

HEMO ORGANIC LTD

(Formally named as Dinesh Allorga Ltd.)

22th ANNUAL REPORT : 2013-14

Registered Office

8-A, Gulnar Chinar – Gulnar Appartment,

Anand-V.V.Nagar Road,

Anand-388 001 (Gujarat)

Factory

Lunej – 388 620. Ta – Khambhat,

Dist – Anand, Gujarat

HEMO ORGANIC LIMITED

Board of Directors	:	Dr. Dineshrai S. Patel <i>Chairman and Managing Director</i>
		Mrs. Sona D. Patel: Director
		Mr. Pankaj R. Patel: Director
		Mr. Krushnakant R. Patel: Director
		Mrs. Kinnari S. Patel: Director
Statutory Auditors	:	Darji and Associates Chartered Accountants. Anand.
Company Law Consultant	:	D. G. Bhimani & Associates Company Secretaries. Anand.
Bankers	:	State Bank of India
Registered Office	:	S-A. 'GULNAR', Gulnar - Gulnar Apartment Anand - V V Nagar Road Anand - 388001
Works	:	At & Post: Lunej 388620 Tal: Khamohat Dist: Anand

**TO THE SHAREHOLDERS
NOTICE :**

Notice is hereby given that 22nd Annual General Meeting of HEMO ORGANIC LIMITED will be held on Tuesday, 30th September, 2014 at 11.00 a.m. at 201, Sigma, Opp. Pragati Mandal, Vallabh Vidyanagar - 388120 to transact the following ordinary and special business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date togetherwith the Reports of Auditors and Directors' Report thereon.
2. To appoint auditors and fix their remuneration.
3. To appoint director in place of Mrs. Kinnari S. Patel (DIN 02889405), who retire by rotation and being eligible, offer herself for re-appointment.

SPECIAL BUSINESS :

4. To consider and if thought fit, to pass, with or without modification, following resolution as an Ordinary Resolution.

"RESOLVED THAT

pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, and Clause 49 of the Listing Agreement entered into with the BSE Ltd, Mr. Pankaj R. Patel (DIN 02889398), an Independent Director of the Company and whose term of office was whose term of office was liable to be determined by retirement of director by rotation in accordance with the erstwhile applicable provisions of the Companies Act, 1956 and rules made there under, is appointed as an Independent Director of the Company to hold the office for five consecutive years for a term up to the conclusion of the 22nd Annual General Meeting of the Company for the financial year ended on 31st March 2014."

5. To consider and if thought fit, to pass, with or without modification, following resolution as an Ordinary Resolution.

"RESOLVED THAT

pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, and Clause 49 of the Listing Agreement entered into with the BSE Ltd, Mr. Krushnakant R. Patel (DIN 005007736), an Independent Director of the Company and whose term of office was liable to be determined by retirement of director by rotation in accordance with the erstwhile applicable provisions of the Companies Act, 1956 and rules made there under, is appointed as an Independent Director of the Company to hold the office for five consecutive years for a term up to the conclusion of the 22nd Annual General Meeting of the Company for the financial year ended on 31st March 2014."

**FOR AND ON BEHALF OF THE BOARD
For HEMO ORGANIC LIMITED**

Place : Anand
Date : 28.05.2014

**Dr. Dinesh Patel
Chairman & Managing Director**

HENO ORGANIC LIMITED

NOTES :

- (A) A MEMBER ENTITLED TO ATTEND VOTE AT THE MEETINGS IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND, AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF, AND A PROXY NEED BE A MEMBER. PROXY IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- (B) Register of members and share transfer books of the company shall remain closed from 24.09.2014 to 30.09.2014 (both days inclusive).
- (C) **The Process for e-voting:**

Step 1: Open your web browser during the voting period i.e. 25.09.2014 at 10 a.m. to 26.09.2014 at 6 p.m. log on to the e-voting website www.evotingindia.com.

Step 2: Click on "shareholders" to cast your vote(s)

Step 3: Please enter user ID-

- For account holders in CDSL :- Your 16 Digit beneficially ID
- For Account holders in NSDL :- Your 8 character DP ID followed by 8 digits Client ID
- Members holding shares in physical Form should enter folio no registered with the company.

Step 4: Enter the image verification as display and click on login

Step 5: If you are holding shares in demat form and had logged on to www.evotingindia.com and Voted on an earlier voting of any company then your existing password is to be used.

Step 6: If you are a first time user follow the steps given below:

- 6.1 Enter your 10 digit alpha numeric PAN issued by income tax department.
For members who have not updated their PAN with the depository participant are requested to use the first 10 letters of the name and the last 8 digits of the clients ID demat account/ folio no in the PAN field. In case the folio no is less than 8 digits enter the applicable no of 0's before the no after the first two characters of the name in CAPITAL letters. E.g. if your name is Rameshkumar with folio no 100 then enter RA00000100 in the PAN field. Please note - If your name in the Register of Members of the Company starts with any Prefix like "Dr.", "Mr.", "Mrs.", "Shri", "Smt." etc., then please use the first two letters of the Prefix. If the second letter in your name contains any special character, then use the number 0 in its place. For exact name, please refer the Address Slip.
- 6.2 Enter the Date of Birth (DOB) recorded in the demat account or registered with the Company for the demat account in DD/MM/YYYY format
- 6.3 Enter your Bank details (Account Number) recorded in the demat account or registered with the Company for the demat account.
* Any one of the details i.e. DOB or Bank details should be entered for logging into the account. If Bank details and Date of Birth are not recorded with the Depository or Company please enter the number of shares held by you as on the cut off date 29th August, 2014 in the bank details field.

Step 7: After entering these details appropriately, click on "SUBMIT" tab

Step 8: First time user holding shares in Demat form will now reach Password Generation menu wherein they are required to create their login password in the password field. Kindly note that this password is to be also used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. If Demat account holder has forgotten the changed password then Enter the user ID and the image verification code and click on Forgot Password and enter the details as prompted by the system. Members holding shares in Physical form will then directly reach the Company selection screen.

Step 9: Click on the Electronic Voting Sequence Number i.e. 140828054 of the Company "Hemo Organic Limited" to vote.

Step 10: On the voting page, you will see Resolution description and against the same the option 'YES/NO' for voting. Select the relevant option as desired Yes or NO and click on submit.

Step 11: Click on the Resolution File Link if you wish to view the Notice.

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- Step 12:** After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- Step 13:** Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

NOTE :

- (I) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <http://www.evotingindia.co.in> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
 - In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- (II) Voting will be based on the holding as on record date. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity shares capital of the Company.
- (III) The Company has appointed Mr. Dinesh G. Bhimani, Practicing Company Secretary, Anand. (Membership No. ACS 12192 and CPNo. 6628) as Scrutinizer for conducting the e-voting process in the fair and transparent manner.
- (IV) Members can vote during e voting period only.
- (V) The result of voting will be announced by the Chairman of the Meeting on or after the 22nd Annual General Meeting to be held on Tuesday, 30th September, 2014. The result of the voting will be communicated to the Stock Exchange.
- (D) The relative explanatory statements pursuant to Section 102 of the Companies Act, 2013 are attached herewith and form part of this Notice.

EXPLANATORY STATEMENTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4 : Mr. Pankaj R. Patel is associated with Company as a Non-Executive Independent Director since July 20, 2006. Mr. Pankaj R. Patel master degree in Business Administration (MBA) and is associated with private medical healthcare hospital and has a wide expertise and experience in various fields of management and administration. He had been appointed as a Director liable to retire by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, in terms of Section 149 and any other applicable of the Companies Act, 2013, the tenure of Mr. Pankaj R. Patel as an Independent Director is proposed to be amended and he shall hold office for five consecutive years for a term up to the conclusion of the 27th Annual General Meeting of the Company for the financial year ended on 31st March 2019. He is not director / committee member in any other company.

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In the opinion of the Board, Mr. Pankaj R. Patel fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Pankaj R. Patel as an Independent Director setting out the terms and conditions is available for inspection at the Registered Office of the Company between 2.00 pm and 5.00 pm on all working days (except Saturdays, Sundays and Public Holidays) up to the date of the Annual General Meeting.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Pankaj R. Patel as an Independent Director, for the approval by the shareholders of the Company. Except Mr. Pankaj R. Patel, none of the Directors or Key Managerial Persons or their relatives are in any way interested or concerned in the resolution.

Item No. 5 : Mr. Krushanakant R. Patel is associated with Company as a Non-Executive Independent Director since July 20, 2006. Mr. Krushanakant R. Patel is a commerce graduate and has wide experience in various fields of finance and administration. He had been appointed as a Director liable to retire by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, in terms of Section 149 and any other applicable of the Companies Act, 2013, the tenure of Mr. Krushanakant R. Patel as an Independent Director is proposed to be amended and he shall hold office for five consecutive years for a term up to the conclusion of the 27th Annual General Meeting of the Company for the financial year ended on 31st March 2019. He is not director / committee member in any other company.

In the opinion of the Board, Mr. Krushanakant R. Patel fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Krushanakant R. Patel as an Independent Director setting out the terms and conditions is available for inspection at the Registered Office of the Company between 2.00 pm and 5.00 pm on all working days (except Saturdays, Sundays and Public Holidays) up to the date of the Annual General Meeting.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Krushanakant R. Patel as an Independent Director, for the approval by the shareholders of the Company. Except Mr. Krushanakant R. Patel, none of the Directors or Key Managerial Persons or their relatives are in any way interested or concerned in the resolution.

**FOR AND ON BEHALF OF THE BOARD
For HEMO ORGANIC LIMITED**

Place : Anand
Date : 28.05.2014

Dr. Dinesh Patel
Chairman & Managing Director

HEMO ORGANIC LTD.

DIRECTORS' REPORT

Dear Members

Your Directors have pleasure in presenting their 22nd Annual Report together with the Audited Statement of Accounts for the Financial Year ended on 31st March, 2014.

(1) FINANCIAL AND WORKING RESULTS :

PARTICULARS	2013-2014 [Rs.]	2012-2013 [Rs.]
Profit (Loss) Before Depreciation	1297908	75655
Less: Depreciation	943566	943567
Profit (Loss) Before Tax	354342	(766105)
Less: Provision for Tax	7793	(53869)
Profit (Loss) After Tax	362135	(7612236)
Add: Balance brought forward	(19577084)	(11964847)
BALANCE CARRIED TO BALANCE SHEET	(19214949)	(19577084)

- (2) **PERFORMANCE**
During the year under review, company's total income was increased from 60.19 lacs to Rs. 70.98 lacs. However the loss was increased from Rs. 1.86 lacs to Rs. 19.10 lacs. Your directors expect better results in the next year.
- (3) **DIVIDENDS**
In view of past loss during the year, your Directors do not recommend any dividend for the year.
- (4) **DIRECTORS:**
Mrs. Kinshu S. Patel, director of the company retire by rotation and being eligible, offer herself for re-appointment. Your directors recommend her appointment.
Mr. Pankaj R. Patel and Mr. Krishnakant R. Patel, the existing Independent Directors of the Company are required to be appointed the Independent Directors in accordance with the provisions of the Companies Act, 2013. The said Directors have provided declaration of compliance with provisions of the Companies Act, 2013 relating to their independence.
- (5) **DEPOSITS:**
During the year the Company has not accepted any deposit under section 58A of the Companies Act, 1956.
- (6) **PARTICULARS OF EMPLOYEES:**
There was no employee drawing remuneration of Rs.24,00,000 or more per annum or Rs 2,00,000 per month for any part of the year hence no particulars have been furnished as required under section 217(2A) of the Companies Act, 1956.
- (7) **PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO: NIL**
- (8) **DIRECTORS RESPONSIBILITY STATEMENT:**
(i) Your directors have followed the applicable accounting standards along with proper explanation relating to material departure preparing the annual accounts.
(ii) Your directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and the profit of the company for that period.
(iii) Your directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
(iv) Your directors have prepared the annual accounts on a going concern basis.
- (9) **CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION ANALYSIS REPORT:**
A Report on Corporate Governance and compliance certificate there upon and also a Management Discussion Analysis Report annexed hereto this Report.
- (10) **AUDITORS:**
M/s. Darji & Associates, Chartered Accountants, V. V. Nagar, retire at the ensuing Annual General Meeting and being eligible offered themselves for re-appointment as the Statutory Auditors in accordance with Section 139 of the Companies Act, 2013. Statutory Auditors shall hold office for a tenure of three years from conclusion of the ensuing Annual General Meeting; provided appointment shall be notified every year in each annual General Meeting.
The Notes to the Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any comments.
- (11) **COMPLIANCE CERTIFICATE:**
As required under Section 383A of the companies Act, 1956, necessary Compliance Certificate issued by D. G. Rhimani & Associates attached herewith and form part of directors' report.
- (12) **ACKNOWLEDGEMENTS:**
Your Directors wish to thank the Banks, Dealers, Customers, Suppliers and Shareholders for their continued support. Your directors take this opportunity to record their appreciation for the contributions made by all the employees to the operations of the Company during the year.

Place: Anand
Date: 28.05.2014

FOR AND ON BEHALF OF THE BOARD

Dr. Dinesh Patel Sonal D. Patel
(C.M.D.) Director

HEMO ORGANIC LIMITED

CORPORATE GOVERNANCE REPORT

Company Philosophy

The Company is committed to good Corporate Governance and endeavors to implement the Code of Corporate Governance spirit.

The philosophy of your company in relation to Corporate Governance is to ensure transparency in all its operations, make disc and enhance shareholder value without compromising in any way in compliance with laws and regulations.

Your Company believes that good governance brings about sustained corporate growth and long term benefits for stakeholders. Company continuous to follow procedures and practices in conformity with the Code of Corporate Governance as enunciated Listing Agreement. Details of the implementation of the Code follow in the paragraphs below.

Board of Directors

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last General Meeting, as also the number of Directorship and Committee Membership held by them in other companies are given below.

Name of Directors	Category of Directorship	No. of Meetings Attended	Attended at Last AGM	No. of other Directorship held	Membership held in Committee	Chairmans p held in Committee
Dr. Dinesh S. Patel	Chairman and Managing Director	5	Yes	0	0	0
Mrs. Sonal D. Patel	Director	5	Yes	0	0	0
Mr. Pankaj R. Patel	Independent Director	5	Yes	0	0	0
Mr. Krushankant R. Patel	Independent Director	5	Yes	0	0	0
Mrs. Kinnari S. Patel	Independent Director	5	Yes	0	0	0

Number of Board Meetings with Dates

No. of Board Meetings	Date of Meetings
1st	29.05.2013
2nd	15.06.2013
3rd	13.07.2013
4th	11.11.2013
5th	03.02.2014

Audit Committee

Terms of reference :

The rule and terms of reference of Board Audit Committee cover areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms as may be referred by the Board of Directors.

Composition :

The Audit Committee was formed on 30/09/2003. The Committee comprises of two independent non executive Directors and one Executive Director. Committee met Four times during the year and the attendance of the Members at the meetings was as follows :

Name of Member	Status	Category	No. of Meetings Attended
Mr. Pankaj R. Patel	Chairman	Independent Director	4
Mrs. Sonal D. Patel	Member	Director	4
Mr. Krushankant R. Patel	Member	Independent Director	4

HEMO ORGANIC LIMITED

Shareholders / Investors Grievance Committee

The Committee looks into the redressed of Shareholders' and Investors' complaints on transfer of shares, non-receipt of A Report / Dividend, etc.

During the year, the company had not received any complaint from the shareholders.

Details of last three Annual General Meetings :

(i) Details of location and time of last three Annual General Meetings of the Company are given below:

Financial Year	Date	Time	Type	Location
2010-11	30.09.2011	11.00 a.m.	AGM	201, Sigma, Opp. Pragati Mandal V.V.Nagar – 388120.
2011-12	29.09.2012	11.00 a.m.	AGM	201, Sigma, Opp. Pragati Mandal V.V.Nagar – 388120.
2012-13	31.07.2013	11.00 a.m.	AGM	201, Sigma, Opp. Pragati Mandal V.V.Nagar – 388120.

(ii) Postal Ballot: No business has been transacted using Postal Ballots for voting at the aforesaid Meetings.

(iii) Special Resolutions: In the Annual General Meeting for the year 2012-13 held on 31.07.2013, one special was passed for approval of change of name of the Company.

CEO/CFO CERTIFICATION

The Managing Director (de-facto Chief Executive Officer and the Chief Financial Officer) of the Company has certified to the Board regarding review of financial statements for the year, compliance with the Accounting Standards, maintenance of internal control for financial reporting, accounting policies, etc.

CODE OF CONDUCT

The Board has laid down a Code of Conduct for all the Board Members and the Senior Management personnel of the Company. All the Board Members and the Senior Management personnel have affirmed their compliance with the Code.

Disclosures

- A) Basis of related party transactions : There are no materially significant transaction with related parties i.e. Promoters , Directors or the Management , their subsidiaries or relatives conflicting with the interest of the Company.
- B) Disclosure of Accounting Treatment : The Company has followed all relevant Accounting Standards while preparing Financial Statements.
- C) Board disclosures : The Board of the Company has laid down a Risk Management Plan and the procedures to inform Board Members about the risk assessment and minimization procedures, which are periodically reviewed to ensure executive management controls risk through means of a properly defined framework.
- D) Remuneration of Directors : Non-Executive Directors do not receive any remuneration from the Company.
- E) Management : The Management Discussion & Analysis Report pertaining to external and internal environment of the Company has been annexed herewith.
- F) Shareholders : Your Company has a Stake Holder Relationship Committee for resolution of any query of the Shareholders.
- G) Compliances: There were no instances of non-compliance or any matter related to the capital markets during the last Three Years .

Means of Communication

It is Company's belief that all stakeholders should have access to adequate information regarding the Company's position to enable them to accurately assess its future potential . In accordance with the SEBI and Stock Exchange Commission (SEBI) guidelines, all information which could have a material bearing on Company's share price is released at the earliest through leading domestic agencies . Company's quarterly results are published .

HEMO ORGANIC LIMITED

General Shareholders Information

Annual General Meetings :

Date and venue 22nd Annual General Meeting :

The 22nd Annual General Meeting of Company will be held on 30th September, 2014 at 11.00 a.m. at 201 , Sigma, 2nd Floor, Opp. Pragati Mandar, V.V.Nagar - 388120 .

Financial Calendar : April 1 to March 31

Book Closure Date : 24th September, 2014 to 30th September, 2014.

Listing at Stock Exchanges and Stock Code : BSE Limited , Mumbai

The requisite listing fee paid by company for the F.Y. 2014-15 to the Stock Exchange .

Registrar and share Transfer Agents

MCS LIMITED, Neelam Apartment , 88 , Sampatrao Colony, Alkapuri ,Vadodara (Gujarat)

Share Transfer System

The transfer of Shares in Physical form is processed and completed by MCS LIMITED Within the prescribed period from the date of receipt thereof .

In case of shares in electronic form , the transfers are processed by NSDL and CDSL through the respective Depository Participants . As per SEBI Guidelines , the Company offers Transfer - cum - Demat facility under which after the share transfer is effected , an option letter is sent to the transferees including the details of the shares transfer and informing him that if he desires , he may demat the shares by submitting the letter along with Demate Request Form (DRF) to his depository participant (DP) , who in turn will forward the same to the Company / RTA . On receipt of said documents , the Company / RTA will demate the shares . If he does not exercise his option within 1 month from the date of the offer , Share Certificates are dispatched to him .

Distribution of Shareholding

Distribution as on 31st March , 2014 .

Number of Shares	Number of Shareholders	% of Shareholders	Total number of shares	% holding
1 to 500	1150	65.6393	278653	8.0398
501 to 1,000	284	16.2100	243979	7.0394
1,001 to 2,000	132	7.5342	210792	6.0819
2,001 to 3,000	59	3.3676	148125	4.2738
3001 & Above	127	7.2489	2584351	74.5651
TOTAL	1752	100.00	3465900	100.00

Plant Location : At & Post : Lunej, Ta . Cambay, Dist. Anand, Gujarat

Address for Correspondence

For both Physical and Electronic form :

For any assistances regarding correspondence dematerialization of shares , Share transfers , Transactions , Change of Address non- receipt of Dividend or any other query , Relating to shares .

MCS LIMITED

Neelam Apartment , 88 , Sampatrao Colony,
Alkapuri ,Vadodara (Gujarat)

Registered Office:

8-A, "GULNAR",
Chinar - Gulnar Apartment
Anand - V V Nagar Road
Anand - 388001.

HEMO ORGANIC LTD
AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the members of HEMO ORGANIC LTD

We have examined the compliance of conditions of Corporate Governance by HEMO ORGANIC LTD for the year ended 31st March, 2014, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges of India.

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 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 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.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

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, Darji & Associates
Chartered Accountants, Reg. No. 116519(W)

CA L.B. Darji, Partner, M. No. : 030992

Place : Anand

Date : 28/05/2014

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

- A) Industry structure and Development**
Your Company has suffered a loss due to over all depression. To save the company from incurring further losses, the company had developed and started production and market herbal medicine.
- B) Opportunities, Threats, Risk and Concerns**
Your company always try to find the opportunities in the industry through its strength, technology edge and management expertise. These opportunities will be linked directly to the growing demand from the customers.
The threats for your company would come from adverse fluctuation in input and capital cost, tax and duties.
Availability of skilled manpower and contractor work force may lead to adverse factor to the growth of the company.
Your company has identified the major thrust areas to concentrate on, which it believes to be critical to achievement of organizational goals. A well defined structure has been laid down to assess, monitor and mitigate risk associated with these areas.
- C) Outlooks for 2014-15**
Your directors look for better prospects in the coming year.
- D) Internal Control Systems and their adequacy**
We have strong integrated systems which is adequate for our class of business.
- E) Discussion on Financial Performance with respect to the Operational Performance**
During the year under review, your company incurred a loss, because of old loan and advances debit are right of as loses and depreciation block otherwise company has not made any cash lose
- F) Material Developments on Human Resources**
Long term agreements have been concluded with all the concerned levels of employees. We have been having excellent co-operation and support from the entire hierarchy of personnel, resulting in a sharp improvement in productivity during the current year.

HEMO ORGANIC LIMITED

Independent Auditors' Report

To the Members of Hemo Organic Limited formerly named as Dinesh Allorga Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Hemo Organic Ltd formally Named as Dinesh Allorga Limited** ("the company") which comprise the Balance Sheet as at **31st March, 2014**, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error..

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
 - (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

HEMO ORGANIC LIMITED

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified paragraphs 4 and 5 of the Order.
8. As required by Section 227(3) of the Act, we report that:
- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

**For Darji & Associates
Chartered Accountants
(Registration No. 116519W)**

**Date : 28.05.2014
Place : V.V.Nagar**

**CA L.B. DARJI
Partner
M.No. 030992**

HEMO ORGANIC LIMITED

ANNEXURE TO AUDITORS REPORT

- D) In respect of fixed assets.
- The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - According to the information and explanation given to us, the fixed assets were physically verified by the management in accordance with the programmed of verification, which in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. The discrepancy noticed on physical verification was not material and have been properly dealt with in the books of accounts.
 - During the year, the Company has disposed off Land admeasuring 6240.75 SQ Meter out of total land admeasuring 8915 SQ Meter which may affects the going concern status of the Company.
- II) In respect of inventories:
- The Company has conducted physical verification of inventories at reasonable intervals during the year.
 - In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of its inventories and no material discrepancies were noticed on physical verification.
- III) In respect of loans, secured or unsecured, granted or taken by the Company to/from Companies, firms or other parties covered in the register maintained under Section 301 Companies Act, 1956.
- The Company has not granted any loans, secured or unsecured to the companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of sub-clause (b), (c) and (d) of clause 4(iii) of the order are not applicable to the Company.
 - The Company has taken unsecured loans amounting to Rs.1Lakh from one party covered in the register maintained under section 301 of the Companies Act,1956. The maximum amount outstanding during the year and also the year end balance was Rs. 4.66Lakh
 - The rate of interest and other terms & conditions on which loan have been taken are not prima facie, prejudicial to the interest of the Company.
 - The payment to the principal amount and the interest was regular during the year.
- 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 inventories, fixed assets and for sale of goods.. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control procedures.
- V) In respect of transaction entered in the register maintained in pursuance of Section 301 of Companies Act, 1956.
- In our opinion and according to the information and explanations given to us, there are no transactions that requires to be entered into a register maintained under section 301 of the Companies Act,1956.
 - There are no transactions of purchase and sales of goods, materials and services made in pursuance of contracts or arrangements entered in the register under section 301 of the Companies Act,1956,aggregating during the year to Rs.5,00,000 or more in respect of each party.

HEMO ORGANIC LIMITED

Company CIN : L24231GJ1992PLC018224
Authorized Share Capital : Rs. 3,50,00,000.
Paid up Capital : Rs. 3,46,59,000

COMPLIANCE CERTIFICATE

To
The Members
HEMO ORGANIC LIMITED.
ANAND

I have examined the registers, records, books and papers of HEMO ORGANIC LIMITED, As required to be examined under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum of Association and Articles of Association of the Company for the financial year ended on 31st March, 2014. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officials and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Regional Director, Central Government.
3. The Company being a public limited company, comments are not required. However, the company's capital is more than a minimum required.
4. The Board of Director duly met 5 times respectively on 29.05.2013, 15.06.2013, 13.07.2013, 11.11.2013, 03.02.2014 in respect of which meeting proper notices were given and the proceedings were properly recorded and signed in the Minutes Books maintained for the purpose. No circular resolutions were passed by the Company during the year.
5. The Company has closed its Register of Members from 24.07.2013 to 31.07.2013 during the year as required under section 154 of the Companies Act, 1956.
6. The annual General Meeting for the Financial year ended on 31.03.2013 was held on 31.07.2013 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. There was no Extra Ordinary General Meeting during the year.
8. The Company has not advanced any loan to its directors or persons or firms or companies referred to under Section 295 of the Act is not applicable.
9. The Company has not entered any contracts 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.
11. During the year under review, there were no instances falling within the purview of Section 314 of the Act, and the Company was not required to obtain necessary approvals from the Board of Director, members and approval of the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. (i) The Company has not allotted any shares during the year.
(ii) The Company has not declared any dividend during the financial year.

HEMO ORGANIC LIMITED

- VI) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore, the provisions of clause 4 (vi) of the Order are not applicable to the Company.
- VII) The Company does not have an Internal Audit System.
- VIII) The Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Act for any of its products. Therefore, the provisions of clause 4 (viii) of the Order are not applicable to the Company.
- IX) In respect of statutory and other dues:
- a. The Company has been generally during the year in depositing with appropriate authorities, undisputed dues including Provident Funds, Investor Education & Protection Fund, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Cess any other statutory dues applicable to it.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Funds, Investor Education & Protection Fund, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Cess were in arrears, as at 31st March, 2014 for a period of more than six months from the date of they become payable.
- c. According to the information and explanations given to us, there are no dues of salestax, Incometax, Customduty, Wealthtax, Excise Duty and Cess etc.
- X) The Company has an accumulated losses exceeding more than 50% of its net worth as on March 31,2014 at the end of the financial year. The Company has not incurred cash loss during the financial year covered by the audit. The Company has incurred Cash loss in immediately preceding financial year.
- XI) The Company has not defaulted in repayment of dues to financial institutions or bank.
- XII) The Company has not granted any loans and advances on the bases of security by way of pledge of shares, debentures or other securities.
- XIII) The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.
- XIV) The Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4 (xiv) of the Order are not applicable to the Company.
- XV) The Company has not given guarantee for loans taken by others from banks or financial institutions.
- XVI) In our opinion, the Company has not raised any term loan during the year. The term loans outstanding at the beginning of the year have been applied for the purposes for which it was raised.
- XVII) According to the cash flow statements and overall examination of the balance sheet of the Company and explanations given to us, on an overall basis, funds raised on short-term bases have not, prima-facie, been used during the year for long-term investment.
- XVIII) The Company has not made any preferential allotment of shares during the year.
- XIX) The Company has not issued any secured debentures during the year.
- XX) The Company has not raised any money by public issue during the year.
- XXI) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For Darji & Associates
Chartered Accountants
(Registration No. 116519W)

CA L.B. DARJI
Partner
M.No. 030992

Date : 28.05.2014
Place : V.V.Nagar

HEMO ORGANIC LIMITED

31. As per information given to us, there was no prosecution initiated against or show cause notices received by the Company during the financial year, for offences under the Act.
32. As per information given to us, the Company has not received any money as security from its employees during the financial year.
33. As informed to us, the company has not constituted Provident Fund Trust for its employees and as such Section 418 of the Act is not applicable to the company.

ANNEXURE A

Registers maintained by the Company

Sr. No.	Name of Register	Section
1	Register of Members	150
2	Minutes Book containing minutes of Board Meeting and General Meeting	193
3	Books of Accounts	209
4	Register of Directors, etc.	303
5	Register of Director's Shareholding	307
6	Register of charge	125

ANNEXURE B

Forms and returns filed by the Company

Sr. No.	Form No.	Filed w/s	For	Date of Filing	Whether filed within time	If delay
1	FORM 23AC AND 23ACA	220	31.03.2013	10.12.2013	--	YES
2	FORM 20B	159	31.07.2013	29.09.2013	YES	--
3	FORM 66	383A	31.07.2013	16.08.2013	YES	--
4	FORM 1A	21	--	16.08.2013	YES	--
5	FORM 1B	21	16.08.2013	16.08.2013	YES	--
6	FORM 23	192	31.07.2013	05.08.2013	YES	--
7	FORM 1A	21	--	02.06.2013	YES	--
8	FORM 17	138	10.12.2013	19.12.2013	YES	--
9	FORM 17	138	10.12.2013	19.12.2013	YES	--

Place : Anand

Signature :

Date : 20.05.2014

Name : For D. G. Bhimani & Associates
(Dinesh G. Bhimani)
C.P. No. 6628

HEMO ORGANIC LIMITED

- (iii) The Company was not required to post warrant to any members of the company as no dividend was declared during the financial year.
 - (iv) The Company has not transferred any 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 period of Seven years to Investor Education and Protection Fund as the same was not required.
 - (v) The Company has duly complied with the requirement of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and no new appointment was made except reappointment of director who liable to retire by rotation at AGM during the year.
 15. Since the paid up capital of the company is less than Rs. 5 crore, Section 269 is not applicable. However, the Board has appointed and designated one of the directors as the Managing Director.
 16. The Company has not appointed any sole selling agents during the year.
 17. The Company was required to obtain approvals of the Central Government, therefore it has Make an application to the concerned Registrar of Companies for obtaining Central Government's approval to the change of name of the company, under provisions of section 21 of the Act.
 18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
 19. The company has not issued any shares, debentures or any securities during the financial year.
 20. The Company has not bought back any shares during the year.
 21. There was no redemption of preference shares or debentures during the year.
 22. There were no transactions necessitating the company to keep in abeyance right to dividend, right shares and bonus shares, pending registration of transfer of shares.
 23. The Company has not invited / accepted any deposit including any unsecured loans falling within the purview of Section 58A of the Act during the financial year.
 24. The amount borrowed by the company during the financial year together with the moneys borrowed are within the limit as prescribed under Section 293(1)(d) of the Act.
 25. The Company has not made any loan or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
 26. The Company has not altered the provisions of the Memorandum of Association with respect to Situation Clause 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 of Association with respect to Object Clause of the Company during the year under scrutiny.
 28. The Company has altered the provisions of the Memorandum of Association with respect to Name Clause of the Company by making Changed of name from DINESH ALLORGA LIMITED to HEMO ORGANIC LIMITED during the year under scrutiny.
 29. The Company has not altered the provisions of the Memorandum of Association with respect to Share Capital of the Company during the year.
 30. The Company has altered its Articles of Association with respect to change of name during the year under scrutiny.

Hemo Organic Limited formerly named as Dinesh Allorga Limited
Balance Sheet as at 31st March 2014

Particulars	Note No.	31st March,2014 Rupees	31st March,2013 Rupees
EQUITY AND LIABILITIES			
(1) Share Holders' funds :			
(a) Share capital	2	3,40,07,500.00	3,40,07,500.00
(b) Reserves and surplus	3	-1,92,14,948.85	-1,95,77,084.00
(c) Money received against share warrants		----	----
(2) Share application Money pending allotment		-----	-----
(3) Non-current liabilities :			
(a) Long - term borrowings	4	-----	13,36,384.00
(b) Deferred tax liabilities (Net)		-----	-----
(c) Other Long-term liabilities		-----	-----
(d) Long - term provisions		-----	-----
(4) Current liabilities :			
(a) Short - term borrowings	5	4,65,821.00	6,56,710.00
(b) Trade payables	6	7,80,784.00	-----
(c) Other current liabilities*	7	5,94,932.00	11,48,484.00
(d) Short - term provisions		-----	-----
TOTAL		1,66,34,088.15	1,75,71,994.00

As Per our Report Attached
For Darji & Associates
Chartered Accountants
(Registration No.116519W)

For and on behalf of the Board
For Hemo Organic Ltd
Formerly Named as Dinesh Allorga Limited

CA. L.B.Darji
Partner
M.No.030992

Dr Dinesh Patel
Chairman & Managing Director

Mrs. Sonal D. Patel
Director

Date :28/05/2014
Place: V.V.Nagar

Date : 28/05/2014
Place: Anand

Hemo Organic Limited
Balance Sheet as at 31st March 2014

Particulars	Note No.	31st March, 2014 Rupees	31st March, 2013 Rupees
II. ASSETS			
(1) Non - current assets :			
(a) Fixed assets :			
(i) Tangible assets	8	1,12,21,615.59	1,23,27,198.00
(ii) Intangible assets			---
(iii) Capital work - in - progress			---
(iv) Intangible assets under development			---
(b) Non - current investments			
(c) Deferred Tax assets (Net)	9	14,05,154.66	13,97,362.00
(d) Long - term loans and advances	10	4,82,065.00	4,33,765.00
(e) Other non - current assets	11	1,18,739.00	1,18,739.00
(2) Current Assets :			
(a) Current investments		----	----
(b) Inventories	12	45,635.00	----
(c) Trade receivables	13	31,06,770.60	20,84,513.00
(d) Cash and cash equivalents	14	1,79,276.65	10,87,997.00
(e) Short - term loans and advances	15	74,831.65	1,22,420.00
(f) Other current assets			----
TOTAL		1,66,34,088.15	1,75,71,994.00

As Per our Report Attached
For Darji & Associates
Chartered Accountants
(Registration No.116519W)

For and on behalf of the Board
For Hemo Organic Ltd
Formerly Named as Dinesh Allorga Limited

CA. L.B.Darji
Partner
M.No.030992

Dr Dinesh Patel
Chairman & Managing Director

Mrs. Sonal D. Patel
Director

Date : 28/05/2014
Place: V.V.Nagar

Date : 28/05/2014
Place: Anand

Hemo Organic Limited formerly named as Dinesh Allorga Limited
Cash Flow Statement for the year 2013-14

	2013-14 Rupees	2012-13 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per Profit and Loss Account	3,62,135.15	(76,12,236.00)
Adjustment for:		
Depreciation and Amortization Expense	9,43,566.75	9,43,567.00
Diminution in value of Investment		---
Finance cost	1,84,339.84	3,47,881.00
Deferred Tax	(7,792.66)	-53,869.00
Operating Profit before Working Capital Changes	14,82,249.08	-63,74,657.00
Adjusted for:		
Trade and Other Receivables	(10,22,257.75)	20,93,707.00
Inventories	(45,635.00)	4,28,628.00
Trade and Other Payables	7,80,784.00	1,66,611.00
Other Current Liabilities	(5,53,552.00)	(8,40,660.75)
Cash Generated from Operations	6,41,588.33	(36,85,711.00)
Taxes Paid	---	---
Net Cash from Operating Activities	6,41,588.33	(36,85,711.00)
B: CASH FLOW FROM INVESTING ACTIVITIES:		
Movement in Loans and Advances	47,588.35	41,13,732.00
Sale of Fixed Assets	1,62,015.51	
Net Cash (used in) Investing Activities	2,09,603.86	41,13,732.00
C: CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of Long Term Borrowings	(13,36,384.00)	(3,83,460.00)
Short Term Borrowings (net)	(1,90,889.00)	2,04,845.00
Interest Paid	(1,84,339.84)	(3,47,881.00)
Long Term Loan & Advances	(48,300.00)	
Net Cash (used in) / from Financing Activities	(17,59,912.84)	(5,26,496.00)
Net Increase in Cash and Cash Equivalents	(9,08,720.65)	(98,475.00)
Opening Balance of Cash and Cash Equivalents	10,87,997.00	11,86,472.00
Closing Balance of Cash and Cash Equivalents	1,79,276.65	10,87,997.00

As Per our Report Attached
For Darji & Associates
Chartered Accountants
(Registration No.116519W)

CA. L.B.Darji
Partner
M.No.030992
Date: 28.05.2014
Place: V.V.Nagar

For and on behalf of the Board
For Hemo Organic Ltd
Formerly Named as Dinesh Allorga Limited

Dr Dinesh Patel
Chairman & Managing Director

Mrs. Sonal D. Patel
Director
Date: 28.05.2014
Place: V.V.Nagar

HEMO ORGANIC LIMITED

Note 1

SIGNIFICANT ACCOUNTING POLICIES:

- 1) **Basis of Accounting:**
Financial statements are prepared under historical cost convention on accrual basis in accordance with the requirements of the Companies Act, 1956.
- 2) **Use of Estimates:**
The presentation of financial statements requires estimates and assumptions to be made that affect 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 result and estimates are recognized in the period in which the results are known / materialized.
- 3) **Fixed Assets:**
Fixed Assets are stated at historical cost net of Cenvat credit / Value Added Tax, including appropriate direct and allocated expenses less accumulated depreciation and impairment losses, if any. Self constructed assets are capitalized at factory cost.
- 4) **Valuation of Inventories:**
Inventories are valued at lower of costs or estimated net realizable value. The cost of inventories is arrived at on the following basis:

Raw Material and Stores	:	Weighted Average Cost
Stock-in-process	:	Raw Material at Weighted Average Cost & absorption of Labour And Overhead
Finished Goods	:	Raw Material at Weighted Average Cost & absorption of Labour And Overhead

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.
- 5) **Foreign Currency Transactions:**
 - (a) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
 - (b) Any income or expense on account of exchange difference on settlement is recognized in the profit and loss Account.
- 6) **Depreciation:**
Depreciation has been provided at the rate specified in Schedule XIV (as amended) of the Companies Act, 1956 on SLM method. Depreciation on additions during the year is provided on pro rata time basis.
- 7) **Recognition of Revenue:**
The company recognizes sales on the basis of actual delivery of the goods. Sales are recorded at invoice values net of excise duties, value added tax and trade discounts. The purchases are recorded at the invoice value. All expenses and income to the extent considered payable and receivable respectively are accounted for on mercantile basis except encasement of leave salary and interest on income tax refunds which are treated on cash basis.

HEMO ORGANIC LIMITED

8) Employee Benefits:

Post-employment benefit plans:

a) **Defined Contribution Plan:** Contribution for Provident Fund is not recognized since the provisions of Provident Act are not applicable to the Company.

b) **Defined Benefit Plan:** The liabilities in respect of gratuity is not recognized since the provisions of respective are not applicable to the Company.

Short-term employee benefits: All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences, etc. and the expected cost of bonus, ex-gratia, are recognized in the period in which the employee renders the related services.

9) Borrowing Cost:

Interest on borrowings, if any, attributable to acquisition of qualifying Assets are capitalized and included in the cost of the asset, as appropriate.

10) Earnings Per Share:

Basic Earnings per share is calculated by dividing the Net Profit after tax attributable to the equity shareholders by the weighted average number of Equity Shares outstanding during the year.

11) Taxation:

Provision for income-tax is made on the basis of estimated taxable income for the year. Deferred tax resulting from timing differences between the book and tax profits is accounted for under the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallize.

12) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes to financial statements. Contingent assets are neither recognized nor disclosed in the financial statements. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

13) Impairment of Asset:

An asset is treated as impaired when the carrying amount of the asset exceeds its estimated recoverable value. Carrying amounts of fixed assets are reviewed at each balance sheet date to determine indications of impairment, if any, of those assets. If any such indication exists, the recoverable amount of the asset is estimated and an impairment loss equal to the excess of the carrying amount over its recoverable value is recognized as an impairment loss. The impairment loss, if any, recognized in prior accounting period is reversed if there is a change in estimate of recoverable amount.

HEMO ORGANIC LIMITED

Note 2

Share Capital & Share warrants

(Amt. in Rupees)

(a) Share Capital		As at 31 st	As at 31 st
		March, 2014	March, 2013
Authorised			
3500000	Equity Share of Rs. 10 each	3,50,00,000.00	3,50,00,000.00
Issued, Subscribed and Paid up			
3500000	Equity Share of Rs. 10 each	3,46,59,000.00	3,46,59,000.00
		3,46,59,000.00	3,46,59,000.00
Less: calls in arrears		6,51,500.00	6,51,500.00
Total		3,40,07,500.00	3,40,07,500.00

2.1 Details of Shareholders holding 5% shares:

Name of Shareholder	As at 31 st March, 2014		As at 31 st March, 2013	
	No of Shares	% held	No of Shares	% held
Dr. Dinesh S.Patel	536940	15.49	536940	15.49

2.2 The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31 st	As at 31 st
	March, 2014 No of Shares	March, 2013 No of Shares
Equity shares at the beginning of the year	35,00,000.00	35,00,000.00
Equity shares at the end of the year	35,00,000.00	35,00,000.00

Note 3

Reserves and Surplus

(Amt. in Rupees)

	As at 31 st	As at 31 st
	March, 2014	March, 2013
Balance at Beginning-Loss	-1,95,77,084.00	-1,19,64,847.00
Profit/(Loss) for the Year	3,62,135.15	-76,12,237.00
Balance as on 31.03.2012	-1,92,14,948.85	-1,95,77,084.00

Note 4

Long Term Borrowings

(Amt. in Rupees)

	As at 31 st March, 2014		As at 31 st March, 2013	
	Current	Noncurrent	Current	Noncurrent
Secured				
Term Loans-from bank	-----	-----	----	13,36,384.00
Total	-----	-----	----	13,36,384.00

HEMO ORGANIC LIMITED

4.1 Secured by hypothecation of all machineries & equipments purchased out of bank finance & further secured by equitable mortgage of a residential plot R S no.1240/5 situated At: Jitodig Ta- Dist:Anand admeasuring 11.5 gunthas in the name of Shri Ashwinbhai R. Patel & personal guarantee of Dr Dinesh S.Patel Chairman & Managing Director, Sonal D. Patel Director, & Ashwinbhai R. Patel.

4.2 Maturity Profile of Unsecured Term Loans are as set out below :

	Maturity Profile	
	2013-14	2014-15
Term Loans- from banks	687600	366120

Note 5

Short Term borrowings

(Amt. in Rupees)

	As at 31 st March,2014	As at 31 st March,2013
Secured		
Loans Repayable On Demand	-----	-----
From bank	-----	2,90,889.00
Unsecured		
Other loan & advances*		
From Relatives	4,65,821.00	3,65,821.00
Total	4,65,821.00	6,56,710.00

*Includes loan from directors

Note 6

Trade Payable

(Amt. in Rupees)

	As at 31 st March,2014	As at 31 st March,2013
Trade Payable	7,80,784.00	
Total	7,80,784.00	

6.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with company as under

(Amt. in Rupees)

Particulars	As at 31 st March,2014	As at 31 st March,2013
Principal amount due and remaining unpaid	----	----
Interest due on above and the unpaid interest	----	----
Interest paid	----	----
Payment made beyond the appointed day during the year	----	----
Interest due and payable for the period of delay	----	----
Interest accrued and remaining unpaid	----	----
Amount of further Interest due and payable in succeeding year	----	----

HEMO ORGANIC LIMITED

Note 7

Other Current Liabilities

(Amt. in Rupees)

	As at 31 st March, 2014	As at 31 st March, 2013
Current Maturities Term Loans Refer Note no. 3	-----	4,42,857.00
Other Payables*	5,94,932.00	6,77,945.00
Trade Payable		
Interest Accrued and due on Borrowings	-----	27,682.00
Total	5,94,932.00	11,48,484.00

* Includes statutory dues, creditors for Expenses and advance from Customers.

Note 9

Deferred Tax Assets

(Amt. in Rupees)

	As at 31 st March, 2014	As at 31 st March, 2013
Depreciation and amortization	14,05,154.6 6	13,97,362.0 0
Total	14,05,154.66	13,97,362.00

Note 10

Long-term Loans and Advances

(Amt. in Rupees)

	As at 31 st March, 2014	As at 31 st March, 2013
(Secured Considered Good)		
Deposits	2,66,235.00	2,66,235.00
Advance Income Tax (Net of Provision)	96,000.00	96,000.00
(Unsecured Considered Good)		
Capital Advances	-----	-----
Other Loans and Advances*		71,530.00
- MAT	71,530.00	
- TDS Receivable	48,300.00	
Total	4,82,065.00	4,33,765.00

*For which no provision has been made in the Account.

Note 11

Other non-current assets

(Amt. in Rupees)

	As at 31 st March, 2014	As at 31 st March, 2013
(Unsecured Considered Good)		
Long term trade receivables Vidhyanagar Pigment Pvt. Ltd	1,18,739.00	1,18,739.00
Total	1,18,739.00	1,18,739.00

Note 12

Inventories

(Amt. in Rupees)

	As at 31 st March, 2014	As at 31 st March, 2013
Stock in Trade - FG	17,635.00	-----
Raw Materials	28,000.00	-----
Finished Goods	-----	-----
Total	45,635.00	-----

HEMO ORGANIC LIMITED

Note 13

-(Amt. in Rupees)

Trade receivables	As at 31 st March, 2014	As at 31 st March, 2013
(Unsecured and Considered Good)		
Over Six months	20,56,417.60	9,57,707.00
Others	4,54,501.00	4,54,501.00
(Unsecured and Considered doubtful)		
Others	5,95,852.00	6,72,304.00
Total	31,06,770.60	20,84,512.00

*For which no provision has been made in the Account.

Note 14

(Amt. in Rupees)

Cash & cash equivalents	As at 31 st March, 2014	As at 31 st March, 2013
Balances with Banks:		75,553.00
Bank Balance	98993.10	
GPCB Bank Gaurantee	75000.00	
Cash on hand:	5,283.55	10,12,439.00
Total	1,79,276.65	10,87,997.00

Note 15

(Amt. in Rupees)

Short-term loans & advances	As at 31 st March, 2014	As at 31 st March, 2013
(Unsecured Considered Good)		
Loans And Advances to Related Parties - Jayesh Kachiya	27,000.00	27,000.00
Others - VAT Receivables	47,831.65	47,120.00
(Secured Considered Good)		48,300.00
Total	74,831.65	1,22,420.00

Note B
Fixed Assets

	(Amt. in Rupees)										
	Gross Block			Depreciation			Net Block		Upto 31.03.2014	As on 31.03.2014	As on 31.03.2013
	As at 01.04.2013	Additions	Deduction	As at 01.04.2013	For the Year	Deduc- tion	Upto 31.03.2014	As on 31.03.2014			
Tangible Assets											
Freehold land	2,32,110.00	0	1,62,015.51	70,094.49					70,094.49		2,32,110.00
Buildings**	1,13,87,927.00	0	0	1,13,81,927.00	3,80,157.36	0	53,18,737.72	60,63,139.28	60,63,139.28		64,43,346.88
Plant & Machinery	1,75,55,060.00	0	0	1,15,55,060.00	5,48,864.00	0	65,15,285.35	50,39,774.65	55,31,639.00		55,31,639.00
Electrical Installation	1,21,937.00	0	0	1,21,937.00	5,792.00	0	91,523.01	30,413.99	36,268.00		36,268.00
Equipments*	18,697.00	0	0	18,697.00	888.00	0	13,022.11	5,674.89	6,053.00		6,053.00
Furniture & Fixture	1,24,245.00	0	0	1,24,245.00	7,865.00	0	1,11,776.71	12,469.00	20,313.00		20,313.00
Total	2,34,33,976.00	0	0	2,32,71,960.49	9,43,566.36	0	1,20,50,344.90	1,12,21,615.59	1,23,27,197.00		1,32,70,764.00
Previous Year	2,34,33,976.00	0	0	1,01,63,212.00	9,43,566.36	0	1,11,06,779.00	1,23,27,197.00	1,32,70,764.00		1,32,70,764.00

* Lab equipments, ** Buildings include Tube Well

HEMO ORGANIC LIMITED

Note 16

Sale of Product & Services

(Amt. in Rupees)

	2013-14	2012-13
Sale of Products (Net)	67,90,515.00	50,66,069.00
Income from Job work services	-----	5,11,933.00
Packing & Forwarding IncomeP	307916.00	1,58,696.00
Sale of Product & Service (Net)	70,98,431.00	57,36,698.00

Note 17

Other Income

(Amt. in Rupees)

	2013-14	2012-13
Rent Income	-----	2,70,000.00
Credit balances written back	-----	-----
Interest Income From Deferred Tax	-----	12,744.00
Rebate & Discount	145.15	-----
Total	145.15	2,82,744.00

Note 18

Raw Material Consumed

(Amt. in Rupees)

	2013-14	2012-13
Opening Stock	-----	424732.00
Add: Purchases	8,23,966.75	-----
Less: Closing Stock	28,000.00	-----
Total	7,95,966.75	4,24,732.00

18.1 Cost of Raw Material Consumed

(Amt. in Rupees)

	2013-14		2012-13	
		% of Consum.		% of Consum.
Indigenous	7,95,966.75	100.00	4,24,732.00	100.00
Imported	-----	-----	-----	-----
Total	7,95,966.75	100.00	4,24,732.00	100.00

18.2 Particulars of Material Consumed

(Amt. in Rupees)

Particulars	2013-14	2012-13
Bio Mass	-----	4,24,732.00
Pharma Product	16,192.22	-----
Packing Material Cpasule	38,772.00	-----
Total	38,772.00	4,24,732.00

Note19

Purchase Of Stock In Trade

(Amt. in Rupees)

Particulars	2013-14	2012-13
Purchase Of Stock In Trade	56,11,214.45	31,18,451.00
Total	56,11,214.45	31,18,451.00

HEMO ORGANIC LIMITED

Note 20

Changes in Inventories of Finished Goods, Stock-in -Process, Stock in Trade (Amt in Rupees)

	2013-14	2012-13
Inventories (at close)	----	
<u>Finished Goods/Stock in Trade :</u>		----
At the Beginig	(17,635)	
At the End		
Inventories (at commencement)		
Finished Goods/Stock in Trade	----	3895.00
Total	(17,635.00)	3895.00

Note 21

Employee Benefit Expenses

(Amt. in Rupees)

	2013-14	2012-13
Salaries, Wages , Dearness Allowance & Bonus	12,78000.00	10,56,900.00
Total	12,78000.00	10,56,900.00

Note 22

Finance Costs

(Amt. in Rupees)

	2013-14	2012-13
Bank Charges		
C.C. Loan Interest	8,718.84	
Term Loan Interest	37,672.00	3,36,450.00
	1,37,949.00	
Total	1,84,339.84	3,36,450.00

Note 23

Depreciation & Amortisation Expenses

(Amt. in Rupees)

	2013-14	2012-13
Depreciation and Amortisation	9,43,566.36	9,43,567.00
Total	9,43,566.36	9,43,567.00

Note 24

Other Expenses

(Amt. in Rupees)

	2013-14	2012-13
Power & Fuel		----
Repair to Building		----
Repair to Other Item		----
Repair to Plant & Machinery		27,000.00
Advances Written Off		----
Interest receivable written off		----
Diminution in value of long-term investment		----
Other Expenses (W.N. 3)	46,524.00	1,33,280.00
Professional Fee	1,26,241.00	1,17,135.00
Auditor Remuneration	28,000.00	44,944.00
Accounting Fees	12,000.00	
Total	2,12,765.00	3,22,359.00

HEMO ORGANIC LIMITED

24.1 Value of Import on CIF basis in respect of (Amt. in Rupees)

	2013-14	2012-13
Raw Materials and Stock-in-Trade	----	----
Stores, Chemicals and Packing Materials	----	----
Capital goods	----	----

24.2 Payment to Auditor as (Amt. in Rupees)

	2013-14	2012-13
(a) Auditor		
Statutory Audit fees	32000.00	32000.00
Tax audit fees	----	----
Taxation Matter	7500.00	7500.00
Service Tax	4944.00	4944.00
Total	44944.00	44944.00

24.3 Expenditure In Foreign Currency (Amt. in Rupees)

	2013-14	2012-13
Royalty	----	----
Know-how	----	----
Professional & Consultation fees	----	----
Interest	----	----

Note 25

Exceptional Items (Amt. in Rupees)

	2013-14	2012-13
Write Off A/C	----	74,79,193.00
Total	----	74,79,193.00

Note 26

Earning Per Share (Amt. in Rupees)

	2013-14	2012-13
Net Profit after tax as per statement of Profit & Loss attributed to Equity Shareholder	----	----
Weighted Average Number of equity shares under as denominator for calculating EPS	----	----
Basic and Diluted Earning per Share	----	----
Face value per Equity Shares	10.00	10.00

Note 27

Earning In Foreign Exchange (Amt. in Rupees)

	2013-14	2012-13
FOB value of exports	----	----

Note 28

Remittance in Foreign Currency on Account of Dividend (Amt. in Rupees)

	2013-14	2012-13
a) Number of Non Resident Shareholders		----
b) Number of Equity Shares held by them		----
c) Amount of Dividend Paid		----

HEMO ORGANIC LIMITED

Note 29 Related Party Disclosure

Related Party disclosure as required by AS-18, are given below:

I) Relationship:

- a) Subsidiary of the Company > Nil
- b) Associates and Joint Ventures > Nil
- c) Individual having control / significant influence > Mr. Dr.Dinesh S. Patel (Managing Director)
- d) Key Managerial Personnel > Mr.Dr.Dinesh S. Patel (Managing Director)
- e) Relatives of Key Managerial Personnel > Sonal D. Patel (Spouse)
- f) Enterprises over which (c), (d) & (e) above have significant influence > Nil

II) Transactions during the year with related parties:

(Amt. in Rupees)

No.	Nature of Transaction	Enterprise covered in (f) above		Relatives covered in (e) above		Key Managerial Personnel	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
1	Remuneration	5,77,000.00	---	---	360000	---	360000
2	Net Loans & Advances Given /(return)	---	---	---	---	---	---
3	Loan Repayment	---	---	---	---	---	73179
4	Sales of Fixed Assets (Factory Land)	---	---	162015.51	---	---	---

The Company has sold land measuring 6240.75 SQ meter from total 8915 SQ meter during the year to Mrs.Sonal D Patel Director of the company.

Note 30

As The Company's business activity, in the opinion of the management, falls within a single primary segment subject to the same risk and return, the disclosure requirement of Accounting Standard AS-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India are not applicable.

HEMO ORGANIC LIMITED

**Note 31
CONTINGENT LIABILITIES AND COMMITMENTS**

	2013-14	2012-13
Contingent Liabilities		
(a) Claims against the Company/disputes & liabilities not acknowledge against debt	----	----
(b) Guarantee	----	----
(II) Commitments		
(a) Estimated amt. of contract remaining to be executed on capital advance	----	----
(b) Other commitments	----	----

**As Per our Report Attached
For Darji & Associates
Chartered Accountants
(Registration No.116519W)**

**For and on behalf of the Board
For Hemo Organic Ltd
Formerly Named as Dinesh Allorga Limited**

**CA. I.B.Darji
Partner
M.No.030992**

**Dr Dinesh Patel
Chairman & Managing Director**

**Date :28/05/2014
Place: V.V.Nagar**

**Mrs. Sonal D. Patel
Director
Date : 28/05/2014
Place: Anand**

Registered Office : 8-A, "GULNAR", Chinari - Gulnar Apartment, VVNagar Road, Anand - 388 001.

Please Complete this Attendance Slip and hand it over at the entrance of meeting hall. Joint Share Holders may obtain additional attendance slip on request.

Name & Address of the Shareholders

 L.F.No./ DPID & Client ID
 No. of Shares Held

hereby record my presence at the 22nd Annual General Meeting of the Company held on 30.09.2014 at 11.0 A.M. at 201, Sigma, Opp. Pragati Mandal, Vallabh Vidyanagar - 388120.

Signature of the Share holders / Proxy

Tere here

FORM NO. MGT - 11 - PROXY FORM

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

Name & Address of Shareholder	Regd. Folio No.
E-mail ID	DPID & Client ID.
No. of Share Held	

I/We, being the member(s) of HEMO ORGANIC LIMITED hereby appoint.

1. Name :

Address :

Email ID :

Signature : or falling him

2. Name :

Address :

Email ID :

Signature : or falling him

3. Name :

Address :

Email ID :

Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the AGM of the Company, to be held on the Tuesday, 30th September, 2014 at 11.00 a.m. at Vallabh Vidyanagar and at any adjournment thereof in respect of such resolution as is indicated below:

Resolution No.	Resolution Details	I assent	I dissent
1	Adoption of Financial Statements for the year 2013-2014 togetherwith Report of the Auditor and Directors		
2	Appoint Director in place of Mrs. Kinnari S. Patel		
3	Appointment of Statutory Auditor		
4	Appointment of Mr. Pankaj R. Patel as Independent Director		
5	Appointment of Mr. Pankaj R. Patel as Independent Director		

Signed this _____ day of _____ 2014

 Affix a
 1 Re.
 Revenue
 Stamp
Signature of shareholder : _____ Signature of 1st Proxy holder(s) : _____Signature of 2nd Proxy holder(s) : _____ Signature of 3rd Proxy holder(s) : _____

HEMO ORGANIC LIMITED

(Formally Named as Dinesh Allorga Limited)

CIN : L24231GJ1992PLCO18224 ***** Website : www.hemoorganicltd.com ***** Mo.No.9426075525

Regd. Office : 8-A, Gulnar, Chinar-Gulnar Apartment, V.V.Nagar Road, ANAND-388001
Factory : At.& Po. LUNEJ-388620, Ta.Khambhat, Di.Anand (Gujarat)

FORM - B

1	Name of the company	HEMO ORGANIC LIMITED
2	Annual financial statements for the year ended	31.03.2014
3	Type of Audit Qualification	Subject to sale of land.
4	Frequency of Qualification	First time
5	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	Clause (I)(c) of CARO Report on fixed asset on page No. 12 of Annual Report relating to sale of land which may affect going concern status of the Company. The sale of land consist unused open land having no construction and plant & machinery thereon.
6	Additional comments from the board/audit committee chair:	The sale of land consist unused open land having no construction and plant & machinery thereon. Sale proceed was utilized to repay the Bank borrowing.

For Hemo Organic Ltd.

KRS

(Dr. D. S. Patel)
MD/CFO



P. Patel

(Mr. Pankaj-R. Patel)

Chairman Audit Committee

Auditor's Sign

For Darji & Associates
Chartered Accountants
(FRN 116519W)



CA LB Darji
M. No 030992