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AGM ON THURSDAY, 24TH SEPTEMBER, 2015

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

**25TH ANNUAL REPORT
BOARD OF DIRECTORS**

JAY S. BARDIA	:	MANAGING DIRECTOR
PRADEEP KUMAR SINGH	:	DIRECTOR
T. C. BACHHAWAT	:	DIRECTOR
TANSUKH GULGULIA (upto 18.03.2015)	:	DIRECTOR
RAVI PRAKASH PINCHA (w.e.f. 18.03.2015)	:	DIRECTOR
VIMALA DEVI BARDIA (w.e.f. 18.03.2015)	:	DIRECTOR

ADMINISTRATIVE

P. L. BARDIA	:	CHIEF EXECUTIVE OFFICER
VINAY SIPANI	:	CHIEF FINANCIAL OFFICER
ARTI BOTHRA	:	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 & SHARE TRANSFER AGENT	:	MAHESHWARI DATAMATICS (P) LTD. 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001 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

KRYPTON INDUSTRIES LIMITED

DIRECTORS' REPORT

Dear shareholders,

Your Directors present the 25th Annual Report together with the audited accounts of your company for the year ended 31st March 2015.

1. FINANCIAL RESULTS

During the year under review, the company achieved an aggregate income of **Rs.3659.41 Lakhs**. The highlights of the financial results are as under:

	Amount in (Rupees in '000)	
	Current Year 2014-2015	Previous Year 2013-2014
Sales	363254.80	425662.71
Other Income	2686.09	2525.27
Gross Total Income	365940.89	428187.98
Profit before Interest, Depreciation & Tax	39810.15	42951.38
Interest	19328.19	15559.09
Depreciation	16406.59	13848.61
Profit before Exceptional Items & Extraordinary items and Tax	4075.37	13543.68
Exceptional Items	-	-
Profit before Tax and after Exceptional Items & Extraordinary Items	4075.37	13543.68
Provision for Taxation	1761.34	4518.86
Profit after Tax	2314.03	9024.82
Balance in P&L A/c brought Forward	106474.63	97449.81
Adjustments under Schedule II of Companies Act, 2013	(1192.34)	-
Balance Available for Appropriation	107596.32	106474.63
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	107596.32	106474.63

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 2014-15 amounted to Rs.1635.53 lakhs compared to Rs.2206.51 lakhs of in the previous year. The profit before tax amounted to Rs. 73.97 lakhs as compared to profit of Rs.71.15 lakhs previous year.

The Company is in process of effective reduction in its cost by growing its productivity keeping the product quality intact. With the reorganization of the merged units, the overall income reduced having no adverse effect on profit.

Sadhurhat division

The unit has started its commercial production with effect from 01.12.2013. The unit is engaged in manufacturing MCP Tubeless Tires for domestic market. The unit reported an income for the full year 2014-15 amounted to Rs. 671.36 lakhs as compared to the previous year Rs. 175.15 Lakhs (for a period of 4 months w.e.f. 01.12.2013) and the unit reported the Profit before tax for the year 2014-15 of Rs. 47.45 lakhs compared with previous year of Rs. (3.97) lakhs.

Due to preliminary & pre operative expenditure written off in its first financial year the unit reported loss during the previous year whereas from the current year the unit has started making profit. The unit should increase its market reach and higher sales in the current year to give better performance.

Wheel division

The total income of this unit for the year 2014-15 amounted to Rs.348.71 lakhs compared to Rs.575.88 lakhs in the previous year. As in the financial year 2014-15, the units has done the job work for other group units at cost as a part of restructuring process which resulted in change in structure of unit.

The unit reported the profit before tax for the year 2014-15 amounted to Rs.3.95 lakhs compared to Rs. 106.46 lakhs in the previous year.

Plastic division

The total income of this unit for the year 2014-15 amounted to Rs.145.08 lakhs compared to Rs.94.80 lakhs. The unit reported the profit before tax for the year 2014-15 amounted to Rs.26.21 lakhs compared to the loss of Rs. (2.53) lakhs.

The unit should perform better in the current years due to the increase in production and capacity utilization.

Footwear division

The total income of the footwear division for the year 2014-15 amounted to Rs. 946.30 lakhs compared to Rs.1556.99 lakhs in the previous year. The unit reported a loss before tax of Rs. (129.81) lakhs during the year compared to loss of Rs. (47.87) lakhs in the previous year.

Due to adverse market condition and sluggish demand, the unit reported a loss. The Company is taking steps to change the product and customer mix for a stable business and specifically moving towards high value added products and expecting turnaround in this business segment and also we are working hard for further cost reduction for better bottom line. Our tie up with VKC group has also started giving positive results.

Engineering division

The total income of this unit for the year 2014-15 amounted to Rs.607.24 lakhs compared to Rs.497.71 lakhs in the previous year.

KRYPTON INDUSTRIES LIMITED

The unit posted the profit before tax for the year 2014-15 amounted to Rs.16.05 lakhs compared to Rs. 8.15 lakhs.

The Indian Rehab Care Equipment Market has stated accepting the Brand "**iCare**" which was very encouraging for our company and the same is also noticeable from the current year itself.

Company has always taken a long term view of this business and the company is also in process to come with more similar products for the disabled persons in the coming year. And the company is also expecting very high demand due to weaker rupee and stronger USD & Chinese Yuan due to which we will be very competitive not only in India but all around the world. This currency situation will help us to increase our sales quickly.

2. 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, 2015 and plough back the profits of the company in its business.

3. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATES

At present, the company does not have any subsidiary, Joint ventures or associates.

4. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

A. Industry Structure & Developments:-

Krypton Industries Limited (KIL) had an average performance during last year due to difficult market conditions and high input cost and manufacturing expenses.

The company is mainly focused in market expansion in Indian Market as well as overseas market for its tire and hospital/disabled support equipment business. Company will open its sales depot in different states for all of its products which will help to reach smaller dealer and increase market penetration. Company is also planning to open sales & marketing office in Europe for our rehab care parts sales & for bicycle tires. Company is also focusing on high end products for disabled persons and to increase its product portfolio. We have started working on de-bottlenecking our production facilities and to upgrade our machinery with very minimal capital outlay which help us to enhance our production capacity.

The company had a negative growth from its footwear business and the company has also restructured the business to get better results in the current and future years. The company is also focusing to change the product and customer mix for a stable business. Company is also working in reduction of cost and increasing its efficiency. In footwear segment also we are looking to enter safety shoe segment which will help company to achieve high turnover and high profitability.

B. Outlook and opportunities

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

The company is mainly focused on its tire and rehab care business which also derives better profitability compare to previous year regardless marginal growth of sales. Primarily, the PU tire for Bicycle, rehab care products 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, the company is now recognized as a serious good quality supplier, the future looks very promising. With some new quality certification of the products as required for government orders, this product line will be better positioned to do business with government tenders, defense, NGO's & hospitals. 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 and the company is also in process to come with more new advanced higher quality products for disabled persons.

With new structuring of the footwear division, the cost control and redefining on the business process will give incremental benefit in future. Safety shoes business has huge potential in coming future and we are working on it to give quality product to Indian markets.

C. Outlook on threats, risk and concern

1. Business Risks:

Company is more focused in its tires and wheel business, where the PU Bicycle tires, is comparatively a new product in this line and is also in its growing stage of market establishment and business stability. Our tires are completely new to the market and we have a tough competition with rubber tires and wheels which were easily available in the market and globally prices of rubber has decreased substantially which can impact our sales.

The company also had a tougher competition, in relation to its Hospital / disable support equipments business with that of Chinese products in India as well as across the world. Also foreign currency fluctuation can have adverse as well as positive impact our business.

Company is normally engaged in import of Raw Materials and export sales during its course of business which exposes it to exchange fluctuation and crude & petrochemicals prices, cost of manufacturing are also the areas of concern which we are mitigating it by cost reduction in each area possible.

Company also needed to improve its overall performance in both monetary as well as non monetary terms by emphasizing its product quality & market capture and increasing its sales and reducing its overall cost of sales including reduction of Cost of raw materials and other fixed and variable overheads.

KRYPTON INDUSTRIES LIMITED

2. Financial Risks:

Majority of raw material are imported, so any major fluctuation in US\$ can affect the performance of the company. Although foreign exchange risks somewhat balanced by exports and company is regularly covering such risk.

The interest cost is still on the higher side although RBI started reducing interest rates and banks will take some time to pass on the benefit to borrowers. Company is exploring the other means to reduce interest cost.

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 positively 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 required 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. Internal auditor performs their duty and audit committee reviews internal auditor reports and other 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 on right track 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 2014-2015 company has 270 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.

5. SHARE CAPITAL

The paid up equity share capital as at March 31, 2015 is Rs. 14.69 Crores, divided into 1,46,97,130 equity shares of face value Rs. 10 each.

During the year under review, the Company has not issued any equity shares with differential rights or sweat equity shares or under any employee stock option.

6. DEPOSITS

During the year under review, the Company has neither invited nor accepted any fixed deposits from the public within the meaning of section 73 of the Companies Act, 2013 and the rules made there under.

The company has also repaid all the deposits within 31st March, 2015 which were accepted before the Commencement of the Companies Act, 2013 and falls in ambit of the Deposits as specified under Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of the loans given, Investments made, Guarantees or Securities provided during the year have been disclosed under the Note no. 13, 14 & 32 to the financial statement.

8. PARTICULARS OF THE CONTRACTS OR ARRANGEMENTS WITH THE RELATED PARTIES

All transactions/ contracts/arrangements entered with the Related Parties as defined under section 188 of the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the Ordinary course of business and on arm's length basis and without any conflict of interest. Moreover, the company has not entered into any transaction of material nature with the promoters, directors, management, subsidiaries or any significant related party during the financial year that may have potential conflict with the interests of the company at large.

Since all the related party transactions entered into by the Company were in the ordinary course of the Business and on an arm's length basis. Thus, Form AOC-2 is not applicable to the company.

The details of the transactions/ contracts /arrangements held with the related parties have been disclosed in the Notes to the financial statements.

9. MATERIAL CHANGES AND COMMITMENTS

There has been no material changes have been occurred affecting the financial position of the company in between the period from the close of the financial year of the company to which the Balance Sheet relates and the date of the report.

10. AUDITORS

Statutory Auditors & their Report

M/s. Jagdish Agarwal & Associates (Registration No.320253E), Auditors of the Company have been appointed at the Annual General Meeting on August 27, 2014 for a term of 3 years, subject to the ratification by the members at each Annual General Meeting. The Company has received consent of the Auditors for continuation of office for the Current year.

KRYPTON INDUSTRIES LIMITED

The observations made by the Statutory Auditors in their report for the financial year ended 31st March 2015 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Secretarial Audit Report

Pursuant to section 204 of the Companies Act, 2013, the Board has appointed M/s M.R. & Associates, Practicing Company secretaries to undertake the audit of Secretarial and other related records of the company. The Secretarial Audit Report issued by M/s MR & Associates in Form MR-3 for the financial year ended 31st March, 2015, is also annexed herewith in Annexure-VI. Your directors wish to clarify the observations made by the Auditors regarding the cases being shown as pending in the Bankshall Courts which were actually being resolved during the past years itself and for which a letter is being sent to the Registrar for removal of such cases from the pending list.

Your Directors also clarify that the listing fees of the Calcutta Stock Exchange for the financial year is not being paid as the said stock exchanges is suspended from long and expected that the exchange will get de-recognised soon.

Cost Audit & Records

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014 the Company is only required to maintain its cost records in respect of the products being manufactured by the company. The Cost records are duly maintained by the company and the same is being also filed with the Registrar as required.

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

The information as required under clause (m) sub section (3) of section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rule, 2014 is annexed herewith in Annexure- I.

12. EXTRACT OF ANNUAL RETURN

The extract of Annual Return in Form MGT-9 forming part of the Directors Report is duly attached herewith in Annexure-II.

13. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL IMPACTING GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant & material orders passed by the regulators or courts or tribunal which would impact the going concern status and future operations of the company.

14. LISTING AT STOCK EXCHANGES

The equity shares of the company are listed on the stock exchanges at Kolkata, Mumbai, Delhi and Jaipur. The annual Listing fees have been paid for the financial year 2014-2015.

15. 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 Report under Annexure- IV.

16. MEETINGS

During the year under review, ten Board Meetings and four Audit Committee Meetings were convened and held, the dates and attendance in by each Directors are given in the Corporate Governance Report. The maximum time gaps between the Meetings were within the period as prescribed under the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The details of constitution of the Board and its Committee are given in the Corporate Governance Report.

17. DIRECTORS

The company at its Board Meeting held on 18th March, 2015, has accepted the resignation of Mr. Tansukh Gulgulia (DIN:00404343) from the board of the Company with immediate effect and also appointed Mr. Ravi Prakash Pincha (DIN:00094695) and Mrs. Vimala Devi Bardia (DIN: 07125170) as an Additional Director who will holds the office till the conclusion of the ensuing Annual General Meeting.

The Company has received a notice as per the provisions of section 160 of the companies Act, 2013, from a member proposing the appointment of Mr. Ravi Prakash Pincha. The company has also received a confirmation from Mr. Ravi Prakash Pincha stating that he meets the criteria as provided under section 149(6) of the companies Act, 2013 and in the opinion of Board he is a person of integrity and posses relevant expertise and experience for being appointed as Independent Director.

In accordance with the provision 152 (6) of the Companies Act, 2013 Mr. T C Bachhawat (DIN:00580356), retires by rotation as director at the forthcoming Annual General Meeting and is eligible for reappointment.

None of the Directors of the company are disqualified for being appointed as Directors as specified under section 164 of the Companies Act, 2013 and the rules made thereunder.

18. DECLARATION BY INDEPENDENT DIRECTOR

The Company has duly received the declaration from all the Independent Directors as laid under section 149(6) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

19. KEY MANAGERIAL PERSONNEL

Mr. Vinay Sipani, Senior Accounts Executive of the company who is also a member of the Institute of the Chartered Accountants of India has been designated as the Chief Financial Officer of the Company with effect from September 30, 2014.

Mr. Tarun Kumar Das, Company Secretary has resigned from the service of the company with effect from September 1, 2014 and Miss Arti Bothra as the Company Secretary cum Compliance officer of the company has been appointed on September 30, 2014.

20. REMUNERATION POLICY

The Board, on recommendation of the Nomination & Remuneration Committee has framed a policy for selection and appointment of Directors, Senior Management and their remuneration which includes criteria for performance evaluation of non-executive and executive directors. A detailed Policy is also annexed herewith in Annexure- V.

21. RISK MANAGEMENT POLICY

In accordance with the Clause 49 of the Companies Act, 2013, the Board of Directors of the Company are responsible for framing, implementing and monitoring the Risk management plans of the Company. The Company has also framed a Risk Management Policy defining the roles and responsibilities of the Committee and the same has been approved by the Board of Directors of the Company.

The Risk Management Policy is available on the website of the company, www.kryptongroup.com.

22. VIGIL MECHANISM/WHISTLE BLOWER POLICY

In accordance with the provision of the Companies Act, 2013 read with the Rules made therein and clause 49 of the Listing Agreement, every listed company shall establish a Vigil Mechanism for the directors and employees to report their genuine concerns and grievances. A framed Vigil Mechanism is available on the company's website, www.kryptongroup.com.

The Audit Committee is entrusted with the responsibility to oversee the Vigil Mechanism.

23. BOARD EVALUATION

In accordance with the provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out a formal Annual performance evaluation of its own performance, directors individually as well as the working of its various committees. The manner in which the evaluation has been carried out is explained in the Corporate Governance Report.

24. DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 134(3)(c) of the Companies Act, 2013, your Directors hereby states:

- That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed with proper explanation relating to material departures if any;
- That the directors have 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 the company at the end of the financial year and of the profit of your company for that period.

- That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your company and for preventing and detecting fraud and other irregularities, and
- That the directors have prepared the annual accounts on a going concern basis and
- That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively, and
- That the systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

25. PARTICULARS OF EMPLOYEES

The disclosure required under section 197(12) of the Companies Act, 2013 read with the Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith in Annexure- III.

Further, in accordance with the section 197(12) of the Companies Act, 2013 read with the Rules 5(2) & 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the company hereby confirm that:

- There was no employee employed throughout the financial year 2014-15 who was in receipt of remuneration in the financial year which, in aggregate was not less than sixty lakh rupees;
- There was no employee employed for a part of the financial year 2014-15 who was in receipt of remuneration for any part of the financial year which, in aggregate was not less than five lakh rupees per month;
- There was no employee employed throughout the financial year 2014-15 or a part thereof, who was in receipt of remuneration in the financial year which, in aggregate is in excess of that drawn by the Managing Director or whole time director or manager and hold by himself or along with his spouse and dependent children, not less than the two percent of the equity shares of the company.

Your Directors state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

26. 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 2014-15. 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

KRYPTON INDUSTRIES LIMITED

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.

27. 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.

Cautionary Note:

Certain statements made in the "Director's Report" and "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.

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**

Pradeep Kumar Singh
Chairman
(DIN : 00386800)

Date: 30.05.2015

ANNEXURE - I

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

Pursuant to section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the particulars as required in relation to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo are given below:

A) CONSERVATION OF ENERGY

- a) The steps taken or impact on Conservation of Energy are:
1. Company has carried out a close monitoring of the Electricity consumption based on KWH.
 2. Company has installed the LED lights in its new unit for safe and efficient utilisation of energy.
 3. Installation of Capacitors and Upgradation of the capacitors has been done in the plants in order to increase the power factor and efficient utilisation of energy. It will also help in the company to reduce its electricity bills in the coming years.
- b) The Capital Expenditure investment made during the year in relation to the energy conservation equipments is Rs. 2.86 Lacs.

B) TECHNOLOGY ABSORPTION

1. The efforts made towards technology absorption:

Our company's major focus is on Polyurethane products in Footwear, bicycle & rehab care industry which has a very bright future in coming years. We are working on development new products in this field like PU foam products & other PU products used in rehab care industry. We have already developed high performance MCP tubeless tires for bicycles as a future substitute for Rubber Tires. Also we are doing R&D on high performance of PU tires in industrial applications which is a new area for us.

Our company has started working in development of light weight aluminium wheelchairs and other high end wheelchairs to increase its product base and also to be one the major players in rehab care industry.

Our company is working to enhance our footwear unit production with same infrastructure by effective handling of man power and de bottlenecking in production. Also we are working on development of safety shoes which will help to increase our product base.

2. Benefit derived like product improvement, cost reduction, product development or import substitution:

Our company is on is on right track as we are started getting benefit from our R&D activities & cost reduction measures. We are into final stage for supply our tires to major bicycle manufacturers.

KRYPTON INDUSTRIES LIMITED

We have also cut down our power cost and labour cost in our old tire unit by up gradation of machines and new technology which we are currently using in our new tire unit.

Our wheelchairs has 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. Also "**i Care**" brand has been accepted in Indian market and we are getting with very good response for our product range.

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

- C) Foreign Exchange Earning and Outgo:** The details of the Foreign Exchange Earning in terms of actual inflows and Foreign Exchange outgo in terms of actual outflows during the year under review are given below:

FOREIGN EXCHANGE EARNING AND OUTGO

	<u>2014-2015</u>
	(Rs. in '000)
1. (A) Foreign Exchange Earning	116105.95
2. (B) Foreign Exchange Outgo	
(i) CIF VALUE OF IMPORTS	
• Raw materials, Component & trading Goods	118358.18
• Stores and Spare parts & Component	229.64
• Capital Goods	444.85

Registered Office : Falta Special Economic Zone
Sector-1, Plot-31&32, Falta
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West Bengal
CIN : L25199WB1990PLC048791

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

Pradeep Kumar Singh
Chairman
(DIN : 00386800)

Date: 30.05.2015

ANNEXURE - II

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2015

Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1)
of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS :

i	CIN	L25199WB1990PLC048791
ii	Registration Date	April, 06 1990
iii	Name of the Company	KRYPTON INDUSTRIES LIMITED
iv	Category/Sub-category of the Company	Public Company Limited by Shares
v	Address of the Registered Office & contract details	Falta Special Economic Zone, Sector - 1 Plot No. 31 & 32, P. S. Diamond Harbour, 24 Parganas (South) West Bengal - 743 504, Ph. : 91-3174222227
vi	Whether listed company	YES
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any	Maheshwari Datamatics Pvt. Ltd. 6, Mangoe Lane, 2nd Floor Kolkata - 700 001 E-mail : mdpl@cal.vsnl.net.in Phone : 033-2243 5809 / 5029

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl. No.	Name & Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Tyre, Rim & Wheel	2211	57.77
2	Footwear	1520	25.85
3	Hospital Equipments	3092	16.38

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

At present, the company doesn't have any holding, subsidiary or associate company.

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IV. SHAREHOLDING PATTERN (Equity Share capital Breakup as % to total Equity)

i) Categorywise Share-holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the beginning of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	3873141	0	3873141	26.3530	3876141	0	3876141	26.3735	0.0205
b) Central Govt. of State Govt.									
c) Bodies Corporates									
d) Bank/FI									
e) Any other									
SUB TOTAL (A) (1)	3873141	0	3873141	26.3530	3876141	0	3876141	26.3735	0.0205
(2) Foreign									
a) NRI-Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other...									
SUB TOTAL (A) (2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total Shareholding of Promoter (A) =(A)(1)+(A)(2)	3873141	0	3873141	26.353	3876141	0	3876141	26.3735	0.0205
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	200	200	0.0014	0	200	200	0.0014	0.0000
b) Banks/FI	0	200	200	0.0014	0	100	100	0.0007	-0.0007
c) Central Govt.									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FII									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub Total (B)(1) :	0	400	400	0.0028	0	300	300	0.0021	-0.0007

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B. Non Institutions									
i) Indian	2007619	33451	2041070	13.8875	1902986	33451	1936437	13.1756	-0.7119
ii) Overseas	0	324000	324000	2.2045	0	324000	324000	2.2045	0.0000
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakhs	1823455	846531	2669986	18.1667	2039981	682631	2722612	18.5248	0.3581
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	4440690	434125	4874815	33.1685	4516326	409125	4925451	33.5130	0.3445
c) Others (specify)									
Non-Resident Indians	740669	170500	911169	6.1996	740339	170500	910839	6.1974	-0.0022
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	2549	0	2549	0.0173	1350	0	1350	0.0092	-0.0081
Trusts									
Foreign Bodies - DR									
SUB TOTAL (B)(2) :	9014982	1808607	10823589	73.6441	9200982	1619707	10820689	73.6245	-0.0196
Total Public Shareholding (B) = (B)(1)+(B)(2)	9014982	1809007	10823989	73.6469	9200982	1620007	10820989	73.6266	-0.0203
C. Shares held by Custodian for GDRs * ADRs									
Grand Total (A+B+C)	12888123	1809007	14697130	100.000	13077123	1620007	14697130	100.000	0.000

ii. SHARE HOLDING OF PROMOTERS

Sl. No.		Shareholding at the beginning of the year			Shareholding at the end of the year			% change share holding during the year
		No. of Shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Jay Singh Bardia	1538550	10.4684	0.0000	1538550	10.4684	0.0000	0.0000
2	Pannalal Bardia	1122869	7.6401	0.0000	1122869	7.6401	0.0000	0.0000
3	Pannalal Bardia	462075	3.1440	0.0000	462075	3.1440	0.0000	0.0000

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4	Vimala Devi Bardia	282000	1.9187	0.0000	282000	1.9187	0.0000	0.0000
5.	Tilok Chand Bachhawat	116300	0.7913	0.0000	116300	0.7913	0.0000	0.0000
6	Binod Kumar Sipani	55375	0.3768	0.0000	55375	0.3768	0.0000	0.0000
7	Ruchi Bachhawat	50796	0.3456	0.0000	50796	0.3456	0.0000	0.0000
8	Kusum Bachhawat	50200	0.3416	0.0000	50200	0.3416	0.0000	0.0000
9	Tilok Chand Bachhawat	44549	0.3031	0.0000	47549	0.3235	0.0000	0.0204
10	Alka Bardia	45000	0.3062	0.0000	45000	0.3062	0.0000	0.0000
11	Suchi Bachhawat	43658	0.2971	0.0000	43658	0.2971	0.0000	0.0000
12	Tansukh Gulgulia	30700	0.2089	0.0000	30700	0.2089	0.0000	0.0000
13	Manju Sipani	23710	0.1613	0.0000	23710	0.1613	0.0000	0.0000
14	Tansukh Gulgulia	7300	0.0497	0.0000	7300	0.0497	0.0000	0.0000
15	Piyush Baid	59	0.0004	0.0000	59	0.0004	0.0000	0.0000
	Total	3873141	26.3532		3876141	26.3736		

iii. CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	TANSUKH GULGULIA				
	At the beginning of the year	7300	0.0497	7300	0.0497
	At the end of the year	7300	0.0497	7300	0.0497
2	TILOK CHAND BACHHAWAT				
	At the beginning of the year	44549	0.3031	44549	0.3031
	As on 06/06/2014 - Transfer	3000	0.0204	47549	0.3235
	At the end of the year	47549	0.3235	47549	0.3235
3.	PANNA LAL BARDIA				
	At the beginning of the year	462075	3.1440	462075	3.1440
	At the end of the year	462075	3.1440	462075	3.1440
4.	TANSUKH GULGULIA				
	At the beginning of the year	30700	0.2089	30700	0.2089
	At the end of the year	30700	0.2089	30700	0.2089
5.	VIMLA DEVI BARDIA				
	At the beginning of the year	282000	1.9187	282000	1.9187
	At the end of the year	282000	1.9187	282000	1.9187

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6	JAY SINGH BARDIA				
	At the beginning of the year	1538550	10.4684	1538550	10.4684
	At the end of the year	1538550	10.4684	1538550	10.4684
7	PANNALAL BARIDA				
	At the beginning of the year	1122869	7.6401	1122869	7.6401
	At the end of the year	1122869	7.6401	1122869	7.6401
8.	PIYUSH BAID				
	At the beginning of the year	59	0.0004	59	0.0004
	At the end of the year	59	0.0004	59	0.0004
9.	TILOK CHAND BACHHAWAT				
	At the beginning of the year	116300	0.7913	116300	0.7913
	At the end of the year	116300	0.7913	116300	0.7913
10.	KUSUM BACHHAWAT				
	At the beginning of the year	50200	0.3416	50200	0.3416
	At the end of the year	50200	0.3416	50200	0.3416
11.	RUCHI BACHHAWAT				
	At the beginning of the year	50796	0.3456	50796	0.3456
	At the end of the year	50796	0.3456	50796	0.3456
12.	SUCHI BACHHAWAT				
	At the beginning of the year	43658	0.2971	43658	0.2971
	At the end of the year	43658	0.2971	43658	0.2971
13.	ALKA BARDIA				
	At the beginning of the year	45000	0.3062	45000	0.3062
	At the end of the year	45000	0.3062	45000	0.3062
14.	BINOD KUMAR SIPANI				
	At the beginning of the year	55375	0.3768	55375	0.3768
	At the end of the year	55375	0.3768	55375	0.3768
15.	MANJU SIPANI				
	At the beginning of the year	23710	0.1613	23710	0.1613
	At the end of the year	23710	0.1613	23710	0.1613

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iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Date	Increase/Decrease of Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company				No. of shares	% of total shares of the company
1	JALAN COMMODITIES PRIVATE LIMITED							
	At the beginning of the year	540000	3.6742	There were No increase / decrease in the shareholding during the year			540000	3.6742
	At the end of the year	540000	3.6742				540000	3.6742
2	KANHAIYA LAL BARDIA							
	At the beginning of the year	418500	2.8475	There were No increase / decrease in the shareholding during the year			418500	2.8475
	At the end of the year	418500	2.8475				418500	2.8475
3	RICHARD WARREN BENHAM							
	At the beginning of the year	310000	2.1093	There were No increase / decrease in the shareholding during the year			310000	2.1093
	At the end of the year	310000	2.1093				310000	2.1093
4	POLYAIR TIRES INC.							
	At the beginning of the year	224000	1.5241	There were No increase / decrease in the shareholding during the year			224000	1.5241
	At the end of the year	224000	1.5241				224000	1.5241
5	SANGEETHAS							
	At the beginning of the year	208690	1.4199				208690	1.4199
				23.05.2014	4733	Transfer	213423	1.4521
				06.06.2014	9577	Transfer	223000	1.5173
				13.06.2014	2700	Transfer	225700	1.5357
				30.06.2014	5000	Transfer	230700	1.5697
				04.07.2014	569	Transfer	231269	1.5736
				11.07.2014	731	Transfer	232000	1.5785
				12.09.2014	6300	Transfer	238300	1.6214
				10.10.2014	2700	Transfer	241000	1.6398
				17.10.2014	84	Transfer	241084	1.6403
				31.10.2014	3606	Transfer	244690	1.6649
				14.11.2014	9850	Transfer	254540	1.7319
				28.11.2014	15350	Transfer	269890	1.8363
			31.12.2014	17350	Transfer	271890	1.8500	
			27.03.2015	70000	Transfer	341890	2.3262	
	At the end of the year	341890	2.3262				341890	2.3262

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6	PRASANN DEVI BUCHA							
	At the beginning of the year	201000	1.3676	There were No increase / decrease in the shareholding during the year			201000	1.3676
	At the end of the year	201000	1.3676				201000	1.3676
7	SANTEX MILLS LIMITED							
	At the beginning of the year	200000	1.3608	There were No increase / decrease in the shareholding during the year			200000	1.3608
	At the end of the year	200000	1.3608				200000	1.3608
8	C. SURENDRA TRADING AND INVESTMENTS (P) LTD.							
	At the beginning of the year	147309	1.0023	There were No increase / decrease in the shareholding during the year			147309	1.0023
	At the end of the year	147309	1.0023				147309	1.0023
9	SNEHALATHA SINGHI							
	At the beginning of the year	128155	0.8720	There were No increase / decrease in the shareholding during the year			128155	0.8720
	At the end of the year	128155	0.8720				128155	0.8720
10	PREM MEIWAL							
	At the beginning of the year	115644	0.7868	There were No increase / decrease in the shareholding during the year			115644	0.7868
	At the end of the year	115644	0.7868				115644	0.7868
11	HITESH RAMJI JAVERI							
	At the beginning of the year	100000	0.68704				100000	0.6804
				22.08.2014	40350	Transfer	140350	0.9549
	At the end of the year	140350	0.9549				140350	0.9549
12	HARSHA HITESH JAVERI							
	At the beginning of the year	100000	0.6804				100000	0.6804
				22.08.2014	30350	Transfer	130350	0.8869
				24.10.2014	5558	Transfer	135908	0.9247
				31.10.2014	4092	Transfer	140000	0.9526
At the end of the year	140000	0.9526				140000	0.9526	

v. SHAREHOLDING OF DIRECTORS & KMP

Sl. No.	Name	Shareholding at the beginning of the year, i.e. 01.04.2014		Cumulative Shareholding during the year, i.e. 01.04.2014 - 31.03.2015	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Jay Sinng Bardi	1538550	10.4684	1538550	10.4684
2	Pannalal Bardi	1584944	10.7841	1584944	10.7841
3	Vinay Sipani #	10340	0.0703	10340	0.0703
4	Vimala Devi Bardi @	282000	1.9187	282000	1.9187
5	Tansukh Gulgulia *	38000	0.2586	38000	0.2586
6	Tilok Chand Bachhawat	160849	1.0944	160849	1.0944
	Purchased 3000 Shares on 06.06.2014 - Transer			163849	1.1148

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Note : None of the other Directors/KMPs hold any shares during the year.

*No. of Shares includes the total no. of shares held by the persons including the shares held as a beneficial owner.

#The Board has appointed Mr. Vinay Sipani as the CFO of the Company w.e.f. September 30, 2014 and hence the opening balance is of September 30, 2014.

@ Appointed w.e.f March 18,2015 and hence the opening balance is of March 18, 2015.

*Regined w.e.f. March 18, 2015 and hence the clsoing balance is till March 18, 2015.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	89383670.00	50328476.82	3256823.18	142968970.00
ii) Interest due but not paid		1034859.00	102171.00	1137030.00
iii) Interest accrued but not due				0.00
Total (i+ii+iii)	89383670.00	51363335.82	3358994.18	144106000.00
Change in indebtedness during the financial year				
Additions	42706220.00	3328344.18		46034564.18
Reduction			3358994.18	3358994.18
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	132089890.00	54502370.00	-	186592260.00
ii) Interest due but not paid		189310.00	-	189310.00
iii) Interest accrued but not due				0.00
Total (i+ii+iii)	132089890.00	54691680.00	0	186781570.00

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VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to managing Director, Whole time director and / or Manager : (in Rs.)

Sl. No.	Particulars of Remuneration	Jay Singh Bardia Managing Director	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax 1961.	30,00,000.00	30,00,000.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	as % of profit		
	others (specify)		
5	Others, please speify	-	-
	Total (A)	30,00,000.00	30,00,000.00
	Ceiling as per the Act (Note : The ceiling is determined in case of no profit or in adequate profits)		36,00,000.00

B. Remuneration to other directors : (in Rs.)

Sl. No.	Particulars of Remuneration	Name of the Non-Executive Directors					Total Amount
		Pradeep Kumar Singh	T. C. Bachhawat	Tansukh Gulgulia*	Vimala D. Bardia#	Ravi P. Pincha#	
1.	Independent Directors						
	(a) Fee for attending baord	5,000.00	-	2,500.00	-	-	7,500.00
	(b) Commision	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-
	Total (1)	5,000.00	-	2,500.00	-	-	7,500.00
2	Other Non-Executive Directors						
	(a) Fee for attending	-	1,500.00	-	500.00	-	2,000.00
	(b) Commission	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-
	Total (2)	-	1,500.00	-	500.00	-	2,000.00
	Total Managerial Remuneration						9,500.00
	Overall Ceiling as per the Act.**						-

** The overall ceiling is not applicable to the Non-Executive Directors.

Note : * Resigned w.e.f. March 18, 2015 and hence remuneration shown till March 18, 2015.

#Appointed on March 18, 2015 and hence remuneration shown from March 18, 2015.

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C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration		Key managerial Personnel			
	Gross Salary	Pannalal Bardia CEO	Vinay Sipani* CFO	Tarun Kumar Das# Company Secretary	Arti Bothra* Company Secretary	Total
1.	(a) Salary as per provisions	24,00,000.00	5,58,200.00	50,000.00	1,54,000.00	31,62,200.00
	(b) Value of perquisites u/s 17(2)	-	-	-	-	-
	(c) Profits in lieu of salary under	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	as % of profit					
	others, specify					
5	Others, please specify	-	-	-	-	-
	Total	24,00,000.00	5,58,200.00	50,000.00	1,54,000.00	31,62,200.00

Note : * Being appointed w.e.f. September 30, 2014 and hence salary shown w.e.f. September 30, 2014.

Being resigned w.e.f. September 01, 2014 and hence Salary shown till August 31, 2014.

vii. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :

There were no penalties / punishment / compounding of offences during the year ended 31st March 2015.

ANNEXURE - III

**Statement pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5 of the
Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014**

1. **The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:**

Name of Director	Ratio to Median remuneration
Jay Singh Bardia - Managing Director	38.46

Director's other than Executive Director have received sitting Fees for attending the meeting of the Board of Directors or its committees as disclosed in the Corporate Governance Report. The figures are not comparable.

2. **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year**

Director's/CEO/CFO/CS name	% increase in remuneration in the Financial year 2014-15
Jay Singh Bardia, MD	No increment during the year
Pannalal Bardia, CEO	No increment during the year
Vinay Sipani, CFO	Not Applicable
Tarun Kumar Das, CS	Not Applicable
Arti Bothra, CS	Not Applicable

3. **The percentage increase in the median remuneration of employees in the financial year:** 10.12%
4. **The number of permanent employees on the rolls of company:** 270 employees as on March 31, 2015.
5. **The explanation on the relationship between average increase in remuneration and company performance:** On an average, employees received an annual increase of 10% depending on the financial performance of the company and pay of some of the employees is also linked with the organizational performance as well as individual performance.
6. **Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:**

The total Remuneration of the KMPs during the year is Rs. 61.72 lakhs against the revenue of Rs. 3659.41 lakhs and PBT of Rs. 40.75 Lakhs.

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7. Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Details	As on 31.03.15	As on 31.03.14	% increase/ decrease
Market Capitalization (Rs. in Lakhs)	1710.75	1527.03	12.03
Price Earnings Ratio	72.75	17.03	327.18

8. Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer:

Particulars	As on 31.03.15	Right Issue (2011)	% change
Market Price (in BSE)	11.64	15	(-22.40)

9. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

Average Salary increase of non-managerial employees for 2014-15 is 10%.

Average Salary increase of managerial employees for 2014-15 is 14%.

There were no exceptional circumstances for increase in the managerial remuneration.

10. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company

Key Managerial Personnel Name	% of Profit before Tax (2014-15)
Mr. Jay Singh Bardia, MD #	73.62
Mr. Pannalal Bardia, CEO	58.90
Mr. Vinay Sipani, CFO *	13.70
Mr. Tarun Kumar Das, CS *	1.27
Ms. Arti Bothra, CS *	3.78

*Being for part of year.

Managerial Remuneration is in accordance with the case of No profits or inadequate profits.

11. The key parameters for any variable component of remuneration availed by the directors: No variable remuneration is paid to the directors during the year.
12. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: No Employees received remuneration higher than the managing director during the year.
13. Affirmation that the remuneration is as per the remuneration policy of the company: Remuneration paid during the year is as per the Remuneration Policy of the Company.

ANNEXURE - IV

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, 2015 comprised of total 5 Directors, consisting of One Executive Director and 4 Non Executive Directors out of 1 Woman Director & 2 Non Executive Independent Director. Mr. Jay Singh Bardia, Managing Director is the only Executive Director. During the year under review the Board met 10 times on 30.05.2014, 18.06.2014, 28.07.2014, 13.08.2014, 30.09.2014, 14.11.2014, 30.01.2015, 12.02.2015, 18.03.2015 & 31.03.2015. The constitution of the Board during the year ended 31st March 2015 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 other Directors	No. of Directorship In other Public Limited Companies		No. of Committee Membership/Chairman ship in other Public Limited Companies	
		Board	Last AGM			Listed	Others	Chairman	Members
1.	Mr. Jay S. Bardia *	10	Yes	Promoter, Executive, Chairman cum Managing Director	None	NIL	1	NIL	NIL
2.	Mr. Tilok Chand Bachhawat	03	No	Non-Executive	None	NIL	NIL	NIL	NIL
3.	Mr. Tansukh Gulgulia (resigned on 18.03.15)	05	No	Independent, Non -Executive	None	NIL	1	NIL	NIL
4.	Mr. Pradeep Kumar Singh*	10	Yes	Independent, Non-executive Chairman	None	NIL	1	NIL	NIL
5.	Mr. Ravi Prakash Pincha* (appointed on 18.03.15)	00	No	Independent, Non-executive	None	3	1	4	6
6.	Mrs. Vimala Devi Bardia (appointed on 18.03.15)	01	No	Non-executive, Woman Director	Related with Mr. Jay Singh Bardia, Executive, Managing Director,	NIL	NIL	NIL	NIL

KRYPTON INDUSTRIES LIMITED

*Mr. Jay Singh Bardia ceased to be the chairman w.e.f. 18.03.15 and Mr. Pradeep Kumar Singh was designated as the Chairman in his place with immediate effect.

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 X 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, 2013 and the rules made therein.

c) Appointment / Reappointment of Director:

The Board has appointed Mr. Ravi Prakash Pincha & Mrs. Vimala Devi Bardia as an Additional Director of the Company on March 18, 2015 who holds office till the conclusion of the ensuing Annual General Meeting, being eligible for re-appointment.

A notice in writing has been received from a member along with the requisite deposit under section 160 of the companies Act, 2013 proposing the appointment of Mr. Ravi Prakash Pincha as a non-retiring director at the ensuing Annual General Meeting.

According to the provisions of the Companies Act, 2013 at every Annual General Meeting of the Company one- third of directors are liable to retire by rotation. Thus, Mr. Tilok Chand Bachhawat shall retire at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

A brief profile of the Director proposed to be appointed/re-appointed, along with the particulars of their Directorship held by them, has been appended to the Notice of Annual General Meeting, being circulated to the members along with Annual Report.

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.

e) Board Training & Induction

At the time of the appointment the Director is presented with the Company's profile, relevant Annual Reports and the details of the Company's manufacturing activities including a complete oversight of Company's operations and control.

The Director is given a formal letter of appointment stating their roles, duties and responsibilities required along with a detailed explanation in adherence to the compliances required under the Companies Act, 2013 and Clause 49 of the Listing Agreement and other relevant regulations and taken an affirmation with respect to the same.

f) Code of Conduct

In accordance with the Clause 49 of the Listing Agreement, the Board of Directors has approved the Code of Conduct for the Board of Directors and Senior Executives of the Company. All the Directors and the members of the Senior Executives have adhered to the code of Conduct for Board of directors and Senior Executives of the Company during the year and have signed the declaration of compliance with the same. The Annual Report also contains a declaration to this effect duly signed by the Managing Director. The Code of conduct for Board of Directors and senior Executives is also posted on the website of the company, www.kryptongroup.com.

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 177 of the Companies Act, 2013 pertaining to Audit Committee and its functioning.

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.

KRYPTON INDUSTRIES LIMITED

- 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 & Attendance:-

The Audit Committee consists of Mr. Jay Singh Bardia, Managing Director and other two Independent Non-Executive directors viz., Mr. Pradeep Kumar Singh, M.A. and Mr. Ravi Prakash Pincha.

Mr. Pradeep Kumar Singh, 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. Ms. Arti Bothra, Company Secretary of the Company being appointed with effect from 30.09.14 due to resignation of Mr. Tarun Kumar Das w.e.f 01.09.14, also acted as Secretary to the Committee with immediate effect.

Composition of Audit Committee: -

SL. No.	Name of Member	Category	No. of meetings attended
1.	Mr. T.C Bachhawat (upto 30.09.14)	Member & Chairman	2
2.	Mr. Pradeep Kumar Singh (w.e.f. 01.10.14)	Member & Chairman	2
3.	Mr. Jay Singh Bardia	Member	4
4.	Mr. T. S. Gulgulia (upto 18.03.15)	Member	4
5.	Mr. Ravi Prakash Pincha (w.e.f. 18.03.15)	Member	0

Four Committee meetings were held during the year viz., on 30.05.14, 13.08.14, 14.11.14 and 12.02.15.

4. Nomination & Remuneration Committee:

The Board of Directors at its meeting held on 30th September, 2014 has changed the nomenclature of the Remuneration Committee to the Nomination & remuneration Committee in accordance with section 178 of the Companies Act, 2013 and revised clause 49 of the Listing Agreement entered into with stock exchange.

The Committee has been constituted to recommend / review remuneration of the Managing Director, based on his performance and defined assessment criteria. 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.

The role and terms of reference of the Committee covers the matters as specified for Nomination & Remuneration Committee in the Companies Act, 2013 and Listing Agreements with the Stock Exchange.

Brief description of terms of Reference to the Committee:-

- I. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees,
- II. Formulation of criteria for evaluation of Independent Directors and the Board,
- III. Devising a policy on Board diversity,
- IV. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommended to the Board their appointment and removal.

Remuneration Policy: Further, in accordance with the clause 49 of the Listing Agreement, the Company has adopted a Remuneration Policy duly approved by its Board of Directors. A detailed Remuneration Policy is annexed herewith in Annexure- V.

Annual Performance Evaluation:

In accordance with the Clause 49 of the Listing Agreement, the evaluation of the performance of the Board, Directors and committees are to be carried out on an Annual basis. The Performance of the Board and committees shall be evaluated against their term of references. Further, the Evaluation of the performance shall also include the consideration of their skills, performance and contribution to the Board, Company strategy and Board Committees, their respective roles, duties and responsibilities and attendance at the Board Meetings and Committee Meetings.

a) Composition & Attendance:-

The Committee consists of three independent Directors viz. Mr. Ravi Prakash Pincha, Mr. Pradeep Kumar Singh and Mr.T.C.Bachhawat. Mr. Pradeep Kumar Singh has been designated as the Chairman of the Committee. The meeting of the Committee held on 30th September, 2014 and the attendance during the meeting is as follows:

SL. No.	Name of Member	Category	No. of meetings attended
1	Mr. Pradeep Kumar Singh	Member & Chairman	1
2	Mr. T.C Bachhawat	Member	1
3	Mr. T. S. Gulgulia (upto 18.03.15)	Member	1
4	Mr. Ravi Prakash Pincha (w.e.f. 18.03.15)	Member	0

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b) Remuneration to Executive Director:

Remuneration of the Managing Director for the year-ended 31.03.2015, 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, 2015 is as follows:-

Name of the Directors	Sitting Fees (Rs.)	Others (Rs.)	Total (Rs.)
Mr. Pradeep Kumar Singh	5,000	NIL	5,000
Mr. T. C. Bachhawat	1,500	NIL	1,500
Mr. Tansukh Gulgulia	2,500	NIL	2,500
Mrs. Vimala Devi Bardia	500	NIL	500
Mr. Ravi Prakash Pincha	-	NIL	-

d) Details of the Shares of the Company held by directors as on March 31, 2015 are as follows :

Name of the Directors	No. of Shares held
Mr. Jay Singh Bardia	15,38,550
Mrs. Vimala Devi Bardia	2,82,000
Mr. T.C. Bachhawat	1,60,849
Mr. Tansukh Gulgulia (including the shares held as a Karta of HUF)	38,000
Mr. Pradeep Kumar Singh	NIL
Mr. Ravi Parkash Pincha	NIL

5. Shareholders /Investors Grievance Committee:

The Stakeholders Relationship 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 Board of Directors at its meeting held on 30th September, 2014 has changed the nomenclature of Shareholders/ Investors Grievances Committee to the Stakeholders Relationship Committee in accordance with section 178 of the Companies Act, 2013 and revised clause 49 of the Listing Agreement entered into with 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:

Sl. No.	Name of the Directors	Category	No. of Meeting attended
1.	Mr. Tansukh Gulgulia (upto 18.03.15)	Member & Chairman	23
2.	Mr. Ravi Prakash Pincha (w.e.f. 18.03.15)	Member & Chairman	1
3.	Mr. Pradeep Kumar Singh	Member	24

Ms. Arti Bothra, Company Secretary of the Company being appointed with effect from 30.09.14 due to resignation of Mr. Tarun Kumar Das w.e.f 01.09.14, also acted as Secretary to the Committee with immediate effect.

III. Investors Grievance Redressal :

No. of Complaints pending at the beginning of the financial year 2014-2015 :- NIL
No. of Complaints received during the financial year 2014-2015 :- 0
No. of Complaints redressed during the financial year 2014-2015 :- 0
No. of Complaints pending at the end of the financial year 2014-2015 :- NIL

- Name, designation and address of Compliance Officer : Ms. Arti Bothra
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. Independent Directors Meeting:

During the year under review, the Independent Directors met on 30th September, 2014 inter alia to:

- i) Review of the performance of the non-independent directors and the Board as a whole,
- ii) Review the performance of the chairperson of the company, taking into account the views of executive directors and non-executive directors,
- iii) To assess the quality, quantity and timeliness of flow of information between the company management and the Board to effectively and reasonably perform their duties.

All the Independent directors were present in the Meeting.

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7. General Body Meeting

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

YEAR	DATE	VENUE	TIME
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
2013-2014	27.08.2014	FALTA SPECIAL ECONOMIC ZONE Sector-1, Plot No. 31 & 32 Falta, 24-Parganas (S) Pin - 743 504, West Bengal	11.30 AM

All the resolution, including special resolutions set out in the respective Notices was passed by the Shareholders. No Special Resolutions was passed using Postal ballot at the meetings held during the years under review.

No special Resolution is proposed to be passed through Postal Ballot at the forth coming Annual General Meeting.

8. Disclosures

A) Policy on Related Party Transactions:

All transactions entered with the Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the Ordinary course of business and on arm's length basis and without any conflict of interest. Moreover, the company has not entered into any transaction of material nature with the promoters, directors, management, subsidiaries or any significant related party during the financial year that may have potential conflict with the interests of the company at large.

The Related Party transactions in ordinary course of business have been disclosed in the Note 37 of the financial accounts.

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) Whistle Blower Policy:

In accordance with the provision of the Companies Act, 2013 read with the Rules made therein and clause 49 of the Listing Agreement, every listed company shall establish a Vigil Mechanism

for the directors and employees to report their genuine concerns and grievances. A framed Vigil Mechanism is available on the company's website, www.kryptongroup.com. The Audit Committee is entrusted with the responsibility to oversee the Vigil Mechanism.

D) Details of compliances with Mandatory Requirements and adoption of the non-mandatory requirements of this clause:

All the Mandatory requirements have been appropriately complied with and the non- mandatory requirements are mentioned at the end of the Report.

E) 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.

F) Disclosure of Accounting Treatment

The Company has followed all relevant Accounting Standards while preparing the financial statements.

G) Proceeds from Public Issues, Right Issues and Preferential Issues etc.

During the financial year 2014-2015, the Company did not issue or allot any securities to its shareholders.

H) Disclosure of Risk Management

The Company has the risk assessment and mitigation procedures in place and the same have been laid before the Board members from time to time.

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 and are also posted in the website of the company ie. www.kryptongroup.com. 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) 25th Annual General Meeting:

Date : 24th September, 2015

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

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b) Financial Calendar:

- | | | |
|--|---|--|
| i) <u>Event</u> | : | <u>Date of approval by the Board for publication</u> |
| First Quarter Results | : | 13th August, 2014 |
| Half Yearly Results | : | 12th November, 2014 |
| Third Quarter Results | : | 12th February, 2015 |
| Final Audited Results | : | 30th May, 2015 |
| ii) Posting of Annual Report | : | On or before 28/08/2015 |
| iii) Last date of Receipt of Proxy Forms | : | 22nd September, 2015 (within 11.30 A.M.) |

c) **Date of Book Closure** : 14th September to 24th September, 2015

d) **Listing on Stock Exchanges** : Bombay Stock Exchange
Calcutta Stock Exchange
Delhi Stock Exchange#
Jaipur Stock Exchange*

Recognition of the said Stock Exchange has been withdrawn by SEBI via its order passed on November 19, 2014.

*The said stock Exchange has voluntarily applied for surrender of recognition & exit, an order in relation to the same has been passed by SEBI on March 23, 2015.

The company confirms that it has paid annual listing fees for the year 2014-2015.

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) 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 2014 to March 2015 are as under:

Months	Krypton at BSE		BSE SENSEX	
	High (Rs)	Low (Rs)	High	Low
April, 2014	12.50	9.96	22939.31	22197.51
May, 2014	17.14	11.00	25375.63	22277.04
June, 2014	16.90	13.70	25725.12	24270.20
July, 2014	15.71	13.00	26300.17	24892.00
August, 2014	15.47	12.00	26674.38	25232.82
September, 2014	16.28	13.06	27354.99	26220.49
October, 2014	15.51	12.50	27894.32	25910.77

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November, 2014	15.70	13.05	28822.37	27739.56
December, 2014	15.50	11.22	28809.64	26469.42
January, 2015	15.00	11.11	29844.16	26776.12
February, 2015	15.49	13.05	29560.32	28044.49
March, 2015	14.25	10.50	30024.74	27248.45

g) Registrar & Transfer Agents : **Maheshwari Datamatics Pvt. Ltd**
6, Mangoe Lane, 2nd Floor,
Kolkata -700 001
E-Mail: mdpl@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.

h) 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.

i) Nomination Facility:

Pursuant to section 72 of the Companies Act, 2013 read with relevant rules made there under, members are entitled to make Nomination in respect of the shares held by them. Members holding the shares in dematerialized form are requested to give the nomination request to the respective depositories directly in the required format and the Members holding the shares in physical form may obtain the nomination form (FormSH-13) from the Registrar and share Transfer Agent.

j) Distribution of Shareholding:

i. Category wise shareholding pattern as on 31.03.2015 was as under:

CATEGORY	NO.OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
PROMOTER'S HOLDING		
FOREIGN PROMOTERS	-	-
INDIAN PROMOTERS	3876141	26.3735
NON-PROMOTERS HOLDING		

**KRYPTON INDUSTRIES
LIMITED**

BANKS, FINANCIAL INSTITUTIONS,	100	0.0007
INSURANCE COMPANIES	-	-
(CENTRAL/STATE GOVT. INSTITUTIONS/ NON-GOVT. INSTITUTIONS)		
MUTUAL FUNDS/UTI	200	0.0014
OTHERS		
PRIVATE CORPORATE BODIES	1936437	13.1756
INDIAN PUBLIC	7648063	52.0378
NRIs/OCBs/Others	1236189	8.4111
TOTAL	14697130	100

ii) DISTRIBUTION OF SHARE HOLDING AS ON 31.03.2015

Nominal Value of Shares (Rs)	Share Holders		No. of Shares	
	(Numbers)	%of Total	(Numbers)	% of Total
(1)	(2)	(3)	(4)	(5)
Upto 5,000	6969	87.5723	860346	5.8538
5001 to 10000	299	3.7572	243782	1.6587
10001 to 20000	193	2.4252	291326	1.9822
20001 to 30000	99	1.244	259407	1.765
30001 to 40000	55	0.6911	195549	1.3305
40001 to 50000	66	0.8294	319801	2.1759
50001 to 100000	95	1.1938	742013	5.0487
100001 & Above	182	2.287	11784906	80.1851
Grand Total :	7958	100.0000	14697130	100.0000

k) 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, 2015, equity shares of the company forming 88.9773% of the share capital of the Company stand Dematerialized.

l) 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.

- m) **Plant Location :** DIVISION - I (Tyre Division)
Falta Special Economic Zone
Sector-1, Plot No. 31 & 32
Falta, 24-Parganas (S)
Pin - 743 504, West Bengal
- DIVISION -II (Footwear Division)
Banganagar,
Diamond Harbour Road
Falta, 24-Parganas (S)
Pin- 743 513, West Bengal

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DIVISION - III (Wheel Division)

Falta Special Economic Zone
Sector-2, Plot No. 48
24-Parganas (S)
Pin - 743 504, West Bengal

DIVISION - IV (Engineering Division)

Falta Special Economic Zone
Sector-2, Plot No. 32
24-Parganas (S)
Pin- 743 504, West Bengal

DIVISION - V (Plastic Division)

Falta Special Economic Zone
Sector-2, Plot No. 49 (Part)
24-Parganas (S)
Pin - 743 504, West Bengal

DIVISION- VI (Sadhurhat Division)

Sarisa Falta Road, Sadhurhat,
PS- Ramnagar,
24 Parganas (S),
West Bengal -743504

- n) **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**

The company has not adopted and allowed any reimbursement of expenses incurred by the Non-Executive chairman who is entitled to maintain a Chairman's office at the Company's expenses, in performance of his duties.

ii) **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.

iii) **Audit qualifications**

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

iv) **Separate posts of Chairman and CFO**

The Company has appointed separate persons to the post of chairman and Managing Director/ CFO.

v) **Reporting of Internal Auditor**

Presently, the Internal Auditor is not directly reporting to the Audit Committee

KRYPTON INDUSTRIES LIMITED

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 2015, 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

	Sd/-	Sd/-	Sd/-
Place: Kolkata	Jay Singh Bardia	Panna Lal Bardia	Vinay Sipani
Date: 30.05.2015	(Managing Director)	(Chief Executive Officer)	(Chief Financial Officer)

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, 2015.

For Krypton Industries Limited

Date: 30.05.2015

Jay Singh Bardia
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Krypton Industries Limited

We have examined the compliance of conditions of Corporate Governance by **Krypton Industries Limited**, for the year ended on March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to review of the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the abovementioned 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 : 30.05.2015

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

ANNEXURE - V

REMUNERATION POLICY

This Remuneration Policy ('the policy') has been formulated in compliance with Section 178 of the Companies Act, 2013 read with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time.

APPLICABILITY:

The policy has been formulated by the Nomination and Remuneration Committee ('The Committee') applies to the Board of Directors, Key Managerial Personnel (KMPs), Senior Management Personnel and other employees as approved by the Board of Directors.

OBJECTIVE AND PURPOSE OF THE POLICY

Based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies in the industry, the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and other employees of the quality required to run the Company successfully and to ensure long term sustainability.

Relationship of remuneration to performance is clear and meets appropriate performance bench marks.

A. FUNCTIONS OF THE COMMITTEE

- To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Whole Time Directors/ Non-Executive Directors) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- The level and composition of remuneration is reasonable and sufficient to motivate Directors, Key Managerial Personnel and other Employees, of the quality required to run the Company successfully,
- To formulate the criteria for evaluation of performance of all the Directors on the Board;
- To ensure that the Board comprises of a balance combination of Executive Directors, Non-executive Directors, Independent Directors including the Board diversity;
- Such other functions in accordance with the Companies Act, 2013 and the Listing Agreement, as may be amended from time to time.

B. POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

1. APPOINTMENT

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise of a person is sufficient / satisfactory for the position.

- A whole time KMP of the Company shall not hold office in more than one Company except its subsidiaries. However, he can be appointed as a Director in any Company, with the permission of the Board of Directors of the Company.

2. TERM/TENURE

a) Managing Director/Whole-time Director

The Company shall appoint or re-appoint any person as its Managing Director, Whole Time Director as per the provision of Companies Act, 2013. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of Finance, Law, Management, Sales, Marketing, Administration, Research, Corporate Governance, Operations, Engineering or other disciplines related to the Company's business.

No Independent Director shall hold Office for more than two consecutive terms of up to maximum of five years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly and shall comply the provision of Section 149 read with Schedule IV of the Companies Act, 2013 and rules made there under.

3. EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

4. REMOVAL

The Committee may recommend to the Board with reasons recorded in writing removal of a Director, KMP or one level below KMP subject to the provisions of the companies Act 2013 and all other applicable Acts, Rules and Regulations, if any.

5. RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

C. POLICY FOR REMUNERATION TO DIRECTORS/KMP/OTHER EMPLOYEES

1. NON-EXECUTIVE DIRECTORS (NEDs)/INDEPENDENT DIRECTORS

The Non-Executive Directors / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013.

KRYPTON INDUSTRIES LIMITED

- The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
 - Any profit linked commission if declared by the Board, subject to approval of the shareholders.
- The existing sitting fees which forms part of the policy is annexed herewith.

2. MANAGING DIRECTOR/WHOLE TIME DIRECTOR

The remuneration/ compensation/ commission etc. to the Whole Time/ Executive/ Managing Director will be recommended by the committee and approved by the Board. The remuneration / compensation /commission etc shall be in accordance with the percentage /slabs/ conditions laid in the Companies Act, 2013 and shall be subject to the prior/ post approval of the Shareholders of the Company and Central Government, whenever required.

If in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-Time Director in accordance with the provisions of Schedule-V of the Companies Act, 2013 and if it is not able to comply with such provisions, then with the previous approval of the Central Government.

3. REMUNERATION TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per Company's HR Policies and / or as may be approved by the Committee.
- If the remuneration of KMPs or any other officer is to be specifically approved by the Committee and or by the board under any Regulation, then such approval will be accordingly procured.

D. POLICY REVIEW

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.

This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification on the policy as recommended by the Committee would be given for approval of the Board of Directors.

This policy is updated on 30th September, 2014.

ANNEXURE - VI : SECRETARIAL AUDIT REPORT

**Form No. MR - 3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
KRYPTON INDUSTRIES LIMITED
Falta Special Economic Zone Sector 1 Plot No 31
& 32 P S Diamond Harbour
Twenty Four Parganas
West Bengal, 743504

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KRYPTON INDUSTRIES LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- a. The Companies Act, 2013 (the Act) and the rules made thereunder;
- b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- c. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- d. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- e. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;I further report that, there were no actions/ events in pursuance of ;
 - a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

KRYPTON INDUSTRIES LIMITED

- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- Having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, We further report that the Company has complied with the following law applicable specifically to the Company :

- a. Special Economic Zone Act, 2005

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(Not notified during the period under Audit)
- (ii) The Listing Agreements entered into by the Company with Calcutta Stock Exchange Limited, Bombay Stock Exchange Limited, Delhi Stock Exchange Limited and Jaipur Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- i. The Company had not intimated closure of Trading Windows to Stock Exchange for the quarter ended 30.06.2014 and 30.09.2014.
- ii. The Company has a pending case with the Bankshall Court under Section 299(1), 299(2), 63, 73(2A) of the Companies Act 1956 and the matter is subjudice.
- iii. The Company had not made payment of Annual Listing Fee to Calcutta Stock Exchange Limited, as it intends to get delisted from the same.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with our letter of even date which is annexed "**Annexure A**" and forms an Integral Part of this Report.

For **MR & Associates**
Company Secretaries

[M R Goenka]
Partner

FCS No.:4515

C P No.:2551

Place : Kolkata

Date : 30.05.2015

"ANNEXURE - A"

(TO THE SECRETARIAL AUDIT REPORT OF KRYPTON INDUSTRIES LIMITED
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015)

To,

The Members,
KRYPTON INDUSTRIES LIMITED
Falta Special Economic Zone Sector 1 Plot No 31
& 32 P S Diamond Harbour
Twenty Four Parganas
West Bengal, 743504

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on the secretarial records based on our audit.
2. We have followed the Audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial Records. We believe that the processes and practices, we followed provide the reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **MR & Associates**
Company Secretaries

[M R Goenka]

Partner

FCS No.:4515

C P No.:2551

Place : Kolkata

Date : 30.05.2015

INDEPENDENT AUDITORS' REPORT

To the Members of
Krypton Industries Limited

Report on Financial Statements

1. 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 , 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the Significant Accounting Policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the presentation 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 Principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Opinion

8. 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, of the state of affairs of the Company as at 31st March, 2015, its profit and its Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2015 (herein referred to as "the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, and on the basis of such checking of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by section 143(3) of the Act, we report that:

- (a) We have sought and 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, the Statement of Profit and Loss and the Cash Flows, dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of Written Representation received from the Directors as on 31st March, 2015, taken on record by the Board of Directors, none of the Directors are disqualified as on March 31st, 2015, from being appointed as a Director in terms of Section 164(2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations as on March 31, 2015 on its financial position in its financial statements.
 - ii) The Company has made provision as at March 31, 2015, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, which was required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2015.

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

Place: Kolkata.
Dated: The 30th Day of May, 2015

J.P.AGARWAL
PARTNER
Membership No.055436

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 9 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.
- (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) The Company has granted Unsecured Loans to 2 parties (including 1 Company) covered in the register maintained under Section 189 of the Act:
 - (a) In respect of the aforesaid loans, the parties are repaying the Principal Amounts, as stipulated, and are also regular in payment of interest as applicable.
 - (b) In respect of the aforesaid loans, there is no overdue amount more than Rupees One Lakh.
- (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) According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of Paragraph 3 of the Order are not applicable.
- (vi) We have broadly reviewed the cost records maintained by the Company as prescribed by the Central Government under Section 148(1) of the Act 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.

(vii) 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, Value Added Tax, 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, 2015 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 ₹ 2849690/- and Sales Tax aggregating ₹ 5014928.60/-, 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, 33,509/-	–	Appeal u/s 246A for Assessment Year 2012-13 Before CIT (Appeals)
III. 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.
IV. Income Tax (For EWPL now Merged with the Company)	₹ 12,92,342/-	–	Appeal u/s 250 for Assessment Year 2008-09 Before Appellate Tribunal.
V. Sales Tax & VAT (For The Company)	₹ 43,56,213/-	₹ 38,300/-	Appeal with Joint Commissioner for the Financial Year 2010-2011
VI. Sales Tax & VAT (For The Company)	₹ 6,97,015.60/-	–	Appeal with Joint Commissioner for the Financial Year 2010-2011

- (c) The Company has transferred ₹ 757434/- to the Investor Education and Protection Fund in accordance with Section 205C and other relevant provisions of the Companies Act, 1956, and rules made thereunder within the prescribed time limit.

KRYPTON INDUSTRIES LIMITED

- (viii) 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.
- (ix) 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.
- (x) The company has not given any guarantee for loans taken by others, therefore the provisions of Clause (xi) of Paragraph 3 of the Order are not applicable.
- (xi) In our opinion, the Term Loan has been applied for the purpose for which they were obtained.
- (xii) 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.

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For **JAGDISH AGARWAL & ASSOCIATES**

CHARTERED ACCOUNTANTS

Firm Registration No.320253E

Place: Kolkata.

Dated: The 30th Day of May, 2015

J.P.AGARWAL

PARTNER

Membership No.055436

KRYPTON INDUSTRIES LIMITED

Balance Sheet as at 31st March, 2015

	Note No.	As at 31/03/2015 (₹ in Thousands)	As at 31/03/2014 (₹ in Thousands)
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	'3'	146,971.30	146,971.30
Reserves and Surplus	'4'	149,857.23	148,735.54
		<u>296,828.53</u>	<u>295,706.84</u>
Non-Current Liabilities			
Long-term Borrowings	'5'	57,489.87	32,247.97
Deferred Tax Liabilities (Net)	'6'	16,400.97	15,418.73
Other Long-term Liabilities	'7'	1,223.39	697.25
		<u>75,114.23</u>	<u>48,363.95</u>
Current Liabilities			
Short-term Borrowings	'8'	129,102.39	110,721.00
Trade Payables	'9'	43,895.56	65,173.54
Other Current Liabilities	'10'	3,325.23	5,255.21
Short-term Provisions	'11'	925.33	2,725.49
		<u>177,248.51</u>	<u>183,875.24</u>
TOTAL		<u>549,191.27</u>	<u>527,946.03</u>
<u>ASSETS</u>			
Non-Current Assets			
Fixed Assets			
Tangible Assets	'12'	216,492.26	224,210.49
Non-Current Investments	'13'	425.33	925.33
Long-term Loans and Advances	'14'	14,441.35	10,384.83
Other Non-Current Assets	'15'	1,629.62	2,002.62
		<u>232,988.56</u>	<u>237,523.27</u>
Current Assets			
Inventories	'16'	163,477.81	134,252.16
Trade Receivables	'17'	96,075.97	98,676.91
Cash and Bank Balances	'18'	18,121.81	19,618.94
Short-term Loans and Advances	'19'	16,009.69	15,911.38
Other Current Assets	'20'	22,517.43	21,963.37
		<u>316,202.71</u>	<u>290,422.76</u>
TOTAL		<u>549,191.27</u>	<u>527,946.03</u>

Summary of significant accounting policies '2'

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

PRADEEP KUMAR SINGH
Chairman
(Din : 00386800)

VINAY SIPANI
Chief Financial Officer

ARTI BOTHRA
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, 2015

J. P. AGARWAL
PARTNER
Membership No.055436

KRYPTON INDUSTRIES LIMITED

Statement of Profit and Loss for the year ended 31st March, 2015

	Note No.	Year Ended 31/03/2015 (₹ in Thousands)	Year Ended 31/03/2014 (₹ in Thousands)
INCOME			
Gross Revenue from Operations	'21'	366,440.92	429,693.94
Less: Excise Duty		3,186.12	4,031.23
Net Revenue from Operations		363,254.80	425,662.71
Other Income	'22'	2,686.09	2,525.27
Total Revenues		365,940.89	428,187.98
EXPENSES			
Purchases of Stock-in-Trade		210.40	6,910.48
Cost of Materials Consumed	'23'	204,199.70	223,957.46
Changes in Inventories	'24'	(18,164.90)	(14,652.53)
Employee Benefits Expenses	'25'	57,821.47	55,937.97
Power and Fuel	'26'	14,587.03	14,649.55
Finance Costs	'27'	19,328.19	15,559.09
Depreciation and Amortization	'28'	16,406.59	13,848.61
Other Expenses	'29'	67,477.04	98,433.67
Total Expenses		361,865.52	414,644.30
Profit/ (Loss) before Exceptional items and Tax		4,075.37	13,543.68
Exceptional Items		-	-
Profit before Tax		4,075.37	13,543.68
Tax Expenses:	'30'		
Current Tax		779.10	2,709.79
Deferred Tax		982.24	1,809.07
Profit/ (Loss) for the period		2,314.03	9,024.82
Earnings per Equity Share:			
Basic & Diluted EPS (₹)	'35'	0.16	0.61
Summary of significant accounting policies	'2'		

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

PRADEEP KUMAR SINGH
Chairman
(Din : 00386800)

VINAY SIPANI
Chief Financial Officer

ARTI BOTHRA
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, 2015

J. P. AGARWAL
PARTNER
Membership No.055436

KRYPTON INDUSTRIES LIMITED

Cash Flow Statement for the year ended 31st March, 2015

	Year ended 31/03/2015 (₹ in Thousands)	Year ended 31/03/2014 (₹ in Thousands)
A. <u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit before Tax	4,075.37	13,543.68
Adjustment for :		
Finance Costs	19,328.19	15,559.09
Depreciation and Amortization Expenses	16,406.59	13,848.61
Preliminary Expense Written Off	373.00	373.00
Pre-operative Expense Written Off	–	315.93
Balance written off	(3,342.22)	(667.11)
Income from Investing Activities	(1,939.33)	(2,138.99)
	<u>30,826.23</u>	<u>27,290.53</u>
Operating profit before working capital changes	34,901.60	40,834.21
Changes in working Capital:		
Inventories	(29,225.65)	(8,824.39)
Trade and other Receivables	5,389.48	(15,354.16)
Trade and other Payables	(21,277.98)	5,806.70
	<u>(45,114.15)</u>	<u>(18,371.85)</u>
Cash generation from Operation	(10,212.55)	22,462.36
Payment of Direct Taxes	(2,120.98)	(2,183.35)
Net Cash generated/ (used) - Operating Activities	(12,333.53)	<u>20,279.01</u>
B. <u>CASH FLOW FROM INVESTMENT ACTIVITIES</u>		
Purchase of Fixed Assets	(9,880.70)	(31,127.04)
Sale of Investments	651.65	–
Proceeds/ Repayment of Loans from/to Body Corporate (Net)	(586.19)	(4,317.66)
Decrease in short term provision	(16.56)	440.01
Increase in long term loans and advances and non current asset	(3,299.47)	7,384.84
Decrease in other long term liabilities and other liabilities	(1,403.84)	(3,330.20)
Interest Received	1,833.84	1,330.80
Net Cash Generated/ (Used) - Investing Activities	(12,701.27)	<u>(29,619.25)</u>

**KRYPTON INDUSTRIES
LIMITED**

C. CASH FLOW FROM FINANCING ACTIVITIES

Proceeds/ Repayment of Long-term Borrowings (Net)	26,189.62	15,119.68
Proceeds / Repayment of Short-term Borrowings (Net)	18,381.39	(1,731.17)
Finance Cost Paid	(20,275.91)	(15,944.68)
Dividend Paid (includes amount transferred to Investor Education & Protection Fund)	(757.43)	(975.76)
Net Cash Generated/ (Used) - Financing Activities	<u>23,537.67</u>	<u>(3,531.93)</u>
Net Increase/ (Decrease) in Cash and Cash Equivalents	(1,497.13)	(12,872.17)
Add : Opening Cash and Cash Equivalents	19,618.94	32,491.11
Add : On Amalgamation	—	—
Closing Cash and Cash Equivalents	<u>18,121.81</u>	<u>19,618.94</u>

Notes:

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

PRADEEP KUMAR SINGH

Chairman
(Din : 00386800)

VINAY SIPANI

Chief Financial Officer

ARTI BOTHRA

Company Secretary

In terms of our attached report of even date

For **JAGDISH AGARWAL & ASSOCIATES**

CHARTERED ACCOUNTANTS

Firm Registration no.320253E

J. P. AGARWAL

PARTNER

Membership No.055436

Place: Kolkata.

Dated: The 30th Day of May, 2015

Notes to the Financial Statements as at and for the year ended 31st March 2015

1. GENERAL CORPORATE INFORMATION

Krypton Industries Limited ("The Company") is situated at Falta Special Economic Zone, Sector - 1, Plot No. 31 & 32, P.S - Diamond Harbour, 24 Parganas, West Bengal - 743504. The Company is engaged in Manufacture and Sale of Tubeless Tyres, Commode Chairs, Hamlock, P.U. Shoe Soles, P.U. Sandals/Chappals and trading in Tubeless Tyres, Wheel Chairs and its accessories, Walker, Cycle Accessories, Plastic Rims, Crutches, Rollators, etc.

2. SIGNIFICANT ACCOUNTING POLICIES:

(a) BASIS OF ACCOUNTING

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the Act"). The financial statements have been prepared on accrual basis under the historical cost convention, except stated otherwise. 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 in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of revenue and expenses during the reported period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Differences between the actual results and estimates are recognised in the period in which the results are known/ materialised.

(c) FIXED ASSETS

All fixed assets are valued at Cost less accumulated Depreciation. Direct costs are capitalized until assets are ready for use. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard performance.

(d) DEPRECIATION

- (i) Effective 1st April 2014, the Company depreciates its fixed assets over the useful life in the manner prescribed in Schedule II of the Act, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956.
- (ii) Depreciation on fixed assets are accounted for on pro-rata basis with reference to date of use / disposal.

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2015

(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 value of Finished Goods includes Excise Duty, wherever applicable.

(f) EMPLOYEE BENEFITS

- (i) **Short Term Employee Benefits (i.e. benefits payable within one year):** These are recognized in the period in which employee services are rendered.
- (ii) **Post Employment and other Long Term Employee Benefit (Defined Contribution Plan):** A Defined Contribution Plan is a post - employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund (including Pension Fund) and Employees' State Insurance. The Company's contribution is recognized as an expense in the Profit and Loss Statement during the period in which the employee renders the related service.

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.

(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 are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

(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, Foreign Currency Monetary Items are reported using closing rates.
- (iii) Exchange difference arising on the settlement of monetary items is 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.

Notes to the Financial Statements as at and for the year ended 31st March 2015

(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 Schedule III. Current Investments are carried at Cost or Fair Value, whichever is lower. Non - Current Investments are carried at Cost.

(m) BORROWING COSTS

Interest and other Borrowing Costs attributable to qualifying assets are capitalized. 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 Tax, and Deferred Tax charge or credit. 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 by the Balance Sheet Date.

(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 therefrom 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.

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2015

	As at 31/03/2015 (₹ in Thousands)	As at 31/03/2014 (₹ in Thousands)
3. 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 :

Particulars	2014-15		2013-14	
	Numbers	(₹ Thousands)	Numbers	(₹ Thousands)
Equity Shares outstanding at the beginning of the year	14,697,130	146971.30	14,697,130	146,971.30
Add: Equity Shares Issued during the year under the Scheme of Merger	-	-	-	-
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 the ensuing 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 31/03/2015		As at 31/03/2014	
	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%	1,584,944	10.78%

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				
	31/3/2015	31/3/2014	31/3/2013	31/3/2012	31/3/2011
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 2015

		As at 31/03/2015 (₹ in Thousands)	As at 31/03/2014 (₹ in Thousands)
4. Reserves and Surplus :			
a) General Reserve (A)		5,707.51	5,707.51
b) Securities Premium Account (B)		36,553.40	36,553.40
c) Surplus/ (deficit) in the Statement of Profit and Loss			
Opening Balance		106,474.63	97,449.81
Add: Profit/(loss) for the year		2,314.03	9,024.82
Less: Adjustment as per Schedule II to the Companies Act, 2013 (Refer Note No. 12)		(1,192.34)	-
Net surplus / (deficit) in the statement of profit & Loss (C)		107,596.32	106,474.63
Total Reserve and Surplus (A+B+C)		149,857.23	148,735.54

5. Long-term Borrowings

	Non Current Maturities		Current Maturities	
	31.03.2015 (₹ Thousands)	31.03.2014 (₹ Thousands)	31.03.2015 (₹ Thousands)	31.03.2014 (₹ Thousands)
Term Loans :				
From Banks (Secured)	8,914.68	11,404.68	2,700.00	2,025.00
From Related Parties (Unsecured) (Refer Note No. 37)	6,468.30	-	-	6,468.30
From Other Parties (Unsecured)	40,455.18	19,307.35	7,578.89	27,809.65
Car Loan (Secured)	1,651.71	1,535.94	1,108.54	1,304.18
	57,489.87	32,247.97	11,387.43	37,607.13
Secured Borrowings	10,566.39	12,940.62	3,808.54	3,329.18
Unsecured Borrowings	46,923.48	19,307.35	7,578.89	34,277.95
Amount disclosed under the head				
Short term borrowings				
"(Refer Note No. 8)"	-	-	(11,387.43)	(37,607.13)
	57,489.87	32,247.97	-	-

- 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 Car itself.
- 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.

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2015

- 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 itself.
- 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 entire 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 Machineries 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 and Mr. Tansukh Gulguilia.
- F. Car Loan from Bank of Baroda, IBB Branch of Tyre Division was taken during the Financial Year 2014-15 and carries interest @10.25% + 0.25% p.a. The loan is repayable in 36 monthly installment of ₹ 32.50 (in '000), inclusive of interest from the date of loan. This loan is secured by the hypothecation of Renault Duster Car itself.
- G. Car Loan from Bank of Baroda, IBB Branch of Tyre Division was taken during the Financial Year 2014-15 and carries interest @ 10.25% + 0.25% p.a. The loan is repayable in 24 monthly installment of ₹ 19.57 (in '000), inclusive of interest from the date of loan. This loan is secured by the hypothecation of Swift Dzire Car itself.

	As at 31/03/2015 (₹ in Thousands)	As at 31/03/2014 (₹ in Thousands)
6. <u>Deferred Tax Liabilities (Net)</u>		
Deferred Tax Liabilities		
Opening Balance	15,418.73	13,609.66
Related to Fixed Assets and Amortization Expenses	982.24	1,809.07
Deferred Tax Liabilities (Net)	<u>16,400.97</u>	<u>15,418.73</u>
6. <u>Other Long-term Liabilities</u>		
Trade Payables	1,221.67	695.93
Other Liabilities	1.72	1.32
	<u>1,223.39</u>	<u>697.25</u>
7. <u>Short-term Borrowings</u>		
Current Maturities of Long term borrowings (A)	11,387.43	37,607.13
Cash Credit (Secured)	81,911.91	63,209.75
Packing Credit (Secured)	29,367.55	9,904.12
Foreign Bills Purchased	6435.50	-
	<u>129,102.39</u>	<u>110,721.00</u>

- A. For current Maturities of long term borrowings, please refer Note No. 5.
- B. The Cash Credit from Bank of Baroda of Tyre Division was reviewed during the Financial Year 2014-15 and carries interest rate of base rate+3% 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 The loan is further secured by Equitable Mortgage of Leasehold Land at Falta and structure standing thereon in the name of the company together with Plant and Machinery thereon, lien on FDR, assignment of Keymen LIP and is

Notes to the Financial Statements as at and for the year ended 31st March 2015

further secured by the personal guarantee of Mr J.S Bardia, the Managing Director of the company and Mr. T.S. Gulgulia. (As per sanction letter dated 19/12/2014).

- C.** The Packing Credit from Bank of Baroda of Tyre Division has been reviewed during the Financial Year 2014-15 and carries floating interest @ Base Rate + 1.25% p.a. with monthly rests subject to Limit of ₹ 400 Lacs. The loan is secured by hypothecation of both present and future stock of Raw material, Work in progress, Finished goods, Stores and spares, 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 and Mr. T. S. Gulgulia. (As per sanction letter dated 19/12/2014).
- D.** The Cash Credit from Bank of Baroda of Footwear Division was revalidated during the financial year 2014-15 and carries floating interest @ Base Rate + 3.00% p.a. with monthly rests (as per Sanction Letter dated 19.12.2014) with a Limit of ₹ 450 Lacs. The loan is repayable as per term each along with interest, from the date of loan. The 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, D.P. Note, & Letter of Continuing Security. The Loan is further secured by Equitable mortgage on Leasehold Rights on Land and Structure/Building at Falta, along with Plant & Machinery thereon, Lien on FDR, Assignment of Keyman LIP, and is further secured by Personal Guarantee of Mr. J.S. Bardia, the Managing Director of the Company and Mr. T.S. Gulgulia.
- 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% 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 Company, D.P. Note, Letter of Continuing Security, Hypothecation of Book Debts upto 90 days. 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, assignment of Keyman LIP and is further secured by the personal guarantee of Mr. J.S Bardia, Managing Director the Company and Mr. T.S Gulgulia. (As per sanction letter dated 08/12/2014).
- F.** 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% p.a. 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 Exclusive Equitable Mortgage over the entire 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 which is 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 and Mr. Tansukh Gulgulia.
- G.** The Cash credit from Bank of Baroda of Wheel Division was revalidated during the Financial Year 2014-15 and carries Interest Rate of Base Rate+3% 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 Company, D.P. Note, Letter of Continuing Security, and Hypothecation of Book Debts upto 90 days. These loans are further secured by Equitable Mortgage of Leasehold Land at Falta and structure standing thereon in the name of the company together with Plant and Machinery thereon, lien on FDR, and assignment of Keymen LIP. The loan is further secured by the personal guarantee of Mr J.S Bardia, the Managing Director of the company and Mr. T. S. Gulgulia. (As per sanction letter dated 19/12/2014).

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2015

	As at 31/03/2015 (₹ in Thousands)	As at 31/03/2014 (₹ in Thousands)
9. Trade Payables		
Trade Payables	<u>43,895.56</u>	<u>65,173.54</u>
10. Other Current Liabilities		
Interest accrued and due on Unsecured borrowings	189.31	1,137.03
Unpaid/ Unclaimed Dividends	-	757.05
Customers' Credit Balances and Advances against orders	677.81	718.84
Statutory dues Payables		
Tax deducted at source payable	685.76	947.89
Provident Fund , ESI, and other Government Charges	658.10	557.17
Excise Duty Payable	38.49	13.47
WB Professional Tax Payable	2.65	1.72
Duties and taxes	1,068.02	1,103.04
Other Liabilities	5.09	19.00
	<u>3,325.23</u>	<u>5,255.21</u>
	As at 31/03/2015 (₹ in Thousands)	As at 31/03/2014 (₹ in Thousands)
11. Short-term Provisions		
Provision for Current Tax	<u>925.33</u>	<u>2,725.49</u>
12. 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	
	31/03/2015 (₹ Thousands)	31/03/2014 (₹ Thousands)	31/03/2015 (₹ Thousands)	31/03/2014 (₹ Thousands)	31/03/2015 (₹ Thousands)	31/03/2014 (₹ Thousands)
Freehold Land	14,392.03	14,392.03	-	-	14,392.03	14,392.03
Buildings	107,257.36	106,836.13	21,481.94	17,952.32	85,775.42	88,883.81
Plant and Machinery	183,911.17	179,290.68	87,940.36	79,282.43	95,970.81	100,008.25
Furniture and Fixtures	11,201.98	10,603.17	5,411.60	4,290.93	5,790.38	6,312.24
Electrical Installations	14,267.27	12,255.64	6,505.43	4,498.14	7,761.84	7,757.50
Vehicles	10,156.00	8,060.10	4,497.43	3,365.22	5,658.57	4,694.88
Office Equipment	5,727.77	5,595.13	4,928.31	3,985.66	799.46	1,609.47
Computer	665.72	714.55	321.97	162.24	343.75	552.31
	<u>347,579.30</u>	<u>337,747.43</u>	<u>131,087.04</u>	<u>113,536.94</u>	<u>216,492.26</u>	<u>224,210.49</u>

(a) Reconciliation of the gross and net carrying amounts of assets at the beginning and year ending 31/03/2015 are as under:

Cost	As at 31/03/2014 (₹ Thousands)	Additions (₹ Thousands)	Disposals (₹ Thousands)	Other Adjustments (₹ Thousands)	As at 31/03/2015 (₹ Thousands)
Freehold Land	14,392.03	-	-	-	14,392.03
Buildings	106,836.13	421.23	-	-	107,257.36
Plant and Machinery	179,290.68	4,620.49	-	-	183,911.17
Furniture and Fixtures	10,603.17	598.81	-	-	11,201.98
Electrical Installations	12,255.64	2,011.63	-	-	14,267.27
Vehicles	8,060.10	2,095.90	-	-	10,156.00
Office Equipment	5,595.13	132.64	-	-	5,727.77
Computer	714.55	-	48.83	-	665.72
	<u>337,747.43</u>	<u>9,880.70</u>	<u>48.83</u>	-	<u>347,579.30</u>
Previous Year	264,966.44	72,780.99	-	-	337,747.43

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2015

Accumulated Depreciation	As at	Additions	Adjustment as per	Deductions/	As at
	31/03/2014		Schedule II to the	Other Adjust	31/03/2015
			Companies Act, 2013		
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
Buildings	17,952.32	3,529.62	-	-	21,481.94
Plant and Machinery	79,282.43	8,657.93	-	-	87,940.36
Furniture and Fixtures	4,290.93	1,043.89	76.78	-	5,411.60
Electrical Installation	4,498.14	1,515.58	491.71	-	6,505.43
Vehicles	3,365.22	1,132.21	-	-	4,497.43
Office Equipment	3,985.66	348.40	594.25	-	4,928.31
Computer	162.24	178.96	29.60	48.83	321.97
	<u>113,536.94</u>	<u>16,406.59</u>	<u>1,192.34</u>	<u>48.83</u>	<u>131,087.04</u>
Previous Year	99,688.33	13,848.61	-	-	113,536.94

	As at 31/03/2015	As at 31/03/2014
	(₹ in Thousands)	(₹ in Thousands)

13. Non-Current Investments

Other Investments

Investments in Equity Instruments (Unquoted) - (a)	202.00	202.00
Investments in Mutual Funds (Quoted) - (b)	-	500.00
Investments in Others		
Gold Coins	<u>223.33</u>	<u>223.33</u>
	<u>425.33</u>	<u>925.33</u>

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

	Face value per Unit	As at 31/03/2015		As at 31/03/2014	
		Numbers	(₹ Thousands)	Numbers	(₹ Thousands)
(a) Other Investment - Unquoted					
i. Investments in Equity Instruments					
Krypton Developers Limited	Others	₹ 10	9,400	94.00	9,400
I Care International Pvt. Ltd	Others	₹ 10	10,800	108.00	10,800
			<u>20,200</u>	<u>202.00</u>	<u>20,200</u>
					<u>202.00</u>

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2015

	Face value per Unit	As at 31/03/2015		As at 31/03/2014	
		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
Baroda Pioneer Infrastructure Fund Others	₹ 10	-	-	30000	300.00
Baroda Pioneer Banking & Financial Services Others	₹ 10	-	-	9985	100.00
					<u>500.00</u>

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

	As at 31/03/2015 (₹ in Thousands)	As at 31/03/2014 (₹ in Thousands)
Aggregate amount of Quoted Investments	-	500.00
Aggregate market value of Quoted Investments	-	529.84

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

14. Long-term Loans and Advances :

Capital Advances			
<i>Unsecured, Considered Good</i> (A)		<u>643.00</u>	<u>2,143.00</u>
Security Deposits and interest on security deposits			
<i>Unsecured, Considered Good</i> (B)		<u>1,399.80</u>	<u>1,413.29</u>
Loans and Advances to others			
<i>Unsecured, Considered Good</i> (C)		<u>12,398.55</u>	<u>6,828.54</u>
Total (A+B+C)		<u>14,441.35</u>	<u>10,384.83</u>

15. Other Non-Current Assets :

Long Term Trade Receivables			
<i>Unsecured, Considered Good</i> (A)		<u>883.62</u>	<u>883.62</u>
Unamortized Expenses (B)		<u>746.00</u>	<u>1,119.00</u>
Total (A+B)		<u>1,629.62</u>	<u>2,002.62</u>

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2015

	As at 31/03/2015 (₹ in Thousands)	As at 31/03/2014 (₹ in Thousands)
16. Inventories :		
Raw Materials	58,144.96	45,194.55
Work-in-Progress	20,862.29	15,293.23
Consumable Stores	1,486.60	2,837.53
Finished Goods	55,619.94	41,959.83
Stock-in-Trade	1,797.19	1,940.02
Stores and Spares	8,436.66	9,112.82
Upper (produced Raw Material)	16,588.72	17,471.67
Packing Material	541.45	442.51
	163,477.81	134,252.16
17. Trade Receivables		
Outstanding for a period exceeding six months <i>Unsecured, Considered Good</i>	25,956.91	21,798.59
Outstanding for a period less than six months <i>Unsecured, Considered Good</i>	70,119.06	76,878.32
	96,075.97	98,676.91
18. Cash and Bank Balances :		
Cash and Cash Equivalents		
Deposits maturing within 12 months	5,305.01	4,354.29
Balance with Banks:		
Current Account	715.80	3,930.58
Cash on hand	8,464.31	8,347.38
	(A) 14,485.12	16,632.25
Other Balances		
Balance with Banks :		
On Unclaimed Dividend Account	-	757.05
Margin Money Account	32.52	32.52
Balances/Deposits with Banks maturing after 12 months	3,604.17	2,197.12
	(B) 3,636.69	2,986.69
Total	18,121.81	19,618.94

Note: 1. Current Year : ₹ 757.43 (in '000) has been transferred to Investor Education & Protection Fund [Previous Year : ₹ 957.45 (in '000)]

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2015

	As at 31/03/2015 (₹ in Thousands)	As at 31/03/2014 (₹ in Thousands)
19. <u>Short-term Loans and Advances</u>		
Loans and Advances to Related Parties		
<i>Unsecured, Considered Good (Advance against Managerial Remuneration)- Refer Note No. 37)</i>	200.00	200.00
Loans and Advances to Others		
<i>(Unsecured, Considered Good)</i>	9,854.45	9,139.24
	10,054.45	9,339.24
Advance Tax (including FBT)	1,101.00	2,001.00
Advance FSEZ Rent	72.87	231.49
Income Tax Deducted at Source - (a)		
<i>(Unsecured, Considered Good)</i>	4,781.37	4,339.65
Total (A+B+C+D)	16,009.69	15,911.38

(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)

	As at 31/03/2015 (₹ in Thousands)	As at 31/03/2014 (₹ in Thousands)
20. <u>Other Current Assets</u>		
Duties and taxes	15,249.68	14,952.59
Advance against Salary & Wages	6.30	53.40
Advance to Suppliers	4,478.44	6,113.90
Others	2,783.01	843.48
	22,517.43	21,963.37

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2015

	For year ended 31/03/2015 (₹ in Thousands)	For year ended 31/03/2014 (₹ in Thousands)
21. Revenue from Operations:		
Sale of Products		
M.C.P. Tyres & Armrest - Overseas	21,286.92	91,050.32
M.C.P. Tyres & Armrest - Exports	5,472.00	13,990.24
M.C.P. Tyres & Armrest - Domestic	88,265.41	81,264.70
Plastic Rim with Tyre & Components - Overseas	61,484.52	23,598.36
Trading Goods - Overseas	381.26	7,243.84
Trading Goods - Domestic	1,959.91	883.93
Raw Material - Domestic	99.43	102.56
P.U. Shoe Sole - Domestic	52,513.38	58,725.26
P.U. Shoe Sole - Overseas	-	4,454.19
P.U. Sandles - Domestic	33,228.95	84,305.49
P.U. Sandles - Overseas	-	3,347.45
Wheel Chair Parts - Overseas	32,946.33	9,117.72
Hospital Equipments - Domestic	637.93	666.79
Wheel Chair - Domestic	48,335.66	38,688.90
Crutch and Walking Stick - Domestic	4,675.34	3,021.32
Upper - Domestic	1,951.61	4,224.39
Spares - Domestic	2,452.88	1,475.33
Spares - Export	-	8.40
Spares - Overseas	-	6.39
Commode Chairs - Domestic	3,402.89	3,368.07
Consumable Stores - Domestic	-	5.46
Consumable Stores - Overseas	6.92	-
Sale of Services		
Job Work charges	7,280.78	88.27
Other Operating Revenues		
Scrap Sales	58.80	56.56
Gross Revenue from Operations	366,440.92	429,693.94
Less: Excise Duty	3,186.12	4,031.23
Net Revenue from Operations	363,254.80	425,662.71
22. Other Income:		
Interest Income - (a)	1,787.68	2,138.99
Profit on Sale of Mutual Fund	151.65	-
Prior Period Items (Net) - (b)	-	(330.50)
Other Non-Operating Income	746.76	716.78
	2,686.09	2,525.27
(a) Interest Income includes tax deducted at source amounting ₹ 178.97 (in '000) [Previous year ₹ 145.44 (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
Prior Period Expenses	-	(366.72)
	-	(330.50)

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2015

	For year ended 31/03/2015 (₹ in Thousands)	For year ended 31/03/2014 (₹ in Thousands)
23. Cost of Materials Consumed :		
Raw Material		
Opening Stock	45,194.55	50,074.83
Add: Purchased	<u>217,184.75</u>	<u>228,104.92</u>
	262,379.31	278,179.75
Less: Cost of material sold	<u>34.65</u>	<u>9,027.74</u>
	2,62,344.66	269,152.01
Less: Closing Stock	<u>58,144.96</u>	<u>45,194.55</u>
	2,04,199.70	223,957.46
24. Changes in Inventories:		
Opening 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>	<u>2,336.70</u>
	76,664.75	61,998.75
Less: Closing Inventories		
Work-in-Progress	20,862.29	15,293.23
Finished Goods	55,619.94	41,959.83
Upper (Produced Raw Material)	16,588.72	17,471.67
Stock-in-Trade	<u>1,797.18</u>	<u>1,940.02</u>
	94,868.14	76,664.75
	(18,203.39)	(14,666.00)
Add: Increase/ Decrease of Excise Duty on Inventories	<u>38.49</u>	<u>13.47</u>
Changes in Inventories	(18,164.90)	(14,652.53)
25. Employee Benefits Expenses :		
Salaries and Wages	51,552.56	50,180.88
Contribution to Provident and other Funds	3,288.87	3,053.90
Employee Welfare	<u>2,980.04</u>	<u>2,842.89</u>
	57,821.47	55,937.97
26. Power and Fuel :		
Power and Fuel	<u>14,587.03</u>	<u>14,649.55</u>
27. Finance Costs :		
Interest Expenses	<u>19,328.19</u>	<u>15,559.09</u>
28. Depreciation and Amortization Expenses :		
Depreciation and Amortization Expenses	<u>16,406.59</u>	<u>13,848.61</u>
29. Other Expenses		
Annual Incentive to Customers	1,737.94	788.51
Auditor's Remuneration - (a)	562.54	546.79
Bank Charges	1,342.42	1,647.76
Commission	849.45	853.89
Computer Software Charges	28.99	27.72
Consumption of Stores and Spares	23,959.51	32,488.14
Cost of Consumables Sold	9.60	-
Cost of Raw Material Sold	34.65	9,027.74
Discount Allowed (Net)	<u>1,610.25</u>	<u>2,883.32</u>

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2015

	For year ended 31/03/2015 (₹ in Thousands)	For year ended 31/03/2014 (₹ in Thousands)
Duty on Job Work	1.10	30.79
Excise Duty Reversed	(13.47)	(43.26)
Freight and Forwarding Expenses (Net)	17,647.37	23,161.91
(Gain)/ Loss on foreign currency transactions and translation (Net) (Refer Note No. 33)	(178.59)	480.66
Insurance	778.88	730.84
Interest paid on Late Payment of VAT/CST	2.43	54.17
Job Work Charges	1,233.33	890.45
Managerial remuneration & Commission	3,009.50	3,012.50
Merging Expenses	56.18	387.56
Miscellaneous Expenses	3,179.77	2,424.33
Other Repairs & Maintenance	256.61	330.68
Penal Interest on Term Loan	0.05	0.41
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	375.71	530.99
Processing Charges	297.47	864.25
Professional Fees	2,173.46	2,598.89
Rates and Taxes	1,815.78	2,609.52
Rent	2,861.11	2,766.39
Repairs to Buildings	16.62	15.01
Repairs to Machinery	1,334.08	1,660.90
Sales Promotion Expenses	1,628.72	597.33
Sundry Balance written off	(3,342.22)	(667.11)
Telephone, Telegram & Postage	845.29	1,266.91
Travelling and Conveyance Exp.	1,831.69	1,500.25
Vehicle Running & Maintenance Expenses	1,115.57	1,331.50
West Bengal Pollution Control Expenses	42.25	243.72
	67,477.04	98,433.67
(a) Details of Auditor's Remuneration are as follows :		
Statutory Auditors:		
Audit Fees	362.36	337.08
Tax and Vat Audit	60.28	77.53
Other Services	139.90	132.18
	562.54	546.79
30. Tax Expenses		
Current Tax		
Current Tax for the year	776.56	2,709.79
Current Tax Paid for earlier years	2.54	-
	779.10	2,709.79
Deferred Tax		
Deferred Tax for the year	982.24	1,809.07

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2015

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

A. Raw Materials Consumed :

Items	Imported		Indigenous		Consumed	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014	31/03/2015	31/03/2014
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
1 Additive	9.24	149.81	3,666.93	4,396.18	3,676.17	4,545.99
2 Ancillary	-	-	644.76	97.30	644.76	97.30
3 Bearings & Components	191.95	797.88	-	-	191.95	797.88
4 Colour	308.28	647.90	4,584.03	3,885.33	4,892.31	4,533.23
5 Components	15,502.43	9,812.09	1,033.93	-	16,536.36	9,812.09
6 Dacon Yarn	3,276.27	4,042.28	-	-	3,276.27	4,042.28
7 DBTDL	-	-	23.69	-	23.69	-
8 DMF	-	-	13.66	-	13.66	-
9 DOP	-	-	30.57	-	30.57	-
10 Durathen	213.35	170.68	671.01	1,469.08	884.36	1,639.76
11 Lupranate (ISO)	41,603.63	44,896.04	31,699.96	28,165.75	73,303.59	73,061.79
12 Meg	69.70	249.06	1,267.33	537.71	1,337.03	786.77
13 Metal Bars	-	-	331.97	241.46	331.97	241.46
14 Metal Pipes & Bars	-	-	1,150.73	1,531.16	1,150.73	1,531.16
15 Metal Plate & Others	-	-	1,420.36	1,182.54	1,420.36	1,182.54
16 Metal Sheets & Pipes	-	-	8,862.28	5,419.85	8,862.28	5,419.85
17 Methylene Chloride (MCL)	38.73	51.62	639.93	881.82	678.66	933.44
18 Moplen EP 332K	1,371.20	-	-	790.56	1,371.20	790.56
19 Others	-	-	7,664.03	22,791.57	7,664.03	22,791.57
20 Plastic Dana & Master Batch	175.44	-	7,877.39	5,893.77	8,052.83	5,893.77
21 Polyol	48,021.24	46,513.89	19,023.22	34,518.64	67,044.46	81,032.53
22 PPGF	-	-	363.10	98.26	363.10	98.26
23 Release Agent	-	-	1,194.14	1,079.97	1,194.14	1,079.97
24 Silicon	241.80	245.83	224.70	224.70	466.50	470.53
25 Suprasec	-	2,392.75	-	-	-	2,392.75
26 Triethelene Diamine	-	-	609.60	507.82	609.60	507.82
27 Ultramid	18.19	150.31	3.49	-	21.68	150.31
28 Upper	-	-	-	105.98	-	105.98
29 Wheels (Tyres)	157.44	17.87	-	-	157.44	17.87
	111,198.89	110,138.01	93,000.81	113,819.45	204,199.70	223,957.46

B. Traded Goods :

Products	Purchases		Sales		Opening Stock		Closing Stock	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)
1 Mounting tools	-	-	-	13.49	159.23	162.63	159.23	159.23
2 Rim Wheel	-	6,554.97	-	6,756.03	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	-	-
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	897.82
9 Wheels	-	-	-	-	38.55	38.55	38.55	38.55
10 Chappal / Sandal	-	355.51	47.96	883.93	731.75	1,067.68	588.92	731.75
11 Wacker Fluid	210.40	-	381.26	474.32	-	-	-	-
12 Capital Goods removed as Such #	-	-	1,911.95	-	-	-	-	-
	210.40	6,910.48	2,341.17	8,185.12	1,940.02	2,336.70	1,797.19	1,940.02

* ID card was consumed during the Previous Year.

Capital Goods removed as Such includes Excise Duty of ₹ 153.48 (in '000)

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2015

C. Manufactured Goods

Products	Sales*		Opening Stock		Closing Stock	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
1 MCP Tyres (including 'B' Grade Tyres)	115,024.33	186,305.26	23,358.34	19,060.30	37,460.30	23,358.34
2 Plastic Rim With Tyres	61,484.52	23,598.36	4,481.76	5,387.88	2,696.51	4,481.76
3 Fork (Including Component) #	-	-	391.06	638.43	1,233.02	391.06
4 Pu Shoe Sole	49,617.10	59,447.44	217.96	858.20	644.59	217.96
6 Pu Sandal/Chappal	33,216.63	87,652.94	7,519.03	8,322.28	6,408.15	7,519.03
7 Wheel Chairs & Commode Chairs	51,738.55	42,056.97	3,202.06	2,097.37	3,866.45	3,202.06
8 Crutches & Walking Stick	4,675.34	3,021.32	790.32	725.67	267.27	790.32
9 Metal Parts (Including Rims)	2,452.88	1,490.12	1,951.06	570.32	1,544.79	1,951.06
10 Hospital Equipments & Components	637.93	666.79	48.24	79.90	91.15	48.24
11 Wheel Chair Parts	32,946.33	9,117.72	-	-	1,407.71	-
12 Upper	1,951.61	3,978.52	17,471.67	10,033.68	16,588.72	17,471.67
	353,745.22	417,335.44	59,431.50	47,774.03	72,208.66	59,431.50

* Sales excludes Excise Duty of ₹ 3022.18 (in '000) [Previous Year ₹ 3977.88 (in '000)]

Transferred to Plastic Rim with Tyres & Hospital Equipments Components in the Previous Year.

D. Work-in-Progress

	Year ended 31/03/2015		Year ended 31/03/2014	
	Opening	Closing	Opening	Closing
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
1 Raw Material	663.31	3,039.31	414.78	663.31
2 PU Shoe Sole	5,441.99	9,520.20	3,159.37	5,441.99
3 PU Sandal	5,578.41	3,592.99	5,812.22	5,578.41
4 Wheel Chair Parts	1,864.01	2,928.50	667.05	1,864.01
5 Upper	1,745.51	1,781.29	1,834.60	1,745.51
	15,293.23	20,862.29	11,888.02	15,293.23

32. Contingent Liabilities and Commitments

	As at	As at
	31/03/2015	31/03/2014
	(₹ in Thousands)	(₹ in Thousands)
Contingent Liabilities		
(a). Bank Guarantee given in favour of WBSEB and superintending Engineering	2,528.30	2,528.30
(b). Income Tax Demands *	3,249.69	7,096.93
(c). Sales Tax Demands #	5,053.23	5,053.23
(d). Other money for which the Company is contingently liable:		
i. Export Bills discounted with Banks	6,435.50	17,153.31
ii. Letter of Credit	4,877.01	4,947.84

* Income Tax Demands deposited ₹ 400.00 (in '000) [Previous Year ₹ 2569.09 (in '000)]

Sales Tax Demands deposited ₹ 38.30 (in '000) [Previous Year ₹ 38.30 (in '000)]

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

	Year ended	Year ended
	31/03/2015	31/03/2014
	(₹ in Thousands)	(₹ in Thousands)
Loss on Foreign Currency Transactions and Translations	1616.64	5,515.92
Gain on Foreign Currency Transactions and Translations	1795.23	5,035.26
(Gain)/Loss on Foreign Currency Transactions and Translations (Net)	(178.59)	480.66

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2015

34. 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, liabilities and other information from operations by reportable business segments are as follows:

	Year ended 31/03/2015				Year ended 31/03/2014			
	Tyre, Rim & Wheel	Footwear	Hospital Equipments	Total	Tyre Rim & Wheel	Footwear	Hospital Equipments	Total
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
REVENUE								
Total	277,516.73	101,226.62	60,723.94	439,467.29	303,014.19	165,182.17	49,772.08	517,968.44
Inter Segment				(73,026.37)				(88,274.50)
Excise Duty				(3,186.12)				(4,031.23)
External				<u>363,254.80</u>				<u>425,662.71</u>
RESULTS								
Segment Results	27,919.29	(6,121.15)	1,605.42	23,403.56	26,910.16	1,377.86	814.75	29,102.77
Finance Costs				(19,328.19)				(15,559.09)
Tax Expenses				(1,761.34)				(4,518.86)
Profit for the year				<u>2,314.03</u>				<u>9,024.82</u>
OTHER INFORMATION								
Assets:								
Segment Assets	306,493.15	176,969.15	64,628.97	548,091.27	260,876.33	204,376.00	60,693.70	525,946.03
Unallocated Corporate Assets				1,100.00				2,000.00
Total Assets				<u>549,191.27</u>				<u>527,946.03</u>
Liabilities:								
Segment Liabilities	163,214.83	67,082.07	4,739.53	235,036.43	124,972.56	86,468.15	2,654.26	214,094.97
Unallocated Corporate Liabilities				17,326.30				18,144.22
Total Liabilities				<u>252,362.73</u>				<u>232,239.19</u>
Capital Expenditure	8,054.86	1,219.84	606.00	9,880.70	70,134.43	2,491.20	155.36	72,780.99
Depreciation and Amortization	9,176.08	4,809.78	2,420.73	16,406.59	8,080.64	3,967.01	1,800.96	13,848.61

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 31/03/2015				Year ended 31/03/2014			
	India	Overseas	Export (Sez)	Total	India	Overseas	Export (Sez)	Total
	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)
Revenue	241,676.85	116,105.95	5,472.00	363,254.80	273,105.05	138,559.02	13,998.64	425,662.71

(The above figures are exclusive of Excise Duty)

Notes to the Financial Statements as at and for the year ended 31st March 2015

35. Earning per Share (EPS)

	Year ended 31/03/2015	Year ended 31/03/2014
	(₹ in Thousands)	(₹ in Thousands)
Profit/ (Loss) for the year	2,314.03	9,024.82
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	14697130	14697130
Face value per share (₹)	10.00	10.00
Basic & Diluted EPS (₹)	0.16	0.61

- 36.** The Company, with effect from 1st April, 2014, has charged Depreciation based on the revised remaining useful life of the Assets as per the requirement of Schedule II to the Companies Act, 2013. Due to the above, Depreciation charged to the Revenue for the Financial Year ended 31st March, 2015 is lower by ₹18.42 Lakhs. Further, based on transitional provision provided in clause 7(b) of the Schedule II to the Companies Act, 2013, Depreciation of ₹11.92 Lakhs have been adjusted against the Opening Balance of Retained Earnings under 'Reserve and Surplus'.

37. 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 T. S. Gulgulia (Resigned w.e.f. 18.03.2015) |
| | iii) | Sri Pradeep Kumar Singh |
| | iv) | Sri Ravi Prakash Pincha (Appointed w.e.f. 18.03.2015) |
| | v) | Smt. Vimala Devi Bardia (Appointed w.e.f. 18.03.2015)* |
| c) Chief Executive Officer | | Sri P.L. Bardia** |
| d) Chief Financial Officer | | Sri Vinay Sipani (Appointed w.e.f. 30.09.2014) |
| d) Company Secretary | i) | Sri T. K. Das (Resigned w.e.f. 01.09.2014) |
| | ii) | Ms. Arti Bothra (Appointed w.e.f. 30.09.2014) |

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

** Sri P.L.Bardia is related to Sri Jay Singh Bardia, the Managing Director of the Company and Smt Vimala Devi Bardia, Non-Executive Director of the Company.

ii. Relatives of Key Managerial Personnel:

- | | | |
|-----------|------|----------------------------------|
| a) Others | | i) Sri K. L. Bardia |
| | ii) | Hulashchand Tarachand Bardia HUF |
| | iii) | Tarachand Estates Pvt. Ltd. |
| | iv) | Krypton Developers Limited |

KRYPTON INDUSTRIES LIMITED

Notes to the Financial Statements as at and for the year ended 31st March 2015

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:

	Year ended 31/03/2015	Year ended 31/03/2014
	(₹ in Thousands)	(₹ in Thousands)
I. KEY MANAGERIAL PERSONNEL :		
(a) Remuneration to Key Managerial Personnel:		
Managing Director	3,000.00	3,000.00
Non Executive Directors	9.50	12.50
Chief Executive Officer	2,400.00	2,400.00
Chief Financial Officer	558.20	-
Company Secretary	204.00	-
	<u>6,171.70</u>	<u>5,412.50</u>
(b) Outstanding Balances payable as at for the year ended 31st March, 2015:		
Managing Director	-	84.16
Non Executive Directors	133.00	123.50
Outstanding Balances receivable as at for the year ended 31st March, 2015:		
Chief Executive Officer (Advance against Remuneration)	200.00	200.00

II. OTHERS

	Year ended 31/03/2015				Year ended 31/03/2014			
	Sri K. L. Bardia	Hulashchand Tarachand Bardia HUF	Tarachand Estate Pvt. Ltd.	Krypton Developers Limited	Sri K. L. Bardia	Hulashchand Tarachand Bardia HUF	Tarachand Estate Pvt. Ltd.	Krypton Developers Limited
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
Transactions held:								
Interest and Dividend taken	-	641.95	323.00	-	-	310.77	240.09	-
Interest and Dividend paid	-	-	-	84.49	-	-	-	74.44
Rent given	-	180.00	-	-	-	180.00	-	-
Outstanding Balances:								
Loans, Advances and Deposits given	-	4,857.45	2,445.48	-	-	4,279.69	2,154.78	-
Loans, Advances and Deposits taken	6,468.30	-	-	639.31	6,468.30	-	-	563.27

38. Additional information pursuant to paragraphs 5(A)(viii) of Part II of Schedule III to the Companies Act, 2013 are follows:

	Year ended 31/03/2015	Year ended 31/03/2014
	(₹ in Thousands)	(₹ in Thousands)
A. C.I.F. value of imports by the Company (Excluding imported items purchased locally) :		
Raw Materials, Trading Goods & Components	118,358.18	106,914.14
Stores and Spares	229.64	2,869.09
Capital Goods	444.85	7,042.10
B. Expenditure in foreign currency during the year :		
Other matters	-	510.07

Notes to the Financial Statements as at and for the year ended 31st March 2015

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

	Value (₹ Thousands)		Percentage (%)	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014
Raw Materials:				
Imported	111,198.89	110,138.01	54.46%	49.18%
Indigenous	<u>93,000.81</u>	<u>113,819.45</u>	45.54%	50.82%
	204,199.70	223,957.46		
Stores and Spares:				
Imported	1,175.68	2,142.95	4.91%	6.60%
Indigenous	<u>22,783.83</u>	<u>30,345.19</u>	95.09%	93.40%
	23,959.51	32,488.14		

D. Earnings in Foreign Exchange:

	For the year ended	For the year ended
	31/03/2015	31/03/2014
	(₹ in Thousands)	(₹ in Thousands)
Export of Goods on F.O.B. basis	<u>116,105.95</u>	<u>138,559.02</u>

39. 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 39

PRADEEP KUMAR SINGH
Chairman
(Din : 00386800)

VINAY SIPANI
Chief Financial Officer

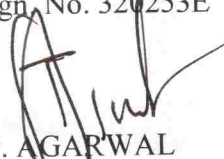

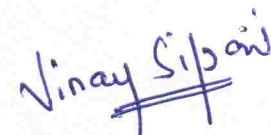

ARTIBOTHRA
Company Secretary

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, 2015

J. P. AGARWAL
PARTNER
Membership No.055436

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, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A.
5.	<p>For JAGDISH AGARWAL & ASSOCIATES Chartered Accountants- Auditor Firm Regn. No. 320253E</p>  <p>CA. J. P. AGARWAL Partner M. No. FCA 055436</p>  <p>JAY SINGH BARDIA Managing Director</p>  <p>VINAY SIPANI Chief Financial Officer</p>  <p>PRADEEP KUMAR SINGH Audit Committee Chairman</p>	