

# **KRYPTON INDUSTRIES LIMITED**

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## **26TH ANNUAL REPORT BOARD OF DIRECTORS**

JAY S. BARDIA : MANAGING DIRECTOR  
PRADEEP KUMAR SINGH : DIRECTOR  
T. C. BACHHAWAT : DIRECTOR  
RAVI PRAKASH PINCHA : DIRECTOR  
VIMALA DEVI BARDIA : 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 : MAHESHWARI DATAMATICS (P) LTD.  
& 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001  
SHARE TRANSFER AGENT Phone : 033-22435809/5029, Fax : 033-22484787  
HEAD OFFICE : 410, Vardaan Building  
25A, Abanindra Nath Tagore Sarani  
4th Floor, Kolkata - 700 016  
Phone : 033-22871366, Fax : 033-22871084  
Website : www.kryptongroup.com  
E-mail : kyrpton@vsnl.com

**DIRECTORS' REPORT**

Dear shareholders,

Your Directors present the 26th Annual Report together with the audited accounts of your company for the year ended 31st March 2016.

**1. FINANCIAL RESULTS**

During the year under review, the company achieved an aggregate income of Rs.3864.36 Lakhs as compared to Rs. 3659.41 recording a growth of 5.60%. The highlights of the financial results are as under:

	Amount in (Rupees in '000)	
	Current Year 2015-2016	Previous Year 2014-2015
Sales	383983.66	363254.80
Other Income	2452.69	2686.09
<b>Gross Total Income</b>	<b>386436.35</b>	<b>365940.89</b>
<b>Profit before Interest, Depreciation &amp; Tax</b>	<b>43361.75</b>	<b>39810.15</b>
Interest	20642.46	19328.19
Depreciation	17855.96	16406.59
<b>Profit before Exceptional Items &amp; Extraordinary items and Tax</b>	<b>4863.33</b>	<b>4075.37</b>
Exceptional Items	-	-
Profit before Tax and after Exceptional Items & Extraordinary Items	4863.33	4075.37
Provision for Taxation	997.64	1761.34
<b>Profit after Tax</b>	<b>3865.69</b>	<b>2314.03</b>
Balance in P&L A/c brought Forward	107596.32	106474.63
Adjustments under Schedule II of Companies Act, 2013	-	(1192.34)
Balance Available for Appropriation	111462.01	107596.32
Proposed Dividend	0.00	0.00
Tax on Proposed Dividend	0.00	0.00
<b>Transfer to General Reserve</b>	<b>0.00</b>	<b>0.00</b>
<b>Balance carried to Balance Sheet</b>	<b>111462.01</b>	<b>107596.32</b>

**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 2015-16 amounted to Rs.1380.29 lakhs compared to Rs.1635.53 lakhs of in the previous year. The profit before tax amounted to Rs. 45.44 lakhs as compared to profit of Rs.73.97 lakhs previous year.

## **KRYPTON INDUSTRIES LIMITED**

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Due to slow down in the European market, the units faces a low turnover which also resulted a downfall in the profit. The company expects to achieve the desired sales level in the coming year with its same product line.

### **Sadhurhat division**

The total income for the year 2015-16 amounted to Rs. 787.73 lakhs as compared to the previous year Rs. 671.36 Lakhs and the unit reported the Profit before tax for the year 2015-16 of Rs. 76.14 lakhs compared with previous year of Rs. 47.45 lakhs.

During the year, the unit reported a growth of approx. 17 % in its turnover with a growth of approx. 28% in its profit and the unit expects a further increase in its turnover in the coming years.

### **Wheel division**

The total income of this unit for the year 2015-16 amounted to Rs.297.56 lakhs compared to Rs.348.71 lakhs in the previous year. The unit is mainly engaged in the production of the interim products for other group units and transfers the same at cost.

The unit reported the profit before tax for the year 2015-16 amounted to Rs. (27.27) lakhs compared to Rs. 3.95 lakhs in the previous year.

### **Plastic division**

The total income of this unit for the year 2015-16 amounted to Rs.300.41 lakhs compared to Rs.145.09 lakhs. The unit reported the profit before tax for the year 2015-16 amounted to Rs.83.59 lakhs compared to the loss of Rs. 26.21 lakhs.

The unit reported a better result compared to previous years due to its increased production capacity and the unit expects a further increase in the upcoming years.

### **Footwear division**

The total income of the footwear division for the year 2015-16 amounted to Rs. 881.18 lakhs compared to Rs. 946.30 lakhs in the previous year. The unit reported a loss before tax of Rs. 144.87 lakhs during the year compared to loss of Rs. 129.81 lakhs in the previous year.

Due to subdued market conditions and sluggish demand, the unit reported a loss. The Company is already in process of changing 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. We are also focusing more on job work which will give more profitability to the unit.

### **Engineering division**

The total income of this unit for the year 2015-16 amounted to Rs.1019.84 lakhs compared to Rs.607.24 lakhs in the previous year.

The unit posted the profit before tax for the year 2015-16 amounted to Rs.21.15 lakhs compared to Rs. 16.05 lakhs.

"iCare" has been accepted as a trusted brand specially for our Wheelchairs and other Hospital equipments in the Indian Rehab Care Equipment Market.

Company is also in process to come with more similar products for the disabled persons in the coming year focusing on both manufacturing and trading high end rehab care products for disables persons and to increase its product portfolio.

**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, 2016 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 Listing agreement with Stock Exchange:-

**A. Industry Structure & Developments:-**

Krypton Industries Limited (KIL) improved its performance during last year in spite of difficult market conditions and increasing manufacturing expenses.

The company is mainly focusing on the market expansion in Domestic Market as well as USA and European market overseas for its tire and hospital/disabled support equipment business. Company has opened its sales depot in Kanpur and Vijayawada for MCP Tubeless tires which will help to reach smaller dealer and increase market penetration. Company is also focusing on manufacturing and trading high end rehab care products for disables persons and to increase its product portfolio. We have done de bottle necking our production facilities last year and we will upgrade our machinery this year with very minimal capital outlay which help us to enhance our production capacity.

The company had a flat 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 we started train run of safety shoe last year and we will start the manufacturing in current year 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 and higher sales growth. 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.

## **KRYPTON INDUSTRIES LIMITED**

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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 as they have very much focus on person with disability "**Divyang**", there will be many 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 majorly focusing on its PU tires and wheel business, where the PU Bicycle tires, is completely a new product in this Bicycle Industry and is also in its growing stage of this 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 are very low, which can impact our sales.

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

#### **2. Financial Risks:**

Company is exporting as well as importing goods from outside India which expose company into foreign exchange risks, which is naturally hedged and company is regularly covering such risks.

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 2015-2016 company has more than 250 Persons on its payroll. Apart from this company has generated indirect employment to more than 500 persons in nearby locations. Company is working on to restructure the total organization to help its growth with further recruitment in the top and middle management level at different positions.

**5. SHARE CAPITAL**

The paid up equity share capital as at March 31, 2016 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.

**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. 14, 15 & 33 to the financial statement.

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

All transactions/ contracts/arrangements entered with the Related Parties 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. A framed Policy on Related Party Transactions duly adopted by the Board, is available on the company's website, [www.kryptongroup.com](http://www.kryptongroup.com)

**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 3years, 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.

The observations made by the Statutory Auditors in their report for the financial year ended 31st March 2016 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 M.R. & Associates in Form MR-3 for the financial year ended 31st March, 2016, is also annexed herewith in Annexure-V. 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-recognized 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 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 and Mumbai. The annual Listing fees have been paid for the financial year 2015-2016.

**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 SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 with the stock exchanges forms a part of the Report under Annexure- IV.

**16. MEETINGS**

During the year under review, nine Board Meetings and four Audit Committee Meetings were convened and held, the dates and attendance 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 SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015.

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



**17. DIRECTORS**

Your Board of Directors in its meeting held on May 30, 2016 reappointed Mr. Jay Singh Bardia (DIN: 00467932), Managing Director of the Company whose tenure expires on December 31, 2016 as the Managing Director of the Company pursuant to section 196, 197 & 203 read with other applicable provisions and schedule of the Companies Act, 2013 for a period of three years w.e.f. January 01, 2017 till December 31, 2020, who will not retire by rotation, based on such terms and conditions and remuneration as recommended by the Nomination and Remuneration Committee and subject to the approval of the Shareholders of the Company.

Mr. Jay Singh Bardia is a Bachelor of Engineering (Electrical) and has rich experience of more than 20 years in the field of the Tyre manufacturing. He joined the company in the year 1992 as an Additional Director and then he became the Managing Directors of the Company in the year 1993 with the approval of the Shareholders of the Company. Since then he is continuing as Managing Director of the Company.

In accordance with the provision 152 (6) of the Companies Act, 2013 Mrs. Vimala Devi Bardia (DIN: 07125170), retires by rotation as director at the forthcoming Annual General Meeting and is eligible for reappointment.

All necessary information pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Directors to be appointed/re-appointed at the ensuing Annual General Meeting are given in the Annexure to the Notice convening the Annual General Meeting scheduled to be held on September 22, 2016.

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.

**Declaration by Independent Directors :** The Company has duly received the declaration from all the Independent Directors as laid under Section 149(6) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**18. KEY MANAGERIAL PERSONNEL**

Mr. Jay Singh Bardia, (DIN:00467932) Managing Director of the company whose tenure expires on December 31, 2016 is reappointed as the Managing Director of the Company pursuant to section 196, 197 & 203 read with other applicable provisions and schedule of the Companies Act, 2013 by the Board of Directors of the Company for a period of three years w.e.f. January 01, 2017 till December 31, 2020, who will not retire by rotation, based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Shareholders of the Company.

**19. 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 available on the website of the company, [www.kryptongroup.com](http://www.kryptongroup.com).

**20. RISK MANAGEMENT POLICY**

In accordance with the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Board of Directors of the Company is 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](http://www.kryptongroup.com).

**21. VIGIL MECHANISM/WHISTLE BLOWER POLICY**

In accordance with the provision of the Companies Act, 2013 read with the Rules made therein and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, 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](http://www.kryptongroup.com).

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

**22. BOARD EVALUATION**

In accordance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, Independent directors in its meeting has evaluated the performance of the non- Independent Directors and the Board as whole including the performance of the chairman of the company. Thereafter, the same has been discussed in the subsequent Board Meeting at which Board has carried out a formal annual performance evaluation of its own performance, directors individually as well as the working of its various committees and where the evaluation was carried out by the entire Board including the Independent Directors except the Director being evaluated.

**23. 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

## **KRYPTON INDUSTRIES LIMITED**

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- 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.

### **24. 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 2015-16 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 2015-16 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 2015-16 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.

### **25. 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 2015-16. The new standards are mainly customer oriented and they will help our Company to get much better controls to improve with best customer satisfaction standards.

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

### **26. 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**

**Jay Singh Bardia**  
Managing Director  
(DIN : 00467932)

Date: 30.05.2016

# KRYPTON INDUSTRIES LIMITED

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## 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**

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 further installed the LED lights in its new unit for save and efficient utilisation of energy.
3. Company also upgrading its machinery so that it will consume less power and work in low fluctuation.

#### **B) TECHNOLOGY ABSORPTION**

##### **1. The efforts made towards technology absorption:**

Our company's major focus is on PU products in Bicycle & rehab care products, which has a very bright future in coming years. We are working on development new products in this field like PU foam products like cushions, pillow and other soft support 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 aluminum 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 already started supply our tires to one major bicycle manufacturer and we are in discussions with other major players too.

We have also cut down our power cost and labor cost in all our units by up gradation of machines.

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**

	<b><u>2015-2016</u></b>
	(Rs. in '000)
1. (A) Foreign Exchange Earning	88177.77
2. (B) Foreign Exchange Outgo	
(i) CIF VALUE OF IMPORTS	
• Raw materials, Component & trading Goods	80305.87
• Stores and Spare parts & Component	4222.52
• Capital Goods	399.95
(ii) Other matters	576.66

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

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

**Jay Singh Bardia**  
Managing Director  
(DIN : 00467932)

Date: 30.05.2016

# KRYPTON INDUSTRIES LIMITED

## ANNEXURE - II

### FORM NO. MGT 9

#### EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2016

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	50.76
2	Footwear	1520	22.91
3	Hospital Equipments	3092	26.33

#### III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

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

**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 i.e. 01.04.2015				No. of Shares held at the end of the year i.e. 31.03.2016				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	3876141	0	3876141	26.3735	3891141	0	3891141	26.4755	0.1020
b) Central Govt. of State Govt.									
c) Bodies Corporates									
d) Bank/FI									
e) Any other									
<b>SUB TOTAL (A) (1)</b>	3876141	0	3876141	26.3735	3891141	0	3891141	26.4755	0.1020
<b>(2) Foreign</b>									
a) NRI-Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other...									
<b>SUB TOTAL (A) (2)</b>	0	0	0	0.0000	0	0	0	0.0000	0.0000
<b>Total Shareholding of Promoter (A) =(A)(1)+(A)(2)</b>	3876141	0	3876141	26.3735	3891141	0	3891141	26.4755	0.1020
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	200	200	0.0014	0	200	200	0.0014	0.0000
b) Banks/FI	0	100	100	0.0007	0	100	100	0.0007	0.0000
c) Central Govt.									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub Total (B)(1) :</b>	0	300	300	0.0021	0	300	300	0.0021	0.0000



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(2) Non Institutions									
a) Bodies corporates									
i) Indian	1902986	33451	1936437	13.1756	1675231	33451	1708682	11.6260	-1.5496
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	2039981	682631	2722612	18.5248	2227378	604481	2831859	19.2681	0.7433
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	4516326	409125	4925451	33.5130	4627039	315375	4942414	33.6284	0.1154
c) Others (specify)									
Non-Resident Indians	740339	170500	910839	6.1974	741517	170500	912017	6.2054	0.0080
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	1350	0	1350	0.0092	60947	0	60947	0.4147	0.4055
Trusts									
Foreign Bodies - DR									
<b>SUB TOTAL (B)(2) :</b>	<b>9200982</b>	<b>1619707</b>	<b>10820689</b>	<b>73.6245</b>	<b>9357882</b>	<b>1447807</b>	<b>10805689</b>	<b>73.5224</b>	<b>-0.1021</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>9200982</b>	<b>1620007</b>	<b>10820989</b>	<b>73.6266</b>	<b>9357882</b>	<b>1448107</b>	<b>10805989</b>	<b>73.5245</b>	<b>-0.1021</b>
<b>C. Shares held by Custodian for GDRs * ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>13077123</b>	<b>1620007</b>	<b>14697130</b>	<b>100.000</b>	<b>13249023</b>	<b>1448107</b>	<b>14697130</b>	<b>100.000</b>	<b>0.000</b>

## ii. SHARE HOLDING OF PROMOTERS

Sl. No.		Shareholding at the beginning of the year, i.e. 01.04.2015			Shareholding at the end of the year, i.e. 31.03.2016			% 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	47549	0.3235	0.0000	47549	0.3235	0.0000	0.0000
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	22300	0.1517	0.0000	0.1020
15	Piyush Baid	59	0.0004	0.0000	59	0.0004	0.0000	0.0000
	<b>Total</b>	<b>3876141</b>	<b>26.3736</b>		<b>3891141</b>	<b>26.4756</b>		

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2015		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
	As on 22.01.2016 Transfer	15000	0.1020	22300	0.1517
	At the end of the year	22300	0.1517	22300	0.1517
2	TILOK CHAND BACHHAWAT				
	At the beginning of the year	47549	0.3235	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

**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 i.e. 01.04.2015		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	SANGEETHAS							
	At the beginning of the year	341890	2.3262				341890	2.3262
				10.04.2015	998	Transfer	342888	2.3330
				08.05.2015	398	Transfer	343286	2.3357
				18.12.2015	1304	Transfer	344590	2.3446
	At the end of the year	344590	2.3446				344590	2.3446
4	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
5	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
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				147309	1.0023
				31.12.2015	-17309	Transfer	130000	0.8845
				15.01.2016	-69530	Transfer	60470	0.4114
	At the end of the year	60470	0.4114				60470	0.4114

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9	HITESH RAMJI JAVERI#							
	At the beginning of the year	140350	0.9549				140350	0.9549
				15.01.2016	-4568	Transfer	135782	0.9239
				22.01.2016	-37902	Transfer	97880	0.6660
				29.01.2016	-57880	Transfer	40000	0.2722
	At the end of the year	40000	0.2722				40000	0.2722
10	HARSHA HITESH JAVERI#							
	At the beginning of the year	140000	0.9526				140000	0.9526
				15.01.2016	-13985	Transfer	126015	0.8574
				29.01.2016	-30390	Transfer	95625	0.6506
	At the end of the year	95625	0.6506				95625	0.6506
11	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
12	PREM MEIWAL*							
	At the beginning of the year	115644	0.7868				115644	0.7868
				06.11.2015	-1392	Transfer	114252	0.7774
	At the end of the year	114252	0.7774				114252	0.7774
13	D S K NAGESWARA RAO*							
	At the beginning of the year	27309	0.1858				27309	0.1858
				10.04.2015	-9500	Transfer	17809	0.1212
				01.05.2015	-17809	Transfer	0	0.0000
				03.07.2015	35120	Transfer	35120	0.2390
				17.07.2015	6855	Transfer	41975	0.2856
				24.07.2015	21201	Transfer	63176	0.4299
				28.08.2015	11954	Transfer	75130	0.5112
				11.09.2015	5513	Transfer	80643	0.5487
				30.09.2015	2005	Transfer	82648	0.5623
				11.12.2015	1500	Transfer	84148	0.5725
			31.12.2015	25165	Transfer	109313	0.7438	
			15.01.2016	5000	Transfer	114313	0.7778	
	At the end of the year	114313	0.7778				114313	0.7778

Note : \* Not in the list of Top 10 shareholders as on 01.04.2015. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2016.

Note : # Ceased to be in the list of Top 10 shareholders as on 31.03.2016. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01.04.2015.

**v. SHAREHOLDING OF DIRECTORS & KMP**

Sl. No.	Name	Shareholding at the beginning of the year, i.e. 01.04.2015		Cumulative Shareholding during the year, i.e. 01.04.2015 - 31.03.2016	
		No. of Shares*	% of total shares of the company	No. of Shares	% of total shares of the company
1	Jay Sinnggh Bardia	1538550	10.4684	1538550	10.4684
2	Pannalal Bardia	1584944	10.7841	1584944	10.7841
3	Vinay Sipani	10340	0.0703	10340	0.0703
4	Vimala Devi Bardia	282000	1.9187	282000	1.9187
5	Tilok Chand Bachhawat	163849	1.0944	163849	1.0944

**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.

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
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
<b>Total (i+ii+iii)</b>	132089890.00	54691680.00	0.00	186781570.00
<b>Change in indebtedness during the financial year</b>				
Additions	414058210.00	17711450.00		431769660.00
Reduction	414404420.00	28157400.00		442561820.00
<b>Net Change</b>	-346210.00	-10445950.00	0.00	-10792160.00
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	131743680.00	44184980.00	-	175928660.00
ii) Interest due but not paid		60750.00	-	60750.00
iii) Interest accrued but not due				0.00
<b>Total (i+ii+iii)</b>	131743680.00	44245730.00	0.00	175989410.00

# KRYPTON INDUSTRIES LIMITED

## 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	-	-
	<b>Total (A)</b>	30,00,000.00	30,00,000.00
	<b>Ceiling as per the Act (Note : The ceiling is determined in case of no profit or in adequate profits)</b>		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	Vimala D. Bardia	Ravi P. Pincha	
1.	Independent Directors					
	(a) Fee for attending baord	4,500.00	-	-	500.00	5,000.00
	(b) Commision	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	4,500.00	-	-	500.00	5,000.00
2	Other Non-Executive Directors					
	(a) Fee for attending	-	1,500.00	3,500.00	-	5,000.00
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	1,500.00	3,500.00	-	5,000.00
	<b>Total (2)</b>	4,500.00	1,500.00	3,500.00	500.00	10,000.00
	<b>Total Managerial Remuneration</b>					
	<b>Overall Ceiling as per the Act.**</b>					

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

**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	Arti Bothra Company Secretary	Total
1.	(a) Salary as per provisions	24,00,000.00	13,85,200.00	3,92,985.00	41,78,185.00
	(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	-	-	-	-
	<b>Total</b>	24,00,000.00	13,85,200.00	3,92,985.00	41,78,185.00

**vii. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :**

There were no penalties / punishment / compounding of offences during the year ended 31st March 2016.



# KRYPTON INDUSTRIES LIMITED

## 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	32.16

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 2015-16
Jay Singh Bardia, MD	No increment during the year
Pannalal Bardia, CEO	No increment during the year
Vinay Sipani, CFO	Not Applicable
Arti Bothra, CS	Not Applicable

3. **The percentage increase in the median remuneration of employees in the financial year:** 19.60%
4. **The number of permanent employees on the rolls of company:** 265 employees as on March 31, 2016.
5. **The explanation on the relationship between average increase in remuneration and company performance:** On an average, employees received an annual increase of 12% 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. 71.88 lakhs against the revenue of Rs. 3864.36 lakhs and PBT of Rs. 48.63 Lakhs.

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 31.03.16	As on 31.03.15	% increase/ decrease
Market Capitalization (Rs. in Lakhs)	1844.49	1710.75	7.82
Price Earnings Ratio	48.27	72.75	-33.65

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 31.03.16	Right Issue (2011)	% change
Market Price (in BSE)	12.55	15	(-16.33)

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 2015-16 is 12%.

Average Salary increase of managerial employees for 2015-16 is 15%.

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 #	61.69
Mr. Pannalal Bardia, CEO	49.35
Mr. Vinay Sipani, CFO	28.48
Ms. Arti Bothra, CS	8.08

# 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.

# KRYPTON INDUSTRIES LIMITED

## ANNEXURE - IV

### REPORT ON CORPORATE GOVERNANCE

[Pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, ("SEBI Listing Regulations"), 2015]

#### 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 including the attendance at the Board Meeting, last AGM and the Directorship/ Chairmanship/ Membership of Committee of each Director in other companies

The Board of Directors of the Company as on 31st March, 2016 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 9 times on 30.05.2015, 26.06.2015, 13.08.2015, 28.09.2015, 14.11.2015, 30.12.2015, 25.01.2016, 12.02.2016, and 30.03.2016. The constitution of the Board during the year ended 31st March 2016 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	09	Yes	Promoter, Executive, Chairman cum Managing Director	None	NIL	NIL	NIL	NIL
2.	Mr. Tilok Chand Bachhawat	03	No	Non-Executive	None	NIL	NIL	NIL	NIL
3.	Mr. Pradeep Kumar Singh	09	Yes	Independent, Non-executive Chairman	None	NIL	NIL	NIL	NIL
4.	Mr. Ravi Prakash Pincha	01	No	Independent, Non-executive	None	3	1	2	4
5.	Mrs. Vimala Devi Bardia	07	Yes	Non-executive, Woman Director	Related with Mr. Jay Singh Bardia, Executive, Managing Director,	NIL	NIL	NIL	NIL

\*Committees include only Audit Committee and Stakeholders Relationship Committee.

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 SEBI Listing Regulations, 2015 has been placed before the Board for consideration.

**b) Appointment / Reappointment of Director/KMPs:**

Your Board of Directors in its meeting held on May 30, 2016 reappointed Mr. Jay Singh Bardia (DIN : 00467932), Managing Director of the Company whose tenure expires on December 31, 2016 as the Managing Director of the Company pursuant to section 196, 197 & 203 read with other applicable provisions and schedule of the Companies Act, 2013 for a period of three years w.e.f. January 01, 2017 till December 31, 2020, who will not retire by rotation, based on such terms and conditions and remuneration as recommended by the Nomination and Remuneration Committee and subject to the approval of the Shareholders of the Company.

In accordance with the provision 152(6) of the Companies Act, 2013 Mrs. Vimala Devi Bardia (DIN: 07125170), is liable to retire by rotation as director at the forthcoming Annual General Meeting and is also eligible 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.

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

Except for drawing remuneration and sitting fees, none of the Non- Executive directors have any other materially significant related party transaction, pecuniary or business relationship with the company. Details of the sitting fees/compensation paid to Non-Executive Directors are shown separately in this report.

**d) 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 Independent Director is given a formal letter of appointment stating their roles, duties and responsibilities and other relevant regulations and taken an affirmation with respect to the same. The Directors are familiarised with your Company's business, organizational set up, functioning of various departments, internal control process and relevant information pertaining to your company. Your company imparted a familiarization programme and interaction held with the Directors & senior Management of your company. Details of the familiarization programme imparted to Directors is available on company's website, [www.kryptongroup.com](http://www.kryptongroup.com).

**e) Code of Conduct**

The Board of Directors have laid down a Code of Conduct for all Board Members and senior management personnel of the Company. The Code of conduct is also posted on the website of the company, [www.kryptongroup.com](http://www.kryptongroup.com).

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 & chief Executive Officer.

**3. Audit Committee:**

The terms of reference, role and scope are in line with those prescribed by Regulation 18 of the SEBI Listing Regulations, 2015. The Company also complies with provisions of section 177 of the Companies Act, 2013 pertaining to Audit Committee and its functioning.

# KRYPTON INDUSTRIES LIMITED

## Brief description of the role/ terms of reference to the Audit Committee :-

- I. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- II. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity.
- III. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- IV. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report.
- V. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- VI. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- VII. Reviewing the adequacy of internal audit functions.
- VIII. Evaluation of internal financial controls and risk management systems.
- IX. To review the functioning of the whistle blower mechanism

## 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 also acted as Secretary to the Committee.

SL. No.	Name of Member	Category	No. of meetings attended
1.	Mr. Pradeep Kumar Singh	Member & Chairman	4
2.	Mr. Jay Singh Bardia	Member	4
3.	Mr. Ravi Prakash Pincha	Member	4

Four Committee meetings were held during the year viz., on 30.05.15, 13.08.15, 14.11.15 and 12.02.16.

**4. Nomination & Remuneration Committee:**

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 SEBI Listing Regulations, 2015.

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.
- V. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

**Remuneration Policy:** The Company has adopted a Remuneration Policy duly approved by its Board of Directors and a framed Policy is also available on the company's website, [www.kryptongroup.com](http://www.kryptongroup.com).

**Annual Performance Evaluation:**

The Nomination and Remuneration Committee has approved an evaluation Policy which provides for the evaluation of the Board, the Committees of the Board and individual directors including the Chairman of the Board. The policy provides for the evaluation 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.

**Composition & Attendance:-**

The Committee consists of three non-executive Directors viz. Mr. Ravi Prakash Pincha, Mr. Pradeep Kumar Singh and Mr.T.C.Bachhawat. Mr. Ravi Prakash Pincha, Independent Director has been designated as the Chairman of the Committee. The meeting of the Committee held on 28th September, 2015 and 30th March, 2016 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	2
2	Mr. T.C Bachhawat	Member	2
3	Mr. Ravi Prakash Pincha	Member & Chairman	2

## KRYPTON INDUSTRIES LIMITED

### Remuneration to Executive Director:

Remuneration of the Managing Director for the year-ended 31.03.2016, which was approved by shareholders, is as follows:

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

### Remuneration to Non -Executive Director:

Remuneration of non-executive Directors for the year ended March 31, 2016 is as follows:-

Name of the Directors	Sitting Fees (Rs.)	Others (Rs.)	Total (Rs.)
Mr. Pradeep Kumar Singh	4,500	NIL	4,500
Mr. T. C. Bachhawat	1,500	NIL	1,500
Mr. Ravi Prakash Pincha	500	NIL	500
Mrs. Vimala Devi Bardia	3,500	NIL	3,500

Details of the Shares of the Company held by directors as on March 31, 2016 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	1,63,849
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, and 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 Shareholders Relationship 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.	Mrs. Vimala Devi Bradia	Member & Chairman	24
2.	Mr. Pradeep Kumar Singh	Member	24

Ms. Arti Bothra, Company Secretary of the Company also acted as Secretary to the Committee.

**III. Investors Grievance Redressal :**

No. of Complaints pending at the beginning of the financial year 2015-2016	:-	NIL
No. of Complaints received during the financial year 2015-2016	:-	0
No. of Complaints redressed during the financial year 2015-2016	:-	0
No. of Complaints pending at the end of the financial year 2015-2016	:-	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 21st September, 2015 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.

**7. General Body Meeting**

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

YEAR	DATE	VENUE	TIME
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		11.30 AM
2014-2015	24.09.2015		11.30 AM



## **KRYPTON INDUSTRIES LIMITED**

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All the resolution, including special resolutions set out in the respective Notices were 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) Related Party Transactions :**

All transactions entered with the Related Parties during the financial year ended 31st March, 2016 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 38 of the financial accounts.

A framed Policy on Related Party Transactions is available on the company's website, [www.kryptongroup.com](http://www.kryptongroup.com)

#### **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 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](http://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. Policy on Determination of Materiality for Disclosures and Archival Policy**

In accordance with Regulation 30 of SEBI Regulations, 2015, the Company has framed a Policy on Determination of Materiality for Disclosures to disclose events or information which, in the opinion of the Board of Directors of the Company, are material. Further the Company has an Archival Policy in line with the requirements of SEBI Regulations to ensure that information relating to the Company is adequately disclosed on its web-site as required by law. A framed Policy is available on the company's website, [www.kryptongroup.com](http://www.kryptongroup.com).

F. Policy on Preservation of Documents

In accordance with Regulation 9 of the SEBI Listing Regulations, 2015, the Company has framed a Policy on Preservation of Documents classifying them into two categories based on the nature of documents, i.e. Documents to be kept permanent and Documents to be kept for a period of not less than eight years after completion of the relevant transactions. A framed Policy is available on the company's website, [www.kryptongroup.com](http://www.kryptongroup.com).

G. 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.

H. Disclosure of Accounting Treatment

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

I. Proceeds from Public Issues, Right Issues and Preferential Issues, etc

During the financial year 2015-2016, the company did not issue or allot any securities to its shareholders.

J. 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.

K. Compliance

The Disclosures on Corporate Governance as required under Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 have been adhered and complied with.

**9. 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 i.e. [www.kryptongroup.com](http://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.

# KRYPTON INDUSTRIES LIMITED

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## 10. General Shareholder Information

### a) 26th Annual General Meeting:

Date : 22nd September, 2016  
Time : 11:30 A.M.  
Venue : FALTA SPECIAL ECONOMIC ZONE  
Sector-1, Plot No. 31 & 32  
Falta, 24-Parganas (S)  
Pin - 743 504, West Bengal

### b) Financial Calendar:

- |  |   |
|--|---|
| i) <u>Event</u>                          | : <u>Date of approval by the Board for publication</u>  |
| First Quarter Results                    | : 13th August, 2015   |
| Half Yearly Results                      | : 14th November, 2015   |
| Third Quarter Results                    | : 12th February, 2016   |
| Final Audited Results                    | : 30th May, 2016  |
| ii) Posting of Annual Report             | : On or before 26/08/2016   |
| iii) Last date of Receipt of Proxy Forms | : 20th September, 2016 (within 11.30 A.M.)  |
| c) <b>Date of Book Closure</b>           | : 16th September to 22nd September, 2016<br>(Both days inclusive)                                     |
| d) <b>Listing on Stock Exchanges</b>     | : Bombay Stock Exchange<br>Calcutta Stock Exchange<br>Delhi Stock Exchange#<br>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 2015-2016.

### 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                          | : NOTAVAILABLE   |
| 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 2015 to March 2016 are as under:

Months	Krypton at BSE		BSE SENSEX	
	High (Rs)	Low (Rs)	High	Low
April, 2015	13.50	10.11	29094.61	26897.54
May, 2015	13.50	10.01	28071.16	26423.99
June, 2015	13.50	9.65	27968.75	26307.07
July, 2015	15.15	10.15	28578.33	27416.39
August, 2015	14.69	11.00	28417.59	25298.42
September, 2015	15.20	12.00	26471.82	24833.54
October, 2015	14.00	12.35	27618.14	26168.71
November, 2015	15.50	12.60	26824.30	25451.42
December, 2015	23.45	13.45	26256.42	24867.73
January, 2016	24.45	14.35	26197.27	23839.76
February, 2016	15.75	11.45	25002.32	22494.61
March, 2016	15.30	12.05	25479.62	23133.18

**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

## KRYPTON INDUSTRIES LIMITED

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 31.03.2016 was as under:

CATEGORY	NO.OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
<b>PROMOTER'S HOLDING</b>		
FOREIGN PROMOTERS	-	-
INDIAN PROMOTERS	3891141	26.4755
<b>NON-PROMOTERS HOLDING</b>		
BANKS, FINANCIAL INSTITUTIONS,	25870	0.1760
INSURANCE COMPANIES	-	-
(CENTRAL/STATE GOVT. INSTITUTIONS/ NON-GOVT. INSTITUTIONS)	2800	0.0191
MUTUAL FUNDS/UTI		
<b>OTHERS</b>	60947	0.4147
PRIVATE CORPORATE BODIES	1706082	11.6083
INDIAN PUBLIC	7774273	52.8965
NRIs/OCBs/Others	1236017	8.4099
<b>TOTAL</b>	<b>14697130</b>	<b>100</b>

ii) DISTRIBUTION OF SHARE HOLDING AS ON 31.03.2016

Nominal Value of Shares (Rs)	Share Holders		No. of Shares	
	(Numbers)	%of Total	(Numbers)	% of Total
(1)	(2)	(3)	(4)	(5)
Upto 5,000	7022	86.7771	887203	6.0366
5001 to 10000	358	4.4241	295979	2.0139
10001 to 20000	206	2.5457	318080	2.1642
20001 to 30000	111	1.3717	288549	1.9633
30001 to 40000	59	0.7291	211804	1.44.11
40001 to 50000	56	0.6920	268927	1.8298
50001 to 100000	97	1.1987	743559	5.0592
100001 & Above	183	2.2615	11683029	79.4919
<b>Grand Total :</b>	<b>8092</b>	<b>100.0000</b>	<b>14697130</b>	<b>100.0000</b>

**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, 2016, equity shares of the company forming 90.1470% of the share capital of the Company stand Dematerialized.

Form	Number		% to Total equity
	Shareholders	Shares	
<b>Demat</b>			
NSDL	2669	10931304	74.3771
CDSL	1396	2317719	15.7699
<b>Physical</b>	4027	1448107	9.8530
<b>Ttoal</b>	<b>8092</b>	<b>14697130</b>	<b>100.00</b>

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

- 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

# **KRYPTON INDUSTRIES LIMITED**

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## **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](http://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.

**CEO / CFO CERTIFICATION**

(Pursuant to SEBI Listing Regulations, 2015)

The Board of Directors

**KRYPTON INDUSTRIES LIMITED**

Pursuant to Regulation 17(8) of the SEBI Listing Regulations, 2015, this is to certify that:

1. We have reviewed financial statements and the Cash Flow Statement for the year ended 31st March 2016, and to the best of our knowledge and belief;
  - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements might be misleading;
  - b) These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, there are no transactions entered into by the Company during the years, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibilities for establishing and maintaining internal control for financial reporting. We have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken for rectifying these deficiencies.
4. We have indicated to the Auditors and Audit Committee
  - a) Significant changes in internal control over financial reporting during the year.
  - b) Significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management, or an employee having a significant role in the company's internal control system over financial reporting.

**For Krypton Industries Limited**

Place: Kolkata	Sd/- Jay Singh Bardia	Sd/- Panna Lal Bardia	Sd/- Vinay Sipani
Date: 30.05.2016	(Managing Director) DIN : 00467932	(Chief Executive Officer)	(Chief Financial Officer)



# **KRYPTON INDUSTRIES LIMITED**

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## **Declaration on Compliance of the Company's Code of Conduct**

As provided under Regulation 34(3) of the SEBI Listing Regulations, 2015, all Board members and Senior Management Personnel have affirmed compliance with code of conduct as applicable to them for the year ended 31st March, 2016.

For **Krypton Industries Limited**

Place: Kolkata	Sd/-	Sd/-
Date: 30.05.2016	Jay Singh Bardia (Managing Director)	Panna Lal Bardia (Chief Executive Officer)
	DIN : 00467932	

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## **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, 2016, chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 : 30.05.2016

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

**ANNEXURE - V : SECRETARIAL AUDIT REPORT**

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

[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, 2016 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, 2016 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) 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;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from May 15, 2015);
  - (c) 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;
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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 (Share Based Employee Benefits) Regulations, 2014;
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

## **KRYPTON INDUSTRIES LIMITED**

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- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We further report that having regard to the compliance system prevailing in the Company and as per the representation made by the Management, the Company has complied with the specific applicable laws like:

- (a) Factories Act, 1948,
- (b) Industrial Dispute Act, 1947,
- (c) Environment (Protection) Act, 1986 and other environment laws,
- (d) Payment of Wages Act, 1936 and other applicable labour laws,
- (e) The Air (Prevention & Control of Pollution) Act, 1981,
- (f) Water (Prevention and Control of Pollution) Act, 1974 etc.
- (g) Special Economic Zone Act, 2005

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

- (i) Secretarial Standards, SS-1 and SS-2 issued by The Institute of Company Secretaries of India, effective from July 1, 2015
- (ii) The Listing Agreements entered into by the Company with Calcutta Stock Exchange Limited, Bombay Stock Exchange Limited. Jaipur stock exchange as the said stock exchange has applied for voluntary surrender of recognition & exit, an order in relation to same has been passed by SEBI on March 23, 2015 & Delhi Stock Exchange as the recognition of the said stock exchange has been withdrawn by SEBI via its order passed on November 19, 2014.

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 made payment of Annual Listing Fee to Calcutta Stock Exchange Limited.
- (ii) The Company has made intimation to Stock Exchange beyond the time limit as specified due to delay in receipt of Scrutinizer Report, details regarding the voting results of its General Meeting According to Clause 35A of Listing Agreement.
- (iii) 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.

### **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, if any, 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

Place : Kolkata  
Date : 30.05.2016

FCS No.:4515  
C P No.:2551

**"ANNEXURE - A"**

(TO THE SECRETARIAL AUDIT REPORT OF KRYPTON INDUSTRIES LIMITED  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016)

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 these secretarial records based on our audit.
2. We have followed the Audit practices and processes as where 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 a 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

Place : Kolkata

Date : 30.05.2016

FCS No.:4515

C P No.:2551

# **KRYPTON INDUSTRIES LIMITED**

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## **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** ( hereinafter referred to as "**The Company**"), which comprise the Balance Sheet as at 31st March , 2016, 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 preparation of these financial statements that give a true and fair view of the financial position, financial performance and Cash Flows of the Company in accordance with the Accounting 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 judgments 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 and the Order under Section 143 (11) of the Act.
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. 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, 2016, and 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, 2016 (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, 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, 2016, taken on record by the Board of Directors, none of the Directors are disqualified as on March 31st, 2016, from being appointed as a Director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
11. 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, 2016 on its financial position in its financial statements.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Place: Kolkata.  
Dated: The 30th Day of May, 2016

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

**ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT**

Referred to in Paragraph 9 under "Report on other Legal and Regulatory Requirements" of our report of even date to the Financial Statements of the Company for the year ended March 31, 2016

- (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, physical verification of fixed assets is being conducted in a phased program by the management designed to cover all assets over a period of three 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 program has been carried out. No material discrepancies were noticed on such physical verification.
  - (c) The title deeds of immovable properties are held in the name of the Company, except for leasehold building acquired, pursuant to the scheme of Amalgamation (i.e. Eco Wheels Pvt. Ltd. and Barons Polymers Pvt. Ltd.) as per High Court Order dated 28.02.2013
- (ii) During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable. 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 no new secured or unsecured loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. However unsecured loans were granted to 2 such parties (including 1 Company) in the previous year whose balances still exist in the current year. In respect of these loans, it is stated that :
  - (a) The terms and conditions of the grant of such loans are not prejudicial to the interest of the company.
  - (b) The parties are repaying the Principal Amounts, as stipulated, and are also regular in payment of interest as applicable.
  - (c) There is no overdue amount for more than 90 days.
- (iv) According to the information and explanations given to us, the Company has complied with the provisions laid down under sections 185 or 186 of the Act in the current year. However opening balance of such loans granted to "persons in whom the director is interested" before the commencement of Section 185 is still existing on Balance Sheet date.
- (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 as prescribed by the Central Government under section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and 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, 2016 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 ₹1433509/- 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.

Sl. No.	Name of the Statute	Nature of the Dues	Amount (₹)		Period to which the amount relates	Forum where the dispute is pending	Remark, if any
			Amount of Demand / Dispute (₹)	Amount Deposited (₹)			
1	Income Tax Act, 1961	Income Tax (For the Company)	₹ 14,33,509/-	-	AY : 2012-13	Appeal u/s 246A before CIT (Appeals)	
2	Central Sales Tax Act/WB VAT Act.	Sales Tax & VAT (For the Company)	₹ 43,56,213/-	₹ 38,300/-	FY : 2010-11	Appeal with joint Commissioner	
3		Sales Tax & VAT (For the Company)	₹ 6,97,015.60/-	-	FY : 2010-11	Appeal with joint Commissioner	

- (viii) 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 loans or borrowings to any financial institution, bank or government. Further, the Company has not issued any debentures. Hence, reporting under Clause (viii) of the Order is not applicable to the Company.
- (ix) Based on our audit procedures and on the information and explanations given by the management the Company has not raised any money by way of Initial Public Offer or Further Public Offer (including debt instruments). All money raised by Term loans was applied for the purposes for which it was raised.
- (x) 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.



## **KRYPTON INDUSTRIES LIMITED**

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- (xi) Based on our audit procedures, we have found that Managerial Remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) As the Company is not a Nidhi Company and hence reporting under Clause (xii) of CARO 2016 Order is not applicable here.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, to the extent applicable to the Company, for all the transactions with the related parties and the Company has disclosed the details of related party transactions in the financial statements etc. As required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under Clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to you, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the order are not applicable to the company and hence not commented upon.

For **JAGDISH AGARWAL & ASSOCIATES**

**CHARTERED ACCOUNTANTS**

Firm Registration No.320253E

Place: Kolkata.

**J.P.AGARWAL**

Dated: The 30th Day of May, 2016

**PARTNER**

Membership No.055436

**ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT**

Referred to in Clause (f) of Paragraph 10 under "Report on other Legal and Regulatory Requirements" of our report of even date to the financial statements of the company for the year ended March 31, 2016.

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of  
Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Krypton Industries Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

# **KRYPTON INDUSTRIES LIMITED**

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## **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **JAGDISH AGARWAL & ASSOCIATES**

**CHARTERED ACCOUNTANTS**

Firm Registration No.320253E

Place: Kolkata.

**J.P.AGARWAL**

Dated: The 30th Day of May, 2016

**PARTNER**

Membership No.055436

# KRYPTON INDUSTRIES LIMITED

## Balance Sheet as at 31st March, 2016

	Note No.	As at 31/03/2016 (₹ in Thousands)	As at 31/03/2015 (₹ in Thousands)
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' Funds</b>			
Share Capital	'3'	1,46,971.30	1,46,971.30
Reserves and Surplus	'4'	<u>1,53,722.92</u>	<u>1,49,857.23</u>
		<b><u>3,00,694.22</u></b>	<b><u>2,96,828.53</u></b>
<b>Non-Current Liabilities</b>			
Long-term Borrowings	'5'	38,797.97	57,489.87
Deferred Tax Liabilities (Net)	'6'	16,435.15	16,400.97
Other Long-term Liabilities	'7'	<u>563.46</u>	<u>1,223.39</u>
		<b><u>55,796.58</u></b>	<b><u>75,114.23</u></b>
<b>Current Liabilities</b>			
Short-term Borrowings	'8'	1,37,130.69	1,29,102.39
Trade Payables	'9'	52,293.64	43,895.56
Other Current Liabilities	'10'	4,044.65	3,325.23
Short-term Provisions	'11'	<u>1,888.79</u>	<u>925.33</u>
		<b><u>1,95,357.76</u></b>	<b><u>177,248.51</u></b>
<b>TOTAL</b>		<b><u>5,51,848.58</u></b>	<b><u>549,191.27</u></b>
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	'12'	2,03,710.09	216,492.26
Capital Work in Progress	'13'	950.96	-
Non-Current Investments	'14'	425.33	425.33
Long-term Loans and Advances	'15'	11,927.10	14,441.35
Other Non-Current Assets	'16'	<u>1,256.62</u>	<u>1,629.62</u>
		<b><u>2,18,270.11</u></b>	<b><u>232,988.56</u></b>
<b>Current Assets</b>			
Inventories	'17'	1,78,802.13	163,477.81
Trade Receivables	'18'	1,03,237.26	96,075.97
Cash and Bank Balances	'19'	16,467.33	18,121.81
Short-term Loans and Advances	'20'	15,020.54	16,009.69
Other Current Assets	'21'	<u>20,051.20</u>	<u>22,517.43</u>
		<b><u>3,33,578.47</u></b>	<b><u>316,202.71</u></b>
<b>TOTAL</b>		<b><u>5,51,848.58</u></b>	<b><u>549,191.27</u></b>
Summary of significant accounting policies	'2'		

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

**JAY SINGH BARDIA**  
Managing Director  
(DIN : 00467932)

**VINAY SIPANI**  
Chief Financial Officer

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

**PRADEEP KUMAR SINGH**  
Director  
(DIN : 00386800)

**ARTI BOTHRA**  
Company Secretary

**J. P. AGARWAL**  
**PARTNER**

Place: Kolkata  
Dated: The 30th Day of May, 2016

Membership No.055436

# KRYPTON INDUSTRIES LIMITED

## Statement of Profit and Loss for the year ended 31st March, 2016

	Note No.	Year Ended 31/03/2016 (₹ in Thousands)	Year Ended 31/03/2015 (₹ in Thousands)
<b>INCOME</b>			
Gross Revenue from Operations	'22'	3,86,891.28	366,440.92
Less: Excise Duty		2,907.62	3,186.12
<b>Net Revenue from Operations</b>		<b>3,83,983.66</b>	363,254.80
Other Income	'23'	2,452.69	2,686.09
<b>Total Revenues</b>		<b>3,86,436.35</b>	365,940.89
<b>EXPENSES</b>			
Cost of Materials Consumed	'24'	1,91,918.66	204,199.70
Purchases of Stock-in-Trade		92.01	210.40
Changes in Inventories of finished goods, work-in-progress and stock-in-trade	'25'	(17,318.22)	(18,164.90)
Employee Benefits Expenses	'26'	64,800.19	57,821.47
Power and Fuel	'27'	13,177.48	14,587.03
Finance Costs	'28'	20,642.46	19,328.19
Depreciation and Amortization expenses	'29'	17,855.96	16,406.59
Other Expenses	'30'	90,404.48	67,477.04
<b>Total Expenses</b>		<b>3,81,573.02</b>	3,61,865.52
<b>Profit/ (Loss) before Exceptional items and Tax</b>		<b>4,863.33</b>	4,075.37
Exceptional Items		-	-
<b>Profit before Tax</b>		<b>4,863.33</b>	4,075.37
<b>Tax Expenses:</b>	'31'		
Current Tax		963.46	779.10
Deferred Tax		34.18	982.24
<b>Profit/ (Loss) for the period</b>		<b>3,865.69</b>	2,314.03
<b>Earnings per Equity Share:</b>			
Basic & Diluted EPS (₹)	'36'	0.26	0.16
Summary of significant accounting policies	'2'		

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

**JAY SINGH BARDIA**  
Managing Director  
(DIN : 00467932)

**VINAY SIPANI**  
Chief Financial Officer

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

**PRADEEP KUMAR SINGH**  
Director  
(DIN : 00386800)

**ARTIBOTHRA**  
Company Secretary

**J. P. AGARWAL**  
**PARTNER**

Place: Kolkata  
Dated: The 30th Day of May, 2016

Membership No.055436

## KRYPTON INDUSTRIES LIMITED

### Cash Flow Statement for the year ended 31st March, 2016

	Year ended 31/03/2016 (₹ in Thousands)	Year ended 31/03/2015 (₹ in Thousands)
<b>A. <u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
<b>Profit before Tax</b>	<b>4,863.33</b>	4,075.37
Adjustment for :		
Finance Costs	20,642.46	19,328.19
Depreciation and Amortization Expenses	17,855.96	16,406.59
Preliminary Expense Written Off	373.00	373.00
Loss/(Gain) on sale of fixed assets	78.16	-
Excess Provision for Interest Receivable written off	233.80	-
Sundry Balance written off	(63.04)	(3,342.22)
Income from Investing Activities	(1,539.79)	(1,939.33)
	<b>37,580.55</b>	<b>30,826.23</b>
<b>Operating profit before working capital changes</b>	<b>42,443.88</b>	34,901.60
Changes in working Capital:		
Inventories	(15,324.32)	(29,225.65)
Trade and other Receivables	(4,695.06)	5,389.48
Trade and other Payables	8,470.67	(21,277.98)
	<b>(11,548.71)</b>	<b>(45,114.15)</b>
<b>Cash generation from Operation</b>	<b>30,895.17</b>	(10,212.55)
Payment of Direct Taxes	(438.01)	(2,120.98)
<b>Net Cash generated/ (used) - Operating Activities</b>	<b>30,457.16</b>	<b>(12,333.53)</b>
<b>B. <u>CASH FLOW FROM INVESTMENT ACTIVITIES</u></b>		
Purchase of Fixed Assets	(4,606.28)	(9,880.70)
Sale of Investments	5.31	651.65
Capital Work in Progress	(663.92)	-
Proceeds/ Repayment of Short-term Loans (Net)	1,859.32	(586.19)
Decrease in short term provision	-	(16.56)
Increase in long term loans and advances and non current asset	3,115.93	(3,299.47)
Decrease in other long term liabilities and other liabilities	(659.93)	(1,403.84)
Interest Received	272.55	1,833.84
<b>Net Cash Generated/ (Used) - Investing Activities</b>	<b>(677.02)</b>	<b>(12,701.27)</b>

# KRYPTON INDUSTRIES LIMITED

## C. CASH FLOW FROM FINANCING ACTIVITIES

Proceeds/ Repayment of Long-term Borrowings (Net)	<b>(2,521.06)</b>	26,189.62
Proceeds / Repayment of Short-term Borrowings (Net)	<b>(8,245.50)</b>	18,381.39
Finance Cost Paid	<b>(20,668.06)</b>	(20,275.91)
Dividend Paid (includes amount transferred to Investor Education & Protection Fund)	-	(757.43)
<b>Net Cash Generated/ (Used) - Financing Activities</b>	<b><u>(31,434.62)</u></b>	<u>23,537.67</u>
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	<b>(1,654.48)</b>	(1,497.13)
Add : Opening Cash and Cash Equivalents	<b>18,121.81</b>	19,618.94
<b>Closing Cash and Cash Equivalents</b> (Refer Note No. 19)	<b><u>16,467.33</u></b>	<u>18,121.81</u>

### Notes:

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

**JAY SINGH BARDIA**  
Managing Director  
(DIN : 00467932)

**VINAY SIPANI**  
Chief Financial Officer

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

**PRADEEP KUMAR SINGH**  
Director  
(DIN : 00386800)

**ARTI BOTHTRA**  
Company Secretary

**J. P. AGARWAL**  
**PARTNER**

Place: Kolkata  
Dated: The 30th Day of May, 2016

Membership No.055436

**Notes to the Financial Statements as at and for the year ended 31st March 2016**

**1. GENERAL CORPORATE INFORMATION**

Krypton Industries Limited ("The Company") with its registered office 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, 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 two decimal places, wherever necessary.

**(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.

Capital work-in-progress comprises of cost of Fixed Asset that are not ready for its intended use at the reporting date.

Significant components of assets having a life shorter than the main asset, if any are depreciated over the shorter life.

**(d) DEPRECIATION**

- (i) Depreciation on Fixed assets is provided on the straight line method over the estimated useful lives of assets.
- (ii) The company depreciates its Fixed Assets over the useful life in the manner prescribed in schedule II of the Act.
- (iii) Depreciation on fixed assets is accounted for on pro-rata basis with reference to date of use / disposal.



# KRYPTON INDUSTRIES LIMITED

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## Notes to the Financial Statements as at and for the year ended 31st March 2016

### (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 AND CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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.

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

Contingent Assets are neither recognized nor disclosed in the financial statements.

### (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 2016**

**(k) 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.

**(l) 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.

**m) 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 only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which deferred tax can be realized using tax rates and tax laws, which have been enacted or substantively enacted by the Balance Sheet Date.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**n) SEGMENT REPORTING**

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

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

**o) 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 2016

	As at 31/03/2016 (₹ in Thousands)	As at 31/03/2015 (₹ in Thousands)
<b>3. Share Capital :</b>		
<b>Authorized Shares :</b>		
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>
<b>Issued, Subscribed and Paid-up Shares :</b>		
1,46,97,130 (Previous year 1,46,97,130)		
Equity Shares of ₹ 10 each of fully 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	2015-16		2014-15	
	Numbers	(₹ Thousands)	Numbers	(₹ Thousands)
Equity Shares outstanding at the beginning of the year	1,46,97,130	1,46,971.30	1,46,97,130	1,46,971.30
Equity Shares outstanding at the end of the year	1,46,97,130	1,46,971.30	1,46,97,130	1,46,971.30

**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 the 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 31/03/2016		As at 31/03/2015	
	Numbers of Shares held	Percentage of Holding	Numbers of Shares held	Percentage of Holding
Jay Singh Bardia	15,38,550	10.47%	15,38,550	10.47%
Panna Lal Bardia	15,84,944	10.78%	15,84,944	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				
	31/3/2016	31/3/2015	31/3/2014	31/3/2013	31/3/2012
Number of equity shares issued under merger/amalgamation	-	-	-	30,86,050	-

## KRYPTON INDUSTRIES LIMITED

### Notes to the Financial Statements as at and for the year ended 31st March 2016

		As at 31/03/2016 (₹ in Thousands)	As at 31/03/2015 (₹ in Thousands)
<b>4. Reserves and Surplus :</b>			
a) General Reserve	(A)	5,707.51	5,707.51
b) Securities Premium Account	(B)	<u>36,553.40</u>	<u>36,553.40</u>
c) Surplus/ (deficit) in the Statement of Profit and Loss			
Opening Balance		1,07,596.32	1,06,474.63
Add: Profit/(loss) for the year		3,865.69	2,314.03
Less: Adjustment as per Schedule II to the Companies Act, 2013 (Refer Note No. 12)		-	<u>(1,192.34)</u>
<b>Net surplus / (deficit) in the statement of profit &amp; Loss</b>	<b>(C)</b>	<u>1,11,462.01</u>	<u>1,07,596.32</u>
<b>Total Reserve and Surplus (A+B+C)</b>		<u>1,53,722.92</u>	<u>1,49,857.23</u>

### 5. Long-term Borrowings

	Non Current Maturities		Current Maturities	
	31.03.2016 (₹ Thousands)	31.03.2015 (₹ Thousands)	31.03.2016 (₹ Thousands)	31.03.2015 (₹ Thousands)
<b>Term Loans :</b>				
From Banks (Secured)	6,177.96	8,914.68	2,700.00	2,700.00
From Related Parties (Unsecured) (Refer Note No. 38)	6,918.30	6,918.30	-	-
From Other Parties (Unsecured)	24,821.67	40,005.18	12,445.01	7,578.89
<b>Car Loan (Secured)</b>	<u>880.04</u>	<u>1,651.71</u>	<u>1,128.79</u>	<u>1,108.54</u>
	<b>38,797.97</b>	<b>57,489.87</b>	<b>16,273.80</b>	<b>11,387.43</b>
Secured Borrowings	7,058.00	10,566.39	3,828.79	3,808.54
Unsecured Borrowings	31,739.97	46,923.48	12,445.01	7,578.89
<b>Amount disclosed under the head</b>				
<b>Short term borrowings</b>				
<b>"(Refer Note No. 8)"</b>	-	-	<u>(16,273.80)</u>	<u>(11,387.43)</u>
	<u>38,797.97</u>	<u>57,489.87</u>	<u>-</u>	<u>-</u>

- A. 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.
- B. 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 2016

- C. Car Loan from Bank of Baroda of Wheel Division was taken during the financial year 2015-16 and carries floating interest @ Base Rate + 0.25% p.a. with monthly rests (as per Sanction Letter dated 07/09/2015 ). The loan is repayable in 36 monthly installments of ₹14.49 ('000) inclusive of interest starting one month after disbursement of loan. The loan is secured by hypothecation of Car.
- D. 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.
- E. 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 ₹ 16.26 (in '000), inclusive of interest from the date of loan. This loan is secured by the hypothecation of Swift Dzire Car itself.
- F. Car Loan from Bank of Baroda, IBB Branch of Tyre Division was during the Financial Year 2015-16 and carries interest @ 9.65+.25% p.a. the loan is repayable in 36 monthly installment of ₹ 19.33 (in '000) inclusive of interest from the date of loan. The car loan is secured by hypothecation of Hyundai I 20.
- G. The Term Loan from The Federal Bank Ltd. of Sadurhat 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 ₹ 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. T.S. Gulgulia.

	As at 31/03/2016 (₹ in Thousands)	As at 31/03/2015 (₹ in Thousands)
<b>6. <u>Deferred Tax Liabilities (Net)</u></b>		
<b>Deferred Tax Liabilities</b>		
Opening Balance	16,400.97	15,418.73
Related to Fixed Assets and Amortization Expenses	34.18	982.24
<b>Deferred Tax Liabilities (Net)</b>	<u>16,435.15</u>	<u>16,400.97</u>
<b>7. <u>Other Long-term Liabilities</u></b>		
Trade Payables	559.56	1,221.67
Other Liabilities	3.90	1.72
	<u>563.46</u>	<u>1,223.39</u>
<b>8. <u>Short-term Borrowings</u></b>		
Current Maturities of Long term borrowings (A)	16,273.80	11,387.43
Cash Credit (Secured)	81,115.54	81,911.91
Packing Credit (Secured)	36,965.39	29,367.55
Foreign Bills Purchased	2,775.96	6435.50
	<u>1,37,130.69</u>	<u>1,29,102.39</u>

**Notes to the Financial Statements as at and for the year ended 31st March 2016**

- A.** For current Maturities of long term borrowings, please refer Note No. 5.
- B.** 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 (As per sanction letter dated 19/12/2014) 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.
- C.** 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 cash credit 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.
- D.** The cash credit from The Federal Bank Ltd. of Sadhurhat Division was sanctioned during the financial year 2015-16 and carries floating interest @ Base Rate + 3.65% p.a. with monthly rests (as per Sanction Letter dated 13.08.2015) with a Limit of ₹ 230 Lacs. The loan is repayable as per term each along with interest from the date of loan. The cash credit 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 50% Margin and Book Debts at 25% 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 and 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.
- E.** The Cash credit from Bank of Baroda of Wheel Division was revalidated during the Financial Year 2014-15 and carries Interest @ Base Rate+3% at a floating rate with monthly rests (As per sanction letter dated 19/12/2014) . 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.

# KRYPTON INDUSTRIES LIMITED

## Notes to the Financial Statements as at and for the year ended 31st March 2016

	As at 31/03/2016 (₹ in Thousands)	As at 31/03/2015 (₹ in Thousands)
<b>9. Trade Payables</b>		
Payable to Micro, Small and Medium Enterprises	-	-
Payable to Entities (Other than Micro, Small and Medium Enterprises)	52,293.64	43,895.56
	<u>52,293.64</u>	<u>43,895.56</u>
<b>10. Other Current Liabilities</b>		
Interest accrued and due on borrowings	60.75	189.31
Customers' Credit Balances and Advances against orders	2,127.49	677.81
Statutory dues Payables		
Tax deducted at source payable	452.33	685.76
Provident Fund , ESI, and other Government Charges	777.93	658.10
Excise Duty Payable	38.49	38.49
WB Professional Tax Payable	3.24	2.65
Duties and taxes	579.32	1,068.02
Other Liabilities	5.10	5.09
	<u>4,044.65</u>	<u>3,325.23</u>
	As at 31/03/2016 (₹ in Thousands)	As at 31/03/2015 (₹ in Thousands)
<b>11. Short-term Provisions</b>		
Provision for Current Tax	1,888.79	925.33
<b>12. Tangible Assets</b>		
<b>A. Summary of cost and net carrying amount of each class of tangible assets are given below:</b>		

	Cost		Accumulated Depreciation		Net Carrying Amount	
	31/03/2016 (₹ Thousands)	31/03/2015 (₹ Thousands)	31/03/2016 (₹ Thousands)	31/03/2015 (₹ Thousands)	31/03/2016 (₹ Thousands)	31/03/2015 (₹ Thousands)
Freehold Land	14,392.03	14,392.03	-	-	14,392.03	14,392.03
Buildings	1,08,552.95	107,257.36	25,016.67	21,481.94	83,536.28	85,775.42
Plant and Machinery	1,85,725.77	1,83,911.17	98,135.94	87,940.36	87,589.83	95,970.81
Furniture and Fixtures	11,222.90	11,201.98	6,417.45	5,411.60	4,805.45	5,790.38
Electrical Installations	14,722.09	14,267.27	8,007.57	6,505.43	6,714.52	7,761.84
Vehicles	10,297.28	10,156.00	4,597.58	4,497.43	5,699.70	5,658.57
Office Equipment	5,927.32	5,727.77	5,144.50	4,928.31	782.82	799.46
Computer	693.62	665.72	504.16	321.97	189.46	343.75
	<u>3,51,533.96</u>	<u>3,47,579.30</u>	<u>1,47,823.87</u>	<u>1,31,087.04</u>	<u>2,03,710.09</u>	<u>2,16,492.26</u>

**(a) Reconciliation of the gross and net carrying amounts of assets at the beginning and year ending 31/03/2016 are as under:**

Cost	As at 31/03/2015 (₹ Thousands)	Additions (₹ Thousands)	Disposals (₹ Thousands)	Other Adjustments (₹ Thousands)	As at 31/03/2016 (₹ Thousands)
Freehold Land	14,392.03	-	-	-	14,392.03
Buildings	1,07,257.36	1,295.59	-	-	1,08,552.95
Plant and Machinery	1,83,911.17	1,814.60	-	-	1,85,725.77
Furniture and Fixtures	11,201.98	20.92	-	-	11,222.90
Electrical Installations	14,267.27	454.82	-	-	14,722.09
Vehicles	10,156.00	1,908.89	1,767.61	-	10,297.28
Office Equipment	5,727.77	199.55	-	-	5,927.32
Computer	665.72	27.90	-	-	693.62
	<u>3,47,579.30</u>	<u>5,722.27</u>	<u>1,767.61</u>	-	<u>3,51,533.96</u>
Previous Year	3,37,747.43	9,880.70	48.83	-	3,47,579.30

## KRYPTON INDUSTRIES LIMITED

### Notes to the Financial Statements as at and for the year ended 31st March 2016

Accumulated Depreciation	As at	Additions	Adjustment as per	Deductions/	As at
	31/03/2015		Schedule II to the	Other Adjust	31/03/2016
			Companies Act, 2013		
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
Buildings	21,481.94	3,534.73	-	-	25,016.67
Plant and Machinery	87,940.36	10,195.58	-	-	98,135.94
Furniture and Fixtures	5,411.60	1,005.85	-	-	6,417.45
Electrical Installation	6,505.43	1,502.14	-	-	8,007.57
Vehicles	4,497.43	1,219.28	-	1,119.13	4,597.58
Office Equipment	4,928.31	216.19	-	-	5,144.50
Computer	321.97	182.19	-	-	504.16
	<u>1,31,087.04</u>	<u>17,855.96</u>	-	<u>1,119.13</u>	<u>1,47,823.87</u>
Previous Year	1,13,536.94	16,406.59	1,192.34	48.83	1,31,087.04

	As at 31/03/2016 (₹ in Thousands)	As at 31/03/2015 (₹ in Thousands)
<b>13. Capital Work-in-Progress</b>		
Plant & Machinery	<u>950.96</u>	-
	<u>950.96</u>	-
<b>14. Non-Current Investments</b>		
<b>Investments (Non-Trade)</b>		
Investments in Equity Instruments (Unquoted) - (a)	<b>202.00</b>	202.00
Investments in Others		
Gold Coins	<u>223.33</u>	<u>223.33</u>
	<u>425.33</u>	<u>425.33</u>

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

	Face value per Unit	As at 31/03/2016		As at 31/03/2015	
		Numbers	(₹ Thousands)	Numbers	(₹ Thousands)
(a) Investments in Equity Instruments (Unquoted)					
Krypton Developers Limited	Others ₹ 10	9,400	94.00	9,400	94.00
I Care International Pvt. Ltd	Others ₹ 10	10,800	108.00	10,800	108.00
		<u>20,200</u>	<u>202.00</u>	<u>20,200</u>	<u>202.00</u>



# KRYPTON INDUSTRIES LIMITED

## Notes to the Financial Statements as at and for the year ended 31st March 2016

		As at 31/03/2016 (₹ in Thousands)	As at 31/03/2015 (₹ in Thousands)
<b>15. Long-term Loans and Advances :</b>			
Capital Advances			
<i>Unsecured, Considered Good</i>	(A)	<u>643.00</u>	<u>643.00</u>
Security Deposits and interest on security deposits			
<i>Unsecured, Considered Good</i>	(B)	<u>1,126.76</u>	<u>1,399.80</u>
Loans and Advances to Related Parities			
<i>Unsecured, Considered Good</i>			
<i>(Advance against Managerial</i>			
<i>Remuneration) - Refer Note No. 38</i>	(C)	<u>8,091.23</u>	<u>7,302.93</u>
Loans and Advances to others			
<i>Unsecured, Considered Good</i>	(D)	<u>2,066.11</u>	<u>5,095.62</u>
<b>Total (A+B+C+D)</b>		<u><b>11,927.10</b></u>	<u><b>14,441.35</b></u>
<b>16. Other Non-Current Assets :</b>			
Long Term Trade Receivables			
<i>Unsecured, Considered Good</i>	(A)	<u>883.62</u>	<u>883.62</u>
Unamortized Expenses	(B)	<u>373.00</u>	<u>746.00</u>
<b>Total (A+B)</b>		<u><b>1,256.62</b></u>	<u><b>1,629.62</b></u>
<b>17. Inventories :</b>			
Raw Materials		<b>52,744.50</b>	58,144.96
Work-in-Progress		<b>22,242.31</b>	20,862.29
Consumable Stores		<b>2,352.93</b>	1,486.60
Finished Goods		<b>71,040.92</b>	55,619.94
Stock-in-Trade		<b>1,695.86</b>	1,797.19
Stores and Spares		<b>10,806.42</b>	8,436.66
Upper (produced Raw Material)		<b>17,207.27</b>	16,588.72
Packing Material		<b>711.92</b>	541.45
		<u><b>1,78,802.13</b></u>	<u><b>1,63,477.81</b></u>

## KRYPTON INDUSTRIES LIMITED

### Notes to the Financial Statements as at and for the year ended 31st March 2016

	As at 31/03/2016 (₹ in Thousands)	As at 31/03/2015 (₹ in Thousands)
<b>18. Trade Receivables</b>		
Outstanding for a period exceeding six months <i>Unsecured, Considered Good</i>	31,960.11	25,956.91
Outstanding for a period less than six months <i>Unsecured, Considered Good</i>	<u>71,277.15</u>	<u>70,119.06</u>
	<u>1,03,237.26</u>	<u>96,075.97</u>
<b>19. Cash and Bank Balances :</b>		
<b>Cash and Cash Equivalents</b>		
Deposits maturing within 12 months	6,150.36	5,305.01
Balance with Banks:		
Current Account	2,829.60	715.80
Cash on hand	<u>5,899.73</u>	<u>8,464.31</u>
(A)	<u>14,879.69</u>	<u>14,485.12</u>
<b>Other Balances</b>		
Balance with Banks :		
Margin Money Account	32.52	32.52
Balances/Deposits with Banks maturing after 12 months	<u>1,555.12</u>	<u>3,604.17</u>
(B)	<u>1,587.64</u>	<u>3,636.69</u>
<b>Total (A+B)</b>	<u>16,467.33</u>	<u>18,121.81</u>
<b>20. Short-term Loans and Advances</b>		
Loans and Advances to Related Parties <i>Unsecured, Considered Good (Advance against Managerial Remuneration)- Refer Note No. 38)</i>	-	200.00
Loans and Advances to Others <i>(Unsecured, Considered Good)</i>	<u>10,668.13</u>	<u>9,854.45</u>
(A)	<u>10,668.13</u>	<u>10,054.45</u>
Advance Tax (including FBT)	<u>1,101.00</u>	<u>1,101.00</u>
(B)	<u>1,101.00</u>	<u>1,101.00</u>
Advance FSEZ Rent	-	72.87
(C)	-	72.87
Income Tax Deducted at Source <i>(Unsecured, Considered Good)</i>	<u>3,251.41</u>	<u>4,781.37</u>
(D)	<u>3,251.41</u>	<u>4,781.37</u>
<b>Total (A+B+C+D)</b>	<u>15,020.54</u>	<u>16,009.69</u>
<b>21. Other Current Assets</b>		
Duties and taxes	15,344.49	15,249.68
Advance against Salary & Wages	291.30	6.30
Advance to Suppliers	1,743.94	4,478.44
Others	<u>2,671.47</u>	<u>2,783.01</u>
	<u>20,051.20</u>	<u>22,517.43</u>

# KRYPTON INDUSTRIES LIMITED

## Notes to the Financial Statements as at and for the year ended 31st March 2016

	For year ended 31/03/2016 (₹ in Thousands)	For year ended 31/03/2015 (₹ in Thousands)
<b>22. Revenue from Operations:</b>		
<b>Sale of Products</b>		
M.C.P. Tyres & Armrest - Overseas	82,300.05	21,286.92
M.C.P. Tyres & Armrest - Exports	7,824.00	5,472.00
M.C.P. Tyres & Armrest - Domestic	98,905.01	88,265.41
Plastic Rim with Tyre & Components - Overseas	5,877.72	61,484.52
Trading Goods - Overseas	-	381.26
Trading Goods - Domestic	195.32	1,959.91
Raw Material - Domestic	90.56	99.43
P.U. Shoe Sole - Domestic	51,041.25	52,513.38
P.U. Sandles - Domestic	29,320.41	33,228.95
Wheel Chair Parts - Overseas	-	32,946.33
Hospital Equipments - Domestic	564.91	637.93
Wheel Chair - Domestic	90,926.74	48,335.66
Crutch and Walking Stick - Domestic	3,819.46	4,675.34
Upper - Domestic	-	1,951.61
Spares - Domestic	3,231.28	2,452.88
Commode Chairs - Domestic	2,564.36	3,402.89
Consumable Stores - Overseas	-	6.92
<b>Sale of Services</b>		
Job Work charges	10,205.70	7,280.78
<b>Other Operating Revenues</b>		
Scrap Sales	24.50	58.80
<b>Gross Revenue from Operations</b>	<b>3,86,891.28</b>	<b>3,66,440.92</b>
Less: Excise Duty	2,907.62	3,186.12
<b>Net Revenue from Operations</b>	<b>3,83,983.66</b>	<b>3,63,254.80</b>
<b>23. Other Income:</b>		
Interest Income - (a)	1,539.79	1,787.68
Profit on Sale of Mutual Fund	-	151.65
Prior Period Items (Net) - (b)	(4.84)	-
Service Tax Refund	167.24	-
Other Non-Operating Income	750.50	746.76
	<b>2,452.69</b>	<b>2,686.09</b>
(a) Interest Income includes tax deducted at source amounting ₹ 226.54 (in '000) [Previous year ₹ 178.97 (in '000)]		
(b) Details of Prior Period Items (Net)		
Prior Period Income	-	-
Prior Period Expenses	4.84	-
	<b>(4.84)</b>	<b>-</b>

## KRYPTON INDUSTRIES LIMITED

### Notes to the Financial Statements as at and for the year ended 31st March 2016

	For year ended 31/03/2016 (₹ in Thousands)	For year ended 31/03/2015 (₹ in Thousands)
<b>24. Cost of Materials Consumed :</b>		
Raw Material		
Opening Stock	58,144.96	45,194.55
Add: Purchased	<u>1,91,572.15</u>	<u>2,17,184.75</u>
	2,49,717.11	262,379.31
Less: Cost of material sold	<u>5,053.95</u>	<u>34.65</u>
	2,44,663.16	2,62,344.66
Less: Closing Stock	<u>52,744.50</u>	<u>58,144.96</u>
	<u>1,91,918.66</u>	<u>2,04,199.70</u>
<b>25. Changes in Inventories:</b>		
<b>Opening Inventories</b>		
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>1,797.19</u>	<u>1,940.02</u>
	<u>94,868.14</u>	<u>76,664.75</u>
<b>Less: Closing Inventories</b>		
Work-in-Progress	22,242.31	20,862.29
Finished Goods	71,040.92	55,619.94
Upper (Produced Raw Material)	17,207.27	16,588.72
Stock-in-Trade	<u>1,695.86</u>	<u>1,797.18</u>
	<u>1,12,186.36</u>	<u>94,868.14</u>
	<u>(17,318.22)</u>	<u>(18,203.39)</u>
Add: Increase/ Decrease of Excise Duty on Inventories	-	38.49
<b>Changes in Inventories</b>	<u>(17,318.22)</u>	<u>(18,164.90)</u>
<b>26. Employee Benefits Expenses :</b>		
Salaries and Wages	55,999.49	51,552.56
Contribution to Provident and other Funds	5,676.33	3,288.87
Employee Welfare	<u>3,124.37</u>	<u>2,980.04</u>
	<u>64,800.19</u>	<u>57,821.47</u>
<b>27. Power and Fuel :</b>		
Power and Fuel	<u>13,177.48</u>	<u>14,587.03</u>
<b>28. Finance Costs :</b>		
Interest Expenses	<u>20,642.46</u>	<u>19,328.19</u>
<b>29. Depreciation and Amortization Expenses :</b>		
Depreciation and Amortization Expenses	<u>17,855.96</u>	<u>16,406.59</u>
<b>30. Other Expenses</b>		
Annual Incentive to Customers	1,033.32	1,737.94
Auditor's Remuneration - (a)	506.39	562.54
Bank Charges	1,332.27	1,342.42
Branch Expenses	30.14	-
Commission and Brokerage	995.13	849.45
Computer Software Charges	10.80	28.99
Consumption of Stores and Spares	30,304.60	23,959.51
Cost of Consumables Sold	35.08	9.60
Cost of Raw Material Sold	5,053.95	34.65

# KRYPTON INDUSTRIES LIMITED

## Notes to the Financial Statements as at and for the year ended 31st March 2016

	For year ended 31/03/2016 (₹ in Thousands)	For year ended 31/03/2015 (₹ in Thousands)
Donation	777.20	6.60
Discount Allowed (Net)	3,461.64	1,610.25
Duty on Job Work	-	1.10
Excise Duty Reversed	-	(13.47)
Freight, Cartage and Forwarding Expenses (Net)	20,476.31	17,647.37
(Gain)/Loss on foreign currency transactions and translation (Net) (Refer Note No. 34)	1,425.07	(178.59)
Insurance	922.28	778.88
Interest paid on Late Payment of VAT/CST	-	2.43
Job Work Charges	2,383.41	1,233.33
Labour Charges	4.10	-
Managerial Remuneration & Director sitting fees	3,010.00	3,009.50
Merging Expenses	-	56.18
Miscellaneous Expenses	2,088.04	3,173.17
Other Repairs & Maintenance	291.36	256.61
Penal Interest on Term Loan	0.05	0.05
Preliminary Expenses Written off	373.00	373.00
Printing & Stationery	416.74	375.71
Processing Charges	468.22	297.47
Professional Fees	1,840.07	2,173.46
Rates and Taxes	1,596.15	1,815.78
Rent	3,161.05	2,861.11
Repairs to Buildings	71.03	16.62
Repairs to Machinery	876.84	1,334.08
Sales Promotion Expenses	2,415.13	1,628.72
Sundry Balance written off	170.76	(3,342.22)
Telephone, Telegram & Postage	907.98	845.29
Travelling and Conveyance Expenses	2,979.58	1,831.69
Vehicle Running & Maintenance Expenses	944.54	1,115.57
West Bengal Pollution Control Expenses	42.25	42.25
	<u>90,404.48</u>	<u>67,477.04</u>

**(a) Details of Auditor's Remuneration are as follows :**

Statutory Auditors:		
Audit Fees	347.93	362.36
Tax and Vat Audit	80.13	60.28
Other Services	78.33	139.90
	<u>506.39</u>	<u>562.54</u>

**31. Tax Expenses**

**Current Tax**

Current Tax for the year	963.46	776.56
Current Tax Paid for earlier years	-	2.54
	<u>963.46</u>	<u>779.10</u>

**Deferred Tax**

Deferred Tax for the year	34.18	982.24
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**Notes to the Financial Statements as at and for the year ended 31st March 2016**

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

**A. Raw Materials Consumed :**

Items	Imported		Indigenous		Consumed	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
1 Additive	23.55	9.24	3,449.53	3,666.93	3,473.08	3,676.17
2 Ancillary	-	-	291.44	644.76	291.44	644.76
3 Bearings & Components	3,969.82	191.95	-	-	3,969.82	191.95
4 Colour	449.21	308.28	4,641.31	4,584.03	5,090.52	4,892.31
5 Components	12,126.05	15,502.43	7,427.54	1,033.93	19,553.59	16,536.36
6 Dacon Yarn	3,310.84	3,276.27	-	-	3,310.84	3,276.27
7 DBTDL	-	-	37.45	23.69	37.45	23.69
8 DMF	-	-	12.26	13.66	12.26	13.66
9 DOP	-	-	24.14	30.57	24.14	30.57
10 Durathen -	-	213.35	4,563.39	671.01	4,563.39	884.36
11 ISO (Isocyanate, Lupranate, Suprasec)	32,201.35	41,603.63	20,121.08	31,699.96	52,322.43	73,303.59
12 Meg	163.58	69.70	1,020.70	1,267.33	1,184.28	1,337.03
13 Metal Bars	-	-	54.30	331.97	54.30	331.97
14 Metal Pipes & Bars	-	-	1,042.73	1,150.73	1,042.73	1,150.73
15 Metal Plate & Others	-	-	3,713.00	1,420.36	3,713.00	1,420.36
16 Metal Sheets & Pipes	-	-	13,026.58	8,862.28	13,026.58	8,862.28
17 Methylene Chloride (MCL)	16.31	38.73	722.62	639.93	738.93	678.66
18 Moplen EP 332K	3,016.42	1,371.20	437.50	-	3,453.92	1,371.20
19 Others	-	-	7,607.80	7,664.03	7,607.80	7,664.03
20 Plastic Dana & Master Batch	-	175.44	162.33	7,877.39	162.33	8,052.83
21 Polyol	38,640.50	48,021.24	19,946.33	19,023.22	58,586.83	67,044.46
22 PPGF	-	-	3,864.00	363.10	3,864.00	363.10
23 PPCP	-	-	536.49	-	536.49	-
24 Release Agent	13.79	-	1,543.32	1,194.14	1,557.11	1,194.14
25 Silicon	268.56	241.80	88.90	224.70	357.46	466.50
26 Triethelene Diamine	-	-	679.94	609.60	679.94	609.60
27 Ultramid	3.38	18.19	2,497.23	3.49	2,500.61	21.68
28 Wheels (Tyres)	56.99	157.44	-	-	56.99	157.44
29 Wacker	-	-	146.40	-	146.40	-
	<b>94,260.35</b>	<b>1,11,198.89</b>	<b>97,658.31</b>	<b>93,000.81</b>	<b>1,91,918.66</b>	<b>2,04,199.70</b>

**B. Traded Goods :**

Products	Purchases		Sales		Opening Stock		Closing Stock	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
1 Mounting tools	-	-	-	-	159.23	159.23	159.23	159.23
2 Rim Wheel	-	-	-	-	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 Hinge	-	-	-	-	53.50	53.50	53.50	53.50
6 Aluminium Spacer	-	-	-	-	0.64	0.64	0.64	0.64
7 Tyre Arm Rest & Others	-	-	-	-	897.82	897.82	897.82	897.82
8 Wheels	-	-	-	-	38.55	38.55	38.55	38.55
9 Chappal / Sandal	92.01	210.40	195.32	47.96	588.92	731.75	487.60	588.92
10 Wacker Fluid	-	-	-	381.26	-	-	-	-
11 Capital Goods removed as Such #	-	-	90.56	1,911.95	-	-	-	-
	<b>92.01</b>	<b>210.40</b>	<b>285.88</b>	<b>2,341.17</b>	<b>1,797.19</b>	<b>1,940.02</b>	<b>1,695.86</b>	<b>1,797.19</b>

# Capital Goods removed as such includes Raw material of ₹10.08(in '000)

# KRYPTON INDUSTRIES LIMITED

## Notes to the Financial Statements as at and for the year ended 31st March 2016

### C. Manufactured Goods

Products	Sales*		Opening Stock		Closing Stock	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
1 MCP Tyres (including 'B' Grade Tyres)	1,89,029.06	1,15,024.33	37,460.30	23,358.34	50,596.10	37,460.30
2 Plastic Rim With Tyres	5,877.72	61,484.52	2,696.51	4,481.76	3,074.53	2,696.51
3 Fork (Including Component)	-	-	1,233.02	391.06	2,339.73	1,233.02
4 Pu Shoe Sole	48,136.35	49,617.10	644.59	217.96	869.22	644.59
5 Pu Sandal/Chappal	29,320.41	33,216.63	6,408.15	7,519.03	5,239.39	6,408.15
6 Wheel Chairs & Commode Chairs	93,491.11	51,738.55	3,866.45	3,202.06	7,209.74	3,866.45
7 Crutches & Walking Stick	3,819.46	4,675.34	267.27	790.32	451.81	267.27
8 Metal Parts (Including Rims)	3,231.28	2,452.88	1,544.79	1,951.06	1,206.10	1,544.79
9 Hospital Equipments & Components	564.91	637.93	91.15	48.24	54.30	91.15
10 Wheel Chair Parts	-	32,946.33	1,407.71	-	-	1,407.71
11 Upper	-	1,951.61	16,588.72	17,471.67	17,207.27	16,588.72
	<b>3,73,470.30</b>	<b>3,53,745.22</b>	<b>72,208.66</b>	<b>59,431.50</b>	<b>88,248.19</b>	<b>72,208.66</b>

\* Sales excludes Excise Duty of ₹ 2904.90 (in '000) [Previous Year ₹ 3022.18 (in '000)]  
Sales of Processed Upper is included in Sale of PU Shoe Sole of ₹ 11035.81 (in '000)

### D. Work-in-Progress

	Year ended 31/03/2016		Year ended 31/03/2015	
	Opening	Closing	Opening	Closing
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
1 Raw Material	3,039.31	3,866.74	663.31	3,039.31
2 PU Shoe Sole	9,520.20	3,736.07	5,441.99	9,520.20
3 PU Sandal	3,592.99	8,709.76	5,578.41	3,592.99
4 Wheel Chair Parts	2,928.50	4,580.14	1,864.01	2,928.50
5 Upper	1,781.29	1,349.60	1,745.51	1,781.29
	<b>20,862.29</b>	<b>22,242.31</b>	<b>15,293.23</b>	<b>20,862.29</b>

### 33. Contingent Liabilities and Commitments

	As at	As at
	31/03/2016	31/03/2015
	(₹ in Thousands)	(₹ in Thousands)
<b>Contingent Liabilities</b>		
(a). Bank Guarantee given in favour of WBSEB and superintending Engineering	2,528.30	2,528.30
(b). Income Tax Demands	1,433.51	3,249.69
(c). Sales Tax Demands	5,014.93	5,053.23
(d). Other money for which the Company is contingently liable:		
i. Export Bills discounted with Banks	2,775.96	6,435.50
ii. Letter of Credit	5,427.16	4,877.01

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

	Year ended	Year ended
	31/03/2016	31/03/2015
	(₹ in Thousands)	(₹ in Thousands)
Loss on Foreign Currency Transactions and Translations	2,397.48	1616.64
Gain on Foreign Currency Transactions and Translations	972.41	1795.23
(Gain)/Loss on Foreign Currency Transactions and Translations (Net)	<b>1,425.07</b>	<b>(178.59)</b>

**Notes to the Financial Statements as at and for the year ended 31st March 2016**

**35. Segment Reporting**

**A. Primary Segment Reporting (by Business Segment):**

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

	Year ended 31/03/2016				Year ended 31/03/2015			
	Tyre, Rim & Wheel	Footwear	Hospital Equipments	Total	Tyre Rim & Wheel	Footwear	Hospital Equipments	Total
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
<b>REVENUE</b>								
Total	305,030.13	94,225.00	101,984.25	501,239.39	277,516.73	101,226.62	60,723.94	439,467.29
Inter Segment				(114,348.10)				(73,026.37)
Excise Duty				(2,907.62)				(3,186.12)
External				<u>383,983.66</u>				<u>363,254.80</u>
<b>RESULTS</b>								
Segment Results	30,829.29	(7,438.07)	2,114.56	25,505.79	27,919.29	(6,121.15)	1,605.42	23,403.56
Finance Costs				(20,642.46)				(19,328.19)
Tax Expenses				(997.64)				(1,761.34)
Profit for the year				<u>3,865.69</u>				<u>2,314.03</u>
<b>OTHER INFORMATION</b>								
<b>Assets:</b>								
Segment Assets	306,737.95	180,674.10	64,436.53	551,848.58	306,493.15	176,969.15	64,628.97	548,091.27
Unallocated Corporate Assets				-				1,100.00
Total Assets				<u>551,848.58</u>				<u>549,191.27</u>
<b>Liabilities:</b>								
Segment Liabilities	150,111.14	72,671.13	10,048.13	232,830.40	163,214.83	67,082.07	4,739.53	235,036.43
Unallocated Corporate Liabilities				18,323.94				17,326.30
Total Liabilities				<u>251,154.34</u>				<u>252,362.73</u>
Capital Expenditure	4,392.42	608.59	721.26	5,722.27	8,054.86	1,219.84	606.00	9,880.70
Depreciation and Amortization	10,678.20	4,709.21	2,468.55	17,855.96	9,176.08	4,809.78	2,420.73	16,406.59

**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 31/03/2016				Year ended 31/03/2015			
	India	Overseas	Export (Sez)	Total	India	Overseas	Export (Sez)	Total
	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)
Revenue	2,87,981.88	88,177.77	7,824.00	3,83,983.65	241,676.85	116,105.95	5,472.00	363,254.80

(The above figures are exclusive of Excise Duty)



# KRYPTON INDUSTRIES LIMITED

## Notes to the Financial Statements as at and for the year ended 31st March 2016

### 36. Earning per Share (EPS)

	Year ended 31/03/2016 (₹ in Thousands)	Year ended 31/03/2015 (₹ in Thousands)
Profit/ (Loss) for the year	3,865.69	2,314.03
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 (₹)	0.26	0.16

37. 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' for the Financial Year ended 31st March, 2015.

### 38. Related Party Disclosures :

#### A. List of Related Parties :

##### i. Key Managerial Personnel:

- |                            |      |                          |
|----------------------------|------|--------------------------|
| a) Managing Director       |      | Sri Jay Singh Bardia     |
| b) Non Executive Directors | i)   | Sri T. C. Bachhawat      |
|                            | ii)  | Sri Pradeep Kumar Singh  |
|                            | iii) | Sri Ravi Prakash Pincha  |
|                            | iv)  | Smt. Vimala Devi Bardia* |
| c) Chief Executive Officer |      | Sri P.L. Bardia**        |
| d) Chief Financial Officer |      | Sri Vinay Sipani         |
| e) Company Secretary       |      | Ms. Arti Bothra          |

\* 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.      |

# KRYPTON INDUSTRIES LIMITED

## Notes to the Financial Statements as at and for the year ended 31st March 2016

### 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 31/03/2016	Year ended 31/03/2015
	(₹ in Thousands)	(₹ in Thousands)
<b>I. KEY MANAGERIAL PERSONNEL :</b>		
<b>(a) Remuneration to Key Managerial Personnel:</b>		
Managing Director	3,000.00	3,000.00
Non Executive Directors	10.00	9.50
Chief Executive Officer	2,400.00	2,400.00
Chief Financial Officer	1,385.20	558.20
Company Secretary	392.98	204.00
	<b>7,188.18</b>	<b>6,171.70</b>
<b>(b) Outstanding Balances payable as at for the year ended 31st March, 2016:</b>		
Non Executive Directors	-	133.00
<b>Outstanding Balances receivable as at for the year ended 31st March, 2016:</b>		
Chief Executive Officer (Advance against Remuneration)	-	200.00

### II. OTHERS

	Year ended 31/03/2016			Year ended 31/03/2015		
	Sri K. L. Bardia	Hulashchand Tarachand Bardia HUF	Tarachand Estate Pvt. Ltd.	Sri K. L. Bardia	Hulashchand Tarachand Bardia HUF	Tarachand Estate Pvt. Ltd.
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
<b>Transactions held:</b>						
Interest and Dividend taken	-	524.61	263.70	-	641.95	323.00
Interest and Dividend paid	-	-	-	-	-	-
Rent given	-	180.00	-	-	180.00	-
<b>Outstanding Balances:</b>						
Loans, Advances and Deposits given	-	5,382.05	2,709.18	-	4,857.45	2,445.48
Loans, Advances and Deposits taken (inclusive of interest)	6,468.30	-	-	6,468.30	-	-

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

	Year ended 31/03/2016	Year ended 31/03/2015
	(₹ in Thousands)	(₹ in Thousands)
<b>A. C.I.F. value of imports by the Company (Excluding imported items purchased locally) :</b>		
Raw Materials, Trading Goods & Components	80,305.87	1,18,358.18
Stores and Spares	4,222.52	229.64
Capital Goods	399.95	444.85
<b>B. Expenditure in foreign currency during the year :</b>		
Other matters	576.66	-

# KRYPTON INDUSTRIES LIMITED

## Notes to the Financial Statements as at and for the year ended 31st March 2016

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

	Value (₹ Thousands)		Percentage (%)	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015
<b>Raw Materials:</b>				
Imported	94,260.35	1,11,198.89	49.11%	54.46%
Indigenous	97,658.31	93,000.81	50.89%	45.54%
	<u>1,91,918.66</u>	<u>204,199.70</u>		
<b>Stores and Spares:</b>				
Imported	784.57	1,175.68	2.59%	4.91%
Indigenous	29,520.03	22,783.83	97.41%	95.09%
	<u>30,304.60</u>	<u>23,959.51</u>		

### D. Earnings in Foreign Exchange:

	For the year ended	For the year ended
	31/03/2016	31/03/2015
	(₹ in Thousands)	(₹ in Thousands)
Export of Goods on F.O.B. basis	<u>88,177.77</u>	<u>116,105.95</u>

### 40. 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 40

**JAY SINGH BARDIA**  
Managing Director  
(DIN : 00467932)

**VINAY SIPANI**  
Chief Financial Officer

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

**PRADEEP KUMAR SINGH**  
Director  
(DIN : 00386800)

**ARTIBOTHRA**  
Company Secretary

**J. P. AGARWAL**  
**PARTNER**

Place: Kolkata  
Dated: The 30th Day of May, 2016

Membership No.055436

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AGM ON THURSDAY, 22ND SEPTEMBER, 2016

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**