



CRUSTUM PRODUCTS
P R I V A T E L I M I T E D

Annual Report
2012 - 2013

CORPORATE INFORMATION

Board of Directors:

Mr.P.Chakradhar Reddy - Director
Mrs.P.Lakshmi Sruthi - Director

Auditors:

M/s.P.Murali & Co.,
Chartered Accountants
6-3-655/2/3, 1st Floor, Somajiguda
Hyderabad – 500 082

Bankers:

Oriental Bank of Commerce
Syndicate Bank
UCO Bank

Registered Office:

Plot No.258, Road No.18,
Jubilee Hills
Hyderabad – 500 033

BreadTalk Outlets:

Mumbai :

Inorbit Mall, Malad
BG House, Hiranandani, Powai
Whitefield

Bangalore :

Spencers, Koramangalam
Ascendas Mall

Hyderabad :

Q-Mart, Banjara Hills

Gurgaon :

Spencers, Gurgaon, NCR

NOTICE

NOTICE is hereby given that the Eighth Annual General Meeting of the Members of the Company will be held at Registered Office at Hyderabad on Saturday, the 31st August, 2013 at 12.30 P.M. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st March 2013 together with the Report's of the Directors and Auditors thereon.
2. To Appoint a Director in place of Mr. P. Chakradhar Reddy who retires by rotation and being eligible, offers herself for re-appointment.
2. To appoint statutory auditors of the Company and fix their remuneration.

Hyderabad
28-05-2013

By Order of the Board

**Sd/-
P.Chakradhar Reddy
Director**

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting Eighth Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2013.

Financial Performance & Operations:

PARTICULARS	30-03-2013 Rs.	30-03-2012 Rs.
Revenue from operations	5,28,70,178	5,95,12,132
Other income	13,297	10,961
Total	5,28,83,475	5,95,23,093
Total Expenditure	(6,50,44,742)	(5,30,67,110)
Operating Profit/Loss	(1,21,61,267)	64,55,983
Less: Interest	(17,54,667)	(22,05,693)
Depreciation	(33,58,778)	(33,49,357)
Net Profit/(Loss) after interest and Depreciation	(1,72,74,712)	9,00,933
Less: Tax expense	(1,79,157)	(6,93,833)
Net Profit/Loss	(1,74,53,869)	2,07,100

Crustum Products Private Limited has achieved a turnover of Rs.528.83 Lakhs for the year ended 31st March, 2013 as against Rs. 595.23 Lakhs for the previous year. The Net Loss for the year ended 31st March, 2013 is Rs.174.53 Lakhs as against net profit of Rs.2.07 Lakhs for the previous year.

Business Plans:

Crustum Products Private Limited is the Master Franchisee of Breadtalk Singapore. The Company is running out lets at In Orbit Mall, Malad, Mumbai, BG House, Hiranandani, Powai, Mumbai, Spencers, Gurgaon, New Delhi, Spencer's Mall, Bangalore, Ascendas Mall, Bangalore, Whitefield, Bangalore and Q Mart, Hyderabad.

Dividend:

As the Company's profits are inadequate the Board does not recommend any dividend during the year under review.

Directors:

Mr. P. Chakradhar Reddy retires by rotation and being eligible offered himself for reappointment. The Board commends his re-appointment as Director.

Auditors:

M/s.P.Murali & Co., Chartered Accountants, Auditors of the Company retires at the ensuring Annual General Meeting the Company received a letter from them expressing their willingness to be re-appointed as Statutory Auditors to the effect that their appointment, if made will be in accordance with the provisions of section 224(1B) of the Companies Act, 1956. Hence the Board recommends their appointment as Statutory Auditors for the FY 2013-14.

Audit Report:

Regarding the Auditors observations and comments in their report for the FY 2012-13, they are self-explanatory and the Company is making efforts / steps to comply the same.

Particulars of Employees:

There are no employees, who are covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

Information required under Section 217(1)(e) of the Companies Act 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988:

a) Conservation of Energy:

Proper Control points are set up at all levels to identify the wastage in Power & Fuel consumption and to take/initiate corrective steps.

b) Research and Development and Technology Absorption:

- i. Our Research & Development Cell has been making continuous efforts to ensure the best quality standards.
- ii. No technology either indigenously or Foreign is involved.

c) Foreign Exchange Earnings and Outgo:

During the year the Company has earned no Foreign Exchange (Previous year also nil). The corresponding foreign exchange out go during the year was Rs. 2.13 lakhs (Previous year Rs. 6.32 lakhs).

Deposits:

During the year under review, the Company has not accepted deposits from the Directors, Relatives and Public.

Employee Relations:

The relationship with the employees continues to be cordial. The Directors would like to place on record their appreciation of the services rendered by all the employees of the Company.

Directors' Responsibility Statement:

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

- (i) in the preparation of the annual accounts for the year ended March 31, 2013, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- (ii) 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 a true and fair view of the state of affairs of the Company as at March 31, 2013 and of the profit of the Company for the year ended on that date;

- (iii) 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; and
- (iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

Secretarial Compliance Certificate:

Certificate from the Practicing Company Secretary as stipulated in Section 383A of the Companies Act, 1956 read with the Companies (Compliance Certificate) Rules, 2001 and attached to the Directors' Report form a part of this Annual Report.

Acknowledgments:

Yours Directors acknowledge with gratitude and wish to place on record their sincere thanks and appreciation for the co-operation received by the Company from various Departments of Central/State Government, Financial Institutions and Banks for their continued co-operation and the support extended during the year. Your Directors also wish to acknowledge the continued support and confidence proposed in the management by the Shareholders.

By Order and on behalf of the Board

Hyderabad
28-05-2013

**Sd/-
P.Chakradhar Reddy
Chairman of the Meeting**

COMPLIANCE CERTIFICATE

{Rule 3 of the Companies (Compliance Certificate) Rules, 2001 read with Section 383A of Companies Act, 1956}

CIN: U15410AP2005PTC046115

Authorized Capital: Rs. 5,00,00,000/-

Paid-up Capital: Rs. 4,00,00,000/-

To,
The Members,
Crustum Products Private Limited
Plot No.258, Road No.18, Jubilee Hills,
Hyderabad – 500033, Andhra Pradesh.

We have examined the registers, records, books and papers of Crustum Products Private 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 31st March, 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, and its officers, 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 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, A.P.
3. The Company being a Private Limited Company which is subsidiary of public limited company, has the minimum prescribed paid up capital and its maximum number of members during the said financial year was two and the company during the year under scrutiny:
 - i. Has not invited public to subscribe for its shares or debentures; and
 - ii. Has not invited or accepted any deposits from persons other than its members, directors or their relatives, during the financial year 2012-2013.
4. The Board of Directors met 5 times on 12-05-2012, 20-07-2012, 13-08-2012, 12-11-2012 and 12-02-2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company was not required to close its Register of Members during the financial year under review.
6. The Annual General Meeting of the Company for the financial year ended on 31st March, 2012 was held on 31st August, 2012 after giving due 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 Meetings was held during the financial year.
8. The Company has not made any lone, has not given any guarantee and has not provided any security in connection with a lone made by any director or relative of any such director or any firm in which any such director or relative is a partner as referred under the provisions of Section 295 of the Act.

CRUSTUM PRODUCTS PRIVATE LIMITED

9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act during the financial year under scrutiny.
10. The Company has made necessary entries in the register maintained under Section 301(3) of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, during the financial year under scrutiny, the company has not obtained any approval from the Board of Directors, members and previous approval of the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year 2012-2013.
13. The Company has:
 - i) Not allotted any securities during the year under review and not made any transfer/transmission of securities during the financial year under review.
 - ii) Not declared any dividend including interim dividend during financial year under review.
 - iii) Not required to pay/post warrants for dividends during the year under review.
 - iv) There were no amounts lying with the Company in unpaid dividend account or any application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years or more.
 - v) The Company has complied with requirements of Section 217 of the Act.
14. The Board of Directors is duly constituted and there were no instances of appointment of directors, additional directors, alternate directors and directors to fill casual vacancies during the financial year under review.
15. The Company has not appointed any Managing Director and as Whole-time Director during the financial year.
16. The Company has not appointed any sole-selling agents during the financial year 2012-2013.
17. There were no instances wherein the Company was required to obtain any approval from the Central Government, Company Law Board, Regional Director, Registrar or such other authorities, under the various provisions of the Act during the financial year under scrutiny.
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 during the year under review.
19. The Company has not issued any shares, debentures or other securities during the financial year under review.
20. The Company has not bought back any shares during the financial year under review.
21. There was no redemption of preference shares/Debentures during the year under review as the Company has not issued any such shares/debentures.
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 during the financial year 2012-2013.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act, during the financial year 2012-2013.
24. The amount borrowed by the Company from directors, members, public, financial institutions, banks and others during the financial year ending 31, march 2012 was within the borrowing limits of the company as referred under section 293(1)(d) of the Act.
25. The Company given guarantees or provided securities to other bodies corporate and consequently entries has been made in the register kept for the purpose as referred under section 372A.

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 year under review.
29. The Company has not altered the provisions of the memorandum with respect to increase of share capital during the year under scrutiny.
30. The Company has not altered its Articles of Association with respect to increase of share capital during the year under review.
31. As per the information given by the Directors, there were no prosecutions initiated against or show cause notices received by the company during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has deposited all moneys contributable to provident fund as referred under Section 418 of the Companies Act, 1956 during the financial year.

**For P S Rao & Associates
Company Secretaries**

Place : Hyderabad
Date : 28-05-2013

CS N. Vanitha
C P No: 10573

ANNEXURE TO COMPLIANCE CERTIFICATE FOR FY 2011-2012
CRUSTUM PRODUCTS PRIVATE LIMITED

ANNEXURE: A

Statutory Registers as Maintained by the Company

1. Register of Directors' U/s 303
2. Register of Directors' Shareholdings U/s 307
3. Register of Members U/s 150
4. Minutes of Board Meetings U/s 193
5. Minutes of Annual and Extra-Ordinary General Meetings U/s 193
6. Register of contracts, firms and Companies in which Directors are interested U/s 301(3)
7. Register of Contracts U/s 301
8. Register of Charges U/s 143

ANNEXURE: B

Forms and Returns Filed during the Year

The following Forms and Returns are filed by the Company with the Registrar of Companies, Andhra Pradesh during the financial year ended 31st March, 2013:

Sl.No.	Form No.	Section	Purpose	Status
1	Form 20B	159	Filing Annual Return for the year ending March 31, 2011.	Filled with Nine times additional fee on 05-09-2012.
2	Form 66	383A	Filing Compliance Certificate for the year ending March 31, 2011.	Filled with Nine times additional fee on 14-09-2012.
3	Form 23AC XBRL and Form 23ACA XBRL	220	Filing XBRL document in respect of Balance Sheet, Profit and Loss and other documents for the year ending March 31, 2011.	Filled with Nine times additional fee on 21-09-2012.
4	Form 20B	159	Filing of Annual Return for the year ending March 31, 2012.	Filled with Normal fee on 10-10-2012.
5	Form 66	383A	Filing of Compliance Certificate for the year ending March 31, 2012.	Filled with Two times additional fee on 30-10-2012.
6	Form 23AC XBRL and Form 23ACA XBRL	220	Filing XBRL document in respect of Balance Sheet, Profit and Loss and other documents for the year ending March 31, 2012.	Filled with Normal fee on 11-12-2012.

For P S Rao & Associates
Company Secretaries

Place : Hyderabad
Date : 28-05-2013

CS N. Vanitha
C P No: 10573

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Crustum Products Private Limited.

Report on the Financial Statements:

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

Management's Responsibility for the Financial Statements:

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

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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion:

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

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

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For P. Murali & Co.,
Chartered Accountants
FRN: 007257S

Place : Hyderabad
Date : 28-05-2013

P. Murali Mohana Rao
Partner
Membership No.023412

ANNEXURE TO THE AUDITORS' REPORT

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
(b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies between the book records and the physical inventory have been noticed on such verification.
(c) The Company has not disposed off substantial part of the Fixed Assets during the year.
- II. (a) The Inventory has been physically verified during the year by the Management and in our opinion, the frequency of verification is reasonable.
(b) In our opinion, the procedures of the physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company is maintaining proper records of inventory and as explained to us, no material discrepancies were noticed on physical verification of stocks as compared to book records.
- III. (a) The Company has not granted any loans, secured or unsecured to Companies, Firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
(b) As the Company has not granted any loans, the clause of whether the rate of interest & other terms and conditions on which loans have been granted to parties listed in the register maintained under Section 301 prejudicial to the interest of company, is not applicable.
(c) As no loans are granted by the company, the clause of receipt of interest & principal amount from parties, is not applicable to the company.
(d) No loans have been granted to Companies, Firms and other parties listed in the register U/S 301 of the Companies Act, 1956, Hence overdue amount of more than rupees one lakh does not arise and the clause is not applicable.
(e) The Company has not taken any loans, secured or unsecured from Companies, Firms or other Parties covered in the register maintained U/s.301 of the Companies Act, 1956.
(f) As the Company has not taken any loans, the clause of whether the rate of interest and other terms and conditions on which loans have been taken from parties listed in the register maintained under section 301 is prejudicial to the interest of company, is not applicable.
(g) As no loans are taken by the company, the clause of repayment of interest & principal amount to parties is not applicable to the company.
- IV. In our opinion and according to the information and explanations given to us, there are generally adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods and services. There is no continuing failure by the company to correct any major weaknesses in internal control.
- V. (a) In our opinion and according to the information and explanations given to us, since no contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been made by the company in respect of any party in the financial year, the entry in the register U/s 301 of the Companies Act, 1956.

- (b) According to the information and explanations given to us, as no such contracts or arrangements made by the Company, the applicability of the clause of charging reasonable price having regards to the prevailing market prices at the relevant time does not arise.
- VI. The Company has not accepted any deposits from the public and hence the applicability of the clause of directives issued by the Reserve Bank of India and provisions of section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under does not arise. As per information and explanations given to us the order from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal has not been received by the Company.
- VII. In our opinion, the company is having internal audit system, commensurate with its size and nature of its business.
- VIII. In respect of the Company, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section(1) of section 209 of the Companies Act, 1956.
- IX. (a) The Company is generally regular in depositing statutory dues including PF, ESI, Service Tax with the appropriate authorities.
- (b) According to the information and explanation given to us, there are no dues of sales tax, wealth tax, service tax, customs duty, excise duty and cess which have fallen due on or before 31st March 2013 and not been deposited with appropriate authorities on account of any dispute except for Rs. 8,48,443/- which is pending in appeals.
- X. The Company has been registered for a period of not less than 5 years, and the company has accumulated losses at the end of the financial year and the company has incurred cash losses in this financial year and not in the immediately preceding financial year.
- XI. According to information and explanations given to us, the company has defaulted in repayment of dues amounting to Rs.8.02 crores to financial Institutions & Banks.
- XII. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities and hence the applicability of the clause regarding maintenance of adequate documents in respect of loans does not arise.
- XIII. This clause is not applicable to this Company as the Company is not covered by the provisions of special statute applicable to Chit Fund in respect of Nidhi/Mutual Benefit Fund/Societies.
- XIV. According to the information and explanations given to us, the company is not dealing or trading in shares, securities, Debentures and other investments and hence the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order 2003, are not applicable to the Company.
- XV. 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, and hence the applicability of this clause regarding terms and conditions which are prejudicial to the interest of the company .
- XVI. According to the information and explanations given to us, the Term Loans obtained by the company were applied for the purpose for which such loans were obtained by the Company.
- XVII. According to the information and explanations given to us no funds are raised by the Company on short-term basis. Hence the Clause of Short term funds being used for Long term investment do not arise.

- XVIII. According to the information and explanations given to us, the Company has not made any preferential allotment of Shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956 and hence the applicability of the clause regarding the price at which shares have been issued and whether the same is prejudicial to the interest of the Company does not arise.
- XIX. According to the information and explanations given to us, the company does not have any debentures and hence the applicability of the clause regarding the creation of security or charge in respect of debentures issued does not arise.
- XX. According to information and explanations given to us, the company has not raised money by way of public issues during the year, hence the clause regarding the disclosure by the management on the end use of money raised by public issue is not applicable.
- XXI. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under audit.

Place : Hyderabad
Date : 28-05-2013

For P. Murali & Co.,
Chartered Accountants
FRN: 007257S

P. Murali Mohana Rao
Partner
Membership No.023412

CRUSTUM PRODUCTS PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

PARTICULARS	Note No.	AS ON 31-03-2013 (₹)	AS ON 31-03-2012 (₹)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	4,00,00,000	4,00,00,000
(b) Reserves and Surplus	2	(1,57,10,956)	17,42,913
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	3	26,55,98,667	25,63,07,577
(b) Deferred Tax Liabilities (Net)	4	76,25,276	74,46,119
(c) Other Long Term Liabilities			
(d) Long Term Provisions			
(3) Current Liabilities			
(a) Short-Term Borrowings			
(b) Trade Payables	5	1,13,55,943	93,46,711
(c) Other Current Liabilities	6	2,74,35,664	2,21,96,478
(d) Short-Term Provisions	7	-	2,78,388
Total		33,63,04,594	33,73,18,187
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible assets	8	4,20,12,165	4,53,01,267
(ii) Intangible assets			
(iii) Capital work-in-progress		19,24,22,980	19,12,64,977
(iv) Intangible assets under development			
(2) Current Assets			
(a) Current investments			
(b) Inventories	9	18,67,557	17,90,316
(c) Trade receivables	10	24,92,780	20,07,455
(d) Cash and Bank Balances	11	10,74,978	4,97,443
(e) Short-Term Loans and Advances	12	9,64,34,134	9,64,56,730
(f) Other Current assets			
Total		33,63,04,594	33,73,18,187

Significant Accounting Policies
Notes to Financial Statements

1 to 31

FOR AND ON BEHALF OF THE BOARD

AS PER OUR REPORT OF EVEN DATE

FOR P. MURALI & CO.,

Chartered Accountants

Firm's Regn. No. : 007257S

Sd/-

P. MURALI MOHANA RAO

Partner

Membership No. 023412

Hyderabad

May 28, 2013

Sd/-

P.CHAKRADHAR REDDY

Director

Sd/-

P.LAKSHMI SRUTHI

Director

CRUSTUM PRODUCTS PRIVATE LIMITED

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

PARTICULARS	Note No.	Year Ended 31-03-2013 (₹)	Year Ended 31-03-2012 (₹)
I. Revenue from Operations	13	5,28,70,178	5,95,12,132
II. Other Income	14	13,297	10,961
III. Total Revenue (I +II)		5,28,83,475	5,95,23,093
IV. Expenses:			
Cost of materials consumed	15	1,84,20,532	1,49,70,509
Changes in inventories of Finished goods, WIP and Stock-in-Trade	16	(77,241)	-
Employee Benefit expenses	17	1,48,35,899	1,20,33,844
Other Operating Expenses	18	2,97,72,536	2,48,65,541
Administrative Expenses	19	20,93,015	11,97,215
Financial costs	20	17,54,667	22,05,693
Depreciation and amortization expense	8	33,58,778	33,49,357
Total Expenses		7,01,58,187	5,86,22,160
V. Profit before exceptional and extraordinary items and tax (III - IV)		(1,72,74,712)	9,00,933
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		(1,72,74,712)	9,00,933
VIII. Extraordinary Items		-	-
IX. Profit Before Tax (VII - VIII)		(1,72,74,712)	9,00,933
X. Tax expense:			
(1) Current tax		-	2,78,388
(2) Deferred tax		1,79,157	4,15,445
XI. Profit(Loss) from the perid from Continuing Operations (VII - VIII)		(1,74,53,869)	2,07,100
XII. Profit/(Loss) from Discontinuing Operations		-	-
XIII. Tax expense of Discounting Operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		(1,74,53,869)	2,07,100
XVI. Earning per equity share:			
(1) Basic		(4.36)	0.05
(2) Diluted		(4.36)	0.05

Significant Accounting Policies
Notes to Financial Statements

1 to 31

FOR AND ON BEHALF OF THE BOARD

AS PER OUR REPORT OF EVEN DATE

FOR P. MURALI & CO.,

Chartered Accountants

Firm's Regn. No. : 007257S

Sd/-

P. MURALI MOHANA RAO

Partner

Membership No. 023412

Hyderabad

May 28, 2013

Sd/-

P.CHAKRADHAR REDDY

Director

Sd/-

P.LAKSHMI SRUTHI

Director

CRUSTUM PRODUCTS PRIVATE LIMITED

Notes To Financial Statements For The Year Ended March 31st 2013

S.NO	PARTICULARS	AS ON 31-03-2013 (₹)	AS ON 31-03-2012 (₹)
NOTE NO. 1 : SHARE CAPITAL			
A Equity Share Capital			
(a) Authorised			
	(No. of Shares 50,00,000 Current Year)	5,00,00,000	-
	(No. of Shares 50,00,000 Previous Year)	-	5,00,00,000
	Total Authorised Capital	5,00,00,000	5,00,00,000
(b) Issued			
	(No. of Shares 40,00,000 Current Year)	4,00,00,000	-
	(No. of Shares 40,00,000 Previous Year)	-	4,00,00,000
(c) Subscribed & Fully Paid Up			
	(No. of Shares 40,00,000 Current Year)	4,00,00,000	-
	(No. of Shares 40,00,000 Previous Year)	-	4,00,00,000
(d) Subscribed & not fully paid up			
		-	-
(e) Par Value per share Rs. 10/-			
		-	-
	Total Equity Share Capital	4,00,00,000	4,00,00,000
B Details of Shareholder holding more than 5% shares of the company			
(Equity Shares of Rs. 10 each Held By)		No. Shares	% of Share Holding
Name of Shareholder	Current Year	Previous Year	Current Year
Viceroy Hotels Limited	40,00,000	40,00,000	100
			Previous Year
			100
	Total Share Capital (Equity & Preference)	4,00,00,000	4,00,00,000
NOTE NO. 2 : RESERVES AND SURPLUS			
I. RESERVES AND SURPLUS			
a) Surplus :			
	i) Opening Balance - Profit and Loss Account	17,42,913	15,35,813
	Add: Transfer from Profit & Loss Account	(1,74,53,869)	2,07,100
	Less: Transfer To General Reserve	-	-
	Less: Goodwill Written Off	-	-
		(1,57,10,956)	17,42,913
II. A Reserve specifically represented by earmarked investments			
		-	-
III. Negative balance of reserves and surplus account			
		-	-
	Total Reserves and Surplus	(1,57,10,956)	17,42,913

CRUSTUM PRODUCTS PRIVATE LIMITED

Notes To Financial Statements For The Year Ended March 31st 2013

S.NO	PARTICULARS	AS ON 31-03-2013 (₹)	AS ON 31-03-2012 (₹)
NOTE NO. 3 : LONG TERM BORROWINGS			
Long Term borrowings			
a) i) Term Loans			
From Banks		8,01,80,534	9,15,09,373
From Financial Institutions			
From Others			
	Total	8,01,80,534	9,15,09,373
ii) Un Secured Loans			
From Banks		-	-
From Financial Institutions		-	-
From Others		18,54,18,133	16,47,98,204
	Total	18,54,18,133	16,47,98,204
	Total Long Term Borrowings	26,55,98,667	25,63,07,577
NOTE NO. 4 : DEFERRED TAX LIABILITY (NET)			
I Opening Deferred tax Liability		74,46,119	70,30,674
Add:			
Deferred Tax Liability for the year (Due to SLM and WDV Difference)		1,79,157	4,15,445
Deferred Tax Liability for the year (Due to Others)		-	-
	Gross Deferred tax Liability	76,25,276	74,46,119
	Deferred Tax Liability/ (Asset) - Net	76,25,276	74,46,119
NOTE NO. 5 : TRADE PAYABLES			
a) Trade Payables(creditors)		1,13,55,943	93,46,711
b) Acceptances		-	-
b) Dues to Micro & Small Medium Enterprises		-	-
	Total Trade Payables	1,13,55,943	93,46,711
NOTE NO. 6 : OTHER CURRENT LIABILITIES			
a) Current maturities of long term debt		-	-
b) Current maturities of finance lease obligation		-	-
c) interest accrued but not due on borrowings		-	-
d) Interest accrued and due on borrowings		-	-
e) Income received in advance		-	-

CRUSTUM PRODUCTS PRIVATE LIMITED

Notes To Financial Statements For The Year Ended March 31st 2013

S.NO	PARTICULARS	AS ON 31-03-2013 (₹)	AS ON 31-03-2012 (₹)
f)	Statutory Liabilities	1,67,78,998	1,19,59,238
g)	Application money due for refund and interest on the same	-	-
h)	Unpaid matured deposits and interest accrued thereon.	-	-
i)	Unpaid matured debentures and interest accrued thereon.	-	-
j)	Other Payables (Specify the nature.)	-	-
(i).	Salaries Payable	28,31,339	25,73,531
(ii).	Audit fee Payable	9,88,492	7,67,772
(iii).	Electricity Charges Payable	-	-
(iv).	Rent Payables	22,62,618	68,95,937
(v)	Royalty Payable	45,74,217	-
Total Other Current Liabilities		2,74,35,664	2,21,96,478

NOTE NO. 7 : SHORT TERM PROVISIONS

a)	Provisions for employee benefits	-	-
	Provision for Gratuity	-	-
	Provision for bonus	-	-
	Provision for Management deferred license	-	-
	Provision for Accruals	-	-
b)	Others	-	-
	Income Tax Provision	-	2,78,388
	Provision for MAT	-	-
	Provision for FBT	-	-
	Other provisions	-	-
Total Short Term Provisions		-	2,78,388

CRUSTUM PRODUCTS PRIVATE LIMITED

NOTE NO 8 : FIXED ASSETS AS AT 31-03-2013

DESCRIPTION	GROSS BLOCK				DEPRECIATION / AMORTIZATION				NET BLOCK	
	Block As at 01-04-2012	Additions During the Year	Sale / Deletions During the year	Total Cost as at 31-03-2013	As on 31-03-2012	For the Year	Adjustments During the Year	Total as at 31-03-2013	As at 31-03-2013	As at 31-03-2012
Plant & Machinery	5,65,01,137	8,490	-	5,65,09,627	1,26,68,815	26,84,200	-	1,53,53,015	4,11,56,612	4,38,32,322
Furniture & Fixtures	6,15,912	29,722	-	6,45,634	1,67,592	40,463	-	2,08,055	4,37,579	4,48,320
Computers	38,73,104	31,465	-	39,04,569	28,86,780	6,32,220	-	35,19,000	3,85,569	9,86,324
Vehicles	54,263	-	-	54,263	19,962	1,896	-	21,858	32,405	34,301
Capital Work In Progress	19,12,64,977	13,23,621	1,65,618	19,24,22,980	-	-	-	-	19,24,22,980	19,12,64,977
Total	25,23,09,393	69,677	-	25,35,37,073	1,57,43,149	33,58,778	-	1,91,01,927	4,20,12,165	4,53,01,267

CRUSTUM PRODUCTS PRIVATE LIMITED

Notes To Financial Statements For The Year Ended March 31st 2013

S.NO	PARTICULARS	AS ON 31-03-2013 (₹)	AS ON 31-03-2012 (₹)
NOTE NO. 9 : INVENTORIES			
	A) Finished goods		
	Type - A	18,67,557	17,90,316
	Type - B	-	-
	Type - Others	-	-
	Sub Total	18,67,557	17,90,316
	Total Inventories	18,67,557	17,90,316
NOTE NO. 10 : TRADE RECEIVABLES			
I	Outstanding for a period exceeding six months from the date they are due for payment	-	-
	Secured, Considered Good	24,92,780	20,07,455
	Unsecured, Considered Good	-	-
	Doubtful	-	-
		24,92,780	20,07,455
	Less: Allowance for Bad & Doubtful Debts	-	-
		24,92,780	20,07,455
	Total Trade Receivables	24,92,780	20,07,455
NOTE NO. 11 : CASH AND BANK BALANCES			
I	Cash and cash equivalents :		
	a) Balances with banks :		
	1) On Current Accounts	10,43,880	4,65,745
	2) Margin Money	-	-
	3) Bank deposits with more than 12 months maturity	-	-
	4) Un Paid Dividend Account	-	-
	b) Cheques, Draft on hand	-	-
	c) Cash on hand	31,098	31,698
	d) Others	-	-
	Sub Total	10,74,978	4,97,443
	Other Bank Balances		
	On Deposit Accounts		
	1) Having Maturity more than 3 Months but less than or equal to 12 months from date of deposit	-	-
	2) Having Maturity more than 12 Months from date of deposit	-	-
	3) On Margin Money Deposit Accounts	-	-
	Sub Total	-	-
	Total Cash and Cash Equivalents	10,74,978	4,97,443

CRUSTUM PRODUCTS PRIVATE LIMITED

Notes To Financial Statements For The Year Ended March 31st 2013

S.NO	PARTICULARS	AS ON 31-03-2013 (₹)	AS ON 31-03-2012 (₹)
NOTE NO. 12 : SHORT TERM LOANS AND ADVANCES			
I	Security Deposit		
	Secured, Considered Good	78,64,150	78,73,250
	Unsecured, Considered Good	-	-
	Doubtful	-	-
		<u>78,64,150</u>	<u>78,73,250</u>
	Less: Provision for Bad & doubtful Security Deposit	-	-
	Sub Total	<u>78,64,150</u>	<u>78,73,250</u>
II	Loans & Advances		
	Secured, Considered Good	-	-
	Capital Advances	-	-
	Security Deposit	-	-
	Loans Receivable	-	-
	Advances Recoverable in Cash or in kind	6,06,82,319	6,07,00,757
	Sub Total	<u>6,06,82,319</u>	<u>6,07,00,757</u>
III	Secured, Considered Good		
	Capital Advances	-	-
	Security Deposit	-	-
	Loans and Advances to Employees	1,08,956	1,86,806
	Advances for Investment	-	-
	Prepaid Expense	11,784	11,784
	Credit Card Unrealised	13,274	-
	Advances Recoverable in Cash or in kind	2,77,53,651	2,76,84,133
	Sub Total	<u>2,78,87,665</u>	<u>2,78,82,723</u>
	Total Short Term Loans and Advances	<u>9,64,34,134</u>	<u>9,64,56,730</u>

CRUSTUM PRODUCTS PRIVATE LIMITED

Notes To Financial Statements For The Year Ended March 31st 2013

S.NO	PARTICULARS	Year Ended 31-03-2013 (₹)	Year Ended 31-03-2012 (₹)
NOTE NO. 13 : REVENUE FROM OPERATIONS			
(i)	Revenue from operations in respect of non-finance company		
	(a) Sale of Products	5,28,70,178	5,95,12,132
	(b) Sale of Services	-	-
	(c) Other Operating Revenues	-	-
	Less: Excise Duties	-	-
		5,28,70,178	5,95,12,132
(ii)	Revenue from operations in respect to Finance company		
	(a) Interest	-	-
	(b) Other Financial Services	-	-
		-	-
	Total Revenue from Operations	5,28,70,178	5,95,12,132
NOTE NO. 14 : OTHER INCOME			
I	(a) Interest income (Other than a finance company)	-	-
	(b)(i) Dividend from subsidiary companies	-	-
	(ii) Dividend Income	-	-
	(c) Net Gain/Loss on sale of Investments	-	-
	(d) Other non-operating income(net of expenses directly attributed to such income)	13,297	10,961
	(e) Adjustments to the carrying value of investments (Write-back)	-	-
	(f) Net gain/loss on foreign currency translation and transaction (other than considered as finance cost)	-	-
	Total Other Income	13,297	10,961
NOTE NO. 15 : COST OF MATERIALS			
I	F & B	1,57,72,944	1,17,48,707
	Packing	16,62,671	19,05,253
	General	9,84,917	9,01,039
	Total Cost Of Material Consumed	1,84,20,532	1,49,70,509
NOTE NO. 16 : CHANGE IN INVENTORIES & WIP.			
I	Finished Goods		
	Inventories at the beginning of the year	17,90,316	-
	Less : Inventories at the end of the year	18,67,557	-
	Sub Total (A)	(77,241)	-
	Raw Material & Work in Progress		
	Inventories at the beginning of the year	-	-
	Less : Inventories at the end of the year	-	-
	Sub Total (B)	-	-
	(Increase) / Decrease in Inventories (A+B)	(77,241)	-

CRUSTUM PRODUCTS PRIVATE LIMITED

Notes To Financial Statements For The Year Ended March 31st 2013

S.NO	PARTICULARS	AS ON 31-03-2013 (₹)	AS ON 31-03-2012 (₹)
NOTE NO. 17 : EMPLOYEE BENEFIT EXPENSES			
I	(a) Salaries & Wages	1,37,99,759	1,01,45,144
	(b) Contribution to Provident & Other Funds	52,137	11,92,962
	(c) Expenses on employee stock option scheme (ESOP)	-	-
	(d) Managerial Remuneration	-	-
	(e) Staff Welfare Expenses	9,84,003	6,95,738
	Total Employee Benefit Expenses	1,48,35,899	1,20,33,844
NOTE NO. 18 : OTHER OPERATING EXPENSES			
I	(a) Consumption of Stores & Spares	-	-
	(b) Power & Fuel	44,18,950	37,69,828
	(c) Rent	1,30,32,307	1,23,04,322
	(d) Repairs & Maintenance	16,30,814	-
	(f) Insurance	-	92,776
	(g) Rates & Taxes (excluding Income Tax)	7,86,194	3,75,037
	(h) Miscellaneous Expenditure	13,30,898	5,07,544
	(i) Royalty	20,48,893	22,98,775
	(j) Payment to Auditors:		
	(i) As Auditor	2,20,720	2,20,720
	(ii) For Taxation Matters	-	-
	(iii) For Company Law Matters	-	-
	(iv) For Management Services	-	-
	(v) For Other Services	-	-
	(vi) For Reimbursement of expenses	-	-
	(k) Selling expenses	29,10,439	33,54,032
	(l) Commission & Brokerage	2,94,491	1,30,480
	(m) Traveling & Transport charges	26,90,870	18,12,026
	(n) Upkeep & House keeping Charges	3,94,945	-
	(o) Research & Development Expenses	13,015	-
	Total Other Expenses	2,97,72,536	2,48,65,541
NOTE NO. 19 : ADMINISTRATIVE EXPENSES			
I	(a) Telephone, Postage and Others	4,39,346	1,08,813
	(b) Business Promotion Expenses	3,502	30,000
	(c) Conveyance	2,15,034	-
	(d) Office Maintenance	1,38,573	-
	(e) Printing & Stationery Expenses	1,24,450	1,78,965
	(f) Security Charges	68,400	70,419

CRUSTUM PRODUCTS PRIVATE LIMITED

(g) Advertisement Charges	1,43,972	21,615
(h) Managerial Remuneration	-	-
(i) Consultancy Charges	6,45,000	7,87,403
(j) Internet Charges	27,955	-
(k) Penalty & Interest Charges	2,73,183	-
(l) Training Expenses	13,600	-
Total Administrative Expenses	20,93,015	11,97,215

NOTE NO. 20 : FINANCE COST

I (a) Interest Expenses		
- Interest on Term loans	16,01,590	18,06,507
- Loan processing Charges & Bank Charges	1,53,077	3,99,186
(b) Other Borrowing costs	-	-
Total Finance Cost	17,54,667	22,05,693

Significant Accounting Policies

The financial statements are prepared under historical cost convention on an accrual basis and comply with the Accounting Standards (AS) issued by the Institute of Chartered Accountants of India (ICAI), referred to in Section 211 (3C) of the Companies Act, 1956. The significant accounting policies adopted in the presentation of the Accounts are as under-

(a) Accounting Convention and Revenue Recognitions:

The Financial statements have been prepared in accordance with historical cost convention except for such fixed which are revalued. Both the income and expenditure items are recognized on accrual basis.

(b) Retirement Benefits:

Staff benefits arising out of retirement / death, comprising of contributions to Provident Fund, Superannuation & Gratuity Schemes, accrued Leave Encashable and other post separation benefits are accounted for on the basis of contribution to the schemes, or an independent actuarial valuation as the case may be.

(c) Fixed Assets:

Fixed assets are stated at cost of acquisition and subsequent improvements thereto, inclusive of taxes, freight, and other incidental expenses related to acquisition, improvements and installation, except in case of revaluation of fixed assets where it is stated at revalued amount. Interest during construction period on loans to finance fixed assets is capitalized.

(d) Depreciation:

Depreciation on fixed assets other than land is provided under the straight-line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956, as existing on that date.

(e) Transactions in Foreign Exchange:

Sales made in foreign currency are converted at the prevailing applicable exchange rate. Gain /loss arising out of the fluctuations in exchange rate is accounted for on realization.

Payments made in foreign currency are converted at the applicable rate prevailing on the date of remittance.

Foreign currency loans covered by forward contracts are realigned at the forward contracts while those not covered by forward contracts are realigned at the rate ruling at the year end. The differences in realignment are accounted for in the Profit and Loss Account.

(f) Borrowing Cost:

Borrowing cost that is attributable to the acquisition construction of fixed assets is capitalized as part of the cost of respective assets.

(g) Inventories:

Stock of food and beverages and operating supplies are carried at cost or Net Realisable Value, whichever is lower.

(h) Taxes on income:

- (i) Income tax is computed in accordance with Accounting Standard 22 - 'Accounting for Taxes on Income (AS-22)', issued by the ICAI. Tax expenses are accounted in the same period to which the revenue and expenses relate.
- (ii) Provision for current income tax is made on the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the prevailing tax laws. The differences between taxable income and the net profit or loss before tax for the year as per the financial statements are identified and the tax effect of the deferred tax asset or deferred tax liabilities recorded for timing differences, i.e. differences that originate in one accounting period and reverse in another. The tax

CRUSTUM PRODUCTS PRIVATE LIMITED

effect is calculated on accumulated timing differences at the end of the accounting year based on effective tax rates that would apply in the years in which the timing differences are expected to reverse.

- (iii) Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

(I) Accounting for Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized in terms of Accounting Standard 29 — 'Provisions, Contingent Liabilities and Contingent Assets' (AS-29), issued by the ICAI. when there is a present legal or statutory obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent Assets are not recognized in the financial statements

Notes to Financial Statements

21. In relation of Provision for Current Tax, Deferred Tax & Fringe Benefit Tax:

Particulars	Current Year Rs. In Lakhs	Previous Year Rs. in lakhs
Provision for Current Tax	Nil	2.78
Deferred Tax Liability	1.79	4.15

22. In relation of Managerial Remuneration:

Particulars	Current Year Rs. In Lakhs	Previous Year Rs. in lakhs
Salaries	Nil	Nil

23. Auditors Remuneration:

Particulars	Current Year Rs. In Lakhs	Previous Year Rs. in lakhs
Auditor's Fee	2.21	2.21

24. In relation of Secured (Term) Loans :

- i) The Secured Loans from Oriental Bank of Commerce and secured by first charge on the plant and machinery and other movable fixed assets of the company and also secured by the corporate guarantee of Viceroy Hotels Limited, the holding company

CRUSTUM PRODUCTS PRIVATE LIMITED

- ii) The Term Loan of Rs.7.00 Crores from UCO Bank is secured by 2nd Charge on Current and Fixed Assets of the Company and also secured by extension of collateral security of vacant land admeasuring 2926.50 sq.yards in Survey No.129/73/2&3 situated at Road No.3 Banjara Hills, Hyderabad - 500 034, owned by M/s.Deva Infrastructures Pvt. Ltd.,

25. In relation of Foreign currency inflows and outflow:

Particulars	Current Year Rs. In Lakhs	Previous Year Rs. in lakhs
Outgo on account of expenses	Nil	Nil

26. Expenditure in Foreign Currency:

Particulars	Current Year Rs. In Lakhs	Previous Year Rs. in lakhs
Royalties & Others	30.61	2.13

27. The Company's only business is Food & Beverage and hence disclosure of segment-wise information is not applicable under Accounting Standard 17- 'Segmental Information' (AS-17), there is no geographical segment to be report.
28. Since Central Government had issued a notification No. S.O. 301 (E) dated 8th February, 2012 in exercise of the powers conferred by Section 211 (3) of the
29. Companies Act, 1956 granting general exemption to some specified class of companies, including hotel companies, from disclosing certain information in their profit and loss account as required under Part-II of Schedule VI of the Companies Act, 1956 subject to fulfillment of few conditions, the Company has duly complied with all conditions of the notification to seek general exemption under Section 211 (4) of the Companies Act, 1956, paras 3(i)(a) and 3(ii)(d) of Part II of Schedule VI of the Companies Act, 1956 dealing with the disclosure of quantitative details of turnover of each class of goods, opening and closing stock, purchases, production and consumption of raw material in the financial statements for the financial year ended 31st March, 2013. In this regard the Board of Directors of the Company has passed necessary resolution to comply with the conditions of the notification for the same.
30. Previous year's figures and current year's figures have been regrouped wherever necessary to improve figures presentation.
31. The figures have been rounded off to the nearest rupee.

AS PER OUR REPORT OF EVEN DATE

FOR P. MURALI & CO.,
Chartered Accountants
Firm's Regn. No. : 007257S

Sd/-
P. MURALI MOHANA RAO
Partner
Membership No. 023412

Hyderabad
May 28, 2013

FOR AND ON BEHALF OF THE BOARD

Sd/-
P.CHAKRADHAR REDDY
Director

Sd/-
P.LAKSHMI SRUTHI
Director

CRUSTUM PRODUCTS PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2013

PARTICULARS	Current Year (₹)	Previous Year (₹)
I. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Tax	(1,72,74,712)	9,00,934
Adjustments for : -		
Depreciation	33,58,778	33,49,357
Financial Cost	17,54,667	22,05,693
Loss on Sale of Fixed Assets		
Operating cash flow before working capital changes	(1,21,61,267)	64,55,983
(Increase) / Decrease in Inventory	(77,241)	4,15,009
(Increase) / Decrease in Trade Receivables	(4,85,325)	(11,27,915)
(Increase) / Decrease in Short Term Loans & Advances	22,596	7,07,612
(Increase) / Decrease in Other Non-Current Assets		-
Increase / (Decrease) in Short Term Borrowing		-
Increase / (Decrease) in Trade Payables	20,09,232	22,46,370
Increase / (Decrease) in Other Current Liabilities	52,39,186	77,41,582
Increase / (Decrease) in Short Term Provisions	(2,78,388)	-
Misc Exps		
CASH GENERATED FROM OPERATIONS	(57,31,207)	1,64,38,641
Less : Income Tax Paid		
CASH GENERATED FROM OPERATING ACTIVITIES	(57,31,207)	1,64,38,641
II. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed Assets	(69,677)	(5,95,249)
Sale of fixed Assets		-
Capital Work in Progress, Pre-operative Expenses	(11,58,003)	(4,69,41,316)
Investment	-	-
Adjustments of fixed Assets	-	-
NET CASH AVAILABLE FROM INVESTING ACTIVITIES	(12,27,68)	(4,75,36,564)
III. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Share Capital/Application Money	-	
Repayment of Loan	92,91,090	3,19,92,432
Share Premium and Capital Reserve	-	
Interest Paid	(17,54,667)	(22,05,693)
NET CASH USED IN FINANCING ACTIVITIES	75,36,423	2,97,86,739
NET INCREASE IN CASH AND CASH EQUIVALENTS	5,77,536	(13,11,185)
Add : Opening balance of Cash & Cash equivalents	4,97,442	18,08,627
Closing balance of Cash & Cash equivalents	10,74,978	4,97,442

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

FOR P. MURALI & CO.,
Chartered Accountants
Firm's Regn. No. : 007257S
Sd/-
P. MURALI MOHANA RAO
Partner
Membership No. 023412
Hyderabad
May 28, 2013

Sd/-
P.CHAKRADHAR REDDY
Director

Sd/-
P.LAKSHMI SRUTHI
Director



Registered Office:

Plot No.258, Road No.18, Jubilee Hills, Hyderabad 500 033