

21st Annual Report 2012-13 KRIPTOL INDUSTRIES LTD.
(Formerly known as Roselabs Industries Ltd.)

KRIPTOL INDUSTRIES LIMITED

Board Of Directors

Jitendra Bhikhabhai Patel	Chairman & M.D.
Bhavik Satish Badani	Director
Vimal S Raval	Director
Smt. Sushma V Raval	Director

Registered Office

304, Akruti Complex,
Nr Stadium Six Road,
Circle Navragpura, Ahmedabad(Guj.)-380009

Bankers of the Company

Axis Bank Limited

Auditors

M/s MOTIAL & ASSOCIATES,
Chartered Accountants,
MUMBAI

Registrar and Share Transfer Agent

SHAREX DYNAMICS INDIA PVT.LTD.,
ANDHERI(E), MUMBAI-72

DATE OF AGM

06TH Sept, 2013 at 11:00 AM

BOOK CLOSURE

02-09-2013 TO 06-09-2013
(BOTH DAYS INCLUSIVE)

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NOTICE

NOTICE is hereby given to the Members of **KRIPTOL INDUSTRIES LTD.** that the **21ST ANNUAL GENERAL MEETING** of the Members of the Company will be held on Friday, the 06TH September, 2013 at 11.00 A.M. at the Registered Office of the Company at 304, Akruti Complex, Nr, Stadium Six Road Circle, Navragpura, Ahmedabad (Guj.)- 380009, to transact the following business :

ORDINARY BUSINESS :

1. To Receive, consider, approve and adopt the Audited Statement of Accounts i.e. the Audited Balance Sheet as at 31st March, 2013 the Profit and Loss Account for the year ended on that date, the report of the Auditors and Directors thereon.
2. To appoint a Director in place of Bhavik Satish Badani, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass the following resolution with or without modification(s), as an ordinary resolution.

“Resolved that Mr. VIMAL S RAVAL who was appointed as an Additional Director of the Company on 17/01/2013 pursuant to the provisions of Section 260 of the Companies Act, 1956 and who holds such office up to the date of ensuing Annual General Meeting of the Company and in respect of whom the company has received a notice in writing from a member under section 257 of the companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation.”

5. To consider and if thought fit, to pass the following resolution with or without modification(s), as an ordinary resolution.

“Resolved that Sushma V Raval, who was appointed as an Additional Director of the Company on 17/01/2013 pursuant to the provisions of Section 260 of the Companies Act, 1956 and who holds such office up to the date of ensuing Annual General Meeting of the Company and in respect of whom the company has received a notice in writing from a member under section 257 of the companies Act, 1956 proposing her candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation.”

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company. The proxies in order to be effective must be

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deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.

2. The Register of Members & Share Transfer Books of the company will remain closed from **September 02, 2013 to September 06, 2013** (both days inclusive) in connection with ensuing Annual General Meeting.
3. Members are requested to inform the company of any change in their addresses immediately so as to enable the Company for any further communication at their correct addresses.
4. Member holding shares in identical order of names in more than one folio are requested to write to the Company enclosing their share certificates to enable the Company to consolidate their holdings in one folio.
5. Members/Proxies are requested to bring the copy of Annual Report and attendance slip duly filled in along with them to the Annual General Meeting, as extra copies will not be supplied at the meeting.

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

Item no. 4

Mr.Vimal Kumar S Raval, was appointed by the Board of Director of the Company as an Additional Director w.e.f from 17/01/2013 pursuant to the relevant provisions of the Companies Act, 1956 and under the Articles of the Article of Association of the company and he holds such office only upto the date of this Annual General Meeting. Particulars about his are given in para 2 of the Corporate Governance Report. A notice in writing has been received under Section 257 of the Companies Act, 1956 along with a deposit of Rs.500/- from a member signifying his intention to propose his appointment as Director of the Company liable to retire by rotation. Your Board of Directors are of the opinion that with the appointment, the company will be benefited a lot and hence commends the resolution for approval.

None of the Director of the company is concerned or interested in the resolution except himself.

Item no. 5

Sushma V Raval, was appointed by the Board of Director of the Company as an Additional Director w.e.f from 17/01/2013 pursuant to the relevant provisions of the Companies Act, 1956 and under the Articles of the Article of Association of the company and he holds such office only upto the date of this Annual General Meeting. Particulars about his are given in para 2 of the Corporate Governance Report. A notice in writing has been received under Section 257 of the Companies Act, 1956 along with a deposit of Rs.500/- from a member signifying his intention to propose her appointment as Director of the Company liable to retire by rotation. Your Board of Directors are of the opinion that with the appointment, the company will be benefited a lot and hence commends the resolution for approval.

None of the Director of the company is concerned or interested in the resolution except herself.

**BY ORDER OF THE BOARD
KRIPTOP INDUSTRIES LTD.
SD/-**

**Place:- Ahmedabad
Date : - 01/08/2013**

**(Jitendra Patel)
CHAIRMAN**

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DIRECTORS' REPORT

To,
The Members,
KRIPTOL INDUSTRIES LTD.
Gujarat

Your Directors are pleased to present the 21ST Annual Report together with Audited Financial Accounts for the year ended 31st March, 2013.

FINANCIAL HIGHLIGHTS:

Financial Results	(Amount in Rs.)	
	Current Year 2012 - 13	Previous Year 2011 - 12
INCOME	439645	495200
EXPENDITURE	409453	464081
PROFIT BEFORE TAX	30192	31119
INCOME TAX	9500	-
PROFIT AFTER TAX	20692	31119

DIVIDEND :

Due to carried forward losses of the previous years and negligible profit for the year your directors express their inability declare any dividend for the current year.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT :

Necessary measures have been taken to comply with the requirements of the Listing Agreements with the Stock Exchanges where the Company's Shares are listed. The report on Corporate Governance is included as a part of Directors Report. A report on Corporate Governance as stated above, along with a certificate of compliance from the Auditors, forms part of this Annual Report. Management Discussion and Analysis Report has been enclosed herewith and forming part of the Directors' Report.

ENVIRONMENT PROTECTION :

Your Company is not engaged in any type of manufacturing activities. It is not generating any type of pollution. Hence the regulations on Pollution control are not applicable to your company.

INSURANCE AND PROTECTION OF ASSETS :

Your Company's all fixed, movable and tangible assets are properly insured against all available commercial, natural and human hazardous risks from approved insurance companies. During the year under review your Company has not made any insurance claim and no such claims are still pending for settlement / payment.

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DEPOSITS :

During the year under review your company has neither invited nor accepted any public deposit or deposits from the public as defined under Section 58A of the Companies Act, 1956. The Deposits any accepted from the Directors are exempt as per the provisions of Section 58A of the Companies Act, 1956.

DIRECTORS :

Bhavik S Badani, Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment. Your Directors recommend his reappointment.

Mr. Naresh Rachcha and Stm Surekhaben K Shah resigned during the year and in their place, Vimal Kumar Raval and Smt. Sushma Raval inducted in the Board of Directors of the company.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of Companies Act, 1956, it is hereby confirm :

- (a) that in the preparation of the annual accounts financial year ended 31st March, 2013, the applicable accounting standards have been followed and there is no material departures from the same;
- (b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- (c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the Directors have prepared the annual accounts for the financial year ended 31st March, 2013 on 'a going concern' basis.

STATUTORY AUDITORS :

M/s. MOTILAL & ASSOCIATES, Chartered Accountants, Mumbai, retire at the ensuing Annual General Meeting and are eligible for reappointment. The Company has received a certificate from them that their appointment if approved by the shareholders would be within the ceiling prescribed under section 224(1B) of the Companies Act, 1956. The members are requested to appoint auditors to hold office until the conclusion of the next Annual General Meeting of the Company.

During the year under review, M/s **A. L. THAKKAR & CO.**, Chartered Accountants, Ahmedabad tendered their resignation in writing to the company on 05th Oct, 2012 and then company approached new auditor firm M/s Motilal & Associates, C.A. firm of Mumbai to become the statutory auditors of the company, they submitted to the board their written consent and then

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Board of directors in their meeting held on 06/10/2012 fixed up the date of EGM to be held at 05/12/2012 for appointment of new auditors and in EGM new auditors were appointed.

AUDITORS OBSERVATION :

There are no observations made by Auditors in their report. Notes to the Accounts are itself self explanatory in nature.

EMPLOYEES :

Provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not applicable to the Company, and hence the information is not given.

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

The information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, is given in the Annexure to this Report.

MATERIAL CHANGES :

There is no material changes that have taken place after the completion of financial year and up to the date of this report which may have substantial effect on business and finances of the company.

LISTING

The Equity Shares of the Company are presently listed at the Bombay Stock Exchange Limited (BSE). The Company has duly paid the Annual listing fees up to 31st March, 2013 to BSE. Adequate care is being taken to comply almost all the norms and guidelines as per applicable provisions of the Listing Agreement with the Company.

APPRECIATION :

Your Directors express their gratitude to the continuous support of the Financial Institutions, Banks, Central and State Governments, Office of the Industries Commissioner, valued Customers and devoted workers for their continuous contribution to the growth and progress of Company.

The Directors also take this opportunity to thank the shareholders for the confidence reposed in the management.

**BY ORDER OF THE BOARD
KRIPTOL INDUSTRIES LTD.**

**Place:-Ahmedabad
Date : - 01/08/2013**

**SD/-
(Jitendra Patel)
CHAIRMAN**

ANNEXURE TO THE DIRECTORS REPORT

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

A) CONSERVATION OF ENERGY

The Company has formed a strong technical department headed by a senior personnel to continuously monitor energy consumption and plan and execute energy conservation schemes. Effective measures are being taken for overall technological up gradation of plant and machinery.

B) TECHNOLOGY ABSORPTION :

a) Research and Development

- i) Specific areas in which R & D carried out by the Company: The Research & Development efforts of the Company are directed towards quality control and improvement of in-house expertise. No expenditure has been incurred by the firm during the year.
- ii) Benefits derived as a result of the above R & D: Improvement in product quality and cost effectiveness.

b) Technology Absorption and innovation:

- i) **Efforts in brief made towards technology absorption, adoption and innovation:**
The Company has been putting emphasis to train its technical personnel in house by way of providing training to them for the latest technology available.
- ii) **Benefits derived as a result of the above efforts:**
It has resulted in a better quality of product which has been brought to the International Standard, besides improving the productivity and reducing the wastages.
- iii) **information regarding technology imported during the last five years:**
Not Applicable.

C) FOREIGN EXCHANGE EARNINGS / OUTGO:

Not Applicable.

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Pursuant to Clause 49 of Listing Agreement, a Management Discussion & Analysis report is given below:-

INDUSTRY STRUCTURE AND DEVELOPMENTS

The general recessionary trend in domestic market made the financial year 2012-12 a difficult for many companies. Your Company cannot made big in the Financial year 2012-12, due to general recessionary trend prevailing in the market all over the world and heavy cost of administrative and other expenses and less sales. Your directors are hopeful to achieve better results in future.

OUTLOOK ON OPPORTUNITIES, THREATS, RISK AND CONCERNS

The manufacturing of dyes off late, has been a business of stiff competition with cheaper import and the big players. To continue the same may endanger losses in future.

The Company is in position to compete with the its competitors by better product development as well as customer services.

RISK MANAGEMENT

The Company has laid down the procedures to inform the Board members about the risk assessment and minimization procedures. Theses procedures are periodically reviewed to ensure that executive management controls risk through means of properly defined framework.

SEGMENT REPORTING

During the year under review the Company has carried on the Trading Business of pharmaceuticals in addition to the Dye and Chemicals, the disclosure of segment information in pursuance to accounting standard is set out in the Notes to the Audited Accounts which forming parts of the Accounts.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company is committed to maintaining high standards of internal controls designed to provide accuracy of information, efficiency of operations, and security of assets. The company has adequate internal controls commensurate with the size and nature of its operations to ensure orderly and efficient conduct of business.

These controls ensure the safeguarding of assets, prevention and detection of fraud and error, the accuracy and completeness of the accounting records, timely preparation of reliable financial information and adherence to companies policies, procedures and legal obligations. The audit committee of the Board of Directors meets periodically to review the performance as reported by the auditors.

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MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT.

No other material development on the Human Resource/ Industrial Relations Front during the year.

CAUTIONARY STATEMENT

Management Discussion and Analysis report are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized by the Company. Actual results could differ materially from those expressed or implied. Important factors that could make a deference to the Company's operation include global and Indian market conditions, changes in the Government Regulations, Tax regimes, WTO Regulations and such other factor.

The Company assumes no responsibility to publicly amend, modify or revise any of these statements on the basis, of any subsequent developments, information or events.

**BY ORDER OF THE BOARD
KRIPTOL INDUSTRIES LTD.**

**Place:- Ahmedabad
Date : - 01/08/2013**

**sd/-
(Jitendra Patel)
CHAIRMAN**

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REPORT ON CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNANCE:

As required under Clause 49 of the Listing Agreement executed with the Stock Exchanges, a Report on Corporate Governance is given herein under. The said report is a forming part of Annual Report of the Company for the year 2012-12.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company always follows good corporate practice. Compliance of code of Corporate Governance mean disclosures of all material facts in annual account, fair and transparent business policy, maintenance of high ethical standards in its dealings with shareholders, customers, suppliers and employees of the Company, formation of fair strategic planning with balancing the interest of all the parties. Your company and its management has committed to achieve good corporate governance practice.

2. BOARD OF DIRECTORS:

Composition of Board:

None of the directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees including KRIPTOL INDUSTRIES LTD..

Total Eight Board Meetings were held during the financial year 2012-13. The dates on which the said meetings were held are given herein under:

15/05/2012, 14/08/2012, 31/08/2012, 06/10/2012, 12/11/2012, 12/12/2012, 17/01/2013 & 13/02/2013

Sr. No.	Name Of the Director	Category	Number of other		
			Directorship	Committee Member-Ship	Committee Chairman-Ship
1	Jitendra B Patel	C.M.D.	4	1	1
2	Sushma V Raval	Ind.Director	4	-	-
3	Bhavik Satish Badani	Ind,Director	5	1	1
4	Vimal S Raval	Director	6	1	1

3. AUDIT COMMITTEE :

(a) COMPOSITION OF COMMITTEE:

Your Company had constituted an Audit committee as required under section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. Committee assists to the Board in matter of accounts and finance.