



# **Natraj Proteins Limited**

*22nd Annual Report*

*2012-2013*

<b>BOARD OF DIRECTORS</b>	:	<b>Kailash Chand Sharma, (Managing Director)</b>
	.	<b>J.P. Agrawal, (Whole Time Director)</b>
		<b>Sharad Kumar Jain (Whole Time Director)</b>
		<b>Umesh Trivedi</b>
		<b>Giriraj Gupta</b>
		<b>Pradeep Agrawal</b>
<b>AUDITORS</b>	:	<b>Bhutoria Ganesan &amp; Co., Chartered Accountants, Bhopal (M.P.)</b>
<b>COMPANY LAW ADVISOR</b>	:	<b>D. K. Jain &amp; Company, Company Secretaries, Indore (M.P.)</b>
<b>BANKER</b>	:	<b>Andhra Bank, Bhopal (M.P.)</b>
<b>REGISTERED OFFICE &amp; FACTORY</b>	:	<b>Nagpur Kalan, Ordinance Factory Road, Itarsi (M.P.) Ph. 07572 262636 Fax 07572 262639</b>
<b>SHARE TRANSFER AGENT</b>	:	<b>Ankit Consultancy Pvt. Ltd. (SEBI REG. No. INR 0000007670) 60, Electronic Complex, Pardeshipura, Indore (M.P.) Ph. 0731-2551745</b>

**NOTICE**

**NOTICE** is hereby given that the **22<sup>nd</sup> Annual General Meeting** of the Members of **NATRAJ PROTEINS LTD.** will be held at the Registered Office of the Company at Nagpur-Kanan Ordinance Factory Road, Itarsi 461111 (M.P.) on Monday the **30<sup>th</sup> day of September, 2013** at 2.00 PM to transact the following business:

**I. ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at **31<sup>st</sup> March 2013** and Statement of Profit & Loss and cash flow statement of the company for the year ended **31<sup>st</sup> March 2013** together with the report of the Directors & Auditor's thereon on that date.
2. To appoint a director in place of Shri J.P. Agrawal, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Shri K.C. Sharma, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

**II. SPECIAL BUSINESS BY SPECIAL RESOLUTION:**

5. To consider and if thought fit, to pass with or without modification(s) if any, the following **Special Resolution:**

**RESOLVED THAT** pursuant to the provisions of section 198, 269, 302, 309,310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 if any, Shri Kailash Chand Sharma be and is hereby re-appointed as the Managing Director of the Company for a further period of three years w.e.f. 1<sup>st</sup> August 2013 on the following terms, conditions and remuneration:

(a) Salary of Rs.50,000/- per month.

(b) Allowances/perquisites: subject to a maximum of Rs. 3,00,000 p.a. as under:

1. Re-imbursment of medical expenses of the Managing Director and his family, the total cost of which to the Company shall not exceed one month's salary in the year or three months salary in a block of three years.
2. Leave travel assistance: Expenses incurred for self and family accordance with the Rules of the Company.
3. Club Fees: subject to a maximum of two clubs, this will not include admission and life membership.
4. Personal accident insurance premium not exceeding Rs. 8,000/- p.a.

**NOTE:** For the purpose of perquisites stated in Category "A" above, "Family" means the spouse, the dependent children and dependent parents of the appointee.

**CATEGORY A:**

1. Employers Contribution: to Provident Fund As per the Rules of the Companies Act, 1956.
2. Gratuity: As per rules of the company, subject to a maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.
3. Leave encashment: up to 15 days salary for every one year completed service as per the rules of the Company.  
Provided that the above said perquisites shall not be counted for the purpose of calculation of the remuneration payable to the Managing Director.

**CATEGORY B:**

1. Car: The Company shall provide car with driver for the Company's business and if no car is provided reimbursement of the conveyance shall be made as per actual on the basis of claims submitted by him.
2. Telephone & Cell: Free use of telephone at his residence and Cell phone, provided that the personal long distance calls on the telephone shall be billed by the Company to the Managing Director.

**FURTHER RESOLVED THAT** in the event of there being loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to the Managing Director shall be the minimum remuneration payable by the Company.

**FURTHER RESOLVED THAT** there shall be clear relation of the Company with the Managing Director as "the Employer-Employee".

**RESOLVED FURTHER THAT** the Managing Director shall also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/ amenities and other privileges, as may from time to time, be available to other Senior Executives of the Company.

**RESOLVED FURTHER THAT** the Board of directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, may consider necessary, expedient or desirable and to vary, modify the terms and conditions and to settle any question, or doubt that may arise in relation thereto and the Board shall have absolute powers to hold the increments, decide break up of the remuneration within the above said maximum permissible limit, in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.

6. To consider and if thought fit, to pass with or without modification(s) if any, the following **Special Resolution:**

**RESOLVED THAT** pursuant to the provisions of section 198, 269, 302, 309, 310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 if any, Shri J. P. Agrawal be and is hereby re-appointed as the Whole-time Director of the Company for a period of three years w.e.f. 1<sup>st</sup> August 2013 on the following terms, conditions and remuneration:

- a. Salary of Rs.50,000/- per month.
  - b. Allowances/perquisites: subject to a maximum of Rs. 3,00,000 p.a. as under:
  - c. Re-imbursment of medical expenses of the Whole-time Director and his family, the total cost of which to the Company shall not exceed one month's salary in the year or three months salary in a block of three years.
1. Leave travel assistance: Expenses incurred for self and family in accordance with the Rules of the Company.
  2. Club Fees: subject to a maximum of two clubs, this will not include admission and life membership.
  3. Personal accident insurance premium not exceeding Rs. 8,000/- p.a.

**NOTE:** For the purpose of perquisites stated in Category "A" above, "Family" means the spouse, the dependent children and dependent parents of the appointee.

**CATEGORY A:**

1. Employers Contribution: to Provident Fund As per the Rules of the Companies Act, 1956.
2. Gratuity: As per rules of the company, subject to a maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.
3. Leave encashment: up to 15 days salary for every one year completed service as per the rules of the Company.

Provided that the above said perquisites shall not be counted for the purpose of calculation of the remuneration payable to the Whole-time Director.

**CATEGORY B:**

1. **Car:** The Company shall provide car with driver for the Company's business and if no car is provided reimbursement of the conveyance shall be made as per actual on the basis of claims submitted by him.
2. **Telephone & Cell:** Free use of telephone at his residence and Cell phone, provided that the personal long distance calls on the telephone shall be billed by the Company to the Whole-time Director.

**FURTHER RESOLVED THAT** in the event of there being loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to the Whole-time Director shall be the minimum remuneration payable by the Company.

**FURTHER RESOLVED THAT** there shall be clear relation of the Company with the Whole-time Director as "the Employer-Employee".

**RESOLVED FURTHER THAT** the Whole-time Director shall also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/ amenities and other privileges, as may from time to time, be available to other Senior Executives of the Company.

**RESOLVED FURTHER THAT** the Board of directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, may consider necessary, expedient or desirable and to vary, modify the terms and conditions and to settle any question, or doubt that may arise in relation thereto and the Board shall have absolute powers to hold the increments, decide break up of the remuneration within the above said maximum permissible limit, in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.

BY ORDERS OF THE BOARD

**KAILASH CHAND SHARMA**  
MANAGING DIRECTOR

Place: Itarsi

Dated: 13<sup>th</sup> August, 2013

**NOTE:** A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

- 1 The Company has already notified closure of Register of Members and Share Transfer Books from 28<sup>th</sup> September, 2013 to 30<sup>th</sup> September, 2013 (both days inclusive) for the purpose of the AGM.
- 2 Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend, the Company or its Registrar and Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates, such changes are to be advised only to the depository participant of the members.
- 3 (a) Members are requested to notify immediately any change of address:
  - i) To their Depository Participants (DPs) in respect of their electronic share accounts; and
  - ii) To the Company to its Share Transfer Agents in respect of their physical share folios, if any.
 (b) In case the mailing address on this Annual Report is without the PINCODE, members are requested to kindly inform their PINCODE immediately.
- (c) Non-resident Indian Shareholders are requested to inform Share Transfer Agents immediately:
  - i) Change in the residential status on return to India for permanent settlement.
  - ii) The particulars of NRE Account with Bank in India, if not furnished earlier.
- 4 Relevant documents referred into the accompanying notice are open for inspection by the members at the Registered office of the Company on all working days, except Saturdays between 11.00 A.M. to 1.00 P.M. upto the date of meeting.
- 5 Members who are holding shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificates will be returned to the members after making requisite changes thereon.
- 6 Members desires of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
- 7 The Company has connectivity with the CDSL & NSDL and equity shares of the Company may also be held in the Electronic form with any Depository Participant (DP) with whom the members/ investors having their depository account. The ISIN No. For the Equity Shares of the Company is INE444D01016. In case of any query/difficulty in any matter relating thereto may be addressed to the Share Transfer Agents Ankit Consultancy Pvt. Ltd., Plot No. 60, Electronic Complex Pardeshipura, Indore (M.P.)
- 8 As per the provisions of the Companies Act, 1956, facility for making nominations is now available to INDIVIDUALS holding shares in the Company. The Nomination Form-2B prescribed by the Government can be obtained from the Share Transfer Agent or may be down load from the website of the Ministry of Corporate Affairs
- 9 The SEBI has mandated the submission of PAN by every participant in securities market, members holding shares in electronic form are therefore, requested to submit the PAN to their depository participant with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company's Share Transfer Agent, M/s Ankit Consultancy Pvt. Ltd.
- 10 The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing

paperless compliance by the Companies and has issued circulars stating that service of notice/documents including annual report can be sent by email to its members. To support these green initiative of the government in full measures, members who have not registered their email address, so far are requested to register their email address, in respect of electronic holdings with the CDSL/NSDL. Members who hold shares in physical form are requested fill the appropriate column in the members feedback form and register the same with Ankit Consultancy Pvt. Ltd.

- 11 The Company shall make available transport facilities from Itarsi to factory premises for attending the Annual General Meeting.
- 12 Brief resume of directors those proposed to be appointed, nature of their expertise in specific functional areas, names of companies, in which they hold directorship, shareholding and relationship between directors inter-se stipulated under Clause No.49 of the Listing Agreement with the stock exchanges, or provided here under:

#### STATEMENT REGARDING THE DIRECTORS PROPOSED FOR APPOINTMENT

NAME OF APPOINTEE	AGE / YEARS	QUALIFICATION	EXPERTISE/ EXPERIENCE	DATE OF APPOINTMENT	OTHER DIRECTORSHIPS IF ANY	No% of Shares hold
Shri K.C. Sharma Managing Director	54	B.Com.	More than 16 years experience in Soya and manufacturing Industries	21.11.1990	None	165000 (4.41%)
Shri J. P. Agrawal Whole-time Director	72	M. Com., LL.B.	Tax Advisor and having more than 16 years experience in Soya Industries	21.11.1990	None	223000 (5.95%)

#### ANNEXURE TO THE NOTICE

#### EXPLANATORY STATEMENT IN PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT TO THE SPECIAL BUSINESS:

##### ITEM NO. 5 & 6:

The tenure of Shri K.C. Sharma, Managing Director and Shri J.P.Agrawal, Whole-time Director of the Company have been expired on 31<sup>st</sup> July, 2013.

The above said managerial personals are the core promoters and directors of the Company since its inception and have given their significant contribution and support in the managing the business activities for the growth and success of the Company. Looking into their active involvement and contributions made for the Company, the Remuneration committee of the Board has considered and approved for their re-appointment for a further period of three year w. e. f. 1<sup>st</sup> August, 2013 on the terms and conditions as set out in the respective resolutions.

Your Board recommends passing the respective resolutions as set out in Item No. 5 to 6 of the Notice as Special Resolutions.

This may also be treated as an abstract of the terms and conditions governing the appointment and remuneration of the above said director pursuant to section 302 of the Companies Act, 1956.

Except, the above said appointee being re-appointed individually, none of other directors of the Company is concerned or interested in the respective resolutions.

BY ORDERS OF THE BOARD

Place: Itarsi

Dated: 13<sup>th</sup> August, 2013

**KAILASH CHAND SHARMA**  
MANAGING DIRECTOR

## DIRECTORS' REPORT

To,  
The Members,  
Natraj Proteins Limited

Your Board of directors has pleasure in presenting their 22<sup>nd</sup> Annual report on the business and operations of the Company along with the Audited Balance Sheet and the statement of Profit & Loss for the year ended 31<sup>st</sup> March 2013.

### 1. FINANCIAL RESULTS:

Financial Results of the company for the year under review along with the comparative figures for previous year are as follows:

Particulars	(Amount in Lakhs)	
	Year ended	
	31 <sup>st</sup> March 2013	31 <sup>st</sup> March 2012
Total sales	31748.55	22070.17
Profit before interest, depreciation & tax	2053.94	1008.79
Less: Interest	324.87	386.50
Depreciation	80.55	75.66
Profit Before Tax	1648.52	546.63
Less: Provision for Income Tax	573.03	193.00
Less: Provision for Deferred Tax	(10.32)	(0.42)
Net Profit After Tax	1085.81	354.05
Add: Balance carried from Profit & Loss A/c	1467.20	1113.15
Total surplus of profit carried to Balance Sheet	2553.01	1467.20

### 2. DIVIDEND:

In order to strengthen the capital base and looking to the future prospects of the company, your directors do not recommend any dividend during the year and the funds are proposed to be utilized for Company's business activities of the company.

### 3. REVIEWS ON OPERATIONS:

During the year under review the company has achieved turnover of Rs. 31749.55 Lacs as compared to Rs. 22070.17 Lacs in the previous year. The net profits after of the Company was also recorded at Rs 1,085.81 Lacs as compared to Rs. 354.04 Lacs in the previous year.

#### 3.1. SOYA DIVISION

During the year under review, the monsoon was quite favorable for the company's raw material viz, soya seeds and it was able to procure adequate seed for its crushing and manufacturing requirements.

Your directors also look forward for better working results in the years to come and good parity on export of DOC. However, the business activities mainly depends upon monsoon according to the required norms for soya crops and as the members are aware that the company is based on the SOYA seeds, an agricultural product, which is purely dependent on the monsoon and the climatic conditions of the Country

#### 3.2 WIND POWER DIVISION

The company is having Wind Power Mill in the state of Tamil Nadu for 750 KW capacity. The wind mill has generated 1488720 Units during the year (previous year 1192476 Unit).

### 4. DIRECTORS:

The Board consists of executive and non-executive directors including independent directors who have wide and varied experience in different disciplines of corporate functioning.

Shri K.C Sharma and Shri J.P. Agrawal will retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

Further that tenure of Shri K.C.Sharma as Managing Director and Shri J.P.Agrawal as Whole-time Director was expired on 31<sup>st</sup> July 2013. The Board has re-appointed them for a further period of 3 years w.e.f.1<sup>st</sup> August, 2013 on the terms, conditions and remuneration as set out in the notice of the forthcoming annual general meeting.

Your directors submit necessary resolutions for respective appointments before the members of the Company.

**5. DEPOSITS:**

Your Company has not accepted deposits from the general public within the meaning of the provisions of section 58A of the Companies Act, 1956. There was no overdue/unclaimed deposit as at the date of the Balance Sheet. The Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other Court or Tribunal against the Company has passed no order.

**6. DIRECTORS' RESPONSIBILITY STATEMENT:**

In accordance with the provisions of section of 217(2AA) of the Companies Act, 1956,your directors state that:

- In the preparation of accounts, the applicable accounting standards have been followed.
- Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the company as at the end of March 31, 2013 and the profits of the company for the year ended on that date.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities.
- The annual accounts of the company have been prepared on the going concern basis.

**7. SHARE CAPITAL & LISTING:**

The Company's 37,47,000 equity shares of Rs. 10 each fully paid up may also be kept in the electronic form as your company has connectivity from the Central Depository Services Ltd. (CDSL) and National Depository Services Ltd. (NSDL) to provide facilities to all members and investors to hold the Company's shares in dematerialized form.

The above said Equity shares are listed with the Mumbai, Madhya Pradesh and Ahmedabad Stock Exchanges. The Company is regular in payment of annual listing fees to all the Stock Exchange and there were no suspension of trading in any stock exchange during the year under review. The Company has also applied for granting permission for trading of the Equity Shares at the platform of NSE under the permitted category through the MPSE.

**8. PERSONNEL:**

The Company continues to have cordial relations with its employees during the year under review.

**9. AUDITORS:**

M/s Bhutoria Ganesan & Co., Chartered Accountants, (F.R.No. 004465C) the statutory Auditors of the Company retires at the close of this Annual General Meeting and is eligible for re-appointment. The Company has received confirmation from the Auditors that their re-appointment will be within the limits prescribed under section 224(1B) of the Companies Act, 1956. The Audit Committee of the Board has recommended their re-appointment. The necessary resolution is being placed before the shareholders for approval.

**10. AUDITORS' REPORT:**

The report of the auditors of the company and notes to the accounts are self explanatory and therefore do not call for any further comments and may be treated as adequate compliance of section 217(3) of the Companies Act, 1956.

**11. COST AUDITOR:**

M/s Yogesh Chourasia & Associates (M.No. 00271) Cost Accountants has been appointed as the cost auditor of the Company for conducting the cost audit of Company's product i.e. Soya edible oil for the financial year 2013-14. Pursuant to the provisions of section 209(1)(d) of the Companies Act, 1956, Company is subjected to maintenance of Cost Accounting Record and is required to file Cost Audit Report to the MCA for the financial year 2012-13. The Cost Auditors has submitted their Report for the year ended 31<sup>st</sup> March, 2013 and the company is in process to file the same to the Central Government for the year 2013-14.

**12. INSURANCE:**

The assets of company are adequately insured against the loss of fire and other risks, which has been considered necessary by the management.

**13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, PARTICULAR OF EMPLOYEES AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Information as 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 have been annexed herewith as Annexure A.

**14. CORPORATE GOVERNANCE:**

Corporate governance assumes a great deal of importance in the business life of the company. The driving forces of the corporate governance at company are its core values, belief in people, entrepreneurship, customer's orientations and the Pursuit of Excellence. The company's goal is to find creative and productive ways of delighting its stakeholders, i.e., investors, customers and associates, while fulfilling the role of a responsible corporate representative committed to the best practices.

Your company has complied with the mandatory requirements of Clause 49 of the listing agreement within the stipulated time. Report on the Corporate Governance has been annexed to the Directors' Report as Annexure B.

**15. COMPLIANCE CERTIFICATE:**

In terms of the provisions of section 383(1A) of the Companies Act, 1956, the Company has obtained Compliance Certificate from M/s Jain Gupta & Co., Company Secretaries and enclosed with the Directors Report, as Annexure C.

**MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:****A. INDUSTRY STRUCTURE AND DEVELOPMENTS:**

As so many new projects for SOYA industries have commissioned in past in the state of Maharashtra and surrounding areas of the state of Madhya Pradesh, to get advantage of the Soya production in the crushing activities.

**B. BUSINESS OVERVIEW AND FUTURE OUTLOOK:**

While we cannot predict a further performance will believe considerable opportunities will exist for sustained, profitable growth, not only in the developing countries but also in the developed western countries. The Company plans to launch oil in consumable packing to take the retail market, for good profitability.

**C. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has reasonable system of internal control comparing authority levels and the powers, supervision, checks, policies and the procedures. The Company is having the Audit Committee under the Chairmanship of Shri Umesh N. Trivedi. The said Committee reviews the adequacy of internal controls systems and the Compliance thereof.

Further the annual financial statement of the company are reviewed and approved by the committee and placed before the Board for the consideration. The Committee also reviewed the internal controls system during the year.

**D. ENVIRONMENTS, SAFETY AND ENERGY CONSERVATION:**

The company is taking the steps for the environment safety and the energy conservatism. Your company has recorded further reduction in specific energy consumption over the previous year, through productivity improvements, induction of innovative energy-efficient process technologies and recycling/reuse of energy stream where feasible.

To conserve ground water, your company has embarked on rainwater harvesting projects at the manufacturing site and greening of barren land around factory. Further a comprehensive health check of all its employees.

**E. CAUTIONARY STATEMENT:**

Statement made in the management discussion and analysis report as regards the expectations or predictions are forward looking statements within the meaning of applicable Laws and Regulations. Actual performance may deviate from the explicit or implicit expectations.

**F. SWOT ANALYSIS FOR THE COMPANY**

**Strengths:**

- Strong R & D capability well linked with business.
- Integrated supply chain.
- Ability to deliver cost saving.
- High quality of manpower resources.
- Centralized manufacturing activities.

**Weaknesses:**

- Manufacturing activities are mainly dependent on the availability of seed, which is directly related to the monsoon.
- Since, the bulky products, the company's transportation activities of the Oil and DOC are based on the availability of racks from the Indian Railway, some times it is not available as and when required and disturb the dispatch schedule.
- The Company's product being directly/indirectly exported, which has exchange control risk and the parity of the profitability is based on the exchange rates. This year as the rupee was appreciated, the profitability of the Company was also affected to some extent.

**Threats:**

- Monsoon activities.
- Competition from the manufacturers.

**Opportunities:**

- Good monsoon will provide good opportunities to the company.
- Price competitiveness.

**G. MARKETING AND EXPORT:**

Though the Company does not export directly, but it plans for direct export in coming season for better realization. The Company's export/gross revenue largely effects the exchange ratio of Indian Rupee viz a viz US \$ and Euro.

**16. ACKNOWLEDGEMENTS:**

Your directors wish to place on record their sincere appreciation and acknowledge with gratitude for the assistance, cooperation and encouragement by valued customers, suppliers, bankers, shareholders and employees of the company and look forward for their continued support.

**For and on behalf of the Board**

**Place: Itarsi**

**Dated:13<sup>th</sup> August, 2013**

**K.C.SHARMA  
CHAIRMAN & MANAGING DIRECTOR**

**Annexure A to the Directors' Report:**  
**[Information as per the Companies (Disclosure of particular in Report of Board of Directors)**  
**Rules, 1988]**

**A. CONSERVATION OF ENERGY:**

1	Power and Fuel Conservation:	Year Ended	
		31/03/2013	31/03/2012
i)	Electricity:		
	a) Units in (K.W.)	3187210	3732360
	b) Total Amount (Rs. In lacs)	210.66	209.06
	c) Rate per KW (in Rs.)	6.61	5.60
ii)	a) Coal (Qty.in M.T.)	6748.4	8695.008
	b) Total cost (Rs. In lacs)	245.89	303.59
	c) Average rate per M.T. (in Rs.)	3643.72	3491.53
2	Consumption per unit of Production:	Production in M.T.	
	a) Crude Oil	12981.332	12672.624
	b) Refined Oil	6413.229	12797.678
	c) De-oiled Cake	66814.014	67848.079
	d) Acid Oil	96.71	263.500
	e) Gums	672.995	1261.700
	f) Fatty Acid	8.100	11.155
	g) Lecithin	276.210	501.715

**B. TECHNOLOGY ABSORPTION:**

The company is making continuous efforts for the technological development of the plant and refinery. The technology selected by your company for solvent plant and refinery is well proven within the country and the company is making all the efforts to update its technology, the company had also established a laboratory for Research & Development facilities for quality control purpose.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

During the year under review, your company has made exports through the export houses. However, only one direct export earnings of Rs. 306.87 Lacs, as inflow and Rs.2.62 Lacs as outflow of foreign exchange during the year under review (previous year Nil).

**D. PARTICULARS OF EMPLOYEES:**

Particulars of the employees as required under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of the Employees) Rules 1975, are not applicable as none of the employee of the company is drawing more than Rs. 60,00,000/- p.a. or Rs.5,00,000/- p.m. for the part of the year, during the year under review.

For and on behalf of the Board

Place: Itarsi  
Dated: 13<sup>th</sup> August, 2013

K.C.SHARMA  
**CHAIRMAN & MANAGING DIRECTOR**

**Annexure B**  
**CORPORATE GOVERNANCE REPORT**  
**REPORT OF COMPLIANCE WITH CLAUSE 49**  
**OF THE LISTING AGREEMENT OF THE STOCK EXCHANGES**

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The Company's philosophy on code of Governance as adopted by the Board is as under:

- (i) Ensure that the quantity, quality and frequency of financial and managerial information, which management shares with the Board, fully places the Board members in control of the company's affairs.
- (ii) Ensure that the Board exercises its fiduciary responsibilities towards shareowners and creditors, thereby ensuring high accountability.
- (iii) Ensure that the extent to which the information is disclosed to present and potential investors is maximized.
- (iv) Ensure that the decision-making is transparent and documentary evidence is traceable through the minutes of the meetings of the Board/Committee thereof.
- (v) Ensure that the Board, Employees and all concerned are fully committed to maximizing long-term value to the shareowners and the company.
- (vi) Ensure that the core values of the company are protected.

**2. BOARD OF DIRECTORS:**

**(i) Details of Directors:**

The Company is having six directors in the Board and having optimum composition of three independent directors in the Board of directors of the Company. Details of directors of the Company as at 31<sup>st</sup> March 2013 are as under:

Directors	Executive/ Executive Independent	Non /	No. of outside directorship held		No. of outside Committee positions held	
			Public	Private	Member	Chairman
Shri Jagdish P. Agrawal	Executive/Promoter	-	-	-	-	-
Shri Kailash C. Sharma	Executive/Promoter	-	-	-	-	-
Shri Umesh Trivedi	NED/IND	-	-	-	-	-
Shri Giriraj Gupta	NED/IND	1	-	-	-	-
Shri Sharad Kumar Jain	Executive	-	-	-	-	-
Shri Pradeep Agrawal*	NED/IND	-	-	-	-	-

\*Appointed w.e.f. from 14.05.2012.

**(ii) Details of Board Meetings held during the year:**

During the financial year 2012-13, there were total 8 (Eight) meetings of the Board of directors of the Company. Details regarding the date, venue, strength of the Board and directors present at the respective meetings are as under:

Date of Board Meetings	Place of meetings	Total Strength of the Board	No. of Directors present
14/05/2012	Itarsi, M.P.	6	5
14/08/2012	Itarsi, M.P.	6	5
25/08/2012	Itarsi, M.P.	6	5
07/10/2012	Itarsi, M.P.	6	5
22/10/2012	Itarsi, M.P.	6	5
12/11/2012	Itarsi, M.P.	6	5
19/01/2013	Itarsi, M.P.	6	5
13/02/2013	Itarsi, M.P.	6	5

**3. CODE OF CONDUCT**

The Board of directors of the Company has laid down a Code of Conduct for all Board members and members of senior management of the company. The Board Members and Senior Management have affirmed compliance with the "Code of Conduct" for the year ended March 31, 2013.

**4. AUDIT COMMITTEE:**

**(A) Brief description of terms of reference:**

- (i) Review with the management the quarterly/half-yearly financial statements.
- (ii) Hold separate discussion with Head-Internal Audit, Statutory Auditors and among members of the Audit Committee to find out whether the company's financial statements are fairly presented in conformity with the Accounting Standards issued by the Central Government.
- (iii) Review the company's financial and risk management policies and the adequacy of internal control systems.
- (iv) Review the adequacy of accounting records maintained in accordance with the provisions of the Companies Act 1956.
- (v) Review the performance of Statutory Auditors and recommend their appointment and remuneration to the Board, considering their independence & effectiveness.
- (vi) Perform other activities consistent with the Company's Memorandum and Articles, the Companies Act, 1956 and other Governing Laws.
- (vii) Review of the Cost Auditors Report and recommendation for the appointment of the Cost Auditors.

**(B) Composition of Committee:**

S.No	Name	Designation	Position in Committee
1.	Mr. Umesh R. Trivedi	Director NED/IND	Chairman
2.	Mr. Giriraj Gupta	Director NED/IND	Member
3.	Mr. Pradeep Agrawal*	Director NED/IND	Member

\*Appointed w.e.f. 14.05.2012

The Statutory Auditors and Managing Director of the Company were also invited by the Committee to express their views in the Meeting. The Chairman of the Audit Committee has also attended the Annual General Meeting of the members of the company.

**(C) Meetings of the Audit Committee:**

During the financial year 2012-13 the Audit Committee met 5 times on the 14<sup>th</sup> May, 2012; 14<sup>th</sup> August, 2012; 25<sup>th</sup> August, 2012; 12<sup>th</sup> November, 2012; 13<sup>th</sup> February, 2013 under the Chairmanship of Shri Umesh N. Trivedi, in which proper quorum was present.

The Committee considered the draft Annual Accounts for the year 2012-13. The Committee also reviewed financial and risk management policy of the Company and defaults, if any in payment to the creditors, financial institutions and reasons thereof.

**5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE:****(A) Brief description of terms of reference:**

The Company has a 'Shareholders Grievance & Transfer Committee' at the Board level to look into the Redressing of shareholders and investor's complaints like:

- (i) Transfer of Shares, transmissions and delay in confirmation in D-mat of shares.
- (ii) Non-receipt of Annual Report, etc.

**(B) Composition of Committee and number of meetings held:**

S.No	Name	Designation	Position in Committee
1.	Mr. Umesh N. Trivedi	Director NED/IND	Chairman
2.	Mr. Giriraj Gupta	Director NED/IND	Member
3.	Mr. Pradeep Agrawal#	Director NED/IND	Member

# Appointed w.e.f. 14.05.2012

- (i) Name and designation of Compliance Officer : Shri K.C.Sharma,  
Managing Director
- (ii) Number of shareholders complaints received during the year : 3
- (iii) Number of complaints solved during the year : 3
- (iv) Number of complaints pending at the end of the year : 0

The Company has given powers to implement transfer, transmission and D-mat of Shares to the Share Transfer Agent and to resolve the relating problems as professional agency. The Committee meets only on specific nature of complaints not resolved within a period of 14 days from the date of its receipts.

## 6. REMUNERATION COMMITTEE:

### (a) Brief description of terms of reference:

The terms of reference of the Committee are to review and recommend compensation payable to the executive directors. The Committee also ensures that the compensation policy of the Company provides for performance-oriented incentives to management.

### (b) Composition of Committee and number of meetings held:

S.No	Name	Designation	Position in Committee
1.	Mr. Umesh R. Trivedi	Director NED/IND	Chairman
2.	Mr. Giriraj Gupta	Director NED/IND	Member
3.	Mr. Pradeep Agrawal	Director NED/IND	Member

During the year under review no reference were made to the Remuneration committee, hence it was not required to have any meeting.

### (c) Payment of non-executive directors and composition of the Committee:

S.No.	Name of Directors	Status	Sitting fee (Rs.)	Salary/ remuneration (Rs.)
1	Shri Kailash Chand Sharma	Director/ MD	0	600000
2	Shri Jagdish Prasad Agrawal	Director/ WTD	0	600000
3	Shri Giriraj Gupta	Director/NED	0	0
4	Shri Umesh Trivedi	Director/NED	0	0
5	Shri Sharad Kumar Jain	Director/WTD	0	600000
6	#Shri Pradeep Agrawal	Director/NED	0	0

# Appointed w.e.f. 14<sup>th</sup> May, 2012

## 7. WHISTLE-BLOWER POLICY

We have established a mechanism for employee to report concerns about unethical behavior, actual or suspected fraud, or violation of our code of conduct or ethics policy. The mechanism also provides for adequate safeguard against victimization of employee who avails of the mechanism and also provides for direct access to the chairperson of the audit committee in exceptional cases. We further affirm that during the financial year 2012-2013, no employee has denied access to the audit committee

## 8. VENUE AND TIME OF THE LAST THREE ANNUAL GENERAL MEETINGS:

Location and time, where last three AGMs were held:

Financial Year	2009-10	2010-11	2011-12
Date	25.09.2010	23.09.2011	29.09.2012
Time	2.00 P.M.	2.00 P.M.	2.00 P.M.
Venue	Registered Office	Registered Office	Registered Office
No of special item/ businesses transacted	2	Nil	2

## 9. DISCLOSURES ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:

There are no material significant related party transactions made by the Company with its promoters, directors or the management, their subsidiaries or relative that may have potential conflict with the interests of company at large. Register of contracts containing transactions in which directors are interested is placed before the Board regularly for its approval.

During the last three years there was no penalty, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets.

**10. MEANS OF COMMUNICATION:**

Quarterly results of the Company are published in leading newspapers such as Freepress Journal in English and Chotha Sansar in Hindi. The results were promptly submitted to the Stock Exchanges where the shares of the Company are listed. The Management Discussion and Analysis have been given in the Directors' Report.

**11. GENERAL INFORMATION TO SHAREHOLDERS**

- (i) **Date, Time and Venue of Annual General Meeting** : 30<sup>th</sup> September, 2013  
at 2.00 P.M. at Nagpur Kanan,  
Ordinance Factory Road, Itarsi (M.P.)
- (ii) **Financial Calendar:** : April 2013 to March 2014  
First Quarter Results : On 13<sup>th</sup> August, 2013  
Second Quarter Results : On or before 14<sup>th</sup> Nov., 2013  
Third Quarter Results : On or before 14<sup>th</sup> Feb., 2014  
Results for the year ended : On or before 14<sup>th</sup> May, 2014
- (iii) **Dates of Book Closure** : From 28<sup>th</sup> Sept, 2013 to 30<sup>th</sup> Sept, 2013.
- (iv) **Board meeting for consideration of Annual Accounts** : 13<sup>th</sup> August, 2013
- (v) **Posting of Annual Report** : On or before 5<sup>th</sup> Sept., 2013
- (vi) **Last date for receipt of Proxy** : 28<sup>th</sup> Sept., 2013
- (vii) **Listing on Stock Exchanges** : \*The Stock Exchange, Madhya Pradesh  
Bombay Stock Exchange Ltd., Mumbai  
\*The Stock Exchange, Ahmedabad

\* The Company has passed special resolution for the voluntary delisting of shares from the Stock exchange Madhya Pradesh and Ahmedabad at the Annual General Meeting held on 29.09.2004.

- (viii) **Scrip Code**  
The Stock Exchange, Madhya Pradesh : N.A.  
The Stock Exchange, Ahmedabad : N.A.  
Mumbai Stock Exchange Ltd., Mumbai : 530119
- (ix) **Demat ISIN No. for CDSL and NSDL** : INE444D01016

**(x) Stock Market Data:**

Bombay Stock Exchange Ltd., Bombay:

Highest and lowest price of Equity Shares during each month in the last financial year 2012-13:

Month	Highest (Rs.)	Lowest (Rs.)	Total Volume in No. of Shares
April 12	15.75	14.50	4,248
May 12	19.79	13.00	32,411
Jun 12	17.00	14.00	11,444
July 12	20.65	14.72	31,512
August 12	28.75	19.20	52,454
September 12	34.25	23.60	36,182
October 12	30.25	23.90	27,851
November 12	39.00	27.65	70,225
December 12	40.70	32.05	20,779
January 13	37.50	30.55	13,522
February 13	36.40	29.25	5,000
March 13	33.40	27.25	1,921

**(xi) Share Transfer System:**

Shareholders/Investors' Grievance Committee also approves share transfers and meets at frequent intervals. The Company's Share Transfers Agent Ankit Consultancy Pvt. Ltd. Process these transfers. Share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects. In cases where shares are transferred after sending notice to the transferors, in compliance of applicable provisions, the period of transfer is reckoned from the date of expiry of the notice.

**(xii) Dematerialisation / Rematerialisation:**

Based on a SEBI directive, Company's shares are traded in electronic (demat) form. As on 31<sup>st</sup> March 2013, the Company's shares are held by shareowners in dematerialized form, aggregating 20.26% of the Equity Share Capital.

NSDL : 5,17,807 forming 13.82% of the total equity capital

CDSL : 2,41,268 forming 6.44% of the total equity capital

**(xiii) Distribution of Share owning as on 31<sup>st</sup> March, 2013:**

Share Holding of Nominal Value of Rs.	No. Of Owners	% Of Share Holders	Share Amount Rs.	% to Total
Upto 1000	171	18.25	78390	0.21
1001 -2000	55	5.87	102220	0.27
2001 -3000	22	2.35	59100	0.16
3001 -4000	162	17.29	642740	1.72
4001 -5000	125	13.34	621720	1.66
5001 -10000	161	17.18	1320680	3.52
10001-20000	67	7.15	1050520	2.80
20001-30000	41	4.38	1052530	2.81
30001-40000	24	2.56	859520	2.29
40001-50000	21	2.24	922330	2.46
50001-100000	45	4.80	3944550	10.53
100001- Above	43	4.59	26815700	71.57
<b>TOTAL</b>	<b>937</b>	<b>100.00</b>	<b>37470000</b>	<b>100.00</b>

**(xiv) Categories of Shareholders as on 31<sup>st</sup> March, 2013:**

Sr.	Category	No. of Shares held	holding % of share
<b>A</b>	<b>Promoter Holding</b>		
1	<b>Promoters</b>		
	Indian Promoters	1991000	53.14
	Foreign Promoters	0	0
2	Persons Acting in Concert	0	0
	<b>Sub Total</b>	<b>1991000</b>	<b>53.14</b>
<b>B</b>	<b>Non Promoters Holding</b>		
3.	Intitutional investors	0	0
(a)	Mutual Funds and UTI	0	0
(b)	Bank, financial Institutions, companies (Central/ State Govt./Non- Govt. Institutions)	71340	1.90
(c)	FIs	0	0
	<b>Sub Total</b>	<b>71340</b>	<b>1.90</b>
4	Others		
(a)	Private corporate Bodies	34676	0.93
(b)	Indian Public	1495433	39.91
(c)	NRI/OCBs	154551	4.12
(d)	Clearing Members	0	0
(e)	Any other	0	0
	<b>Sub Total</b>	<b>1684660</b>	<b>44.96</b>
	<b>GRAND TOTAL</b>	<b>3747000</b>	<b>100.00</b>

- (xv) **Details of the promoter's shares Under pledge.** : 12,59,500 equity shares consisting 63.26% of the Promoters holding.
- (xvi) **Details of shares credited in the suspense account** : There were no instance for returning the undelivered shares therefore, no shares were credited in the escrow account as per Clause 5(a) of the Listing Agreement.
- (xvii) **Address for Communication** : Shareholders should address their correspondence to the Company's Share Transfer Agent, Ankit Consultancy Pvt. Ltd., 60, Electronic complex, Pardeshipura, Indore (M.P.) and may also contact at the registered office of the Company.
- (xviii) **Plant Location, Head Office & Address for correspondence** : Nagpur-Kanan Ordinance Factory Road, Itarsi (M.P.)

**By order of the Board**

Place: Itarsi  
Dated: 13<sup>th</sup> August, 2013

**K.C.SHARMA**  
**CHAIRMAN & MANAGING DIRECTOR**

#### **MANAGEMENT RESPONSIBILITY STATEMENT**

The Institute of Chartered Accountants of India in full conformity with the requirements of the Companies Act, 1956 and the Accounting Standards issues the financial statements. The Management of Company accepts responsibility for the integrity and objectivity of these financial statements, as well as for estimates and judgments relating to matters not concluded by the year-end. The management believes that the financial statements reflect fairly the form and substance of transactions and reasonably presents the company's financial condition, and results of operations. To ensure this, the company has installed a system of internal controls, which is reviewed, evaluated and updated on an ongoing basis. Our internal auditors have conducted periodic audits to provide reasonable assurance those the company's established policies and procedures have been followed. However, there re inherent limitations that should be recognized in weighing the assurances provided by any system of internal controls. M/s. BHUTORIA GANESAN & CO, Chartered Accountants, the Statutory Auditors of the Company have audited these financial statements.

Place: Itarsi  
Date: 13<sup>th</sup> August, 2013

**A.K.SONI**  
**MANAGER (F&A)**

**K.C.SHARMA**  
**MANAGING DIRECTOR**

#### **DECLARATION**

This is to confirm that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of clause 49(1)(D)(ii) of the Listing Agreement entered into with the Stock Exchanges, for the year ended March 31, 2013.

**For, NATRAJ PROTEINS LTD.**

Place: Itarsi  
Dated: 13<sup>th</sup> August, 2013

**K.C.SHARMA**  
**CHAIRMAN & MANAGING DIRECTOR**

**CERTIFICATE OF STATUTORY AUDITORS  
ON CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES**

To,  
**The Board of Directors  
Natraj Proteins Limited**

We have examined the compliance of conditions of Corporate Governance procedures as stipulated in Clause 49 of Listing Agreement entered into by the company with the Stock Exchanges, for the financial year beginning 1<sup>st</sup> April 2012 and ending on 31<sup>st</sup> March 2013.

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

We have conducted our review on the basis of the relevant records and documents maintained by the company and furnished to us for review and the information and explanations given to us by the company. Based on such review, in our opinion, the Corporate Governance Report of the company, referred to above, reflects on a fair basis the status of compliance by the company with the Clause 49 of the Listing Agreement of the Stock Exchanges, relating to Corporate Governance, for the FY 2012-13 and that no investors grievances is pending for a period exceeding one month against the Company as per the records mentioned by the Share Department/Share Transfer Agent of the Company.

We further state that such compliance is neither an assurance or as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, BHUTORIA GANESAN & CO.  
CHARTERED ACCOUNTANTS  
Firm Reg. No.: 004465C

Place: Bhopal  
Date: 13<sup>th</sup> August, 2013

R. GANESAN,  
PARTNER  
M.N. 26164

## Annexure C

### COMPLIANCE CERTIFICATE

CIN: L00153MP1990PLC006090

Nominal Capital: Rs.50,000,000

To,

The Members

**NATRAJ PROTEINS LIMITED**

Nagpur Kalan, Ordinance Factory Road

Itarsi (M.P.)

We have examined the registers, records, books and papers of **NATRAJ PROTEINS LIMITED** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended **31<sup>st</sup> March 2013** (from 01.04.2012 to 31.03.2013). In our opinion and to the best of our information and according to the examinations carried and explanations furnished to us by the Company and its management, we certify that in respect of the aforesaid financial year:

1. the company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been recorded.
2. the company has filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies and the Central Government within the time prescribed under the Act and the Rules made there under except Form 23, 32 and 25C which were filed after the prescribed time with adequate late filing fees.
3. the Company being Public Limited company has the comments not required.
4. the Board of directors duly met **8 (Eight)** times on 14<sup>th</sup> May, 2012; 14<sup>th</sup> August, 2012; 25<sup>th</sup> August, 2012; 7<sup>th</sup> October, 2012; 22<sup>nd</sup> October, 2012; 12<sup>th</sup> November, 2012; 19<sup>th</sup> January, 2013 and 13<sup>th</sup> February, 2013; in respect of which meetings notices were given and the proceedings were recorded and signed in the Minutes book maintained for the purpose.
5. the company has closed its register of members from 24<sup>th</sup> Sept., 2012 to 29<sup>th</sup> Sept., 2012 and necessary compliance of section 154 of the Act has been made.
6. the Annual General Meeting for the financial year ended on **31<sup>st</sup> March, 2012** was held on **29<sup>th</sup> September, 2012** after given notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the financial year.
8. the company has not advanced any loans to its directors or persons or firms or companies, referred under section 295 of the Act.
9. the company has not complied with provisions of section 297 of the Act in respect of contracts specified in that section.
10. the company has made necessary entries in the register maintained under section 301 of the Act.
11. the company has obtained necessary approval from the members pursuant to the provisions of section 314 of the Act, where ever applicable.
12. the Board of directors or duly constituted committee of directors has approved the issue of duplicate share certificates.
13. the company.
  - I. has delivered duplicate share certificates to the shareholders, for issue of duplicate share certificates, transfer/transmission of shares during the year under review in accordance with the provisions of the Act.
  - II. was not required to deposit any amount in a separate Bank Account as no dividend was declared during the financial year 2012-13.
  - III. was not required to post warrants to any member of the company as no dividend was declared during the financial year 2012-13.

- IV. was not required to transfer any amount to the Investors Education & Protection Fund as there was no amount due for transfer to the above said account relating to unpaid dividend, application money due for refund, matured deposits, matured debentures and the interest accrued thereon as remain unpaid or unclaimed for a period of 7 years.
- V. has complied with the requirements of section 217 of the Act.
14. the Board of Directors of the company is duly constituted and appointment of directors, were made. However there was no appointment of alternate directors and directors to fill the casual vacancy during the financial year.
15. The appointment of Whole-time Director has been made in compliance with the provisions of section 269 read with Schedule XIII to the Act, except that the Forms 23, 32 and 25C which were delayed in filling.
16. the company has not appointed any sole selling agents during the financial year.
17. the company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year, except for the appointment of the cost auditors which was obtained by filing of Form 23C to the Central Government.
18. the directors have disclosed their interest in other firms/companies to the Board of directors pursuant to the provisions of the Act and the rules made there under.
19. the company has not issued any shares & other securities during the year under the review.
20. the company has not bought back any shares during the financial year.
21. there was no redemption of preference shares or debentures during the financial year.
22. there were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. the company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. the amount borrowed by the company from the financial institutions, banks and others during the financial year ending 31<sup>st</sup> March 2013 are within borrowing limit of the company.
25. the company has not made any loans and advances or given guarantee or provided securities to other body corporate and consequently no entries have been made in the register kept for the purpose.
26. the company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. the company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. the company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. the company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. the company has not altered its Articles of Association during the financial year.
31. there was/were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the company during the financial year for offenses under the Act.
32. the Company has not received any money as security from its employees during the financial year.
33. the Company has not established any separate trust for its employees u/s 41B of the Act.

**For, JAIN GUPTA & CO.  
COMPANY SECRETARIES**

**Sd/-  
PRATIMA BADJATIYA  
PARTNER  
CP NO. 6202**

**Date: 30<sup>th</sup> May, 2013  
Place: Indore**

**ANNEXURE-A**  
**Registers as maintained by the Company**

S.NO.	PARTICULARS	SECTIONS/RULES
1	Register of Deposits	Section 58A
2	Register of Charges	Section 143
3	Copies of instruments creating charge	Section 136
4	Register of Members	Section 150
5	Registers and returns kept at the Registered Office, viz Annual Returns together with copies of certificate, etc.	Section 163
6	Minute Book containing minutes of - Board Meeting - General Meeting - Audit Committee - Remuneration Committee	Section 193
7	Register of particulars of contracts in which Directors are interested and Register for disclosure of interest by the directors	Section 301
8	Register of Directors, MD/M/Secretary	Section 303
9	Register of Director's shareholdings	Section 307
10	Register of Investments	Section 372A
11	Register for Transfer/Transmission of Shares	
12	Register for issuance of duplicate share certificates	
13	Register for Demat/remat of Shares	

For, JAIN GUPTA & CO.  
COMPANY SECRETARIES

Sd/-  
PRATIMA BADJATIYA  
PARTNER  
CP NO. 6202

Date: 30<sup>th</sup> May, 2013  
Place: Indore

**Annexure-B**

**Forms and Returns as filed by the Company with Registrar of Companies & the Central Government during the financial year ending 31<sup>st</sup> March 2013**

S. No.	Form No.	Section/ Rules	For dated	Filed on dated	Whether Within Time	Whether late filing fee paid	Remarks/ RoC Receipt No.
1.	Form 23AC & 23ACA XBRL	220	31/03/2012	15/01/2013	Yes	N.A.	Q05889522
2	Form 20B	159,161	31/03/2012	19/10/2012	Yes	N.A.	P91104646
3.	Form 66	383 (1A)	31/03/2012	04/10/2012	Yes	N.A.	P89351092
4	Form 8	125	31/01/2013	23/02/2013	Yes	N.A.	B68703529
5.	Form 8	125	30/03/2012	05/04/2012	Yes	N.A.	B36267151
6	Form 23	192	12/08/2011	28/04/2012	No	Yes	B37952173
7	Form 23	192	29/09/2012	04/10/2012	Yes	N.A.	B58865692
8.	Form 32	303(2)	14/05/2012	19/05/2012	Yes	N.A.	B39464144
9	Form 32	303(2)	29/09/2012	4/10/2012	Yes	N.A.	B58863416
10.	Form 32	303(2)	01/10/2012	28/04/2012	No	Yes	B37952694
11.	Form 25C	269(2)	01/10/2011	28/04/2012	No	Yes	B37953783
12.	Form 23C	233B(2)	31/03/2012	04/07/2012	Yes	N.A.	S08956336
13.	Form 23C	233B(2)	31/03/2013	04/07/2012	Yes	N.A.	S08956617
14	Form 1 XBRL	233B(4)	31/03/2012	08/01/2012	Yes	N.A.	S19831536

For, JAIN GUPTA & CO.  
COMPANY SECRETARIES

Sd/-  
PRATIMA BADJATIYA  
PARTNER  
CP NO. 6202

Date: 30<sup>th</sup> May, 2013

**INDEPENDENT AUDITOR'S REPORT**

**The Members,  
M/s NATRAJ PROTEINS LTD.  
ITARSI**

**REPORT ON THE FINANCIAL STATEMENTS:**

We have audited the attached financial statements of **Natraj Proteins Ltd** which comprise of the Balance Sheet as at 31.03.2013 the Statement of Profit and Loss for the year ended on 31-3-2013 and Cash Flow statement for the year ended on that date 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. 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.

**AUDITOR'S 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 controls 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 the management, as well as evaluating the overall presentation of the financial statements.

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

**OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information as 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:

- i) In the case of Balance Sheet, of the state of affairs of the Company as at 31.03.2013.
- ii) In the case of Statement of Profit and Loss, of the Profit of the company for the year ending 31.03.2013.
- iii) In the case of Cash Flow Statement of the cash flows, of the Company 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 as amended by Companies (Auditor's Report) (Amendment) order, 2004, issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement of the matters specified in the paragraph 4 and 5 of the said 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, the Company has kept proper books of accounts as required by law so far as appears from our examination of those books.

- c) The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
- d) In our opinion, the Balance Sheet, Profit & loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in section 211 (3C) of the Companies Act 1956.
- e) On the basis of written representations received from the Directors of the company as on 31st March, 2013, and taken on record by the Board of Directors, none of the director is disqualified as on 31st 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.
- 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, **BHUTORIA GANESAN & CO**  
**Chartered Accountants**  
**Firm Reg No: 004465C**

**S-9, Thadaram Complex,**  
**209A, Zone I, M.P.Nagar, BHOPAL**  
**Date: 30-5-2013**

**R.GANESAN**  
**PARTNER**  
**M.NO 26164**

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT**

[Referred to in our Report of even date on the Accounts of NATRAJ PROTEINS LTD. as at and for the year ended 31<sup>st</sup> March 2013]

1. (a). The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
 (b). The fixed assets have been physically verified by the management in accordance with regular programme of verification, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Discrepancies have been appropriately dealt with in the books of account.  
 (c). The Company has not disposed off any substantial part of fixed assets during the year.
2. (a). The management has conducted Physical verification of inventories at all its locations at reasonable intervals during the year.  
 (b). The procedures of physical verification of inventory followed by management are in our opinion, reasonable and adequate in relation to the size of the company and the nature of its business.  
 (c). The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
3. The company has not taken any loan, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (e) to (g) of the said order is not applicable.
4. In our opinion, and according to the information and explanation given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and Services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in the internal control in respect of these areas.
5. (a). As per the information and explanations given to us the transactions needed to be entered into a register in pursuance of section 301 of the Companies Act, 1956 have been entered.  
 (b). As per the information and explanations given to us the transactions have been carried out at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The company has not accepted deposits from the public during the year, within the meaning of section 58A of the companies Act 1956. The directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Act and the rules framed there under, where applicable, have been complied with. No order has been passed by the company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against the company in this regard.
7. In our opinion, the company has an internal audit System However the same has to be strengthened in commensurate with its size and nature of its business.
8. We have broadly reviewed the books of account maintained by the company pursuant to rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination of the same.
9. (a). The company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor education and Protection Fund, Employees State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities to the extent applicable.  
 (b) According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were in arrears, as at 31<sup>st</sup> March 2013, for a period of more than six months from the date they become payable.  
 (c) According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were in arrears, as at 31<sup>st</sup> March 2013, for a period of more than six months from the date they become payable.

Name of the Statute	Nature of the dues	Disputed Amount (Rs. in lacs)	Period to which it relates	Forum where the dispute is pending
Income Tax	Income Tax	15.90	1994-95, 1995-96, 1996-97	Before Settlement Commission, Petition has been filed with M.P.High Court for stay
Entry tax	Entry Tax	0.53	2006-2007	M.P.Commercial Tax Appellate Board, Bhopal
M.P VAT Act 2002	VAT ACT	6.32	2006-2007	M.P Commercial Tax, Appellate Board, Bhopal

10. The company does not have any accumulated losses at the end of the financial year and it has not incurred cash losses in the year under report and in the immediately preceding financial year.
11. Based on our audit procedures, and as per the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank. The company has not issued any debentures.
12. According to the information and explanations given to us and based on the documents and records produced to us the Company has not granted any loan and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of special statute applicable to chit fund, nidhi or mutual benefit fund/societies are not applicable to the company.
14. In our opinion the company is not dealing or trading in shares, securities, debentures and other investments and hence, the requirements of Para 4(xiv) of the above order are 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. As per the records produced, the term loans have been applied for the purpose for which such loans were obtained.
17. According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow statement of the company, we report that funds raised on short-term basis have not been used for long term investment.
18. During the year the company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. There are no debentures issued by the company during the year that require creation of security or charge and therefore the requirement is not applicable.
20. During the year under audit, there was no public issue of shares.
21. Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management we report that no frauds on or by the company have been noticed or reported during the course of our audit.

**For. BHUTORIA GANESAN & CO**  
**CHARTERED ACCOUNTANTS**  
 Firm Reg No: 004465C

**R.GANESAN**  
**PARTNER**  
 M.NO 26164

**PLACE: Bhopal**  
**Date: 30-5-2013**

**NATRAJ PROTEINS LIMITED**  
**BALANCE SHEET AS AT 31-03-2013**

LIABILITIES		Note	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
<b>A</b>	<b>Shareholders' funds</b>			
	(a) Share capital	1	37,470,000	37,470,000
	(b) Reserves and surplus	2	260,077,322	151,496,521
	<b>Total (A)</b>		297,547,322	188,966,521
<b>B</b>	<b>Non-current liabilities</b>			
	(a) Long-Term Borrowings	3	31,708,539	25,302,924
	(b) Deferred Tax Liabilities (net)	4	20,526,200	21,557,882
	<b>Total (B)</b>		52,234,739	46,860,806
<b>C</b>	<b>Current liabilities</b>			
	(a) Short-Term Borrowings	5	376,470,208	472,916,980.00
	(b) Trade Payables	6	10,075,683	12,375,165
	(c) Other Current Liabilities	7	31,978,791	29,380,534
	(d) Short-Term Provisions	8	19,014,535	12,580,756
	<b>Total ©</b>		437,539,217	527,253,435
	<b>TOTAL ( A+B+C)</b>		<b>787,321,279</b>	<b>763,080,762</b>
<b>II</b>	<b>ASSETS</b>			
<b>D</b>	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible Assets	9	86,090,853	90,791,283
	(ii) Capital Work-In-Progress	9	14,474,113	3,933,577
			100,564,966	94,724,860
	(iii) Intangible Assets		1,054,429	-
	(b) Long-term Loans and Advances	10	4,836,558	3,589,780
	(c) Other Non-Current Assets	11	34,843,971	26,373,097
	<b>TOTAL (D)</b>		141,299,924	124,687,737
<b>E</b>	<b>Current assets</b>			
	(a) Inventories	12	392,098,481	576610059
	(b) Trade receivables	13	52,589,315	45249611
	(c) Cash and Bank Balances	14	163,606,481	7654867
	(d) Short-Term Loans and Advances	15	37,727,078	8,878,488
	<b>TOTAL (E)</b>		646,021,355	638,393,025
	<b>TOTAL (D+E)</b>		<b>787,321,279</b>	<b>763,080,762</b>
	Significant Accounting Policies and other Notes to Financial Statements	25A & B		

As per our Report of even date attached

Notes referred to above form an integral part of Financial Statements

For BHUTORIA GANESAN & CO,  
Chartered Accountants  
Firm Registration no: 004465C

R.GANESAN  
Partner  
Membership No: 26164

PLACE : BHOPAL  
DATED : 30/05/2013

FOR AND ON BEHALF OF BOARD OF DIRECTORS  
KAILASH CHAND SHARMA  
(MANAGING DIRECTOR)

SHARAD KUMAR JAIN  
(WHOLE TIME DIRECTOR)

PLACE: ITARSI  
DATED : 30/05/2013

**NATRAJ PROTEINS LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31-03-2013**

Particulars	Note	For the year Ended 31 <sup>st</sup> March 2013 Amount in Rs.	For the year Ended 31 <sup>st</sup> March 2012 Amount in Rs.
<b>CONTINUING OPERATIONS</b>			
(I) Revenue from Operations (gross)	16	3167025890	2199453884
Less: Excise duty		1078228	1725694
Revenue from operations (net)		3165947662	2197728190
(II) Other Operating Income	17	5145652	6535603
(III) Other income	18	3761842	2753653
<b>Total Revenue (I+II+III)</b>		<b>3,174,855,156</b>	<b>2,207,017,446</b>
<b>Expenses</b>			
Consumption of Raw Materials & Manufacturing Expenses	19	2781232927	1900572596
(Increase)/ Decrease in Inventories of Finished Goods and WIP	20	(36,455,591)	20,945,022
Employee Benefits Expenses	21	10948825	9669285
Finance Costs	22	32487414	38650314
Other expenses of Manufacture, Administration Expenses, Selling & Depreciation and Amortization	23	213734822	174951265
		8055129	7566265
<b>Total Expenses</b>		<b>3010003526</b>	<b>2152354747</b>
<b>Profit / (Loss) Before Exceptional and Extraordinary Items and Tax</b>		164,851,630	54,662,699
Exceptional Items		-	-
<b>Profit / (Loss) Before Extraordinary Items and Tax</b>		<b>164,851,630</b>	<b>54,662,699</b>
Extraordinary Items		-	-
<b>Profit / (Loss) Before Tax</b>		<b>164,851,630</b>	<b>54,662,699</b>
<b>Tax expenses:</b>			
(a) Income Tax provision related to earlier years		1,802,510	-
(b) Current Tax Expense for Current Year		55,500,000	19,300,000
(c) Deferred Tax		(1,031,682)	(41,768)
Tax Expenses		56,270,828	19,258,232
<b>Profit / (Loss) from Continuing Operations</b>		<b>108,580,801</b>	<b>35,404,467</b>
<b>Profit / (Loss) for the year</b>		<b>108,580,801</b>	<b>35,404,467</b>
<b>Earning Per Equity share</b>	24		
Basic (Rs)		28.98	9.45
Diluted (Rs)		28.98	9.45
<b>Significant Accounting Policies and other Notes to Financial Statements</b>	25 A&B		

As per our Report of even date attached

Notes referred to above form an integral part of Financial Statements

For BHUTORIA GANESAN & CO,  
Chartered Accountants  
Firm Registration No: 004465C

R.GANESAN  
Partner  
Membership No: 26164

PLACE : BHOPAL  
DATED : 30/05/2013

FOR AND ON BEHALF OF BOARD OF DIRECTORS  
KAILASH CHAND SHARMA  
(MANAGING DIRECTOR)

SHARAD KUMAR JAIN  
(WHOLE TIME DIRECTOR)

PLACE: ITARSI  
DATED : 30/05/2013

**NATRAJ PROTEINS LTD., ITARSI**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDING 31ST MARCH, 2013**

PARTICULARS	YEAR ENDED 31 <sup>st</sup> March 2013	YEAR ENDED 31 <sup>st</sup> March 2012
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax	164851630	54662699
Adjustments for:		
<b>ADD</b>		
Depreciation & Amortization	8055129	7566265
Interest Charges	32487414	38650314
EMD/Bad Debts Write Off	500000	68482
<b>LESS</b>		
Interest Income	3062179	2013334
Provision for Income Tax for the Year/ Related to Previous Year	57302510	19300000
<b>Operating Profit Before Working Capital Changes</b>	<b>145529484</b>	<b>79634426</b>
<b>Adjustments for :</b>		
Trade Receivables	(7339705)	10999341
Inventories	184511578	(190554984)
Loans, Advances and other current assets	(29348591)	18477723
Current Liabilities	(43784249)	(27004123)
Income Tax Paid during the year	50516800	
Total Adjustments	154555833	(188082043)
<b>CASH GENERATED FROM OPERATING ACTIVITIES (A)</b>	<b>300085317</b>	<b>(108447617)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed asset/ Capital WIP	(14949660)	(9254060)
Interest Received	3062179	2013334
Non Current Assets, Long term loans and advances	(8717652)	(10296746)
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>(21605133)</b>	<b>(17537472)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	6405615	(4302510)
Proceeds of Short Term Borrowings Banks	(96446772)	163785969
Interest Paid	(32487414)	(38650314)
Call in Arrears received from Share Holders	0	313200
<b>NET CASH (USED)/FROM FINANCING ACTIVITIES (C)</b>	<b>(122528571)</b>	<b>121146345</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>155951614</b>	<b>(4838744)</b>
Cash and Cash Equivalents as on 1-4-2012 Opening Balance	7654867	12493611
Cash and Cash Equivalents as on 31-3-2013 Closing Balance	163606481	7654867
Increase/Decrease in Closing Cash Balance	155951614	(4838744)
<b>Note:</b>	<b>0</b>	<b>0</b>
<b>Cash and Cash Equivalents include:</b>		
(a) Cash on Hand	1454436	3724656
(b) Balances with Banks in Current Accounts	162152045	3930211
	<b>163606481</b>	<b>7654867</b>

For BHUTORIA GANESAN & CO,  
Chartered Accountants  
Firm Registration No: 004465C

R.GANESAN  
Partner  
Membership No: 26164

PLACE : BHOPAL  
DATED: 30/05/2013

FOR AND ON BEHALF OF BOARD OF DIRECTORS  
KAILASH CHAND SHARMA  
(MANAGING DIRECTOR)

SHARAD KUMAR JAIN  
(WHOLE TIME DIRECTOR)

PLACE: ITARSI  
DATED : 30/05/2013

**Natraj Proteins Ltd.**  
**Notes forming part of the financial statements**

• **Note 1 : Share Capital**

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March 2012
	Amount in Rs.	Amount in Rs.
(a) Authorised		
50,00,000 Equity shares of Rs.10/ each	50,000,000.00	50,000,000.00
(b) Issued Share Capital,Subscribed & Paid up		
Equity shares of Rs.10 each (3747,000 Equity Shares of Rs. 10 each ( Previous year : 3747000 Equity shares of Rs. 10 each)	37,470,000.00	37,470,000
<b>Total</b>	<b>37,470,000</b>	<b>37,470,000</b>

**1.1) Terms/ rights attached to equity shares**

The company has only one class of equity shares having par value Rs. 10 per share. Each holder of equity shares is entitled to one vote per share

**1.2) Reconciliation of No of shares outstanding is given below:-**

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
Equity Shares at the beginning of the year	3747000	4540000
Add: Shares issued during the year	0	0
Less: Shares forfeited during the year	0	793000
Equity shares at the end of the year	3747000	3747000

**1.3) Details of shareholders holding more than 5% shares of the total number of shares issued by the company**

Name of the share holder	As at 31 <sup>st</sup> March, 2013		As at 31 <sup>st</sup> March, 2012	
	Number	% of holding in the Class	Number	% of holding in the Class
Equity shares of Rs. 10 each fully paid up				
S.K.Arora	565000	15.08%	565000	15.08%
J.P.Agrawal	223000	5.95%	223000	5.95%

- 1.4)** (i) Shares issued for consideration other than cash in last 5 financial years Nil  
(ii) Shares issued by way of bonus in last 5 financial years Nil  
(iii) Shares bought back in last 5 financial years Nil

## (1.5) Details of calls unpaid

Particulars	As at 31 <sup>st</sup> March, 2013		As at 31 <sup>st</sup> March, 2012	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
<u>Equity shares with voting rights</u>				
Aggregate of calls unpaid				
- by Directors				
- by Officers				
- by Others	0	0	0	0

## (1.6) Details of forfeited shares

Particulars	As at 31 <sup>st</sup> March, 2013		As at 31 <sup>st</sup> March, 2012	
	Number of shares	Amount Originally Paid up	Number of shares	Amount Originally Paid up
<u>Equity shares with voting rights</u>	0	0	793000	4776700

During the previous year the company forfeited 793000 equity shares, against which call in arrears was due. Amount originally received against the forfeited shares have been grouped to reserves and surplus account as other the General Reserve.

## Note 2 : Reserves and surplus

PARTICULARS	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
	Amount in Rs.	Amount in Rs.
(a) Reserve		
Shares Forfeited Account Opening Balance	4,776,700	-
Additions during the year (Refer Note: 1.6)	-	4,776,700
Closing Balance (A)	4,776,700	4,776,700
(b) General Reserve (Opening and Closing balance) (B)	1,500,000	1,500,000
Surplus in the Statement of Profit & Loss		
(c) Opening Balance	145,219,821	109,815,354
Add: Profit During the year	108,580,801	35,404,467
Closing Balance (C)	253,800,622	145,219,821
Total (A+B+C)	26,00,77,322	151,496,521

## NOTE 3 : LONG TERM BORROWINGS

PARTICULARS	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
	Amount in Rs.	Amount in Rs.
<b>(a) Secured Loans</b>		
Term Loan Bank from Banks	15131618	10100273
<b>(b) Unsecured loan from</b>		
Directors and Relatives	0	15202651
Security Deposits from customers	16,576,921	0
<b>Total</b>	<b>31708539</b>	<b>25302924</b>

**3.1) Secured Long Term Borrowings:-****Term Loan from Banks/Financial Institutions :**

PARTICULARS	Date of Maturity	Applicable Intt. Rate
Term loan -I Quarterly Installments of Rs.1149000 each	14-Mar-16	14.25%
Term loan -II Quarterly 4 Installments of Rs.250000/-,	1-July - 17	15.25%
<b>(3.1.b) Secured Loans from Loan BANK</b>		
Andhra Bank\	5631618	10100273
<b>(3.1.b) Secured Loans from Financial Loan Institutions</b>		
MPFC	9500000	0
SUB TOTAL	15131618	10100273
Term loan - I from Andhra Bank is secured by hypothecation of assets acquired out of Term loan ( Wind Mill) and Equitable Mortgage of land on which Wind Mill is erected at Navneetakrishnapuram, Tirunelveli District, Tamil Nadu. The above borrowing collaterally secured as described in security for working capital		
Term Loan II - From MPFC Exclusively first charge by way of hypothecation of equipments created out of TL for soya bean extraction plant and refinery namely silo, boiler and other equipments. Also secured collaterally by way of EM of freehold vacant land admeasuring 1922sq. M. khasra No. 363/1, P.H. No. 9, Mouza No. 15, Near Swami Vivekanand School, Tawa Colony, Itarsi, Dist.: Hoshangabad M.P. in name of Smt. Padma Sharma, w/o. Beni Shankar Sharma and also by way of personal guarantee of Shri Kailash Chand Sharma, Managing Director and Smt. Padma Sharma.		
(3.1.c) The installments due within 12 months from the date of Balance Sheet have been	5096000	5049375
<b>(3.1.d) Unsecured loan from</b>		
Directors and Relatives	0	15202651
Security Deposits from customers	16,576,921	0
<b>Total</b>	<b>16,576,921</b>	<b>15202651</b>

## NATRAJ PROTEINS LIMITED

## NOTE 4 : DEFERRED TAXATION

The Deferred Tax Assets & Liabilities comprise of tax effect of the following timing differences:-

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
Deferred Tax Liability		
On account of difference in depreciation as per books and income tax	20,526,200	21,557,882
<b>Total</b>	<b>20,526,200</b>	<b>21,557,882</b>

DETAILS OF DEFERRED TAX LIABILITIES AS UNDER	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
Difference between books and Tax written down Values of fixed assets	56563525	60161309
(Deferred Tax Asset)/ Deferred Tax Liability During the year	(1031682)	(41768)
Defer tax Liability for earlier years	20,526,200	21,557,882

## Note 5 : Short-term borrowings

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
	Amount	Amount
<b>SECURED LOANS</b>		
Loan Repayable on Demand from Bank ( Ref Note 5.1 to 5.4 )	376,470,208	472,916,980
<b>Total ( I+II)</b>	<b>376,470,208</b>	<b>472,916,980</b>

- 5.1. The working capital facilities from Andhra Bank in following facilities Export Packing Credit, Open Cash Credit, Bank Guarantee and Inland letter of Credit payable on demand. Open cash credit is bifurcated to peak and non peak limits with sublimit for book debts. Rate of Interest on Open cash credit is 13.75% and on Export Packing Credit there is concessional rate of interest. Primary security is hypothecation of stocks meant for export in case of Export Packing Credit, hypothecation of stocks and receivables in case of Open cash credit facilities, counter guarantee in case of bank guarantee and stocks procured under Letter of Credit in case of LC facilities. Short Term loan against pledge of ware house receipt for procurement of soya seed. Rate of interest is 10.75% and primary security is pledge of warehouse receipts/storage receipts with lien noted. All above working capital borrowings including short term loan against pledge of ware house receipts are collaterally secured by :
- a) by way of first charge on the company's entire fixed asset excluding assets created out of TL II (TL I Balance due as on 31.03.2013 Rs. NIL) and out of TL from MPFC.
- b) by way of Extension of EM of house property in name of Shri Kailash Chand Sharma, Managing Director situated at Nirupam Royal Palm Villa, Bhopal and EM of residential plot at village Jatkhedi, Bhopal.
- c) Lien on FDR of principle amount Rs. 1.54 Cr. With present value of Rs. 1.87 Cr. As on 31.03.2013
- d) Personal Guarantees of 3 Director (a), (b), (c) and (d) also collateral for term loan borrowings Note No. 3.1
- 5.3 The Short Term Borrowings against Ware House Receipts from Axis Bank is primarily secured by way of pledge of Ware House Receipts and collaterally secured by way of Personal Guarantee of 2 Directors of the Company.
- 5.4. The Short Term Borrowings against Ware House Receipts from Indusind Bank is primarily secured by way of pledge of Ware House Receipts and collaterally secured by way of Personal Guarantee of one of Director of the Company

Secured Loans from Banks		
(5.1.a) Bank Borrowings for Working Capital	246074140	220972097
(5.2.a) Short term loan on Warehouse Receipt from Andhra Bank	130396068	41996176
(5.3.a) Short term loan on Warehouse Receipt from Axis Bank	0	149254627
(5.4.a) Short term loan on Warehouse Receipt from Indusind Bank	0	60694080
	<b>376470208</b>	<b>472916980</b>

## Note 6 : Trade payable

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
	Amount	Amount
Trade payable	1,00,75,683	1,23,75,165
<b>Total</b>	<b>1,00,75,683</b>	<b>1,23,75,165</b>

Disclosure under Section 22 of MSMED Act, 2006  
(Chapter V- Delayed Payment to Micro and Small Enterprises)

**Micro, Small and Medium Enterprises**

Information in respect of Micro, Small and Medium Enterprises

Particulars	FY 2012-2013	FY 2011-2012
The Principal amount ( Interest - Nil) remaining unpaid to any supplier as at the end of the accounting year	689,958	1265649
The amount of interest accrued and remaining unpaid at the end of accounting year	NIL	NIL
The amount of further interest remaining due and payable over in the succeeding years until such date when the interest dues as above are actually paid to the Small enterprises for the purposes of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	NIL	NIL

**Note 7 : Other Current liabilities**

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
	Amount in Rs	Amount in Rs
Current Maturities of long term borrowings ( Ref note no: 3(1) (b))	5,096,000	5,049,375
Advance from Customers Against sales	6,698,857	4946179
Credit balances in Current A/c (Ref Note: 7.1)	1,494,901	605,771
<b>Payables</b>		
(i) Statutory Dues	2,811,769	1065329
(ii) Expenses Payable	15877264	17713880
	<b>31,978,791</b>	<b>29,380,534</b>

**Note 7.1 : Trade payable**

<b>Unsecured loans &amp; Advances from Banks</b>		
(i) Credit Balance with Indusind Bank current a/c	0	272225
(ii) Credit Balance with ICICI Bank current a/c	1,494,901	333546
	1494901	605771

**Note 8 : Short-term provisions**

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
	Amount in Rs	Amount in Rs
(a) Provision for employee benefits:		
Provision for Employees Retirement Benefit - obligation	382,828	367,618
(b) Provision for income tax( Net of advance tax & TDS)	18,631,707	12,213,138
<b>Total</b>	<b>19,014,535</b>	<b>12,580,756</b>

NOTE NO. 9 TANGIBLE ASSETS		GROSS BLOCK				DEPRECIATION				NET BLOCK	
Sl. No.	PARTICULARS	01.04.2012	Additions	Deductions	31.03.2013	01.04.2012	For the Period	Adjustments	31.03.2013	31.03.2012	31.03.2012
i)	Land – Freehold	242803	0	0	242803	0	0	0	0	242803	242803
ii)	Land –Windmill	600000	0	0	600000	0	0	0	0	600000	600000
iii)	Site Development	1495914	0	0	1495914	400498	24383	0	424881	1071033	1095416
iv)	Factory Building	6973784	0	0	6973784	3973596	232924	0	4206520	2767264	3000188
v)	Godown and other Civil Structure	22573077	0	0	22573077	4091660	367941	0	4459601	18113476	18481417
vi)	Plant & Machinery and Silos Capital	69141409	1906336	0	71047745	41618753	3666733	0	45285486	25762259	27522659
vii)	Refinery Machinery	33232701	0	0	33232701	26795964	986752	0	27782716	5449985	6436737
viii)	J.C.B. Machine & Road Roller	2262997	0	0	2262997	476216	119486	0	595702	1667295	1786781
ix)	Electrical Installations	10351537	1254680	0	11606217	6248537	530011	0	6778548	4827669	4103000
xi)	Weigh Bridge	917295	0	0	917295	650595	43572	0	694167	223128	266700
xii)	Lab Equipments	651637	0	0	651637	481162	30953	0	512115	139522	170475
xiii)	Office Equipments	217861	0	0	217861	86620	10348	0	96968	120893	131241
xiv)	Furniture and fixtures	517418	0	0	517418	453685	32753	0	486438	30980	63733
xv)	Vehicles	1183839	0	0	1183839	1101444	82395	0	1183839	0	82395
xvi)	Computers	752893	97822	0	850715	680810	126901	0	807711	43004	72083
xvii)	Wind Mill	32275000	0	0	32275000	5539346	1704120	0	7243466	25031534	26735654
	<b>Total</b>	<b>183390165</b>	<b>3258838</b>	<b>0</b>	<b>186649003</b>	<b>92598886</b>	<b>7959272</b>	<b>0</b>	<b>100558158</b>	<b>86090845</b>	<b>90791282</b>
	<b>Previous year</b>	<b>176031671</b>	<b>7358494</b>	<b>0</b>	<b>183390165</b>	<b>85032621</b>	<b>7566265</b>	<b>0</b>	<b>92598886</b>	<b>90791283</b>	<b>90999050</b>

(Amount in Rs.)

NOTE NO. 9.1 INTANGIBLE ASSETS		GROSS BLOCK				AMORTISATION				NET BLOCK	
Sl. No.	PARTICULARS	01.04.2012	Additions	Deductions	31.03.2013	01.04.2012	For the Period	Adjustments	31.03.2013	31.03.2012	31.03.2012
i)	ERP Software	0	1150286	0	1150286	0	95857	0	95857	1054429	0
	<b>Total</b>	<b>0</b>	<b>1150286</b>	<b>0</b>	<b>1150286</b>	<b>0</b>	<b>95857</b>	<b>0</b>	<b>95857</b>	<b>1054429</b>	<b>0</b>
	<b>Previous year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Note 9.2 : Capital work in progress**

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
	Amount in Rs	Amount in Rs
Boller Under Installation	86,24,297	
Construction Stores	78,49,816	39,33,577
<b>Total</b>	<b>1,44,74,113</b>	<b>39,33,577</b>

**Note 10 : Long term loans and advances (unsecured, Considered Good except otherwise stated)**

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
	Amount in Rs	Amount in Rs
Security deposits		
Deposits Unsecured considered good	2,793,500	2,556,246
Less: Provision for doubtful deposits	0	0
	<b>2,793,500</b>	<b>2,556,246</b>
Capital Advances	422,920	0
Advances Unsecured considered good	1,620,138	1,033,534
	<b>4,836,558</b>	<b>3,589,780</b>

**Note 11 : OTHER NON CURRENT ASSETS**

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
	Amount in Rs	Amount in Rs
<b>A) Balances with government authorities</b>		
Unsecured, considered good		
Advance tax (Block Period)	3,980,000	3,980,000
Advance VAT year 2006-07	127,000	127,000
TDS Certificates in hand	-	-
<b>TOTAL (A)</b>	<b>4,107,000</b>	<b>4,107,000</b>
<b>(B) FDR/ DEPOSITS HAVING MATURITY PERIOD MORETHAN 12 MONTHS</b>		
(I) Balances held as margin money or security against borrowings, guarantees and other commitments (Refer Note (11.2) below)	29,580,398	21162779
(II) Other Bank Balances having maturity period more than 12 months	1156573	1103318
<b>TOTAL (B)</b>	<b>30,736,971</b>	<b>22,266,097</b>
<b>TOTAL (A+B)</b>	<b>34,843,971</b>	<b>26,373,097</b>

11.1) Other Bank Balances includes FDR with Central Bank of India Rs. 11,56,573 having original maturity period more than 12 months.

**11.2) Margin Money:**

Margin money deposits amounting to Rs. 2,95,80,398/- (previous year Rs. 2,11,62,779/-) are lying with Bank against Bank Guarantee & Security against borrowings of Working Capital

(i) Lien Marked against FDR with Andhra Bank RS. 29294635, for the Bank Guarantee, Letter of Credit & other collateral security for the working Capital Borrowings.

(ii) Lien marked against FDR with Axis Bank Rs. 345763. The FDR given as security deposit with Agriculture Produce Market Committee- Krishi Upaj Mandi Samiti.

## NATRAJ PROTEINS LIMITED

Notes forming part of the financial statements

## Note 12 : Inventories

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
	Amount in Rs	Amount in Rs
(a) Raw materials (At cost or market value whichever is less)	265264161	486993668
(b) Finished goods (other than those acquired for trading) (Cost of Production or Net Realisable Value whichever is less)	109843717	72791882
(c) Trading Goods (At Cost or Net Realisable Value which ever is less)	0	596244
(d) Consumables, Fuel and Packing material (At average cost)	11415683	10087867
(e) Stores and machinery spares (Valuation At Cost)	5574919	6140398
<b>Total</b>	<b>392098481</b>	<b>576610059</b>

## Note 13 : Trade receivables

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
	Amount in Rs	Amount in Rs
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	965204	4116953
Doubtful	0	0
	<b>965204</b>	<b>4116953</b>
Other Trade receivables		
Unsecured, considered good	51624111	41132658
	<b>51624111</b>	<b>41132658</b>
<b>Total</b>	<b>52589315</b>	<b>45249611</b>

## Note 14 : Cash and Bank Balances

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
	Amount in Rs	Amount in Rs
<b>Cash and Cash Equivalents</b>		
(a) Cash on hand	1454436	3724656
(b) Balances with banks -Current Accounts	162,152,045	3930211
<b>Total</b>	<b>163,606,481</b>	<b>7,654,867.00</b>

## NATRAJ PROTEINS LIMITED

Notes forming part of the financial statements

Note 15 : Short-term loans and advances (unsecured, Considered Good except otherwise stated)

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
	Amount in Rs	Amount in Rs
(a) Security Deposits Unsecured, Considered Good	373,368	615,000
	<b>373,368</b>	<b>615,000</b>
(b) Loans and advances to employees Unsecured, considered good	1,401,774	1,153,629
	<b>1,401,774</b>	<b>1,153,629</b>
(c) Prepaid expenses - Unsecured, considered good	374,746	461,381
(d) Others Advance for raw material & stores	35,577,190	6,648,478
	<b>35,577,190</b>	<b>6,648,478</b>
<b>Total</b>	<b>37,727,078.00</b>	<b>8,878,488.00</b>

Note 16 : Revenue from operations

Particulars	For the year ended 31 <sup>st</sup> March, 2013	For the year ended 31 <sup>st</sup> March, 2012
	Amount in Rs	Amount in Rs
(a) <b>Sale of Products</b> <b>MANUFACTURED</b>		
Refined Vegetable oil	443,284,201	783723567
Soya DOC	2,069,979,691	1247617493
Soya Crude oil	408,902,519	23213706
Soya Degum Oil	7,841,015	0
Acid oil	4,347,169	10102123
Fatty Acid	680,000	689044
Lecithin	12,368,949	21330097
Clay ( Soya Mitti) Sales	250818	553219
Tank Sludge	494390	0
Acid Oil Sludge	27464	0
<b>Sub Total (a)</b>	<b>2,948,176,216</b>	<b>2087229249</b>
(b) <b>TRADED GOODS</b>		
Soya DOC	133399797	67332798
Wheat	92950898	8008657
Soyabean	0	17213040
Tour	9187095	8765707
Gram	3046904	8382855
Empty gunny bags	1980203	2586928
<b>Sub Total (b)</b>	<b>240564897</b>	<b>112289985</b>
(c) Loss on commodity trading with NCDEX	(21715223)	(65350)
<b>Revenue from operations (a+b+c)</b>	<b>3167025890</b>	<b>2199453884</b>
<b>Less: Excise Duty applicable only in case of Acid Oil, Fatty Acid, Lecithin and Acid Oil Sludge.</b>	<b>1078228</b>	<b>1725694</b>
<b>Revenue from Operations ( Net)</b>	<b>3165947662</b>	<b>2197728190</b>

## NATRAJ PROTEINS LIMITED

Notes forming part of the financial statements

## NOTE 17 : OTHER OPERATING INCOME

Particulars	For the year ended 31 <sup>st</sup> March, 2013	For the year ended 31 <sup>st</sup> March, 2012
	Amount in Rs	Amount in Rs
Income from Wind Mill ( Energy)	4007412	3220035
Sale of Coal Dust	1032905	1122817
Cenvat Refund	105335	314509
Excess Provision on VAT written back/VAT refund	0	1657408
Railway Claim	0	220834
<b>Total</b>	<b>5145652</b>	<b>6535603</b>

## Note 18 : Other income

Particulars	For the year ended 31 <sup>st</sup> March, 2013	For the year ended 31 <sup>st</sup> March, 2012
	Amount in Rs	Amount in Rs
Interest income from FDR & others	3062179	1707434
Award Received from commercial tax Deptt.	25000	50000
Miscellaneous income	341317	690319
Interest on Share application money	0	305900
Interest others	333346	0
<b>Total</b>	<b>3,761,842</b>	<b>2,753,653</b>

## Note 19 : Cost of Material Consumed including Packing Material Consumed

Particulars	For the year ended 31 <sup>st</sup> March, 2013	For the year ended 31 <sup>st</sup> March, 2012
	Amount in Rs	Amount in Rs
Cost of Raw Materials Consumed & Process inputs	2533752764	1788539450
Consumption of Packing Material	15559545	13490448
<b>Total</b>	<b>2549312308</b>	<b>1802029898</b>
<b>Purchase of Traded Goods</b>		
Soya DOC	131934846	67332798
Wheat	88,778,553	16603856
Paddy	0	4410
Gram	2,199,271	7017090
Tour	9,007,949	7584544
<b>Total</b>	<b>231,920,619</b>	<b>98542698</b>
<b>Total in (a+b)</b>	<b>27,81,232,927</b>	<b>19,00,572,596</b>

## Note 19.1 :

<b>Details of Material Consumed under broad head as follows</b>		
Consumption of Raw Matreial & Process Inputs	2,506,167,274	1,733,731,577
Consumption of Hexane	16,282,646	19,182,368
Consumption of Refinery and other chemicals	3,508,878	6,045,487
Soya Crude Oil	-	14,167,478
Soya DOC ingredients	7,793,966	15,412,540
	<b>2,533,752,764</b>	<b>1,788,539,450</b>

## NATRAJ PROTEINS LIMITED

Notes forming part of the financial statements

## NOTE 20 : Change in Inventories of Finished Goods and Work In Progress

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
	Amount in Rs	Amount in Rs
<b>(a) Accretion /decretion of finished goods</b>		
<u>Closing stock of finished goods</u>		
Soya crude oil	21,092,495	35,841,764
Soya Refined oil	2253943	7611260
Soya DOC	85368212	28190358
Soya Gum/sludge	20000	47500
Acid oil	268500	284200
Fatty acid	208000	180000
Lacethin	432,567	436,800
Coal Ash	200,000	200,000
	<b>109,843,717</b>	<b>72,791,882</b>
<u>Less : Opening stock of finished goods</u>		
Soya crude oil	35,841,764	83298386
Soya Refined oil	7,611,260	8139164
Soya DOC	28,190,358	91612
Soya Gum/sludge	47,500	49500
Acid oil	284,200	544000
Fatty acid	180,000	45000
Lacethin	436,800	885550
Coal Ash	200,000	200000
	<b>72791882</b>	<b>93253212</b>
<b>(Increase )/ Decrease of stock of finished goods Total(a)</b>	<b>(37,051,835)</b>	<b>20,461,330</b>

<b>(b) Accretion /decretion of stock of trading goods</b>		
<u>Closing stock of trading goods</u>		
Tour	-	-
Cattle feed	-	-
Gram	-	596,244
	-	<b>596,244</b>
<u>Less : Opening stock of trading goods</u>		
Tour	-	1079936
Cattle feed	-	-
Paddy	-	-
Gram	596,244	-
	596,244	1079936
<b>Increase of stock of trading goods Total(b)</b>	<b>596,244</b>	<b>483,692</b>
<b>Total (a)+(b)</b>	<b>(36,455,591)</b>	<b>20,945,022</b>

## NATRAJ PROTEINS LIMITED

## Notes forming part of the financial statements

## Note 21 : Employee benefits expense

Particulars	For the year ended 31 <sup>st</sup> March, 2013	For the year ended 31 <sup>st</sup> March, 2012
Salaries	7371923	6830444
Staff welfare	308563	315643
Workers canteen expenses	134335	127804
Labour Welfare fund*	3954	2550
Contributions to provident fund	411632	339088
Bonus	507939	186138
Directors Remuneration	1800000	1500000
House Rent	27651	0
Employees Retirement Benefit ( obligation for current year as per actuarial valuation)	382828	367618
<b>Total</b>	<b>10,948,825</b>	<b>9,669,285</b>

## Note 22 : Finance costs

Particulars	For the year ended 31 <sup>st</sup> March, 2013	For the year ended 31 <sup>st</sup> March, 2012
	Amount in Rs	Amount in Rs
<b>Interest expenses on</b>		
<b>Banks</b>		
Term Loan	3,211,253	3,234,655
Working Capital	24,872,683	31,673,090
Bank Commission/ Processing Charges	2,763,304	2,364,440
<b>Others</b>		
Unsecured loans/Security deposits from customers	1,526,965	1,378,129
Interest on Central Excise Duty	108,663	-
Interest , VAT and Entry Tax	4546	0
<b>Total</b>	<b>32,487,414</b>	<b>38,650,314</b>

## Note 23 : Other expenses of Manufacture, Administration , Selling &amp; Distribution

Particulars	As at 31 <sup>st</sup> March 2013	As at 31 <sup>st</sup> March 2012
Consumption of coal	24,589,276	30,358,841
Power charges	21,066,323	20,905,903
Diesel consumption & D.G.Set expenses	328,786	577,224
Repairs and Maintenance-P&M,refinery,ETP	9,774,555	8,402,808
Boiler Maintenance expenses	1,325,815	1,383,284
Lab expenses	196,490	200,904
Repairs and Maintenance-Electricals	407,747	549,017
Transportation	446,706	312,774
Advertisement	37,362	101,000
Legal Expenses	111,965	1,152,044
Office Expenses	146,974	141,554
Insurance Expenses	499,891	467,240
Printing & Stationery	117,550	106,392
Professional & Consultancy Fees	671,182	525,838
Security Personnel Charges	-	343,803

Cont....

<b>Audit Fees</b>		
For Statutory Audit	280,900	200,000
For Tax Audit	105,338	75,000
For Certification Work ( Quarterly Limited Review)	50,562	36,000
Soya DOC Expenses	148,182,716	104,894,026
Telephone Expenses	138,591	123,423
Travel Expenses	424,997	478,875
Vehicle Maintenance,	203,919	227,130
Godown Building Maintenance Expenses	54,625	424,737
Road maintenance	-	203,690
Bad Debts Written off	-	68,482
EMD Written off	500,000	-
Other Miscellaneous Expenses	483,242	388,202
Brokerage	2,408,773	1,927,165
VAT/CST	812,718	18,221
Drum Loading	136,619	249,851
Tin container Expenses	-	107,837
Oil Packing exp.	231,200	-
<b>Total</b>	<b>21,37,34,822</b>	<b>174,951,265</b>

**Note 24 : Earnings Per Share**

<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2013</b>	<b>As at 31<sup>st</sup> March 2012</b>
Computation of Profit for Basic and Diluted Earnings per share		
Net Profit as per P&L Account	108580801	35404467
	<b>108580801</b>	<b>35404467</b>
<u>Weighted average number of Equity Share</u>		
For Basic Earnings per share	3747000	3747000
For Diluted Earnings per share	3747000	3747000
( EPS is calculated by dividing the profit attributable to the equity share holders by the weighted average number of equity shares outstanding)		
<b><u>Earnings per Share (Weighted Average)</u></b>		
Basic Earning Per Share ( Rs)	<b>28.98</b>	<b>9.45</b>
Diluted Earning Per Share ( Rs)	<b>28.98</b>	<b>9.45</b>

**NOTE 25 : Significant accounting policies and other notes to Financial Statement for the Year 2012-13.****A) SIGNIFICANT ACCOUNTING POLICIES****1. Basis of Preparation of Financial Statements**

The financial statements are prepared on the historical cost convention basis in accordance with the generally accepted accounting principles and the Accounting Standards referred to in Section 211(3C) of the Companies Act.

**2. VALUTATION OF INVENTORIES**

(i)	Raw material,	At cost or market value whichever is less. Cost is determined on FIFO basis
(ii)	Stores & Spares Consumables, packing material.	At average cost. For this purpose cost of stores, spares, consumables and packing materials purchased in the last month of the accounting year is considered. Cost includes all direct expenses for procuring the material, transportation and storing.
(iii)	Finished Goods	Cost of production or net realizable value whichever is less.
(iv)	Traded goods	At cost or market value which ever is lower. Cost is determined on FIFO basis.

**3. Cash Flow Statement**

The cash flow statement is prepared under indirect method as per the Institute of Chartered Accountant of India guidelines.

Cash and Cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

**4. Recognition of Income and Expenditure**

Items of Income and Expenditure are recognized on accrual basis except for the following which are being accounted for on cash basis since it is not possible to ascertain the exact quantum with reasonable accuracy :-

- Capital Subsidy
- Insurance Claims
- Withheld payments on account of rebates, claims, bargain settlement etc.

**5. Fixed Assets and Capital Work In Progress**

Fixed Assets and Work in Progress are accounted on historical cost basis.

**6. Indirect Expenses on Expansion**

In respect of independent project, indirect expenses relating to the project are accounted separately and shall be capitalized at the time of commencement of commercial production. In respect of expansion facilities which are carried concurrently with production facilities of existing units, expenses on administration and supervision incurred on expansion (the bifurcation of which between production and construction activities could not be ascertained) are charged to revenue as the total amount of such expenses is not considered material in the context of expansion expenditure.

**7. Depreciation**

Depreciation on all fixed assets put to use is provided on straight line method at rates specified in Schedule XIV to the Companies Act, 1956 on pro rata date basis, **except** for Refinery on which depreciation on written down value method at the rate specified in Schedule XIV to the Companies Act is adopted on pro rata date basis.

**8. Impairment Loss**

Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amounts. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. During the year there is no impairment loss of any asset.

**9. Borrowing Costs**

Borrowing cost directly attributable to the acquisition or construction of fixed assets is capitalized as part of the cost of the asset, up to the date the asset is put to use. Other borrowing costs are charged to the Profit and Loss Account in the year in which they are incurred.

**10. Retirement Benefits.**

Contribution to Provident Fund is accounted on accrual basis. All Leave encashment dues for the year are settled with in the same year.

Gratuity being administered by a trust is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement / termination/ resignation. The benefit vests on the employee completing 5 years of service. The Gratuity plan for the company is a defined benefit scheme where annual contributions as demanded by the insurer are deposited to a Gratuity Trust Fund established to provide gratuity benefits. The Fund has taken a scheme of insurance, whereby these contributions are transferred to the insurer.

**11. Taxes on Income**

Tax expenses comprise both current tax and deferred tax at the applicable enacted/ substantively enacted rates. Current tax represents the amount of income tax payable in respect of the taxable income for the reporting period. Deferred tax represents the effects of timing differences between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. Current taxes are measured at the current rate of tax in accordance with provisions of the Income tax Act, 1961. Deferred Tax assets and Liabilities are measured using the tax rates and tax laws that have been enacted or substantially enacted by the Balance sheet date.

Provision for current tax is made in the accounts on the basis of estimated tax liability as per applicable provisions of the Income Tax Act 1961 and considering assessment orders and decisions of the appellate authorities in Company's cases.

**12. NCDEX Transactions**

The Company is mainly engaged in buying of Soya bean seeds and manufacturing of Soya bean oils and Soya De – Oiled Cakes and buying and selling of Traded goods like wheat, Tour, Gram etc. The Company deals on National Commodity and Derivatives Exchange Ltd (NCDEX) through brokers. The net gain or loss is accounted for in the books after the transaction is squared up. Gain or loss is recognized in case of completed transaction till the year end. In case of transactions of other goods in NCDEX same method is followed.

**13. Contingent Liabilities**

Contingent liabilities are disclosed after a careful evaluation of facts and their legal aspects.

**B) OTHER NOTES:****CONTINGENT LIABILITIES**

1. (a) Estimated amount of capital commitments on contracts to be executed net of advances is Rs. Nil lacs (Previous year Rs. NIL). Bank guarantees issued on behalf of the company Rs. 21.39 lacs (Previous year Rs. 19.26 lacs) behalf of the company Rs. 21.39 lacs (Previous year Rs. 19.26 lacs)
- (b) **Income Tax Rs.15.90 Lacs (Previous year Rs.15.90 Lacs)** : In respect of demand from the Income Tax department, the case is before the Settlement Commission. The company has already remitted tax of Rs.39.80 lacs under protest and shown under advances. As per the legal opinion obtained by the company, there will not be any demand and the entire amount is likely to be refunded. However tax on income surrendered before the Commission amounts to Rs.15.90 lacs is shown as contingent liability. The company has filed petition in Honorable High court of M.P for granting stay for referring the case back to the Commissioner Income Tax. The Honorable High Court granted the stay in favour of the company. Further details in this case is awaited.
- (c) In respect of demand from the Commercial tax department, the company filed appeal with the Appellate commissioner, Commercial Tax, Bhopal. The amount of Entry Tax demanded in the notice is Rs.0.53 lacs related to the year 2006-07.
- d) In respect of demand Rs. 6,32,244 from the commercial tax department for the period 01-04-2006 to 31-03-2007, the company filed an appeal with the M.P Commercial Tax Appellate Board, Bhopal. Against the demand the company already deposited Rs.127000.
2. Sundry Debtors and Sundry Creditors balances are subject to confirmation.
3. The figures of previous year have been reclassified and/or regrouped wherever necessary to confirm current year classification or group.
4. **WIND MILL POWER PROJECT:**  
In respect of Wind Mill Generator at Navneeta Krishna Puram, Tirunelveli District Tamil Nadu.
5. Sale of Generated power during the year 2012-13 is 1488720 units. (Previous Year: 11,77,116 Units).
6. **Related Party Disclosure (As identified by the Management)**

**Related party Relationships**

- a) Where control exists :: Kailash Chand Sharma, J.P.Agrawal, Sharad Kumar Jain.
- b) Key Management Personnel: Shri.Kailash Chand Sharma, Managing Director
- c) Relatives of Key Management Personnel : Mr. Ritesh Sharma related to Managing Director

In respect of above parties, there is no provision for doubtful debts as on 31- March 2013 and no amount has been written off or written back during the year in respect of debts due from/to them.

7. In accordance with the revised accounting standard -15 are given below which is certified by the actuary and relied upon by the auditors. The following tables summarize the components of net benefit expenses recognized in the profit and loss account and the unfunded liability status and amounts recognized in the balance sheet for the gratuity.

## Gratuity (Funded)

		31-03-13	31-03-12
<b>I</b>	<b>Expenses recognized in Statement of Profit and Loss</b>		
	Interest cost from 01-04-12 to 31-03-13	1,46,526	105509
	Service Cost from 01-04-12 to 31-03-13	1,88,577	147845
	Actual return on plan assets from 01.04.12 to 31.03.13	(145173)	(121215)
	(Gain)/ Loss recognized as on 31.03.13	80,029	235479
	Net Loss to be shown in P&L a/c as expenses	269958	367618
	<b>As per P&amp;L Account</b>	382828	
<b>II</b>	<b>Net Asset /Liability recognized in Balance Sheet</b>		
	Present value of the Obligation at the beginning of the year	2193420	17,76,068
	Fair Value of plan assets at 31-03-2013	19,37,049	14,36,416
	Un-funded liability at 31-03-13	2,56,371	3,39,652
<b>III</b>	<b>Changes In Benefit Obligation:</b>		
	Present Value of deemed Benefit Obligations at the beginning of the year	1776068	1318865
	Interest Cost from 01-04-2012 to 31-03-2013	146526	105509
	Service Cost from 01-04-2012 to 31-03-2013	188577	147845
	Benefits paid from 01-04-2012 to 31-03-2013 .	NIL	NIL
	Actuarial (Gain) / Loss on obligations	82249	147845
	Present value of Defined Benefit obligation at the end of the year	2193420	1776068
<b>IV</b>	<b>Change in Fair Value of Plan Assets during the year</b>		
	Fair value of the Plan Assets at the beginning of the year	1436416	1346831
	Actual Return on plan assets	145173	121215
	Employer's Contribution	353239	367618
	Actuarial Gain/Loss	2221	(31630)
	Benefits Paid	Nil	Nil
	Fair Value of Plan assets at the end of the year	19,37,049	1436416
<b>V</b>	<b>Assumptions</b>		
	Retirement Age	60 Years	60 Years
<b>III</b>	Attrition Rates	1%	1%
	Future Salary Rise	6.50per annum	6 PA
	Rate of Discounting	8.25% per annum	8.00% PA
	Expected Rate of Return on Plan Assets	9%	9%
	Mortality Table	LIC (1994-96) ULTIMATE	LIC (1994-96) ULTIMATE

**NATRAJ PROTEINS LTD, ITARSI**  
**SEGMENTAL REPORTING FOR THE YEAR 2012-13**

PARTICULARS	Solvent Extraction Unit		Wind Mill		NCOEX Trading		Adj not related to Segments		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
SALES	3187662885	2201415008	4007412	3220035	(21715223)	(65350)			3169955074	2200948225
NET SALES	3187662885	2201415008	4007412	3220035	(21715223)	(65350)			3169955074	2200948225
OTHER INCOME	3428496	2447753	0	0	0	0	333346	305900	3761842	2753653
MAINTAINENCE EXPENSES- WIND MILL	0	0	927121	846868	0	0	0	0	927121	846868
Profit Before Interest, Dep. And Tax	193288551	63050564	3080291	2373167	(21715223)	(65350)	30740554	35520897	205394173	100879278
Interest	0	0	1746860	3129417	0	0	30740554	35520897	32487414	38650314
PROFIT BEFORE DEP and Tax	193288551	63050564	1333431	(756250)	(21715223)	(65350)	0	0	172905759	62228964
DEPRECIATION	6351009	5857476	1704120	1708789	0	0	0	0	8055129	7566265
NET PROFIT BEFORE TAX	186937542	57193088	(370589)	(2465039)	(21715223)	(65350)	0	0	164851630	54662699
PROVISION FOR TAX, DEFERRED TAX	0	0	0	0	0	0	56270828.48	19258232	56270828.48	19258232
NET PROFIT AFTER TAX									108580801	35404467

**SEGMENT ASSETS**

PARTICULARS	Solvent Extraction Unit		Wind Mill		NCOEX Trading		Adj not related to Segments		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
FIXED ASSETS ( NET BLOCK)	61059318	64055629	25031535	26735654					86090853	90791283
CAPITAL WORK 'N PROGRESS	14474113	3933577							14474113	3933577
INTANGIBLE ASSETS	1054429	0					0	0	1054429	0
LONG TERM LOANS AND ADVANCES	4836558	3589780							4836558	3589780
OTHER NON CURRENT ASSETS	30863971	38750968							30863971	38750968
CURRENT ASSETS	646021355	638393025							646021355	638393025
TOTAL ASSETS	758309743.8	748722979	25031535	26735654	0	0	0	0	783341279	775458633

**SEGMENT LIABILITIES**

PARTICULARS	Solvent Extraction		Wind Mill		NCOEX Trading		Adj not related to Segments		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
LONG TERM BORROWINGS	26076921	15202651	5631618	10100273	0	0	0	0	31708539	25302924
SHARE CAPITAL	0	0	0	0	0	0	37470000	37470000	37470000	37470000
RESERVES & SURPLUS	0	0	0	0	0	0	260077034	151496521	260077034	151496521
CURRENT LIABILITIES AND PROVISIONS	428963217	535035306	4596000	4596000	0	0	0	0	433559217	539631306
DEFERRED TAX							20526488	21557882	20526488	21557882
TOTAL LIABILITIES	455040138	550237957	10227618	14696273	0	0	318073523	210524403	783341279	775458633

**Transactions with related parties during the year:**

J.P.Agrawal Managerial remuneration paid Rs.6.00 lacs

K.C. Sharma Managerial remuneration paid Rs.6.00 lacs

Ritesh Sharma, Related to Managing Director - Remuneration paid during the year Rs. 5.95 lacs.

Sharad Kumar Jain- Managerial remuneration paid Rs. 6,00,000

13. Additional information required under Schedule VI of the Companies Act 1956.

**CONSUMPTION**

Value of imported and indigenous Raw material &amp; Stock consumed and percentage thereof including trial run period.

S.N.	Particulars	Year 2012-2013		Year 2011-2012	
1	Raw Materials & Process Inputs Imported	NIL	NIL	NIL	NIL
	Indigenous	25337.53 Lacs	100%	17885.39 Lacs	100%
2	Stores and spares: (Including consumables & packing Material) Imported	NIL	NIL	NIL	NIL
	Indigenous	97.75 Lacs	100%	75.51 Lacs	100%
3.	CIF Value of Imports	NIL	NIL	NIL	NIL
4	Expenditure in Foreign Currency	\$ 4800	NIL	Rs. NIL	NIL
5	Earning in foreign currency (Direct Export)	\$ 560686.67	NIL	Rs. NIL	NIL

FOR AND BEHALF OF THE BOARD

AS PER OUR REPORT EVEN DATE  
FOR BHUTORIA GANESAN & CO  
CHARTERED ACCOUNTANTS  
FIRM REG NO. 004465CKAILASH CHAND SHARMA  
(MANAGING DIRECTOR)CA R. GANESAN  
PARTNER  
M. No. 26164SHARAD KUMAR JAIN  
(WHOLE TIME DIRECTOR)  
PLACE: ITARSI  
DATED:30/05/2013PLACE: BHOPAL  
DATED:30/05/2013

# NATRAJ PROTEINS LIMITED

Registered office : Nagpur-Kalan,  
Ordinance Factory Road, Itarsi (M.P.)

## PROXY FORM

I/We ..... of being a member / member of  
NATRAJ PROTIENS LIMITED, hereby appoint ..... of ..... of failing  
hime / her ..... of ..... as

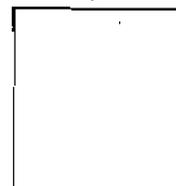
my/our proxy to attend and vote on my/our behalf at the adjourned Meeting of the 22nd Annual General Meeting of the Company to be held on Monday the 30th September, 2013 at the Registered Office at Nagpur-Kalan, Ordinance Factory Road, Itarsi (M.P.) at 2.00 p.m.

As witness my/our hand(s) this ..... day of Sept. 2013

Folio No./Client ID No.

No. of Share Held

Signed ..... day of Sept. 2013 the said .....



----- ✂ ----- ✂ ----- ✂ -----

## ATTENDANCE SLIP

# NATRAJ PROTEINS LIMITED

Registered office : Nagpur-Kalan,  
Ordinance Factory Road, Itarsi (M.P.)

PLEASE COMPLETE ATTENDANCE SLIP AND HAND OVER  
AT THE ENTRANCE OF THE MEETING HALL

Folio No. / Client ID No.

NO. OF SHARE HELD

NAME AND ADDRESS OF THE SHAREHOLDERS(S) :

I hereby record my presence at the 22nd Annual General Meeting of the Company held on Monday, 30th September 2013 at 2.00 P.M.

Note :

SIGNATURE OF THE SHARE HOLDER/PROXY

1. Shareholder of Proxy holders are requested to bring the attendance slip with them. when they come to the meeting and hand it over at the entrance duly signed.
2. Joint Shareholders may obtain additional Attendance Slip on request.

**BOOK POST**



*If undelivered please return to :*

**Natraj Proteins Limited**

Nagpur Kalan, Ordinance Factory Road,  
Itarsi - 461 111 (M.P.)