

**CREMICA AGRO FOODS LTD.**

**24<sup>th</sup>**

**ANNUAL REPORT**

**2012-13**

## **CREMICA AGRO FOODS LIMITED**

REGD. OFF. :- B-XXXIII-324, G.T. ROAD (WEST), NEAR JALANDHAR BYE PASS, LUDHIANA.

### **MANAGEMENT**

Sh. Dharamvir Bector	Chairman
Smt. Rajni Bector	Director
Sh. Ramesh Aggarwal	Director
Sh. Subhash Aggarwal	Director
Sh. Ajay Bector	Director
Sh. Akshay Bector	Director
Sh. Anoop Bector	Managing Director
Sh. Shantilal Sukalal Chaudhari	Executive Director

### **SHARE TRANSFER AGENTS**

Link Intime India Pvt Ltd  
44 Community Centre 2<sup>nd</sup> Floor,  
Naraina Industrial Area Phase I  
Near Pvr. Naraina  
New Delhi 110 028

### **AUDITORS**

M/s Kumar Sunil & Associates, Ludhiana

### **REGISTERED OFFICE**

B-XXXIII-324, G.T.ROAD (WEST),  
NEAR JALANDHAR BYE PASS, LUDHIANA.

### **WORKS**

11-B, Udyog Vihar, Greater Noida, U.P

## **CREMICA AGRO FOODS LIMITED**

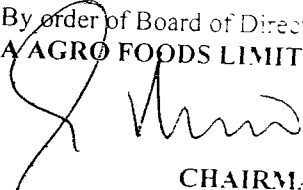
REGD. OFF. :- B-XXXIII-324, G.T. ROAD (WEST), NEAR JALANDHAR BYE PASS, LUDHIANA.

### **NOTICE**

Notice is hereby given that the **24<sup>th</sup> Annual General Meeting** of the Company shall be held on Saturday, the 28<sup>th</sup> Day of September, 2013 at 01.00 P.M. at its Registered Office i.e. B-XXXIII-324, G.T. Road (West), Near Jalandhar Bye Pass, Ludhiana to transact the following matter as ordinary business.

### **ORDINARY BUSINESS**

1. To Receive, Consider and Adopt the Audited Balance Sheet as on 31.03.2013 and Profit & Loss Account for the year 2012-13 along with Auditors' Report, Compliance Certificate and Directors' Report thereon.
2. To Receive, Consider and Adopt the Audited Cost Audit Report issued by Mr. Gurmeet Singh Kharay, Cost Accountants for the year 2012-13.
3. To Appoint Statutory Auditors and to fix their remuneration.
4. To re-appoint Mr. Dharamvir Bector, as director of the Company, who retires by rotation and being eligible offer himself for reappointment.
5. To re-appoint Mr. Shantilal Sukalal Chaudhari, as director of the Company, who retires by rotation and being eligible offer himself for reappointment.
6. To re-appoint Mr. Rameshkumar Chhangamal Aggarwal, as director of the Company, who retires by rotation and being eligible offer himself for reappointment.

By order of Board of Directors  
**FOR CREMICA AGRO FOODS LIMITED**  
  
**CHAIRMAN**

Place : Ludhiana.  
Date : 02.09.2013

### **NOTES:-**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and in a poll to vote instead of himself. Such proxy need not be a member of the company.
2. The instrument appointing a proxy duly stamped and executed for use at the meeting must be lodged at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.
3. Share Transfer books of the Company shall be kept closed from 20.09.2013 to 28.09.2013 (both days inclusive).
4. Members desiring any information as regards accounts are requested to write to the company at its registered office of the company at least 7 days before the date of Annual General Meeting so as to enable the Management to keep the information ready.

**CREMICA AGRO FOODS LIMITED**

REGD. OFF. :- B-XXXIII-324, G.T. ROAD (WEST), NEAR JALANDHAR BYE PASS, LUDHIANA.

**DIRECTORS' REPORT**

To  
The Members of the  
**CREMICA AGRO FOODS LIMITED,**

Your Directors feel pleasure in presenting their 24<sup>th</sup> Annual Report to the shareholders of the Company for the Financial Year ended on 31st March 2013. The financial results of the Company for the year are as under:

**FINANCIAL PERFORMANCE**

	2012 - 13	2011 - 12	(in Rs Laacs)
Turnover & Other Income	3246.34	2258.92	
Less: Exp. Including Depreciation and Interest	3228.62	2193.89	
Profit before extraordinary items & Tax	17.72	65.03	
Less: Loss on Sale of Equity Shares	822.97	-----	
Profit before Tax	(805.25)	65.03	

**SHARE CAPITAL**

The Equity Share Capital of your company as on 31.03.2013 stood as Rs. 149.85 Laacs. There are no Debentures or Preference Shares as on even date.

**DIVIDEND**

Since the company has not incurred any profits this year, therefore, no dividend has been recommended during the financial year ending 31<sup>st</sup> March, 2013.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO, RESEARCH AND DEVELOPMENT ACTIVITY, REMUNERATION TO EMPLOYEES**

A statement containing the information as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given as under:

The construction of the factory has been done in such a manner so as to make maximum utilization of natural light, in the plant and use of energy saving devices, for lighting etc. The Company has put lot of efforts to identify and use of alternate source of Energy, wherever possible in order to achieve optimum cost. The company has been making use of gas in manufacturing operations and entered into an agreement with Indraprastha Gas Limited for purchase of gas. Use of gas is not only cheaper than Furnace Oil (previously

## **CREMICA AGRO FOODS LIMITED**

**REGD. OFF. :- B-XXXIII-324, G.T. ROAD (WEST), NEAR JALANDHAR BYE PASS, LUDHIANA.**

used ), it also helps in maintaining a clean, green environment, as the harmful emissions are negligible due to use of gas.

The Company is adopting the well established indigenous technology with the scope of saving in cost in production, energy consumption and capital cost in terms quantum of production. The company has achieved its goal to certain extents and is making continuous efforts towards the production developments

There are no Foreign exchange earnings or outgo during the financial year.

The research and development activity was taken by the Company during the financial year, for improving the quality of product, and as a result the company is able to produce better quality of product. However, no separate division has formed for this purpose due to small size of the organization.

There are no employee drawing salary in excess of limit prescribed under section 217 (2A) of the Companies Act 1956 read with the companies particular of employees Rules 1975 as amended hence no information is furnished thereto.

### **LOSS ON SALE OF SHARES**

During the year 2012-13, The Company has incurred loss of approx. Rs 8.22 Crores on sale of equity shares held by the company in Mrs. Bectors Food Specialities Limited.

### **DIRECTORS**

Mr. Dharamvir Bector, Mr. Shantilal Sukalal Chaudhari and Mr. Rameshkumar Chhangamal Agarwal are retiring at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

### **COMPLIANCE CERTIFICATE**

Pursuant to the provisions of proviso to Section 383A of the Companies Act, 1956 read with Companies (Compliance Certificate) Rules, 2001 and Companies (Appointment & Qualification of Secretary) Rules, 1988, your company has obtained the compliance certificate from the Company Secretaries in Whole Time Practice the copy of which is attached with this report. As the Compliance Certificate is self explanatory, further comments are not required.

### **APPOINTMENT OF AUDITORS**

M/s Kumar Sunil & Associates, Chartered Accountants, Ludhiana, the Statutory Auditors of the company are retiring in at the Annual General Meeting and being eligible offer themselves for reappointment for the next Financial Year.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of section 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:

In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

## **CREMICA AGRO FOODS LIMITED**

REGD. OFF. :- B-XXXIII-324, G.T. ROAD (WEST), NEAR JALANDHAR BYE PASS, LUDHIANA.

2. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are 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 the profit or loss of the company for that period;
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of this Act for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. The Directors had prepared the annual accounts on a going concern basis.

### **LISTING FEES**

The Equity shares of your company are listed on the Over the Counter Exchange of India. The annual listing fee for the year 2012-13 has been paid. The company is regular in filing the fees to the OTCEI.

### **DEMAT OF SHARES**

The Company has appointed M/s. Link Intime India Pvt Ltd. as our Registrar & Share Transfer Agent. The Shareholders are requested to get their Shares converted into DEMAT form. All the communications in this regard be made at the following address;

**M/s. Link Intime India Pvt Ltd**

A-40, 2<sup>nd</sup> Floor, Naraina Industrial Area,

Phase-II, Near Batra Banquet Hall,

New Delhi- 110 028

### **CORPORATE GOVERNANCE**

The Companies commitment for effective Corporate Governance continues and the company has always been at the forefront of benchmarking its internal systems and policies within accepted standards so as to facilitate the creation of long term value for its shareholders.

The Listing Agreement requirement of one third of the Board to be of independent directors is met by the company in view of 3 directors being independent Directors out of total 8 directors. The Directors have vast experience in the field of industry, finance, law and management bringing a wide range of expertise and experience to the Board.

### **SHAREHOLDERS GRIEVANCE**

No new complaints were received from the shareholders during the year. Further the company is trying to resolve all the pending complaints at the earliest and is regular in touch with the RTSA.

## **CREMICA AGRO FOODS LIMITED**

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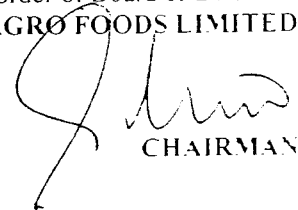
### **ONLINE REDRESSAL OF COMPLAINTS**

The Company has registered itself with SEBI through SCORES where it can resolve all the complaints pending against the company along with the supporting documents electronically. The company regular checks the website and as on date no complaints are lying pending on the portal.

### **ACKNOWLEDGEMENT**

Your Directors wish to place on record their sincere thanks for the necessary and timely help always extended by the Bankers, Workers, Staff members, and Business Associates for their continued and timely support to the company. Our appreciation also goes to our esteemed Shareholders for their encouragement and support.

By order of Board of Directors  
**FOR CREMICA AGRO FOODS LIMITED**



**CHAIRMAN**

Place : Ludhiana.  
Date : 02.09.2013



**Sunil Kumar Aggarwal**  
B.Com., F.C.A., DISA (ICAI)

Office: 455, Sohan Palace, 2nd Floor, The Mall, Ludhiana-141001.  
Mobile: 98147-09714 Phone: 0161-5050669 e-mai : sunil\_ksa@yahoo.co.in

### AUDITOR'S REPORT

We have audited the attached Balance Sheet of Cremica Agro Foods Ltd., Ludhiana as at 31<sup>ST</sup> March 2013 and also the Profit and Loss Account of the company for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statements. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.

Further to our comments in the annexure referred to above, we report that :-


- i) We have obtained all the information and explanations, which to the best of the knowledge and belief were necessary for the purpose of our audit.
- ii) 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;
- iii) The Balance sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts;
- iv) In our opinion, the Balance Sheet, and the Profit & Loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956
- v) On the basis of written representations received from the Directors as on 31<sup>ST</sup> March, 2013 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>ST</sup> March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.



- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts as per Notes 1 to 35, give the information required by the Companies Act, 1956 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 31<sup>st</sup> March 2013
  - (b) In the case of the Profit & Loss Account of the loss for the year ended on that date.

Place: Ludhiana  
Date: 02.09.2013

For KUMAR SUNIL & ASSOCIATES  
CHARTERED ACCOUNTANTS

  
SUNIL KUMAR  
PROPRIETOR  
M. NO. 084958

## ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph (3) thereof)

CREMICA AGRO FOODS LTD., (YE 31/3/2013)

- i)
  - a) The company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets.
  - b) According to the information and explanation given to us, the management has physically verified the fixed assets during the period and we are informed that no discrepancies between books, records and physical verification were noticed. In our opinion, the frequency of physical verification is reasonable having regards to the size of the company and nature of its business.
  - c) In our opinion, the company has not disposed off substantial part of fixed assets during the year and going concern status of the company is not affected.
- ii)
  - a) According to the information and explanation given to us, the inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
  - b) In our opinion and according to the information and explanations given to us the procedures of physical verification of inventories followed by the management are reasonable.
  - c) The company is maintaining proper record of inventory. As explained to us, no discrepancies were noticed on verification between physical stock and books records.
- iii) According to the information and explanations given to us, the loans secured/unsecured taken/granted by the company, to the companies, firms or other parties covered in register maintained under Section 301 of the Companies Act, 1956 are not prejudicial to the interests of the Company or its shareholders.
- iv) 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, fixed assets and with regard to sale of goods. During the course of our audit, we have not observed any major weaknesses in internal control.
- v) According to the information and explanations given us, we are of the opinion that the transaction that need to be entered in to the register maintained under section 301 of the Companies Act 1956 have been so entered. In our opinion and according to the information and explanations given to us, the transaction in pursuance of contract or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees Five Lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) The Co. has not accepted any loans from persons other than shareholders and directors and hence the provisions of section 58A and section 58AA of the Companies Act, 1956, are not applicable.

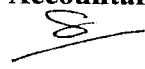
- vii) In our opinion the company has an internal audit system commensurate with its size and nature of its business
- viii) We have broadly reviewed the books of account only maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, related to the manufacture of products of the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- ix) According to the records of the Company, undisputed statutory dues including provident fund, investors education and protection fund, employees state insurance income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to the company if any, have been regularly deposited with appropriate authorities.
- x) The Company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses in the financial year and in the financial year immediately preceding such financial year.
- xi) In our opinion and according to the information given to us the company has not defaulted in repayment of dues to any financial institution, bank or debenture holders.
- xii) In our opinion and according to the information given to us the company has not granted any loans and advances on the basis of security by way of pledge of shares, debenture and other securities. Therefore the provisions of clause 4(xii) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
- xiii) The company is not a chit fund or a nidhi mutual benefit fund/ society therefore the provisions of clause 4 (xiii) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
- xiv) The provisions of Clause 4 (xiv) of the CARO 2003 as amended are not applicable to the co.
- xv) As per the information and explanations given to us the Co. has not given any corporate guarantees.
- xvi) Based on the information and explanations given to us by the management, the term loan was applied for the purpose for which the loans were obtained.
- xvii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the company we report that no funds raised on short term basis have been used for long term investment. Further no long-term fund raised have been used for short-term investment except as needed for business purposes.
- xviii) During the year company has not made any preferential allotment of share to parties and companies covered in the register maintained under section 301 of the Companies Act 1956. hence clause 4(xix) of the order is not applicable.
- xix) The company has not issued debentures during the year . Therefore, the provisions of clause 4(xix) of the Companies (Auditor's Report) Order 2003 are not applicable to the company.
- xx) The company has not raised money by way of public issue during the year . Therefore, the provisions of clause 4(xx) of the companies (Auditor's Report) order 2003 are not applicable to the company.

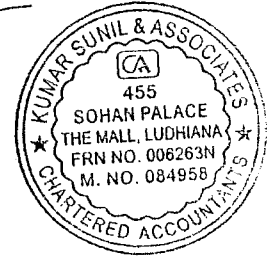
xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

**Palace: Ludhiana**

**Date: 02.09.2013**

**For KUMAR SUNIL & ASSOCIATES**  
**Chartered Accountants**

  
**Sunil Kumar**  
**Prop.**



# CREMICA AGRO FOODS LTD

B-XXXIII-324, G.T.ROAD, NEAR JALANDHAR BYE PASS, LUDHIANA  
BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note No.	YEAR ENDING 31.03.2013	YEAR ENDING 31.03.2012
<b>I. EQUITY AND LIABILITIES</b>			
<b><u>(1) Shareholder's Funds</u></b>			
(a) Share Capital	2	1,49,85,000	1,49,55,000
(b) Reserves and Surplus	3	8,17,27,308	14,52,18,263
<b><u>(2) Share Application money pending allotment</u></b>			
<b><u>(3) Non-Current Liabilities</u></b>			
(a) Long-Term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
<b><u>(4) Current Liabilities</u></b>			
(a) Short-Term Borrowings		-	-
(b) Trade Payables	4	2,85,20,740	1,55,50,782
(c) Other Current Liabilities	5	1,42,85,143	1,50,05,848
(d) Short-Term Provisions		-	-
<b>Total Equity &amp; Liabilities</b>		<b>13,95,18,191</b>	<b>19,57,59,893</b>
<b>II.ASSETS</b>			
<b><u>(1) Non-Current Assets</u></b>			
<b><u>(a) Fixed Assets</u></b>			
(i) Tangible Assets	6	3,40,095	1,35,498
(b) Non-current investments	7	21,60,081	17,55,33,942
(c) Deferred tax assets (net)		1,73,05,843	81,905
(d) Long term loans and advances	8	2,15,300	1,15,300
<b><u>(2) Current Assets</u></b>			
(a) Current investments		-	-
(b) Inventories	9	1,48,43,949	45,18,162
(c) Cash and cash equivalents	10	9,59,82,917	28,63,129
(d) Short-term loans and advances	11	86,70,007	37,05,957
<b>Total Assets</b>		<b>13,95,18,191</b>	<b>19,57,59,893</b>
<b>NOTES TO ACCOUNTS</b>			
1 to 33			
Notes referred to above and notes attached there to form an integral part of Balance Sheet			
This is the Balance Sheet referred to in our Report of even date.			
<b>FOR KUMAR SUNIL &amp; ASSOCIATES</b>		<b>FOR CREMICA AGRO FOODS LTD</b>	
<b>CHARTERED ACCOUNTANTS</b>		<b>DIRECTOR</b>	
SOHAN PALACE THE MALL, LUDHIANA FRN NO. 006263N SUNIL KUMAR 064958		<b>DIRECTOR</b>	
SUNIL KUMAR PROPRIETOR M.NO.084958			
PLACE :-LUDHIANA			
DATE :- 02-09-2013			

# CREMICA AGRO FOODS LTD

B-XXXIII-324, G.T.ROAD,NEAR JALANDHAR BYE PASS,LUDHIANA  
PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH , 2013

Sr. No	Particulars	Note No.	YEAR ENDING 31.03.2013	YEAR ENDING 31.03.2012
I	Revenue from operations	12	32,31,71,548	22,54,05,198
II	Other Income	13	14,62,277	4,86,369
	<b>III. Total Revenue (I +II)</b>		<b>32,46,33,825</b>	<b>22,58,91,566</b>
III	<u>Expenses:</u>			
	Cost of materials consumed	14	23,45,33,180	15,90,55,238
	Employee Benefit Expense	15	2,94,93,056	1,74,10,568
	Finance Costs	16	1,01,080	13,882
	Depreciation and Amortization Expense	17	42,639	31,894
	Other Expenses	18	5,86,92,289	4,28,77,333
	<b>Total Expenses (IV)</b>		<b>32,28,62,244</b>	<b>21,93,88,915</b>
IV	Profit before exceptional and extraordinary items and tax	(III - IV)	<b>17,71,581</b>	<b>65,02,651</b>
V	Exceptional Items		-	-
VI	Profit before extraordinary items and tax (V - VI)		<b>17,71,581</b>	<b>65,02,651</b>
VII	<u>Extraordinary Items</u>			
	Loss on Sales of Equity Shares		8,22,97,085	-
VIII	Profit before tax (VII - VIII)		<b>(8,05,25,504)</b>	<b>65,02,651</b>
IX	<u>Tax expense:</u>			
	(1) Current tax		6,02,000	18,75,000
	(2) Deferred tax		1,66,23,938	3,25,554
X	Profit(Loss) from the perid from continuing operations	(IX-X)	<b>(6,45,03,566)</b>	<b>49,53,205</b>
XI	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XII	Profit/(Loss) for the period (XI + XIV)		<b>(6,45,03,566)</b>	<b>49,53,205</b>
XIII	Earning per equity share:			
	(1) Basic		(43.05)	3.31
	(2) Diluted		(43.05)	3.31

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement  
This is the Profit & Loss Statement referred to in our Report of even date.

FOR KUMAR SUNIL & ASSOCIATES  
CHARTERED ACCOUNTANTS  
455  
SOHAN PALACE  
THE MALL, LUDHIANA  
FERN NO. 006263N  
M. NO. 084958  
SUNIL KUMAR  
PROPRIETOR  
M.NO.084958

PLACE :-LUDHIANA  
DATE :- 02-09-2013

FOR CREMICA AGRO FOODS LTD

DIRECTOR

DIRECTOR

## CREMICA AGRO FOODS LTD

### Note 1 : DISCLOSURE OF ACCOUNTING POLICIES

#### a) Basis of Preparation of Financial Statements :

The financial statements are prepared under historical cost convention and materially comply with mandatory accounting standards issued by Institute of Chartered Accountants of India and Company with the Companies (Accounting Standards) Rules, 2006 issued by the Central Government and relevant positions of Companies Act, 1956 and is based on the historical cost convention.

#### b) Tangible Fixed Assets : Tangible Fixed Assets are capitalized at cost of acquisition including directly attributable cost of bringing assets to their working condition for intended use and capitalization of pre-operative expenses.

#### c) Depreciation : The Company has charged depreciation on SLM method as per the rates prescribed under the Companies Act, 1956.

#### d) Inventories :

- i) Finished goods are valued at cost or market price whichever is lower.
- ii) Raw Materials are valued always at Cost Price

#### e) Preliminary and Pre Operative Expenditure

Preliminary Expenditure are being written off by the company in 10 yearly installments

#### f) Contingencies

Depending on the factor of each case and after due evaluation of relevant legal aspects, the company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made. The disclosure is made for all possible obligations that may but probably will not require outflow of resources as contingent liability in the financial statement.

#### g) Impairment of Assets

The company on an annual basis makes as assessment of any indicator that may lead to impairment of assets. If any such indication exists, the company estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount is reduced to its recoverable amount by treating the difference between them as impairment loss and is charged to the profit and loss account.

#### h) Use of Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the consolidated financial statements. Actual results, if they differ from those estimates, are recognised prospectively in the current and future periods.

#### i) Revenue Recognition

Revenue from sale of goods is recognised when significant risks and rewards in respect of ownership of the goods are transferred to the customers.

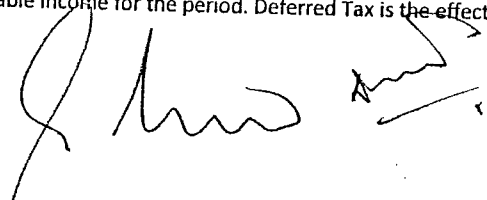
#### j) Investments:

Current Investments are carried at lower of cost and fair value. Long Term Investments are carried at cost. However the provision for diminution in value of Long Term Investments is made, only when such a decline is not temporary, in the opinion of the management.

#### k) Retirement Benefit:

The Contributions to E.S.I and Provident Fund are charged to Profit & Loss account on accrual basis. The Payment of Gratuity & leave encashment is accounted for on cash basis. No employees is completed the age of retirement.

#### l) The Accounting Treatment followed for Taxes on income is to provide for current & the amount of Income Tax determined to be payable in respect of taxable income for the period. Deferred Tax is the effect of timing difference.



# CREMICA AGRO FOODS LTD

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

## Note : 2 Share Capital

Sr. No	Particulars	YEAR ENDING 31.03.2013	YEAR ENDING 31.03.2012
1	<b>AUTHORIZED CAPITAL</b> 20,00,000 ( P.Y.2000000) Equity Shares of Rs. 10/- each. 30,00,00 (P.Y. 3000000)Preference Shares of Rs. 100/- each.	2,00,00,000 3,00,00,000 5,00,00,000	2,00,00,000 3,00,00,000 5,00,00,000
2	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b> 1498500 ( P.Y. 1498500) Equity Shares of Rs. 10/- each, Fully Paid up Share capital by allotment	1,49,85,000	1,49,85,000
		<b>1,49,85,000</b>	<b>1,49,85,000</b>

### 1.1 Reconciliation of Shares

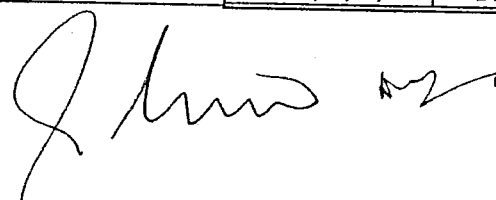
	Current Year	Previous Year
No. of Shares at the beginning of the Year	14,98,500	14,98,500
No. Shares at the End of the Year	14,98,500	14,98,500

### 1.2 List of Share holders holding more then 5% Shares

Cremica Industries Ltd	1,80,680	1,80,680
% of shares	12.06%	12.06%
Bectors Food Ltd	3,74,000	3,74,000
% of shares	24.96%	24.96%
Cremica Foods Ltd	1,32,300	1,32,300
% of shares	8.83%	8.83%
<b>Total</b>	<b>6,86,980</b>	<b>6,86,980</b>

## Note : 3 Reserve & Surplus

Sr. No	Particulars	YEAR ENDING 31.03.2013	YEAR ENDING 31.03.2012
1	Capital Reserve		
2	a) Capital Subsidy	84,48,000	84,48,000
3	General Reserve	79,50,032	79,50,032
4	Securities Premium reserve	27,42,900	27,42,900
	Profit & Loss Account	6,25,86,376	12,70,77,331
	Balance at the Beginning of the Year	12,70,77,332	12,24,86,742
	Add: Profit during the year	(6,45,03,566)	49,53,205
	Add: Excess Provison Written Back	12,611	1,07,277
	Less: Tax Expense of Previous Years	-	4,69,893
	Net Profit /Loss amount trf to Balance Sheet	6,25,86,376	12,70,77,331
	<b>Total</b>	<b>8,17,27,308</b>	<b>14,62,18,263</b>





# CREMICA AGRO FOODS LTD

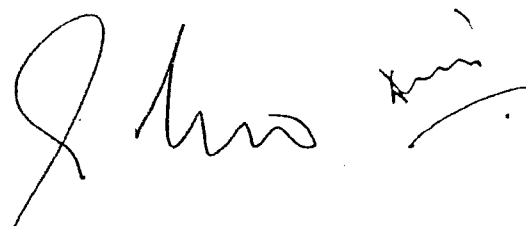
Notes Forming Integral Part of the Balance Sheet as at 31st March, 2013

**Note : 4 Trades Payable**

Sr. No	Particulars	YEAR ENDING 31.03.2013	YEAR ENDING 31.03.2012
	<u>-Sundry Creditors for Materiel/Supplies:</u>	2,84,61,294	1,65,10,734
	<u>-Sundry Creditors for Services:</u>	59,446	40,048
	<b>Total</b>	<b>2,85,20,740</b>	<b>1,65,50,782</b>


**Note : 5 Other Current Liabilities**

Sr. No	Particulars	YEAR ENDING 31.03.2013	YEAR ENDING 31.03.2012
	<u>Employees Benefits Payable</u>		
1	ESI Payable	43,375	34,463
2	Leave With Wages Payable	4,86,321	1,85,298
3	Bonus Payable	4,73,702	3,63,436
4	Employee Family Pension Fund Payable	42,611	29,078
5	Employee Providend Fund Payable	80,099	55,309
6	Gratuity Payable	6,89,977	5,46,999
7	Insurance & Admn Fund Payable	8,279	5,673
8	Salary & Wages Payable	8,05,284	7,20,814
9	Unpaid salary Payable	-	39,318
10	Salary to Staff Payable	8,14,203	3,27,401
	<u>Other Payables</u>		
11	Vat Payable	51,799	18,940
12	CST Payable	2,362	-
13	Telephone Expenses	-	300
14	Provision for Income Tax Payable	6,02,000	13,75,000
15	Audit Fees Payable	60,674	27,299
16	Expenses Payable	3,96,355	37,589
17	Cheques Issued but not presented for payment	27,39,775	22,25,749
18	TDS Payable	9,62,645	59,797
19	Bectors Food Ltd	14,250	-
20	Ajay Bector -Salary	1,65,840	-
21	Mrs Bectors Food Specialities Ltd	55,38,592	1,14,53,385
22	Security Received	3,07,000	-
	<b>Total</b>	<b>1,42,85,143</b>	<b>1,80,05,848</b>



**Note Forming Integral Part of the Balance Sheet as at 31st March, 2013**

**Note: 6/14/21 Noverts**



# CREMICA AGRO FOODS LTD

Note Forming Integral Part of the Balance Sheet as at 31st March, 2013

## Note : 7 Non Current Investment

Sr. No	Particulars	YEAR ENDING 31.03.2013	YEAR ENDING 31.03.2012
1	Investment in Property Greater Noida Development Authority-Agst Plot	21,60,081	18,01,107
2	Investment in Equity Instrument <u>Unquoted Investments</u> 2004150 Equity Shares of Rs.10/-at a premium of Rs.2647/- per share of Mrs Bectors Food Spl Ltd	-	17,58,32,835
	<b>Total</b>	<b>21,60,081</b>	<b>17,56,33,942</b>

## Note : 8 Long Term Loans and Advances

Sr. No	Particulars	YEAR ENDING 31.03.2013	YEAR ENDING 31.03.2012
1)	<u>Security Deposit</u> a) Secured, Considered Good : Other Deposit-Gas Security	2,15,300	2,15,300
	<b>Total</b>	<b>2,15,300</b>	<b>2,15,300</b>

## Note : 9 Inventories

Sr. No	Particulars	YEAR ENDING 31.03.2013	YEAR ENDING 31.03.2012
1	Raw Material	1,42,16,718	41,56,078
2	Consumables Stores	4,51,808	3,32,406
3	Fuel & LPG	1,75,423	1,19,678
	<b>Total</b>	<b>1,48,43,949</b>	<b>45,18,162</b>

## Note : 10 Cash & Cash Equivalent

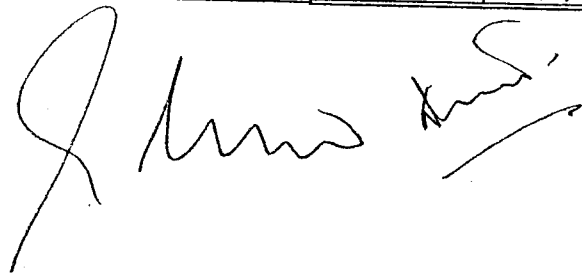
Sr. No	Particulars	YEAR ENDING 31.03.2013	YEAR ENDING 31.03.2012
1	<u>Cash-in-Hand</u> Cash Balance	3,83,353	72,329
	<b>Sub Total (A)</b>	<b>3,83,353</b>	<b>72,329</b>
2	<u>Bank Balance</u> Oriental Bank of Commerce Cheques In Hand	3,94,553 9,45,50,000	19,90,139
	<b>Sub Total (B)</b>	<b>9,49,44,553</b>	<b>19,90,139</b>
3	<u>Deposits with Banks</u> FDR- Oriental Bank of Commerce, Phillaur	6,55,011	6,05,661
	<b>Total [ A + B + C ]</b>	<b>9,59,82,917</b>	<b>26,68,129</b>

# CREMICA AGRO FOODS LTD

Note Forming Integral Part of the Balance Sheet as at 31st March, 2013

## Note: 11 Short Terms Loans and Advances

Sr. No	Particulars	YEAR ENDING 31.03.2013	YEAR ENDING 31.03.2012
1	Loans & Advances from related parties		
	Cremica Foods Ltd	1,12,500	5,50,000
	<u>Others</u>		
1	Noida Power Co.Ltd		
2	Ram Chander	1,13,480	59,709
3	Advance to staff	5,000	5,000
4	Balance with Revenue Authorities	4,67,930	2,44,987
5	Prepaid Expenses	76,05,359	77,00,672
6	Prepaid Insurance	11,735	37,500
7	Preliminary Expenses	1,15,600	2,089
8	Sunshine Foods	90,000	1,05,000
9	Shakti Trading Co	-	1,000
10	Borges India Pvt Ltd	7,477	-
11	Arihant Speciality Chemicals	11,946	-
12	Krishna Enviro Pvt Ltd	49,980	-
		79,000	-
	<b>Total</b>	<b>86,70,007</b>	<b>87,05,957</b>



# CREMICA AGRO FOODS LTD

Notes Forming Part of the Profit & Loss Accounts as at 31st March , 2013

## Note : 12 Revenue from Operations

Sr. No	Particulars	YEAR ENDING 31.03.2013	YEAR ENDING 31.03.2012
1	Sales	31,94,18,845	22,23,98,942
2	Bardana Sales	37,52,704	30,06,256
	<b>Total</b>	<b>32,31,71,548</b>	<b>22,54,05,198</b>

## Note : 13 Other Income

Sr. No	Particulars	YEAR ENDING 31.03.2013	YEAR ENDING 31.03.2012
1	Interest Received	1,80,923	72,004
2	Dividend Receipts	4,00,830	4,00,830
3	Excess & short recovery	1,33,529	13,535
4	Misc Receipts	7,46,995	-
	<b>Total</b>	<b>14,62,277</b>	<b>4,86,369</b>

## Note : 14 Cost of Material Consumed

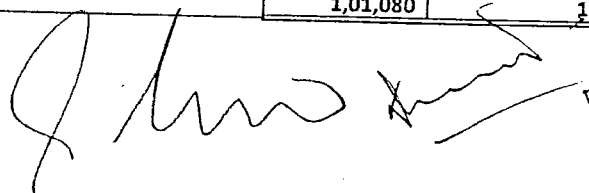
Sr. No	Particulars	YEAR ENDING 31.03.2013	YEAR ENDING 31.03.2012
	<b>RAW MATERIALS</b>		
	Opening Stocks of Raw Materials	41,66,078	12,97,779
	Purchase of Raw Materials	24,45,83,820	15,19,23,537
		24,87,49,898	16,32,21,316
	Less :- Closing Stocks	1,42,16,718	41,66,078
		23,45,33,180	15,90,55,238
	<b>Total</b>	<b>23,45,33,180</b>	<b>15,90,55,238</b>

## Note : 15 Employee Benefit Expenses

Sr. No	Particulars	YEAR ENDING 31.03.2013	YEAR ENDING 31.03.2012
1	Salaries, Wages & Bonus, PF & ESIC	2,81,86,160	1,66,02,476
2	Gratuity	2,95,478	29,880
3	Leave With Wages	3,01,023	69,440
4	Ex-Gratia	-	1,20,915
5	Labour Welfare Expenses	7,10,395	5,87,857
	<b>Total</b>	<b>2,94,93,056</b>	<b>1,74,10,568</b>

## Note: 16 Finance Cost

Sr. No	Particulars	YEAR ENDING 31.03.2013	YEAR ENDING 31.03.2012
1	Interest Others	77,486	40
2	Bank Charges	23,594	13,842
	<b>Total</b>	<b>1,01,080</b>	<b>13,882</b>



# CREMICA AGRO FOODS LTD

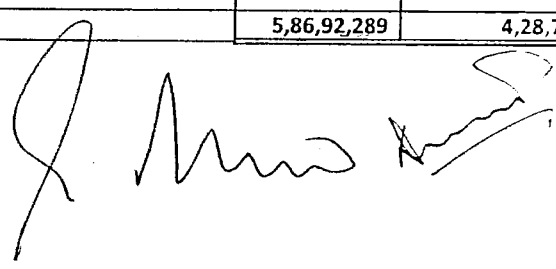
Notes Forming Part of the Profit & Loss Accounts as at 31st March , 2013

## Note : 17 Depreciation & Amortised Cost

Sr. No	Particulars	YEAR ENDING 31.03.2013	YEAR ENDING 31.03.2012
1	Depreciation	27,639	16,894
2	Preliminary Expenses W/O	15,000	15,000
	<b>Total</b>	<b>42,639</b>	<b>31,894</b>

## Note : 18 Other Expenses

Sr. No	Particulars	YEAR ENDING 31.03.2013	YEAR ENDING 31.03.2012
a)	<b>Manufacturing Exp.</b>		
1	Consumables Stores	27,37,982	19,49,985
2	Power & GAS	2,34,44,849	1,54,38,002
3	Labour Charges	2,01,80,969	1,49,64,061
4	Generator Expenses	65,90,806	63,84,837
b)	<b>Administrative and Selling Exp.</b>		
1	Advertisement & Publicity	-	1,234
2	Auditor Expenses	29,237	-
3	Auditors Remuneration	67,416	30,333
4	Computer Maintenance	29,160	7,489
5	Coneyance Expenses	26,593	50,250
6	Diwali Expenses	2,43,969	2,53,908
7	Gardening Expenses	1,49,132	1,29,640
8	General Expenses	85,047	1,94,943
9	Guest House Expenses	1,22,360	1,39,149
10	Insurance Expenses	38,339	8,573
11	Lab Expenses	6,566	4,33,420
12	Legal Expenses	2,04,888	2,33,370
13	Medical Expenses	29,275	43,819
14	Postage & Telegram	7,810	5,326
15	Professional Charges	1,89,714	3,58,550
16	Rent Rates & Taxes	2,05,056	1,57,603
17	Repair & Maintenance	67,096	74,024
18	Sanitation Expenses	8,28,836	6,96,197
19	Security Expenses	6,65,298	6,39,636
20	Stationery Expenses	1,63,760	2,61,582
21	Telephone Expenses	4,890	10,590
22	Travelling Expenses (Including Foreign Travelling)	88,986	2,03,570
23	Uniform Expenses	5,31,152	1,80,954
24	Wat on sales	20,873	18,801
25	Vehicle Expenses	1,86,543	7,487
26	Electricity Expenses	18,000	-
27	Service Tax Expenses	14,31,237	-
28	Taxi Charges	92,850	-
29	Sale Tax Expenses	2,03,600	-
	<b>Total</b>	<b>5,86,92,289</b>	<b>4,28,77,333</b>



# CREMICA AGRO FOODS LIMITED

## 19 Managerial Remuneration

Remuneration paid to whole time Director is as follows:

S.S. Chaudhary  
Ajay Bector

Current year	Previous year
13,96,000	11,96,000
28,80,000	-

Totals	42,76,000	11,96,000
--------	-----------	-----------

## 20 Payment to auditors:

As Auditors  
As Income Tax Auditors

Amount (in Rs.)	
31.03.2013	31.03.2012
56,180	23,715
11,236	6,618
<b>67416</b>	<b>30333</b>

## 21 Taxes on income

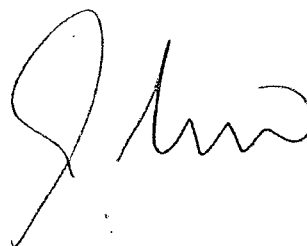
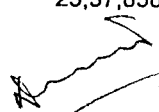
Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there are unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty that sufficient future taxable income will be availed against which such assets can be realized. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed at each Balance Sheet date to reassess realization

Components of Deferred Tax Assets / (Liability) as on 31.03.2013 & 31.03.2012 are as follows: -

Particulars	(Amt in Rs.)	
	31.03.2013	31.03.2012
Deferred Tax Assets on account of 43B payments to be allowed in next years	6,81,905	3,56,351
Add :-Timing difference on account of depreciation	1,66,23,938	3,25,554
<b>Value of Deferred Tax</b>	<b>1,73,05,843</b>	<b>6,81,905</b>

## 22 Contingent liabilities

	Current year	Previous year
a) claim against the company not acknowledged as debt	Nil	Nil
b) cheques discounted with banks	Nil	Nil
c) Export bills discounted with bank	Nil	Nil
d) Bank guarantees	5,86,200	5,86,200
e) Letter Of Credit(in INR)	Nil	Nil
(in Foreign Currency)	Nil	Nil
f) Custom Duty against EPCG License is case of default in export obligation	Nil	Nil
g) Custom Duty against liability against Advance licenses	Nil	Nil
h) Estimated amount of contracts pending to be executed on capital account and not provided .	Nil	Nil
i) Claims against the Company not acknowledged as debts:		
a) Income tax matters in dispute/ appeal (net of amounts deposited)		
Asst Year 2006-07	Nil	Nil
Asst Year 2007-08	Nil	Nil
b) Sales Tax Appeals	25,37,838	25,37,838

**RELATED PARTY DISCLOSURE :** Detail of transaction entered into with related parties during the period as required by Accounting Standard 18 on 'Related Party Disclosures' issued by The Institute of Chartered Accountants of India are as under :-

(Amount in Rs. Lakhs)

Particulars	Associates*		Key Management Personnel & their relatives		Total	
	Current Year	Prev. Year	Current Year	Prev. Year	Current Year	Prev. Year
Purchases of Goods/ Services	3.02	0.31	NIL	NIL	3.02	0.31
Sale of goods/ Services	3194	2224	NIL	NIL	3194	2224
Loan Advances given	0	0	NIL	NIL	0	0
Management Remuneration, Perquisites	NIL	NIL	87.76	11.96	87.76	11.96
Receivables	1.125	5.5	NIL	NIL	1.125	5.5
Payables	55.39	114.53	NIL	NIL	55.39	114.53

\*Associates includes the companies/Firms in which the Key Management Personnel or their Relatives have significant influence, also includes enterprises with whom no transaction has taken place during the period

**Note :**

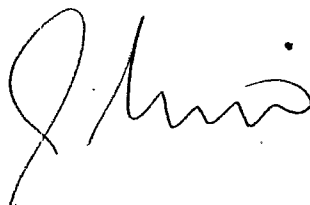
**Associates**

Oremica Foods Ltd  
Bectors Food Ltd  
Oremica Industries Ltd  
Mrs. Bector Foods Specialities Ltd  
Baksoest Foods Pvt Ltd  
Oremica Food SPL Ltd.

**Key Management Personnel**

Mr. S.S Chaudhary  
Mr. Akshay Bector  
Mr. Ajay Bector  
Mr. Anoop Bector  
Mr. Dharamvir Bector  
Mr. Rajni Bector  
Mr. R. K Aggarwal  
Mr. Subash Aggarwal  
Mrs. Samira Bector  
Mrs. Sunita Chaudhari

	Current year	Previous Year
24 CUF value of Imports	Nil	Nil
25 Expenditure in Foreign Currency (in Rs.)	20619	16733
26 Income in foreign Currency (in Rs.)	NIL	NIL






**27 Value of Imported & Indigenous Material Consumed & %age thereof**

	Current year	Previous Year
a) Material Consumed	23,45,33,180	15,90,55,238
<b>Total (a)</b>	<b>23,45,33,180</b>	<b>15,90,55,238</b>
b) Fuel	3,00,35,655	2,18,22,839
c) Consumable Store	27,37,982	19,49,985
<b>Total (b)</b>	<b>3,27,73,638</b>	<b>2,37,72,824</b>
<b>Total (a)+(b)</b>	<b>26,73,06,817</b>	<b>18,28,28,062</b>

	Current Year		Previous Year	
	Amount	%age	Amount	%age
Indigenous Material Consumed	23,45,33,180	100.00	15,90,55,238	100.00
Imported Material Consumed	-	-	-	-
Indigenous Store Consumed	3,27,73,638	100.00	2,37,72,824	100.00
Imported Store Consumed	-	-	-	-

**28 Income /Expenditure**

Income/Expenditure which cannot be ascertained accurately are accounted for as and when ascertained

**29 Earning Per Share:**

The Basic and diluted earning per share of the company is Rs. Current year 43.05 Previous year 3.31

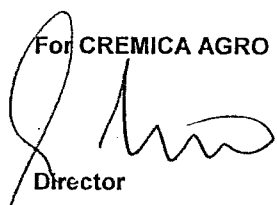
**30** According to information available with the Management, on the basis of intimation required from the suppliers, regarding their status under the Micro, Small and Medium Enterprises Development Act,2006, there are no disclosures that are to be given under the said act.


**31** Previous years figures have been re-grouped/re-arranged to make them comparable with the current years figures,wherever considered necessary.

**32** Prior period & extra ordinary items of changes in accounting policies having material impact on financial affairs of the company (if any) are separately disclosed.

**33** Material Events occuring after the Balance Sheet date are taken into cognizance

Note 1 to 33 form an integral part of Balance sheet and profit and loss account and have been duly authenticated as such.

For CREMICA AGRO FOODS LIMITED  
  
 Director

  
 Director

PLACE: LUDHIANA  
 DATE : 02-09-2013

For KUMAR SUNIL & ASSOCIATES  
 CHARTERED ACCOUNTANTS  
 SOHAN PALACE  
 THE MALL, LUDHIANA  
 FRN NO. 006263N  
 M. NO. 084958  
 SUNIL KUMAR  
 (PROP.)  
 M.No.084958  
 FRN 006263N

**If undelivered please return to :  
CREMICA AGRO FOODS LTD.  
B-XXXIII-324, G.T. Road (West)  
Near Jalandhar Bye Pass  
Ludhiana.**