

27th ANNUAL GENERAL MEETING

Date : 17-07-2015
Time : 10-00 a.m.
Venue : Prasanth Kuteer, Road No. 10,
Banjara Hills, Hyderabad.

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BHASKAR AGROCHEMICALS LIMITED

BOARD OF DIRECTORS : Sri P.Patabhi Rama Rao Managing Director

Sri P.Praveen Kumar Director

Dr. Aluri Naga Uma Maheswara Prasad Director

Smt. P.Rajyalaxmi Director

REGISTERED OFFICE : 25, Lal Bahadur Stadium
Hyderabad - 500 001.
Telangana

ADMINISTRATIVE OFFICE/ : 29, Lal Bahadur Stadium,
SHARES DEPARTMENT Hyderabad - 500 001.
Telangana

FACTORY : 94/1, Toophranpet,
Choutuppal Mandal,
Nalgonda Dist - 508 252,
Telangana

AUDITORS : **M/s R.Kankaria & Uttam Singhi**
Chartered Accountants
6-3-1090/C-4, Rajbhavan Road,
Hyderabad - 500 082,
Telangana

NOTICE OF THE TWENTY SEVENTH ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Seventh Annual General Meeting of the members of BHASKAR AGROCHEMICALS LIMITED will be held on Friday 17th July, 2015 at 10.00 A.M. at Prasant Kuteer, Banjara Hills, Road No.10, Hyderabad to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Profit and Loss Account for the year ended 31st March 2015 and the Balance Sheet as at that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. P. Praveen Kumar, (Din: 00353720) who retires by rotation and, being eligible, offers herself for re-appointment.
3. Appointment of Auditor

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

“RESOLVED that pursuant to the provisions of section 139 and other applicable provisions of the Companies Act., 2013 (the “Act”) read with rule 3(7) of the companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s R. Kankaria & Uttam Singhi, Chartered Accountants, (Firm Regi.No. 000442S), as the Statuary Auditors of the Company to hold office from the conclusion of this meeting (AGM) until the conclusion of the Annual General Meeting to be held in the year 2017 on such remuneration as may be determined by the Board of Directors.”

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modifications, the following resolution as **Special Resolution**:

“**RESOLVED THAT** the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute for this purpose), be and is hereby authorised, in accordance with Section 180(1)(c) of the Companies Act, 2013 (including any statutory modification or re-enhancement thereof for time being in force) and the Articles of Association of the Company, to borrow any sum are sums of money (including non fund based facility) from time to time at their discretion, for the purpose of the business of the Company, from any one or more Banks, Financial Institutions and other firms, bodies corporate, persons notwithstanding that the monies to be bor-



BHASKAR AGROCHEMICALS LIMITED

rowed together with the monies to already borrowed borrowed by the Company (apart form temporary loan obtained form the Company's Banker in the ordinary course of business) may, at any time, exceed upto a sum of Rs.20 Crores (Rupees Twenty Crores over and above the aggregate of the then paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) and that the Board of Directors be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such money to be borrowed form time to time as to interest, repayment, security or otherwise as they may in their absolute discretion think fit.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and thins as it may in its absolute discretion deem necessary, proper or desirable and to settle any questions, difficulty, doubt that may arise in respect of the borrowings(s) aforesaid and further to do all such acts, deeds, and things and to execute documents and writings as may be necessary, proper, desirable or expedite to give effect to this resolution.”

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

“RESOLVED THAT pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the shareholders of the Company be and is hereby accorded for creation by the Board of Directors on behalf of the Company, of such mortgages/ charges/ hypothecation and floating charges (in addition to the existing mortgages / charges / hypothecation created by the Company in favor of the lenders) in such form and in such manner as may be agreed to between the Board of Directors and the lenders, on all or any of the present and future immovable and / or movable properties of the company wherever situated, of every nature and kind whatsoever to secure any Indian Rupee or foreign currency loans, Debentures, advances and all other monies payable by the Company to the lenders concerned, subject, however, to an overall limit of Rs. 20 Crores (Rupees Twenty Crores Only) of loans or advances already obtained or to be obtained from, in any form including by way of subscription to debentures issued or to be issued by the Company to, any financial institutions, bank, body corporate, company, insurer or to be the general public.”

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

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, a new set of Articles of Association, placed before the Members, be and is hereby adopted and substituted in place of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to prefer and execute and such acts, deeds, matters and things, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto”.

FOR AND ON BEHALF OF THE BOARD

Place: Hyderabad
Date : 17.06.2015
Regd Office: 25, L B Stadium,
Hyderabad - 500 001
CIN: L24219TG1988PLC008331

P. PATTABHI RAMA RAO
MANAGING DIRECTOR
DIN : 00353641



BHASKAR AGROCHEMICALS LIMITED

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the Companies / bodies corporate etc., must be supported by an appropriate resolution / authority, as applicable.
2. An Explanatory Statement under section 102 of the Companies Act, 2013 is annexed hereto.
3. All documents referred to in the accompanying notice and explanatory statements are open for inspection at the Registered Office of the Company on all working days, except Saturdays, between 11.00 A.M. to 1.00 P.M.
4. The Company has not provided the facility of voting through electronic means to its shareholders as per the provisions of Section 108 of the Companies Act, 2013.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, 14 July, 2015 to Friday, 17 July, 2015 (both days inclusive)
6. As per Section 105 of the Companies Act, 2013 and relevant rules made there under, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the company carrying voting rights. Further, a member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person a proxy and such person shall not act as proxy for any other person or shareholder.

Explanatory Statement in pursuant to the provisions of section 102 of the Companies Act, 2013 in respect to the special business

Item No. 4 and 5

Increase in Borrowing Limits

In terms of the provisions of Sections 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company, cannot except with the consent of the Company in general meeting; borrow money, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of aggregate of the paid up capital and its free reserves that is to say reserves not set apart for any specific purpose. Section 180(1)(c) of the Companies Act, 2013 inter alia provides that the Board of Directors can borrow in excess of the paid up capital and its free reserve/s if authorised by members hence the resolution is proposed for approval.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) read with Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, as set out at Item No.4 & 5 of the Notice. The Board recommends these resolutions for approval by the members of the Company.

None of the Directors is in any way concerned or interest in the Resolution.

Item No. 6

The Articles of Association of the Company currently in force were originally adopted when the company was incorporated under the companies Act,1956.

With the introduction of the Companies Act, 2013, it is proposed to amend the existing Articles of Association to make it consistent with the provisions of companies Act, 2013 including the Rules framed thereunder.

A copy of the proposed set of new Articles of Association of the company would be available for inspection at the Registered Office of the Company during the business hours on any working day, up to the date of the Annual General Meeting and during the Annual General Meeting.

None of the Directors or Key Managerial Personnel and the relatives, are concerned or interested (financially or otherwise) in this Resolution.

The Board commends the Special Resolution set out at Item No.6 for the approval of Members.

For and on behalf of the Board
For **BHASKAR AGROCHEMICALS LIMITED**

P.PRAVEEN KUMAR
DIRECTOR
DIN : 00353720

P.PATTABHI RAMA RAO
MANAGING DIRECTOR
DIN : 00353641

Place: Hyderabad
Date: 17.06.2015
Regd Office: 25, L B Stadium,
Hyderabad - 500 001
CIN: L24219TG1988PLC008331



BHASKAR AGROCHEMICALS LIMITED

DIRECTORS' REPORT :

The Directors have pleasure in presenting the Annual Report of the Company, together with the financial statement, for the year ended 31st March, 2014.

FINANCIAL RESULTS:

(Rs.Lakhs)

	31st March,2015	31st March,2014
Profit / (Loss) for the year	104.77	137.63
Less : Provision for tax Last Yr	0.00	(0.22)
Profit after tax	104.77	137.41
Surplus / (Deficit) brought forward From Previous year	(1075.71)	(1213.12)
Less : Depreciation (net of deff tax) on life assets nil	(0.65)	---
Balance carried to balance sheet	(1075.71)	(1075.71)

Company Performance

During the year under review, total revenue from operations and other income of the company is Rs.2538.85 Lakhs and the profit of Rs. 104.77 Lakhs as against the previous year of Rs. 2764.23 Lakhs and Rs. 137.41 Lakhs respectively.

The company is continuously working on quality up-gradation and cost reduction plans for achieving better results.

Dividend

Your Director do not recommend any payment of dividend for the year.

Fixed deposits

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

Director's Responsibility Statement

In terms of Section 134 (5) of the Companies Act, 2013 the directors would like to state that:

i) In the preparation of the annual accounts, the applicable accounting standards have been followed.

ii) The Directors have selected such accounting policies and applied them consistently and make judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the Company for the year under review.

iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) The Directors have prepared the annual accounts on a going concern basis.

v) The directors had laid down internal financial controls to be followed by the company; and that such internal financial controls are adequate and were operating effectively.

vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

Directors :

Mr. P. Praveen Kumar, Director retires by rotation and being eligible, offers herself for reappointment.

Nature of business

There has been no change in the nature of business of Company.

Auditors :

M/s. R.Kankaria & Uttam Singhi, were appointed as Statutory Auditors of your Company at the last Annual General Meeting held on 30th September, 2014 for a term of three consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

Auditor's Report

Depreciation has not been provided on building and plant & machinery, As the Company has not used the Building and Plant & Machinery of Unit II, the depreciation has not been provided.

Gratuity is being paid and provided at the time of actual liability arises.

Secretarial Audit

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Mr. Ajay Kishen, Company Secretary in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "Annexure-3."

Observations in Secretarial Audit Report

Observation in secretarial audit report is self explanatory and need not require any further comments.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the companies (Accounts) Rules, 2014 the details of Conservation of Energy, Technology Absorption are set out in Annexure - 1 attached hereto and forms part of report.



BHASKAR AGROCHEMICALS LIMITED

Extract of Annual Return

The extract of Annual Return as on March 31, 2015 in the prescribed Form No. MGT-9, pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is attached herewith as 'Annexure -2' and forms part of this Report.

Number of Meetings of the Board

a) During the year ended March 31, 2015, 6 Board Meetings were held on 21.04.2014, 09.06.2014, 23.07.2014, 04.10.2014, 28.11.2014, 09.03.2015.

b) Director's attention record :

Name of the Director	No. of meetings held	No of Meetings attended
P Pattabhi Rama Rao	6	6
P Praveen Kumar	6	6
P Rajyalaxmi	6	6
Alluri Naga Uma Maheswara Rao	6	6

Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review

Contracts or arrangements with Related Parties under Section 188(1) of the Companies Act, 2013

There were no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

The Company has not received any significant or material orders passed by any Regulatory Authority, Court or Tribunal which shall impact the going concern status and Company's operations in future.

Subsidiary Companies, Associates and Joint Venture companies

The Company does not have any subsidiary, Associate and Joint Venture Company.

Internal Control Systems and Their Adequacy

The Company has an Internal Control System, Commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit functions is defined in the Internal Audit Manual its objectivity and independence, the Internal Audit functions reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

The Internal Audit Department monitors and evaluates, the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

Based on the report of internal audit functions, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

Industrial Relations

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

Business Risk Management

Business Risk Evaluation and Management is an ongoing process with the organisation. The Company has a robust risk management framework to identify, monitor and minimise risks as also identify business opportunities.

Industrial Relations

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

Business Risk Management

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

At present the company has not identified any element of risk which may threaten the existence of the company.

Corporate Governance

During the year under review, your Company could not comply with the mandatory clauses of the listing agreement due to industrial Sickness and lack of Staff strength.

Material changes and commitments affecting the financial position of the Company which have occurred between March 31, 2015 and 17/06/2015 (date of the Report)

There were no material changes and commitments affecting the financial position of the Company between the end of financial year (March 31, 2015) and the date of the Report (17/06/2015).



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Audit committee

The Company has not constituted audit committee.

Listing

The Shares of your Company are listed in Hyderabad, Chennai and Mumbai Stock Exchanges. The Company has not paid the Annual Listing Fees to the aforesaid Stock Exchanges.

Particulars of Employees, related disclosures and Human Resources:

The provisions of Section 197 (12) read with the relevant rules are not applicable to the Company during the year under review.

The Company continues its focus on retention through employee engagement initiatives and provides a holistic environment where employees get opportunities to realize their potential.

Corporate Social Responsibility

The provisions relating to Corporate Social Responsibility are not applicable to our company.

Acknowledgements

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous cooperation and assistance.

**For and on behalf of the Board
for BHASKAR AGROCHEMICALS LIMITED**

P.PRAVEEN KUMAR
DIRECTOR
(Din No. 00353720)

P.PATTABHI RAMA RAO
MANAGING DIRECTOR
(Din No. 00353641)

Place: Hyderabad
Date: 17.06.2015
Regd Office: 25, L B Stadium,
Hyderabad - 500 001
CIN: L24219TG1988PLC008331

Annexure - 1
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE

A. Conservation of energy
POWER & FUEL CONSUMPTION

	Current Year Ended 31.3.2015	Previous Year Ended 31.3.2014
1 Electricity (Purchased) Units (Mwh)	141.72	160.72
Total Amount (Rs. Lakhs)	13.00	14.18
Rate per Unit (Rs)	9.18	8.83
2 Electricity (Generated) units	27.00	8.11
Diesel consumed in Liters	6000	1800
Total Amount (Rs.)	371280	109728
Rate per Unit (Rs.)	13.75	13.11
3 Total Units consumed	168.72	168.83
Units consumed in per lac production		

Year

- a) Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilisation and maximum possible savings of energy is achieved.
- b) No specific investment has been made in reduction in energy consumption.
- c) As the impact of measures taken for conservation and optimum utilisation of energy are not quantitative, its impact on cost cannot be stated accurately.

B. Technology absorption

Company's products are manufactured by using in-house know how and no outside technology is being used for manufacturing activities. Therefore no technology absorption is required. The Company constantly strives for maintenance and improvement in quality of its products and entire Research & Development activities are directed to achieve the aforesaid goal.

FOREIGN EXCHANGE EARNINGS AND OUT GO

	Current Year	Previous Year
Earnings :	Nil	Nil
Out Go :	Nil	Nil



SECRETARIAL AUDIT REPORT

For The Financial Year Ended On 31st March, 2015

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To,
The Members,
Bhaskar Agro Chemicals Limited
Hyderabad

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bhaskar Agro Chemicals Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, i hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Bhaskar Agro Chemicals Limited for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; [Not applicable to the company during the Audit period].
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Since the shares of the Company are suspended by the Bombay Stock Exchange, the Company has not submitted the necessary disclosures are required under the regulations.

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; Since the shares of the Company are suspended by the Bombay Stock Exchange, the Company has not submitted the necessary disclosures are required under the regulations.

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [Not applicable to the company during the Audit period]

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; [Not applicable to the company during the Audit period].

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations. 2008; [Not applicable to the company during the Audit period].

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: [Not applicable to the company during the Audit period] and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. [Not applicable to the company during the Audit period].

(vi) Other laws applicable to the Company as per the representations made by the Management.

I / We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above except to the extent as mentioned below:

1. The Bombay Stock Exchange has suspended trading of company's shares and hence company has not complied with any of the clauses specified in the Listing Agreement.

2. The Company has accumulated losses hence the company has not appointed Independent Directors and has not constituted sub committees as stipulated in the Companies Act, 2013.



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3. The Company has sent Annual Reports to Shareholders belonging to the promoter group but has not posted Annual Reports to other Shareholders and has not complied with the provisions of Section 108 of the Companies Act, 2013 with respect to voting through electronic means.

I further report that,

The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Ajay Kishen
Practicing Company Secretary
FCS: 6298 CP: 5146

Place: Hyderabad
Date: 17/06/2015

Note : This report is to be read with my letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

'ANNEXURE A'

To,
The Members,
Bhaskar Agro Chemicals Limited
Hyderabad

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Ajay Kishen
Practicing Company Secretary
FCS: 6298 CP: 5146

Place: Hyderabad
Date: 17/06/2015

**INDEPENDENT AUDITOR'S REPORT**

To,
The Members of
M/s. Bhaskar Agrochemicals Limited.
HYDERABAD.

We have audited the accompanying financial statements of **Bhaskar Agrochemicals Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility For the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified Under Section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's

judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

The company has not provided depreciation on building and Plant & Machinery relating to Unit-II in the books of account of the company as the Unit-II is closed. Company has not made provision for gratuity in the books of account as required as per Accounting Standard -15 issued by Institute of Chartered Accountants of India.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the matter described in the basis for Qualified opinion paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31-03-2015 and its profit and its cash flows for the year ended on that date.

Report on Other Legal & Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;



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- c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement, dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) on the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 of the Companies Act, 2013; and
- f) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rule, 2014, in our opinion and to the best of our information & according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The company has not deposited the amount of Rs. 3,12,259/- pertaining to years 1994-95 & earlier period, required to be transferred, to the investors education and protection fund.

For R Kankaria & Uttam Singhi
Chartered Accountants
Firm Regi. No.: 000442S

Rajendra Kankaria
Partner
Membership No. : 022051/ICAI

Place: Hyderabad
Date: 17-06-2015

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 1 under the head "Report on other legal & regulatory requirements" of our report of even date.

- i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. All the Fixed assets have been physically verified by the management during the Year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- ii). a. The inventory has been physically verified during the year by the management in our opinion, the frequency of verification is reasonable.
- b. 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. The company is maintaining proper records of its inventory. No material discrepancies have been noticed on physical verification of stocks as compared to book records.
- iii). The company has not granted any loans secured or unsecured, to companies, firms or other parties who are covered in the register maintained under section 189 of Companies Act, 2013, accordingly Clause (iii,a) and (iii,b) of Paragraph 3 of the Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of Audit, no major weaknesses has been noticed in these internal controls.
- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year.
- vi) We have broadly reviewed the accounts and records maintained by the Company pursuant to the section 148(1) of the Companies Act, 2013 and are of the opinion that the *prima facie* the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete, as the examination of the records are to be made by a Cost Auditor.



BHASKAR AGROCHEMICALS LIMITED

- vii) (a) According to the information & explanations given to us, none of the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other Statutory Dues were outstanding as at last day of the financial year concerned for a period of more than six months except

Name of the Statute	Nature of the Dues	Amount Rs.	Period To which Amount relates	Name of the Statute
AP Vat Act.	VAT & CST	88,33,132	1998-2003	Not Paid

- (b) According to the information & explanations given to us, there is no dues in respect of disputed amount to be deposited in respect of State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other Statutory Dues as on 31st March, 2015.
- (c) According to the information and explanations given to us the amounts of Rs. 3,12,259/- pertaining to 1994-95 & earlier years, which were required to be transferred to the investor education & protection fund in accordance with the provisions of Section 205C(2) of the Companies Act, 1956 (1 of 1956) and rules made there under has not been transferred to such fund.
- viii) The Company has accumulated losses at the end of the financial year amounting to Rs. 9,71,59,202/- (Previous year Rs. 10,75,71,219/-) and the same is more than 50% of its Net worth as on 31.03.2015. and it has not incurred any cash losses in the current year or in the immediately preceding financial year.
- ix) According to the information and explanations given to us, the company has not defaulted in repayment of dues to the financial institutions, bank or debenture holders.
- x) In our opinion, and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks financial institutions or debenture holders.
- xi) To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, the term loans obtained during the year were, prima facie, applied by the Company for the purpose for which they were obtained, other than temporary deployment pending application.
- xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For R. Kankaria & Uttam Singhi
Chartered Accountants
Firm Regi. No. 000442S**

**Rajendra Kankaria
Partner
Membership No. 022051/ICAI.**

**Place: Hyderabad
Date : 17-06-2015**

BALANCE SHEET AS AT 31-03-2015				(Amount of Rs.)	
Particulars	Schedule Reference	31st March, 2015 Rupees	31st March, 2014 Rupees		
<u>EQUITY AND LIABILITIES</u>					
SHAREHOLDER'S FUND					
a) Share Capital	1	8,44,80,330		8,44,80,330	
b) Reserves & Surplus	2	-3,46,16,003		-4,50,28,020	
NON-CURRENT LIABILITIES					
Long-term borrowings	3	2,49,83,225		3,10,34,626	
Other Long term liabilities	4	19,26,087		1,67,853	
Long term provisions	5	1,62,216		1,73,003	
CURRENT LIABILITIES					
Short-term borrowings	6	12,90,000		11,25,000	
Trade payables	7	3,63,93,642		3,23,55,074	
Other current liabilities	8	2,35,88,094		2,32,75,409	
	Total	13,82,07,591		12,75,83,275	
ASSETS					
NON-CURRENT ASSETS					
Fixed assets	9				
Tangible assets		8,98,02,759		7,96,14,891	
Capital work-in-progress	10	0		26,42,799	
Long term loans and advances	11	7,33,794		2,69,300	
CURRENT ASSETS					
Inventories	12	4,10,52,984		4,24,18,763	
Trade receivables	13	48,19,091		18,96,076	
Cash and cash equivalents	14	1,67,006		44,628	
Short-term loans and advances	15	16,31,957		6,96,817	
	Total	13,82,07,591		12,75,83,275	
Accounting policies & Notes to Accounts 24					
The accompanying notes are an integral part of these financial statements As per our report of even date attached.					
for R. KANKARIA & UTTAM SINGHI Chartered Accountants Firm Regi. No. 000442S		For and on behalf of the Board for BHASKAR AGROCHEMICALS LIMITED			
RAJENDRA KANKARIA Partner M.No. 022051/ICAI Place : Hyderabad Date : 17.06.2015		P.PRAVEEN KUMAR DIRECTOR DIN : 00353720		P.PATTABHI RAMA RAO MANAGING DIRECTOR DIN : 00353641	



BHASKAR AGROCHEMICALS LIMITED

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31-3-2015			(Amount of Rs.)	
Particulars	Schedule Reference	31st March, 2015 Rupees	31st March, 2014 Rupees	
CONTINUING OPERATIONS				
Revenue from Operations				
Sales Revenue (Gross)	16	28,43,99,073	29,17,70,778	
Less : Excise Duty		<u>4,08,34,495</u>	<u>2,37,46,476</u>	
		24,35,64,578	26,80,24,302	
Job Work Charges		1,01,98,110	66,10,818	
other Income	17	1,21,919	17,87,391	
Total Revenue		<u>25,38,84,607</u>	<u>27,64,22,511</u>	
Expenses				
Cost of materials consumed	18	20,47,80,572	24,14,65,968	
Changes in inventories	19	(5,15,119)	(83,01,868)	
Employee benefit expenses	20	86,48,507	79,13,529	
Finance costs	21	2,60,719	2,65,739	
Depn. and amortization expenses	9	24,07,860	21,92,957	
Other expenses	22	2,89,07,494	1,91,22,583	
Total Expenses		<u>24,44,90,033</u>	<u>26,26,58,907</u>	
Profit before extraordinary items and tax		93,94,574	1,37,63,604	
Extraordinary Items	23	<u>-10,82,941</u>	<u>0</u>	
Profit before tax		1,04,77,515	1,37,63,604	
Tax expense :				
Current Tax		0	0	
Deferred tax		0	0	
Excess/short provision of earlier years		0	22,480	
		<u>0</u>	<u>22,480</u>	
Profit/(Loss)from the period from continuing operations		1,04,77,515	1,37,41,124	
Profit/(Loss) for the period		<u>1,04,77,515</u>	<u>1,37,41,124</u>	
Earning per equity share Basis and diluted		2.01	2.64	
Accounting policies & Notes to Accounts	24			
The accompanying notes are an integral part of these financial statements. As per our report of even date attached				
for R. KANKARIA & UTTAM SINGHI Chartered Accountants Firm Regi. No. 000442S		For and on behalf of the Board for BHASKAR AGROCHEMICALS LIMITED		
RAJENDRA KANKARIA Partner M.No. 022051/ICAI	P.PRAVEEN KUMAR DIRECTOR DIN : 00353720	P.PATTABHI RAMA RAO MANAGING DIRECTOR DIN : 00353641		
Place : Hyderabad Date : 17.06.2015				

**Schedules forming part of Balance Sheet & Profit and Loss Account
for the period from 1st April, 2014 to 31st March, 2015**

1. SHARE CAPITAL	31st March, 2015		31st March, 2014	
	Rupees	Rupees	Rupees	Rupees
Authorised Capital				
60,00,000 Equity Shares of Rs. 10/- each with voting Rights		6,00,00,000		6,00,00,000
3,25,000 Redeemable Non convertible Preference Shares of Rs.100/-		<u>3,25,00,000</u>		<u>3,25,00,000</u>
ISSUED, SUBSCRIBED AND PAID UP CAPITAL				
52,09,633 Equity Shares of Rs. 10/- each with Voting Rights		5,20,96,330		5,20,96,330
3,25,000 Redeemable Non convertible Preference Shares of Rs.100/-		<u>3,25,00,000</u>		<u>3,25,00,000</u>
PAID UP				
52,09,633 Equity Shares of Rs. 10/- each with Voting Rights	5,20,96,330		5,20,96,330	
Less : Allotment money due by others	<u>1,16,000</u>	5,19,80,330	<u>1,16,000</u>	5,19,80,330
3,25,000 Redeemable Non convertible Preference Shares of Rs.100/- each		<u>3,25,00,000</u>		<u>3,25,00,000</u>
		<u>8,44,80,330</u>		<u>8,44,80,330</u>

1.1 Reconciliation of No. of shares and amount outstanding at the beginning and at the end of reporting period.

PARTICULARS	31st March, 2015		31st March, 2014	
	No of shares	Rupees	No of shares	Rupees
Preference shares fully paid up				
Opening Balance	3,25,000	3,25,00,000	0	0
Fresh Issue	0	0	3,25,000	3,25,00,000
Closing Balance	<u>3,25,000</u>	<u>3,25,00,000</u>	<u>3,25,000</u>	<u>3,25,00,000</u>



BHASKAR AGROCHEMICALS LIMITED

SCHEDULES TO THE ACCOUNTS

1.2 Details of shares held by each shareholder holding more than 5% shares

Class of shares / name of shareholders	Number of shares held	% of holding in that class of shares	Number of shares held	% of holding in that class of shares
Equity shares with Voting rights				
Posani Bhaskar Rao & Co(P.Pattabhi Rama Rao)	8,78,833	16.87%	8,78,833	16.87%
P. Rajya Laxmi	4,04,783	7.77%	4,04,783	7.77%
C. Sai Sudha	3,59,454	6.90%	3,59,454	6.90%
P. Durgamba	3,11,680	5.98%	3,11,680	5.98%
P. Praveen Kumar	2,67,354	5.13%	2,67,354	5.13%
Preference Shares				
B & P Industries Ltd.	2,50,000	76.92%	2,50,000	76.92%
Cosmic Agro Chemicals Ltd.	75,000	23.08%	75,000	23.08%

2. RESERVES AND SURPLUS	31st March, 2015		31st March, 2014	
	Rupees	Rupees	Rupees	Rupees
Capital Reserve		4,73,81,660		4,73,81,660
Securities Premium reserve	1,52,19,539		1,52,19,539	
Less : Securities premium due	<u>58,000</u>	1,51,61,539	<u>58,000</u>	1,51,61,539
Surplus -Profit & Loss Account				
Opening Balance	-10,75,71,219		-12,13,12,343	
Add: Profit for the year	1,04,77,515		1,37,41,124	
Less: Depreciation	<u>65,498</u>		<u>0</u>	
Closing Balance		<u>-9,71,59,202</u>		<u>-10,75,71,219</u>
Total		<u>-3,46,16,003</u>		<u>-4,50,28,020</u>

3. LONG TERM BORROWINGS	31st March, 2015		31st March, 2014	
	Rupees	Rupees	Rupees	Rupees
Vehicle Term loan - Secured				
Daimler Financial Services India Pvt Ltd.	2,72,302		12,42,754	
Alphera Financial Services	6,52,183	9,24,485	0	12,42,754
Unsecured				
APGST/CST Payable -Earlier years		0		52,33,132
Intercorporate deposits				
Cosmic Agro Chemicals	1,06,91,000		1,06,91,000	
B & P Industries Ltd.	21,64,315		32,64,315	
Navayuga Engg. Co. Ltd.	<u>1,12,03,425</u>	2,45,58,740	<u>1,12,03,425</u>	2,45,58,740
Total		<u>3,10,34,626</u>		<u>3,10,34,626</u>

3.1 Vehicle loan is secured against the vehicle financed

SCHEDULES TO THE ACCOUNTS

4. OTHER LONG TERM LIABILITIES	31st March, 2015 Rupees	31st March, 2014 Rupees
Others		
Dealership Deposits	4,11,000	0
Electricity charges payable	15,15,087	1,67,853
Total	<u>19,26,087</u>	<u>1,67,853</u>

5. LONG TERM PROVISIONS	31st March, 2015 Rupees	31st March, 2014 Rupees
Provisions for employees benefits		
Gratuity payable	1,62,216	1,13,003
Total	<u>1,62,216</u>	<u>1,13,003</u>

6. SHORT TERM BORROWINGS	31st March, 2015 Rupees	31st March, 2014 Rupees
Loan Repayable on Demand -Unsecured		
From Directors	12,90,000	11,25,000
Total	<u>12,90,000</u>	<u>11,25,000</u>

7. TRADE PAYABLE	31st March, 2015 Rupees	31st March, 2014 Rupees
Sundry Creditors for Raw Material	3,39,12,479	3,01,80,434
Sundry creditors for Expenses	24,81,163	21,74,640
Total	<u>3,63,93,642</u>	<u>3,23,55,074</u>



BHASKAR AGROCHEMICALS LIMITED

SCHEDULES TO THE ACCOUNTS

7.1 Balances of trade payables are subject to confirmation. However in the opinion of the management there would not be any material impact on the Financial Statements.

7.2 Sundry creditors include Rs. Nil (Previous Year Rs.NIL) pertaining to micro small & medium enterprises to the extent such parties have been identified from the available information / documents

8. OTHER CURRENT LIABILITIES	31st March, 2015 Rupees	31st March, 2014 Rupees
Sundry Creditors for capital goods	8,31,582	4,12,009
Sundry Creditors - Statutory Remittances	2,19,129	51,655
Deffered payment liability - APGST/CST	11,98,346	36,00,000
Advance from Customers	1,96,47,088	1,78,59,292
Dividend - Unclaimed	3,12,259	3,12,259
Current Maturities of Long Term Loan-Vehicle	13,79,690	10,40,194
Total	<u>2,35,88,094</u>	<u>2,32,75,409</u>

8.1 The Unpaid dividend pertains to 1994-1995 of Rs. 1,20,890/- and for other earlier period aggregating to Rs.1,91,369/- is withdrawn from Union Bank of India. (Unpaid dividend account), the same is withdrawn and utilised by the company.

8.2 Balances are subject to confirmation. However in the opinion of the management there would not be any material impact on the Financial Statements.

SCHEDULES TO THE ACCOUNTS

9. Fixed Assets

RATE	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK		
	BALANCE AS AT 01.04.2014	ADDITIONS DURING THE YEAR	DISPOSAL DURING THE YEAR	BALANCE AS AT 31.03.2015	BALANCE AS AT 01.04.2014	EXPENSE FOR THE YEAR	ELEMINATED ON DISPOSAL OF ASSETS	BALANCE AS AT 31.03.2015	BALANCE AS AT 31.03.2014
	14,39,685	0	0	14,39,685	0	0	0	0	14,39,685
3.34%	7,29,00,369	48,96,605	0	7,77,96,974	2,11,30,289	5,50,706	0	2,16,80,995	5,61,15,979
4.75%	4,16,97,824	70,35,346	0	4,87,33,170	2,06,30,233	10,30,675	0	2,16,60,908	2,70,72,262
4.75%	1,86,040	0	0	1,86,040	19,998	19,981	0	39,979	1,46,061
16.21%	6,02,563	0	0	6,02,563	3,84,552	1,45,087	0	5,29,639	72,924
6.33%	21,15,704	0	0	21,15,704	19,06,588	23,152	0	19,29,740	1,85,964
9.50%	51,15,326	13,10,589	6,50,000	57,75,915	3,70,960	7,03,757	68,686	10,06,031	47,69,884
Total	12,40,57,511	1,32,42,540	6,50,000	13,66,50,051	4,44,42,620	24,73,358	68,686	4,68,47,292	8,98,02,759
Previous Year's Figures	10,77,75,395	1,66,65,642	3,83,526	12,40,57,511	4,24,74,237	21,92,957	2,24,574	4,44,42,620	7,96,14,891

Note : Depreciation of Rs.65,498/- has been adjusted against the opening balance of the retained earnings as at 01st April 2014 towards carrying amount of assets where the remaining useful life of assets are nil

10. Capital Work in Progress

PARTICLARS	GROSS BLOCK		
	BALANCE AS AT 01.04.2014	ADDITIONS DURING THE YEAR	ADJUSTMENTS DURING THE YEAR
Buildings	0	0	0
Plant and Equipments	26,42,799	0	26,42,799
Total	26,42,799	0	26,42,799
Previous Year's Figures	17,08,121	88,61,933	79,27,255

**BHASKAR AGROCHEMICALS LIMITED****SCHEDULES TO THE ACCOUNTS**

11. LONG TERM LOANS & ADVANCES	31st March, 2015 Rupees	31st March, 2014 Rupees
Unsecured considered Goods		
Advance towards capital purchases	2,40,445	0
Security Deposits	4,93,349	2,69,300
Total	<u>7,33,794</u>	<u>2,69,300</u>

11.1 Capital advances are subject to confirmation.

12. INVENTORIES	31st March, 2015 Rupees	31st March, 2014 Rupees
Raw Materials	2,07,75,953	1,82,09,938
Packing Material	1,11,07,612	1,55,54,525
Finished Goods	91,69,419	86,54,300
Total	<u>4,10,52,984</u>	<u>4,24,18,763</u>

12.1 Mode of Valuation of Inventories - Cost or net realisable value whichever is lower.

13. TRADE RECEIVABLES)	31st March, 2015 Rupees	31st March, 2014 Rupees
Unsecured considered Good :		
Outstanding for period exceeding six months	0	0
Others	48,19,091	18,96,076
Total	<u>48,19,091</u>	<u>18,96,076</u>

13.1 In the opinion of the Board and to the best of their information and belief, the value on realisation of sundry debtors, would not be less than the amount at which they are stated in the Balance Sheet, except to the extent considered doubtful and not provided for.

SCHEDULES TO THE ACCOUNTS

14. Cash & Cash Equivalent	31st March, 2015		31st March, 2014	
	Rupees		Rupees	
Cash on hand (Cash is certified by the management)	35,011		5,016	
Balances with scheduled banks				
In Current Account	1,31,995		39,612	
Total	1,67,006		44,628	
15. Short Term Loans & Advances	31st March, 2015		31st March, 2014	
	Rupees	Rupees	Rupees	Rupees
Unsecured, Considered Good				
Balanes with revenue authorities				
Vat Receivable	8,91,395		1,02,607	
Cenvat Credit Receivable	69,967		97,498	
Balance in PLA	2,389		11,304	
Income Tax Refund receivable	6,02,748		4,51,424	
Service Tax Credit Receivable	25,675		0	
		15,92,174		6,62,833
Sundry Advances		39,783		33,984
Total		16,31,957		6,96,817
16. Sales Revenue	31st March, 2015		31st March, 2014	
	Rupees	Rupees	Rupees	Rupees
Sales Revenue (Gross)- Domestic	28,43,99,073		29,17,70,778	
Less : Excise Duty	4,08,34,495		2,37,46,476	
		24,35,64,578		26,80,24,302
Jobwork Income		1,01,98,110		66,10,818
Total		25,37,62,688		27,46,35,120
17. Other Income	31st March, 2015		31st March, 2014	
	Rupees	Rupees	Rupees	Rupees
Rent Received		1,20,000		30,000
Interest on IT Refund		1907		0
Profit from Sale of Asset		0		41,048
Balances written off		12		17,16,343
Total		1,21,919		17,87,391



BHASKAR AGROCHEMICALS LIMITED

SCHEDULES TO THE ACCOUNTS

18. Cost of Material Consumed	31st March, 2015		31st March, 2014	
	Rupees	Rupees	Rupees	Rupees
Opening Stock	1,82,09,938		2,21,86,788	
Add: Purchase	20,73,46,587		23,74,89,118	
	<u>22,55,56,525</u>		<u>25,96,75,906</u>	
Less: Closing Stock	<u>2,07,75,953</u>		<u>1,82,09,938</u>	
		<u>20,47,80,572</u>		<u>24,14,65,968</u>
Total		<u>20,47,80,572</u>		<u>24,14,65,968</u>

19. Change in Inventories	31st March, 2015		31st March, 2014	
	Rupees	Rupees	Rupees	Rupees
Opening Stock				
Finished goods		86,54,300		3,52,432
Closing Stock				
Finished goods		<u>91,69,419</u>		<u>86,54,300</u>
Variance in Stocks		<u>(5,15,519)</u>		<u>(83,01,868)</u>

20. Employees Benefit Expenses	31st March, 2015		31st March, 2014	
	Rupees	Rupees	Rupees	Rupees
Wages	7,75,197		9,26,314	
Salaries	48,76,642		41,88,380	
Directors Remuneration	24,00,000		24,00,000	
Contribution to EPF	2,67,522		2,02,757	
Staff Welfare expenses	3,29,146		1,96,078	
Total		<u>86,48,507</u>		<u>79,13,529</u>

21. Financial Costs	31st March, 2015		31st March, 2014	
	Rupees	Rupees	Rupees	Rupees
Intrest on Vehicles	1,92,322		1,54,792	
Interest on Others	22		77,311	
Intrest on Excise	41,809		0	
Intrest on TDS	4,959		0	
Bank Charges	21,607		33,636	
Total		<u>2,60,719</u>		<u>2,65,739</u>

SCHEDULES TO THE ACCOUNTS

22. OTHER EXPENSES	31st March, 2015 Rupees	31st March, 2014 Rupees
MANUFACTURING EXPENSES		
Consumption of packing material	1,86,95,998	1,06,67,634
Power and Fuel	17,62,497	15,28,038
Freight inward and handling charges	16,70,274	10,48,218
Local Conveyance	0	1,37,529
Factory maintenance	6,22,384	5,21,443
Water Charges	3,62,197	4,27,284
Godown Maintenance Charges	0	45,600
Lab Maintenance	3,03,912	3,35,679
Repairs & Maintenance		
Buildings	4,72,805	1,08,841
Plant and machinery	8,76,308	4,23,607
Others	<u>4,60,552</u>	<u>4,69,751</u>
	18,09,665	10,02,199
Green Belt maintenance	24,950	46,391
	<u>2,52,51,877</u>	<u>1,57,60,015</u>
ADMINISTRATIVE, SELLING AND OTHER EXPENSES		
Rent	8,43,408	7,53,108
Rates & Taxes	94,109	1,28,894
Travelling & Conveyance	4,11,449	6,91,312
Auditors Remuneration	1,75,000	1,75,000
Cost Audit Fee	25,000	25,000
Consultancy Charges	96,181	1,17,701
Professional Fees	54,250	0
Vehicle Maintenance	4,05,703	3,34,889
Vehicle Insurance	2,02,496	1,18,624
Postage, Telephones & Telegrams	2,30,564	2,40,283
Printing & Stationery	1,24,123	83,026
Office Electricity Charges	99,785	1,15,363
Advertisement	95,706	38,858
Business Promotion Expenses	1,73,856	1,26,408
Field Promotional Activities	50,000	16,000
Other Expenses	5,73,987	3,98,101
Total	<u>2,89,07,494</u>	<u>1,91,22,582</u>

23. Extraordinary Items	31st March, 2015 Rupees	31st March, 2014 Rupees
Prior Period Expenditure	-10,82,941	0
Total	<u>-10,82,941</u>	<u>0</u>

**SCHEDULES TO THE ACCOUNTS****SCHEDULE - 24****DISCLOSURES OF ACCOUNTING POLICIES & NOTES ON ACCOUNTS**

Notes annexed to and forming part of Balance Sheet as at 31st March 2015 and the Statement Profit and Loss Account for the period 01-04-2014 to 31-03-2015 ended on that date:

1. SIGNIFICANT ACCOUNTING POLICIES:**1. BASIS OF ACCOUNTING :**

The company follows mercantile system of accounting and recognizes income and expenditure on accrual basis unless otherwise stated. The Financial Statements are prepared under historical cost convention and comply with applicable accounting standards issued by The Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013.

2. REVENUE RECOGNITION:

- a) Revenues from sale of goods are recognised up on passage of title to the customers which generally coincides with their delivery.
- b) Job work charges accounted at the time of dispatch to customers and are grouped under sales.

3. USE OF ESTIMATES:

The preparation of financial statements requires estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialized.

4. FIXED ASSETS :

Fixed Assets are stated at cost of acquisition inclusive of inward freight, duties and incidental expenses related to acquisition.

All Expenditure are accumulated and disclosed as capital work in progress until the assets are ready for commercial use. Assets under Work in progress are not depreciated.

5. DEPRECIATION:

Depreciation on fixed assets has been provided on the straight line Method on the basis of useful life's as prescribe in Schedule II to the Companies Act,2013, on pro-rata basis except Building & Plant and machinery of Unit II on whcih no depreciation has been provided.

6. IMPAIRMENT OF ASSETS

Management periodically assesses using external & internal sources whether there is an indication that an asset may be impaired. An impairment occurs where the carrying value exceeds the recoverable amount. The impairment loss which is excess of value carrying amount over the higher of assets net selling price or present Value of future cash flows expected to arise from the continuing use of the assets and its eventual disposal is charged to the profit & loss account in the respective years.

7. INVENTORY VALUATION:

Inventories are valued at lower of cost and net realisable value. Cost is computed on weighted average method. Cost includes purchase cost net of CENVAT credit availed and attributable expenses.

Finished goods is valued at cost or net realisable value whichever is lower. Goods in transit are valued at cost which represents the cost incurred up to the stage at which the goods are in transit.

8. EMPLOYEES BENEFITS :

- i) Short term employee benefits :
Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognized in the period in which the employees renders the related service.
- ii) Post employment benefits (defined benefit plan)
Gratuity will be provided by the company at the time of actual payment.
- iii) Post employment benefits (defined contribution plan)
Contribution to Provident fund is made in accordance with the provisions of the Employees Provident Fund and miscellaneous Act, 1952 and is treated as revenue expenditure
- iv) Long term employee benefits
The Company does not have any policy of paying leave encashment to employees

9. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

10. PROVISIONS:

Provisions are recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

11. TAXES ON INCOME:

Provisions for current tax is made considering various allowances and benefits available to the Company under Income tax law. In accordance with Accounting Standard AS 22 "Accounting for Taxes on Income" issued by Institute of Chartered Accountants of India Deferred Taxes resulting from timing differences between book profits and tax profits are accounted for at the current rate of tax to the extent the time differences are expected to be crystallized.

12. EARNINGS PER SHARE:

The earnings considered in ascertaining the EPS comprises of the Net Profit after Tax. The number of shares used in computing EPS is the total number of shares comprised in the Paid up Share Capital of the company.

II. NOTES ON ACCOUNTS:

a) CONTINGENT LIABILITIES:

- i. Estimated amount of contracts remaining to be executed on Capital account and not provided for Rs. 4,88,177/- (Previous Year Rs. Nil) net of advance.
- ii. In respect of fiscal liabilities that may arise on account on non-observance of provisions of various fiscal status, Companies Act and other related laws and interest chargeable on demand raised and not paid if any, amount is not ascertainable.



BHASKAR AGROCHEMICALS LIMITED

- b) Depreciation has been provided as per Schedule II of the Companies Act, 2013 which has been made effective from 01.04.2014. Accordingly, carrying amount of assets as on 31.03.2014 have been depreciated over the remaining useful life of the assets as prescribed in Schedule II Consequently depreciation for the year ended 31.03.2015 is lower by Rs. 4,65,432/-

Depreciation is not provided on Factory Buildings and Plant & Machinery of Unit - II as Unit is closed

- c) The Company has taken Unsecured Loans from Two Companies prior to 01.04.2014 and from Managing Director who are covered in the register maintained Under Sec. 189 of the Companies Act,2013. The Balance outstanding at the end of the year is Rs. 1,41,45,315/- (Previous Year Rs. 1,44,80,315/-). The Maximum amount involved during the year is Rs. 1,46,45,315 (Previous Year Rs. 1,44,80,315/-)
- d) No provision has been made in accounts towards gratuity, same will be accounted for at the time of actual payment.

e) RELATED PARTY DISCLOSURE :

- (i) Key Management Personal

P. Pattabhi Rama Rao

P.Rajya Laxmi

Rohini Aluri

P.Praveen Kumar

- (ii) Associated Concerns

B & P Industries Ltd.

Sl.No.	Nature of the transaction	Volume of transaction	Balance Outstanding
A	Loan Taken		
	P. Pattabhi Rama Rao	1,65,000	12,90,000 Cr.
	Loan Repaid		
	B&P Industries Ltd	5,00,000	21,64,315 Cr.
B	Remuneration Paid		
	P. Pattabhi Rama Rao	12,00,000 Salary	
	P.Praveen Kumar	12,00,000 Salary	
	Rohini Aluri	4,80,000 Salary	
f)	As the Company's business activity falls within single segment viz. Pesticides, the disclosure requirements of Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.		
g)	The Company has not provided for deferred Tax Liability / Asset on account of carried over loss adjustable for calculation of Income Tax Liability/Assets, not ascertained and taken into account, due to uncertainty.		

SCHEDULES TO THE ACCOUNTS

h) Particulars of Payments to Auditors

	For the year ended 31.03.2015	For the year ended 31.03.2014
Audit fees	1,50,000	1,50,000
Tax Audit Fees	25,000	25,000

i) Particulars of Payments to Directors

	For the year ended 31.03.2015	For the year ended 31.03.2014
Directors Remuneration	24,00,000	17,00,000

j) Value of Raw Material Consumed

	For the year ended 31.03.2014		For the year ended 31.03.2013	
	Value	%	Value	%
Imported	0	0	0	0
Indigenous	22,34,76,570	100	25,21,33,602	100
Total	22,34,76,570	100	25,21,33,602	100

k) Expenditure in foreign currency

Purchases	Nil	Nil
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l) Earnings in foreign currency

FOB Value of exports	Nil	Nil
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m) Comparative figures of the previous year, wherever necessary have been regrouped to confirm with those of the current year.

As per our report of even date attached
for **R. KANKARIA & UTTAM SINGHI**
Chartered Accountants
Firm Regi. No. 000442S

**For and on behalf of the Board
for BHASKAR AGROCHEMICALS LIMITED**

RAJENDRA KANKARIA
Partner
M.No. 022051/ICAI

P.PRAVEEN KUMAR
DIRECTOR
DIN : 00353720

P.PATTABHI RAMA RAO
MANAGING DIRECTOR
DIN : 00353641

Place : Hyderabad
Date : 17.06.2015

**BHASKAR AGROCHEMICALS LIMITED****CASH FLOW STATEMENT AS PER THE CLAUSE 32 OF THE LISTING AGREEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

PARTICULARS	AS AT 31.03.2015	AS AT 31.03.2014
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit after tax and extraordinary items	1,04,77,515	1,37,41,124
Adjustments for depreciation	24,07,860	21,92,957
Interest	2,60,719	2,65,739
Preliminary expenses written off	0	0
Profit/loss on sale of fixed assets	1,81,314	-41,048
Operating profit before working capital charges	1,33,27,408	1,61,58,771
Adjustments for trade and other receivables	-43,22,647	10,37,791
Inventories	13,65,779	-80,68,856
Trade payables	60,98,700	89,49,167
Cash generated from operations	1,64,69,240	1,80,76,873
Interest paid	68,397	1,10,947
Direct taxes paid	0	0
Cash flow after extraordinary Items	1,64,00,843	1,79,65,926
Net cash from operating activities	1,64,00,843	1,79,65,926
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchases of fixed assets	-1,05,99,741	-1,76,00,320
Advances received towards sale of fixed assets	0	0
Sale of fixed assets	4,00,000	2,00,000
Purchase of investments	0	0
Interest Paid	-1,92,322	-1,54,792
Net cash used in investing activities	-1,03,92,063	-1,75,55,112
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceed from issue of share capital	0	0
Investments subsidy received	0	0
proceed from long term borrowings	-58,86,401	-4,17,945
Principle waiver of Loans	0	0
Dividend paid	0	0
Net cash used in financing activities	-58,86,401	4,17,945
Net increase in cash and cash equivalents	1,22,379	-7,131
Cash and cash equivalents as at opening balance	44,628	51,760
Cash and cash equivalents as at closing balance	1,67,006	44,628

- a) The Comparative figures for the previous year have been re-arranged to conform with the revised presentation of the accounts
- b) The above cash flow statement has been prepared using the 'indirect Method' as set out in the Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

For and on behalf of the Board
For BHASKAR AGROCHEMICALS LIMITED

Place : Hyderabad
Date : 17.06.2015

P.PRAVEEN KUMAR
DIRECTOR
DIN : 00353720

P.PATTABHI RAMA RAO
MANAGING DIRECTOR
DIN : 00353641

AUDITORS CERTIFICATE

The above Cash Flow statement has been compiled from and is based on the audited accounts of Bhaskar Agrochemicals Limited for the period ended 31st March 2014 reported upon by us on 23rd July, 2014. According to the information and explanation given together with notes thereon, the aforesaid Cash Flow statement has been prepared pursuant to Clause 32 of the Listing Agreement with Stock Exchange and the real location required for the purpose are as made by the Company.

for **R.KANKARAIA & UTTAM SINGHI**
Chartered Accountants
Firm Reg. No.: 000442S

Place : Hyderabad
Date : 17.06.2015

RAJENDRA KANKARIA
PARTNER
Member ship No. 022051 / ICAI

BHASKAR AGROCHEMICALS LIMITED

29, Lalbahadur Stadium, Hyderabad 500 001.

ATTENDANCE SLIP

Please bring this Attendance slip and hand it over at the Entrance of Prasanth kuteer, Banjara Hills, Road No.10, Hyderabad.

--

I hereby record my presence at the 27th Annual General Meeting held at Prasanth Kuteer, Banjara Hills, Road No.10, Hyderabad.

Signature of the Member of Proxy

Shares Held	Folio No.

PROXY

I/We _____
_____ of _____

in the District of _____

Being a member(s) of the above named Company hereby appoint _____

Of _____ In the District of _____ or failing him _____

Of _____ in the District of _____ as my/our Proxy to vote for me/us on my behalf at the 27th Annual General Meeting of the Company to be held on 17th July, 2015 at 10.00 a.m. and at any adjournment thereof.

Signed this _____ day of _____ 2015

Folio No.

affix
Rs.1/-
Revenue
Stamp
Signature

Notes :

1. The Proxy to be valid should be deposited at the Administrative Officer of the 29, Lal Bahadur Stadium, Hyderabad-500 001 not later than 48 hours.
2. The Proxy should be executed on Rs.1/- Revenue Stamp.