



**CAMSON**

**CAMSON BIO TECHNOLOGIES LIMITED**

**ANNUAL REPORT 2012 - 2013**

## **DISCLAIMER**

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as `anticipate', `estimate', `expects', `projects', `intends', `plans', `believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

**CAMSON BIO TECHNOLOGIES LIMITED**  
**Annual Report 2012-2013**

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**Registered Office**

Survey No.132  
Madagondanahalli,  
Doddaballapur, Nelamangala Road,  
Doddaballapur, Bangalore-561023  
Tel: +91-80-8119300000  
Fax:+91-80-25202285

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**Corporate Office**

C-7, 7<sup>th</sup> Floor, Corporate Block,  
Golden Enclave, Old Airport Road,  
Bangalore-560017  
  
Tel:+91-80-40768900  
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Website: [www.camsonbiotechnologies.com](http://www.camsonbiotechnologies.com)

Email ID: [info@camsonbiotechnologies.com](mailto:info@camsonbiotechnologies.com)

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<b>Auditors</b>	<b>Registrar &amp; Transfer Agents</b>	<b>Bankers</b>
Messers Iswar & Gopal Chartered Accountants Sri Vinayaka Building No. 21/3, 2 <sup>nd</sup> Floor, T.S.P Road, Kalasipalyam Bangalore-560002 Tel:+91-80-26700009/26701694 Fax: +91-80-26706317	Integrated Enterprises(India)Ltd No.30, Ramana Residency, 4 <sup>th</sup> Cross Sampige Road, Malleshwaram Bangalore-560003  Tel:+91-80-23460815/818 Fax: + 91-80-23460819	State Bank of India Corporation Bank Axis bank HDFC Bank IDBI Bank



## Message from the Managing Director

Dear Shareholders,

India's insularity from the global economic crisis, its robust banking system and share markets, Indian companies and leaders making it big in international markets, opening up of various sectors for Foreign Direct Investment, were some of the reasons touted for India being an attractive investment destination for foreign capital. However, the last year has seen complex variables at play that threaten to take the sheen off the India growth story.

Global growth is showing no signs of picking up, remaining subdued at just above 3%, the same as in the previous year. There is a continuing recession in the European Union (EU), the world's second largest economy. The emerging economies, including India, are grappling with slower growth rates and weak consumer sentiment. China is reorienting its priorities to focus on domestic demand, and attendant modest growth rates. The anticipated changes in the US monetary policy can lead to an extended growth slowdown in the emerging economies, considering the potential capital outflows from these recent growth engines of the global economy.

The Indian economy also seems to be taking its cues from the global scenario. 2012-13 saw a slowdown in the GDP growth of 5.0% from the decadal growth rate of 7.9 % from 2003-04 to 2012-13. To be sure, various factors have contributed to the lowering of the GDP growth rate. The industrial sector grew at a mere 3.1 % in 2012-13 as against 3.5% in 2011-12. The agriculture growth rate has also fallen drastically, to 1.8 % from 3.6 % in the previous year. A deficient monsoon was one of the prime factors for the decline in agricultural production. Deficient monsoon has its impact on not just the agriculture sector, but also on overall economic sentiment, considering that agriculture and allied sectors' share in total employment continues to be much higher than their contribution to the GDP. Rising world oil prices and slowing exports has led to an increase in the Current Account Deficit (CAD), which is a cause for concern. Uncertainty over major policy decisions domestically has added to the general gloom in the economy.

The slowdown in agricultural growth has brought to the fore the need for efficiency and increased productivity in agricultural practices and processes. Long term growth depends primarily on increasing yields from existing areas under cultivation – to be achieved through incremental productivity gains and adoption of modern technologies in agriculture.

This is where we at Camson Bio Technologies continue to take rapid strides to realise our vision of a healthy and disease-free world, through the production of ecologically safe non-toxic food.

The last year has seen your Company going from strength to strength. The Company has done fairly good business, especially in the biocides space which has grown by 49%. We have also managed to expand into newer markets, and improve the penetration in existing markets.

The vast Camson distribution network is doing commendable work in promoting the concept of Zero Residue farming across the country. Our relationship with HDFC Bank has hastened the process, and Camson has been able to influence over 2 lac plus farmers towards Zero Residue cultivation. This growing acceptance by the farming community is a testament to our strong emphasis on creating products that are safe, economical and eco-friendly for farmers, farm workers, consumers and the environment at large.

Your Company continues its quest to launch more and more relevant products in the market. Over the last year, we have launched 3 new products - Calterm Super, Calpushthi and Calrizzah. Calterm Super is the company's revolutionary product based on Entomopathogenic nematode (EPN) technology which provides an organic, cost effective solution for the menace of root grubs affecting millions of farmers.

Your Company is capitalising on its expertise in *Zero-Residue*<sup>®</sup> products and latent demand for safe food, to branch into farm management services. We have set up a subsidiary company – CamsonAgri-Ventures Private



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Limited (CAV), for this purpose. CAV offers services across the complete agricultural value chain, i.e. from 'farm to fork'. It has made a good beginning, with more than 1000 acres of farmland under management currently, and more farmers interested in availing of CAV's services.

Your Company's Research and Development activities have been brimming with lot of development. Your Company filed four trademarks in the last year. We are pleased to announce that the Company has operationalized a world-class R&D facility spread over 40,000 square feet in Dodaballapur near Bangalore.

Your Company however continues to face challenges in the market. There are no Government subsidies available for biotechnology products, as compared to chemical-based products. This is creating price-related distortions. We are hopeful of getting more support from the Government in this regard.

I am happy to announce a tie-up with CLSA Capital Partners, Singapore who have invested USD 10 million in your Company through their vehicle Bio Harvest Pte Ltd. CLSA Capital Partners is one of the largest and top rated investor Groups. CLSA Capital Partners is the alternative asset management arm of CLSA Asia-Pacific Markets, Asia's leading independent brokerage and investment group. CLSA Capital Partners has approximately US\$2.6 billion under management and offices across the region, including Hong Kong, Singapore and Tokyo. CLSA Capital Partners offers a diversified and increasing range of investment vehicles. The Clean Resources Asia Growth Fund is an Asia-focused clean technology private equity fund. Clean Resources includes all forms of sustainable agriculture, water and environmental technology. The fund employs a research-driven strategy.

This partnership will aid us in access to global markets for our bio-technology products.

The outlook going forward is extremely positive for your Company. The monsoon has remained erratic and may impact farmers and consumer sentiments. We are well poised to take advantage of existing and developing conditions in Indian agriculture, in order to take your Company to greater heights.

On behalf of the Board of Directors and all Camsonites, I thank all the shareholders for your continued support and trust that you have put in us as we move ahead on this upward growth trajectory and fulfill our dream of a disease-free society.

I would also like to thank my colleagues, vendors, bankers, customers and all those people who have helped Camson, in various forms to achieve these milestones.

Warm Regards,

**Dhirendra Kumar**  
**Managing Director**

**Place: Bangalore**

**Date: August 29, 2013**

*Message from Managing Director*



## CAMSON BIO TECHNOLOGIES LIMITED

### NOTICE

**NOTICE is hereby given that the 19<sup>th</sup> Annual General Meeting of the members of the Company will be held on Friday, 27<sup>th</sup> September, 2013, at 3.00 p.m at Woody's Gayathri Hall, Woodlands Hotel , No. 5 Rajaram Mohan Roy Road, Near Richmond Circle Opposite to ITC Gardenia, Bangalore – 560 025 to transact the following business:**

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as on 31<sup>st</sup> March, 2013 and the Profit and Loss Account for the financial year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To declare dividend.
3. To appoint Mr. Krishnaswamy Ramaswamy, who retires by rotation and being eligible offers, himself for re-appointment.
4. To appoint Dr. Anurudh Kumar Singh, who retires by rotation and being eligible offers, himself for re-appointment.
5. To appoint Messrs. B.K. Khare & Co. Chartered Accountants, to hold Office of Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting in place of Messrs. Ishwar & Gopal, Chartered Accountants, who have expressed their inability to continue and to authorize the Board of Directors to fix their remuneration.

#### **SPECIAL BUSINESS:**

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to Sections 16, 31, 94 and other applicable provisions, if any, of the Companies Act, 1956, approval of Shareholders be and is hereby accorded to increase the Authorized Share Capital of the Company from Rs. 30,00,00,000/- (Rupees Thirty Crores Only) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 35,00,00,000/- (Rupees Thirty Five Crores only) divided into 3,50,00,000/- (Three Crores Fifty Lakhs Only) Equity Shares of Rs. 10/- (Rupees Ten only) each..

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do such other acts and deeds as may be necessary for giving effect to this resolution.”

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 16 and other applicable provisions, if any, of the Companies Act, 1956, the Memorandum of Association of the Company be and is hereby altered in the following manner:



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By deleting the existing Clause V and by substituting the following new Clause V as hereunder:

V. The Authorized Share Capital of the Company is Rs. 35,00,00,000/- (Rupees Thirty Five Crores Only) divided into 3,50,00,000/- (Three Crores Fifty Lakh Only) Equity Shares of Rs. 10/- (Rupees Ten only) each.”

8. To consider and, if thought fit, to pass, with or without modifications, the following Resolutions as an Special Resolution:

**“RESOLVED THAT** in partial modification and ratification of the resolutions passed by the Members at the Eighteenth Annual General Meeting held on 28<sup>th</sup> September, 2012, relating to Employees Stock Option Plan (ESOP)-2012 for the benefit of such person or persons who are in the employment of the Company and pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof), and in accordance with the provisions of the Memorandum and Articles of Association of the Company and the regulations / guidelines prescribed by the Securities and Exchange Board of India or any other relevant authority from time to time, the Board be and is hereby authorized to create, issue, offer and allot such number of Equity Shares under ESOP not exceeding the aggregate (including any Equity Shares created, issued and allotted pursuant to the options granted earlier under ESOP), five percent (5%) of the aggregate number of issued and allotted Equity Shares of the Company as on the date of the Annual General Meeting approving this Resolution.

**RESOLVED FURTHER THAT** the new Equity Shares to be issued and allotted by the Company in pursuance of the said Employees Stock Option Plan - 2012 shall rank pari-passu in all respects with the existing Equity Shares of the Company as per the following:

- a) Total number of options to be granted:

The number of options to be granted pursuant to 'Employees Stock Option Plan 2012' scheme shall not exceed 5% five percent of the aggregate number of issued and allotted equity shares of the Company as on the date of the Annual General Meeting approving this Resolution. The same may be decided by the Board of Directors or the Compensation Committee/Remuneration Committee (Sub-Committee of the Board) subject to the aforementioned maximum limit.

- b) Identification of classes of employees entitled to participate in the ESOP:

Options are offered to employees of the Company but excluding Directors and Promoter Directors of the Company.

- c) Requirements of vesting and period of vesting:

The continuation of the employee in the service of the Company shall be a primary requirement of vesting. The Compensation Committee/Remuneration Committee shall formulate the other criteria of vesting, which may inter alia include performance related issues. The vesting period shall commence on the expiry of one (1) year from the date of grant of the option and will extend as may be thought fit by the Compensation Committee/Remuneration Committee.

- d) Maximum period within which the options shall be vested:



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The Maximum period within which the options shall be vested is upon the completion of ten years from the date of grant of options.

e) Exercise price or pricing formula:

Options under the 'Employees Stock Option Plan 2012' would be issued at a price being lower of:

- a. Market price of Equity Shares on the date of grant as discounted by such rate as decided by the Board in consultation with Compensation Committee/Remuneration Committee

(Or)

- b. Average of the daily high and low of the closing prices of the related Shares, quoted on the stock exchanges, during the month preceding the month on which the options are granted.

f) Exercise Period and Procedure for Exercise:

The exercise period shall commence from the date of vesting and expire not later than twelve months from the date of such vesting and can be further extended to a period of twelve months from the vesting date upon a specific request from the associate/employee concerned. However such an extension may be granted by the Compensation Committee/Remuneration Committee only under special circumstances. The mode or process of exercise of the options will be framed by the Compensation Committee/Remuneration Committee.

g) The appraisal process for determining the eligibility of employees to the ESOP:

The eligibility criteria for the employees under ESOP will be determined by the Compensation Committee/Remuneration Committee based on qualification, past and present performance, experience, technical knowledge, professionalism, designation, responsibility, other qualities or such other basis as the Committee may deem fit.

h) Maximum number of options to be issued per employee and in aggregate:

The maximum number of options granted to any one employee will not exceed 1% of the issued Equity Share Capital of the Company at the time of granting of option.

i) Power to amend, vary or modify the Scheme:

The Board shall have powers to amend, vary, or modify any of the terms and conditions of the ESOP pertaining to the grant of options, pricing of options, issue or allotment of equity shares or warrants pursuant to the options, without being required to seek any further consent or approval of the Members. The powers granted by the Members pursuant to this resolution will include powers to withdraw, recall, accept, surrender or cancel options issued/to be issued pursuant to this resolution or any other earlier approval accorded by the Members in this behalf, and to issue fresh options in lieu thereof at such price, in such manner, during such period, in one or more tranches and on such other terms and conditions as the Board may decide.

j) Accounting policies:

The Company shall comply with the disclosure and accounting policies prescribed by SEBI and any other appropriate authority in this regard.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the securities/ shares allotted under the Employee Stock Option Plan – 2012 on the Stock Exchanges where the Shares of the Company are listed as per the provisions of the Listing Agreement with the concerned Stock Exchanges and other applicable guidelines, rules and regulations.”





## CAMSON BIO TECHNOLOGIES LIMITED

**By Order of the Board of Directors  
For Camson Bio Technologies Limited**

**Sd/-**

**Ekta Gandhi Thakurel  
Company Secretary**

**Place: Bangalore  
Date: 31<sup>st</sup> August 2013**

### **NOTES:**

1. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to special business to be transacted at the Meeting is annexed.
2. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies to attend and to vote on a poll instead of such Member and such proxy need not be a Member. Duly executed proxy form must be received at the Registered Office of the Company not less than 48 hours before the commencement of the meeting for the proxies to be effective.
3. The Register of Members and Transfer Books of the Company will be closed from 23<sup>rd</sup> September, 2013 to 27<sup>th</sup> September, 2013 (both days inclusive).
4. Members are requested to quote the Folio Number/DP Id No. and the Company's name in all correspondence with Integrated Enterprises (India) Limited, the Registrars & Transfer Agents (RTA) of the Company.
5. Members holding shares in physical form are requested to immediately intimate change of address, if any, to the Company/RTA quoting reference to the Registered Folio Number. If shares are registered in the same name or in the same order of names, but in several Folios, Shareholders are requested to intimate the Company/RTA to enable consolidation of the same into Single Folio.
6. Queries on accounts and operations of the Company, if any, may please be sent to the Company, seven days in advance of the Meeting to [ir1@camsonbiotechnologies.com](mailto:ir1@camsonbiotechnologies.com) so that the clarifications may be made available at the Meeting.
7. Members/Proxies should bring the attendance slip, duly filled, for attending the Meeting.
8. Members are requested to note that as prescribed by the Securities and Exchange Board of India (SEBI), trading in securities of the Company is in dematerialized form only. Hence, Members who are yet to dematerialize their Shares are advised to get the same dematerialized.
9. Pursuant to SEBI notification no. MED/DOP/Circular/05/2009 dated May 20, 2009 it has become mandatory for the transferee(s) to furnish copy of PAN Card to the Company/RTA to enable/effect transfer of shares in physical form.

*Shareholders are advised to join the Government of India's Green Initiative by registering their email ID's for the purposes of receipt of notice, reports, and other communications from your Company so as to cut down consumption of papers.*

### **I. Information pursuant to Clause 49 of the Listing Agreement regarding re-appointment of Directors:**

<b>Name</b>	<b>Educational Qualification</b>	<b>Age(Yrs)</b>	<b>Experience</b>
Mr.Krishnaswamy Ramaswamy	B.A(Hons) LLB, CAIIB	69	<ul style="list-style-type: none"><li>• Extensive experience in Banking and financial related areas, spanning 45 years.</li><li>• Exposure to Corporate Sector in India and abroad adding huge value to the Company.</li></ul>
Mr. Anurudh Kumar	M.Sc and Ph.D (in	67	<ul style="list-style-type: none"><li>• 30 years of experience in Plant Genetics and</li></ul>



## CAMSON BIO TECHNOLOGIES LIMITED

Singh	Plant Breeding)		Breeding. • In his previous experience he has worked as the National Genebank Curator and Head of the Germplasm Conservation Division at the National Bureau of Plant Genetic Resources (Indian Council of Agricultural Research)
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### Explanatory Statement Pursuant To Section 173 (2) Of The Companies Act, 1956

#### Item Nos. 6 & 7

Considering the need to facilitate the issue and allotment of Equity Shares to the employees under the Stock Option Plan, your Board has recommended to increase the Authorised Share Capital of the Company.

The present Authorised Share Capital of the Company is Rs. 30,00,00,000/- (Rupees Thirty Crores only) divided into 3,00,00,000 (Three Crores Only) Equity Shares of Rs. 10/- (Rupees Ten only) each and it is proposed to increase the Authorised Share Capital to Rs. 35,00,00,000/- (Rupees Thirty Five Crores Only) divided into 3,50,00,000/- (Three Crores Fifty Lakh Only) Equity Shares of Rs. 10/- (Rupees Ten Only) each. Consequential alteration in the Memorandum of Association of the Company is also recommended.

In terms of the provisions of Section 94 read with other applicable provisions, if any, of the Companies Act, 1956, the Company can alter the authorized share capital only by passing the resolution at duly convened general meeting of the shareholders of the Company.

The Board recommends the resolutions set forth in Item Nos. 6 and 7 for the approval of the Members.

None of the Directors of the Company are concerned or interested in this resolution.

#### ITEM NO. 8:

The Company has always felt that in order to enhance employee motivation and retention and to enable the employees to participate in the future growth and financial success of the Company, adequate number of shares should be available under ESOP. To facilitate this, the Board through its Remuneration Committee/Compensation recommended to implement ESOP Plan-2012.

The Gist of the Plan is as follows:

a) Total number of options to be granted:

The number of options to be granted pursuant to 'Employees Stock Option Plan 2012' scheme shall not exceed 5% (five percent) of the aggregate number of issued and allotted equity shares of the Company as on the date of the Annual General Meeting approving this Resolution. The same may be decided by the Board of Directors or the Compensation Committee/Remuneration Committee (Sub-Committee of the Board) subject to the aforementioned maximum limit.

b) Identification of classes of employees entitled to participate in the ESOP:

Options are offered to employees of the Company but excluding Directors and Promoter Directors of the Company.

c) Requirements of vesting and period of vesting:

The continuation of the employee in the service of the Company shall be a primary requirement of vesting. The Compensation Committee shall formulate the other criteria of vesting, which may inter alia include performance related issues. The vesting period shall commence on the expiry of one (1) year from the date of grant of the option and will extend as may be thought fit by the Compensation Committee/Remuneration Committee.



## CAMSON BIO TECHNOLOGIES LIMITED

d) Maximum period within which the options shall be vested:

The Maximum period within which the options shall be vested is upon the completion of ten years from the date of grant of options.

e) Exercise price or pricing formula:

Options under the 'Employees Stock Option Plan 2012' would be issued at a price being lower of:

- a. Market price of Equity Shares on the date of grant as discounted by such rate as decided by the Board in consultation with Compensation Committee/Remuneration Committee

(Or)

b. Average of the daily high and low of the closing prices of the related Shares, quoted on the stock exchanges, during the month preceding the month on which the options are granted.

f) Exercise Period and Procedure for Exercise:

The exercise period shall commence from the date of vesting and expire not later than twelve months from the date of such vesting and can be further extended to a period of twelve months from the vesting date upon a specific request from the associate concerned. However such an extension may be granted by the Compensation Committee/Remuneration Committee only under special circumstances. The mode or process of exercise of the options will be framed by the Compensation Committee/Remuneration Committee.

g) The appraisal process for determining the eligibility of employees to the ESOP:

The eligibility criteria for the employees under ESOP will be determined by the Compensation Committee/Remuneration Committee based on qualification, past and present performance experience, technical knowledge, professionalism, designation, responsibility, other qualities or such other basis as the Committee may deem fit.

h) Maximum number of options to be issued per employee and in aggregate:

The maximum number of options granted to any one employee will not exceed 1% of the issued Equity Share Capital of the Company at the time of granting of option.

i) Power to amend, vary or modify the Scheme:

The Board shall have powers to amend, vary, or modify any of the terms and conditions of the ESOP pertaining to the grant of options, pricing of options, issue or allotment of equity shares or warrants pursuant to the options, without being required to seek any further consent or approval of the Members. The powers granted by the Members pursuant to this resolution will include powers to withdraw, recall, accept surrender or cancel options issued/to be issued pursuant to this resolution or any other earlier approval accorded by the Members in this behalf, and to issue fresh options in lieu thereof at such price, in such manner, during such period, in one or more tranches and on such other terms and conditions as the Board may decide.

j) Accounting policies:

The Company shall comply with the disclosure and accounting policies prescribed by SEBI and any other appropriate authority in this regard.

Approval of the Members is sought in terms of Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956, to increase the maximum number of Equity Shares of the Company which can be created,



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issued, offered, and allotted pursuant to the options granted under ESOP, including shares already created, issued, and allotted pursuant to the options granted under ESOP earlier, from one percent (1%) to five percent(5%) of the aggregate of the number of issued Equity Shares of the Company on the date of the Annual General Meeting.

The Board recommends passing of the said Resolutions.

None of the Directors of the Company is directly or indirectly concerned or interested in this resolution except to the extent of any eligible Shares under the Scheme which may be allotted to them.

**By order of the Board of Directors  
For Camson Bio Technologies Limited**

**Sd/-  
Ekta Gandhi Thakurel  
Company Secretary**

**Place: Bangalore  
Date: 31<sup>st</sup> August, 2013**



DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present before you the Nineteenth (19th) Annual Report of the Company, together with the Audited Statement of Accounts and Auditors Report for the financial year ended 31<sup>st</sup> March, 2013.

1. Financial Results:

(in ₹ Lakhs)

Particulars	2012-2013	2011-2012
Revenue		
Gross Income	11991.11	11273.27
Profit before Interest & Depreciation	2847.25	2244.51
<b>Deductions</b>		
Interest	201.09	36.19
Depreciation	335.38	163.65
<b>Profit Before Tax</b>	2310.78	2044.68
Provision for Tax	10.16	(-) 27.55
<b>Profit for the Year</b>	2300.62	2072.23
Add: Balance brought forward from previous year	4861.85	3000.41
Surplus available for appropriations	7162.47	5072.64
<b>Appropriations:</b>		
Proposed Final dividend	181.30	181.30
Tax on Dividend	28.79	29.49
Transfer to General Reserves	-	-
Balance Transferred to Balance Sheet	6952.37	4861.85

2. Appropriation Of Profits:

Your Company's dividend policy is based on the need to balance the twin objectives of appropriately rewarding the Shareholders with dividend and conserving resources to meet the Company's investment needs. Considering the performance of your Company for the year under review, the ongoing expansion programs and other related aspects, your Directors recommend a Dividend at 10 per cent (₹ 1/- per share) on the Equity Shares for the financial year ended on 31<sup>st</sup> March, 2013, involving an outgo of ₹ 1,81,30,000/- and Corporate Dividend Tax payable thereon amounting to ₹ 28,79,146/-.

3. Review Of Operations:

During the year under review, the Company has improved the topline to ₹ 1,19,60,80,118/- from ₹ 1,12,23,90,210/- of the previous financial year. This was achieved despite of poor monsoons in the interior areas in many parts of the country. The net profit for the year under review is ₹ 23,00,61,527/- as against ₹ 20,72,22,850/- during the previous financial year. Your Directors are on a continuous look-out for opportunities for future growth of the Company.

4. Expansion Program:

Your Company promoted a subsidiary –Camson Agri-Ventures Private Limited to focus on its vision statement to provide safe and healthy food to create a healthy society. The subsidiary would take up the



fallow land on joint development with the owners and would use its inputs of biopesticides, biofertilisers and hybrid seeds to grow Zero Residue® produce. The Company intends to market the same under its “Fresh & Safe” brand and position in various retail chains of the country and overseas. This will ensure consumption of Company’s inputs as well as providing Zero Residue® products to the consumers.

Your Company aims to create awareness amongst the masses and the consumers on the importance of Zero Residue® products, importance of environment friendly processes of cultivation and in turn a healthy and natural method of production and hence has been advocating the mantra of Zero Residue® farming. During the year, the Company has aimed at restricting the migration from rural areas to the cities such that even a small part of land is used for productive farming and self-sustenance. With this view in mind, it has formed a subsidiary called Camson Agri-Ventures Private Limited to concentrate on the premise of using fallow land for cultivation. The subsidiary is so modeled as to provide expertise, bring in raw materials, technology and inputs to improve the land and share the output and profit with the owner as per a pre-determined agreement. Surveys show that there are over five million hectares of land that can be brought under cultivation. The venture has already tied up with various agencies for cultivation for about 1000 acres and aims to bring about 20,000 acres under this scope in the near future. Stakeholders see a huge potential in Camson’s expansion, mainly because they are technology-driven and are not capital-intensive. The dream is in place, and all efforts now need to be directed towards scaling up and the execution process.

Even the smaller farmers are exuding immense confidence in the Company, partly attributed to the Company’s tie-up with HDFC Bank to make eligible nearly 3,000 dealers of the Company across the country to become business correspondents of the Bank.

The Company has fully operationalised its upgraded Research and Development Building in Dodaballapur with state-of-the-art technology which is attracting a lot of potential towards higher pinnacles of success. The Company has initiated implementation of EPN Technology which provides an organic cost-effective solution for the menace of root grubs, nematodes, termites etc, affecting millions of crops.

**5. Finance and Investment:**

The Company has received proposals for investment from strategic investors and is looking forward to avail such opportunities. The Company has been successfully managing short-term liquidities to generate reasonable returns.

**6. Directors:**

Mr. Krishnaswamy Ramaswamy and Dr. Anurudh Kumar Singh, Directors, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board of Directors recommends their re-appointments.

**7. Audit Committee:**

The Audit Committee of the Board of Directors constituted as per Section 292A of the Companies Act, 1956, read with Clause 49 of the Listing Agreement continued to discharge its functions during the year under report.

**8. Directors’ Responsibility Statement:**

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, in relation to the financial statement for the year 2012-13, the Board of Directors of the Company confirm that:

1. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and there has been no material departure.
2. The selected Accounting Policies were applied consistently and the Directors 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 31<sup>st</sup> March, 2013 and of the profits of the Company for the year ended on that date.



3. Proper and sufficient care has been taken 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.
4. The Annual Accounts have been prepared on a 'going concern' basis.

**9. Management Discussion And Analysis Report:**

Pursuant to the provisions of Clause 49 of the Listing Agreement, a report on Management Discussion and Analysis is furnished as Annexure - A to this Report

**10. Auditors:**

Messrs. Ishwar & Gopal, Chartered Accountants, will retire at the ensuing Annual General meeting of the Company and do not offer themselves for re-appointment. Based on the recommendation of a Shareholder and the Audit Committee, the Board recommends the appointment of Messrs B. K Khare & Co., Chartered Accountants as Auditors for the Fiscal Year 2013-14.

The Company is really grateful to M/s Ishwar & Gopal for their services and counsel rendered.

**11. Audit Report:**

The observations of the auditors in their report are self-explanatory and therefore, in the opinion of the Directors, do not call for further comments.

**12. Cash Flow Analysis:**

The Cash Flow Statement for the year under reference in terms of Clause 32 of the Listing Agreement entered by the Company with the Stock Exchanges is annexed hereto.

**13. Business and Outlook For Future:**

Your Company enjoys a unique position in the country due its proprietary product platform. Gradually farmers as well as masses have started acknowledging the goodness and affectivity of the products of the Company. More and more expert farmers have started relying on your Company's unique products due to its Zero Residue® position. All products of your Company are tested for their efficacy and toxicity before being launched in the market. The products undergo various geo-climatic tests under different conditions, environments, etc. before being presented to the farmers of the country.

Camson is a leading agricultural biotechnology Company and is being termed as one of the fastest growing companies in agri-life sciences field with an excellent speedy track record of growth.

Your Company combines traditional knowledge in agriculture with the latest advances in safety and protection, to market a wide range of products. These include bio-pesticides, bio-fertilizers and hybrid seeds that are non-poisonous, eco-friendly and residue-free.

With more than 200 permanent employees and more than 40 Scientists working at laboratories located in Karnataka, Uttar Pradesh, and Andhra Pradesh, Camson is geared up to move ahead with its philosophy of providing safe food, primarily through environment-friendly products such as bio-pesticides, bio-fertilizers and hybrid seeds. From discovery to development, Camson has the defining science and multi-product manufacturing capabilities to bring innovative biotechnologies to farmers.

Currently, it has 22 products in the biocides space and many more innovative products in the pipeline. Camson is also developing new products for bio-fertilizers as well as seeds.





Your Company has already carved a niche for itself because of various unique products that the Company has brought into the market with its own technology. At heart, Camson is a true Indian Company as all its products are produced in India with all the research related activities also carried out here.

The country is facing an acute shortage of chemical fertilizers, so there is a huge potential and the Company is looking at capturing the markets with its bio-fertilizers. The Company is also looking at creating awareness amongst the farmers for its products. Your Company is also developing a concentrated powder form of bio-pesticides. This will reduce the packaging costs and make it more convenient for the farmers to use them.

Camson has a steady eye on exports and is looking at joining hands with strategic investors for opportunities abroad. Your Company is in receipt of proposals from strategic global investors and has looked at considering the same in the next few months.

**14. Research And Development:**

Camson's strong focus on in-house research capabilities has resulted in a successful portfolio of products over the years. Camson's research can be broadly divided into 3 major segments: biopesticides, bio-fertilizers and hybrid seeds. Camson's intensive research programs in these areas have helped it build a wide-ranging product portfolio including 22 bio-pesticides, 7 bio-fertilizers and over 45 hybrid seed varieties.

The upgradation of Research and Development Building has been completed and the Company views this as a further acceleration in its steady growth. The Company has opened two units in Hyderabad mainly for screening, trials & multiplication along with Rice breeding programme.

Your Company has launched 4 new hybrids in chillies produced through Crop Growth Monitoring System (CGMS) technology viz. Bhagirathi, Savitri, Tarini, and Tapti, Tapti being the hottest chilly with 1,30,000 Scoville Heat Units (SHU), two chilly hybrids for dry / color purpose – Umaa & Tawi, Tawi with highest color value of 137.4 ASTA (American Spice Trade Association) units. Your Company has also launched two capsicum hybrids – Pamba & Palar wherein Palar is a button capsicum – a first-of-its-kind in the world.

**15. Awards And Recognition:**

Your Company has gained place amongst India's top 500 fastest growing mid-sized companies as awarded by Inc. 500. Your Company is currently undergoing the process of certification of all its inputs of Bio-pesticides & Biofertilisers for organic cultivation as per the NPOP (National Program for Organic Production) standards. This is being done with a Govt. approved certifying authority and as per the NPOP standards of organic cultivation.

**16. ISO Registration:**

Your Company enjoys the unique distinction of all its activities, viz. proprietary research, production and marketing of seeds and agricultural biotech products being covered by the quality certification standards prescribed by the International Certification Registrar Ltd.

Your Company continues to comply with the rules and conditions, relating to certification, as laid down by the International Certification Registrar Ltd., in respect of the Quality Management Systems prescribed under ISO 9001:2008. The scope of the certification covers research, manufacturing and marketing of seeds and agricultural biotech products.

**17. Internal Control Systems:**





Your Company has initiated certain development in its internal systems and processes and continues to upgrade the same. The same are being audited periodically by Messrs Murugendrappa & Co., an Independent firm of Chartered Accountants. The Auditors are presented with access to internal systems and records to independently evaluate the adequacy of internal systems and controls.

**18. Patents And Trademarks:**

The Company had filed four patent applications in the previous year. The Company has filed four trademark applications.

**19. Environmental Regulation:**

Though the Company's products and operations are eco-friendly, it has been complying with the Governmental and Statutory Regulations in force relating to Environment, Safety and Health. The Pollution Control Board parameters, as defined by the State Pollution Control Board, are being adhered to.

**20. Fixed Deposits:**

During the year under review, your Company has not accepted any Fixed Deposits from the public and, as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

**21. Human Resource and Industrial Relations:**

Your Company has recruited other industry-specific professionals to meet the current and future needs of the organisation. Subsequently, based on the sales projections and demands, we have recruited manpower which culminates to a total count of over 200 as of March 2013.

Your Company has initiated the process of implementing HRIS (Human Resource Information System) software which would have an employee interface to improve efficiency of employees' data for two-way communication and to provide real-time access to employees. Various learning sessions at all levels through

classroom and outbound trainings to spruce up the skill-sets of the employees have been conducted. Also, there has been a constant endeavor to facilitate self-development and growth, with the intention to increase the employee motivation and productivity and reduce attrition.

Your Company has laid down HR policies and best practices to encourage employees to adhere to processes and to contribute to the society accordingly through various CSR initiatives.

**22. Statement of Employees:**

The Information as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, form part of the Annual Report. However, in terms of Section 219 (1) (B) (iv) of the Companies Act, 1956, the Report and Accounts are being sent to the shareholders excluding the aforesaid annexure and any shareholder interested in obtaining the said annexure may write to the Company Secretary at the Corporate Office of the Company and the required information will be sent to the concerned shareholder.

**23. Conservation of energy, technology absorption & foreign exchange earnings and outgo:**

The particulars as required under the provisions of Section 217(1) (e) of the Companies Act, 1956 in respect of conservation of energy and technology absorption have been furnished under the annexure 2 to the report.

Further during the year under review, the Company has neither earned nor used any foreign exchange.

**24. Industrial Relations:**



As in the past, since inception, your Company continued to have very amiable relationship with all the employees throughout the year.

**25. Insurance:**

All the assets of the company are adequately insured and safeguarded.

**26. Corporate Governance:**

Your Company perceives Corporate Governance as an endeavour for transparency and a whole-hearted approach towards establishing Professional Management, aimed at continuous enhancement of shareholders' value. Your Company has been complying with the conditions of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement. Separate reports on Corporate Governance, along with Practicing Company Secretary's Certificate on compliance with the Corporate Governance norms (Annexure 1), as stipulated in Clause 49 of the Listing Agreement and a note on Management Discussion and Analysis, forming part of this report, are provided, elsewhere, in this Annual Report.

**27. Listing:**

The Equity Shares of your Company continue to be listed on Bangalore Stock Exchange Limited (BgSE). The Equity Shares of the Company are also traded on the Bombay Stock Exchange Limited (BSE) Limited in their BSE INDONEXT trading platform. There is no default in payment of annual listing fees.

**28. Dematerialisation of Shares:**

It may be noted that the entire paid up equity share capital of the Company (except 3% of shares) are held in dematerialised form as on 31st March 2013.

**29. Acknowledgement:**

Your Directors wish to express their grateful appreciation for the valuable support and co-operation received from customers, investors, lenders, business associates, banks, financial institutions, auditors and society at large.

Your Board of Director wishes to thank the Company's bankers-HDFC Bank, Axis Bank, Corporation Bank, State Bank of India, Bank of Baroda, and IDBI Bank.

Your Company would like to thank the Government of India and the other State Governments who have extended their valuable support.

Your Directors also appreciate the commitment and dedication of all the employees across all levels in contributing to the Company's growth and success.

**CAUTIONARY STATEMENT**

The statement made in this section describes the Company's objectives, projections, expectations and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations.

The annual results can differ materially from those expressed or implied, depending on the economic and climatic conditions, government policies and other factors which are beyond the control of the Company

## Annexure 1

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### **Certificate on Compliance with the Conditions of Corporate Governance under Clause 49 of the Listing Agreement:**

To  
The Members  
Camson Bio Technologies Limited  
Bangalore

1. I have examined the compliance of conditions of Corporate Governance by Camson Bio Technologies Limited for the year ended 31st March 2013, as stipulated in Clause 49 of Listing Agreement of the said Company with the Stock Exchanges
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement subject to compliance with the composition of the Audit Committee.
4. I state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.
5. I state in respect of investor's grievances received during the year ended 31.03.2013, no investor grievances are pending against the Company as on 31st March 2013, as per the records maintained by the Company and as stated by the Registrars and Share Transfer Agents.

**Place: Bangalore**  
**Date: 28.08.2012**

**Sd/-**  
**Vijayakrishna KT**  
**Practicing Company Secretary**  
**FCS – 1788: CP - 980**



**Annexure 2**

Particulars pursuant to the provisions of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors ) Rules, 1988

**(A) Conservation of Energy:**

Though the Company does not have energy intensive operations, it continues to adopt energy conservation measures.

Energy conservation programs adopted by the Company are -

- (i) Continuous monitoring of energy consumption.
- (ii) Spreading awareness among the employees on the need to conserve energy.
- (iii) Optimizing plant and machinery system performance to reduce cost.
- (iv) Rain Water Harvesting

Further, the Company is implementing the provisions of ISO 9001: 2008.

**(B) Research and Development and Technology Absorption:**

The Company has continuously strived to develop unique products and has laid emphasis on ramping up its research and development activities.

The fresh initiatives, during the year, have been-

- New research Units at Hyderabad has been established and research commenced
- State of the art design incorporating maximum utilization of natural light and ventilation.

**(C) Foreign Exchange Earnings and Outgo:**

The Company has not incurred any expenditure nor earned any income in foreign exchange during the year, under review.

**For Camson Bio Technologies Limited**

**Sd/-**

**Dhirendra Kumar  
Managing Director**

**Place: Bangalore**

**Date: 28.08.2013**



**Annexure 3  
Statement pursuant to Section 212 of the Companies Act, 1956**

<b>Particulars</b>	<b>Name Of The Subsidiary</b>
Name	<b>Camson Agri-Ventures Pvt Ltd</b>
The financial year ended on	March 31, 2013
Number of shares held by Holding Company in the subsidiary company at the end of the financial year of the Subsidiary company.	6500 Shares @ Rs.10/- Each
Extent of interest of holding company at the end of the financial year of the Subsidiary company	65%
<b>The net aggregate of Profit or Losses for the current period of the Subsidiary so far as it concerns the members of the Holding Company</b>	
a. Not dealt within the holding Company's Accounts: (i) For the financial year ended on 31.03.2013 (ii) For the previous financial year ended on 31.03.2012	Rs.77,20,103/- Not Applicable
b. Dealt within the holding Company's Accounts: (i) for the financial year ended on 31.03.2013 (ii) for the previous financial year ended on 31.03.2012	Not Applicable Not Applicable
<b>The net aggregate of Profit or Losses for the previous financial year of the Subsidiary so far as it concerns the members of the Holding Company</b>	
a. Not dealt within the holding Company's Accounts: (i) For the financial year ended on 31.03.2013 (ii) For the previous financial year ended on 31.03.2012	Rs.77,20,103/- Not Applicable
b. Dealt within the holding Company's Accounts: (iii) for the financial year ended on 31.03.2013 (iv) for the previous financial year ended on 31.03.2012	Not Applicable Not Applicable

**Statement Pursuant to Exemption Received Under Section 212 (8) of the Companies Act, 1956 Relating to Subsidiary Companies**

Name of the Company	Camson Agri-Ventures Pvt Ltd
Financial Year	MARCH 31,2013
Reporting Currency	INR
Exchange Rate	NA
Capital	Rs.1,00,000/-
Reserves Total	Rs.77,20,103/-
Total Assets	Rs.16,56,32,737/-
Total Liabilities	Rs.15,78,12,634/-
Investment other than investment in Subsidiary	N.A
Turnover	Rs.16,51,76,888/-
Profit before taxation	Rs.1,22,77,508/-
Provision for Taxation	Rs.45,54,405/-
Profit after taxation	Rs.77,20,103/-
Proposed dividend	N.A
Country	India

**Sd/-  
Dhirendra Kumar  
Managing Director**

**Sd/-  
Akbal Narayan Singh  
Director**

**August 28, 2013**



## REPORT ON CORPORATE GOVERNANCE

### **Company's Philosophy:**

Good governance is manifested decisively by the Board in the Management for conducting the business using right practices, right conduct and best methodologies which are in the larger interest of the stakeholders and society.

Your Company is committed to carrying on business in an efficient, responsible, honest and ethical manner. Corporate Governance Practice goes beyond compliance and involves a Company-wide commitment. This has become an integral part of business to ensure fairness, transparency and integrity of the Management. The Company is also committed to continually evolving and adopting appropriate corporate governance, best practices and perceives Corporate Governance as an endeavor for transparency and a whole-hearted approach towards establishing Professional Management, aimed at continuous enhancement of Shareholders' values.

### **Board of Directors:**

The Managing Director, Mr. Dhirendra Kumar manages the day-to-day affairs of the Company. The Company has optimum combination of Executive and Non-executive Directors with six members of the Board being Non-executive Directors. All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company are disclosed in the Annual Report.

### **Composition of the Board:**

The Company has a balanced Board, comprising of Executive and Non-Executive Directors which includes independent professionals. The total strength of Independent Directors is in line with the regulations, as reckoned for on the basis of the total strength of the Board.

Directors	No. of Directors	% of Combination
Executive	1	14.29
Non-Executive	6	85.71
Total	7	100.00

The Board of Directors met 7 times during the year under review, on 14<sup>th</sup> May, 2012, 14<sup>th</sup> August, 2012, 30<sup>th</sup> August, 2012, 2<sup>nd</sup> November, 2012, 12<sup>th</sup> November, 2012, 28<sup>th</sup> December, 2012 and 11<sup>th</sup> February, 2013.

The maximum gap between two Board Meetings was 91 days.

### **Attendance Record of Directors Attending the Board Meetings and Annual General Meeting during the Year 2012-2013:**

The Company's Board of Directors play a primary role in ensuring good governance and functioning of the Company. The Board's roles, functions, responsibility and accountability are clearly defined. All relevant information (as mandated by the regulations) is placed before the Board. The details of the Board Meeting held during the financial year 2012-13 are furnished below:

Sr. No	Names	Designation	No. of Board Meetings		Attended Last AGM
			Held	Attended	
1	Mr. Dhirendra Kumar	Executive & Managing Director	7	7	Yes
2	Mr. A.N Singh	Non-Executive & Non-Independent	7	7	Yes
3	Mr. Krishnaswamy Ramaswamy	Non-Executive & Independent	7	1	Yes
4	Mr. B.C Madappa	Non-Executive & Independent	7	5	No
5	Mr. Veerendra Kumar Singh	Non-Executive & Non-Independent	7	4	Yes
6	Dr. Anurudh Kumar Singh	Non-Executive & Independent	7	0	Yes
7	Mr. Gulshan Kumar Khanna	Non-Executive & Independent	7	7	Yes



**Non Executive Directors' Compensation and Disclosure:**

All fees/compensation paid to Non-Executive Directors, including Independent Directors are fixed and approved by the Board of Directors and Shareholders.

**Committees of the Board:**

**A. AUDIT COMMITTEE:**

The Company has an Audit Committee comprising of qualified and competent members being Non-Executive Directors. Chairman of the Committee is an Independent Director. The Company Secretary acts as the Secretary to the Committee.

The Committee met 5 times during the year under review on, 14<sup>th</sup> May, 2012, 14<sup>th</sup> August, 2012, 30<sup>th</sup> August, 2012, 12<sup>th</sup> November, 2012, and 11<sup>th</sup> February, 2013

**Members of the Audit Committee and Number of Meetings Attended By Each Member during the Year 2012-2013:**

The Audit Committee was reconstituted on 14<sup>th</sup> August, 2012. The Members who have been a part of the Audit Committee during the year are as follows:

Name	Designation	No. Of Meetings Attended
Dr. Anurudh Kumar Singh*	Non-Executive& Independent	0
Mr. Veerendra Kumar Singh	Non-Executive Director	5
Mr. Krishnaswamy Ramaswamy *	Non-Executive& Independent	1
Mr. Gulshan Kumar Khanna	Non-Executive& Independent	5
Mr. B.C Madappa	Non-Executive& Independent	3

*\*Not a part of the re-constituted Audit Committee*

**Powers of the Audit Committee:**

1. To Investigate any activity within its terms of reference
2. To secure attendance of and seek information from any employee
3. To obtain outside legal or professional advice, if felt necessary
4. To secure attendance of outsiders with relevant expertise, if considered necessary
5. Compliances with the Accounting Standards

**ROLE/FUNCTIONS OF THE AUDIT COMMITTEE:**

- 1.Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditors and the fixation of their fees.
3. Approval of payment to Statutory Auditors for any other services rendered.
4. Reviewing with the Management, the Annual Financial Statements before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Directors' Responsibility Statement and the Board's Report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956
  - b. . Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by the Management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.





- g. Qualifications in the draft audit report.
5. Reviewing with the Management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the Management, performance of Statutory and Internal Auditors and the adequacy of the internal control systems in vogue.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the audit and its conduct.
8. Discussion with Internal Auditors on any significant findings and follow up thereon.
9. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matters to the Board.
10. Discussion with the Statutory Auditors before the commencement of audit, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To review the functioning of the Whistle Blower Mechanism.
12. Carrying out any other function as may be referred to by the Board or the Chairman of the Board, from time to time.

**Review of Information:**

In addition to the above, the Audit Committee also complies with the roles and responsibilities as mandated under Section 292A of Companies Act, 1956 mentioned below:

- a. Management Discussion and Analysis of financial condition and results of operations.
- b. Statement of significant related party transactions, as defined by the Committee, submitted by the Management.
- c. Internal audit reports relating to internal control weaknesses

**B. REMUNERATION COMMITTEE/COMPENSATION COMMITTEE:**

The Remuneration Committee consisting of Non-executive Directors, evaluates and finalizes, *inter alia*, compensation and benefits of Executive Director and the procedures and modalities for giving effect to the Employee Stock Option Schemes which, among other things, includes determination of eligibility criteria, maximum number of options/shares offered during the period concerned under the Scheme, identification of classes of employees entitled to participate in the Scheme, framing of a detailed pricing formula, mode or process of exercise of the option, etc.

The Remuneration Committee met twice during the year under review, on 28<sup>th</sup> September, 2012 and 11<sup>th</sup> February, 2013.

**Members of the Remuneration Committee and the Number of Meetings Attended by each Member during the Year 2012-2013:**

Name	Designation	No. Of Meetings	
		Held	Attended
Dr. Anurudh Kumar Singh	Member	2	2
Mr. A.N Singh	Member	2	2
Mr. Krishnaswamy Ramaswamy	Member	2	2

**REMUNERATION POLICY:** The remuneration policy of the Company has been structured, *inter alia*, to match the market trends in the agricultural industry. The Board, in consultation with the Remuneration Committee, decides the remuneration policy of the Company, including Whole Time Directors. The Company has made adequate disclosures to the Members on the remuneration paid to Directors from time to time.

**C. SHARE TRANSFER/INVESTOR GRIEVANCE COMMITTEE:**

The focus of the Share Transfer/Investors' Grievance Committee revolves around Shareholders' grievances and strengthening of investor relations. Its role, therefore, include redressal of Shareholders' complaints ranging from





transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend, etc. In the process, it upholds the basic rights of the Shareholders as Members of the Company. The Committee has been authorized by the Board, to act on its behalf, in the matters connected with allotment of shares, issuance of duplicate share certificates, split and consolidation of shares into marketable lots, etc.

The Committee has met 4 times, during the year under review on 14<sup>th</sup> May, 2012, 14<sup>th</sup> August, 2012, 11<sup>th</sup> November, 2012, and 11<sup>th</sup> February, 2013

The Share Transfer/Investors' Grievance Committee has been reconstituted on 11<sup>th</sup> February, 2013

**Members of the Share Transfer/Investors' Grievance Committee and the Number of Meetings Attended By Each Member during the Year 2012-13:**

Name	Designation	No. Of Meetings	
		Held	Attended
Mr. Dhirendra Kumar	Member	4	4
Mr. Veerendra Kumar Singh	Member	4	4
Mr. Gulshan Kumar Khanna	Member	4	1
Mr. Krishnaswamy Ramaswamy*	Member	4	1
Mr. A. N Singh*	Member	4	3

*\*Not a part of the re-constituted Committee*

All complaints/queries received from Shareholders during the year, have been attended to and conveyed accordingly to the concerned Members. All Share Transfer requests had also been put through.

**Disclosures:**

Related Party transactions are defined as transactions of the Company of material nature with Promoters, Directors or the Management or their relatives, etc. that may have potential conflict with the interest of the Company at large. The Related party transactions are a part of the Financials and may be referred for further details.

**Litigation:**

The Company has filed many cases under the Negotiable Instruments Act, 1991 for default in payments by its dealers.

**Statutory Compliance, Penalties & Strictures:**

Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or any other Statutory Authority on any matter related to capital markets, during the last 3 years

No penalties and/or strictures were imposed on the Company, during the said years, by the SEBI, Stock Exchanges or any other Statutory Authority on any matter related to the Capital Market.

**Compliance with Mandatory Requirements and Adoption of Non-Mandatory Requirements of Clause 49 of the Listing Agreement:**

Clause 49 of the Listing Agreement mandates obtaining a certificate either from the Auditors or Practicing Company Secretaries regarding compliance of conditions of Corporate Governance, as stipulated in the said Clause and annex the relative certificate with the Directors' Report, which is sent, annually, to all the Shareholders

The Company has complied with the mandatory requirements of Clause 49 of the Listing Agreement, including CEO Certification. As required under Clause 49, a certificate signed by the CEO of the Company has been placed before the Board of Directors and the same has been provided, elsewhere, in this report. Further, as per the requirements of Clause 49, a certificate obtained from a Practicing Company Secretary certifying the compliance with conditions of Corporate Governance, under the said Clause, has also been provided, elsewhere, in this report.



Clause 49 also requires disclosures of adoption by the Company of non-mandatory requirements specified in the said Clause, the implementation of which is discretionary on the part of the Company. Accordingly, the adoption of non-mandatory requirements is given below.

**A. Whistle Blower Policy:**

The Company has established a mechanism for employees to report concerns about unethical behaviors, actual or suspected fraud, violation of Code of Conduct of the Company, etc. The mechanism also provides for adequate safeguards against victimization of employees, who avail of the mechanism and also provides for direct access, by the Whistle Blower, to the Audit Committee. It is hereby affirmed that, during the year under review, no employee has been denied access to the Audit Committee.

**B. Remuneration/Compensation Committee:**

The Company has constituted a Remuneration Committee/Compensation Committee, consisting of only Non-executive Directors. According to SEBI (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 where the Company wishes to offer its shares under ESOP/ESPS Scheme, a Company has to constitute Compensation Committee.

**C. Management Committee:**

The Company has constituted during the year, a Management Committee to look after the operations of each Division/Department of the Company. The Committee will *inter alia* look into the implementation of the overall business strategy, identify areas of further value creation, provide new and far reaching initiatives for enhancing the business competitiveness and also oversee the business plans, as approved by the Board of Directors.

With a view to bring about an objective analysis, the Management also invites eminent personalities (from its list of well-wishers/benefactors) like Chartered Accountants, prominent industrialists, academicians, etc. to guide and advise the Company in moving forward, at a rapid pace, without losing sight of the goals and objectives set forth. These advisors analyze the issues raised, in a non-involved dispassionate manner and suggest course correction measures. This initiative of the Company has brought about a new vigor in the style of functioning of the Company which is expected to bring in good working results for the Company, in the long run.

**D. Research and Development Committee (A Voluntary Initiative of the Company):**

Every organization has an engine of growth. Camson saw its potential in being knowledge based Company. Arising out of this and to fulfill its Mission, the Research and Development Committee was constituted, a couple of years ago. The prime task of the Committee is to provide guidance and monitor the progress achieved in its R&D mission. The process involves intense interaction and periodic reviews of each Project, with the Project Head and the other members of the Project. Periodically, Notes and Presentations are made, by each Project Head, to the Committee detailing the progress and developments made, with regard to their Project. All the Projects undertaken are time-bound in nature and any spill-over, if required, is allowed by the Committee with riders and stipulating a fresh deadline. From time to time, the Committee, on a total review of the Project, makes recommendations to the Management for enhancement of skills and competencies required, backed by the structure and processes to be adopted, in order that the Research and Development Committee's initiative lead to delivery of products being efficient and cost-competitive.

As a fallout of the formation of this Committee and the deliberations and discussions, the Company has observed that the scientists at the R&D Centre have developed an unparalleled understanding of "technology connect to business" and a personal commitment of a high order.

The Committee held three Meetings during the year under review. The Committee comprises, as members, the CEO, all the Heads of Research wings and the Project Leader of each Project. The other staffs associated with each Project are invited as invitees.

**MEANS OF COMMUNICATION:**



**QUARTERLY/HALF YEARLY/ANNUAL FINANCIAL RESULTS:**

Quarterly/Half yearly/Annual financial results, of the Company, are published in one widely circulated English newspaper (Business Standard) and a Vernacular (Kannada) newspaper “Hosa Diganta”. The results are also promptly forwarded to Stock Exchanges in which the shares of the Company are listed and traded and simultaneously uploaded on the Company’s website – [www.camsonbiotechnologies.com](http://www.camsonbiotechnologies.com). The website also displays all official news releases issued by the Company, from time to time.

**INVESTOR EDUCATION:**

The Company’s official website [www.camsonbiotechnologies.com](http://www.camsonbiotechnologies.com) has in it a separate page for investor relations in which the quarterly, half – yearly and annual results of the Company are displayed. All press releases issued by the Company, from time to time, are informed to the concerned Stock Exchanges in which the shares of the Company are listed and traded and the same are also hosted in the Company’s website for the knowledge of investors. A separate column in the website called “Frequently Asked Questions” is given, which answers substantially the expected queries of investors about the Company.

**THE MANAGEMENT DISCUSSION AND ANALYSIS:**

The Management Discussion and Analysis notes, giving an overview of the Industry, Company’s business, its Financials and other allied issues, is provided separately as a part of this report.

**GENERAL SHAREHOLDER INFORMATION:**

**1. Details of the Last Three Annual General Meetings:**

<b>Date</b>	<b>Venue</b>	<b>Time</b>
28.09.2012	Hotel Bhagini Palace, #210, 1 <sup>st</sup> Main, ‘A’ Cross, ESI Hospital Road, Domlur, 2 <sup>nd</sup> Stage, Indiranagar, Bangalore – 560071	10.00 a.m
29.09.2011	Indiranagar Club, 4 <sup>th</sup> Cross, 9 <sup>th</sup> Main, HAL 2 <sup>nd</sup> Stage, Bangalore- 560008	10.30 a.m
27.09.2010	Hotel Nandini, #210, ‘A’ Cross, 1st Main, Domlur 2 <sup>nd</sup> Stage, Bangalore - 560071	03.30 p.m

**ENSUING ANNUAL GENERAL MEETING:**

19<sup>th</sup> Annual General Meeting : 27<sup>th</sup> September, 2013 at 3.00 p.m  
Venue : Woody’s Gayathri Hall,  
Hotel Woodlands, No. 5, Dr. Rajaram Mohan Roy Road,  
Near Richmond Circle, Opp. ITC Gardens, Bangalore-560025

The Equity Shares of the Company are listed on the Bangalore Stock Exchange Limited. The Equity Shares of the Company are also traded on the Bombay Stock Exchange Limited through the BSE INDONEXT trading platform.

The Annual Listing fee for the year has been paid to the concerned Stock Exchanges.

The Company has also paid the Annual Custodial fee for the year 2013-14 to both the Depositories viz National Securities Depository Limited (NSDL) and Central Depositories Services (India) Limited (CDSL). The ISIN numbers allotted to the Company are as under:

<b>DEPOSITORY</b>	<b>ISIN NO.</b>
N S D L	INE 845 E01012
C D S L	INE 845 E 01012

- 2. Registrar and Transfer Agents** : Integrated Enterprises (India) Ltd
- 3. Date of Book Closure** : 23.09.2013 to 27.09.2013
- 4. Dividend payment date** : On or before 27<sup>th</sup> October, 2013



**5. Stock Price Data: Scrip Code** : 590076  
**Period** : April 2012 to March 2013

The monthly high/low closing prices (rounded) of shares of the Company from 1<sup>st</sup> April, 2012 to 31<sup>st</sup> March, 2013 are given below:

Month	Open Price	High Price	Low Price	Close Price	No. of	No. of	Total	* Spread (Rs.)	
					Shares	Trades		Turnover(Rs.)	H - L
Apr-12	49	61.9	48.6	54.3	3314690	16109	178417204	13.3	5.3
May-12	54.5	54.5	37.3	39.6	1428921	9714	65209644	17.2	-14.9
Jun-12	40.55	54.95	36.5	53.1	1102640	8891	50128607	18.45	12.55
Jul-12	54	59	43.3	47.25	606002	5650	32272414	15.7	-6.75
Aug-12	47.25	54.6	46	47.5	446142	3710	22325815	8.6	0.25
Sep-12	47.25	57.5	47.25	53.55	630881	5123	33318297	10.25	6.3
Oct-12	52.6	65.25	52.6	60	1505737	8447	88558136	12.65	7.4
Nov-12	58.75	68.5	51	54.7	1654681	9590	100402657	17.5	-4.05
Dec-12	56	67.5	53.5	65.7	1261828	7805	77880555	14	9.7
Jan-13	66.8	73	61	62.5	1112636	5912	74527943	12	-4.3
Feb-13	63	65.45	54	56.5	483808	2640	29153535	11.45	-6.5
Mar-13	57	60	43.1	44.6	539266	2328	27684357	16.9	-12.4

**DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2013 (PHYSICAL):**

CATEGORY		No. of Shareholders	%	No. of Shares	%
			(Percentage)	held	(Percentage)
Up to 500		1752	92.55	293415	53.86
501	1000	73	3.86	53100	9.75
1001	2000	23	1.22	34800	6.39
2001	3000	31	1.64	77700	14.26
3001	4000	1	0.05	3200	0.59
4001	5000	6	0.32	29900	5.49
5001	10000	7	0.37	52700	9.67
10001 and Above		0	0.00	0	0.00
<b>Total</b>		<b>1893</b>	<b>100.00</b>	<b>544815</b>	<b>100.00</b>

**DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2013 (ELECTRONIC):**

CATEGORY		No. of Shareholders	Percentage (%)	No. of Shares held	Percentage (%)
Up to 500		5612	77.71	914418	5.20
501	1000	700	9.69	578204	3.29
1001	2000	362	5.01	556127	3.16
2001	3000	162	2.24	423717	2.41
3001	4000	67	0.93	243257	1.38



4001	5000	72	1.00	337834	1.92
5001	10000	119	1.65	871609	4.96
10001 and Above		128	1.77	13660019	77.68
<b>Total</b>		<b>7222</b>	<b>100.00</b>	<b>17585185</b>	<b>100.00</b>

**DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2013 (ELECTRONIC AND PHYSICAL):**

CATEGORY		No. of Shareholders	Percentage (%)	No. of Shares held	Percentage (%)
Upto 500		7364	80.79	1207833	6.66
501	1000	773	8.48	631304	3.48
1001	2000	385	4.22	590927	3.26
2001	3000	193	2.12	501417	2.77
3001	4000	68	0.75	246457	1.36
4001	5000	78	0.86	367734	2.03
5001	10000	126	1.38	924309	5.10
10001 and Above		128	1.40	13660019	75.34
<b>Total</b>		<b>9115</b>	<b>100.00</b>	<b>18130000</b>	<b>100.00</b>

**EQUITY HOLDING PATTERN AS ON 31.03.2013**

Category	Total No. of Shares	% of Shareholding
Promoters/Persons acting in concert	5936384	32.74
Banks, FIs, Insurance Cos, etc	-	-
Private Corporate Bodies	2429113	13.40
Mutual Funds	825000	4.55
NRIs/OCBs/FIIs	1805454	9.96
Indian Public	6985536	38.53
Others(Clearing Members/Trust)	148513	0.82
<b>Total</b>	<b>18130000</b>	<b>100.00</b>

The Company's Equity Shares are compulsorily traded in the electronic form. As on 31<sup>st</sup> March, 2013, 17,585,185 Equity Shares representing 97% of the Total Paid-up Capital was held in electronic form and remaining 3% is in physical form i.e. 544815 shares. The Shareholders can hold the shares in demat form either through NSDL or CDSL.

**IMPLEMENTATION OF CODE OF CONDUCT:**

The Company has adopted a policy of "Code of Conduct" for its Senior Management and Directors. The Code serves as a guide to the employees of the Company to make good, informed decisions and act on them. As required under Clause 49 of the Listing Agreement, the affirmation as regards compliances with the Code, from Directors and Senior Management, has been obtained for financial year ended 31<sup>st</sup> March, 2013.

**COMPLIANCE WITH SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2002:**

A policy on Insider Trading has been implemented and continues to be in force, since quite some time. This policy deals with the rules, regulations and process for transactions in shares of the Company and shall apply to all transactions and for all employees, in whatever capacity they may be, including Directors. This Code forms part and parcel of the service conditions of the staff of the Company.



**SHARE TRANSFER SYSTEM:**

The Company receives the application for the transfer, transmission and transposition at its Registered office at Bangalore or at the office of the Company's Registrars & Transfer Agent (RTA), Integrated Enterprises (India) Limited, Bangalore. As the Company's shares are currently traded in dematerialized form, the transfers are processed and approved in the electronic form by NSDL/CDSL through its Depository Participants. The RTA, whenever required, process the physical transfers and the duly transferred certificates are sent to the respective transferees.

**Regular Audits are carried out at the office of the RTA, by an Independent Practicing Company Secretary. The requisite certificate/reports, pursuant thereto, are filed with the Stock Exchanges.**

Shareholders should address their communications to the RTA at their office or to the Company Secretary of the Company at the office of the Company,



**CEO & GM Certification under clause 49(V) of the Listing Agreement**

**To  
The Board of Directors  
Camson Bio Technologies Limited**

We, Dharendra Kumar, Managing Director , Mr. Santosh Nair, Chief Executive Officer, Narendran – Manger - Finance & Accounts of Camson Bio Technologies Limited, (Company) hereby certify that-

(a) We have reviewed the financial statements and the cash flow statement of the Company for the financial year ended 31<sup>st</sup> March, 2013 and that to the best of our knowledge and belief-

(i) these statements do not contain any materially untrue statement or omits any material fact or contain statements that might be misleading.

(ii) these statements, together, present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company, during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed, to the Auditors and the Audit Committee, deficiencies in the design of operation of such internal controls, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee-

(i) significant changes in internal control over financial reporting during the year.

(ii) significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.

(iii) instances of significant fraud of which we have become aware of and the involvement therein, if any, of the Management or any employee having a significant role in the Company's internal control system over financial reporting.

**Sd/-  
Dharendra Kumar,  
Managing Director**

**Sd/-  
Santosh Nair  
Chief Executive Officer**

**Sd/-  
Narendran  
Manager-Finance & Accounts**

Place: Bangalore  
Date: 26.08.2013

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**Declaration by CEO under Clause 49(1)(D)(ii) of the Listing Agreement**

I, Santosh Nair, Chief Executive Officer of Camson Bio Technologies Limited, to the best of my knowledge and belief, declare that all the members of the Board of Directors and Senior management Personnel have affirmed compliance with code of Conduct of the Company, for the year ended March 31, 2013

**Place: Bangalore  
Date: 26.08.2013**

**Sd/-  
Santosh Nair  
Chief Executive Officer**





## MANAGEMENT DISCUSSION AND ANALYSIS

The following management's discussion and analysis ("MD&A") should be read in conjunction with the audited financial statements for the year ended March 31, 2013 and related notes. All amounts are expressed in INR unless otherwise noted. Additional information regarding the Company is available at [www.camsonbiotechnologies.com](http://www.camsonbiotechnologies.com).

### Overview:

Started in 1993, Camson Bio Technologies Limited is one of the leading biotechnology companies in the country with a focus on agricultural innovation. The Company is the brainchild of Mr. Dhirendra Kumar, who wanted to make a difference in the agricultural space which was being abused by chemical pesticides and overuse of fertilizers.

After a decade of research, the Company launched its first product (Calphomil) in 2000 and since then, there has been no looking back. Today, the Company has a unique range of 22 biocides, 7 bio fertilizers & plant growth promoters in its kitty along with 45 varieties of hybrid seeds.

It also boasts of having state of the art R&D centers which are aimed at creating food resources for India and the world through higher yields, safer produce and Zero-Residue Agriculture<sup>®</sup>. The Company also pioneered a concept of Zero Residue Agriculture<sup>®</sup> which exhorts farmers to shun chemical pesticides and minimize fertilizer requirements, thereby, protecting environment and enhancing productivity.

The Company was one among the 35 Indian companies to be selected in the Forbes list of best 200 companies under a billion in Asia. It was also recognized by Deloitte Technology Fast50 India 2011 Program as a leading technology company for the 4<sup>th</sup> year in succession.

### Corporate Update:

#### Research & Development

Your Company has always been at the forefront of cutting edge research in biocides, bio-fertilisers and hybrid seeds. Over the years, we have been successful in developing Zero Residue<sup>®</sup> products in biocides and bio-fertilizers, and hybrid seeds.

Your company's research and development efforts have now received a fillip. We have managed to operationalize a state-of-the-art R&D facility spread over 40,000 square feet in Dodaballapur near Bangalore. This facility is equipped with the most advanced setup for our scientists to continue developing products that are in line with our aim of providing safe and Zero Residue<sup>®</sup> products in crop protection.

#### New products

Over the last year, your company has successfully launched 3 new products – Calterm Super, Calpushthi and Calrizzah. Calterm Super is the Company's revolutionary product based on EPN which provides an organic, cost effective solution for the menace of root grubs, nematodes, termites etc. affecting millions of farmers.

Over the past two decades, your Company has built up a vast storehouse of agricultural know-how. There is also growing farmer and consumer awareness about the harmful effects of chemicals in agriculture and food production. We are now capitalising on our expertise in Zero-Residue<sup>®</sup> products and latent demand for safe food. We are proud to announce that we have set up a subsidiary company – Camson Agri-Ventures Private Limited (CAV). A wholly-owned subsidiary of Camson Bio Technologies Limited, CAV offers services across the complete agricultural value chain, i.e. from 'farm to fork'.

CAV aims to assist farmers in realising the full potential value of their farmland through end-to-end farm management services. These services include crop planning and selection, operational management of the farm as well as marketing the produce. The farm management is undertaken on behalf of both local as well as absentee landowners – be they individual landowners, trusts, estates, charitable organisations, corporations or governmental agencies. Produce from your CAV-managed farms uses Camson's agri-inputs - biocides, bio-fertilizers and hybrid seeds, and is certified as Zero Residue<sup>®</sup>.





We have made a good beginning, with more than 1000 acres under management currently and considerable interest from more landowners in availing of CAV's services.

#### **Control Union International Certification**

Your Company's focus on Zero Residue® products is finding wider recognition. Its biocides and bio-fertilizers are now certified by Control Union International for organic farming.

#### **HDFC Bank Business Correspondent initiative**

Your Company had tied up with HDFC Bank last year. As per the arrangement, HDFC Bank engaged with all the dealers of Camson Bio Technologies Limited and empanelled them as the bank's Business Correspondents. Over the past year, we are happy to report that this partnership is working well for all the entities involved. Camson has been able to leverage its brand with farmers. We have managed to influence over 2 lac plus farmers towards Zero Residue® cultivation. Over the next few years, we hope that this partnership will help us reach out to more farmers and wean them off chemicals and towards much safer organic inputs for their farming.

#### **Segment-wise performance:**

The Biocides segment has done exceedingly well this year. It has grown from ₹ 16.43 Crores to ₹ 24.45 Crores (robust growth of about 49% growth). This is line with the strategic shift in the potential agri-biotech segment. The seeds business was marginally affected by adverse agro-climatic conditions caused by the erratic rainfall. The Company chose to focus on high margin varieties in an effort to maintain profitability.

#### **State of the economy and Indian agriculture: An overview of the opportunities and threats**

The past year saw a slowing down of growth in terms of the overall gross domestic product (GDP). Compared to the average growth rate of 7.9 per cent over the decade from 2003-04 to 2012-13, 2012-13 saw a slowing down of the growth rate to 5.0 per cent. This is keeping in line with the trend seen over the past two years, with GDP growth in 2011-12 being 6.2 per cent over the previous year. 2012-13 continues the downward trend, reflective of continued uncertainty in the global economy as well as the Indian polity.

The slowdown in the industrial sector has been the major contributor to the lower rate of GDP growth. The industrial sector grew at a mere 3.1 per cent in 2012-13 as against 3.5 in 2011-12. The agriculture growth rate has also fallen drastically, to 1.8 per cent from 3.6 per cent in 2011-12. A delayed and deficient monsoon was one of the major factors contributing to this slowdown. During 2012, the south-west monsoon rainfall was 8 per cent less than the Long Period Average (LPA). Deficient monsoon has its impact on not just the agriculture sector, but also on overall economic sentiment, considering that agriculture and allied sectors' share in total employment continues to be as high as 58.2 per cent, as per the 2001 census.

The services sector has also seen affected, with an estimated growth rate of 6.6 per cent – again lower than the last year. Various domestic as well as international factors have impacted the economic slowdown. Domestic factors include the tightening of monetary policy by the Reserve Bank of India (RBI) in order to control the runaway inflation. International factors include the continued crisis in the Euro-zone and sluggish growth in major advanced economies and India's trading partners. Rising world oil prices and slowing exports has led to an increase in the Current Account Deficit (CAD), which is a cause for concern. Uncertainty over major policy decisions domestically has added to the general gloom in the economy.

India continues to be one of the leading producers in the world of agricultural products. It has maintained its world leadership in the production of milk, pulses, jute and jute-like fibres. It is second in the world in rice, wheat, sugarcane, groundnut, vegetables, fruits and cotton production. The Eleventh Five Year Plan (2007-12) envisaged an ambitious growth target of 4.0 per cent for GDP growth from agriculture. However, actual performance has not been as envisaged.

This slowdown in growth has brought to the fore the need for efficiency and increased productivity in agricultural practices and processes. Long term growth depends primarily on increasing yields from existing areas under cultivation – to be achieved through incremental productivity gains and adoption of modern technologies in agriculture.

Agriculture remains a priority sector for the Indian government and the polity at large. Various reform measures have been initiated, with notable ones being the National Food Security Mission, the National Mission for Sustainable Agriculture and the National Horticulture Mission which aims at holistic development of the



horticulture segment by ensuring forward and backward linkages for the sector. However, much more needs to be done.

Contract production in agriculture is seeing sustained demand from food marketers. This has the potential to positively impact the adoption of modern techniques in farming and also ensure a higher price realisation for agricultural produce. Contract production is already being done in selected regions across India. By giving it official sanction and encouragement, the government can provide an impetus to the entry of much needed and big-ticket investments in agriculture, and also provide an immediate boost to seed production.

Similarly, the government needs to provide subsidy on bio-fertilisers as part of its push for sustainable agriculture. As of now, the subsidy given to chemical fertilisers is resulting in indiscriminate use of chemicals in agriculture. Besides being detrimental for the environment, this subsidy is also distorting the market and not allowing creation of a level playing field between producers of chemical fertilisers and biofertilisers. Much more needs to be done in terms of marketing of agricultural produce too, to ensure less wastage, price stability and access to food for all sections of society.



**INDEPENDENT AUDITORS REPORT**

**To the Members of Camson Bio Technologies Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Camson Bio Technologies Limited (“the Company”) which comprises the Balance Sheet as at 31<sup>st</sup> March 2013, the Statement of Profit and Loss and the 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 principles generally accepted in India. This responsibility includes the design, implementation and maintenance of the internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors’ Responsibility**

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

An audit involves performing procedures to obtain audit evidences about the amounts and disclosures in the financial statements. The procedures selected depend on auditor’s judgement, including the assessment of the risks of the material misstatements 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 the management, as well as evaluating the overall presentation of the financial statements.

We believe that 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 aforesaid 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 Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2013;
- (b) In the case of Profit and Loss Account, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

- 1 As required by the Companies (Auditor’s Report) Order, 2003 (“ the Order”) issued by the Central Government of India in terms of Section 227 (4A) 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 purposes of our audit.
- b. In our opinion, proper books of account as required by Law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards, to the extent applicable, referred to in Section 211 (3C) of the Act.
- e. On the basis of written representations received from the directors as on March 31<sup>st</sup>, 2013, taken on record by the Board of Directors, none of the directors is disqualified as at March 31<sup>st</sup>, 2013 from being appointed as a director in terms of Section 274 (i) (g) of the Act .

For Ishwar & Gopal,  
Chartered Accountants

Sd/-

K. V. Gopalakrishnayya

Partner

Membership No. 21748

Firm Registration No. 001154S

Place: Bangalore

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

#### **ANNEXURE TO THE AUDITORS' REPORT**

[Referred to in paragraph (3) of our report of even date]

- i.
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets.
  - b. According to the information and explanation given to us, the fixed assets have been physically verified by the Management during the year in a phased periodic manner which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - c. As explained to us the Company has not disposed off any fixed asset during the year under review.
- ii.
  - a. As explained to us, inventories were physically verified during the year by the management at reasonable intervals.
  - b. In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the company and nature of the business.
  - c. Based on the records furnished before us we are of the opinion that the inventory records maintained by the Company needs to be improved. We have been informed that no material discrepancies have been noticed on physical verification of stocks with the inventory records maintained by the Company.
- iii. According to the information and explanations given to us, the Company has not granted unsecured loans to Companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Hence the provisions of clause (4) (iii) (a) to (c) of the Companies



- (Auditors Report) Order 2003 are not applicable to the Company for the year under review.
- d. The Company has taken interest free unsecured loans from 2 parties and 3 private limited Companies and a limited Company listed in the register maintained under Section 301 of the Act. The maximum balance outstanding during the year was Rs. 5,41,49,549/- and the outstanding as at the end of the year was Rs. 5,13,99,149/-.
- e. The rate of interest and other terms and conditions of these unsecured loans are in our opinion prima facie not prejudicial to the interest of the Company.
- f. In respect of the said loans and the interest thereon, there are no overdue amounts.
- iv *In our opinion and according to the information and explanations given to us, internal control systems with regard to purchase of inventory, fixed assets, and with regard to sale of goods needs to be strengthened to make it commensurate with the size of the Company and the nature of its business. However, during the course of our audit, we have not come across continuing failure to correct major weakness in the internal controls.*
- v a To the best of our knowledge and belief and according to the information and explanations given to us, transactions to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been entered in the register
- b In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market marker prices at the relevant time.
- vi In our opinion and according to the information and explanations given to us, the Company has not accepted deposits in terms of the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956.
- vii *In our opinion, internal audit system of the Company needs to be strengthened to make it commensurate with the size and nature of its business*
- viii The Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 in respect of any of the activities of the company.
- ix a According to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other material statutory dues.
- b There are no arrears of undisputed amounts payable in respect of the aforesaid dues which were outstanding as on 31st March, 2013 for a period of more than six months from the date they became payable.
- c According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and cess which have not been deposited on account of any dispute.
- x The Company does not have accumulated losses. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi According to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has no dues to financial institutions or debenture holders during the year under review.
- xii In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of securities by way of pledge of shares, debentures and other securities.
- xiii The Company is not a chit fund / nidhi / mutual benefit fund/society. Accordingly, clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company during the year under audit.
- xiv In our opinion and according to the information and explanations given to us, the Company is not



## CAMSON BIO TECHNOLOGIES LIMITED

- dealing in or trading in shares, securities, debentures and other investments. Therefore the provisions of clause (4) (xiv) of The Companies (Auditors Report) Order 2003 are not applicable to the Company.
- xv The Company has not given any guarantee for loans taken by others from financial institutions or banks.
- xvi. As per the information and explanations furnished to us the term loans availed by the Company during the year under review are utilized for the purposes for which the loans were obtained.
- xvii According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, short term funds have not been used for long term investments.
- xviii During the year, the Company has made allotment of warrants issued on preferential basis to the parties covered in the Register maintained under Section 301 of the Act. In our opinion the price at which such share warrants were issued are prima facie not prejudicial to the interest of the Company.
- Xix The Company has not issued any debentures during the year under review.
- Xx The Company has not raised any money by public issues during the year.
- xxi. Based upon the audit procedures performed by us and information and explanations given by the Management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For Ishwar & Gopal,  
Chartered Accountants

Sd/-  
K. V. Gopalakrishnayya  
Partner  
Membership No. 21748  
Firm Registration No. 001154S  
Place : Bangalore  
Date: 30<sup>th</sup> May 2013





**INDEPENDENT AUDITOR'S REPORT**  
**To the Board of Directors of Camson Bio Technologies Limited**

***Report on the Consolidated Financial Statements***

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

***Management's Responsibility for the Consolidated Financial Statements***

The Company's management is responsible for the preparation of these financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 consolidated 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**

We report that the Consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standards (AS) 21 – Consolidated Financial Statements – notified under section 211 (3C) of the Companies Act, 1956.

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 subject to

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

**Other Matter**

We did not audit the financial statements of a subsidiary, Camson Agri Ventures Private Limited, whose financial statements reflect total assets (net) of Rs. 16,56,32,738/- as at March 31, 2013, total revenues of Rs. 16,51,76,888/- and net cash inflows amounting to Rs. 1,25,000/- for the year ended on that date, as considered in the consolidated financial statements

The financial statements of the aforesaid subsidiary have been audited by other auditors whose report has been



**CAMSON BIO TECHNOLOGIES LIMITED**

furnished to us by the Management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter

For Ishwar & Gopal,  
Chartered Accountants,  
Firm's Registration Number : 001154S

Sd/-  
(K V Gopalakrishnayya)  
(Partner)  
Membership Number: 21748  
Place of Signature: Bangalore  
Date: 30<sup>th</sup> May 2013



**CAMSON BIO TECHNOLOGIES LIMITED**  
**CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2013**

Particulars	As at March 31, 2013		As at March 31, 2012	
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash Flow from Operating Activities</b>				
Profit/(Loss) before taxation		231,077,608.85		204,467,881.15
Adjustments for:				
Depreciation	33,537,807.00		16,364,559.00	
Interest income on deposits	-		(1,064,542.00)	
Dividend income	-		(3,280,280.00)	
Profit on redemption of Investment	-		(15,561.00)	
Interest Expenses on borrowings	17,954,182.00		3,618,699.00	
Provision for doubtful receivables	35,586,789.00		900,000.00	
Provision for Employee Benefit	4,230,284.00		1,088,785.00	
		91,309,062.00		17,611,660.00
<b>Operating profit before working capital changes</b>		<b>322,386,670.85</b>		<b>222,079,541.15</b>
Changes in Working Capital:				
Increase / (Decrease) in trade payables	(47,378,099.00)		(59,485,376.55)	
Increase / (Decrease) in Short term provisions	3,818,738.00		(3,930,331.13)	
Increase / (Decrease) in Other Long term Liabilities	(1,810,001.00)		-	
Increase / (Decrease) in Long term provisions	(3,168,879.00)		(383,083.40)	
Increase / (Decrease) in other current liabilities	36,208,810.00		(19,382,665.98)	
(Increase) / Decrease in trade receivables	(206,883,430.00)		(42,868,806.60)	
(Increase) / Decrease in inventories	4,477,003.00		27,165,390.43	
(Increase) / Decrease in short term loans and advances	(75,126,615.00)		(6,805,395.23)	
(Increase) / Decrease in Long term loans and advances	(166,635,519.00)		(58,240,886.62)	
(Increase) / Decrease in other current assets	(671,729.00)		(78,073.00)	
(Increase) / Decrease in current Assets	-		43,422,801.00	
(Increase) / Decrease in other non-current assets	-	(457,169,721.00)		(120,586,427.08)
Taxes paid				
<b>Net cash generated from operating activities</b>	<b>A</b>	<b>(134,783,050.15)</b>		<b>101,493,114.07</b>
<b>B. Cash flow from Investing Activities:</b>				
Purchase of tangible/intangible assets including Capital work in progress	(250,253,581.10)		(206,163,893.69)	
Proceeds from redemption of investments	7,696.00		-	
Profit on redemption of Investment	-		15,561.00	
Dividend Income	-		3,280,280.00	
Interest received on deposits	-		1,064,542.00	
<b>Net cash from investing activities</b>	<b>B</b>	<b>(250,245,885.10)</b>		<b>(201,803,510.69)</b>
<b>C. Cash flow from Financing Activities</b>				
Share Warrants application Money	148,000,000.00		(20,931,250.00)	
Payment of Dividend including Distribution tax	(21,009,146.00)		-	
Interest paid	(17,954,182.00)		(3,618,699.00)	
Proceeds from Borrowings including Current Obligation of Long term Debt(net)	284,156,744.63		114,010,570.14	
<b>Net cash used in Financing Activities</b>	<b>C</b>	<b>393,193,417.00</b>		<b>89,460,621.14</b>
<b>Net increase in cash and cash equivalents</b>	<b>(A+B+C)</b>	<b>8,164,481.75</b>		<b>(10,849,775.48)</b>
<b>Cash and Cash equivalents at the beginning of the year</b>		<b>8,591,421.00</b>		<b>19,441,196.00</b>
<b>Cash and Cash equivalents at the end of the year</b>		<b>16,755,903.00</b>		<b>8,591,421.06</b>
As per our report of even date for Ishwar and Gopal, Firm Registration No : 0011545 Chartered Accountants,				
For and on behalf of the Board of Directors				
sd/- K V Gopalakrishnaya Partner Membership Number 021748		sd/- Dhirendra Kumar Managing Director		sd/- A N Singh Director
Place : Bangalore Date : 30th May 2013			sd/- Ekta Gandhi Thakurel Company Secretary	

**CAMSON BIO TECHNOLOGIES LIMITED**

**Balance Sheet as at 31st March 2013**

(All amounts expressed in Indian Rupees )

Sl. No	Particulars	Note No.	As at	
			31-Mar-2013	31-Mar-2012
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Shareholders' funds</b>			
	Share capital	3	181,300,000	181,300,000
	Reserves and surplus	4	1,283,671,461	1,074,619,080
	Money received against share warrants		148,000,000	-
			1,612,971,461	1,255,919,080
	<b>Non-current liabilities</b>			
	Long term borrowings	5	159,116,882	25,321,814
	Other long term liabilities	6	14,466,325	16,276,326
	Deferred tax liabilities (Net)	7	8,195,168	7,218,266
	Long term provisions	8	4,004,137	3,168,879
			185,782,512	51,985,285
	<b>Current liabilities</b>			
	Short term borrowings	9	225,132,095	98,591,442
	Trade payables	10	27,626,802	75,004,901
	Other current liabilities	11	87,059,438	27,029,604
	Short term provisions	12	27,231,280	23,147,215
			367,049,615	223,773,162
	<b>TOTAL</b>		<b>2,165,803,588</b>	<b>1,531,677,527</b>
<b>II</b>	<b>ASSETS</b>			
	<b>Non-current assets</b>			
	Fixed assets			
	Tangible assets	13	783,854,621	345,935,786
	Intangible assets	13A	332,402	349,875
	Capital work in progress		-	221,185,588
	Non-current investments	14	83,000	90,696
	Long term loans & advances	15	231,544,762	64,909,243
			1,015,814,785	632,471,188
	<b>Current assets</b>			
	Inventories	16	395,585,755	400,062,758
	Trade receivables	17	640,643,226	469,346,585
	Cash & cash equivalents	18	16,755,903	8,591,421
	Short term loans & advances	19	96,254,117	21,127,502
	Other current assets	20	749,802	78,073
			1,149,988,803	899,206,339
	<b>TOTAL</b>		<b>2,165,803,588</b>	<b>1,531,677,527</b>
	Significant accounting policies and additional disclosures	1,2&28		

As per our report of even date for Ishwar and Gopal,  
Firm Registration No : 001154S  
Chartered Accountants,

sd/-  
K V Gopalakrishnayya  
Partner  
Membership Number 021748

Place : Bangalore  
Date : 30th May 2013

For and on behalf of the Board of Directors

sd/-  
Dhirendra Kumar  
Managing Director

sd/-  
Ekta Gandhi Thakurel  
Company Secretary

sd/-  
A N Singh  
Director

CAMSON BIO TECHNOLOGIES LIMITED

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

3 SHARE CAPITAL

Particulars	As at 31.03.2013		As at 31.03.2012	
	Number	Amounts in INR	Number	Amounts in INR
	<b>Authorised</b> Equity Shares	30,000,000	300,000,000	20,000,000
<b>Issued</b> Equity Shares	18,130,000	181,300,000	18,130,000	181,300,000
<b>Subscribed and fully paid</b> Equity Shares	18,130,000	181,300,000	18,130,000	181,300,000
<b>Total</b>	<b>18,130,000</b>	<b>181,300,000</b>	<b>18,130,000</b>	<b>181,300,000</b>

a. Par value per equity Share is Rs. 10 /=-

b. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at 31.03.2013		As at 31.03.2012	
	Number	Amounts in INR	Number	Amounts in INR
	<b>Equity Shares</b>			
Outstanding at the beginning of the period	18,130,000	181,300,000	18,130,000	181,300,000
Outstanding at the end of the period	18,130,000	181,300,000	18,130,000	181,300,000

c. Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per Share. Each holder of an equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of share holders in the annual general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of shares held by the equity share holders.

d. Shares held by each shareholder holding more than 5 percent shares specifying the number of shares held

Name of the Shareholder	As at 31.03.2013		As at 31.03.2012	
	No. of shares held	% of holding	No. of shares held	% of holding
	Dhirendra Kumar	1,944,680	10.73	1,916,580
Camson Farm Produce Private Limited	1,061,093	5.85	1,061,093	5.85
Shashtika Health Resort & SPA Private Ltd	990,000	5.46	990,000	5.46

4 RESERVES & SURPLUS

PARTICULARS	As at 31-Mar-2013		As at 31-Mar-2012	
	<b>Capital Reserve</b>			
Balance as per last financial statement	21,121,135	21,121,135	189,885	21,121,135
Add: additions during the year	-		20,931,250	
<b>Securities Premium Account</b>				
Balance as per last financial statement	354,950,000	354,950,000	354,950,000	354,950,000
Add: received during the year	-		-	
<b>General Reserve</b>				
Balance as per last financial statement	212,362,915	212,362,915	212,362,915	212,362,915
Add: additions during the year	-		-	
<b>Surplus / (Deficit) in Statement of Profit &amp; Loss</b>				
Balance as per last financial statement	486,185,030	695,237,411	300,041,354	486,185,030
Profit for the year	230,061,527		207,222,850	
	716,246,557		507,264,204	
<b>Appropriations</b>				
Proposed dividend on equity shares	18,130,000	695,237,411	18,130,000	486,185,030
Corporate dividend tax	2,879,146		2,949,174	
Net surplus / (deficit) in statement of Profit & Loss				
<b>Total</b>		<b>1,283,671,461</b>		<b>1,074,619,080</b>

5 LONG TERM BORROWINGS

PARTICULARS	As at 31-Mar-2013		As at 31-Mar-2012	
	<b>Term Loans</b>			
<b>a) From Bank: - Secured</b>				
Term Loan from banks (Secured against hypothecation of plant and machinery)		1,064,989		993,634
Term Loan from HDFC Bank Limited - Secured (Security details - refer note 1)		130,000,000		-
<b>b) From Other Parties:</b>				
- From TATA Motors Finance Ltd (Secured against hypothecation of vehicles)		473,768		
- From Related parties (Unsecured ,Interest free -Repayable during the year 2015-16)		51,399,149		24,871,146
<b>Total Long term borrowings</b>		<b>182,937,906</b>		<b>25,864,780</b>
Less: Current maturities of long term debt (refer note 11)		23,821,024		542,966
<b>Total</b>		<b>159,116,882</b>		<b>25,321,814</b>

Note1 - The Term Loan from HDFC Bank Limited are secured by exclusive Hypothecation charge over plant and machinery purchase out of bank finance and extension of charge on over property mortgaged for Cash Credit facility. The interest rate is 12.50% p.a.

Particulars of repayment of Term Loan against Plant and machinery from HDFC Ltd	As at		As at	
	31-Mar-2013		31-Mar-2012	
2013-14		-		
2014-15		23,219,995		
2015-16		26,138,978		
2016-17		29,454,905		-
2017-18		33,123,906		-
		18,062,216		-
<b>Particulars of repayment of Term Loan against vehicle from HDFC Ltd</b>				
2012-13				542,966
2013-14		296,490		281,439
2014-15		331,622		169,229
2015-16		370,917		
2016-17		65,960		
<b>Particulars of repayment of loan against vehicle from TATA Motors Finance Ltd.</b>				
2013-14		304,538		
2014-15		169,229		

#### 6 OTHER LONG TERM LIABILITIES

PARTICULARS	As at		As at	
	31-Mar-2013		31-Mar-2012	
Trade deposit received		14,466,325		16,276,326
<b>Total</b>		<b>14,466,325</b>		<b>16,276,326</b>

#### 7 DEFERRED TAX ASSETS / (LIABILITIES)

PARTICULARS	As at		As at	
	31-Mar-2013		31-Mar-2012	
Deferred tax liability on account of fixed assets		8,462,416		7,267,504
Deferred Tax Assets on account of temporary disallowances under Income Tax Act		267,247		49,238
<b>Net Deferred Tax Liability</b>		<b>8,195,168</b>		<b>7,218,266</b>

#### 8 LONG TERM PROVISIONS

PARTICULARS	As at		As at	
	31-Mar-2013		31-Mar-2012	
Provision for gratuity		4,004,137		3,168,879
<b>Total</b>		<b>4,004,137</b>		<b>3,168,879</b>

**9 SHORT TERM BORROWINGS**

PARTICULARS	As at		As at	
	31-Mar-2013		31-Mar-2012	
<b>a) Loans repayable on demand</b>				
<b>i) From Banks:</b>				
Cash Credit facilities from HDFC bank Limited - Secured		170,765,465		90,587,442
Farmer Loan - HDFC Bank Limited - Unsecured		46,362,630		-
<b>ii) From other parties:</b>				
National Horticultural Board -Unsecured (Refer note 28.2)		8,004,000		8,004,000
<b>Total</b>		<b>225,132,095</b>		<b>98,591,442</b>

The Cash credit facilities from HDFC Bank Limited are secured by exclusive hypothecation of Stocks and Book receivables (Present & Future) of the Company and further secured by first charge on the Land and Building situated at Plot No 6 A and B, Phase -4, Industrial Area, Gwalthai, Dist.: Bilaspur, Himachal Pradesh.

**10 TRADE PAYABLES**

PARTICULARS	As at		As at	
	31-Mar-2013		31-Mar-2012	
Due to Micro, Small and Medium Enterprises*		3,745		-
Due to others		27,623,057		75,004,901
<b>Total</b>		<b>27,626,802</b>		<b>75,004,901</b>

\* As per the information available with the Company

The information required to be disclosed under the Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company in this regard.

Particulars	2012-13		2011-12	
	Principal	Interest	Principal	Interest
	Principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;	3,745	Nil	Nil
the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil	Nil	Nil
the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year;	Nil	Nil	Nil	Nil
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil	Nil	Nil

**11 OTHER CURRENT LIABILITIES**

	PARTICULARS	As at	
		31-Mar-2013	31-Mar-2012
	Current maturities of long term debts (refer note 5)	23,821,024	542,966
	Interest Accrued but not due on Borrowings	1,137,730	-
	Interest accrued but not due on security deposit	894,836	
	Taxes & Levies	3,190,882	1,714,634
	Advances from customers	1,900,526	10,369,884
	Unpaid dividend	981,404	629,122
	Liabilities for capital assets	15,712,019	3,651,466
	Other liabilities	39,421,017	10,121,532
	<b>Total</b>	<b>87,059,438</b>	<b>27,029,604</b>

**12 SHORT TERM PROVISIONS**

	PARTICULARS	As at	
		31-Mar-2013	31-Mar-2012
	Provision for gratuity	226,147	492,094
	Proposed dividend	18,130,000	18,130,000
	Corporate dividend tax	2,879,146	2,879,146
	Provision for taxation (Net of advance tax)	5,995,987	1,645,975
	<b>Total</b>	<b>27,231,280</b>	<b>23,147,215</b>



CAMSON BIO TECHNOLOGIES LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS ON 31.03.2013

13. FIXED ASSETS

Tangible	Gross Block			Depreciation/Amortization			Net Block			
	As at 1st April, 2012	Adjustment	Additions during the year	Deductions during the year	As at 31st March, 2013	As at 1st April, 2012	For the Year	Withdrawn	As at 31st March, 2013	As at 31st March, 2012
LAND - FRESHOLD	9,780,800	-	12,500,145	-	22,280,945	-	-	-	22,280,945	9,780,800
LAND - LEASEHOLD	1,242,500	36,741,877	59,467,090	-	97,451,467	-	9,046,178	-	88,405,289	1,242,500
LAND DEVELOPMENT COST	-	-	22,242,169	-	22,242,169	-	1,864,686	-	20,377,483	-
BUILDING	182,085,495	(36,741,877)	112,591,184	-	257,934,802	23,003,040	7,912,743	3,681,536	250,700,555	159,082,455
GREEN HOUSE	8,951,987	-	-	8,951,987	8,951,987	18,562,471	14,321,387	-	366,842,067	151,995,069
PLANT AND MACHINERY	170,557,540	-	229,168,385	-	399,725,925	2,249,346	431,116	-	10,805,519	3,010,457
OFFICE EQUIPMENT	5,259,803	-	8,226,178	-	13,485,981	525,223	570,296	-	2,928,219	2,445,948
COMPUTER	2,971,171	-	1,052,567	-	4,023,738	3,485,497	1,498,430	-	32,915,195	9,904,168
FURNITURE & FIXTURES	15,389,665	-	24,509,457	-	37,899,122	6,079,328	1,511,079	-	8,599,349	8,474,387
VEHICLES	14,553,715	-	1,636,041	-	16,189,756	-	-	-	-	-
<b>TOTAL - A</b>	<b>408,792,676</b>	<b>-</b>	<b>471,393,216</b>	<b>-</b>	<b>880,185,892</b>	<b>62,856,892</b>	<b>37,155,915</b>	<b>3,681,536</b>	<b>783,854,621</b>	<b>345,995,784</b>

13A. INTANGIBLE ASSETS

Intangible	Gross Block			Depreciation/Amortization			Net Block			
	As at 1st April, 2012	Adjustment	Additions during the year	Deductions during the year	As at 31st March, 2013	As at 1st April, 2012	For the Year	Withdrawn	As at 31st March, 2013	As at 31st March, 2012
SOFTWARE	367,527	-	45,954	-	413,481	17,651	63,428	-	332,402	349,876
<b>TOTAL - B</b>	<b>367,527</b>	<b>-</b>	<b>45,954</b>	<b>-</b>	<b>413,481</b>	<b>17,651</b>	<b>63,428</b>	<b>-</b>	<b>332,402</b>	<b>349,876</b>
<b>GRAND TOTAL (A+B)</b>	<b>409,160,203</b>	<b>-</b>	<b>471,439,170</b>	<b>-</b>	<b>880,599,373</b>	<b>62,874,543</b>	<b>37,219,343</b>	<b>3,681,536</b>	<b>784,187,023</b>	<b>346,285,660</b>

**14 NON CURRENT INVESTMENTS**

	PARTICULARS	As at		As at	
		31-Mar-2013		31-Mar-2012	
	Trade, Valued at Cost:				
	Investment in Equity Instruments - In a Subsidiary Compant 6500 (Nil) equity shares of face value of Rs.10 each in subsidiary Company M/s Camson Agri Venture Private Limited		65,000		-
	Investment in government or Trust securities		18,000		18,000
	Others		-		72,696
	<b>Total</b>		<b>83,000</b>		<b>90,696</b>
Aggregate amount of unquoted investment Rs.83,000/-, (P.Y. Rs.90,696/-)					

**15 LONG TERM LOANS AND ADVANCES**

	PARTICULARS	As at		As at	
		31-Mar-2013		31-Mar-2012	
	Capital advances		226,575,677		59,921,989
	Trade /Security deposits		3,203,398		3,690,800
	Deposit - With Government Authorities		1,765,687		1,296,454
	<b>Total</b>		<b>231,544,762</b>		<b>64,909,243</b>

**16 INVENTORIES**

	PARTICULARS	As at		As at	
		31-Mar-2013		31-Mar-2012	
	Raw materials		2,297,859		5,045,980
	Work in progress		162,513,638		207,767,800
	Finished goods		224,955,854		182,327,297
	Packing materials		5,818,404		4,921,681
	<b>Total</b>		<b>395,585,755</b>		<b>400,062,758</b>

**17 TRADE RECEIVABLES**

	PARTICULARS	As at		As at	
		31-Mar-2013		31-Mar-2012	
	<b>Unsecured,</b>				
	Outstanding for a period exceeding six months from the date they are due for payment				
	Considered good		-		32,479,182
	Considered doubtful		1,771,278		1,805,578
	<b>Sub Total</b>		1,771,278		34,284,760
	<b>Less: Provision for doubtful receivables</b>		1,771,278		1,805,578
			-		32,479,182
	Others - Considered good		640,643,226		436,867,403
	<b>Total</b>		<b>640,643,226</b>		<b>469,346,585</b>

18 CASH AND BANK BALANCES

	PARTICULARS	As at	
		31-Mar-2013	31-Mar-2012
	<b>Cash and Cash Equivalents:</b>		
	Cash on hand	41,269	338,157
	Cash at bank		
	- In Current accounts	15,549,244	7,480,156
	- Unpaid Dividend account	981,004	628,722
	Margin Deposit	184,386	144,386
	<b>Total</b>	<b>16,755,903</b>	<b>8,591,421</b>

19 SHORT TERM LOANS AND ADVANCES

	PARTICULARS	As at	
		31-Mar-2013	31-Mar-2012
	<b>Unsecured - Considered Good</b>		
	Advance to suppliers	1,923,518	4,567,359
	Employee advances	5,166,972	2,850,401
	MAT credit entitlement	6,532,621	1,566,849
	Other advances	82,631,006	12,142,893
	<b>Total</b>	<b>96,254,117</b>	<b>21,127,502</b>

20 OTHER CURRENT ASSETS

	PARTICULARS	As at	
		31-Mar-2013	31-Mar-2012
	Prepaid expenses	749,802	78,073
	<b>Total</b>	<b>749,802</b>	<b>78,073</b>

**CAMSON BIO TECHNOLOGIES LIMITED**

(All amounts expressed in Indian Rupees )

**Statement of Profit and Loss for year ended 31st March, 2013**

Sl. No	Particulars	Note No	For the Year Ended	
			31-Mar-2013	31-Mar-2012
1	<b>INCOME</b>			
	Revenue from operations	21	1,196,080,118	1,122,390,210
	Other Income	22	3,031,114	4,937,088
	<b>Total Revenue</b>		<b>1,199,111,232</b>	<b>1,127,327,298</b>
2	<b>EXPENSES</b>			
	Cost of Cultivation/ Materials consumed	23	282,838,015	243,560,586
	Purchase of stock-in-trade		98,627,121	-
	(Increase) / Decrease in Inventories of finished goods, work-in-progress and stock-in-Trade	24	2,625,603	25,448,929
	Employee benefits expense	25	70,730,519	50,795,378
	Financial costs	26	20,109,308	3,618,699
	Depreciation and amortization expense	13&13A	33,537,807	16,364,559
	Other expenses	27	459,565,251	583,071,266
	<b>Total Expenses</b>		<b>968,033,624</b>	<b>922,859,417</b>
	Profit before tax		231,077,609	204,467,881
	Tax Expense:			
	Current tax		5,710,000	1,566,849
	Current tax relating to prior years withdrawn		(705,048)	(3,896,646)
	MAT credit entitlement		(4,965,772)	(1,566,849)
	Deferred Tax		976,902	1,141,677
			1,016,082	(2,754,969)
	Profit/Loss for the Year		230,061,527	207,222,850
	Earning per equity share:			
	Basic		12.69	11.43
	Diluted		9.53	11.43
	Significant Accounting Policies ,Additional Disclosures	1,2&28		
As per our report of even date for Ishwar and Gopal, Firm Registration No : 001154S Chartered Accountants,			For and on behalf of the Board of Directors	
sd/- K V Gopalakrishnayya Partner Membership Number 021748  Place : Bangalore Date : 30th May 2013			sd/- Dhirendra Kumar Managing Director  sd/- Ekta Gandhi Thakurel Company Secretary	
			sd/- A N Singh Director	

CAMSON BIO TECHNOLOGIES LIMITED

Notes to the Financial Statements

21 REVENUE FROM OPERATIONS

PARTICULARS	For the Year Ended		For the Year Ended	
	31-Mar-2013		31-Mar-2012	
Sale of products		1,196,080,118		1,122,390,210
Other operating revenues		-		-
Revenue from operations		1,196,080,118		1,122,390,210
<b>Details of products sold:</b>				
Seeds from cultivation		838,121,150		958,108,978
Agricultural Biotech Products		244,537,590		164,281,232
Trading of Seeds		113,421,378		-
<b>Total</b>		<b>1,196,080,118</b>		<b>1,122,390,210</b>

22 OTHER INCOME

PARTICULARS	For the Year Ended		For the Year Ended	
	31-Mar-2013		31-Mar-2012	
Interest on others		-		1,507,152
Dividend Income		-		3,280,280
Income from redemption of Mutual Fund Investment		-		15,561
Prior period Income		1,929,232		-
Excess provision written back		328,926		-
Insurance claim received		27,328		-
Miscellaneous receipts		745,628		134,095
<b>Total</b>		<b>3,031,114</b>		<b>4,937,088</b>

23 COST OF CULTIVATION/ MATERIALS CONSUMED

PARTICULARS	For the Year Ended		For the Year Ended	
	31-Mar-2013		31-Mar-2012	
Cultivation expenses		249,368,601		205,036,318
Raw materials		23,004,921		16,906,331
Packing materials		8,763,975		19,721,271
Carriage Inward		1,700,518		1,896,666
		282,838,015		243,560,586

24 (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS,  
WORK-IN-PROGRESS AND STOCK-IN-TRADE

PARTICULARS	For the Year Ended 31-Mar-2013		For the Year Ended 31-Mar-2012	
	<b>Inventories at the end of the year</b>			
Work in progress		162,513,638		207,767,800
Finished goods		224,955,854		182,327,295
		387,469,492		390,095,095
<b>Inventories at the beginning of the year</b>				
Work in progress		207,767,800		264,877,795
Finished goods		182,327,295		150,666,229
		390,095,095		415,544,024
<b>(Increase) / Decrease in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade</b>		2,625,603		25,448,929
Details of work In progress and finished goods				
Closing stock of work In progress				
Foundation seeds		162,513,638		207,767,800
Other seeds		-		-
<b>Sub Total</b>		162,513,638		207,767,800
Closing stock of finished goods				
Seeds		189,958,984		158,382,124
Biocides		34,996,870		23,945,171
<b>Sub Total</b>		224,955,854		182,327,296
Opening stock of work In progress				
Foundation Seeds		207,767,800		193,237,797
Other Seeds		-		71,640,000
<b>Sub Total</b>		207,767,800		264,877,797
Opening stock of finished goods				
Seeds		158,382,124		107,402,389
Biocides		23,945,171		43,263,840
<b>Sub Total</b>		182,327,295		150,666,229

25 EMPLOYEE BENEFIT EXPENSES

PARTICULARS	For the Year Ended 31-Mar-2013		For the Year Ended 31-Mar-2012	
	Salaries , wages and allowances		67,145,812	
Contribution to Provident & Other Funds		2,809,960		1,398,612
Staff welfare expenses		774,747		1,131,797
<b>Total</b>		70,730,519		50,795,378

26 FINANCIAL COSTS

	PARTICULARS	For the Year Ended		For the Year Ended	
		31-Mar-2013		31-Mar-2012	
	Interest expense on working capital		16,613,439		2,371,832
	Interest paid on term loan		1,340,743		132,316
	Interest on trade deposits		120,806		259,175
	Interest on Income tax		285,987		-
	Interest on others		214,455		79,126
	Bank charges		1,533,878		776,250
	<b>Total</b>		<b>20,109,308</b>		<b>3,618,699</b>

\* Interest cost of Rs.74,58,348/-(Nil) has been capitalised as per AS 15. The same amount is not been considered in the above finance cost

27 OTHER EXPENSES

	PARTICULARS	For the Year Ended		For the Year Ended	
		31-Mar-2013		31-Mar-2012	
	Research materials		160,593		339,904
	Geo-Climatic trials		178,565,386		164,844,914
	Consumable		1,521,528		2,283,998
	Labour charges		3,812,007		2,639,127
	Power, fuel & water		4,077,687		4,160,424
	Repairs & maintenance:				
	Building		409,490		973,481
	Plant & machinery		551,516		57,860
	Others		2,681,473		3,188,251
	Rent & hire Charges		5,723,602		3,661,705
	Rates & taxes		3,516,920		3,172,827
	Insurance		685,459		1,159,767
	Travelling & conveyance		31,317,150		20,452,010
	Communication expenses		1,283,183		1,108,152
	Postage & Courier charges		493,642		711,814
	Advertisement & publicity		216,228		440,358
	Printing & stationery		1,179,701		2,696,353
	Lease & license Fee		275,000		900,000
	Legal & Professional Fees		9,719,213		4,117,039
	Donations		-		10,500
	Auditors' remuneration		393,260		393,260
	Director's Sitting Fee		27,865		18,000
	Freight		13,471,481		14,339,093
	Rebate & Discounts		21,856,009		168,632,446
	Business promotion		139,346,136		179,805,759
	Provision for bad Receivables / bad receivables written off		35,586,789		900,000
	Miscellaneous		2,693,933		2,041,412
	<b>Total</b>		<b>459,565,251</b>		<b>583,071,266</b>

	<b>Remuneration to Auditor</b>				
	<b>As Auditor</b>				
	Audit fees		300,000		300,000
	Tax audit fees		50,000		50,000
	Service tax		43,260		43,260
			<b>393,260</b>		<b>393,260</b>





**NOTES TO ACCOUNTS (Standalone)**  
(All amounts expressed in Indian Rupees)

**1. CORPORATE INFORMATION**

Camson Bio Technologies Limited ('the Company') is in the field of bio technology focused on cultivation of hybrid seeds and manufacture of effective, safe and environmentally friendly natural pest management products for the agricultural markets.

**2. SIGNIFICANT ACCOUNTING POLICIES :**

**2.1 Basis of Accounting:**

The financial statements are prepared under the historic cost conversion, on the basis of a going concern and as per applicable Notified Accounting Standards laid down in Companies (Accounting Standards) Rules, 2006 and relevant provisions of the Companies Act, 1956. The Company follows mercantile system of accounting and recognizes Income and Expenditure on accrual basis. The accounting policies have been diligently applied by the Company and are consistent with those used in the previous year.

**2.2 Use of estimates:**

The preparation of financial statements in conformity with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the results of operations during the period under review. Although these estimates are based upon the Managements best knowledge of current events and actions, actual results could differ from these estimates.

**2.3 Fixed Assets:**

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, expenses incidental to the installation of the assets, cost of bringing the asset to its working condition for its intended use and attributable borrowing costs. Capital Work-in Progress comprises cost of fixed assets that are not yet ready for their intended use as at the balance sheet date. Intangible assets are recorded at the consideration paid for their acquisition.

**2.4 Depreciation / Amortization:**

The Company provides depreciation on fixed assets on Straight Line Method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956 except in the case of Poly House which has been depreciated over the period of ten years. Depreciation on additions/deletions during the year has been provided for on pro-rata basis. Assets purchased/installed during the year costing less than Rs.5,000/- each are fully depreciated.

Amortization on Leasehold improvements has been done in proportion to the period of lease.

**2.5 Investments:**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost.

**2.6 Inventories:**

- a. Inventories comprises of Raw Material, Stores, Spares and Consumables, Packing Materials, Work-in Process including foundation seeds and Finished Goods.
- b. Cost of inventories comprises of cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.
- c. The method of valuation of various categories of inventories is as follows:



(i) Raw Materials, stores, spares, consumables, and packing materials are valued at lower of cost and net realizable value on FIFO basis. However, materials and other items held for use in the production of inventories are not written down below cost if the resulting finished products are expected to be sold at or above cost.

(ii) Work-in-Progress and Finished Goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour expenses and a proportion of manufacturing overheads based on normal operating capacity determined on standard cost basis. Cost also includes a portion of the research expenses which in the opinion of the management attribute to the development of these seeds.

2.7 **Employee Benefits:**

**a. Post-employment benefit plans**

Contribution to defined contributory retirement benefit schemes are recognized as an expense when employees have rendered services entitling them to contributions. For defined benefit schemes, the cost of providing benefits is determined using the Project Unit Credit Method, with actuarial valuation being carried out at each Balance Sheet Date. Actuarial gains and losses are recognized in full in the profit and loss account for the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise it is amortized on straight-line basis over the average period until the benefits become eligible for being vested.

**b. Short Term Employee Benefits:** The amount payable on account of short term employee benefits comprising largely of salaries and wages, annual bonus is valued on an undiscounted basis and charged to the profit & loss account for the year.

2.8 **Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**a. Sale of Goods:**

Revenue from sale of goods is recognized when significant risk and rewards of the ownership of the goods have passed to the buyer which generally coincides with dispatch of goods to the customer and when there is no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

**b. Interest Income:**

Interest Income is recognized on a time proportionate basis taking into account the amount outstanding and the rate applicable.

2.9 **Research And Development:**

Research and Development expenditure relating to capital items is debited to fixed assets and depreciated at the applicable rates. Revenue expenditure is charged to Profit and Loss account in the year in which it is incurred.

2.10 **Borrowing Costs:**

Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets are capitalized as part of the cost of asset up to the date such asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are charged to Profit and Loss Account in the year in which they are incurred.

2.11 **Taxation:**

**a. Current Tax:**

Provision for current taxation has been made in accordance with the Income Tax laws applicable to the assessment year.

**b. Minimum Alternative Tax (MAT):**

In case the company is liable to pay income tax u/s 115JB of income tax Act, 1961 (MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit Entitlement) only if



there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each balance sheet date.

**c. Deferred Tax:**

The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws are recognized only if there is a virtual certainty of its realization supported by convincing evidence. Deferred tax asset on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each balance sheet date the carrying amount of deferred tax assets are reviewed to reassure realization.

**2.12 Impairment of Assets:**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment of the carrying amount of the Company's assets. If any indication exists, the recoverable amount of such assets is estimated. An impairment loss is recognized wherever the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is greater of the net selling price or value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

**2.13 Foreign Currency Transactions:**

Foreign currency transactions are dealt with in accordance with the Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates".

**2.14 Operating Leases:**

Assets acquired on lease where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as operating lease. Lease rentals are charged off to the Profit & Loss Account as incurred.

**2.15 Earnings per Share:**

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**2.16 Accounting for Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined as best estimates required settling the obligation at the Balance Sheet date.

Contingent Liabilities are disclosed by way of notes to accounts in case of:

- a. A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle that obligation;
- b. A present obligation when no reliable estimate is possible; and
- c. A possible obligation arising from past events where the probability of outflow of resources is remote.

Contingent Assets are not recognized in the financial statements.

**28. ADDITIONAL DISCLOSURES:**



- 28.1 The Income generated from cultivation and marketing of seeds, which is in the nature of agricultural activity, is fully exempt from Income Tax u/s 10(1) of the Income Tax Act, 1961. Expenses which are common for both agricultural activities and agri - biotech products are bifurcated on an estimated basis for the purpose of computing taxable income.
- 28.2 The Honorable Court of Civil Judge (SR .DN), Doddaballapur vide their order dated 8<sup>th</sup> December 2009 closed the case filed by National Horticulture Board (NHB) to recover the Soft Loan of Rs. 69.00 lakhs and interest thereon from the Company since NHB has not taken any steps to resolve the issue despite the directives from the said court. However as a matter of prudence, Rs 80.04 lakhs is shown as soft loan and accrued interest thereon due to NHB is not withdrawn.
- 28.3 The Company has taken certain assets under cancelable operating leases. The total rental expense under cancelable operating leases during the year was Rs. 64, 80,308/- (Rs. 36, 61,705/-).
- 28.4 The Company has entered into an agreement to acquire 34 acre land from a director and paid an advance of Rs 154,375,676/- (19,915,000/-).
- 28.5 **Retirement Benefit Plans:**
- a) Defined contribution plans:  
The Company makes Provident Fund contribution to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized Rs. 17,36,734/- (Rs. 13, 98,612/-) for provident fund contributions in the profit and loss account including contribution to the Managing Director. The contributions payable to these plans by the Company are at rates specified in the rules of the respective scheme.
- b) Defined benefit plans:  
The Company makes the provision to the Employees' Gratuity Scheme for eligible employees. The scheme provides for lump sum payment to eligible employees at retirement, death while in employment or on termination of employment, an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Eligibility occurs upon completion of five years of service.  
The present value of the defined benefit obligation and current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date.

The following table sets out the funded status of the gratuity plan and the amounts recognized in the Company's financial statements as at March 31, 2013:

Particulars	Period Ended	
	31.03.2013	31.03.2012
Present Value of Funded Obligation	0	0
Fair Value of Plan Assets	0	0
Present Value of Unfunded Obligation	4,230,284	3,660.97
Unrecognized Past Service Cost	0	0
Amount not Recognized as on Assets (limit as Para 59(b))	0	0
<b>Net Liability</b>	<b>4,230,284</b>	<b>3,660,973</b>
<u>Amount in Balance Sheet</u>		
Liabilities	4,230,284	3,660,973
Assets	0	0
<b>Net Liability is bifurcated as follows:</b>		
Current	226,147	492,094
Non Current	4,004,137	3,168,879
<b>Net Liability</b>	<b>4,230,284</b>	<b>3,660,973</b>



**CAMSON BIO TECHNOLOGIES LIMITED**

<b>Expenses to be Recognised in Statement of Profit and Loss Account</b>		
Current Service Cost	703,056	582,206
Interest on Defined Benefit Obligation	352,087	249,541
Expected Return of Plan Assets	0	0
Net Actuarial Losses/ (Gain) Recognised in Year	-247,312	257038
Past Service Cost	0	0
Losses/(Gains) on " Curtailments & Settlements "	0	0
Losses/(Gains) on " Acquisition / Divestiture "	0	0
Effect of the limit in Para 59(b)	0	0
<b>Total, included in " Employee Benefit Expenses "</b>	<b>807,831</b>	<b>1,088,785</b>
Actual Return on Plan Assets	0	0

Particulars	Period Ended	
	31.03.2013	31.03.2012
<b><u>Financial Assumption at the Valuation Date:</u></b>		
Discount Rate (p. a.)	8.05%	8.55%
Expected Rate of Return of Assets (p.a.)	0.00%	0.00%
Salary Escalation Rate (p.a.)	10% for the first 2 year & 7 % thereafter	10% for the first 3 year & 7 % thereafter

28.6 The information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties had been identified on the basis of information available with the Company in this regard.

Particulars	2012-2013		2011-13	
	Principal	Interest	Principal	Interest
Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	3,745/-	Nil	Nil	Nil
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year;	Nil	Nil	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date	Nil	Nil	Nil	Nil



## CAMSON BIO TECHNOLOGIES LIMITED

when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.				
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This information has been compiled based on the details available with the Company.

28.7 Expenditure in foreign currency towards travelling expenses Nil (89,962/-).

### 28.8 Related Party Disclosure:

#### 1. Relationship during the year:

- (a) Subsidiaries:  
Camson Agri Ventures Private Limited
- (b) Associates: Entities where Key Management Personnel (KMP)/relatives of Key Management Personnel (RKMP) have significant influence:
  - Sanatan Herbal & Naturals Limited
  - Camson Farm Produce Private Limited
  - Shastika Health Resorts & Spa Private Limited
  - Camson Green Valley Products Private Limited
- (c) Key Management Personnel:  
Dhirendra Kumar – Managing Director  
Veerendra Kumar Singh - Director
- (d) Relatives of Key Management Personnel:  
A.N. Singh - Director  
Alka Singh  
Geetha Singh  
Karan Singh  
Reeya Singh

#### 2. Transactions carried out with related parties

Related Party Transaction			
Sl. No.	Particulars	31st March 2013	31st March 2012
<b>I</b>	<b>Transactions with KMP &amp; their relatives</b>		
	Remuneration to Dhirendra Kumar	6,000,000	6,000,000
	Commission to V K Singh	Nil	2,061,581
	Loan taken/recovered from Dhirendra Kumar	7,877,189	1,550,000
	Capital Advance to A N Singh, Director	154,375,676	19,915,000
<b>II</b>	<b>Transactions with associates</b>		
	Bio Cides Sales with Camson Agri Ventures Private Limited	1,03,160	Nil
	Seeds Sales with Camson Agri Ventures Private Limited	76,752	Nil



**CAMSON BIO TECHNOLOGIES LIMITED**

Equity Share Capital Investment in Camson Agri Ventures Private Limited	65,000	Nil
Lease Rent to Camson Farm Produce Private Limited	900,000	900,000
Dividend to Camson Farm Produce Private Limited	1,061,093	1,061,093
Dividend to Shashtika Health Resort & spa Private Limited	990,000	990,000
Dividend to Sanatan Herbal & Natural Limited	36,691	36,691
Share Warrant money received from Shashtika Health Resorts & Spa Pvt., Ltd.,	31,500,000	Nil
Share Warrant money received from Reeya Singh	12,250,000	Nil
Loan taken from Shashtika Health Resorts & Spa Pvt., Ltd.,	1,800,000	Nil
Loan repaid to Camson Farm Produce Pvt., Ltd.,	3,320,000	Nil
Loan taken from Camson Green Valley Products Private Limited	Nil	18,250,000
Loan taken from Camson Farm Produce Private Limited	8,245,000	13,001,214
Loan repayment to Camson Farm Produce Private Limited	3,320,000	Nil
Loan taken from Sanatan Herbal & Naturals Limited	1,350,000	6,709,178
Loan repaid to Sanatan Herbal & Naturals Limited	3,249,000	Nil
<b>Balances with Related Parties :</b>		
Rent Deposit to Camson Farm Produce Private Limited	2,100,000	2,100,000
Payable to Dhirendra Kumar	9,427,189	1,550,000
Payable to Geeta Singh	1,500,000	1,500,000
Payable to Camson Green Valley Products private Limited	18,111,968	18,111,968
Payable to Camson Farm Produce Private Limited	18,751,214	13,001,214
Outstanding Amount due from Camson Agri Venture Private Limited	1,509,695	-
Payable to Sanatan Herbal & Naturals Limited	1,810,178	3,709,178
(Due from)/ Due to Shashtika Health Resorts & spa Private Limited	1798600 (Cr)	1400(Dr)
Capital Advance due from A N Singh	154,375,676	19,915,000

**28.9 Earnings per Share (EPS): - Standalone**

Earnings per share is calculated in accordance with Accounting Standard 20 – “Earnings per share”, notified by the Companies (Accounting Standards) Rules, 2006.

**Earnings per Share - Standalone**

Particulars	2012-13		2011-12	
	Amount (Rs)	Amount (Rs)	Amount (Rs)	Amount (Rs)





Profit before tax & extra ordinary Items		231,077,609		204,467,881
<b>Less: Tax expense</b>		1,016,082		(2,754,969)
Profit after tax		230,061,527		207,222,850
Weighted average no. of equity shares:				
Basic		12.69		11.43
Diluted*		9.53		11.43

There is no extraordinary income/expense during the year.

**28.10 Segment Information:**

In accordance with AS-17 “Segment Revenue”, notified by the Companies (Accounting Standards) Rules, 2006, segment revenue, segment results and other information are as under:

**A. Primary Segment**

(a) Business Segment:

Segment identified by the company comprises as under:

- i. Seeds & Vegetables
- ii. Agri Biotech Products

(b) Segment Revenue & Expenses:

Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprises as a whole and are not allocable to a segment on a reasonable basis have been disclosed as “Unallocable”.

(c) Segment Assets & Liabilities:

Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as “Unallocable”.

**B. Secondary Segment**

The entire turnover of the Company is from domestic business and there is no geographical/secondary segment to be reported.

**Segment report - standalone**

Particulars	Seeds & Vegetables		Agri Biotech Products		Consolidated Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Segment Revenue	951,542,528	958,108,978	244,537,590	164,281,232	1,196,080,118	1,122,390,210
Segment Result	233,624,668	217,778,466	16,221,506	6,531,055	249,846,174	224,309,521
Unallocated Corporate Expenses					-	21,025,932
Unallocated Corporate Incomes					-	(3,295,841)
Operating profit before interest & taxes					249,846,174	206,579,430



**CAMSON BIO TECHNOLOGIES LIMITED**

Interest Expense					18,768,565	3,618,699
Interest Income					-	(1,507,150)
Profit Before Tax					231,077,609	204,467,881
Tax expense					1,016,082	(2,754,969)
Profit After Tax					230,061,527	207,222,850
OTHER INFORMATION						
Segment Assets						
Fixed Assets	420,361,080	174,536,554	360,897,725	166,364,491	781,258,805	340,901,045
Current Assets	824,372,824	742,127,815	211,856,157	127,281,528	1,036,228,981	869,409,343
Unallocated Corporate Assets						
Fixed Assets					-	226,570,203
Investments					-	-
Current Assets					(1,036,228,981)	(869,409,343)
<b>Total Assets</b>					<b>781,258,805</b>	<b>567,471,248</b>
Segment Liabilities	21,978,525	116,078,722	5,648,277	23,809,200	27,626,802	78,656,367
Unallocated Corporate Liabilities					753,632,003	488,814,880
<b>Total Liabilities</b>					<b>781,258,805</b>	<b>567,471,248</b>

- 28.11 Claims against company not acknowledged as debts Rs.6,92,688/- (Nil)
- 28.12 Balances of Trade Payables, Trade Receivables, Loans and Advances are subject to confirmation and reconciliation.
- 28.13 The Company has reclassified previous year figures to conform to this year's classification.
- 28.14 The figures in the brackets represent previous year's figures.

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As per our report of even date  
For ISHWAR & GOPAL  
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-  
K. V. Gopalakrishnayya  
Partner  
Membership No. 21748  
Firm Registration No. 001154S

Sd/-  
Dhirendra Kumar  
Managing Director

Sd/-  
A N Singh  
Director

Place: Bangalore  
Date: 30.05.2013

Sd/-  
Ekta Gandhi Thakurel  
(Company Secretary)

**CAMSON BIO TECHNOLOGIES LIMITED**  
**CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2013**

Particulars	As at March 31, 2013		As at March 31, 2012		
	Rs.	Rs.	Rs.	Rs.	
<b>A. Cash Flow from Operating Activities</b>					
Profit/(Loss) before taxation		243,352,117.00		204,467,881.15	
Adjustments for:					
Depreciation	33,537,807.00		16,364,559.00		
Interest income on deposits	-		(1,064,542.00)		
Dividend income	-		(3,280,280.00)		
Profit on redemption of Investment	-		(15,561.00)		
Interest Expenses on borrowings	17,954,182.00		3,618,699.00		
Provision for doubtful debts	35,586,788.00		900,000.00		
Provision for Employee Benefit	4,230,284.00		1,088,785.00		
		91,309,061.00		17,611,660.00	
<b>Operating profit before working capital changes</b>		<b>334,661,178.00</b>		<b>222,079,541.15</b>	
<b>Changes in Working Capital:</b>					
Increase/(Decrease) in trade payables	104,335,436.00		(59,485,376.55)		
Increase/(Decrease) in Short term provisions	3,853,738.00		(3,930,331.13)		
Increase/(Decrease) in Other Long term Liabilities	(1,810,001.00)		-		
Increase/(Decrease) in Long term provisions	(3,168,879.00)		(383,083.40)		
Increase/(Decrease) in other current liabilities	36,208,810.00		(19,382,665.98)		
(Increase)/Decrease in trade receivables	(372,060,314.00)		(42,868,806.60)		
(Increase)/Decrease in inventories	4,185,397.00		27,165,390.43		
(Increase)/Decrease in short term loans and advances	(73,616,920.00)		(6,805,395.23)		
(Increase)/Decrease in Long term loans and advances	(166,635,519.00)		(58,240,886.62)		
(Increase)/Decrease in other current assets	(675,976.00)		(78,073.00)		
(Increase)/Decrease in current Assets	-		43,422,801.00		
(Increase)/Decrease in other non-current assets	-	(469,384,228.00)		(120,586,427.08)	
Taxes paid					
<b>Net cash generated from operating activities</b>	<b>A</b>	<b>(134,723,050.00)</b>		<b>101,493,114.07</b>	
<b>B. Cash flow from Investing Activities:</b>					
Purchase of tangible/intangible assets including Capital work in progress	(250,253,581.10)		(206,163,893.69)		
Proceeds from redemption of investments	72,696.00		-		
Profit on redemption of Investment	-		15,561.00		
Dividend Income	-		3,280,280.00		
Interest received on deposits	-		1,064,542.00		
<b>Net cash from investing activities</b>	<b>B</b>	<b>(250,180,885.10)</b>		<b>(201,803,510.69)</b>	
<b>C. Cash flow from Financing Activities</b>					
Share Warrants application Money	148,000,000.00		(20,931,250.00)		
Payment of Dividend including Distribution tax	(21,009,146.00)		-		
Interest paid	(17,954,182.00)		(3,618,699.00)		
Proceeds from Borrowings including Current Obligation of Long term Debt(net)	284,622,868.68		114,010,570.14		
Repayment of borrowings	(466,124.05)				
<b>Net cash used in Financing Activities</b>	<b>C</b>	<b>393,193,417.00</b>		<b>89,460,621.14</b>	
<b>Net increase in cash and cash equivalents</b>	<b>(A+B+C)</b>	<b>8,289,481.90</b>		<b>(10,849,775.48)</b>	
<b>Cash and Cash equivalents at the beginning of the year</b>		<b>8,591,421.00</b>		<b>19,441,196.00</b>	
<b>Cash and Cash equivalents at the end of the year</b>		<b>16,880,903.00</b>		<b>8,591,421.06</b>	
As per our report of even date for Ishwar and Gopal, Firm Registration No : 0011545 Chartered Accountants,		For and on behalf of the Board of Directors			
Sd/- K V Gopalakrishnaya Partner Membership Number 021748		sd/- Dhirendra Kumar Managing Director		sd/- A N Singh Director	
Place : Bangalore Date : 30th May 2013		sd/- Ekta Gandhi Thakurel Company Secretary			

**CAMSON BIO TECHNOLOGIES LIMITED**

**Consolidated Balance Sheet as at 31st March 2013**

(All amounts expressed in Indian Rupees )

Sl. No	Particulars	Note No.	As at	
			31-Mar-2013	31-Mar-2012
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Shareholders' funds</b>			
	Share capital	3	181,300,000	181,300,000
	Reserves and surplus	4	1,288,689,528	1,074,619,080
	Money received against share warrants		148,000,000	-
			1,617,989,528	1,255,919,080
	<b>Minority Interest</b>		2,737,036	-
	<b>Non-current liabilities</b>			
	Long term borrowings	5	159,116,882	25,321,814
	Other long term liabilities	6	14,466,325	16,276,326
	Deferred tax liabilities (Net)	7	8,195,168	7,218,266
	Long term provisions	8	4,004,137	3,168,879
			185,782,512	51,985,285
	<b>Current liabilities</b>			
	Short term borrowings	9	225,132,095	98,591,442
	Trade payables	10	179,340,337	75,004,901
	Other current liabilities	11	87,059,438	27,029,604
	Short term provisions	12	31,820,685	23,147,215
			523,352,555	223,773,162
	<b>TOTAL</b>		<b>2,329,861,631</b>	<b>1,531,677,527</b>
<b>II</b>	<b>ASSETS</b>			
	<b>Non-current assets</b>			
	Fixed assets			
	Tangible assets	13	783,854,621	345,935,786
	Intangible assets	13A	332,402	349,875
	Capital work in progress		-	221,185,588
	Non-current investments	14	18,000	90,696
	Long term loans & advances	15	231,544,762	64,909,243
			1,015,749,785	632,471,188
	<b>Current assets</b>			
	Inventories	16	395,877,361	400,062,758
	Trade receivables	17	805,820,111	469,346,585
	Cash & cash equivalents	18	16,880,903	8,591,421
	Short term loans & advances	19	94,744,422	21,127,502
	Other current assets	20	789,049	78,073
			1,314,111,846	899,206,339
	<b>TOTAL</b>		<b>2,329,861,631</b>	<b>1,531,677,527</b>
	Significant accounting policies and additional disclosures	1,2&28		
As per our report of even date for Ishwar and Gopal, Firm Registration No : 0011545 Chartered Accountants,			For and on behalf of the Board of Directors	
sd/- K V Gopalakrishnayya Partner Membership Number 021748  Place : Bangalore Date : 30th May 2013			sd/- Dhirendra Kumar Managing Director  sd/- Ekta Gandhi Thakurel Company Secretary	
			sd/- A N Singh Director	

CAMSON BIO TECHNOLOGIES LIMITED

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

3 SHARE CAPITAL

Particulars	As at 31.03.2013		As at 31.03.2012	
	Number	Amounts in INR	Number	Amounts in INR
	<b>Authorised</b> Equity Shares	30,000,000	300,000,000	20,000,000
<b>Issued</b> Equity Shares	18,130,000	181,300,000	18,130,000	181,300,000
<b>Subscribed and fully paid</b> Equity Shares	18,130,000	181,300,000	18,130,000	181,300,000
<b>Total</b>	<b>18,130,000</b>	<b>181,300,000</b>	<b>18,130,000</b>	<b>181,300,000</b>

a. Par value per equity Share is Rs. 10 /=-

b. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31.03.2013		As at 31.03.2012	
	Number	Amounts in INR	Number	Amounts in INR
	<b>Equity Shares</b>			
Outstanding at the Beginning of the Period	18,130,000	181,300,000	18,130,000	181,300,000
Outstanding at the End of the Period	18,130,000	181,300,000	18,130,000	181,300,000

c. Terms / rights attached to equity shares

The Company has only one class of Equity Shares having par value of Rs. 10 per Share. Each holder of an equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of share holders in the annual general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of shares held by the equity share holders.

d. Shares held by each shareholder holding more than 5 percent shares specifying the number of shares held

Name of the Shareholder	As at 31.03.2013		As at 31.03.2012	
	No. of shares held	% of holding	No. of shares held	% of holding
	Dhirendra Kumar	1,944,680	10.73	1,916,580
Camson Farm Produce Private Limited	1,061,093	5.85	1,061,093	5.85
Shashtika Health Resort & SPA Private Ltd	990,000	5.46	990,000	5.46

**4 RESERVES & SURPLUS**

PARTICULARS	As at 31-Mar-2013		As at 31-Mar-2012	
	<b>Capital Reserve</b>			
Balance as per last financial statement	2,11,21,135	21,121,135	189,885	21,121,135
Add: Additions During the Year			20,931,250	
<b>Securities Premium Account</b>				
Balance as per last financial statement	35,49,50,000	354,950,000	354,950,000	354,950,000
Add: Received During The Year			-	
<b>General Reserve</b>				
Balance as per last financial statement	21,23,62,915	212,362,915	212,362,915	212,362,915
Add: Additions during the year				
<b>Surplus / (Deficit) in Statement of Profit &amp; Loss</b>				
Balance as per last financial statement	48,61,85,030		300,041,354	
Profit for the year	23,50,79,594		207,222,850	
	721,264,624		507,264,204	
<b>Appropriations</b>				
Proposed Dividend on equity shares	1,81,30,000		18,130,000	
Corporate dividend tax	28,79,146		2,949,174	
Net surplus / (Deficit) in Statement of Profit & Loss		700,255,478		486,185,030
<b>Total</b>		<b>1,288,689,528</b>		<b>1,074,619,080</b>

**5 LONG TERM BORROWINGS**

PARTICULARS	As at 31-Mar-2013		As at 31-Mar-2012	
	<b>Term Loans</b>			
<b>a) From Bank: - Secured</b>				
Term Loan from banks (Secured against hypothecation of plant and machinery)		1,064,989		993,634
Term Loan from HDFC Bank Limited - Secured (Security details - refer note 1)		130,000,000		-
<b>b) From Other Parties:</b>				
- From TATA Motors Finance Ltd (Secured against hypothecation of vehicles)		473,768		
- From Related parties (Unsecured ,Interest free -Repayable during the year 2015-16)		51,399,149		24,871,146
<b>Total Long term borrowings</b>		<b>182,937,906</b>		<b>25,864,780</b>
Less: Current maturities of long term debt (refer note 11)		23,821,024		542,966
<b>Total</b>		<b>159,116,882</b>		<b>25,321,814</b>

Note1 - The Term Loan from HDFC Bank Limited are secured by exclusive hypothecation charge over plant and machinery purchase out of bank finance and extension of charge on over property mortgaged for Cash Credit facility. The interest rate is 12.50% p.a.

Particulars of repayment of Term Loan against Plant and machinery from HDFC Ltd	As at 31-Mar-2013		As at 31-Mar-2012	
	2013-14	-	23,219,995	
2014-15		26,138,978		
2015-16		29,454,905		-
2016-17		33,123,906		-
2017-18		18,062,216		-
<b>Particulars of repayment of Term loan against vehicle from HDFC Ltd</b>				
2012-13		-		542,966
2013-14		296,490		281,439
2014-15		331,622		169,229
2015-16		370,917		-
2016-17		65,960		-
<b>Particulars of repayment of loan against vehicle from TATA Motors Finance Ltd.</b>				
2013-14		304,538		-
2014-15		169,229		-

#### 6 OTHER LONG TERM LIABILITIES

PARTICULARS	As at 31-Mar-2013		As at 31-Mar-2012	
	Trade deposit received		14,466,325	
<b>Total</b>		<b>14,466,325</b>		<b>16,276,326</b>

#### 7 DEFERRED TAX ASSETS / (LIABILITIES)

PARTICULARS	As at 31-Mar-2013		As at 31-Mar-2012	
	Deferred tax liability on account of fixed assets		8,462,416	
Deferred Tax Assets on account of temporary disallowances under Income Tax Act		267,247		49,238
<b>Net Deferred Tax Liability</b>		<b>8,195,168</b>		<b>7,218,266</b>

#### 8 LONG TERM PROVISIONS

PARTICULARS	As at 31-Mar-2013		As at 31-Mar-2012	
	Provision for gratuity		4,004,137	
<b>Total</b>		<b>4,004,137</b>		<b>3,168,879</b>

**9 SHORT TERM BORROWINGS**

PARTICULARS	As at		As at	
	31-Mar-2013		31-Mar-2012	
<b>a) Loans repayable on demand</b>				
<b>i) From Banks:</b>				
Cash Credit facilities from HDFC Bank Limited - Secured		170,765,465		90,587,442
Farmer loan - HDFC Bank Limited - Unsecured		46,362,630		-
<b>ii) From other parties:</b>				
National Horticultural Board -Unsecured (Refer note 28.2)		8,004,000		8,004,000
<b>Total</b>		<b>225,132,095</b>		<b>98,591,442</b>

The Cash credit facilities from HDFC Bank Limited are secured by exclusive hypothecation of Stocks and Book receivables (Present & Future) of the Company and further secured by first charge on the Land and Building situated at Plot No 6 A and B, Phase -4, Industrial Area, Gwalthai, Dist.: Bilaspur, Himachal Pradesh.

**10 TRADE PAYABLES**

PARTICULARS	As at		As at	
	31-Mar-2013		31-Mar-2012	
Due to Micro, Small and Medium Enterprises*		3,745		-
Due to others		179,336,592		75,004,901
<b>Total</b>		<b>179,340,337</b>		<b>75,004,901</b>

\* As per the information available with the Company

The information required to be disclosed under the Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company in this regard.

Particulars	2012-13		2011-12	
	Principal	Interest	Principal	Interest
	Principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;	3,745	Nil	Nil
the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil	Nil	Nil
the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil	Nil	Nil
the amount of interest accrued and remaining unpaid at the end of each accounting year;	Nil	Nil	Nil	Nil
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil	Nil	Nil

**11 OTHER CURRENT LIABILITIES**

	PARTICULARS	As at	
		31-Mar-2013	31-Mar-2012
	Current maturities of long term debts (refer note 5)	23,821,024	542,966
	Interest Accrued but not due on borrowings	1,137,730	-
	Interest accrued but not due on security deposit	894,836	
	Taxes & Levies	3,190,882	1,714,634
	Advances from customers	1,900,526	10,369,884
	Unpaid dividend	981,404	629,122
	Liabilities for capital assets	15,712,019	3,651,466
	Other liabilities	39,421,017	10,121,532
	<b>Total</b>	<b>87,059,438</b>	<b>27,029,604</b>

**12 SHORT TERM PROVISIONS**

	PARTICULARS	As at	
		31-Mar-2013	31-Mar-2012
	Provision for gratuity	226,147	492,094
	Proposed dividend	18,130,000	18,130,000
	Corporate dividend tax	2,879,146	2,879,146
	Provision for taxation (Net of advance tax)	10,550,392	1,645,975
	Provision for expenses	35,000	-
	<b>Total</b>	<b>31,820,685</b>	<b>23,147,215</b>



CAMSON BIO TECHNOLOGIES LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS ON 31.03.2013

13. FIXED ASSETS

Tangible	Gross Block			Depreciation/Amortization			Net Block			
	As at 1st April, 2012	Adjustment	Additions during the year	Deductions during the year	As at 31st March, 2013	As at 1st April, 2012	For the Year	Withdrawn	As at 31st March, 2013	As at 31st March, 2012
LAND - FRESHOLD	9,780,800	-	12,500,145	-	22,280,945	-	-	-	22,280,945	9,780,800
LAND - LEASEHOLD	1,242,500	36,741,877	59,467,090	-	97,451,467	-	9,046,178	-	88,405,289	1,242,500
LAND DEVELOPMENT COST	-	-	22,242,169	-	22,242,169	-	1,864,686	-	20,377,483	-
BUILDING	182,085,495	(36,741,877)	112,591,184	-	257,934,802	23,003,040	7,912,743	3,681,536	250,700,555	159,082,455
GREEN HOUSE	8,951,987	-	-	8,951,987	8,951,987	18,562,471	14,321,387	-	366,842,067	151,995,069
PLANT AND MACHINERY	170,557,540	-	229,168,385	-	399,725,925	2,249,346	431,116	-	10,805,519	3,010,457
OFFICE EQUIPMENT	5,259,803	-	8,226,178	-	13,485,981	525,223	570,296	-	2,928,219	2,445,948
COMPUTER	2,971,171	-	1,052,567	-	4,023,738	3,485,497	1,498,430	-	32,915,195	9,904,168
FURNITURE & FIXTURES	15,389,665	-	24,509,457	-	37,899,122	6,079,328	1,511,079	-	8,599,349	8,474,387
VEHICLES	14,553,715	-	1,636,041	-	16,189,756	-	-	-	-	-
<b>TOTAL - A</b>	<b>408,792,676</b>	<b>-</b>	<b>471,393,216</b>	<b>-</b>	<b>880,185,892</b>	<b>62,856,892</b>	<b>37,155,915</b>	<b>3,681,536</b>	<b>783,854,621</b>	<b>345,995,784</b>

13A. INTANGIBLE ASSETS

Intangible	Gross Block			Depreciation/Amortization			Net Block			
	As at 1st April, 2012	Adjustment	Additions during the year	Deductions during the year	As at 31st March, 2013	As at 1st April, 2012	For the Year	Withdrawn	As at 31st March, 2013	As at 31st March, 2012
SOFTWARE	367,527	-	45,954	-	413,481	17,651	63,428	-	332,402	349,876
<b>TOTAL - B</b>	<b>367,527</b>	<b>-</b>	<b>45,954</b>	<b>-</b>	<b>413,481</b>	<b>17,651</b>	<b>63,428</b>	<b>-</b>	<b>332,402</b>	<b>349,876</b>
<b>GRAND TOTAL (A+B)</b>	<b>409,160,203</b>	<b>-</b>	<b>471,439,170</b>	<b>-</b>	<b>880,599,373</b>	<b>62,874,543</b>	<b>37,219,343</b>	<b>3,681,536</b>	<b>784,187,023</b>	<b>346,285,660</b>

**14 NON CURRENT INVESTMENTS**

	PARTICULARS	As at		As at	
		31-Mar-2013		31-Mar-2012	
	Trade, Valued at Cost:				
	Investment in Government or Trust Securities		18,000		18,000
	Others		-		72,696
	<b>Total</b>		<b>18,000</b>		<b>90,696</b>

Aggregate amount of unquoted investment Rs.18,000/-, (P.Y. Rs.90,696/-)

**15 LONG TERM LOANS AND ADVANCES**

	PARTICULARS	As at		As at	
		31-Mar-2013		31-Mar-2012	
	Capital advances		226,575,677		59,921,989
	Trade /Security deposits		3,203,398		3,690,800
	Deposit - With government authorities		1,765,687		1,296,454
	<b>Total</b>		<b>231,544,762</b>		<b>64,909,243</b>

**16 INVENTORIES**

	PARTICULARS	As at		As at	
		31-Mar-2013		31-Mar-2012	
	Raw materials		2,589,463		5,045,980
	Work in progress		162,513,638		207,767,800
	Finished goods		224,955,854		182,327,297
	Packing materials		5,818,406		4,921,681
	<b>Total</b>		<b>395,877,361</b>		<b>400,062,758</b>

**17 TRADE RECEIVABLES**

	PARTICULARS	As at		As at	
		31-Mar-2013		31-Mar-2012	
	<b>Unsecured,</b>				
	Outstanding for a period exceeding six months from the date they are due for payment		-		32,479,182
	Considered good		-		1,805,578
	Considered doubtful		1,771,278		1,805,578
	<b>Sub Total</b>		1,771,278		34,284,760
	<b>Less: Provision for doubtful receivables</b>		1,771,278		1,805,578
			-		32,479,182
	Others - Considered good		805,820,111		436,867,403
	<b>Total</b>		<b>805,820,111</b>		<b>469,346,585</b>

**18 CASH AND BANK BALANCES**

	PARTICULARS	As at	
		31-Mar-2013	31-Mar-2012
	<b>Cash and Cash Equivalents:</b>		
	Cash on hand	166,269	338,157
	Cash at bank		
	- In Current accounts	15,549,244	7,480,156
	- Unpaid Dividend account	981,004	628,722
	<b>Other Bank Balances</b>		
	In Margin deposit	184,386	144,386
	<b>Total</b>	<b>16,880,903</b>	<b>8,591,421</b>

**19 SHORT TERM LOANS AND ADVANCES**

	PARTICULARS	As at	
		31-Mar-2013	31-Mar-2012
	<b>Unsecured - Considered Good</b>		
	Advance to suppliers	1,923,518	4,567,359
	Employee advances	5,166,972	2,850,401
	MAT credit entitlement	6,532,621	1,566,849
	Other advances	81,121,311	12,142,893
	<b>Total</b>	<b>94,744,422</b>	<b>21,127,502</b>

**20 OTHER CURRENT ASSETS**

	PARTICULARS	As at	
		31-Mar-2013	31-Mar-2012
	Prepaid expenses	789,049	78,073
	<b>Total</b>	<b>789,049</b>	<b>78,073</b>

**CAMSON BIO TECHNOLOGIES LIMITED**

(All amounts expressed in Indian Rupees )

**Consolidated Statement of Profit and Loss for year ended 31st March, 2013**

Sl. No	Particulars	Note No	For the Year Ended	
			31-Mar-2013	31-Mar-2012
1	<b>INCOME</b>			
	Revenue from operations	21	1,360,413,525	1,122,390,210
	Other Income	22	3,031,114	4,937,088
	<b>Total Revenue</b>		<b>1,363,444,639</b>	<b>1,127,327,298</b>
2	<b>EXPENSES</b>			
	Cost of Cultivation/ Materials consumed	23	282,838,015	243,560,586
	Purchase of stock-in-trade		250,164,476	-
	(Increase) / Decrease in Inventories of finished goods, work-in-progress and stock-in-Trade	24	2,625,603	25,448,929
	Employee benefits expense	25	70,730,519	50,795,378
	Financial costs	26	20,109,308	3,618,699
	Depreciation and amortization expense	13&13A	33,537,807	16,364,559
	Other expenses	27	460,086,794	583,071,266
	<b>Total Expenses</b>		<b>1,120,092,522</b>	<b>922,859,417</b>
	Profit before tax		243,352,117	204,467,881
	Tax Expense:			
	Current tax		10,264,405	1,566,849
	Current tax relating to prior years withdrawn		(705,048)	(3,896,646)
	MAT credit entitlement		(4,965,772)	(1,566,849)
	Deferred Tax		976,902	1,141,677
	Profit/Loss for the Year		237,781,630	207,222,850
	Minority Interest		2,702,036	-
	Net Profit after taxes, Minority interest		<b>235,079,594</b>	<b>207,222,850</b>
	Earning per Equity Share:			
	Basic		12.97	11.43
	Diluted		9.74	11.43
	Significant Accounting Policies ,Additional Disclosures	1,2&28		
As per our report of even date for Ishwar and Gopal, Firm Registration No : 001154S Chartered Accountants,			For and on behalf of the Board of Directors	
sd/- K V Gopalakrishnayya Partner Membership Number 021748  Place : Bangalore Date : 30th May 2013			sd/- Dhirendra Kumar Managing Director  sd/- Ekta Gandhi Thakurel Company Secretary	
			sd/- A N Singh Director	

## CAMSON BIO TECHNOLOGIES LIMITED

## Notes to the Financial Statements

## 21 REVENUE FROM OPERATIONS

PARTICULARS	For the Year Ended 31-Mar-2013		For the Year Ended 31-Mar-2012	
	Sale of products		1,360,413,525	
Other operating revenues				-
Revenue from operations		1,360,413,525		1,122,390,210
<b>Details of products sold:</b>				
Seeds from Cultivation		838,121,150		958,108,978
Agricultural Biotech products		244,537,590		164,281,232
Trading of Seeds		277,754,785		-
<b>Total</b>		<b>1,360,413,525</b>		<b>1,122,390,210</b>

## 22 OTHER INCOME

PARTICULARS	For the Year Ended 31-Mar-2013		For the Year Ended 31-Mar-2012	
	Interest on others		-	
Dividend Income		-		3,280,280
Income from redemption of Mutual Fund Investment		-		15,561
Prior period Income		1,929,232		-
Excess provision written back		328,926		-
Insurance claim received		27,328		-
Miscellaneous receipts		745,628		134,095
<b>Total</b>		<b>3,031,114</b>		<b>4,937,088</b>

## 23 COST OF CULTIVATION/ MATERIALS CONSUMED

PARTICULARS	For the Year Ended 31-Mar-2013		For the Year Ended 31-Mar-2012	
	Cultivation expenses		249,368,601	
Raw materials		23,004,921		16,906,331
Packing materials		8,763,975		19,721,271
Carriage Inward		1,700,518		1,896,666
		282,838,015		243,560,586

**24 (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS,  
WORK-IN-PROGRESS AND STOCK-IN-TRADE**

PARTICULARS	For the Year Ended 31-Mar-2013		For the Year Ended 31-Mar-2012	
	<b>Inventories at the end of the year</b>			
Work in progress		162,513,638		207,767,800
Finished goods		224,955,854		182,327,295
		<b>387,469,492</b>		<b>390,095,095</b>
<b>Inventories at the beginning of the year</b>				
Work in progress		207,767,800		264,877,795
Finished goods		182,327,295		150,666,229
		<b>390,095,095</b>		<b>415,544,024</b>
<b>(Increase) / Decrease in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade</b>		<b>2,625,603</b>		<b>25,448,929</b>
Details of work In progress and finished goods				
Closing stock of work In progress				
Foundation seeds		162,513,638		207,767,800
Other seeds		-		-
<b>Sub Total</b>		<b>162,513,638</b>		<b>207,767,800</b>
Closing stock of finished goods				
Seeds		189,958,984		158,382,124
Biocides		34,996,870		23,945,171
<b>Sub Total</b>		<b>224,955,854</b>		<b>182,327,296</b>
Opening stock of work In progress				
Foundation Seeds		207,767,800		<b>193,237,797</b>
Other Seeds		-		71,640,000
<b>Sub Total</b>		<b>207,767,800</b>		<b>264,877,797</b>
Opening stock of finished goods				
Seeds		158,382,124		107,402,389
Biocides		23,945,171		43,263,840
<b>Sub Total</b>		<b>182,327,295</b>		<b>150,666,229</b>

**25 EMPLOYEE BENEFIT EXPENSES**

PARTICULARS	For the Year Ended 31-Mar-2013		For the Year Ended 31-Mar-2012	
	Salaries , wages and allowances		67,145,812	
Contribution to Provident & Other funds		2,809,960		1,398,612
Staff welfare expenses		774,747		1,131,797
<b>Total</b>		<b>70,730,519</b>		<b>50,795,378</b>

**26 FINANCIAL COSTS**

	PARTICULARS	For the Year Ended		
		31-Mar-2013	31-Mar-2012	
	Interest expense on working capital		16,613,439	2,371,832
	Interest paid on term loan		1,340,743	132,316
	Interest on trade deposits		120,806	259,175
	Interest on Income tax		285,987	
	Interest on others		214,455	79,126
	Bank charges		1,533,878	776,250
	<b>Total</b>		<b>20,109,308</b>	<b>3,618,699</b>

\* Interest cost of Rs.74,58,348/-(Nil) has been capitalised as per AS 15. The same amount is not been considered in the above finance cost

**27 OTHER EXPENSES**

	PARTICULARS	For the Year Ended		
		31-Mar-2013	31-Mar-2012	
	Research materials		160,593	339,904
	Geo-Climatic trials		178,565,386	164,844,914
	Consumable		1,531,828	2,283,998
	Labour charges		3,957,607	2,639,127
	Power, fuel & water		4,077,687	4,160,424
	Repairs & maintenance:			
	Building		409,490	973,481
	Plant & machinery		551,516	57,860
	Others		2,689,488	3,188,251
	Rent & hire charges		5,963,602	3,661,705
	Rates & taxes		3,524,340	3,172,827
	Insurance		685,459	1,159,767
	Travelling & conveyance		31,330,385	20,452,010
	Communication expenses		1,283,183	1,108,152
	Postage & Courier charges		493,642	711,814
	Advertisement & publicity		216,228	440,358
	Printing & stationery		1,183,326	2,696,353
	Lease & license Fee		275,000	900,000
	Legal & Professional Fees		9,747,303	4,117,039
	Donations		-	10,500
	Auditors' remuneration		449,440	393,260
	Director's Sitting Fee		27,865	18,000
	Freight		13,471,481	14,339,093
	Rebate & Discounts		21,856,009	168,632,446
	Business promotion		139,346,136	179,828,571
	Selling & Distribution		-	-
	Provision for bad Receivables / bad receivables written off		35,586,788	900,000
	Bad and Doubt Full Debts		-	-
	Miscellaneous		2,703,012	2,041,412
	<b>Total</b>		<b>460,086,794</b>	<b>583,071,266</b>

	<b>Remuneration to Auditor</b>			
	<b>As Auditor</b>			
	Audit fees		350,000	300,000
	Tax audit fees		50,000	50,000
	Service tax		49,440	43,260
			<b>449,440</b>	<b>393,260</b>



**NOTES TO CONSOLIDATED ACCOUNTS**

(All amounts expressed in Indian Rupees)

**1. CORPORATE INFORMATION**

Camson Bio Technologies Limited ('the Company') is in the field of bio technology focused on cultivation of hybrid seeds and manufacture of effective, safe and environmentally friendly natural pest management products for the agricultural markets.

**2. SIGNIFICANT ACCOUNTING POLICIES :**

**2.1 Convention**

a) The consolidated financial statements comprise the individual financial statements of Camson Bio Technologies Limited and its subsidiary as on 31<sup>st</sup> March, 2013 and for the year ended on that date. The consolidated financial statements have been prepared on the following basis:

The financial statements of the Company and its subsidiary has been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra group balances and intra group transactions resulting in un realised profit or losses as per Accounting Standard-21 on 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.

b) The financial statements of the subsidiary, in the consolidation are drawn up to the same reporting date as the Company i.e. 31st March 2013.

c) The financial statements of Camson Agro-Venture the only subsidiary company has been consolidated with Camson Agro-Ventures Private limited. The Company holds 65 percent (nil) of equity shares in its subsidiary company.

**2.2 Use of estimates:**

The preparation of financial statements in conformity with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the results of operations during the period under review. Although these estimates are based upon the Managements best knowledge of current events and actions, actual results could differ from these estimates.

**2.3 Fixed Assets:**

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, expenses incidental to the installation of the assets, cost of bringing the asset to its working condition for its intended use and attributable borrowing costs. Capital Work-in Progress comprises cost of fixed assets that are not yet ready for their intended use as at the balance sheet date. Intangible assets are recorded at the consideration paid for their acquisition.

**2.4 Depreciation / Amortization:**

The Company provides depreciation on fixed assets on Straight Line Method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956 except in the case of Poly House which has been depreciated over the period of ten years. Depreciation on additions/deletions during the year has been provided for on pro-rata basis. Assets purchased/installed during the year costing less than Rs.5,000/- each are fully depreciated.

Amortization on Leasehold improvements has been done in proportion to the period of lease.

**2.5 Investments:**





Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost.

2.6 **Inventories:**

- a. Inventories comprises of Raw Material, Stores, Spares and Consumables, Packing Materials, Work-in Process including foundation seeds and Finished Goods.
- b. Cost of inventories comprises of cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.
- c. The method of valuation of various categories of inventories is as follows:
  - (i) Raw Materials, stores, spares, consumables, and packing materials are valued at lower of cost and net realizable value on FIFO basis. However, materials and other items held for use in the production of inventories are not written down below cost if the resulting finished products are expected to be sold at or above cost.
  - (ii) Work-in-Progress and Finished Goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour expenses and aproportion of manufacturing overheads based on normal operating capacity determined on standard cost basis. Cost also includes a portion of the research expenses which in the opinion of the management attribute to the development of these seeds.

2.7 **Employee Benefits:**

a. **Post-employment benefit plans**

Contribution to defined contributory retirement benefit schemes are recognized as an expense when employees have rendered services entitling them to contributions. For defined benefit schemes, the cost of providing benefits is determined using the Project Unit Credit Method, with actuarial valuation being carried out at each Balance Sheet Date. Actuarial gains and losses are recognized in full in the profit and loss account for the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise it is amortized on straight-line basis over the average period until the benefits become eligible for being vested.

- b. **Short Term Employee Benefits:** The amount payable on account of short term employee benefits comprising largely of salaries and wages, annual bonus is valued on an undiscounted basis and charged to the profit & loss account for the year.

2.8 **Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

a. **Sale of Goods:**

Revenue from sale of goods is recognized when significant risk and rewards of the ownership of the goods have passed to the buyer which generally coincides with dispatch of goods to the customer and when there is no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

b. **Interest Income:**

Interest Income is recognized on a time proportionate basis taking into account the amount outstanding and the rate applicable.

2.9 **Research And Development:**

Research and Development expenditure relating to capital items is debited to fixed assets and depreciated at the applicable rates. Revenue expenditure is charged to Profit and Loss account in the year in which it is incurred.

2.10 **Borrowing Costs:**



Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets are capitalized as part of the cost of asset up to the date such asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are charged to Profit and Loss Account in the year in which they are incurred.

2.11 **Taxation:**

**a. Current Tax:**

Provision for current taxation has been made in accordance with the Income Tax laws applicable to the assessment year.

**b. Minimum Alternative Tax (MAT):**

In case the company is liable to pay income tax u/s 115JB of income tax Act,1961 ( MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit Entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each balance sheet date.

**c. Deferred Tax:**

The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws are recognized only if there is a virtual certainty of its realization supported by convincing evidence. Deferred tax asset on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each balance sheet date the carrying amount of deferred tax assets are reviewed to reassure realization.

2.12 **Impairment of Assets:**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment of the carrying amount of the Company's assets. If any indication exists, the recoverable amount of such assets is estimated. An impairment loss is recognized wherever the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is greater of the net selling price or value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash generating unit to which the asset belongs.

2.13 **Foreign Currency Transactions:**

Foreign currency transactions are dealt with in accordance with the Accounting Standard 11 "The Effects of Changes in Foreign Exchange Rates".

2.14 **Operating Leases:**

Assets acquired on lease where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as operating lease. Lease rentals are charged off to the Profit & Loss Account as incurred.

2.15 **Earnings per Share:**

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.16 **Accounting for Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable



estimate can be made. Provisions are not discounted to present value and are determined as best estimates required settling the obligation at the Balance Sheet date.

Contingent Liabilities are disclosed by way of notes to accounts in case of:

- a. A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle that obligation;
- b. A present obligation when no reliable estimate is possible; and
- c. A possible obligation arising from past events where the probability of outflow of resources is remote.

Contingent Assets are not recognized in the financial statements.

**28. ADDITIONAL DISCLOSURES:**

- 28.1 The Income generated from cultivation and marketing of seeds, which is in the nature of agricultural activity, is fully exempt from Income Tax u/s 10(1) of the Income Tax Act, 1961. Expenses which are common for both agricultural activities and agri - biotech products are bifurcated on an estimated basis for the purpose of computing taxable income.
- 28.2 The Honorable Court of Civil Judge (SR .DN), Doddaballapur vide their order dated 8<sup>th</sup> December 2009 closed the case filed by National Horticulture Board (NHB) to recover the Soft Loan of Rs. 69.00 lakhs and interest thereon from the Company since NHB has not taken any steps to resolve the issue despite the directives from the said court. However as a matter of prudence, Rs 80.04 lakhs is shown as soft loan and accrued interest thereon due to NHB is not withdrawn.
- 28.3 The Company has taken certain assets under cancelable operating leases. The total rental expense under cancelable operating leases during the year was Rs. 64, 80,308/- (Rs. 36, 61,705/-).
- 28.4 The Company has entered into an agreement to acquire 34 acre land from a director and paid an advance of Rs 154,375,676/-(19,915,000/-).

**28.5 Retirement Benefit Plans:**

- a) Defined contribution plans:

The Company makes Provident Fund contribution to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized Rs. 17,36,734/- (Rs. 13, 98,612/-) for provident fund contributions in the profit and loss account including contribution to the Managing Director. The contributions payable to these plans by the Company are at rates specified in the rules of the respective scheme.

- b) Defined benefit plans:

The Company makes the provision to the Employees' Gratuity Scheme for eligible employees. The scheme provides for lump sum payment to eligible employees at retirement, death while in employment or on termination of employment, an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Eligibility occurs upon completion of five years of service.

The present value of the defined benefit obligation and current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date.

The following table sets out the funded status of the gratuity plan and the amounts recognized in the Company's financial statements as at March 31, 2013:

Particulars	Period Ended	
	31.03.2013	31.03.2012
Present Value of Funded Obligation	0	0
Fair Value of Plan Assets	0	0
Present Value of Unfunded Obligation	4,230,284	3,660.97



**CAMSON BIO TECHNOLOGIES LIMITED**

Unrecognized Past Service Cost	0	0
Amount not Recognized as on Assets (limit as Para 59(b))	0	0
<b>Net Liability</b>	<b>4,230,284</b>	<b>3,660,973</b>
<b>Amount in Balance Sheet</b>		
Liabilities	4,230,284	3,660,973
Assets	0	0
<b>Net Liability is bifurcated as follows:</b>		
Current	226,147	492,094
Non Current	4,004,137	3,168,879
<b>Net Liability</b>	<b>4,230,284</b>	<b>3,660,973</b>
<b>Expenses to be Recognised in Statement of Profit and Loss Account</b>		
Current Service Cost	703,056	582,206
Interest on Defined Benefit Obligation	352,087	249,541
Expected Return of Plan Assets	0	0
Net Actuarial Losses/ (Gain) Recognised in Year	-247,312	257038
Past Service Cost	0	0
Losses/(Gains) on " Curtailments & Settlements"	0	0
Losses/(Gains) on " Acquisition / Divestiture "	0	0
Effect of the limit in Para 59(b)	0	0
<b>Total, included in " Employee Benefit Expenses "</b>	<b>807,831</b>	<b>1,088,785</b>
Actual Return on Plan Assets	0	0

Particulars	Period Ended	
	31.03.2013	31.03.2012
<b>Financial Assumption at the Valuation Date:</b>		
Discount Rate (p. a.)	8.05%	8.55%
Expected Rate of Return of Assets (p.a.)	0.00%	0.00%
Salary Escalation Rate (p.a.)	10% for the first 2 year & 7 % thereafter	10% for the first 3 year & 7 % thereafter

28.6 The information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties had been identified on the basis of information available with the Company in this regard.

Particulars	2012-2013		2011-13	
	Principal	Interest	Principal	Interest
Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	3,745/-	Nil	Nil	Nil
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but	Nil	Nil	Nil	Nil



## CAMSON BIO TECHNOLOGIES LIMITED

beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;				
The amount of interest accrued and remaining unpaid at the end of each accounting year;	Nil	Nil	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil	Nil	Nil

This information has been compiled based on the details available with the Company.

28.7 **Expenditure in foreign currency towards travelling expenses Nil (89,962/-).**

28.8 **Related Party Disclosure:**

**1. Relationship during the year:**

- (a) Associates: Entities where Key Management Personnel (KMP)/relatives of Key Management Personnel (RKMP) have significant influence:
- Sanatan Herbal & Naturals Limited
  - Camson Farm Produce Private Limited
  - Shashtika Health Resorts & Spa Private Limited
  - Camson Green Valley Products Private Limited
- (b) Key Management Personnel:  
Dhirendra Kumar – Managing Director  
Veerendra Kumar Singh - Director
- (c) Relatives of Key Management Personnel:  
A.N. Singh - Director  
Alka Singh  
Geetha Singh  
Karan Singh  
Reeya Singh

**2. Transactions carried out with related parties**

<b>Related Party Transaction</b>			
Sl. No.	Particulars	31st March 2013	31st March 2012
<b>I</b>	<b>Transactions with KMP &amp; their relatives</b>		
	Remuneration to Dhirendra Kumar	6,000,000	6,000,000
	Commission to V K Singh	Nil	2,061,581
	Loan taken/recovered from Dhirendra Kumar		
	Capital Advance to A N Singh, Director	154,375,676	19,915,000
<b>II</b>	<b>Transactions with associates</b>		
	Lease Rent to Camson Farm Produce Private Limited	900,000	900,000
	Dividend to Camson Farm Produce Private Limited	1,061,093	1,061,093



## CAMSON BIO TECHNOLOGIES LIMITED

Dividend to Shashtika Health Resort & spa Private Limited	990,000	990,000
Dividend to Sanatan Herbal & Natural Limited	36,691	36,691
Share Warrant money received from Shashtika Health Resorts & Spa Pvt., Ltd.,	31,500,000	Nil
Share Warrant money received from Reeya Singh	12,250,000	Nil
Loan taken from Shashtika Health Resorts & Spa Pvt., Ltd.,	1,800,000	Nil
Loan repaid to Camson Farm Produce Pvt., Ltd.,	3,320,000	Nil
Loan taken from Camson Green Valley Products Private Limited	Nil	18,250,000
Loan taken from Camson Farm Produce Private Limited	8,245,000	13,001,214
Loan repayment to Camson Farm Produce Private Limited	3,320,000	Nil
Loan taken from Sanatan Herbal & Naturals Limited	1,350,000	6,709,178
Loan repaid to Sanatan Herbal & Naturals Limited	3,249,000	Nil
<b>Balances with Related Parties :</b>		
Rent Deposit to Camson Farm Produce Private Limited	2,100,000	2,100,000
Payable to Dharendra Kumar	9,427,189	1,550,000
Payable to Geeta Singh	1,500,000	1,500,000
Payable to Camson Green Valley Products private Limited	18,111,968	18,111,968
Payable to Camson Farm Produce Private Limited	18,751,214	13,001,214
Payable to Sanatan Herbal & Naturals Limited	1,810,178	3,709,178
(Due from)/ Due to Shashtika Health Resorts & spa Private Limited	1798600 (Cr)	1400(Dr)
Capital Advance due from A N Singh	154,375,676	19,915,000

### 28.9 Earnings per Share (EPS): - Consolidated

Earnings per share is calculated in accordance with Accounting Standard 20 – “Earnings per share”, notified by the Companies (Accounting Standards) Rules, 2006.

Particulars	2012-13		2011-12	
	Amount (Rs)	Amount (Rs)	Amount (Rs)	Amount (Rs)
Profit before tax & extra ordinary Items		243,352,117		204,467,881
<b>Less:</b> Tax expense		5,570,487		(2,754,969)
Minority Interest		2,702,036		-
Profit after minority Interest		235,079,594		207,222,850
Earnings per share – Basic & Diluted:				
Basic				



## CAMSON BIO TECHNOLOGIES LIMITED

		12.97		11.43
Diluted*		9.74		11.43

There is no extraordinary income/expense during the year.

### 28.10 Segment Information:

In accordance with AS-17 “Segment Revenue”, notified by the Companies (Accounting Standards) Rules, 2006, segment revenue, segment results and other information are as under:

#### A. Primary Segment

##### (a) Business Segment:

Segment identified by the company comprises as under:

- i. Seeds & Vegetables
- ii. Agri Biotech Products

##### (b) Segment Revenue & Expenses:

Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprises as a whole and are not allocable to a segment on a reasonable basis have been disclosed as “Unallocable”.

##### (c) Segment Assets & Liabilities:

Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as “Unallocable”.

#### B. Secondary Segment - Consolidated

The entire turnover of the Company is from domestic business and there is no geographical/secondary segment to be reported.

### Segment report - Consolidated

Particulars	Seeds & Vegetables		Agri Biotech Products		Consolidated Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Segment Revenue	1,116,719,416	958,108,978	244,537,590	164,281,232	1,361,257,006	1,122,390,210
Segment Result	245,899,177	217,778,466	16,221,506	6,531,055	262,120,683	224,309,521
Unallocated Corporate Expenses					-	21,025,932
Unallocated Corporate Incomes					-	(3,295,841)
Operating profit before interest & taxes					262,120,683	206,579,430
Interest Expense					18,768,565	3,618,699
Interest Income					-	(1,507,150)
Profit Before Tax					243,352,118	204,467,881
Tax expense					5,570,487	(2,754,969)
Profit after tax					237,781,631	207,222,850
<b>OTHER INFORMATION</b>						
Segment Assets						
Fixed Assets	420,361,080	174,536,554	360,897,725	166,364,491	781,258,805	340,901,045





## CAMSON BIO TECHNOLOGIES LIMITED

Current Assets	985,823,319	742,127,815	215,874,153	127,281,528	1,201,697,472	869,409,343
Unallocated Corporate Assets						
Fixed Assets					-	226,570,203
Current Assets					(1,200,908,423)	(869,409,343)
<b>Total Assets</b>					<b>782,047,854</b>	<b>567,471,248</b>
Segment Liabilities	22,663,895	116,078,722	156,676,442	23,809,200	179,340,337	78,656,367
Unallocated Corporate Liabilities					602,707,517	488,814,880
<b>Total Liabilities</b>					<b>782,047,854</b>	<b>567,471,248</b>

- 28.11 Claims against company not acknowledged as debts Rs.6,92,688/-(Nil)
- 28.12 Balances of Trade Payables, Trade Receivables, Loans and Advances are subject to confirmation and reconciliation.
- 28.13 The Company has reclassified previous year figures to conform to this year's classification.
- 28.14 The figures in the brackets represent previous year's figures.

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**As per our report of even date  
For ISHWAR & GOPAL  
Chartered Accountants**

**For and on behalf of the Board of Directors**

**Sd/-  
K. V. Gopalakrishnayya  
Partner  
Membership No. 21748  
Firm Registration No. 001154S**

**Sd/-  
Dhirendra Kumar  
Managing Director**

**Sd/-  
A N Singh  
Director**

**Place: Bangalore  
Date: 30.05.2013**

**Sd/-  
Ekta Gandhi Thakurel  
(Company Secretary)**

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**CAMSON BIO TECHNOLOGIES LIMITED**

**ATTENDENCE SLIP**

Members attending the Meeting in person or by Proxy or as Authorised Representatives are requested to complete this attendance slip and hand it over at the entrance of the Meeting venue.

Full Name of the Shareholder..... Signature: .....

Folio No.: .....DP ID NO: ..... Client ID No.:.....

Full Name of Proxy/Authorized Representative Signature of Proxy/Authorized Representative

..... Signature of the Member Signature of proxy holder

I hereby record my presence at the NINETEENTH ANNUAL GENERAL MEETING of CAMSON BIOTECHNOLOGIES LIMITED being held on Friday 27<sup>th</sup> September, 2013 at 3.00 p.m. Woody's Gayathri Hall, Woodlands Hotel, 5 Rajaram Mohan Roy Road near Richmond Circle, Opposite to ITC Gardenia, Bangalore-560025



**CAMSON BIO TECHNOLOGIES LIMITED**

**FORM OF PROXY**

I/We.....of.....,being a Member of CAMSON BIOTECHNOLOGIES LIMITED, hereby appoint him/her Shri/Smt ..... of..... as my/our proxy to attend for me/us and vote on my/our behalf at the NINETEENTH ANNUAL GENERAL MEETING of CAMSON BIOTECHNOLOGIES LIMITED being held on Friday 27<sup>th</sup> September, 2013 at 3.00 p.m Woody's Gayathri Hall, Woodlands Hotel, 5 Rajaram Mohan Roy Road near Richmond Circle, Opposite to ITC Gardenia, Bangalore-560025

Reference Folio No.....No. of shares held.....

Client ID No.....DP ID No.....

Affix Re.1  
Revenue  
Stamp

**Notes:**

1. A Proxy need form should be signed across the stamp as per specimen signature registered with the Company.
2. The Proxy, to be effective, must be received at the Registered Office of the Company not less than **forty-eight hours** before the time fixed for the Meeting. The proxy need not be a Member of the Company.



*If undelivered, please return to*

Camson BioTechnologies Limited,  
C-7, 7<sup>th</sup> Floor, Corporate Block,  
Golden Enclave, Old Airport Road,  
Bangalore 560017  
Tel: +91-80-40768900

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