

23rd
Annual Report
2012 - 2013

Hindustan Agrigenetics Limited
Hybrid Seeds □ Tissue Culture □ Floriculture

23rd Annual General Meeting

Date : 28th September, 2013

Day : Saturday

Time : 3.00 PM

Venue : 806 Meghdoot
94, Nehru Place
New Delhi 110 019

BOARD OF DIRECTORS

Shri Pritam Kapur, Chairman and Managing Director

Shri S. V. R. Rao

Shri C. P. Rajendran

Shri Vinod Malhotra

AUDITORS

R. K. Gulati & Associates

Chartered Accountants

New Delhi

BANKERS

Royal Bank of Scotland (RBS)

REGISTRARS

Karvy Consultants Ltd.

17-24, Vithal Rao Nagar,

Madhapur, Hyderabad 500 081

REGISTERED OFFICE

806, Meghdoot,

94, Nehru Place,

New Delhi - 110019

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 23rd Annual General Meeting of the Company will be held on Saturday, the 28th day of September, 2013 at 3.00 P.M. at the Registered Office of the Company at 806 Meghdoot, 94 Nehru Place, New Delhi 110 019 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited annual balance sheet of the Company as on 31st March, 2013 together with the reports of the Auditors and the Directors thereon.
2. To appoint a director in place of Mr. Vinod Malhotra, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint the auditors and fix their remuneration. The retiring auditors of the Company, M/s R. K.Gulati & Associates, Chartered Accountants, New Delhi are eligible for re-appointment.

NOTES FOR MEMBER'S ATTENTION:

1. ***A member entitled to attend and vote may appoint a proxy instead of himself/herself and such a proxy need not be a member of the Company.***
2. ***Proxy forms in order to be effective must be lodged with the Company 48 hours before the meeting.***
3. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of Board Resolution authorizing their representative to attend and vote at the meeting, on their behalf.
4. The register of Members and Share Transfer Books of the Company will remain closed from 10th September 2013 till the date of the Annual General Meeting i.e. Saturday the 28th September 2013 (both days inclusive) in connection with the Annual General Meeting.
5. Pursuant to Clause-49 of the listing Agreement, the particulars of director seeking appointment/re-appointment at the meeting are annexed.
6. Members are requested to bring their copy of Annual Report to the meeting.
7. Entry in the Meeting Hall shall be strictly restricted to the Members/Valid Proxies only, carrying the attendance slips.
8. The Ministry of Corporate Affairs, Government of India, vide circular No. 17/2011 allowed services of documents by electronic mode (email) as a green initiative. Members are requested to register their email address with the Company and/or Registrar/Share Transfer Agent for the purpose of service of documents under section 53 of the Companies Act. 1956.

INFORMATION AS REQUIRED TO BE FURNISHED IN PURSUANCE OF CLAUSE-49
OF THE LISTING AGREEMENT WITH STOCK EXCHANGES

Mr. Vinod Malhotra, Independent Director of the Company retires by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment. The Brief particulars of Mr. Vinod Malhotra, proposed to be re-appointed are as given below:

Mr. Vinod Malhotra

Age : 65 years

Qualification and Experience:

Shri Vinod Malhotra, aged about 65 yrs is a Post Graduate from Michigan University and did his Graduation in Mechanical Engineering from IIT Roorkee. Mr Malhotra possesses to his credit 18 yrs of rich work experience in various managerial capacities in Canada, the Middle East and in India. He has also been the Managing Director of a Hospitality Business Company in India for over 11 years and has rich experience in running the Business of a Company In India.

Membership/Chairmanship of Committees:

Investor's Grievances Committee : Chairman
Share Transfer Committee : Member
Audit Committee : Member

Shareholding in the Company : Nil
(As on 31st March, 2013)

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 23rd Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March 2013.

a. Financial Results

	<u>Current Year</u>	<u>(Rs Lakhs)</u> <u>Previous Year</u>
	<u>As on 31.3.2013</u>	<u>As on 31.3.2012</u>
Receipts/Income	13.82	54.66
Profit before Taxes	(11.92)	31.20
Less Deferred Tax	-	10.65
Profit/ (Loss) after Taxes	(11.92)	20.54
Share Capital	440.02	440.02

b. Dividend:

Keeping in view the financial results and status of the company, it is not proposed to declare any dividend.

c. Public Deposits:

The Company has neither invited nor accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956 during the year under review.

d. Directors and Induction of new Directors

During the year under review, there was no change in the composition of the Board of Directors of the Company.

Mr. Vinod Malhotra, independent Director retires by rotation and being eligible offers himself for re-appointment.

e. Director's responsibility statement

In compliance with Section 217(2AA) of the Companies Act; the Directors to the best of their knowledge and belief confirm that:

- (i) In the preparation of Annual Accounts the applicable accounting standards have been followed and that there are no material departures.
- (ii) The directors have selected such accounting policies as mentioned in the Notes to Accounts of the Annual Accounts and applied them consistently and which give a fair and reasonable view of the affairs of the company at the end of the year on 31st March 2013;

(iii) Proper and adequate care has been taken for the maintenance of accounting records in accordance with the provisions of the Companies Act of 1956. For safeguarding the assets of the company and for detecting fraud and other irregularities;

(iv) The Annual Accounts have been prepared on a going concern basis.

f. Management Discussion and Analysis

The Company has taken steps for applying to the Bombay Stock Exchange for revocation of its suspension and is taking steps to comply with the various listing requirements.

The operations of the company remain suspended. However, the company is investigating other avenues for its revival.

The management Discussion and Analysis Report for the year under review as stipulated under clause 49 of the Listing Agreement with the Stock exchange is presented in a separate section forming part of the annual report.

g. Corporate Governance

Your Company is committed to maintain the highest standards of ethics and governance, resulting in enhanced transparency for the benefit of all stakeholders. As per clause 49 of the Listing Agreement with the Stock exchanges and the requirements set out by the Securities and Exchange Board of India's Corporate Governance Practices, the company has implemented all the stipulations prescribed. The Company has adopted a code of conduct applicable to the Board and senior management. The Company fully complies with the governance practices as enunciated in the listing agreement.

The report on Corporate Governance as stipulated under clause 49 of the Listing Agreement 9 Annexure-II) forms part of this report. The requisite certificate from M/s Vinod Aggarwal & Associates, Company Secretaries, confirming compliance with the conditions of corporate governance as stipulated under the aforesaid clause 49, is attached to this report.

h. Compliance of Accounting standards

As per requirements of the Listing Agreement with Stock Exchange and Accounting Standards of The Institute of Chartered Accountants of India, your company has made proper disclosures in financial statements in respect of Consolidated Financial Statements, Related Party Transactions and Deferred Taxation. The Company has duly adopted all the applicable Accounting Standards in pursuance to the provisions of the provisions of Section 211 (3A) of the Companies Act, 1956.

i. Statutory Information under Section 217 of the Companies Act 1956

(i) Particulars of Employees

There are no employees whose income needs to be disclosed as required under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

(ii) Energy Conservation

Improvement of methods of energy conservation and optimum utilization of energy in all operation, continued to receive close attention. Company is always conscious to conserve energy through improved methods and design. In this regard company has introduced energy saving features in the system and monitors by which users saves the power consumption to a considerable extent.

(iii) Foreign Exchange Earnings and Expenditure

During the year, the foreign exchange earnings and expenditure were NIL.

j. Stock Exchange/Compliance of Listing Agreement

The Company is in correspondence with the Bombay Stock Exchange for complying with the various requirements in accordance with the Listing Agreement.

k. Secretarial Compliance Report

As per the requirements of Section 383A (1) of the Companies Act, 1956 a Secretarial Compliance Report has been obtained from M/s Vinod Aggarwal & Associates, practicing Company Secretaries, a copy of the same is attached with this report.

l. Auditor's report and observations

The observations made in the Auditor's report are self explanatory and do not contain any reservations, qualifications or adverse remarks and, therefore need no further clarifications/explanations as required under Section 217(3) of the Companies Act, 1956.

m. Auditors

The Auditors M/s R.K. Gulati & Associates retire at the conclusion of the forthcoming General Meeting and being eligible, offer themselves for reappointment.

n. Filing of case in respect of compensation for Acquisition of Green House by the Outer Ring Road Authority

The land of the company situated at Dundgal, Hyderabad had been acquired by the Government. However, the compensation received from the Government in

respect to such land was not fair and adequate. The Board of Directors has decided to file a suit against the Government for better compensation.

o. Acknowledgements

The Board of Directors wishes to express its appreciation of all those who are connected with the company for their services.

For and Behalf of the Board

Place: New Delhi
Date: 02.09.2013

Pritam Kapur
Chairman

Annexure-I to the Director's Report-

Management Discussion and Analysis

a. Macro Economic Overview

During the year under review, inflation continued to be an area of concern and the real earnings of the farmers and other rural population continued to be under pressure. This resulted in their having to cut back on their expenses, particularly the input expenses for their agriculture.

b. Industry Structure and Developments

The seed business of the country continues to be very competitive. However, many industry leaders who were major producers of GM seeds are facing pressure as the pests seem to have developed resistance to the bt genes transferred in the seeds. Hence there is a renewed thrust on R&D to develop next generation of bt genes. The government has expressed its concern to the seed industry to ensure quality of seeds in the wake of news of suicides by farmers.

c. Opportunities and Threats

The entry barriers to the seed business have become high as the market is now dominated by propriety brands of seeds and technology of public bred seeds is unable to compete. On the other hand, with competition intensifying there may be new opportunities in the business of providing services such as extension services to large players.

d. Business opportunities under examination

In view of the high technology barriers for entry in seed industry, your company has been examining other opportunities in the agriculture space. The company started some trials for production of specialty crops for extraction of valuable derivatives to ascertain the suitability of the agro climatic conditions for their high yields. Other business opportunities are also under examination.

e. Resources and liquidity

The company has invested its liquid resources mostly in debt based Mutual Funds with a view to use the income so earned to meet the day to day expenses of the company. In addition, to keep the R&D farms in good order, the land is being used for production of seeds and selling them in the nearby market.

f. Risks and concerns

The main risk of seed business continues to be the dependence of business on monsoon. Lack or excess of rainfall has the effect of changing the sowing pattern

and crops sown with an immediate impact on seed demand. This can result in shortages or in carry over, both of which have an impact on the business.

g. Internal Control Systems and Adequacy

The Company has adequate internal control procedures commensurate with its size and nature of the business. These business control procedures ensure deficient use and protection of the resources and compliance with the policies, procedures and statutes.

h. Human Resources

The company currently has no employees and the executive director of the Company is looking after the various statutory and other requirements as also looking at the possibilities of starting the business once again. However in view of reverses suffered in the past it is proposed to be cautious in undertaking any new venture.

i. Future outlook

As mentioned earlier, the business is quite dependant on monsoon and its progress. At the time of writing this review, there are reports that many districts of the country are facing drought and sowings have been adversely affected. From this we may surmise that the business outlook of the seed industry for the coming year is somewhat bearish.

For and on behalf of the Board

Pritam Kapur
(Chairman and Managing Director)

C.P.Rajendran
(Director)

Annexure-II to the Director's report

REPORT ON CORPORATE GOVERNANCE

Your Company has always believed in the principle of good Corporate Governance with a view to enhance stakeholder value, improved growth, achievement of goals etc. and therefore it has committed itself to attain highest levels of transparency. For this purpose certain measures have been adopted in line with the provisions of listing agreement.

1. BOARD OF DIRECTORS

The Composition of the Board during the year 31.03.2013 is follows:

<i>Director</i>	<i>Number</i>
Non Executive	3
Executive	1
Total	4

The constitution of the Board is as given below:

Director	ED/NE/IND	No. of Outside Directorship	No. of Board Meeting attended	Whether attended last AGM	No. of Committee Memberships	
					Member	Chairman
MR. PRITAM KAPUR	ED	NIL	7	Y	1	1
MR. CHAVERCODE PARAMU RAJENDRAN	NE & IND	NIL	7	Y	2	1
MR. VENKATA RAMA CHANDRA RAO SREEKANTAM	NE	4	2	N	NIL	NIL
MR VINOD MALHOTRA	NE & IND	NIL	7	Y	2	1

Notes :

- i) NE – Non Executive
- ii) IND – Independent
- iii) ED – Executive Director
- iv) While calculating number of outside directorships, directorships held in foreign companies, private companies and alternate directorships are excluded.

2. AUDIT COMMITTEE

During the year ended March 31, 2013, four meeting of Audit Committee were held. The said meetings were held on 25th April 2012, 31st July 2012, 30th October 2012, 31st January 2013.

The constitution of the Audit Committee is given below:

- 1. Mr. Chavercode Paramu Rajendran : Member and Chairman
- 2. Mr. Vinod Malhotra : Member
- 3. Mr. Pritam Kapur : Member

Terms of reference of the Audit Committee are as per section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement of the Stock Exchange.

3. INVESTOR GRIEVANCE COMMITTEE

The Board has an 'Investor Grievance Committee' to look into shareholders and investors grievances. The following are the members of the committee:-

- 1. Mr. Vinod Malhotra (Chairman)
- 2. Mr. Chavercode Paramu Rajendran

There have been no complaints that have not been resolved to the satisfaction of the shareholders.

4. REMUNERATION OF DIRECTORS

Details of remuneration paid to Directors are given below:

Directors	Loans and Advances from the Company	Remuneration paid during 2012-2013			
		(Rs.)			
		Sitting Fee	Salary	Comm.	Total

MR. PRITAM KAPUR	---	Nil	Nil	Nil	Nil
MR. CHAVERCODE PARAMU RAJENDRAN	---	12500/-	Nil	Nil	12500/-
MR. VENKATA RAMACHANDRA RAO SREE KANTAM	---	Nil	Nil	Nil	Nil
MR VINOD MALHOTRA	----	Nil	Nil	Nil	Nil

5. BOARD MEETINGS & ATTENDANCE AT BOARD MEETINGS & ANNUAL GENERAL MEETING

The Board of the company met seven times during the year 2012-2013. The said meetings were held on 25/04/2012, 31/07/2012, 1/09/2012, 30/10/2012, 03/11/2012, 31/01/2013 & 04/03/2013. The company placed before the Board the performance of various units, minutes of the meetings of various committees of the Board from time to time. Information regarding material developments in external environment is also placed before the Board as and when the same takes place. The three directors were present at the last Annual General Meeting.

6. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The Management discussion and Analysis report for the year ended March 31, 2013 is published separately in this Annual Report.

7. DISCLOSURES

- a) No transaction of material nature is entered into by the Company with Promoters, Directors or Management, or their relatives etc., except for transaction of a routine nature as disclosed in the notes on accounts, which may have an adverse effect on the Company's business. There are no pecuniary transactions with the independent/ non-executive directors other than the payment of remuneration disclosed in point no. 4 above.
- b) During the last three years there were no strictures or penalties imposed by either Securities and Exchange Board of India (SEBI) or the Stock Exchanges or any Statutory Authority for non-Compliance of any matter related to the capital markets.

8. NOTES ON DIRECTORS APPOINTMENT / RE-APPOINTMENT

Relevant details form part of the Director's Report/Notice of the Annual General Meeting.

9. SHARE TRANSFERS

The trading of equity shares of the Company is mandatory in the dematerialized form. The Company proposes to undertake steps for dematerialization of shares as soon as the suspension of trading of the Company is revoked. In mean time, transfer of shares in the physical segment has been streamlined. To expedite the process in the physical segment, authority has been delegated to the Share Transfer Committee, which comprises of:

1. Mr. PRITAM KAPUR (Chairman)
2. Mr. CHAVERCODE PARAMU RAJENDRAN
3. Mr. VINOD MALHOTRA

Share transfers/transmission approved by the Committee are placed before the Board from time to time and transfers authorized are affected immediately.

10. MEANS OF COMMUNICATION

The company's plant at Gundla Pochampalli remains inoperative for almost five years with no commercial activity whatsoever. For the same reason there is no income from sales or operations except for a small amount of seeds from our R&D farm. The board of Directors by taking into account the aforesaid situation thought it prudent not to publish very low sales figures, and hence dispensed with publishing of results on quarterly and half yearly basis. With plans of revival, the Board of Directors expects to comply with all the requirements of publishing of results etc.

SHAREHOLDERS' INFORMATION

1. Annual General Meeting

Date and Time : Monday, 30th September, 2013 at 3.00 P.M.

Venue : Gardenia (GF), Paharpur Business Centre,
21, Nehru Place Greens, New Delhi-110019

2. Details of Last 3 AGMs

<u>Year</u>	<u>Location</u>	<u>Date</u>	<u>Time</u>
2009-2010	806, Meghdoot, 94, Nehru Place New Delhi-110019	25.09.2010	3.30 P.M.

2010-2011	806, Meghdoot, 94, Nehru Place New Delhi-110019	26.09.2011	3.30 P.M
2011-12	Gardenia (GF), Paharpur Business Centre 21, Nehru Place Greens New Delhi – 110019	29.09.2012	3.00 P.M
3.	Registered Office:	806, Meghdoot, 94, Nehru Place New Delhi-110019	
4.	Corporate Office :	806, Meghdoot, 94, Nehru Place New Delhi-110019	

5. **Share Transfer System**

A Committee of Directors is authorized to approve transfer of shares and the said Committee approves transfer of shares. If the transfer documents are in order, the transfer of shares is registered within 15 working days of receipt of transfer documents. The Company proposes to dematerialize its shares as soon as the suspension of its trading is revoked by the BSE. Once the facility of dematerialization of shares is introduced, the Company will extend the facility of simultaneous transfer and dematerialization of shares to its shareholders. Under the System, the relative share certificates are held back after the share transfer is affected and a letter of option is mailed to the transferee. If the transferee wishes to dematerialize the share, he may submit the option letter of his Depository Participant (DP) who in turn would generate a demat request. On receipt of demat request form the DP, the Company dematerializes the shares. If the transferee opts to hold shares in physical form and does not respond within 15 days of letter of option, the Registrar & Transfer Agents mails the duly transferred share certificates to the transferee.

6 **Registrars & Share Transfer Agents:**

Karvy Computershare Private Limited
17-24, Vithal Rao Nagar
Madhapur, Hyderabad-500081

Tel. 040-23421928

7. Distribution of shareholding as on 31st March 2013.

Range	Shareholder		Shares Amount	
	Number	% to total holders	Total (in Rs.)	% to Total
Share holding of nominal value of Rs. 10				
Up to-5000	5281	91.57	7441000.00	16.91
5001-10000	242	4.20	2114000.00	4.80
10001-20000	105	1.82	1606000.00	3.65
20001-30000	32	0.55	849000.00	1.93
30001-40000	27	0.47	988000.00	2.25
40001-50000	23	0.40	1074000.00	2.44
50001-100000	20	0.35	1410000.00	3.20
100000& Above	37	0.64	2852000.00	64.82
Total	5767	100.00	44002000.00	100.00

8. Share holding Pattern of the Company as on 31st March, 2013

	Category	No. of Shares held	% of shareholding
(A)	Shareholding of Promoter and Promoter Group		
	Indian Promoters	655500	14.90
	Foreign Promoters	-	-

(B)	Public Shareholding		
(a)	Financial Institutions/Banks/Mutual Funds/FII's	424400	9.65
(b)	Bodies Corporate	934300	21.23
(c)	Individuals holding nominal share capital upto Rs.1 lakh	1396800	31.74
(d)	Individuals holding nominal share capital in excess of Rs.1 lakh	520700	11.83
(d)	Others	468500	10.65
	Total Public Shareholding		
	Total(A)+(B)	4400200	100.00

9 Dematerialization of Shares:

The Company proposes to dematerialize its shares as soon as the suspension of its trading is revoked by BSE. Once the facility of dematerialization of shares is introduced, the Company will extend the facility of simultaneous transfer and dematerialization of shares to its shareholders.

Status of Dematerialization as on March 31, 2013:

Particulars	No. of equity Shares	% to total equity share capital
National Securities Depository Limited	Nil	Nil
Central Depository Services (India)	Nil	Nil
Total Dematerialized	Nil	Nil
Physical	Nil	Nil
Grand Total	Nil	Nil

10. **Script Code** : BSE – 519574 (A Group)
ISIN No.- INE174101019

11. **Market Price Data: Average monthly High and Low price at BSE:**

The trading of the shares of your Company was suspended due to non-compliance of certain formalities as per clause 49 of the Listing Agreement. Trading permission is expected after compliance of formalities by the Company.

12. Nomination Facility:

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to submit to the Company the prescribed Form 2B for this purpose.

For and on behalf of the Board

Pritam Kapur
(Chairman and Managing Director)

C.P.Rajendran
(Director)

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by Hindustan Agrigenetics Limited for the financial year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our 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.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement except in so far as the shares of the company have still to be dematerialized and the communications has to be regularized. We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the shareholders' / investors' Grievance Committee of the Company.

We further 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.

For Vinod Aggarwal & Associates

Company Secretaries

Place : New Delhi

Date : 02.09.2013

(Vinod Aggarwal)

C.P. No.- 8816

R.K. Gulati & Associates

Chartered Accountants

304, B.D. Chambers,
10/54, Desh Bandhu Gupta Road,
Karol Bagh, New Delhi – 110005
Phones : 23678795, 23675720
Fax : 23678795
Email : rkg@rakeshgulati.com

AUDITOR'S REPORT

To,
The Shareholders of
M/s HINDUSTAN AGRIGENETICS LIMITED
NEW DELHI.

We have audited the attached Balance Sheet of **M/s HINDUSTAN AGRIGENETICS LIMITED.**, as at March 31, 2013 and also the Profit & Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

- (1) We conducted our audit in accordance with Auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis in our opinion.
- (2) As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
- (3) Further to our comments in the Annexure referred to in paragraph 2 above, we report that:
 - a) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of these books;
 - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with this report are in agreement with the books of account;

- d) In our opinion, the Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- e) In our opinion, and based on information and explanations given to us, none of the directors are disqualified as on March 31, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the said account read together with significant accounting policies and reads with notes on financial statement (NOTE-“1”) and those appearing elsewhere in the accounts give, the information’s required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at March, 31, 2013;
 - (ii) In so far it relates to the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
 - (iii) In so far as it relates to the Cash Flow Statement, of the cash flow of the Company for the year ended on that date.

**For R.K.GULATI & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm’s Registration No.: 007226N**

PLACE: NEW DELHI

DATED: 27-05-2013

**(RAKESH GULATI)
PARTNER
M.No.: 084895**

Annexure to Auditor's Report**Referred to in Paragraph 2 of our report of even date**

1. In respect of its fixed assets:
 - (a) The Company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - (b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - (c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. The Company has neither granted nor taken any loans, Secured or Unsecured to and from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the clauses 4 (iii) (b) to (d) of the Order are not applicable.
3. In our opinion and according to the information and explanations given to us, there is adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods as the business of the company is discontinued.
4. In respect of transactions covered under Section 301 of the Companies Act, 1956:
 - (a) In our opinion and according to the information and explanations given to us, no transactions have been made in pursuance of contracts or arrangements, that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956.
 - (b) In our opinion and according to the information and explanations given to us, there are no transactions in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to ₹. 5,00,000/- (Rupees Five Lacs only) or more in respect of any party.
5. The Company has not accepted any deposits from the public.

6. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
7. We have been informed that the Central Government had not prescribed any maintenance of cost records under section 209 (1) (d) of the Companies Act 1956 in respect of any product the Company.
8. In respect of statutory dues:
According to the records of the Company, the company is regular in depositing the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues. According to the information and explanations given to us, no undisputed amounts are payable in respect of the aforesaid dues were outstanding as at 31st March 2013 for a period or more than six months from the date of becoming payable except the following amounts.

Nature of Statute	Nature of Dues	Amount (In Lakhs)	Period to which the amount rebates	Forum where dispute is pending
<u>Income Tax</u> T.D.S	Tax Deducted at Sources	₹. 0.52 Lakhs	Not yet deposited	--

9. The Company has accumulated losses and has not incurred cash losses during the financial year covered by our audit and the accumulated losses of the company are more than fifty percent of its net worth.
10. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures, and other securities.
11. In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, clause 4 (xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
12. The Company is not dealing in or trading in shares, securities debentures and other investments.

Chartered Accountants

13. The Company has not given guarantees for loans taken by others from banks or financial institutions, According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima-facie prejudicial to the interest of the Company.
14. The Company has not raised any new term loans during the year.
15. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilised from short term sources towards repayment of long-term borrowings.
16. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
17. The Company has not issued any debentures during the year.
18. The Company has not raised any money by way of public issue during the year.
19. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.
20. The other provisions of the aforesaid order are not applicable in case of the company.

**For R.K.GULATI & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm's Registration No.: 007226N**

PLACE: NEW DELHI

DATED: 27-05-2013

**(RAKESH GULATI)
PARTNER
M.No.: 084895**

HINDUSTAN AGRIGENETICS LIMITED
REGD OFFICE :806 , MEGHDOOT ,94 , NEHRU PLACE
NEW DELHI - 110019

BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Notes	As at 31.03.2013 (₹)	As at 31.03.2012 (₹)
I. EQUITY AND LIABILITIES			
<u>(1) Shareholder's Funds</u>			
(a) Share Capital	2	44,002,000	44,002,000
(b) Reserves and Surplus	3	(23,680,480)	(23,322,935)
		-----	-----
		20,321,520	20,679,065
<u>(2) Share Application Money Pending Allotment</u>			
		-	-
<u>(3) Non-Current Liabilities</u>			
(a) Long-term borrowings		-	-
(b) Long- term provisions		-	-
(c) Other long term liabilities	4	895,000	895,000
		-----	-----
		895,000	895,000
<u>(4) Current Liabilities</u>			
(a) Short-term borrowings		-	-
(b) Trade payables	5	4,233,908	4,233,320
(c) Other current liabilities	6	4,676,749	4,530,866
(d) Short-term provisions	7	129,995	126,486
		-----	-----
		9,040,652	8,890,672
		-----	-----
Total Equity & Liabilities		30,257,171	30,464,737
		=====	=====
II.ASSETS			
<u>(1) Non-Current Assets</u>			
<u>(a) Fixed Assets</u>			
(i) Tangible assets	8	3,799,818	5,291,018
(i) Intangible assets		-	-
(i) Capital Work In Progress		-	-
(b) Non current investment		-	-
(c) Deferred tax assets (net)	9	11,197,750	10,363,786
(d) Long term loans and advances	10	764,254	754,254
(e) Other non current assets		-	-
		-----	-----
		15,761,822	16,409,058
<u>(2) Current Assets</u>			
(a) Current investments	11	13,408,360	13,255,892
(b) Inventories		-	-
(c) Trade receivables	12	-	-
(d) Cash and bank balances	13	655,965	367,992
(e) Short-term loans and advances		-	-
(f) Other current assets	14	431,024	431,795
		-----	-----
		14,495,349	14,055,679
		-----	-----
Total Assets		30,257,171	30,464,737
		=====	=====

R.K. Gulati & Associates

Chartered Accountant

Continuation Sheet.....

Significant Accounting Policies	1
Other notes to the financial statements	2-25

The accompanying notes are an integral part of these financial statements

For and on behalf of the Board of Directors

**Signed in terms of our report of even date
FOR R.K.GULATI & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm's Registration No.: 007226N**

PLACE: NEW DELHI

DATED: 27-05-2013

**(PRITAM KAPUR)
Mg. DIRECTOR**

**(C.P. RAJENDRAN)
DIRECTOR**

**(CA RAKESH GULATI)
PARTNER
Membership No. : 084895**

HINDUSTAN AGRIGENETICS LIMITED
REGD OFFICE :806 , MEGHDOOT ,94 , NEHRU PLACE
NEW DELHI - 110019**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2013**

Sr. No	Particulars	Notes	Year ended 31.03.2013 (₹)	Year ended 31.03.2012 (₹)
I	Revenue from operations	15	519,950	842,340
II	Other non- operating income	16	862,239	4,623,865
III	Total Revenue (I +II)		1,382,189	5,466,205
IV	Expenses:			
	Cost of materials consumed	17	122,250	238,455
	Purchase of Stock in trade		-	-
	Manufacturing & Operating expenses	18	359,287	497,761
	Changes in inventories of finished goods, work-in-progress and stock in trade		-	-
	Employee benefit expenses	19	48,000	48,000
	Finance costs		-	-
	Depreciation and Amortization expenses	20	217,839	295,415
	Other Administrative expenses	21	1,826,322	1,266,493
	Total Expenses (IV)		2,573,698	2,346,124
V	Profit before exceptional items & taxes	(III-IV)	(1,191,508)	3,120,081
VI	Exceptional Items		-	-
VII	Profit before tax	(V - VI)	(1,191,508)	3,120,081
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		833,964	1,065,577
			833,964	1,065,577
IX	Profit/(Loss) for the year	(VII-VIII)	(357,544)	2,054,504

Chartered Accountant

X	Earning per equity share:			
	(1) Basic	22	(0.08)	0.47
	(2) Diluted		(0.08)	0.47
	Significant Accounting Policies	1		
	The accompanying notes are an integral part of these financial statements	2-25		

For and on behalf of the Board of Directors**Signed in terms of our report of even date
FOR R.K.GULATI & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm's Registration No.: 007226N****PLACE: NEW DELHI****DATED: 27-05-2013****(PRITAM KAPUR)
Mg. DIRECTOR****(C.P. RAJENDRAN)
DIRECTOR****(RAKESH GULATI)
PARTNER
Membership No. : 084895**

HINDUSTAN AGRIGENETICES LIMITED
REGD OFFICE : 806 MEGHDOOT , 94 NEHRU PLACE
NEW DELHI**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2013**

	Amount in (₹)	
	For the year ended 31st March 2013	For the year ended 31st March 2012
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit / (loss) before taxes & interest	(1,191,508)	3,120,081
Adjustment for:		
Depreciation	217,839	295,415
Loss on sale of assets	1,198,361	
Profit/(loss) on sales of mutual funds	-	572,663
Transactions charges		60,416
Dividend from Mutual funds	(844,309)	(551,709)
	-----	-----
Operating Profit before working capital changes	(619,618)	3,496,866
	-----	-----
Adjustment for:		
Inventories	-	-
Receivables and Loans & Advances		501,445
Other Current Assets	771	2,348
Long Term Advances	(10,000)	(10,550)
Current Liabilities & Provisions	149,980	(3,871,699)
	-----	-----
Cash generated from Operations	(478,867)	118,410
Interest Paid		-
	-----	-----
Net cash from Operating Activities (I)	(478,867)	118,410
	=====	=====
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Sale of Fixed Assets	75,000	-
Acquisition of fixed assets including work in progress and capital advances	-	(41,310)
Sales of investments		13,492,800
Purchase of investments	(152,469)	(14,125,877)
Income from Investment	844,309	551,709
	-----	-----
Net Cash used in Investing Activities (II)	766,840	(122,678)
	=====	=====
Cash Flow after Investing Activities III = (I + II)	287,973	(4,268)

C. CASH FLOW FROM FINANCING ACTIVITIES:

Increase/(decrease) in term loan	-	-
	-	-
	-	-
Net Cash Flow from Financing Activities	----- 287,973 =====	----- (4,268) =====
Net Increase in cash and cash equivalents (A) + (B) + (C)		
Cash and cash equivalents - Opening	367,992	372,260
Cash and cash equivalents - Closing	655,965	367,992

For and on behalf of the Board of Directors

for R.K. GULATI & ASSOCIATES
CHARTERED ACCOUNTANTS
 Firm's Registration No.: 007226N

PLACE : NEW DELHI

DATE : 27-05-2013

(PRITAM KAPUR)
 Mg. DIRECTOR

(C.P. RAJENDRAN)
 DIRECTOR

(CA RAKESH GULATI)
 PARTNER
 Membership No. : 084895

HINDUSTAN AGRIGENETICS LIMITED
REGD OFFICE :806 , MEGHDOOT ,94 , NEHRU PLACE
NEW DELHI - 110019

Note- I

NOTES ON ACCOUNTS

(A) **SIGNIFICANT ACCOUNTING POLICIES**

(1) **METHOD OF ACCOUNTING**

- 1.1 The financial statements have been prepared and presented in accordance with the generally accepted accounting principles (GAAP) in india under historical cost convention on accural basis and comply in all material aspects with the accounting standards and the relevant provisions prescribed in companies act 1956, besides the guidelines of the Institute of chartered accountants of india, except otherwise states.
- 1.2 The Company generally, recognises income and expenditure on an accrual basis except those with significant uncertainties.

(2) **USES OF ESTIMATES**

- 2.1 The Preparation of financial statements in conformity with generally accepted accounting principles requires management to estimates and assumption to be

2.2 **current and non current classification**

All assets and liabilities are classified into current and non- current.

2.2.1 **Assets**

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

An liabilities is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

(3) **FIXED ASSETS**

- 3.1 Fixed assets (Tangible) are stated at original cost including relevant taxes (other than those subsequently recoverable from tax authorities), duties freight and other incidental expenses related to acquisition/ installation of the respective assets.

(4) **DEPRECIATION**

- 4.1 Depreciation on Fixed Assets is provided on straight line method basis as per rates prescribed under Schedule XIV to the companies Act, 1956 as prevailing except in case of certain assets such as depreciation has been provided at higher rates based on useful life as determined by the management.
- 4.2 In respect of fixed assets added/disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/deduction, however, in case of new projects the depreciation from the date of commencing of such project is changed to the statement of profit and loss.

(5) **INVENTORIES**

The inventories are valued as follows :-

Finished goods & by products :- are valued at lower of cost or net realisable value

Semi Finished goods. :- Cost of raw materials and consumables based on landed cost of each respective items and other variables overheads are allocated to the respective product, and fixed production overheads such as depreciation, staff related to production, Q & A Supervisors are charged on weighted average basis on variables costs.

Raw materials & :- are valued at cost on First in First Out (FIFO) Basis

Packing materials :- are valued at cost.

Obsolete, defectives, slow moving and/or unserviceable inventories, if any are duly accounted for.

(6) **REVENUE RECOGNITIONS**

TURNOVER

- 6.1 Revenue from sale of goods in the course of ordinary activities is recognised when property in goods or all significant risks and rewards of their ownership are transferred to the customers and stated net of sales tax/ VAT/ trade discounts and rebates
- 6.2 Income from services is recognised as they are rendered (based on agreement/arrangement with the concerned customers).

TAXES AND DUTIES

- 6.3 Rent, Short & Excess Recoveries & other Income are accounted for on accrual basis.

(7) **BORROWING COSTS**

Borrowing Costs that are attributable to acquisition, construction or production of qualifying assets are capitalised as part of cost of such assets. A qualifying assets is an assets that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are charged to the profit and loss account.

(8) **TAXES ON INCOME**

- 8.1 Current tax is determined as the amount of tax payable in respect of taxable income in specified under Income Tax
- 8.2 Deferred tax is recognised, subject to consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods and using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.
- 8.3 Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(9) **EVENTS OCCURRING AFTER BALANCE SHEET**

Events Occurring after balance sheet date have been considered in preparation of financial statements.

(10) **FOREIGN CURRENCY TRANSLATION**

- 10.1 Transaction in foreign currency are recorded at exchange rate prevailing at the time of the transactions and exchange differences arising from foreign currency transactions are dealt with in profit and loss account. Transactions in foreign currencies remaining unsettled at the end of the year are translated at contracted rate where they are covered by foreign exchange forward contracts and at the rate prevailing at the end of the year in other cases and the corresponding effect is given in the respective account. Any difference subsequently as compared to actual payments or realisation is recognised as exchange variations in the year of settlement / realisation and dealt in profit and loss account.
- 10.2 In the case of forward exchange contracts entered to hedge the foreign exchange fluctuations , the difference between the forward rate and the exchange rate at the date of the transaction is recognized as income or expenses over the life of the contract, except in respect of liabilities incurred for acquiring fixed assets, in which case such difference is adjusted in the carrying amount of the respective fixed assets. Any profit or loss arising on cancellation or renewal of a forward exchange contract is recognised as income or expense for the period, except in the case of forward exchange contract relating to liabilities incurred for acquiring fixed assets, in which case such profit or loss is adjusted in the carrying amount of the respective fixed assets.
- 10.3 The Company follows the Accounting Standards which are made mandatory. It is in the process of formulating the requisite mechanism/ systems to meet prescribed requirements under Accounting Standards 30, 31 & 32. It shall be following the accounting policy of recognition, presentation & disclosure of forward exchange transactions including Derivative/ Hedging/ Currency Swaps & Interest Swaps etc as prescribed under these Accounting Standards with effect from the date these are made mandatory by ICAI.

11 **Impairment of Assets**

In accordance with Accounting Standard 28 (AS28) on impairment of assets, where there is an indication on impairment of the company assets, the carrying amount of the company assets are reviewed at each balancesheet date to determine whether there is any impairment. The recoverable amount of the assets (or where applicable that of cash generating unit to which the assets belongs) is estimated at the higher of its net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. An impairment loss is recognised whenever the carrying amount of an assets or a cash generating unit exceeds its recoverable amount. Impairment loss is recognised in the statement of profit and loss

12 **Provisions and Contingent Liabilities**

The company creates a provision when there exist a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognized in the financial statements.

HINDUSTAN AGRIGENETICS LIMITED
REGD OFFICE :806 , MEGHDOOT ,94 , NEHRU PLACE
NEW DELHI - 110019

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

Note 2 - Share Capital

Particulars	As at 31-03-2013 (₹)	As at 31-03-2012 (₹)
SHARE CAPITAL		
AUTHORIZED CAPITAL		
50,00,000 Equity Shares of ₹. 10/- each. (Previous Year Rs 50,0000 Equity Shares)	50,000,000 =====	50,000,000 =====
ISSUED , SUBSCRIBED & PAID UP CAPITAL		
44,00,200 Equity Shares of ₹. 10/- each, Fully Paid up (Previous Year 44,00200 Equity Shares)	44,002,000 -----	44,002,000 -----
Total	44,002,000 =====	44,002,000 =====

Notes:

2.1 Right preferences and restrictions attached to shares

- The company has one class shares having a per value of ₹ 10/- per share. Accordingly all the Equity shares rank equilly with regard to voting rights dividend and shares in Company's residual assets.

2.2 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting period.

	No. of Shares	No. of Shares	No. of Shares	No. of Shares
Balance at the commencement of the year	440020	4,400,200	440,020	4,400,200
Additions during the year	-	-	-	-
Balance at the end of the year	440,020	4,400,200	440,020	4,400,200

2.3 Details of Equity Shares held by shareholders holding more than 5% of the aggregate shares in the company.

Name of the Shareholders	No. of Shares held	% holding	No. of Shares held	% holding
MAGNUM INTERNATIONAL TRADING LTD	530000	12.04	530000	12.04
ANDHRA PRADESH INDUSTRIAL DEVELOPMENT CO	371400	8.44	371400	8.44
SOUTH DELHI INVESTMENTS P LTD	300000	6.82	300000	6.82
BADRUDIN KASAMALI	244000	5.55	244000	5.55

2.4

During the five reporting periods immediately proceeding the reporting period, no shares have been issued by consideration other than cash.

Note 3 - Reserves and Surplus

RESERVE & SURPLUS

(A) Revaluation Reserve				
Balance as per last account		1,640,250		1,640,250
(B) Surplus in statement of profit & loss				
Balance brought forward from previous year	(24,963,186)		(27,017,690)	
(+) Net Profit /(Net loss) for the current year	(357,544)		2,054,504	
Closing Balance		(25,320,730)		(24,963,186)
Total		(23,680,480) =====		(23,322,935) =====

HINDUSTAN AGRIGENETICS LIMITED
REGD OFFICE :806 , MEGHDOOT ,94 , NEHRU PLACE
NEW DELHI - 110019

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

Note 4 - Other Long Term Liabilities

Particulars	As at 31-03-2013 (₹)	As at 31-03-2012 (₹)
<u>OTHER LONG TERM LIABILITIES</u>		
<u>Unsecured</u>		
Dealers Deposits	895,000	895,000
Total	895,000	895,000

Note 5 - Trade Payables

<u>TRADE PAYABLES</u>		
Amount payable to growers/goods etc	4,232,616	4,232,616
Payable for Services	1,292	704
Total	4,233,908	4,233,320
	=====	=====
Due to micro and small enterprises	-	-
Others	4,233,908	4,233,320
	4,233,908	4,233,320
	-----	-----

Notes:

- 5.1 There is no principal amount and interest is overdue to the micro and small enterprises. The information have been determined to the extent such parties have been identified on the basis of information available with the company . This has been relied upon by the auditors.

Note 6 - Other Current Liabilities

<u>OTHER CURRENT LIABILITIES</u>		
<i>- Others Payables</i>		
Share Application Refund a/c	153,692	153,692
Other Liabilities	1,335,716	1,335,717
Advance From Customers	2,670,000	2,670,000
Amount payable to directors	517,340	371,457
Total	4,676,749	4,530,866
	=====	=====

Note 7 - Short Term Provisions

<u>SHORT TERM PROVISIONS</u>		
<i>- Others</i>		
Stautory Dues	52,789	63,339
Expenses Payable	77,206	63,146
	-----	-----
	129,995	126,486
Total	129,995	126,486
	=====	=====

HINDUSTAN AGRIGENETICS LIMITED
REGD OFFICE :806 , MEGHDOOT ,94 , NEHRU PLACE
NEW DELHI - 110019

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

Note : 8 Fixed Asset

Sr. No	Particulars	Gross Block			Depreciaton			Net Block			
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2013	WDV as on 31.03.2012
I	Tangible Assets										
1	Agricultural Land	28,55,265	-	-	28,55,265	-	-	-	-	28,55,265	28,55,265
2	Plant and Equipment	17,95,630	-	17,95,630	-	5,22,269	-	5,22,269	-	-	12,73,361
3	Vehicles (Cars)	14,24,207	-	-	14,24,207	6,96,316	1,88,451	-	8,84,767	5,39,440	7,27,891
4	Other Equipment	41,310	-	-	41,310	1,401	5,551	-	6,952	34,358	39,909
5	Residential Plot	3,35,000	-	-	3,35,000	-	-	-	-	3,35,000	3,35,000
6	Computer	1,32,731	-	-	1,32,731	73,139	23,837	-	96,976	35,755	59,592
	SUB TOTAL (A)	65,84,143	-	17,95,630	47,88,513	12,93,125	2,17,839	5,22,269	9,88,695	37,99,818	52,91,018
	Total [A + B]										
	Figures for the Current Year (`)	65,84,143	-	17,95,630	47,88,513	12,93,125	2,17,839	5,22,269	9,88,695	37,99,818	52,91,018
	Figures for the Previous Year (`)	65,42,833	41,310	-	65,84,143	9,97,710	2,95,415	-	12,93,125	52,91,018	55,45,123

HINDUSTAN AGRIGENETICS LIMITED
REGD OFFICE :806 , MEGHDOOT ,94 , NEHRU PLACE
NEW DELHI - 110019

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

Note 9 - Deferred Tax Assets (Net)

Particulars	As at 31-03-2013 (₹)	As at 31-03-2012 (₹)
Deferred Tax Assets on Account of		
`- Unabsorbed Depreciation	11,150,785	9,135,832
`- Unabsorbed Losses	1,966,530	1,046,859
Total (A)	11,150,785	10,182,691
Deferred Tax Liabilities		
`- Depreciation	(46,965)	(181,095)
Total (B)	(46,965)	(181,095)
Net Deferred Tax Assets (A-B)	11,197,750	10,363,786

Note 10 - Long Term Loans & Advances

LONG TERM LOANS & ADVANCES
(unsecured, considered good unless otherwise stated)

Other Deposits	764,254	754,254
Total	764,254	754,254

Note 11 - Current investment

CURRENT INVESTMENT

Investment in Mutual Fund

ICICI Prudential Regular Saving Fund	7,600,000	7,600,000
ICICI Prudential Dynamic Saving Fund	1,338,022	1,185,555
Franklin Templeton Dynamic Plan	500,000	500,000
HDFC Equity Fund	1,000,000	1,000,000
HDFC Top 200 Fund	1,100,000	1,100,000
ICICI Prudential Regular Saving Fund	1,400,000	1,400,000
Reliance Dual Advantage Fixed Tenure Fund	470,338	470,338
152,467	13,408,360	13,255,892

HINDUSTAN AGRIGENETICS LIMITED
REGD OFFICE :806 , MEGHDOOT ,94 , NEHRU PLACE
NEW DELHI - 110019

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

Note 12 - Trade Receivables

Particulars	As at 31-03-2013 (₹)	As at 31-03-2012 (₹)
TRADE RECEIVABLES		
(Unsecured and Considered good unless		
Outstanding for a period exceeding 6 month from the date they are due for payment	-	-
Considered doubtful		
Outstanding for a period exceeding 6 month from the date they are due for payment	1,625,589	1,625,589
Less provision for doubtful trade receivable	(1,625,589)	(1,625,589)
Total	----- -	----- -

Note 13 - Cash & Bank Balances

<u>CASH & CASH EQUIVALENTS</u>		
Balances with banks		
In current accounts	602,948	264,700
Cash in hand	53,017	103,291
Total	----- 655,965 =====	----- 367,992 =====

Note 14 - Other Current Assets

<u>OTHER CURRENT ASSETS</u>		
Compensation Recievable	28,009	28,009
Prepaid Expenses	-	771
Sales Tax	386,403	386,403
TDS	16,612	16,612
Total	----- 431,024 =====	----- 431,795 =====

HINDUSTAN AGRIGENETICS LIMITED
REGD OFFICE :806 , MEGHDOOT ,94 , NEHRU PLACE
NEW DELHI - 110019

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

Note 15- Revenue from Operation

Particulars	Year ended 31.03.2013 (₹)	Year ended 31.03.2012 (₹)
Revenue from operations		
Sale of Products		
Paddy Seed	519,950	842,340
	-----	-----
	519,950	842,340
	=====	=====
14.1 Details of Sale of Products		
Seeds	519,950	842,340
	-----	-----
	519,950	842,340
	-----	-----

Note 16- Other non- operating income

<u>Other non-operating income</u>		
Dividend From Mutual Fund	844,309	551,709
Provisions no longer payable written back	-	4,072,156
Miscellaneous Income	17,930	
	-----	-----
Total	862,239	4,623,865
	=====	=====

Note 17- Cost Of Material Consumed

COST OF MATERIAL CONSUMED

Opening Inventories

Add:

Purchases	122,250	238,455
	-----	-----
	122,250	238,455
	-----	-----
Less :		
Closing Inventories (As valued and as certified by the Director)	-	-
	-----	-----
Total	122,250	238,455
	=====	=====

Note 18- Manufacturing & Operating Expenses

Operating Expenses

Labour Expenses	65,000	243,783
Repair & maintenance	107,287	107,287
Other Operating Expenses	187,000	146,691
	-----	-----
	359,287	497,761
	=====	=====

HINDUSTAN AGRIGENETICS LIMITED
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NEW DELHI - 110019

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

Note 19 - Employee Benefits Expenses

Particulars	Year ended 31.03.2013 (₹)	Year ended 31.03.2012 (₹)
<u>EMPLOYEE BENEFITS EXPENSES</u>		
Salaries, Bonus, PF & ESIC	48,000	48,000
	-----	-----
Total	48,000	48,000
	=====	=====

Note 20 - Depreciation & Amortised Cost

Depreciation on tangible assets	217,839	295,415
	-----	-----
Total	217,839	295,415
	=====	=====

Note 21 - Other Administrative Expenses

<u>OTHER EXPENSES</u>		
AGM Expenses	12,200	-
Annual Meetings	10,206	-
Car Insurance	25,935	-
Vehicle repair & maintenance	10,457	35,807
Conveyance & Travelling	67,618	87,759
Computer Repair & Maintenance	3,600	53,600
Fuel Expenses	18,300	-
General & Misc Expenses	-	510
Office Expenses	12,100	10,159
Membership Fees	771	2,538
Loss on Sale of Fixed Asset	1,198,361	-
Loss on Sale of Mutual Fund	-	572,663
Postage & Telegram	1,873	61,344
Legal & Professional Expenses	114,476	173,520
Transaction Charges	33,708	60,416
Electricity Expenses	32,050	34,093
Printing & Stationery Expenses	112,012	31,974
Auditors Remuneration	22,060	22,060
Rent Rates & Taxes	114,000	114,000
Business Promotion Expenses	6,595	6,050
Property Tax	30,000	-
	-----	-----
Total	1,826,322	1,266,493
	=====	=====

HINDUSTAN AGRIGENETICS LIMITED
REGD OFFICE :806 , MEGHDOOT ,94 , NEHRU PLACE
NEW DELHI - 110019

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

Note 22 -Earnings per Share

Earnings per shares in calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as under.

	<u>Current Year</u>	<u>Previous Year</u>
(i) Profit/ (Loss) for the year Attributable to equity shareholders	(357,544)	2,054,504
(ii) Weighted average number of equity Shareholders during the years (NOS)	4,400,200	4,400,200
(iii) <u>Basic and Diluted Earning Per Shares</u>		
Number of Equity Shares outstanding during the year	4,400,200	4,400,200
Earning per share (₹.)	(0.08)	0.47
(iv) Nominal Value of Shares	10/-	10/-

SEGMENT INFORMATION

(i) **Primary Segment**

As the company business actively falls within a single primary business segment viz seeds. The disclosure requirement of Accounting Standard No-17- Segment reporting issued by the Institute of Chartered Accountants of India are not applicable.

(ii) **Secondary Segment**

Revenue of Geographical Segment

Note 23 - Segment Reporting

SEGMENT INFORMATION

(i) **Primary Segment**

As the company business activity falls within a single primary business segment viz Ready to made garments . The disclosure requirement of Accounting Standard As-17- Segment reporting issued by the Institute of Chartered Accountants of India are not

(ii) **Secondary Segment**

Revenue of geographical segment

HINDUSTAN AGRIGENETICS LIMITED
REGD OFFICE :806 , MEGHDOOT ,94 , NEHRU PLACE
NEW DELHI - 110019

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

Note 24 - Related Party disclosures

RELATED PARTY DISCLOSURES UNDER ACCOUNTING STANDARD –18

(I) (A) Enterprises in which the Company control	Nil		
(B) Parties in respect of which the company is a joint venture	Nil		
(C) <u>Key Management Personnel</u>			
<u>Key</u>			
Director	Sh Pritam Kapur		
(D) Enterprises on which key management personnel and their relatives are able to exercise significant influence	Nil		
(II) Transaction with and out standing balance of related parties during the year			
	<u>Current Year</u>	<u>Previous Year</u>	
	(₹.)	(₹.)	
a) Enterprises in which the company has control	Nil	Nil	
b) Parties in respect of which the company is a joint venture	Nil	Nil	
c) <u>Key Managerial Personnel</u>			
Amount payable (reimbursement of Expenses)	34,300	19,000	
Rent	114,000	114,000	
d) <u>Enterprises over which key management personnel and their relatives are able to exercise significant influences.</u>			
Balance outstanding as at			
Year End			
- Payable	517,340	371,457	

Note 25 - General Information

- a) In the opinion of board, all current assets, loans and advances are approximately of the value stated, if realised in ordinary course of the business and in their opinion and to the of their knowledge and belief all known liabilities have been brought to the accounts.
- b) Previous year figures have been grouped/reclassified whenever necessary to correspond with the current year classification/disclosure.

HINDUSTAN AGRIGENETICS LIMITED
REGD OFFICE 866 MEGHDOOT ,94 NEHRU PLACE
NEW DELHI 110019

Break-up of Note Items appearing in Balance Sheet as at 31st march, 2013

Particulars	As at 31-03-2013 (₹)	As at 31-03-2012 (₹)
Amount Payable to Directors		
Due to Directors	519,757	371,457
	-----	-----
	519,757	371,457
	=====	=====
Advance From Customers		
Kohli brothers	2,670,000	2,670,000
	-----	-----
	2,670,000	2,670,000
	=====	=====
Short Term Provisions		
Statutory Dues		
TDS Payable	52,789	63,339
	-----	-----
	52,789	63,339
	=====	=====
Expenses payable		
Audit fee payable	29,206	63,146
Salary Payable	48,000	-
	-----	-----
	77,206	63,146
	=====	=====
Other Loan & Advances		
CPR Associates	-	10,550
Other Deposits	754,254	743,704
Hanuman Reddy	10,000	-
	-----	-----
	764,254	754,254
	=====	=====
Bank Balance		
ABN Amro bank ltd	456,156	117,908
Share application money Refund a/c	146,792	146,792
	-----	-----
	602,948	264,700
	=====	=====
Legal & Professional Fees		
Consultancy Fees	29,250	58,760
Legal Fees	20,600	97,060
Professional Fees	64,626	17,700
	-----	-----
	114,476.00	173,520.00
	=====	=====

COMPLIANCE CERTIFICATE

To,
The Members,
HINDUSTAN AGRIGENETICS LIMITED
New Delhi

CIN: L01119DL1990PLC040979
Authorised Share Capital: Rs. 5,00,00,000
Paid-up Share Capital: Rs. 4,40,02,000

We have examined the registers, records, books and papers of **HINDUSTAN AGRIGENETICS LIMITED** (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended as on **31st March, 2013**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. As per information & explanations provided to us, the Company has kept and maintained the registers as stated in **Annexure 'A'** to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. As per information & explanations provided to us, the Company has filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities, as indicated therein, during the financial year ending on **31st March, 2013**.
3. The Company being public limited Company has the minimum prescribed Paid-up Capital.
4. As per information & explanations provided to us, the Board of Directors duly met **Seven** times on **25.04.2012, 31.07.2012, 01.09.2012, 30.10.2012, 03.11.2012, 31.01.2013 and 04.03.2013** in respect of those meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. As per information & explanations provided to us the Company has closed its Register of Members from 10th September, 2012 to 29th September, 2012 (both days inclusive), during the financial year. However, the newspaper notice has not been given as required under Section 154 of the Act.
6. As per information & explanations provided to us the Annual General Meeting for the financial year ended on **31.03.2012** was held on **29.09.2012** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Books maintained for the purpose.
7. As per information & explanations provided to us **no** Extraordinary General Meeting of the Company was held during the year under review.
8. As per the information & explanation provided to us, the Company has not given any advance/Loan to the Directors of the Company under the provisions of Section 295.
9. As per information & explanations provided to us, the Company **has not** entered into contract falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act during the financial year.
11. As per information & explanations provided to us there are **no** instances falling within the purview of Section 314 of the Act. Hence, the Company was not required

Compliance Certificate for the financial year ended as on 31st March, 2013

Hindustan Agrigenetics Limited

CIN: L01119DL1990PLC040979

to obtain any approval from the Board of Directors, Members or Central Government, as the case may be.

12. As per information & explanations provided to us the Company has **not** issued any duplicate share certificates during the financial year.
13. As per information & explanations provided to us:
 - (i) There was no allotment or transmission of securities during the financial year. The transfer of shares has been made within the time provided under the Act.
 - (ii) The Company was **not** required to deposit any amount in a separate Bank Account as no dividend was declared during the financial year.
 - (iii) The Company was **not** required to post warrants to any member of the Company as no dividend was declared during the financial year.
 - (iv) There are **no** amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
 - (v) The Company has complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of Alternate Directors and Directors to fill casual vacancy during the financial year.
15. As per the information provided, there was no instance falling within the provisions of Section 269 of the Act with regard to the appointment of Managing Director/ Whole time Director/ Managers.
16. As per information & explanations provided to us the Company has **not** appointed any sole-selling agent during the financial year.
17. As per the information & explanation provided to us, the Company was not required to obtain the approval from the Registrar of Companies, Central Government, Company Law Board or other authority under the Act.
18. As per information & explanations provided to us the Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the Act and the rules made there under.
19. As per information & explanations provided to us the Company has **not** issued any Equity Shares/debentures/other securities during the financial year.
20. As per information & explanations provided to us the Company has **not** bought back **any** shares during the financial year.
21. As per information & explanations provided to us there was **no** redemption of preference shares or debentures during the financial year.
22. As per information & explanations provided to us there was **no** transaction necessitating the Company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.

Compliance Certificate for the financial year ended as on 31st March, 2013

Hindustan Agrigenetics Limited

CIN: L01119DL1990PLC040979

23. As per information & explanations provided to us and as certified by the Auditors in their Report, the Company has **not** invited/ accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has not borrowed any amount from its Director, Member, public, financial institutions and banks during the financial year.
25. During the year, the Company has not made loans and investments or given guarantee or provided security to other Body Corporate(s) within the purview of Section 372A and consequently no entries were required to be made in this regard. The Company had, however, made investments in mutual funds in earlier years, falling within the purview of Section 372A.
26. The Company has **not** altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has **not** altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has **not** altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has **not** altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has **not** altered its Articles of Association during the year under scrutiny.
31. As per information & explanations provided to us no show cause notice was received or prosecution initiated against the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for the offences under the Act.
32. As per information & explanations provided to us the Company has **not** received any money as security from its employees during the financial year.
33. The Company has **not** constituted a separate Provident Fund Trust for its employees/class of officers as contemplated under Section 418 of the Act.

Date: 02.09.2013
Place: New Delhi

For Vinod Aggarwal & Associates
Company Secretaries

Vinod Aggarwal
CP No: 8816

Compliance Certificate for the financial year ended as on 31st March, 2013**Hindustan Agrigenetics Limited****CIN: L01119DL1990PLC040979****Annexure A**

S. No.	Registers as maintained by the Company	U/s	Remarks
1.	Register of Members	150	Upto Date
2.	Minutes Book of General and Board Meetings	193	Upto date
3.	Books of Accounts and Annual Returns	209 and 159	Upto date
4.	Register of Particulars of Contracts in which Directors are interested	301	Upto date
5.	Register of Directors, Managing Director, Secretary and Manager	303	Upto date
6.	Register of Directors' Shareholding	307	Upto date

Annexure- B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities during the financial year ended on 31st March, 2013.

S. No.	Form No.	Authority with whom forms & returns filed	Filed u/s	Remarks
1.	Form-20B (Annual Return for FY ended 31.03.2012)	ROC	159	Annual General Meeting : 29.09.2012 Filing date : 23.10.2012 SRN No. : P91598268
2.	Form-66 (Compliance Certificate for FY ended 31.03.2012)	ROC	383A	Annual General Meeting : 29.09.2012 Filing date : 23.10.2012 SRN No. : P91597898
3.	Form-23AC and 23ACA (Balance Sheet and Profit & Loss A/c for FY ended 31.03.2012)	ROC	220	Annual General Meeting : 29.09.2012 Filing Date : 03.12.2012 SRN No. : Q03812500
4.	Form- 32 (Regularization of Mr. Vinod Malhotra as Additional Director)	ROC	303	Date of event : 29.09.2012 Filing Date : 23.10.2012 SRN No. : B60280104
5.	Form- 32	ROC	303	Filing Date : 19.09.2012*
* Filed with additional fees.				

Date: 02.09.2013
Place: New Delhi

For Vinod Aggarwal & Associates
Company Secretaries

Vinod Aggarwal
CP No: 8816

HINDUSTAN AGRIGENETICS LIMITED

Regd. Off. 806, Meghdoot, 94, Nehru Place, New Delhi - 110019

ATTENDANCE SLIP

Folio No:

Shares Held:

I hereby record my presence at the Twenty Third Annual General Meeting of the Company to be held on Saturday 28th September 2013.

SIGNATURE OF ATTENDING MEMBER/PROXY

Notes:

- 1. Shareholder/Proxy holder who wish to attend the meeting must bring the attendance slip for the meeting and handover the same at the entrance duly signed.
- 2. A shareholder/Proxy holder desiring to attend the meeting should bring his copy of the annual report for reference at the meeting.

HINDUSTAN AGRIGENETICS LIMITED

Regd. Off.: 806, Meghdoot, 94 Nehru Place, New Delhi - 110019

PROXY FORM

I/We.....of
 a member/members of the above Company
 hereby appoint of
as my/our Proxy to attend and vote for me/us on my/ our
 behalf at the Twenty second Annual General Meeting of the Company, to be held
 on 28th September 2013 and at any adjournment thereof. Signed this _____ day
 of _____2013

Folio No.:

Revenue Stamp

Signature

This form is to be used in favour of/against the resolution. Unless other-wise instructed, the Proxy will act as he thinks fit.

Notes: The Proxy Form must reach the Company’s Regd. Off.: 806, Meghdoot, 94, Nehru Place, New Delhi - 110019, not less than 48 hours before the time of the meeting.

Book Post

If undelivered, please return to following address:

M/s Hindustan Agrigenetics Limited,
806, Meghdoot, 94 Nehru Place,
New Delhi 110 049