



MANAGING DIRECTOR'S MESSAGE

Dear Members,

I would like to welcome you all to Krishna Phoschem Limited, your company entered in the next phase of its growth & touch the core of life.. Everyday by nourishing human health, a sustainable way of food and nutrient security.

Coming to your company's performance, it has achieved turnover of Rs. 3997.03 lacs as against Rs. 2527.25 lacs in previous year. Profit after Tax is Rs. 730.14 lacs. I must also compliment the young team of Krishna Phoschem Ltd. for ensuring greater operational efficiency and cost controls which have enabled the company to perform better in a competitive market conditions.

With its growing size and scale, strategic alliances and increased national presence, greater market access has become necessary for Krishna Phoschem Ltd.. Your company is striving to move up by entering into forward and backward integration in the same product line. We had set up a plant for manufacturing of single super phosphate having capacity of 120000 TPA. Now we have planned to set up a plant with installed capacity of 90000 TPA for Granular SSP and the project is at an advance stage.

I would like to reiterate our commitment to play a key role to enhance 'Green Revolution' and address nutrient deficiency.

I am confident with your sustainable support and excellent performance of KPL employee, company will go ahead to maximize value of its all stakeholders.

Regards,

Sd/-

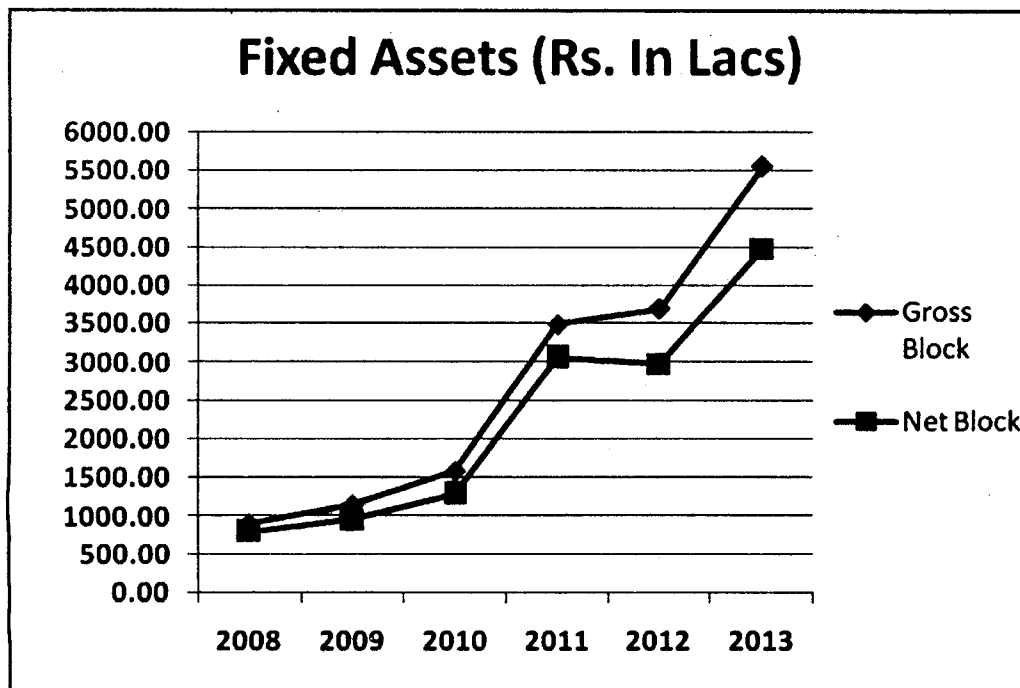
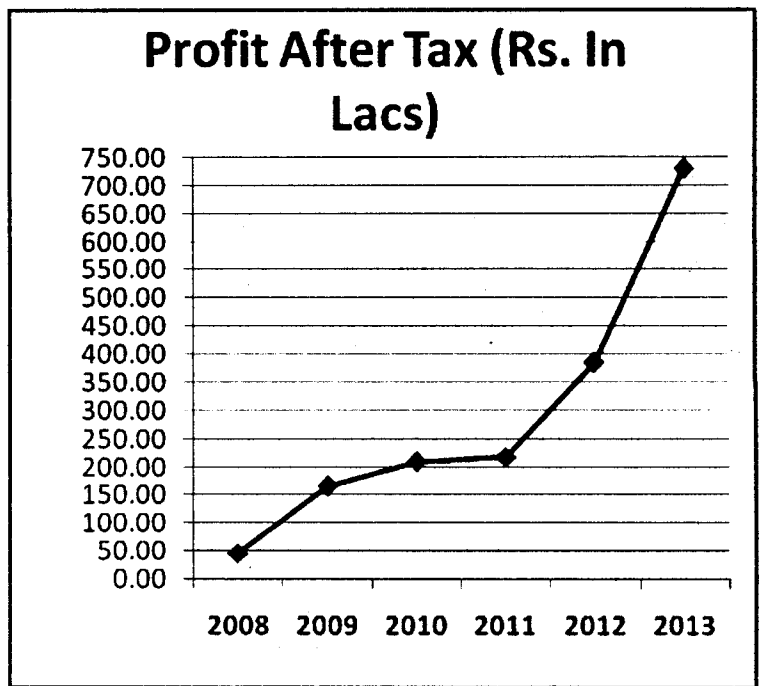
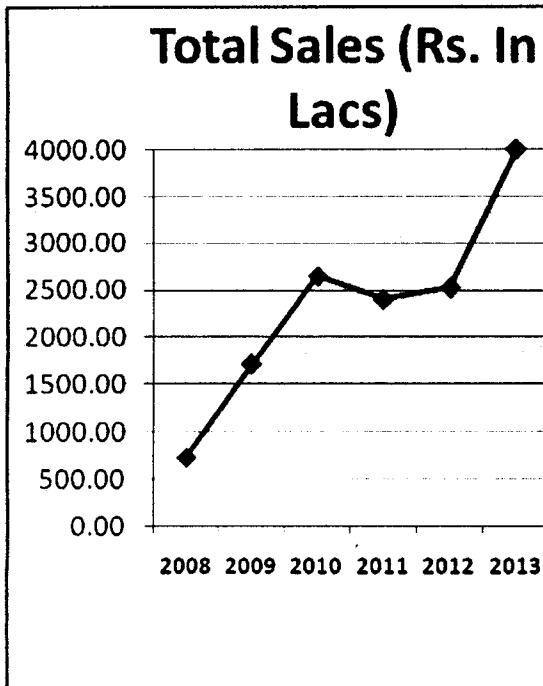
(Praveen Ostwal)

Managing Director

FINANCIAL HIGHLIGHTS :

(₹ In Lacs)

Particulars	2012-13	2011-12
Net Sales	3997.03	2527.25
Depreciation	220.93	137.23
Misc. Exp. W/off	0	1.68
Profit Before Tax	747.53	502.35
Profit After Tax	730.14	380.69
Assets		
Gross Fixed Assets	5570.16	3698.79
Net Fixed Assets	4492.87	2986.32
Capital Work in Progress	905.32	1507.92
Non Current Assets	166.83	81.14
Deffered Tax Assets	92.99	0
Current Assets	2765.73	1534.84
Total	8423.77	6110.22
Sources		
Equity Share capital	1800.00	1800.00
Reserves & Surplus	2627.12	2043.45
Non Current Liabilities	1812.47	1574.99
Current Liabilities	2184.18	691.78
Total	8423.77	6110.22
Profit Before Tax Margin (%)	18.70	19.68
Profit After Tax Margin (%)	18.27	15.08



REPORT ON CORPORATE SOCIAL RESPONSIBILITY:**Social Commitment:**

The Company's commitment for excellence in Health Safety and Environment are embedded in the Company's core values. The Company has a stringent policy of safety of persons overrides all production targets, which drives all employees to continuously break new ground in safety management for the benefit of people, property, environment and the communities where we operate. The Company is aware of the environmental impacts of its operations and it continually strives to reduce the impacts. Company's aims to develop techno economically viable and environment-friendly products and services for the benefit of its consumers, while at the same time ensuring the highest standards of safety and environment protection in our operations.

1. Health, Safety & Environment:

Health: Company focuses on achieving excellence in occupational and personal health of employees at manufacturing site as well as at its office. All employees undergo regular periodic medical examinations. The medical check-up facility is also extended to Contractor's employees at the manufacturing site. The results are computerized and analyzed to provide targeted interventions at the individual and group levels. This programs has also helped the Company to improve its performance on the occupational health and safety front.

Safety: Company is committed to provide a safe workplace to its employees and contractors; and safety to the communities where it operates. In pursuit of the same, company continues to work towards its aim of zero injuries and zero incidents. Company believes that continuous learning and upgrading of systems and processes are indispensable as we move ahead with our vision of achieving best-in-industry status with respect to safety systems and culture. For safety culture, 'Safety Rules' have been introduced by company. The Safety Rules focuses on high risk activities. These Rules is mandatory for all employees. Safety Rules to be followed at all locations of company.

Environment: Company is committed to ensure environmentally sustainable and responsible operations to achieve highest standards of environmental excellence. Company has instituted ISO: 9001:2008 for Quality Management Systems.

Company maintains the environment needs therefore planted 5000 trees & focused on survival of trees in and around all its facilities.

- 2. Saving Foreign Exchange:** Presently country imports nearly 70% rock phosphate to meet its demand. So production of BRP shall help save precious foreign exchange for the country.
- 3. Social Welfare, Research & Development:** We help the weaker and backward sections of the society, preserve and promote social and cultural values, conserve natural resources, provide assistance in the field of developmental research, science, technology etc.

NOTICE

NOTICE is hereby given that the 9th Annual General Meeting of the Members of Krishana Phoschem Limited will be held on Wednesday, 25th September, 2013 at 11:00 A.M. Registered Office situated at 5-O-2, Basement Office, R. C. Vyas Colony, Bhilwara - 311 001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st March, 2013 together with Directors' Report and Auditor's Report thereon.
2. To appoint a Director in place of Shri Basant Patwa, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditor and fix their remuneration.

NOTES:

- a. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member of the company. The proxies to be effective should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
- b. Members seeking any information or clarification are requested to send in written queries to the Company, in advance, before the date of the meeting.
- c. Members/Proxies should bring the Attendance Slip sent herewith, duly filled in, for attending the meeting.
- d. Members are requested to immediately inform their change in address quoting folio number(s) to the Company.
- e. Corporate members intending to send their authorized representative to attend the meeting are requested to send to the company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf.

Registered Office:
5-O-2, Basement Office,
R.C. Vyas Colony,
Bhilwara - 311001 Rajasthan

By Order of the Board of Directors
For Krishana Phoschem Limited

Sd/-
(Praveen Ostwal)
Managing Director

Dated : 31.05.2013

DIRECTORS' REPORT
For the Year 2012-13

Dear Members,

Your Directors have pleasure in presenting the 9th Annual Report on the business and operations of the Company together with the Audited Accounts of the Company for the year ended 31st March, 2013.

FINANCIAL RESULTS:

The summary of financial results for the year and appropriation of divisible profits is given below:

Particulars	(₹ in Lacs)	
	<u>2012-2013</u>	<u>2011-2012</u>
Turnover	3997.03	2527.25
Profit Before Taxation	747.53	502.35
Taxation	17.39	121.66
Profit /(Loss) after Tax	730.14	380.69
Add: Balance brought forward from Previous year	376.32	595.63
Profit transferred to Balance sheet	1106.46	376.32

PERFORMANCE:

During the year under review, your Company has achieved turnover of Rs. 3997.03 Lacs. The net profit after tax for the current year stands at Rs. 730.14 Lacs. Your Company has achieved production of 41551 MT of BRP & 47098 MT of SSP.

PROSPECTS:

The Company is engaged in the manufacturing of BRP (Beneficiated Rock Phosphate) by using Low Grade rock phosphate converting into high grade and manufacturing of Single Super Phosphate by using BRP. The prestigious SSP (Single Super Phosphate) project of the company having capacity of 120000 TPA has been established. The production of the said project has been commenced in the month of October, 2012, which enhanced the profitability of the company. Company has invested Rs. 1944 Lacs for SSP plant.

EXPANSION PROJECT:

Enthused with the success of the operation of the company, your directors have further envisaged setting up a GSSP Plant. The prestigious GSSP (Granular Single Super Phosphate) project of the company having capacity 90000 TPA is at an advanced stage of implementation. The production of the said project is likely to be commencing in the month of July 2013, which will not only utilize SSP Plant output as raw material for its manufacturing but also enhance profitability of the company a lot. Company will invest Rs. 1070 lakhs for the GSSP Plant.

The project is under infrastructure category which will receive various benefits from government of India as per policy.

AUDITORS & AUDITOR'S REPORT:

M/s Ashok Kanther & Associates, Chartered Accountants, Bhilwara, Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board approved the recommendation of Audit Committee to re-appointment of Auditor and recommends to the members for the same.

The Auditor's Report is self-explanatory and therefore, do not call for any further comments / clarifications.

COST AUDITOR'S:

In pursuance of section 233B of the Companies Act, 1956, the Central Government has ordered cost audit for fertilizer products accordingly M/s K.C. Moondra & Associates, Cost Accountants appoint for the year 2013-14. The Audit Committee recommends their appointment as Cost Auditor to the Board to conduct cost audit of the accounts maintained by the company for the F.Y. 2013-14.

Audit Committee:

The constitution of the Audit Committee pursuant to the provision of section 292A of Companies Act 1956 are as under :

Sh. Sunil Kothari	:	Chairman
Sh. Basant Patwa	:	Member
Sh. Pradeep Agarwal	:	Member

INTERNAL CONTROL SYSTEM:

The Company's internal control system comprises audit and compliance by in-house Internal Audit Division supplemented by internal audit checks by the Internal Auditors. The internal auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit compliance is ensured by the direct reporting of Internal Audit Division and Internal Auditors to the Audit Committee of the Board.

NO DEFAULT:

The company has not defaulted in payment of interest and/or repayment of loan to any of the financial institutions and/or bank.

DIVIDEND:

Looking to the working capital need and expansion project of GSSP, the Directors decided to conserve the profit and hence do not propose any dividend and carried forward the net profit to next year.

DIRECTORS:

In accordance with provisions of Companies Act, 1956 and Company's Articles of Association, Shri Basant Patwa, Director of the Company, retire by rotation and being eligible, offer himself for re-appointment. The Board recommends his re-appointment.

Shri Mahaveer Prasad Ostwal, Independent Director of the Company, resigned from the Board of the company with effect from 17th December, 2012, after tenure of two years. The board places on record its sincere appreciations for the contribution made by Shri Mahaveer Prasad Ostwal as a Independent Director of the company during the tenure of his directorship.

Shri Pradeep Agarwal appointed as Additional Director of the company w.e.f. 17th December 2012, strengthen to the Board and regularized in Extra Ordinary General Meeting held on 18th April, 2013

DEPOSITS:

The Company has not accepted any deposits covered under section 58A of the Companies Act, 1956.

CORPORATE SOCIAL RESPONSIBILITIES:

Your company as part of its responsibility towards society has been taking welfare measures from time to time. One of its prominent measures is improving the standard of living of people in its vicinity.

Your company has been providing water facilities by setting-up water huts, distribution of blankets in winters, organized Blood Donation camps, Awarded girls for higher education, Health and Educational Camps etc. from time to time and contributing generously at the time of any natural calamities under the trust Nirmala Devi Ostwal Seva Sansthan established by the Group.

HEALTH AND SAFETY:

Your company is conscious about its responsibility towards the upkeep of environment and maintenance of high safety and health standards at its work places. The company has been certified by ISO 9001:2008.

PARTICULARS OF EMPLOYEES:

During the year under review, no employee of the Company was in respect of remuneration in excess of the limits prescribed under 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.



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KRISHANA PHOSCHEM LIMITED

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOING:

The information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in Annexure forming part of this report.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement, it is hereby confirmed:

- That in the preparation of the Accounts for the Financial Year ended 31st March, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of profit of the company for the year under review.
- 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, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- That the Directors have prepared the accounts for the financial year ended 31st March, 2013 on a going concern basis.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their grateful appreciation for the co-operation and assistance received from Shares Holders, Customers, Banks, Financial Corporations, Madhya Pradesh State Mining Corporation Ltd. various Government Authorities for their whole hearted support. Your Directors also recognize and appreciate the efforts and hard work of all employees of the company and their continued contribution to company's progress.

For and on Behalf of the Board of Directors

Sd/-
(Praveen Ostwal)
Managing Director

Sd/-
(Sunil Kothari)
Director

Place : Bhilwara (Rajasthan)
Dated : 31.05.2013

ANNEXURE TO THE DIRECTORS' REPORT

Information pursuant to section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March 2013.

CONSERVATION OF ENERGY:

- (a) The Company takes adequate steps for the conservation of energy at every stage of production and remains conscious about conserving energy resources.
- (b) The Company has made adequate investment on various measures for conservation of energy which has resulted in optimizing energy consumption and saving in cost.
- (c) The information pertaining to total energy consumption and energy generation per unit of production:

A. Power & Fuel Consumption:			
		2012-13	2011-12
1	Electricity:		
	(A) Purchase of Units:	4519000	3859644
	Amount in Rs.	29687212	21722945
	Rate / unit Rs.	6.57	5.63
	(B) Own Generation Through Diesel:	NIL	NIL
	Units generated		
	Units per liter of oil		
	Cost/unit (Rs.)		
B. Consumption per unit of production:			
	Electricity (Unit/MT)		
1.	Beneficiated Rock Phosphate	96.18	94.80
2.	Single Super Phosphate	11.08	-

TECHNOLOGY ABSORPTION:

The Company has strengthened the infrastructure for R & D and carried out improvement in quality systems. This has resulted into consistency in achieving standard quality parameters as per GOI. The Company will continue to thrust on R & D activities of the Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year 2012-13 company import Rock Phosphate and amount paid in USD. Company paid total USD \$6579.65 & foreign exchange gain of Rs. 18752/-. During the F.Y. 2011-12 there was no foreign currency exposure.

INDEPENDENT AUDITORS' REPORT

To the Members of Krishana Phoschem Limited, Bhilwara

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For M/s Ashok Kanther & Associates
Chartered Accountants
FRN-050014C

Sd/-
CA. Ashok Kanther
(Proprietor)
M.No.: 043571

Place : Bhilwara (Raj.)
Date : 31.05.2013

**ANNEXURE TO THE AUDITORS' REPORT
(Referred to in our report of even date)**

Annexure referred to in Point 1 of the Our Report of even date to the members of Krishana Phoschem Limited for the year ended as on March 31, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we state as under:

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets.
b) As per the information and explanations given to us, physical verification of fixed assets has been carried out in terms of the phased programme of verification adopted by the company and no material discrepancies were noticed on such verification.
c) In our opinion and according to the information and explanations given to us, during the year the company has not disposed off any substantial parts of Fixed Assets and therefore does not affect the going concern assumption.
2. a) As per the information and explanation given to us, the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable.
b) In our opinion and according to the information and explanations given to us, procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
c) In our opinion, and according to the information and explanations given to us, the Company is maintaining proper records of inventory and no material discrepancies were noticed on verification of inventory.
3. a) As per the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
b) In our opinion and as per the information and explanations given to us, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchase of inventory and fixed assets and for the sales of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
5. a) In our opinion and according to the information and explanation given to us the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
b) As explained to us, transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. In our opinion, the company has an internal audit system through internal control system, which is carried out by the internal audit department, the scope and coverage of which is commensurate with size & nature of the business of the company.
8. The Central Government has prescribed maintenance of the cost records U/S 209(1)(d) of the Companies Act, 1956 in respect to the company's products and we are of the opinion that prima facie, the prescribed accounts and records have been made & maintained.
9. a) According to the information and explanations given to us and the records examined by us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service



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KRISHANA PHOSCHEM LIMITED

- tax, custom-duty and excise duty, cess and other statutory dues with appropriate authorities wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding, as at 31st March 2013 for a period of more than 6 months from the date they became due.
- b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does not have any accumulated losses during the year and it has not incurred cash losses in current financial year and in the immediately preceding financial year.
 11. Based on our audit procedures and the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions and banks. There are no debenture holders of the company.
 12. Based on our examination of the records and the information and explanations given to us, the company has not granted any loans and/ or advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. The company is not a chit fund company or nidhi/ mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
 14. According to the information and explanations given to us, the Company is not trading in Shares, Mutual funds & other Investments. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
 15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
 16. According to the information and explanations given to us, the term loans raised during the year have been applied for the purpose for which they were raised.
 17. In our opinion and according to the information and explanation given to us, on an overall examination of the Balance Sheet and cash flow of the company during the year we report that no funds raised on short-term basis have been used for Long Term Investment.
 18. The company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
 19. The Company has no outstanding debentures during the period under audit.
 20. The company has not raised money through public issue during the year.
 21. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instances of fraud on or by the company noticed or reported during the year, nor we have been informed or such case by the management.

For M/s Ashok Kanther & Associates
Chartered Accountants
FRN-050014C

Sd/-
CA. Ashok Kanther
(Proprietor)
M.No.: 043571

Place : Bhilwara (Raj.)
Date : 31.05.2013

KRISHANA PHOSCHEM LIMITED



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BALANCE SHEET AS AT 31ST MARCH, 2013

(₹ in lacs)

Particulars	Note No.	As at 31 st March 2013	As at 31 st March 2012
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	1800.00	1800.00
(b) Reserves and surplus	3	2627.12	2043.45
2 Non-current liabilities			
(a) Long-term borrowings	4	1812.47	1506.70
(b) Deferred tax liabilities (Net)	5	0.00	68.29
(c) Other long term liabilities			
3 Current liabilities			
(a) Short-term borrowings	6	1160.80	163.09
(b) Trade payables	7	681.32	212.05
(c) Other current liabilities	8	187.89	169.74
(d) Short-term provisions	9	154.17	146.90
TOTAL		8423.77	6110.22
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	4492.87	2986.32
(ii) Intangible assets		0.00	0.00
(iii) Capital work-in-progress		905.32	1507.92
(iv) Intangible assets under development		0.00	0.00
(b) Non-current investments		0.00	0.00
(c) Deferred tax Assets (Net)	5	92.99	0.00
(d) Long-term loans and advances	11	166.83	81.14
(e) Other non-current assets		0.00	0.00
2 Current assets			
(a) Inventories	12	1851.58	486.89
(b) Trade receivables	13	573.44	796.40
(c) Cash and cash equivalents	14	5.35	28.83
(d) Short-term loans and advances	15	335.39	222.72
(e) Other current assets			
TOTAL		8423.77	6110.22

For M/s Ashok Kanther & Associates
Chartered Accountants
FRN 050014C

On Behalf of the Board of Directors

Sd/-
(Ashok Kanther)
Proprietor
M.No.: 043571

Sd/-
(Meenakshi Anchlia)
Company Secretary

Sd/-
(Sunil Kothari)
Director

Sd/-
(Praveen Ostwal)
Managing Director

Place : Bhilwara (Raj.)
Date : 31.05.2013



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KRISHANA PHOSCHEM LIMITED**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2013**

(₹ in lacs)

Particulars		Note No.	For the year ended 31st March 2013	For the year ended 31st March 2012
I.	Revenue from operations	16	3997.03	2527.25
II.	Other income	17	165.16	166.03
III.	Total Revenue (I + II)		4162.19	2693.28
IV.	Expenses:			
	Cost of materials consumed	18	2101.88	1046.37
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	19	(954.38)	(185.20)
	Employee benefits expense	20	163.34	190.75
	Finance costs	21	198.01	89.24
	Depreciation and amortization expense	22	220.93	137.23
	Other expenses	23	1684.88	912.54
	Total Expenses		3414.66	2190.93
V.	Profit before exceptional and extraordinary items and tax	(III-IV)	747.53	502.35
VI.	Exceptional items		0.00	0.00
VII.	Profit before extraordinary items and tax	(V-VI)	747.53	502.35
VIII.	Extraordinary Items		0.00	0.00
IX.	Profit before tax	(VII- VIII)	747.53	502.35
X.	Tax expense:			
	(1) Current tax		149.56	146.49
	(2) Deferred tax		(161.29)	(30.33)
	(3) Earlier Year's Tax		29.12	5.50
	Total Tax Expenses		17.39	121.66
XI.	Profit (Loss) for the period from continuing operations	(IX-X)	730.14	380.69
XII.	Profit/(loss) from discontinuing operations		0.00	0.00
XIII.	Tax expense of discontinuing operations		0.00	0.00
XIV.	Profit/(loss) from Discontinuing operations (after tax)	(XII-XIII)	0.00	0.00
XV.	Profit (Loss) for the period	(XI + XIV)	730.14	380.69
XVI.	Earnings per equity share:			
	Basic & Diluted		4.06	2.54

For M/s Ashok Kanther & Associates
Chartered Accountants
FRN 050014C

On Behalf of the Board of Directors

Sd/-
(Ashok Kanther)
Proprietor
M.No.: 043571

Sd/-
(Meenakshi Anchlia)
Company Secretary

Sd/-
(Sunil Kothari)
Director

Sd/-
(Praveen Ostwal)
Managing Director

Place : Bhilwara (Raj.)
Date : 31.05.2013

KRISHANA PHOSCHEM LIMITED



OSTWAL

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

(₹ in lacs)

Particulars	For the year ended 31 st March 2013	For the year ended 31 st March 2012
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax	747.53	502.35
Adjustments for:		
Depreciation and Amortization	220.93	137.23
Interest Income	(6.27)	(1.65)
Misc Exps write off	-	1.67
Loss / (Profit) on sale of Fixed Assets	-	0.39
Interest Expenses	198.01	89.24
Operating profit before working capital change	1,160.20	729.23
Adjustments for:		
Increase/(Decrease) in Trade payable	469.27	151.85
Increase/(Decrease) in Other Current Liability	18.15	8.83
Increase/(Decrease) in Short Term Provisions	4.20	0.12
(Increase)/Decrease in Inventories	(1,364.69)	(325.75)
(Increase)/Decrease in Trade Receivable	222.96	(63.01)
(Increase)/Decrease in Short Term Loan and Advances	(102.18)	11.53
Increase/(Decrease) in Short Term Borrowings	997.71	(80.33)
Net changes in working capital	245.42	(296.76)
Cash Generated from/(used in) operations	1,405.62	432.47
Direct Taxes paid	(186.09)	(195.47)
Net cash from/(Used in) operating activities (A)	1,219.53	237.00
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(1,272.57)	(1,698.87)
Sale/Decrease of Fixed Assets	1.23	0.90
Interest Received	6.27	1.65
(Increase)/decrease in long term loans and advances	(85.69)	(36.96)
Net cash from investing activities (B)	(1,350.76)	(1,733.28)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	-	448.25
Proceeds from long term borrowings	305.77	1161.64
Interest paid	(198.01)	(89.24)
Proceeds from Differed Creditors	-	-
Net cash from financing activities (C)	107.76	1,520.65
Net increase in cash and cash equivalents (A+B+C)	(23.47)	24.37
Cash and cash equivalents as at(Opening Balance) 01.04.2012	28.82	4.45
Cash and cash equivalents as at(Closing Balance) 31.03.2013	5.35	28.82

For M/s Ashok Kanther & Associates
Chartered Accountants
FRN 050014C

On Behalf of the Board of Directors

Sd/-
(Ashok Kanther)
Proprietor
M.No.: 043571

Sd/-
(Meenakshi Anchlia)
Company Secretary

Sd/-
(Sunil Kothari)
Director

Sd/-
(Praveen Ostwal)
Managing Director

Place : Bhilwara (Raj.)
Date : 31.05.2013

Notes to the Financial Statements for the year ended 31st March 2013**1. ACCOUNTING POLICIES****BASIS OF ACCOUNTING:**

The Financial Statements of the Company have been prepared in accordance with the requirements of the Companies Act, 1956, including the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India, as per the historical cost convention, going concern concept and on the accrual system of accounting.

FIXED ASSETS:

The Fixed Assets are stated at revalued figures based on registered valuers report. In respect of major projects involving construction / fabrication, related pre-operational expenses from part of the value of the assets, which are allocated on the respective assets in the year of commencement of the project. An expenses capitalized also includes applicable borrowing cost.

No amortization is provided in the accounts in respect of leasehold land in view of long-term tenure, which is akin to ownership.

INVENTORIES:

Inventories are valued as:

- | | |
|--------------------------|--|
| a) Raw Material : | At lower of cost or net realizable value |
| b) Finished goods | At lower of cost or net realizable value |
| c) Stores & spares parts | At cost price |

Cost of inventories comprise of all cost of purchase. Cost of conversion and other cost incurred in bringing them to their respective present location and condition.

BORROWING COST:

Borrowing cost that is attributable to the acquisition of qualifying assets is capitalized as a part of cost of such assets. All other borrowing costs are charged to revenue.

DEPRECIATION:

Depreciation on fixed assets is provided on Straight-Line Method under triple shift basis in accordance with the Schedule XIV to the Companies Act, 1956. In respect of additions to fixed assets, depreciation is provided on pro-rata basis from the date the assets have been put to use.

INCOME RECOGNITION:

Revenue in respect of purchases/sale of product and scraps is recognized at the point of receipt/dispatch from parties at/ from factory.

Income and expenditures are recognized on accrual basis. However, since it is not possible to ascertain with reasonable accuracy, the quantum of accrual in respect of discount receivable/payable from/to parties, the same continue to be accounted for as and when received/settled.

Company has imported Rock phosphate under "high sea sales agreement" which will finally settle after Balance Sheet date based on foreign exchange currency rate, on Balance sheet date the same gain or loss is not certain and amount could not be estimated.

PRICE CONCESSION FROM GOVERNMENT:

The price concession from Government on sale of single super phosphate is recognized at the point of sale at the prevailing rates announced by the Government of India. Any shortfall in actual receipt or deduction made by the Government is written off as an expense in the year in which the same is determined. The Company treats the price concession as part of the sale proceeds.

BENEFITS TO WORKMEN:

Contributions to employee benefits plan in the form of Provident Fund and Gratuity are charged to the Profit & Loss Account of the year when the contributions are due, as per the provisions of the respective statutes.

The company has taken group gratuity policy with Life Insurance Corporation of India (LIC) for future payment of gratuity. The gratuity liability is determined on the basis of an actuarial valuation performed by LIC.

Notes to the Financial Statements for the year ended 31st March 2013

TAXES ON INCOME:

Provision for current tax is determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax expenses or benefits are recognized for timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted as on the balance sheet date.

CONTINGENT LIABILITIES:

In the opinion of Board of Directors of the Company there is no contingent Liabilities as on 31st March 2013.

2. SHARE CAPITAL

(₹ in lacs)

<u>Share Capital</u>	As at 31 st March 2013		As at 31 st March 2012	
	Number	Amount	Number	Amount
Authorized Equity Shares of Rs.10/- each	20000000	2000.00	20000000	2000.00
Issued Equity Shares of Rs. 10/- each	18000000	1800.00	18000000	1800.00
Subscribed & Paid up Equity Shares of Rs 10/- each fully paid	18000000	1800.00	18000000	1800.00
Subscribed but not fully Paid up Equity Shares of Rs 10/- each but not fully paid	-	-	-	-
Total	18000000	1800.00	18000000	1800.00

i) A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

<u>Particulars</u>	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the period	18000000	1800.00
Shares Issued during the period	-	-
Shares bought back during the period	-	-
Shares outstanding at the end of the period	18000000	1800.00

ii) Details of shares held by shareholders holding more than 5% shares of the company

<u>Name of Shareholder</u>	As at 31 st March 2013		As at 31 st March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Madhya Bharat Agro Products Limited	1845000	10.25	1845000	10.25
Vesta Tex Pvt. Ltd.	963750	5.35	963750	5.35
Archid Products Pvt. Ltd.	1771500	9.84	1771500	9.84
Chunri Prints Pvt. Ltd.	919500	5.11	919500	5.11
Swastik Clothtex Pvt. Ltd.	1440000	8.00	1440000	8.00

iii) The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held.

iv) 60,00,000 Equity Shares has been issued as bonus share in the ratio of 1:1 in the year 2011-12.

Notes to the Financial Statements for the year ended 31st March 2013

v) Disclosure pursuant to Note no. 6(A)(i) of part-I of schedule VI to the Companies Act, 1956

Particulars	Years				
	2012-13	2011-12	2010-11	2009-10	2008-09
Equity Shares:	-	-	-	-	-
Fully paid up pursuant to contract(s)	-	-	-	-	-
Fully paid up by way of bonus shares	-	6,000,000	-	-	-
Shares Brought back	-	-	-	-	-

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

3. RESERVES & SURPLUS

(₹ in lacs)

Reserves & Surplus		As at 31 st March 2013	As at 31 st March 2012
i)	Revaluation Reserves		
	Opening Balance	1,667.13	1,813.60
	(+) Addition during the year	-	-
	(-) Depreciation charged from revaluation reserve	146.47	146.47
	Closing Balance	1,520.66	1,667.13
ii)	Surplus		
	Opening Balance	376.32	595.63
	(+) Net Profit/(Net Loss) For the current year	730.14	380.69
	(+) Transfer from Reserves	-	-
	(-) Proposed Dividends	-	-
	(-) Interim Dividends	-	-
	(-) Bonus issue	-	600.00
	(-) Transfer to Reserves	-	-
	Closing Balance	1,106.46	376.32
	Total	2,627.12	2,043.45

4. LONG TERM BORROWINGS

(₹ in lacs)

Long Term Borrowings	As at 31 st March 2013	As at 31 st March 2012
Secured		
(a) Term Loan		
From other Parties - MPFC	1,086.93	895.05
	1,086.93	895.05
Unsecured		
(a) Other Loans & Advances		
Loans taken from directors, members & relatives etc.	725.54	611.65
	725.54	611.65
Total	1,812.47	1,506.70

Notes to the Financial Statements for the year ended 31st March 2013

- i) **Nature of Security** – The term loans from MPFC are secured by way of equitable mortgage of land, factory building, plant and machinery, furniture & fixtures (existing & future) of the company.
- ii) **Terms of repayment** – Term loans from MPFC are repayable in quarterly installments and having floating net interest rates ranging from 12.50% to 13.00% and remaining amount is payable in next 8 Years.

(₹ in lacs)

Name of Banks	Date of maturity	No. of Installments outstanding as on 31.03.2013	As at 31 st March 2013			As at 31 st March 2012		
			Total outstanding	Current Maturities	Net Long Term Borrowings	Total outstanding	Current Maturities	Net Long Term Borrowings
MPFC	1-Aug-12		-	-	-	48.73	48.73	-
MPFC	1-Jan-18	19	342.27	60.00	282.27	404.34	60.00	344.34
MPFC	1-Jun-19	24	879.66	75.00	804.66	550.71	-	550.71
Total			1,221.93	135.00	1,086.93	1,003.78	108.73	895.05

- iii) Secured loans are guaranteed by personal guarantee of Managing Director.

5. DEFERRED TAX LIABILITIES/ ASSETS

- i) The company has recognized a provision for deferred tax assets of Rs. 161.29 Lac (P.Y. Rs. 30.30 Lac) in P&L account determined on account of timing differences in accordance with Accounting Standard-22 "Accounting for Taxes on Income" as under :-

(₹ in lacs)

<u>Deferred Tax Liabilities/Assets</u>	As at 31 st March 2013	As at 31 st March 2012
Deferred tax liabilities (depreciation on fixed assets)	710.32	69.54
Deferred tax Assets (Losses to be c/f)	653.75	1.25
Deferred Tax Liabilities/(Assets)	56.57	68.29
Less:MAT Credit	149.56	-
Net Deferred Tax Liabilities/(Assets)	(92.99)	68.29

- ii) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

6. SHORT-TERM BORROWING

(₹ in lacs)

<u>Short Term Borrowing</u>	As at 31 st March 2013	As at 31 st March 2012
Secured		
(a) Other loans and advances		
Working Capital Loan from SBBJ Bank repayable on demand	1,160.80	163.09
Total	1,160.80	163.09

- i) **Nature of Security** – The bank loan for working capital is secured against hypothecation of company's entire current assets including raw material, stock in process, finished goods, store & spares, book debts, receivables including goods in transit along with document proof title to goods such as MTRs/RRs/bills of lading etc. The same is also secured by second charge over fixed assets (present & future) of the company.
- ii) **Terms of repayment** – The bank loan for working capital is repayable on demand and having interest rate 14.25% as on 31/03/2013.
- iii) The bank loan for working capital is guaranteed by personal guarantee of Managing Director Praveen Ostwal & Ekta Jain and corporate guarantee of Seasons Agro Chem India Pvt. Ltd.

Notes to the Financial Statements for the year ended 31st March 2013
7. TRADE PAYABLES

(₹ in lacs)

<u>Trade Payables</u>		As at 31 st March 2013	As at 31 st March 2012
(a)	Trade Payables	681.32	212.05
Total		681.32	212.05

There are no Micro, small and medium enterprises to whom the company owes dues, which are outstanding for more than 45 days as at 31st March, 2013. This information as required to be disclosed under the Micro-small and medium enterprises development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

8. OTHER CURRENT LIABILITIES

(₹ in lacs)

<u>Other Current Liabilities</u>		As at 31 st March 2013	As at 31 st March 2012
a)	Current Maturities of Long Term Debt (Refer note no.4)	135.00	108.73
b)	Others Payables		
i)	Statutory dues including Provident Fund and Tax deducted at source etc.	10.08	9.41
ii)	Liability Towards Staff & Workers	20.02	20.11
iii)	Other Liabilities	22.26	31.49
iv)	Advances from Customer	0.53	-
Total		187.89	169.74

9. SHORT TERM PROVISION

(₹ in lacs)

<u>Short Term Provision</u>		As at 31 st March 2013	As at 31 st March 2012
Others (Specify nature)			
a)	Provision for income tax	149.56	146.49
b)	Provision for expenses	4.61	0.41
Total		154.17	146.90

10. FIXED ASSETS

- i) The Company has provided depreciation on fixed assets on straight line Method on triple Shift Basis in accordance with the provisions of Section 205 read with the Schedule XIV to the Companies Act, 1956. Depreciation on the additions to fixed assets during the year has been provided on pro-rata basis from the date when put to use.
- ii) Gross block and Net Block of fixed assets includes Rs. 1813.60 Lac (P.Y. Rs. 1813.60 Lac) and Rs. 1520.67 Lac (P.Y. Rs. 1667.13 Lac) respectively on account of revaluation of fixed assets carried out in past by the company. Depreciation of Rs. 146.47 Lac (P.Y. Rs. 146.47 Lac) has been charged to revaluation reserve.
- iii) Disposal from Gross Block represents sale of fixed assets.
- iv) Deduction in depreciation is on account of sale of fixed assets.
- v) No provision is required for impairment of assets according to AS-28 'Impairment of Assets' as the value in use as estimated by the management, is higher than the carrying amount of the assets as on Balance Sheet date. In order to arrive at the value in use, the company has reviewed the future earnings of the remaining useful life of all its cash generating units as at Balance Sheet date which has been discounted at the average long term lending rate of the Company.

Notes to the Financial Statements for the year ended 31st March 2013

(₹ in lacs)

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
	As at 1 st April 2012	Additions	(Disposals)	As at 31 st March 2013	As at 1 st April 2012	for the period	On disposals	As at 31 st March 2013	Balance as at 31 st March 2013	Balance as at 31 st March 2012
a Tangible Assets										
Land & Site Development	391.41	-	-	391.41	-	-	-	-	391.41	391.41
Buildings-Factory	552.03	806.31	-	1,358.34	70.88	30.93		101.81	1,256.53	481.15
Plant and Equipment	2,463.30	1,049.74	-	3,513.04	608.97	307.16		916.13	2,596.91	1,854.33
Furniture & Fixtures	14.50	0.41	-	14.91	2.76	0.92		3.68	11.23	11.74
Vehicles	21.92	13.64	3.81	31.75	3.51	2.19	2.58	3.12	28.63	18.41
Office Equipments	16.91	3.74	-	20.65	2.20	0.95		3.15	17.50	14.71
Computers	8.40	1.34	-	9.74	4.28	1.43		5.71	4.03	4.12
Energy Saving Equipment	29.35	-	-	29.35	7.50	3.04		10.54	18.81	21.85
Pollution Control Equipment	200.97	-	-	200.97	12.37	20.78		33.15	167.82	188.60
Total	3,698.79	1,875.18	3.81	5,570.16	712.47	367.40	2.58	1,077.29	4,492.87	2,986.32
b Intangible Assets	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
c Capital Work In Progress									905.32	1,507.92
Total this year	3,698.79	1,875.18	3.81	5,570.16	712.47	367.40	2.58	1,077.29	5,398.19	4,494.24
Total previous year	3,498.80	199.88	3,698.79	429.15	137.23	146.47	0.37	712.47	4,494.24	3,080.36

11. LONG TERM LOANS AND ADVANCES

(₹ in lacs)

Long Term Loans and Advances		As at 31 st March 2013	As at 31 st March 2012
(Unsecured considered good unless otherwise stated)			
a. Capital Advances		-	44.81
b. Security Deposit		166.83	36.33
Total		166.83	81.14

12. INVENTORIES

(₹ in lacs)

Inventories		As at 31 st March 2013	As at 31 st March 2012
a. Raw materials		536.98	172.07
b. Finished Goods		1,220.48	266.10
c. Stores & spares		94.12	48.72
Total		1,851.58	486.89

The major components of inventory is of raw material are Rock-Phosphate, Sulphuric Acid & HDPE Bags and in case of finished goods its includes Rock Phosphate(BRP) & Single Super Phosphate(SSP).

Notes to the Financial Statements for the year ended 31st March 2013

13. TRADE RECEIVABLES

(₹ in lacs)

<u>Trade Receivables</u>		As at 31 st March 2013	As at 31 st March 2012
Unsecured, considered good			
a.	Trade receivables outstanding for a period less than six months from the date they are due for payment	573.44	796.40
b.	Trade receivables outstanding for a period exceeding six months from the date they are due for payment	-	-
Total		573.44	796.40

14. CASH AND CASH EQUIVALENT

(₹ in lacs)

<u>Cash and cash equivalent</u>		As at 31 st March 2013	As at 31 st March 2012
a)	Balance with Bank	1.86	27.85
b)	Cash in hand	3.49	0.98
Total		5.35	28.83

15. SHORT TERM LOANS AND ADVANCES

(₹ in lacs)

<u>Short Term Loans and Advances</u>		As at 31 st March 2013	As at 31 st March 2012
Other loans & Advances (Unsecured considered good unless otherwise stated)			
i)	Advance Taxes	135.64	125.16
ii)	Prepaid expenses	21.28	9.50
iii)	Loans to employees	3.03	4.13
iv)	Advances to suppliers	63.75	28.59
v)	Output VAT Advance	111.69	55.14
vi)	Other	-	0.20
Total		335.39	222.72

Short Term Loan and advances includes Rs. Nil (Previous year Rs. Nil) receivable from Directors/Officers/Companies and firms under same management.

16. REVENUE

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
Sale of products	4,022.04	2,527.25
Less : Excise Duty	25.01	-
Net Total	3,997.03	2,527.25

17. OTHER INCOME

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
a. Interest income	6.27	1.65
b. Other non-operating income	158.70	164.38
c. Forex Gain/(Loss)	0.19	-
Total	165.16	166.03

Notes to the Financial Statements for the year ended 31st March 2013

18. COST OF RAW MATERIAL CONSUMED

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
Opening Stock	172.07	44.58
Add: Purchases	2,466.79	1,173.86
Less: Closing Stock	536.98	172.07
Total	2,101.88	1,046.37

Details of Raw Material Consumed

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013		For the year ended 31 st March 2012	
	Qty. (MT)	Amount	Qty. (MT)	Amount
a. Rock phosphate consumed (BRP)	72802.25	931.59	71429	714.68
b. Rock phosphate consumed (SSP)	1989.39	170.52		
c. Beneficiated Rock phosphate captive consumed (SSP)	25983.05	-		
d. Sulphuric acid consumed	16249.18	513.80	-	-
e. HDPE bags consumed (Nos.)	855080	116.18	-	-
f. Others		369.79	-	331.70
Total		2,101.88		1,046.38

19. CHANGES IN INVENTORY OF FINISHED GOODS

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
Stock at the beginning of the year (A)	266.10	80.90
Stock at the end of the year (B)	1,220.48	266.10
(Increase)/Decrease in stocks (B-A)	(954.38)	(185.20)

20. EMPLOYEE BENEFIT EXPENSES

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
a. Salaries & Incentives	136.39	162.63
b. Contribution to Provident Fund & ESI	9.12	8.14
c. Gratuity Fund contribution	3.68	2.61
d. Staff welfare expenses	14.15	17.37
Total	163.34	190.75

21. FINANCE COSTS

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
Interest Expenses	190.13	87.43
Other Bank Charges	7.88	1.81
Total	198.01	89.24

Notes to the Financial Statements for the year ended 31st March 2013
22. DEPRECIATION AND OTHER AMORTIZATION EXPENSES

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
Current year depreciation	367.40	284.07
Add(less) : Revaluation	(146.47)	(146.84)
Total	220.93	137.23

23. OTHER EXPENSES

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
A. Manufacturing Expenses		
Consumption of Stores & Spares parts	337.59	205.02
Power & Fuel	296.87	217.23
Repairs & Maintenance to Plant & Machinery	18.96	5.88
Other manufacturing expenses	324.83	118.55
Total (A)	978.25	546.68
B. Administration Expenses		
Rent	3.18	2.42
Rates & taxes	0.25	0.05
Insurance	17.46	5.75
Repairs to buildings	0.17	0.32
Directors' Remuneration	29.06	26.43
Auditors' Remuneration	0.71	0.71
CSR Expenses	7.57	-
Miscellaneous Expenditure	55.68	48.79
Total (B)	114.08	84.47
C. Selling & Distribution Expenses		
Freight & Transport	485.24	
Advertisement & Business promotion	1.44	2.24
Godown Rent	20.76	-
Others	85.11	279.15
Total (C)	592.55	281.39
Grand Total	1,684.88	912.54

24. RELATED PARTY TRANSACTIONS
a) Key Managerial persons & their relatives

- (i) Shri Praveen Ostwal
- (ii) Shri Sunil Kothari
- (iii) Smt. Jyoti Kothari
- (iv) Smt. Sudha Patwa

Notes to the Financial Statements for the year ended 31st March 2013

b) Enterprises over which Key Managerial persons exercises significant influence:

- (i) Madhya Bharat Agro Products Ltd.
- (ii) Ostwal Phoschem (India) Ltd. (Formerly known as Tedco Granite Limited)

c) Transactions with the related parties

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
Directors remunerations	29.06	26.43
Remuneration to Director's relatives	7.92	7.92
Purchases of goods	10.03	-
Sale of goods	1,293.96	1,719.15
Services rendered	-	-

25. EMPLOYMENT BENEFIT PLANS

The Company has complied with Accounting Standard 15 (Revised 2005) and the required disclosure are given here under:

(a) Defined Benefit Plans:

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
i) Reconciliation of opening and closing balances of defined benefit obligation		
a) At the beginning of the year	12.78	9.84
b) Current Service Cost	3.14	2.83
c) Interest Cost	1.02	0.78
d) Actuarial (Gain) Loss	-0.27	-0.68
e) Benefits paid	0.00	0
f) Defined Benefits Obligation at year end	16.67	12.78
ii) Reconciliation of opening and closing balances of fair value of plan assets		
a) At beginning of the year	17.17	13.56
b) Expected Return on plan assets	1.60	1.27
c) Actuarial Gain / (Loss)	0.00	0
d) Employer Contributions	3.32	2.33
e) Benefits paid	0.00	0
f) Fair Value of the plan assets at the year end	22.09	17.17
iii) Reconciliation of fair value of obligation and Assets		
a) Present value of obligation as at year end	16.67	12.78
b) Fair value of plan assets as at year end	22.09	17.17
c) Amount recognized in Balance Sheet (a-b)	-5.42	-4.39
iv) Expense recognized during the year:		
a) Current Service Cost	3.14	2.83
b) Interest Cost	1.02	0.78
c) Expected return on plan assets	-1.60	-1.27
d) Actuarial (gain) / loss	-0.27	-0.68
e) Net Cost (a+b+c+d)	2.29	1.67
v) Investment Details of Plan Assets :		

Notes to the Financial Statements for the year ended 31st March 2013

Name of retirement benefit	Name of Trust	Policy No.	Investment with
Gratuity	Krishana Phoschem Limited Employees Group Gratuity Trust	GGCA 325394	LIC of India
vi) There are no amount included in the fair value of plan assets for			
i) Company's own financial instruments.			
ii) Property occupied by or other assets used by the Company.			
vii) Principal Actuarial Assumptions at the Balance Sheet date			
		31st March 2013	31st March 2012
i) Discount Rate		8% per annum	8% per annum
ii) Expected Rate of return on plan assets		8% per annum	8% per annum
iii) Future Salary Increase		8% per annum	8% per annum
viii) The overall expected rate of return on assets is assumed based on the market prices prevailing on that date over the accounting period. The Company is having approved gratuity trust and leave encashment policy, which is having insurer Managed Fund.			
ix) Experience Adjustment:			
Gratuity		31st March 2013	31st March 2012
Defined Benefits Obligation		16.67	12.78
Plan assets		22.09	17.17
Surplus/(deficit)		5.42	4.39
Experience adjustment on plan Liabilities (loss)/ gain		0.27	0.68
Experience adjustment on plan Assets (loss)/ gain		0.00	0.00
(b) Defined Contribution Plans:			
Amount recognized as an expense and also included in the Note no. 21			
		31st March 2013	31st March 2012
i) Employers Contribution to Provident Fund		8.65	7.64

26. FOREIGN CURRENCY EXPOSURE

During the year 2012-13 company import Rock Phosphate and amount paid in USD. Company paid total USD 6579.65 & foreign exchange gain is Rs. 18752/-.

27. EARNING PER SHARE

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
Net profit available to equity shareholders (Rs. in lacs)	730.14	380.69
Weighted average number of equity shares outstanding during the year (Nos.)	18,000,000	15,000,000
Basic and Diluted Earnings (Rs. per Share)	4.06	2.54
Adjusted Earnings (Rs. per Share) due to Bonus issue in the year 2011-12	4.06	2.54

28. PAYMENT TO AUDITOR

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
To Statutory Auditor	0.60	0.60
To Cost Auditor	0.11	0.11
Total	0.71	0.71

Notes to the Financial Statements for the year ended 31st March 2013

29. IMPORTED & INDIGENOUS RAW MATERIAL, COMPONENTS AND SPARE PARTS CONSUMED –

All raw material, components and spare parts consumed by the company are indigenous except company has imported Rock Phosphate of 1989.39 MT under high sea sale agreement.

30. STATEMENT OF ADDITIONAL INFORMATIONS:

a) Particulars of installed capacity:

(As certified by management being technical matter)

(MT)

Products		2012-2013		2011-2012	
		Licensed	Installed	Licensed	Installed
i)	Beneficiated Rock Phosphate	200000	200000	200000	200000
ii)	Single Super Phosphate	120000	120000	-	

b) Details of Production & Sales

(₹ in lacs)

Products		2012-2013		2011-2012	
		Qty(MT)	Value	Qty(MT)	Value
i)	Production				
	Beneficiated Rock Phosphate	41551.00		40714.00	
	Single Super Phosphate	47098.92		-	
ii)	Sales				
	Beneficiated Rock Phosphate	19306.26	1422.34	34539.07	2527.25
	Single Super Phosphate	29269.35	2574.69	-	-

c) Closing Stocks of finished goods

(₹ in lacs)

Products		31.03.2013		31.03.2012	
		Qty(MT)	Value	Qty(MT)	Value
a.	Beneficiated Rock Phosphate	2,066.25	108.65	5804.56	266.10
b.	Single Super Phosphate	17829.57	1,111.83	-	-

Signatures to Notes 1 to 30

For M/s Ashok Kanther & Associates
Chartered Accountants
FRN 050014C

On Behalf of the Board of Directors

Sd/-
(Ashok Kanther)
Proprietor
M.No.: 043571

Sd/-
(Meenakshi Anchlia)
Company Secretary

Sd/-
(Sunil Kothari)
Director

Sd/-
(Praveen Ostwal)
Managing Director

Place : Bhilwara (Raj.)

Dated : 31.05.2013



KRISHANA PHOSCHEM LIMITED

KRISHANA PHOSCHEM LIMITED

Regd. Office : 5-O-2, Basement Office, R.C. Vyas Colony, Bhilwara (Raj.) 311 001

ATTENDANCE SLIP

(To be filled and hand over at the entrance)

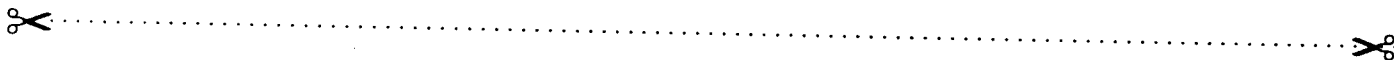
9th Annual General Meeting at the Regd. Office : 5-O-2, Basement Office, R.C. Vyas Colony, Bhilwara (Raj.) 311 001 on Wednesday, 25th day of September, 2013 at 11.00 A.M.

Name of Member	Ledger Folio No./Client ID	No. of shares held

Name of the proxy (to be filled in if proxy attends instead of the member)

I/We hereby record my/our presence at the 9th Annual General Meeting of the Company held on Wednesday, 25th September, 2013 at the Regd. Office : 5-O-2, Basement Office, R.C. Vyas Colony, Bhilwara (Raj.) 311 001

Member's/Proxy's Signature
(To be signed at the time of handing over this slip)



KRISHANA PHOSCHEM LIMITED

Regd. Office : 5-O-2, Basement Office, R.C. Vyas Colony, Bhilwara (Raj.) 311 001

PROXY FORM

I/We _____ of _____ being a member/members of Krishana Phoschem Limited, hereby appointed _____ of _____ failing him _____ of _____ as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 9th Annual General Meeting of the Company, to be held on Wednesday, the 25th September, 2013 at 11.00 A.M. at the Regd. Office : 5-O-2, Basement Office, R.C. Vyas Colony, Bhilwara (Raj.) 311001 and at any adjournment thereof.

As witness my/our hand/hands this _____ day of _____ 2013.

Signed by the said _____

Affix
Re.1/-
Revenue
Stamp

NOTE: - The proxy form must be deposited at the Registered Office of the company 5-O-2, Basement Office, R.C. Vyas Colony, Bhilwara (Raj.) 311 001 not less than 48 hours before the time for holding the meeting.