

24th
Annual Report
2013 - 2014

Hindustan Agrigenetics Limited
Hybrid Seeds □ Tissue Culture □ Floriculture

24th Annual General Meeting

Date: 30th September, 2014

Day : Tuesday

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

Ratnakar Bank Limited (RBL)

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 24th Annual General Meeting of the Company will be held on Tuesday, the 30th day of September, 2014 at 3.00 P.M. at the Registered Office of the Company at 806 Meghdoot, 94 Nehru Place, New Delhi 110019 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, 2014 together with the reports of the Auditors and the Directors thereon.
2. To appoint a director in place of Mr. Venkata Ramchandra Rao Sreekantam, 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.

Special Business:

4. To re-appoint Mr. Pritam Kapur as a Managing director of the Company:

To consider and if thought fit to pass, with or without modification, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 and other applicable provisions, if any of the Companies Act, 2013 Mr. Pritam Kapur, Managing Director who has attained the age of 70 years, be and is hereby re-appointed as the Managing Director of the Company for a period of 5 years w.e.f 30th September, 2014, not liable to retire by rotation."

5. To re-appoint Mr. Vinod Malhotra as an independent director of the Company:

To consider and if thought fit to pass, with or without modification, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Act and the Rules framed thereunder, as amended from time to time, Mr. Vinod Malhotra, a non executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) read with Schedule IV of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director, not liable to retire by rotation, for a period of 5 year with effect from September 30, 2014.

6. To re-appoint Mr. Chavercode Paramu Rajendran as an independent director of the Company:

To consider and if thought fit to pass, with or without modification, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Act and the Rules framed thereunder, as amended from time to time, Mr. Chavercode Paramu Rajendran, a non executive Independent Director, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) read with Schedule IV of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director, not liable to retire by rotation, for a period of 5 year with effect from September 30, 2014.

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 Wednesday, 10th September 2014 till the date of the Annual General Meeting i.e. Tuesday, 30th September, 2014 (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 the Companies Act.

Explanatory Statement to Item no. 4

Mr. Pritam Kapur has been the Managing Director of the Company for a long period. He has now attained the age of 70 Years. As per the provisions of Section 196(3) of the Companies Act, 2013, approval of shareholders is required by way of Special Resolution for the appointment of Mr. Pritam Kapur as Managing Director of the Company.

Mr. Pritam Kapur is associated with this Company for a very long period. He is the promoter and pioneer member of the Company. Mr. Pritam Kapur handles all the administrative and other functions of the Company and is very efficient and experienced person.

Your Board of Directors recommends the reappointment of Mr. Pritam Kapur as the Managing Director at the forthcoming Annual General Meeting.

Except Mr. Pritam Kapur, none of the Directors /key managerial personnels of the Company/ their relatives have any concern or interest, financial or otherwise, in the proposed resolution.

Explanatory Statement to Item no. 5 and 6

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreement entered with the Stock Exchanges, appointed Mr. Vinod Malhotra and Mr. Chavercode Paramu Rajendran as Independent Directors of the Company in compliance with the requirements of the said clause. As per the provisions of Section 149(4), which has come into force with effect from 1st April, 2014, every listed company is required to have at least one-third of the total number of Directors as Independent Directors. Further, Section 149(10) of the Act provides that an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation pursuant to Section 149(13) read with Section 152 of the Act.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement which would be effective from October 1, 2014 inter alia stipulates the conditions for the appointment of Independent Directors by a listed company. The above Independent Directors have given a declaration to the Board that they meet the criteria of independence as provided under Section 149 (6) of the Act. In the opinion of the Board, the above Independent Directors fulfill the conditions specified in the Act and the Rules made thereunder for appointment as Independent Directors and they are independent of the management. In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of the above Directors as Independent Directors is now being placed before the Members in General Meeting for their approval.

Your Board of Directors recommends to reappoint of the aforesaid Directors at the forthcoming Annual General Meeting.

None of the Directors /key managerial personnels of the Company/ their relatives have any concern or interest, financial or otherwise, in the proposed resolution have any concern or interest, financial or otherwise, in any of the proposed resolutions.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

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

1. Mr. Pritam Kapur, Managing Director proposed to be re-appointed at the forthcoming Annual General Meeting. The Brief particulars of Mr. Pritam Kapur, proposed to be re-appointed are as given below:

Mr. Pritam Kapur

Age: 71 years

Qualification and Experience:

Shri Pritam Kapur, aged about 71 yrs is a B.Tech from IIT Chennai. Thereafter he has worked with Hindustan Unilever Ltd. for 25 years, in various capacities. During the last ten years he was the Profit Center head of the 'Agribusiness Division' of the company, which amongst other agri-businesses, included seed business as well. Sh. Kapur is well experienced in the marketing and business aspects of biotech industry. As a promoter of Hindustan Agrigenetics, he successfully started the seed business and thereafter the diversification into floriculture and tissue culture.

Membership/Chairmanship of Committees:

Share Transfer Committee : Chairman
Audit Committee : Member

Shareholding in the Company : 487,300
(As on 31st March, 2014)

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

Mr. Venkata Ramchandra Rao Sreekantam

Age: 65 years

Qualification and Experience:

Shri Venkata Ramchandra Rao Sreekantam, aged about 65 yrs is a Masters in Agriculture from Pant Nagar University. Thereafter, he completed his MBA from IIM Ahmedabad. He worked with Mahyco, one of the leading Seed Company of the country, for a long time after having started with them as a Management Trainee. Thereafter, he joined Hindustan Levers as head of Seed Business and was responsible for the growth of the company's seed business. He was one of the co-promoters of the Company.

Membership/Chairmanship of Committees:

Investor's Grievances Committee	: Nil
Share Transfer Committee	: Nil
Audit Committee	: Nil

**Shareholding in the Company : 25800
(As on 31st March, 2014)**

3. Mr. Vinod Malhotra, Independent Director proposed to be re-appointed at the forthcoming Annual General Meeting. The Brief particulars of Mr. Vinod Malhotra, proposed to be re-appointed are as given below:

Mr. Vinod Malhotra

Age: 66 years

Qualification and Experience:

Shri Vinod Malhotra, aged about 66 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 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, 2014)**

4. Mr. Chavercode Paramu Rajendran, Independent Director proposed to be re-appointed at the forthcoming Annual General Meeting. The Brief particulars of Mr. Chavercode Paramu Rajendran, proposed to be re-appointed are as given below:

Mr. Chavercode Paramu Rajendran

Age: 70 years

Qualification and Experience:

Shri Chavercode Paramu Rajendran, aged about 70 yrs is a graduate and has four decades of experience in company affairs and related matters. He has dealt with several companies on

regulatory matters and his experience is useful for the company in issues such as good governance etc.

Membership/Chairmanship of Committees:

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

Shareholding in the Company : Nil
(As on 31st March, 2014)

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 24th Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March 2014.

a. Financial Results:

	<u>Current Year</u> <u>As on 31.3.2014</u>	<u>(Rs Lakhs)</u> <u>Previous Year</u> <u>As on 31.3.2013</u>
Receipts/Income	10.72	13.82
Profit before Taxes	(3.01)	(11.92)
Less Deferred Tax	(3.88)	8.34
Profit/ (Loss) after Taxes	(6.89)	(3.58)
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. Chavercode Paramu Rajendran, Director retires by rotation and being eligible offers himself for re-appointment.

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreement entered with the Stock Exchanges, appointed Mr. Vinod Malhotra and Mr. Chavercode Paramu Rajendran as Independent Directors of the Company in compliance with the requirements of the said clause. As per the provisions of Section 149(4), which has come into force with effect from 1st April, 2014, every listed company is required to have at least one-third of the total number of Directors as Independent Directors. Further, Section 149(10) of the Act provides that an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation pursuant to Section 149(13) read with Section 152 of the Act.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement which would be effective from October 1, 2014 inter alia stipulates the conditions for the appointment of Independent Directors by a listed company. The above Independent Director have given a declaration to the Board that they meet the criteria of independence as provided under Section 149 (6) of the Act. In the opinion of the Board, the above Independent Directors fulfill the conditions specified in the Act and the Rules

made thereunder for appointment as Independent Directors and they are independent of the management.

Your Board of Directors recommends the reappointment of the aforesaid Directors at the forthcoming Annual General Meeting.

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 2014;
- (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. Appointment of Secretarial Auditor

As per the requirements of Section 204) of the Companies Act, 2013 a listed Company is required to get a secretarial audit conducted from a Company Secretary in Practice and to annex a report thereof along with the Report of the Directors. In pursuance of Section 204 of the Act, M/s Vinod Aggarwal & Associates, practicing Company Secretaries have been appointed to conduct the secretarial audit for the financial year 2014-15.

l. Appointment of Internal Auditor

As per the requirements of Section 138 of the Companies Act, 2013 a listed Company is required to get an Internal audit conducted and to annex a report thereof along with the Report of the Directors. In pursuance of Section 138 of the Act, M/s Hukam Vijay & Company, Chartered Accountants, practicing at 304 Rohini Complex, WA 121, Shakarpur, Delhi 110 092 have been appointed to conduct the Internal audit for the financial year 2014-15.

m. Appointment of Key Managerial Person:

As per the requirements of Section 203(1) of the Companies Act, 2013, inter-alia, every listed Company is required to appoint:

- a managing director, or Chief Executive Officer or manager and in their absence, a whole-time director;
- company secretary; and
- Chief Financial Officer

Mr. Pritam Kapur has been acting as the Managing Director of the Company. Your Company proposes to appoint the other two categories of KMP as soon as possible.

n. 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.

o. 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.

p. 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 have filed a suit against the Outer Ring Road Authorities of the Government of erstwhile Andhra Pradesh at the Ranga Reddy Courts for improving the compensation given to the company for the losses suffered on account of the cost of imported green house standing on the land acquired for the construction of the ring road.

q. 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: 02.09.2014

Pritam Kapur
Chairman and Managing Director

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. The Kharif season of 2014 has so far been deficient in rains and this will adversely effect the

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 31.03.2014 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	5	Y	1	1
MR. CHAVERCODE PARAMU RAJENDRAN	NE & IND	2	5	Y	2	1
MR. VENKATA RAMA CHANDRA RAO SREEKANTAM	NE	NIL	-	N	NIL	NIL
MR VINOD MALHOTRA	NE & IND	NIL	5	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, 2014, four meetings of the Audit Committee were held. The said meetings were held on 18th May, 2013, 5th August, 2013, 18th October 2013 and 28th January, 2014.

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 2013-2014 (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 2013-2014. The said meetings were held on 27/05/2013, 14/08/2013, 02/09/2013, 01/11/2013 and 04/02/2014. 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, 2014 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 more than 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 : Tuesday, 30th September, 2014 at 3.00 P.M.

Venue : 806 Meghdoot, 94 Nehru Place
New Delhi - 110019

2. Details of Last 3 AGMs

<u>Year</u>	<u>Location</u>	<u>Date</u>	<u>Time</u>
2010-2011	806, Meghdoot, 94, Nehru Place New Delhi-110019	26.09.2011	3.30 P.M.
2011-2012	Gardenia (GF), Paharpur Business Centre New Delhi-110019	29.09.2012	3.00 P.M
2012-13	806, Meghdoot, 94, Nehru Place New Delhi- 110019	28.09.2013	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 2014.

Range	Shareholder		Shares Amount	
	Number	% to total holders	Total (In Rs.)	% to Total
Share holding of nominal value of Rs. 10				
Up to-5000	5282	91.61	7447000.00	16.92
5001-10000	240	4.16	2099000.00	4.77
10001-20000	105	1.82	1606000.00	3.65
20001-30000	32	0.55	849000.00	1.93
30001-40000	26	0.45	949000.00	2.16
40001-50000	24	0.42	1122000.00	2.55
50001-100000	20	0.35	1410000.00	3.20
100000& Above	37	0.64	28520000.00	64.82
Total	5766	100.00	44002000.00	100.00

8. Share holding Pattern of the Company as on 31st March, 2014

	Category	No. of Shares held	% of shareholding
(A)	Shareholding of Promoter and Promoter Group		
	Indian Promoters	955500	21.71
	Foreign Promoters	-	-
(B)	Public Shareholding		
(a)	Financial	424400	9.65

	Institutions/Banks/Mutual Funds/FII's		
(b)	Bodies Corporate	634300	14.42
(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, 2014:

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	4400200	100
Grand Total	4400200	100

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. CEO and CFO Certification

The Managing Director of the company gives quarterly certification on Financial Results while placing Financial Results before the Board in terms of clause 41 of the Listing Agreement. The Managing Director has also given certificate on CEO and CFO Certification for the year ended 31 March 2014 and the same is attached with the Annual Report.

13. 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)

CEO AND CFO CERTIFICATION

Pursuant to the provisions of Clause 49 of the Listing Agreement with BSE, HSE and DSE, I Pritam Kapur, Managing Director of Hindustan Agrigenetics Ltd. hereby certify to the Board that:

- a) I have reviewed the financial statements and cash flow statement for the year and that to the best of my knowledge and belief
- i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- ii) These statements together present a true and fair view of the Company's affair and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year 2013-14 which are fraudulent, illegal or violative of the Company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, wherever applicable.
- d) i) There has not been any significant change in internal control over financial reporting during the year under reference;
ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
iii) I am not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

New Delhi
02.09.2014

Sd/-
Pritam Kapur
(Managing 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, 2014 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: 02.09.2014

(Vinod Aggarwal)

C.P. No.- 8816

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, 2014**. 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, 2014**.
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 **Five** times on **27/05/2013, 14/08/2013, 02/09/2013, 01/11/2013 and 04/02/2014**, 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, 2013 to 28th September, 2013 (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 **31.03.2013** was held on **28.09.2013** 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 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.

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: 02.09.2014

for Vinod Aggarwal & Associates

Place: New Delhi

Company Secretaries

Vinod Aggarwal

CP No: 8816

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, 2014.

S. No.	Form No.	Authority with whom forms & returns filed	Filed u/s	Remarks
1.	Form-20B (Annual Return for FY ended 31.03.2013)	ROC	159	Annual General Meeting : 28.09.2013 Filing date : 24.10.2013 SRN No. : Q16241689
2.	Form-66 (Compliance Certificate for FY ended 31.03.2013)	ROC	383A	Annual General Meeting : 28.09.2013 Filing date : 23.10.2013 SRN No. : Q16036774
3.	Form-23AC and 23ACA (Balance Sheet and Profit & Loss A/c for FY ended 31.03.2013)	ROC	220	Annual General Meeting : 28.09.2013 Filing Date : 15.11.2013 SRN No. : Q23488885 *
* Filed with additional fees.				

Date: 02.09.2014

Place: New Delhi

for Vinod Aggarwal & Associates

Company Secretaries

Vinod Aggarwal

CP No: 8816

INDEPENDENT AUDITOR'S REPORT

To
The Shareholders of
HINDUSTAN AGRIGENETICS LIMITED
NEW DELHI

Report on the Financial Statements

We have audited the accompanying financial statements of **HINDUSTAN AGRIGENETICS LIMITED [CIN NO. L01119DL1990PLC040979]** which comprise the Balance Sheet as at **31st March 2014**, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of financial position and financial performance of the company in accordance with the accounting standards referred to in sub –section (3C) of section 211 of the Companies Act 1956 ('The Act'). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedure to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend upon auditor's judgement, including the assessment of the risk of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedure that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so

required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) In case of the Balance Sheet, of the state of affairs of the Company as at **31st March 2014**;

(b) In case of Profit and Loss Account, of the **Loss** 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 Central Government of India in terms of sub-section (4A) of section 227 of the Act, We give in the Annexure a statements 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 information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by Law have been kept by the Company so far as appears from our examinations of those books;
 - c. The Balance Sheet and Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet and Statement of Profit and Loss, comply with the Accounting Standards referred to in sub-section(3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors as on **31st March 2014** and taken on record by the Board of Directors, none of the director is disqualified as on **31st March 2014**, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

Place: New Delhi

Dated: 25-05-2014

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

M/S HINDUSTAN AGRIGENETICS LIMITED**Annexure to Independent Auditor's Report**

Referred to in paragraph 1 Under Report on other Legal and Regulatory Requirement Return of our report of even date.

In respect of it's Fixed Assets

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us, fixed assets disposed off during the year were not substained therefore does not affect the going concern assumption

In respect of Investment

2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. In respect of inventories lying with third parties confirmations have been obtained from those parties and in respect of goods in transit. Subsequent goods receipts have been verified or confirmations have been obtained from other parties.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has neither granted nor taken any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, Weaknesses in such internal control system. We have not observed any major.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

- b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.
6. According to the information and explanation given to us, The Company has not accepted any deposits from the public covered under section 58A and 58AA or any other provision of the Companies Act, 1956.
 7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
 8. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.
 9. According to the information and explanation given to us in respect of statutory due.
 - (a) The company has generally been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities.
 - (b) There were no undisputed amount payable in respect of provident fund , Employees state insurance, income tax, sale tax, value added tax, wealth tax, service tax, custom duty, Excise duty cess and other material statutory dues in arrears as at **31st March, 2014** for a period of more than six months from the date they become payable.
 10. In our opinion and according to us the information and explanations given to us and based on company records, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
 11. In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 12. In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institutions.
 13. In our opinion and according to information and explanation given to us, The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
 14. In our opinion and according to procedures and on the information given to us and the records of the company examined by us, the term loan taken by the company have been applied for the purpose for which they were obtained.
 15. According to information and explanations given to us, the Company is not trading in Shares, Mutual funds & other Investments.

16. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
17. In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been used for long-term investment by the Company.
18. According to the information and explanation given to us, during the year the Company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under section 301, of the companies act 1956.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. According to information and explanations given to us, no material fraud by the company or on the company has been noticed or reported during the year.

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

PLACE: NEW DELHI

Dated: 25-05-2014

**(CA 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, 2014**

Particulars	Notes	As at 31.03.2014 (₹)		As at 31.03.2013 (₹)	
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	(24,369,225)	(23,680,480)		
		19,632,775	20,321,520		
<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	4,233,344	4,233,908		
(c) Other current liabilities	6	4,525,699	4,676,749		
(d) Short-term provisions	7	158,655	129,995		
		8,917,698	9,040,652		
Total Equity & Liabilities		29,445,473	30,257,171		
II. ASSETS					
<u>(1) Non-Current Assets</u>					
<u>(a) Fixed Assets</u>					
(i) Tangible assets	8	3,641,076	3,799,818		
(i) Intangible assets		-	-		
(i) Capital Work In Progress		-	-		
(b) Non current investment		-	-		
(c) Deferred tax assets (net)	9	10,809,390	11,197,750		
(d) Long term loans and advances	10	764,254	764,254		
(e) Other non current assets		-	-		
		15,214,720	15,761,822		

(2) Current Assets

(a) Current investments	11	13,532,095		13,408,360	
(b) Inventories		-		-	
(c) Trade receivables	12	-		-	
(d) Cash and bank balances	13	267,634		655,965	
(e) Short-term loans and advances		-		-	
(f) Other current assets	14	431,024		431,024	
		-----	14,230,753	-----	14,495,349
			-----		-----
Total Assets			29,445,473		30,257,171
			=====		=====

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: 25-05-2014

**(PRITAM KAPUR)
Mg. DIRECTOR
DIN No.: 00461538**

**(C.P. RAJENDRAN)
DIRECTOR
DIN No.: 00153106**

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

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

Notes to the Financial Statements for the year ended 31st March 2014

Note 2 - Share Capital

Particulars	As at 31-03-2014 (₹)	As at 31-03-2013 (₹)
<u>SHARE CAPITAL</u>		
<u>AUTHORIZED CAPITAL</u>		
50,00,000 Equity Shares of Rs. 10/- each. (Previous Year Rs 50,0000 Equity Shares)	50,000,000 =====	50,000,000 =====
<u>ISSUED, SUBSCRIBED & PAID UP CAPITAL</u>		
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 equally 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.

	<u>No. of Shares</u>	<u>Amount</u>	<u>No. of Shares</u>	<u>Amount</u>
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.

<u>Name of the Shareholders</u>	<u>No. of Shares held</u>	<u>% holding</u>	<u>No. of Shares held</u>	<u>% holding</u>
M/s Magnum International Trading Ltd.	530,000	12.04	530,000	12.04
M/s Andhra Pradesh Industrial Development Co.	371,400	8.44	371,400	8.44
M/s South Delhi Investments Pvt. Ltd.	300,000	6.82	300,000	6.82
M/s Badrudin Kasamali	244,000	5.55	244,000	5.55

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

Note 3 - Reserves and Surplus

<u>RESERVE & SURPLUS</u>			
(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	(25,320,730)		(24,963,186)
(+) Net Profit /(Net loss) for the current year	(688,745)		(357,544)
Closing Balance		(26,009,475)	(25,320,730)
Total		(24,369,225)	(23,680,480)

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

Notes to the Financial Statements for the year ended 31st March 2014

Note 4 - Other Long Term Liabilities

Particulars	As at 31-03-2014 ()	As at 31-03-2013 ()
<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	728	1,292
	-----	-----
Total	4,233,344	4,233,908
	=====	=====
Due to micro and small enterprises	-	-
Others	4,233,344	4,233,908
	-----	-----
	4,233,344	4,233,908
	-----	-----

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	1,335,716
Advance From Customers	2,670,000	2,670,000
Amount payable to directors	366,291	517,340
	-----	-----
Total	4,525,699	4,676,749
	=====	=====

Note 7 - Short Term Provisions

<u>SHORT TERM PROVISIONS</u>		
<i>- Others</i>		
Stautory Dues	52,389	52,789
Expenses Payable	106,266	77,206
	-----	-----
	158,655	129,995
	-----	-----
Total	158,655	129,995
	=====	=====

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

Notes to the Financial Statements for the year ended 31st March 2014

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 31.03.2014	WDV as on 31.03.2013
I Tangible Assets											
1	Agricultural Land	2,855,265	-	-	2,855,265	-	-	-	-	2,855,265	2,855,265
2	Vehicles (Cars)	1,424,207	-	-	1,424,207	884,767	139,661	-	1,024,428	399,779	539,440
3	Other Equipment	41,310	-	-	41,310	6,952	4,779	-	11,731	29,579	34,358
4	Residential Plot	335,000	-	-	335,000	-	-	-	-	335,000	335,000
5	Computer	132,731	-	-	132,731	96,976	14,302	-	111,278	21,453	35,755
<hr/>											
Figures for the Current Year (₹)		4,788,513	-	-	4,788,513	988,695	158,742	-	1,147,437	3,641,076	3,799,818
<hr/>											
Figures for the Previous Year (₹)		6,584,143	-	1,795,630	4,788,513	1,293,125	217,839	522,269	988,695	3,799,818	5,291,018

Notes to the Financial Statements for the year ended 31st March 2014

Note 9 - Deferred Tax Assets (Net)

Particulars	As at 31-03-2014 (₹)	As at 31-03-2013 (₹)
Deferred Tax Assets on Account of		
- Unabsorbed Depreciation	10,748,011	11,150,785
- Unabsorbed Losses	1,524,418	1,966,530
	-----	-----
Total (A)	10,748,011	11,150,785
	-----	-----
Deferred Tax Liabilities		
- Depreciation	(61,584)	(46,965)
	-----	-----
Total (B)	(61,584)	(46,965)
	-----	-----
Net Deferred Tax Assets (A-B)	10,809,594	11,197,750

Note 10 - Long Term Loans & Advances

LONG TERM LOANS & ADVANCES

(unsecured, considered good unless otherwise stated)

Other Deposits	764,254	764,254
	-----	-----
Total	764,254	764,254
	=====	=====

Note 11 - Current investment

CURRENT INVESTMENT

Investment in Mutual Fund

ICICI Prudential Regular Saving Fund	-	7,600,000
ICICI Prudential Dynamic Saving Fund	1,461,443	1,338,022
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
Reliance Dual Advantage Fixed Tenure Fund	470,338	470,338
UTI Bond Fund Growth	8,500,000	-
Floating Rate Fund -STP Reg Plan	500,315	-
	-----	-----
	13,532,095	13,408,360
	=====	=====

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

Notes to the Financial Statements for the year ended 31st March 2014

Note 12 - Trade Receivables

Particulars	As at 31-03-2014 (₹)	As at 31-03-2013 (₹)
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
Less provision for doubtful trade receivable	-	(1,625,589)
Total	----- -	----- -

Note 13 - Cash & Bank Balances

CASH & CASH EQUIVALENTS

Balances with banks

In current accounts 224,275 602,948

Cash in hand 43,359 53,017

Total -----
267,634 -----
655,965

Note 14 - Other Current Assets

OTHER CURRENT ASSETS

Compensation Recievable 28,009 28,009

Sales Tax 386,403 386,403

TDS 16,612 16,612

Total -----
431,024 -----
431,024

HINDUSTAN AGRIGENETICS LIMITED
REGD OFFICE: 806, MEGHDOOT, 94, NEHRU PLACE
NEW DELHI - 110019**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2014**

Sr. No	Particulars	Notes	Year ended 31.03.2014 (₹)	Year ended 31.03.2013 (₹)
I	Revenue from operations	15	581,425	519,950
II	Other non- operating income	16	490,619	862,239
III	Total Revenue (I +II)		1,072,044	1,382,189
IV	Expenses:			
	Cost of materials consumed	17	123,700	122,250
	Purchase of Stock in trade		-	-
	Manufacturing & Operating expenses	18	440,996	359,287
	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	158,742	217,839
	Other Administrative expenses	21	600,991	1,826,322
	Total Expenses (IV)		1,372,429	2,573,698
V	Profit before exceptional items & taxes	(III-IV)	(300,385)	(1,191,508)
VI	Exceptional Items		-	-
VII	Profit before tax	(V - VI)	(300,385)	(1,191,508)
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		(388,360)	833,964
			(388,360)	833,964
IX	Profit/(Loss) for the year	(VII-VIII)	(688,745)	(357,544)

Chartered Accountant

X	Earning per equity share:			
	(1) Basic	22	(0.16)	(0.08)
	(2) Diluted		(0.16)	(0.08)
	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: 25-05-2014****(PRITAM KAPUR)
Mg. DIRECTOR
DIN No.: 00461538****(C.P. RAJENDRAN)
DIRECTOR
DIN No.: 00153106****(RAKESH GULATI)
PARTNER
Membership No. : 084895**

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

Notes to the Financial Statements for the year ended 31st March 2014

Note 15- Revenue from Operation

Particulars	Year ended 31.03.2014 ()	Year ended 31.03.2013 ()
Revenue from operations		
Sale of Products		
Paddy Seed	581,425	519,950
	-----	-----
	581,425	519,950
	=====	=====
<u>Details of Sale of Products</u>		
Seeds	581,425	519,950
	-----	-----
	581,425	519,950
	-----	-----

Note 16- Other non- operating income

<u>Other non-operating income</u>		
Dividend From Mutual Fund	140,213	844,309
Miscellaneous Income	-	17,930
Profit on sale of mutual fund	350,406	-
	-----	-----
Total	490,619	862,239
	=====	=====

Note 17- Cost Of Material Consumed

<u>COST OF MATERIAL CONSUMED</u>		
<u>Opening Inventories</u>	-	-
<u>Add:</u>		
Purchases	123,700	122,250
	-----	-----
	123,700	122,250
<u>Less :</u>		
Closing Inventories (As valued and as certified by the Director)	-	-
	-----	-----
	123,700	122,250
Total	123,700	122,250
	=====	=====

Note 18- Manufacturing & Operating Expenses

<u>Operating Expenses</u>		
Labour Expenses	73,000	65,000
Repair & maintenance	139,296	107,287
Other Operating Expenses	228,700	187,000
	-----	-----
	440,996	359,287
	=====	=====

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

Notes to the Financial Statements for the year ended 31st March 2014

Note 19 - Employee Benefits Expenses

Particulars	Year ended 31.03.2014 (₹)	Year ended 31.03.2013 (₹)
<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	158,742	217,839
Total	158,742	217,839

Note 21 - Other Administrative Expenses

<u>OTHER EXPENSES</u>		
AGM Expenses	-	12,200
Annual Meetings	11,050	10,206
Bank Charges	1,405	-
Car Insurance	17,582	25,935
Vehicle repair & maintenance	18,442	10,457
Conveyance & Travelling	37,839	67,618
Computer Repair & Maintenance	1,022	3,600
Fuel Expenses	21,000	18,300
General & Misc Expenses	13,411	-
Office Expenses	-	12,100
Membership Fees	-	771
Loss on Sale of Fixed Asset	-	1,198,361
Postage & Telegram	22,954	1,873
Legal & Professional Expenses	186,510	114,476
Transaction Charges	33,708	33,708
Electricity Expenses	35,090	32,050
Printing & Stationery Expenses	37,421	112,012
Auditors Remuneration	22,060	22,060
Rent, Rates & Taxes	114,000	114,000
Business Promotion Expenses	11,069	6,595
Property Tax	-	30,000
TDS Penalty	9,259	-
Repair & Maintenance	7,170	-
Total	600,991	1,826,322

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

Notes to the Financial Statements for the year ended 31st March 2014

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	(688,745)	(357,544)
Weighted average number of equity Shareholders during the years (NOS)	4,400,200	4,400,200
(ii)		
(iii) Number of Equity Shares outstanding during the year	4,400,200	4,400,200
Earning per share (₹.)	(0.16)	(0.08)
(iv) Nominal Value of Shares	10/-	10/-

Note 23 - Segment Reporting

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**

The Company caters only to the needs of Indian Market and accordingly, there are no reportable 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 2014

Note 24 - Related Party disclosures

RELATED PARTY DISCLOSURES UNDER ACCOUNTING STANDARD –18

(I) In accordance with the requirement of Accounting Standard- AS -(18) on Related party Disclosures, the names of related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are :

- | | |
|--|-----|
| (A) Enterprises in which the Company control | Nil |
| Parties in respect of which the company is a joint | |
| venture | Nil |

(C) **Key Management Personnel**

<u>Key</u>	<u>Names</u>	<u>DIN Nos.</u>
Director	Sh Pritam Kapur	00461538
	Sh. C.P. Rajendran	00153106
	Sh. V.R. Rao Sreekantam	02574137
	Sh. Vinod Malhotra	06362126

- | | |
|--|-----|
| (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)	87,000	34,300
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	346,833	517,340

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 AGRIGENETICES LIMITED
REGD OFFICE : 806 MEGHDOOT , 94 NEHRU PLACE
NEW DELHI

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2014

	For the year ended 31st March 2014	For the year ended 31st March 2013
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit / (loss) before taxes & interest	(300,385)	(1,191,508)
Adjustment for:		
Depreciation	158,742	217,839
Loss on sale of assets	-	1,198,361
Profit/(loss) on sales of mutual funds	(350,406)	-
Transactions charges	-	-
Dividend from Mutual funds	(140,213)	(844,309)
	-----	-----
Operating Profit before working capital changes	(632,262)	(619,618)
	-----	-----
Adjustment for:		
Inventories	-	-
Receivables and Loans & Advances	-	-
Other Current Assets	-	771
Long Term Advances	-	(10,000)
Current Liabilities & Provisions	(122,954)	149,980
	-----	-----
Cash generated from Operations	(755,216)	(478,867)
Interest Paid	-	-
	-----	-----
Net cash from Operating Activities (I)	(755,216)	(478,867)
	=====	=====
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Sale of Fixed Assets	-	75,000
Acquisition of fixed assets including work in progress and capital advances	-	-
Sales of investments	9,499,686	-
Purchase of investments	(9,623,421)	(152,469)
Income from Investment	490,619	844,309
	-----	-----
Net Cash used in Investing Activities (II)	366,884	766,840
	=====	=====
Cash Flow after Investing Activities III = (I + II)	(388,332)	287,973

C. CASH FLOW FROM FINANCING ACTIVITIES:

Increase/(decrease) in term loan	-	-
	-	-
	-----	-----
Net Cash Flow from Financing Activities	-	-
	=====	=====
	-----	-----
Net Increase in cash and cash equivalents (A) + (B) + (C)	(388,332)	287,973
	=====	=====
Cash and cash equivalents - Opening	655,965	367,992
Cash and cash equivalents - Closing	267,634	655,965

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 : 25-05-2014

**(PRITAM KAPUR)
Mg. DIRECTOR
DIN No.: 00461538**

**(C.P. RAJENDRAN)
DIRECTOR
DIN No.: 00153106**

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

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 accrual 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 estimate and assumption to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The actual outcome may be different from the estimates. Differences between actual results and estimates are recognised in the period in which the results are known or materialise.
- 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.

2.2.2 **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.

2.2.3 **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 Written down Value 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 1961 as amended.
- 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.

Notes

Notes

PROXY FORM

Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L01119DL1990PLC040979

NAME OF THE COMPANY: HINDUSTAN AGRIGENETICS LIMITED

REGISTERED OFFICE: 806, Meghdoot, 94, Nehru Place, New Delhi - 110019

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being the member (s) of... shares of the above named Company, hereby appoint

1. Name :

Address:

E-mail Id:

Signature: _____, or failing him

2. Name :

Address:

E-mail Id:

Signature: _____ or failing him

3. Name :

Address:

E-mail Id:

Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting/ Extraordinary general meeting of the company, to be held on 30th September, 2014 at 3.00 p.m. at 806, Meghdoot, 94, Nehru Place, New Delhi - 110019 and at any adjournment therefore in respect of such resolutions as are indicated below:

Resolution No.

1

2

3

Signed this..... day of..... 2014.

Signature of the shareholder

Signature of Proxy holder(s).....

Affix Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office: : 806, Meghdoot, 94, Nehru Place, New Delhi - 110019, not less than 48 hours before the commencement 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


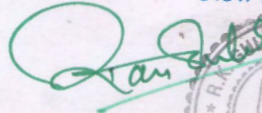
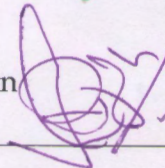

HINDUSTAN AGRIGENETICS LIMITED

CIN-L01119DL1990PLC040979, Regd. Office: 806, Meghdoot, 94 Nehru Place, New Delhi 110019

(Correspondence address: C 63, South Extension Part-II, New Delhi 110 049)

Email: hindustanagrigenetics@gmail.com, Tel: +91 98102 73609

FORM - A

1.	Name of the Company	Hindustan Agrigenetics Limited
2.	Annual Financial Statements for the year ended	31 st March, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of Observation	Repetitive
5.	To be signed by: <ul style="list-style-type: none">• CEO/Managing Director• CFO• Auditors of the Company• Audit Committee Chairman <p style="text-align: right;"> Managing Director Hindustan Agrigenetics Limited 806, Meghdoot, 94 Nehru Place New Delhi-110 019</p> <p style="text-align: center;">  </p>	

Hindustan Agrigenetics Limited
806, Meghdoot, 94 Nehru Place
New Delhi-110 019