64
8 Tyre Arm Rest & Others	-	-	-	-	897.82	-	897.82	897.82
9 Wheels	-	-	-	-	38.55	-	38.55	38.55
10 Chappal / Sandal	355.51	1,799.98	883.93	800.53	1,067.68	152.20	731.75	1,067.68
11 Wacker Fluid	-	-	474.32	618.56	-	-	-	-
	6,910.48	16,601.11	8,185.12	16,891.97	2,336.70	484.85	1,940.02	2,336.70

* ID card consumed during the year

Note: Opening Stock of 2012-13 does not include Trading Goods acquired through amalgamation

Notes to the Financial Statements as at and for the year ended 31st March 2014

C. Manufactured Goods

Products	Sales		Opening Stock		Closing Stock	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
1 MCP Tyres (including 'B' Grade Tyres)	186,305.26	169,258.74	19,060.30	13,375.73	23,358.34	19,060.30
2 Plastic Rim With Tyres	23,598.36	10,113.60	5,387.88	-	4,481.76	5,387.88
3 Fork (Including Component)#	-	-	638.43	-	391.06	638.43
4 Pu Shoe Sole	59,447.44	60,195.45	858.20	5,918.21	217.96	858.20
5 Pu Sandal/Chappal	87,652.94	102,968.53	8,322.28	1,825.72	7,519.03	8,322.28
6 Wheel Chairs & Commode Chairs	42,056.97	36,813.14	2,097.37	-	3,202.06	2,097.37
7 Crutches & Walking Stick	3,021.32	2,659.94	725.67	-	790.32	725.67
8 Metal Parts (Including Rims)	1,490.12	347.49	570.32	-	1,951.06	570.32
9 Hospital Equipments & Components	666.79	614.34	79.90	-	48.24	79.90
10 Wheel Chair Parts	9,117.72	11,794.36	-	-	-	-
11 Upper	3,978.52	195.66	10,033.68	11,194.80	17,471.67	10,033.68
	417,335.44	394,961.25	47,774.03	32,314.46	59,431.50	47,774.03

* Sales excludes excise duty of ₹ 3977.88 (in '000), Previous Year ₹ 3382.59 (in '000)

Transferred to Plastic Rim with Tyres & Hospital Equipments Components

Note: Opening Stock of 2012-13 does not include Manufactured Goods acquired through amalgamation

D. Work-in-Progress

	Year ended 31/03/2014		Year ended 31/03/2013	
	Opening (₹ Thousands)	Closing (₹ Thousands)	Opening (₹ Thousands)	Closing (₹ Thousands)
1 Raw Material	414.78	663.31	2,179.18	414.78
2 PU Shoe Sole	3,159.37	5,441.99	3,562.94	3,159.37
3 PU Sandal	5,812.22	5,578.41	6,157.31	5,812.22
4 Wheel Chair Parts	667.05	1,864.01	-	667.05
5 Upper	1,834.60	1,745.51	651.98	1,834.60
	11,888.02	15,293.23	12,551.41	11,888.02

33. Contingent Liabilities and Commitments

	As at 31/03/2014	As at 31/03/2013
	(₹ in Thousands)	(₹ in Thousands)
Contingent Liabilities		
(a) Bank Guarantee given in favour of WBSEB and superintending Engineering	2,528.30	2,436.77
(b). Other money for which the Company is contingently liable:		
i. Export Bills discounted with Banks	17,153.31	5,680.18
ii. Letter of Credit	4,947.84	7,301.95

34. Gain or loss on foreign currency transaction and translation :

	Year ended 31/03/2014	Year ended 31/03/2013
	(₹ in Thousands)	(₹ in Thousands)
Loss on foreign currency transaction and translation	5,515.92	4,424.18
Gain on foreign currency transaction and translation	5,035.26	3,616.22
(Gain)/Loss on foreign currency transaction and translation (Net)	480.66	807.96

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2014

35. Segment Reporting

A. Primary Segment Reporting (by Business Segment):

- (a) The Company has three reportable segments viz. Tyre, Rim and Wheels, Footwear and Hospital Equipments which have been identified in line with the Accounting Standard 17 on Segment Reporting, taking into account the organizational structure as well as differential risk and return of these segments. Details of products included in each segments are as under:
- (b) Inter-segment transfers are based on market rates.
- (c) The details of the revenue, results, assets, liability and other information from operations by reportable business segments are as follows:

	Year ended 31/03/2014				Year ended 31/03/2013			
	Tyre, Rim & Wheel	Footwear	Hospital Equipments	Total	Tyre Rim & Wheel	Footwear	Hospital Equipments	Total
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
REVENUE								
Total	303,014.19	165,182.17	49,772.08	517,968.44	439,298.75	187,242.56	42,442.12	668,983.43
Inter Segment	-	-	-	(88,274.50)	-	-	-	(240,605.88)
Excise Duty	-	-	-	(4,031.23)	-	-	-	(3,446.54)
External	<u>303,014.19</u>	<u>165,182.17</u>	<u>49,772.08</u>	<u>425,662.71</u>	<u>439,298.75</u>	<u>187,242.56</u>	<u>42,442.12</u>	<u>424,931.01</u>
RESULTS								
Segment Results	26,910.16	1,377.86	814.75	29,102.77	31,920.31	69.28	(7,416.15)	24,573.44
Unallocated Corporate Income				-				-
Unallocated corporate Expenses				-				-
Finance Costs				(15,559.09)				(16,583.69)
Tax Expenses				(4,518.86)				(3,999.33)
Profit for the period				<u>9,024.82</u>				<u>3,990.42</u>
OTHER INFORMATION								
Assets:								
Segment Assets	260,876.33	204,376.00	60,693.70	525,946.03	260,763.97	193,748.51	44,737.14	499,249.62
Unallocated Corporate Assets				2,000.00				1,600.00
Total Assets				<u>527,946.03</u>				<u>500,849.62</u>
Liabilities:								
Segment Liabilities	124,972.56	86,468.15	2,654.26	214,094.97	122,609.73	73,154.25	3,178.26	198,942.24
Unallocated Corporate Liabilities				18,144.22				15,225.36
Total Liabilities				<u>232,239.19</u>				<u>214,167.60</u>
Capital Expenditure	70,134.43	2,491.20	155.36	72,780.99	895.05	5,444.79	787.60	7,127.44
Depreciation and Amortization	8,080.64	3,967.01	1,800.96	13,848.61	7,210.00	3,826.01	1,780.44	12,816.45
Impairment Loss/(Reversal)	-	-	-	-	-	-	-	-
Other Non-Cash Expenses	-	-	-	-	-	-	-	-

B. Secondary Segment Reporting (by Geographical demarcation) :

- (a) The secondary segment is based on geographical demarcation i.e. India, Overseas, Export (SEZ). The Secondary segmental revenue are as under:

	Year ended 31/03/2014				Year ended 31/03/2013			
	India	Overseas	Export (Sez)	Total	India	Overseas	Export (Sez)	Total
	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)
Revenue	273,105.05	138,559.02	13,998.64	425,662.71	309,835.62	115,095.39	-	424,931.01

(The above figures are exclusive of Excise Duty)

Notes to the Financial Statements as at and for the year ended 31st March 2014

36. Earning per Share (EPS)

	Year ended 31/03/2014 (₹ in Thousands)	Year ended 31/03/2013 (₹ in Thousands)
Profit/ (Loss) for the period (₹ 000)	9,024.82	3,990.42
Weighted average number of shares used in the calculation of EPS:		
Weighted average number of Basic Equity Shares outstanding	14697130	14697130
Weighted average number of Diluted Equity Shares outstanding	14679130	14697130
Face value of per share (₹)	10.00	10.00
Basic & Diluted EPS (₹)	0.61	0.27

37. Details of Due to micro and small medium enterprise as defined under MSMED Act 2006

	As at 31/03/2014 (₹ in Thousands)	As at 31/03/2013 (₹ in Thousands)
A. Jiwago Precision Dies Pvt Ltd.		
Principal amount due	<u> -</u>	<u> 20.50</u>

38. Related Party Disclosures :

A. List of Related Parties :

i. Key Managerial Personnel:

a) Managing Director	Sri Jay Singh Bardia
b) Non Executive Directors	
i)	Sri T.C.Bachhawat
ii)	Sri Tansukh Gulgulia
iii)	Sri Pradeep Kumar Singh
c) Chief Executive Officer	Sri P.L. Bardia *
d) Secretary	Sri T.K. Das

* Sri P.L.Bardia, the Chief Executive Officer is related to Sri Jay Singh Bardia, the Managing Director of the Company.

ii. Relatives of Key Managerial Personnel:

a) Brother of Chief Executive Officer	Sri K.L. Bardia
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KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2014

B. Disclosure of transactions between the Company and Related Parties during the year in the ordinary course of business and status of outstanding balances at year end:

(a) Subsidiaries, Associates and Joint Ventures :

	2014		2013	
	Sri P.L. Bardia	Sri K.L. Bardia	Krypton Developers Ltd	Sri K.L. Bardia
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
Transactions for year ended 31st March:				
Sales of Products	-	-	-	-
Purchase of Raw material	-	-	-	-
Purchase of Trading Goods	-	-	-	-
Interest and Dividend taken	-	-	-	-
Interest and Dividend given	-	-	51.41	550.94
Loans, Advances and Deposits taken (Net)	-	-	450.00	-
Outstanding balances as at 31st March:				
Trade Receivables	-	-	-	-
Trade Payables	-	-	-	-
Investments	-	-	-	-
Loans, Advances and Deposits given	-	-	-	-
Advance against Managerial Remuneration 200.00	-	-	-	-
Loans, Advances and Deposits taken	-	6,468.30	-	6,468.30

	Year ended 31/03/2014	Year ended 31/03/2013
	(₹ in Thousands)	(₹ in Thousands)

(b) Key Managerial Personnel :

Managing Director Remunerations (Within Ceiling limit of Schedule XIII, Part II, Sec II 1(B))	3,000.00	4,260.00
Non Executive Directors	12.50	12.00
Chief Executive Officer	2,400.00	600.00
	<u>5,412.50</u>	<u>4,872.00</u>

39. Additional information pursuant to paragraphs 5 (viii) of Part II of Schedule VI to the Companies Act, 1956 are follows:

	Year ended 31/03/2014	Year ended 31/03/2013
	(₹ in Thousands)	(₹ in Thousands)
A. C.I.F. value of imports by the Company (Excluding imported items purchased locally) :		
Raw Materials & Trading Goods & Components	106,914.14	112,472.90
Stores and Spares	2,869.09	1,636.69
Capital Goods	7,042.10	1,073.47
B. Expenditure in foreign currency during the year :		
Other matters	510.07	741.30

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2014

C. Value of Raw Materials, Coal and Fuel and Stores and Spares consumed during the year ended:

	Value (₹ Thousands)		Percentage (%)	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013
Raw Materials :				
Imported	110,138.01	96,950.42	49.18%	43.60%
Indigenous	113,819.45	125,392.34	50.82%	56.40%
	<u>223,957.46</u>	<u>222,342.76</u>		
Stores and Spares :				
Imported	2,142.95	1,535.58	6.60%	4.81%
Indigenous	30,345.19	30,389.17	93.40%	95.19%
	<u>32,488.14</u>	<u>31,924.75</u>		

D. Earnings in Foreign Exchange:

	For the year ended	For the year ended
	31/03/2014	31/03/2013
	(₹ in Thousands)	(₹ in Thousands)
Export of Goods on F.O.B. basis	<u>138,559.02</u>	<u>115,095.39</u>

40. The company had issued equity shares of ₹ 10/- each on right basis at a price of ₹15/- per share in the ratio of 17:10 in April 2011 aggregating to 10,199,329 shares. Against a total amount receive of ₹ 1529.90 lakhs the company has refunded ₹ 433.30 lakhs to the shareholders. The company has utilized the balance ₹ 1096.60 lakhs against which 7310680 shares have been allotted fully paid-up on 7th May 2011. The amount was utilized in the following manner :

Particulars	Amount in '000
a) Expenses Incurred/ Deployed to Footwear Division	44,106.75
b) Expenses Incurred/ Deployed to Tyre Division	61,754.52
c) Right Issue Expenses	3,798.73
d) Fixed Deposit with scheduled banks	-
e) Deposit with BSE (Refundable)	-
f) Balance lying in Current Accounts with Scheduled Bank	-
Total	<u>109,660.00</u>

41. The company has reclassified/rearranged/regrouped previous year figures to conform to this year's classification, where necessary.

Note : Signatories to all Notes from 1 to 41

JAY SINGH BARDIA
Managing Director

PRADEEP KUMAR SINGH
Director

In terms of our attached report of even date
For **JAGDISH AGARWAL & ASSOCIATES**
CHARTERED ACCOUNTANTS
Firm Registration no.320253E

TARUN KUMAR DAS
Company Secretary

Place: Kolkata.
Dated: The 30th Day of May, 2014

J.P.AGARWAL
PARTNER
Membership No.055436