

# 2011-2012 22<sup>nd</sup> ANNUAL REPORT



*Basant Agro Tech (India) Limited*

We feed the land which feeds people  
Growth is our life

# Basant Agro Tech (India) Limited

## 22nd Annual Report

### DIRECTORS

#### Chairman & Managing Director

Shri. S. C. Bhartia

#### Executive Director

Shri. A. N. Bhartia

#### Director

Dr. B. G. Bathkal

#### Director

Shri. S. W. Sawant

#### Managing Director

Shri. D. C. Bhartia

#### Director

Dr. R. D. Tainwala

#### Director

Shri. R. S. Tayade



**Late Shri Chimanlal Bhartiya – Founder & Our inspiration**  
**“You live on in team Basant Agro,  
we are only torch bearers of your mission, your vision”**

### PRESIDENT

Shri. A. D. Bhartia

### COMPANY SECRETARY

Shri. U. D. Somani

### AUDITORS

#### M/s. P. C. Baradiya & Co.,

Chartered Accountants,  
208, Rewa Chambers,  
31, New Marine Lines,  
Mumbai - 400 020.

#### M/s. P. C. Bhandari & Co.,

Chartered Accountants,  
Kanchan, Bhandari Bhawan,  
Ramdas Peth, Akola.

### LEGAL ADVISOR

Shri. R. B. Agrawal,  
Akot, Dist. Akola.

### BANKERS

State Bank of India,  
Old city SME Branch, Akola - 444 001.

### REGISTERED OFFICE & NPK FERTILIZER UNIT I

Plot No.13/2, Kaulkhed, Near S.T. Workshop,  
Akola - 444 001 (Maharashtra).

### NPK FERTILIZER UNIT II

Gate No. 76, Bhilwadi Station, Near Chitale Dairy,  
Tal. Palus, Sangli (Maharashtra).

### NPK FERTILIZER UNIT III

Sy.No.66 - A/4, Hanumanhalli Village, Danapur  
Panchayat, Tal Hospet, Dist Bellary, (Karnataka).

### SSP FERTILIZER UNIT I

Survey No. 62, Kanheri Aranda Road,  
Kanheri-Sarap, Taluka-Barshi Takli,  
Akola - 444 401 (Maharashtra).

### SSP FERTILIZER UNIT II

Mhow Nasirabad Rd., Nayagaon,  
Neemuch - 458 468 (Madhya Pradesh).

### CORPORATE OFFICE

A-1/3, Sea Lord, Cuffe Parade,  
Mumbai - 400 005.

### REGISTRARS & SHARE TRANSFER AGENTS SHAREX DYNAMIC (INDIA) PVT. LTD.

Unit No 1, Luthra Industrial Premises,  
Andheri Kurla Road, Safed Pool,  
Andheri (E), Mumbai - 400 072.  
Tel.No.: 28515606/5644/6338, Fax: 2851 2885,  
E-mail: sharexindia@vsnl.com.

22nd Annual General Meeting of the Company to be held on Friday 28th September, 2012  
at 4.00 p.m. at Krishi Sanjivani Office, Opp. Nagar Parishad, Akola - 444 001, Maharashtra

# BASANT AGRO TECH (INDIA) LIMITED

## NOTICE

NOTICE is hereby given that Twenty Second Annual General Meeting of Members of BASANT AGRO TECH (INDIA) LIMITED, will be held at Krishi Sanjivani Office, Opp. Nagar Parishad, Akola - 444001, Maharashtra on Friday, 28th September, 2012, at 4:00 P.M. to transact the following business :

### ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit and Loss Account of the Company for the year ended as on that date and the Reports of Board of Directors and Auditors thereon.
2. To declare Dividend on equity shares.
3. To appoint a Director in place of Shri. A. N. Bhartia who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Dr. B. G. Bathkal who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Dr. R. D. Tainwala who retires by rotation and being eligible, offers himself for reappointment.
6. To appoint Auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS:

7. **TO CONSIDER AND IF THOUGH FIT TO PASS WITH OR WITHOUT MODIFICATION(S) THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION :**

**RESOLVED THAT** pursuant to section 314(1) and all other applicable provisions, if any of the Companies Act, 1956, consent of the Company be and is hereby accorded for increase in the remuneration w.e.f. 1st July, 2011 payable to Shri. Akshay D. Bhartia, President of the Company upto Rs. 150,000/- (Rs. One Lac Fifty Thousand only) per month and upon terms and conditions set forth in the Agreement to be entered into between the Company and Shri. Akshay D. Bhartia"

8. **TO CONSIDER AND IF THOUGH FIT TO PASS WITH OR WITHOUT MODIFICATION(S) THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION :**

**RESOLVED THAT,** Pursuant to Section 314(1) and other applicable provisions if any of the Companies Act, 1956, consent of the Company be and is hereby accorded for the appointment of Shri. Ankush D. Bhartia as Vice-President of the Company w.e.f. 1st June, 2012 at the remuneration of upto Rs.100,000/- (Rs. One Lac only) per month and upon terms and conditions set forth in the Agreement to be entered into between the Company and Shri. Ankush D. Bhartia".

By Order of the Board of Directors  
Basant Agro Tech (I) Ltd.

Place : Mumbai  
Dated : 9th July, 2012  
**Registered Office** : Plot No. 13/2, Kaulkhed,  
Nr. S.T. Workshop, Akola - 444001. Maharashtra.

**Upendra Somani**  
Company Secretary

## NOTES :

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- (b) Proxy form duly completed should be deposited at the Registered Office of the Company not less than forty eight hours before the time fixed for the commencement of Meeting.
- (c) The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday 26th September, 2012 to Friday 28th September, 2012 (both days inclusive).
- (d) The Dividend if declared, will be paid to those Shareholders whose names stand on the Register of Members on 28th September, 2012.
- (e) Annual Report and AGM Notice is available on the website of the Company at [www.basantagro.com](http://www.basantagro.com).

## EXPLANATORY STATEMENTS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT 1956.

### Item No. 7:

Pursuant to the special resolution passed by the shareholders at the Annual General Meeting held on 13th September, 2008, Shri. Akshay Bhartia was appointed as the President of the Company and was paid the Remuneration of Rs. 40,000/- per month. Now, on recommendation of the remuneration committee it was proposed to increase the remuneration payable to Shri. Akshay Bhartia upto Rs. 150,000/- (Rs. One Lac fifty Thousand only) per month w.e.f. 1st July, 2011. Pursuant to provisions of Section 314(1) of the Companies Act, 1956, the approval of shareholders by way of Special Resolution is required for making the payment of the remuneration to the relative of the Directors.

The Board recommends the Resolution at item No.7 of the Notice for the approval of the shareholders.

None of the Directors other than Shri. Shashikant Bhartia, Shri. Deepak Bhartia and Shri. Ashwin Bhartia shall be deemed to be concerned or interested in the said Resolution.

### Item No. 8:

Shri. Ankush D. Bhartia has been appointed as the Vice President of the Company by the Board of Directors w.e.f. 1st June 2012 and on recommendation of the remuneration committee it was proposed to pay the remuneration to Shri. Ankush Bhartia upto Rs.100,000/- per month. Pursuant to provisions of Section 314(1) of the Companies Act, 1956, the approval of shareholders by way of Special Resolution is required for making the payment of the remuneration to the relative of the Directors.

The Board recommends the Resolution at item No.8 of the Notice for the approval of the shareholders.

None of the Directors other than Shri. Shashikant Bhartia, Shri. Deepak Bhartia and Shri. Ashwin Bhartia shall be deemed to be concerned or interested in the said Resolution.

By Order of the Board of Directors  
Basant Agro Tech (I) Ltd.

Place : Mumbai

Dated : 9th July, 2012

**Registered Office** : Plot No. 13/2, Kaulkhed,  
Nr. S.T. Workshop, Akola - 444001. Maharashtra.

**Upendra Somani**  
Company Secretary

### Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies by allowing the Companies to send the Notices including Annual Reports by e-mail to its members. Accordingly all members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses in respect of electronic holding with the depository through their concerned depository participant. Members who hold shares in physical form are requested to register their e-mail addresses with the Company.

## REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the 22nd Annual Report together with the audited statement of accounts of the Company for the year ended 31st March, 2012.

	(Rs. in Thousands)	
<b>1. FINANCIAL RESULTS :</b>	<b>2011-12</b>	<b>2010-11</b>
Revenue from operations	<b>2764531</b>	1687144
Profit before interest, depreciation and tax	<b>244697</b>	163742
Less : Financial expenses	<b>83129</b>	63268
Less : Depreciation	<b>43929</b>	29534
<b>Profit before tax</b>	<b>117639</b>	70940
Provision for taxation	<b>15000</b>	8700
Provision for deferred tax	<b>26818</b>	1480
Profit after tax	<b>75821</b>	60760
Provision for taxation of earlier years	<b>966</b>	(1637)
Surplus brought forward from previous year	<b>255575</b>	206778
Amount available for appropriations	<b>332362</b>	265901
<b>Appropriations :</b>		
(a) Proposed dividend	<b>7250</b>	5854
(b) Corporate dividend tax	<b>1176</b>	972
(c) Transferred to general reserve	<b>3500</b>	3500
Surplus carried to Balance Sheet	<b>320436</b>	255575

### 2. DIVIDEND :

The Board of Directors are pleased to recommend the Dividend of Rs. 0.08 per share (8%) for the year 2011-12 on expanded share capital, subject to the approval of the shareholders at the Annual General Meeting (Previous year 7%) which shall absorb Rs. 72.50 lacs (Previous year Rs. 58.54 lacs)

### 3. OPERATING RESULTS AND PROFITS :

FY 2011-12 was the land mark year for the Company with the Company achieving new milestone by registering the robust growth in the sales turnover as well as profitability. The Revenue from operations has jumped by 63.85% and achieved new height of Rs. 276.45 Crores whereas Profit before tax has increased from Rs. 709.40 lacs to Rs. 1176.39 lacs the jump by over 65%. During the FY 2011-12, your Company has achieved the ever highest Fertilizer production of 2.27 lacs MT overtaking the previous record production of 1.84 Lacs MTs. The sale of Fertilizer for the FY 2011-12 was 2.49 Lacs MT as compared to 1.71 Lacs MTs during the FY 2010-11 thus registering 45% growth. Strong volume growth, operational efficiencies and improved price realisation were the key factors behind the record performance of the company.

The operational performance of the seeds division of the Company has significantly improved compared to previous year showing a positive financial growth. The year's sales turnover of seeds division was Rs. 61.15 Crores registering a growth rate of 30%. The accomplished financial growth sustains the Company's business and help attaining market leadership in seed and agribusiness. The R&D focus centers round combined use of conventional breeding and biotechnology to advance the yield frontier and stabilize it through incorporation of genetic modifications. The on-field demonstration and kisan melas helped in increasing the awareness amongst the farmers about the new advanced methods of the cultivation alongwith the use of the hybrid seeds for increasing the productivity of the land.

The Construction of new SSP fertilisers plant at Jalgaon in Maharashtra with installed capacity of 1,00,000 TPA is in the final stages of Completion. With the commencement of production from that plant during FY 2012-13 the market share of the Company in SSP fertilisers in Maharashtra will improve further and largely the farming community of the state will be benefited.

The Company is leveraging its operational efficiencies and experience in fertilizer industry by achieving sustainable growth and consolidate its market share in long run.

### 4. DIRECTORS :

Shri A.N. Bhartia, Dr B.G. Bathkal and Dr. R.D. Tainwala retire by rotation and being eligible offer themselves for reappointment at the ensuing Annual General Meeting.



- 5. CONVERSION OF THE WARRANTS INTO EQUITY SHARES WHICH WERE ALLOTTED TO PROMOTERS :**  
70,00,000 equity shares were allotted during the year to the promoters of the Company on conversion of the warrants allotted to them on preferential basis.
- 6. AUDITORS :**  
M/s. P. C. Baradiya & Co., Chartered Accountants, Mumbai and M/s. P. C. Bhandari & Co., Chartered Accountants, Akola, the joint statutory auditors of the company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. They have furnished certificate to the effect that their appointment as statutory auditors if made, would be within prescribed limits under Section 224(1) of the Companies Act, 1956.
- 7. AUDITORS' REPORT :**  
The observations of the auditors in their report, read with notes annexed to the accounts are self explanatory, which does not contain any reservation, qualification or adverse remarks and therefore do not call for any further clarification.
- 8. PUBLIC DEPOSIT :**  
As on 31st March, 2012 the company has neither accepted nor invited any public fixed deposits. No amount of principal or Interest was outstanding as on 31st March, 2012.
- 9. DIRECTORS' RESPONSIBILITY STATEMENT :**  
Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed :
- That in the preparation of the accounts for the financial year ended 31st March, 2012, the applicable accounting standards have been followed alongwith proper explanation relating to material departures,
  - That the directors have selected such accounting policies and applied them consistently and made judgments 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 of the company for the year under review,
  - That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,
  - That the directors have prepared the annual accounts for the financial year ended 31st March, 2012 on a going concern basis.
- 10. CORPORATE GOVERNANCE :**  
Pursuant to Clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd a separate section titled "Report on Corporate Governance" is being published as a part of this Annual Report.
- 11. MANAGEMENT DISCUSSION AND ANALYSIS REPORT :**  
The Management Discussion & Analysis Report has been separately furnished in Annual Report and forms part of it.
- 12. INDUSTRIAL RELATIONS :**  
Relations between the Employees and the Management continued to be cordial.
- 13. PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT 1956 :**  
There were no employees whose remuneration was in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975.
- 14. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO :**  
Information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in Report of Board of Directors) Rules 1988 are set out in the annexure forming part of this Report.
- 15. ACKNOWLEDGEMENTS :**  
Your Directors place on records their gratitude to the Shareholders, Financial Institutions and Company's Bankers for the assistance and co-operation given during the year under review. The Company wishes to place on record their sincere thanks for the devoted services of the staff and workers of the Company in ensuring an excellent all round operational performance.

For and on behalf of the Board

Place : Mumbai  
Date : 30th May, 2012

**SHASHIKANT C. BHARTIA**  
CHAIRMAN & MANAGING DIRECTOR

# BASANT AGRO TECH (INDIA) LIMITED

## ANNEXURE TO THE DIRECTORS' REPORT

Particulars required under Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2012.

### A. CONSERVATION OF ENERGY :

As in the past, the company continues its efforts to improve method of energy conservation and utilisation.

#### FORM 'A'

#### FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

Although the Company's operations are not energy intensive, efforts were made to ensure optimum consumption of fuel and electricity at all the plants of the Company. Installation of energy efficient appliances, energy audits & corrective measures and training programs for employees helped us in keeping the energy and fuel cost under control.

	2011-12	2010-11
<b>A. POWER &amp; FUEL CONSUMPTION</b>		
1. Electricity		
a) Purchased from Electricity Board (No of Units)	4521449	3437696
Total Amount (Rs.)	29334466	20451237
Rate / Unit (Rs.)	6.49	5.95
b) Own Generation	Nil	Nil
2. Briquettes (Kgs)	4111298	3203765
Total Amount (Rs.)	17827608	12272178
Average Rate per Kg (Rs.)	4.34	3.83
<b>B. CONSUMPTION PER UNIT OF PRODUCTION (MT)</b>		
NPK Granulated Mixture Fertilizer		
Electricity (No. of Units)	8.99	8.92
Briquettes (in Kgs)	23.95	23.84
SSP Fertilizer		
Electricity (No. of Units)	17.11	17.05
G.S.S.P. Fertilizer		
Electricity (No. of Units)	12.75	12.98
Briquettes (in Kgs)	24.16	24.10

#### FORM 'B'

A. ABSORPTION OF TECHNOLOGY : — Not Applicable —

### B. RESEARCH AND DEVELOPMENT (R & D):

i. Specific areas in which R & D carried out by the Company :

The engineering expertise of the Company focuses on quality improvement and cost reduction of fertilisers by way of energy conservation, environment protection, safety of workers thereby ensuring optimisation of plant operations. The Company's R & D work mainly concentrates on Development of new high yielding varieties of seeds. Use of Bio technology in research on seeds has been extensively used to enhance the speed and precision of plant breeding.

ii. Benefits derived as a result of above R & D :

Improvement achieved in areas of production performance, effluent treatment, environment protection, better working conditions, improvement in competitiveness and workers safety helped in uninterrupted production. Development of hybrid seeds considering the scientific technological advances, locational adaptability, soil and climatic conditions as well as giving high yield per acre.

iii. Future plans of action:

The Company plans to continue its efforts on inhouse R & D to improve cost efficiency & achieving Competitive edge. Research on seeds has the focus on to develop the Hybrid seeds having water use efficiency trait, insect tolerant trait and herbicide tolerant trait by using bio technology. It intends to develop technology capabilities to enhance technical services and customer value.

iv. Expenditure of R & D : Rs. 46.08 lacs (Previous year Rs. 32.47 lacs)

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

(Rs. in Thousands)

	2011-12	2010-11
Total Foreign Exchange used : (Raw materials)	266250	100762
Total Foreign Exchange Earned :	NIL	NIL

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. **Organisation profile :**  
Basant Agro Tech (I) Ltd ( BATL) is one of India's leading manufacturer of various farm inputs comprising of NPK mixture granulated fertilisers, phosphatic fertilizers as well as various hybrid seeds. The production facilities are located in the states of Maharashtra, Karnataka and Madhya Pradesh. The Company is also engaged in Wind Turbine Power Generation.
2. **Operations review :**  
The Financial statement of your Company as Contained in the Annual report has following highlights :
  - Revenue from operations increased by 63.85% to Rs. 27645.31 lacs.
  - The Profit before tax has gone up by 65.83% to Rs. 1176.39 lacs.
  - Production of fertilizers has increased by 23.37% to 227517 TPA.
  - Sales of fertilisers has increased by 45.03% to 248465 TPA.
3. **Business over view :**  
The Global economy a year after recession witnessed lower economic growth resulting mainly from the Euro Zone debt crisis and high oil prices. Rising unrest in some of the middle east countries resulted into unprecedented levels of crude oil price volatility. The European economies has stagnated whereas the US has witnessed a downgrade in its credit rating forced RBI to tighten liquidity to control the rising inflation. India is one among the few countries in the world where the seed sector is well positioned with the potential to become global seed production hub, if nurtured carefully. With the food crisis looming large world over, it is evident that the future rests with countries wielding grain power and those in agri business realize quality seed is the key to such empowerment. Thrust on increasing area under irrigation, favorable terms of trade to farmers, better and cheaper access to credit, more investment in agriculture, use of latest technology including the use of new and specialty fertilizers for application based on soil report would certainly help in giving momentum to the agricultural growth. The pressing need is for quality seed of varieties and hybrids that are not only high yielding but resilient to less input- water, fertilizers etc. Thus food security is interwoven with the seed security. Fertiliser Industry, Plant Nutrients and Plant Protection solutions have consistently played a significant role in the development of the agricultural sector. In India, increase in the per hectare consumption of fertilizers in nutrient terms as well as improvement in seeds replacement ratio over the years are the positive signs for the growth in Agricultural output. There have been major policy initiatives from Government for the growth of the fertilizer sector. Under the nutrient-based subsidy scheme for Fertilisers the rate of subsidy has been determined considering the nutrients contents in fertilizers as well as the international prices, local demand and soil requirements. Whereas Maximum retail prices (MRPs) of the decontrolled fertilizers have been kept open and companies are free to announce their MRPs. This brings the greater stability and reliability to the fertilizer subsidy policy which helped a the Indian fertiliser industry to grow and increase the production of fertilisers.
4. **Current and future outlook :**  
Various measures like improving the productivity of land and crop improvement have been used to make adequate food available. Biotechnology can play a major role in bridging the supply-demand gap in food by raising input efficiencies. India's Seed Program has a strong seed production base in terms of diverse and ideal agro-climates spread through out the country for producing high quality seeds of several tropical, temperate and sub-tropical plant varieties in enough quantities at competitive prices. The Indian Seed Program is now occupying a pivotal place in Indian agriculture and is well poised for continued growth in the years to come. The Company is continuously and gradually expanding all its activities especially in terms of its product range, volume and value of seed handled, level of seed distribution and have developed adequate level of specialization and competence in handling and managing various segments of seed improvement on scientifically sound and commercially viable terms. With the food crisis looming large world over, it is evident that the future rests with countries wielding grain power and those in agri business realize quality seed is the key to such empowerment. The pressing need is for quality seed of varieties and hybrids that are not only high yielding but resilient to less input- water, fertilizers etc. Strong R & D, with established brand and well-entrenched distribution system are the key factors for the success of the company. Due to soil nutrient depletion the need for Balanced fertilisation has gained importance. The NBS regime is expected to promote balanced fertilization and consequently increase agriculture productivity in the country through higher usage of secondary and micro nutrients. The finance minister in the budget speech has categorically mentioned that SSP fertiliser should be promoted. Your Company remains committed to growth in the agri-business. Its emerging business environment clearly identifies growth potentials at each level of the agri-value chain where value can be maximised from farm nutrient inputs. This will also help considerably to enhance soil and crop productivity and improve overall soil health and farm yield. The growth of SSP division indicates positive signs for better yield in oil seed crops as well cereals like soyabean. We strongly believe in using the advanced technology in research units of the Company, providing better hybrid seeds and implementing efficient agronomic practices in order to have sustainable agricultural growth. Our efforts are focused towards launching technologically superior seeds with less disease vulnerability, hardiness in case of rainfall variations. Crop protections and crop solutions are some of the issues that has been taken care of by adopting bio technology in the R & D activities.
5. **Opportunities and threats :**  
With the growing population there is need to increase the crop productivity and there is immense pressure for increasing the farm land under cultivation thereby reducing the size of the protected forests and affecting the Bio-diversity. By using the high yielding biotech seeds and modern agricultural technologies, the encroachment on forest land can be avoided and indirectly save our Bio-diversity. With the introduction of NBS the production of fertilisers has increased during the year and will have positive impact on employment generation and encouragement to indigenous industry resulting in less import which means less foreign exchange outflow. Indirectly the Government's overall subsidy bill will be reduced as subsidy bill on DAP was much higher due to its high cost of manufacture and import. The inflation on account of rising crude prices as well food grains remain the major concern for the fertiliser Industry. The rising inflation forced Reserve Bank of India to go for monetary tightening resulted in increase in the interest rates by the Banks. The demand for agri inputs may be affected due to the erratic monsoon. The key risks associated with the business of the Company, its likely impact and the mitigation mechanism evolved are reviewed by the management periodically. The assets of the Company including its plant and machineries, inventory of raw material as well as finished goods are adequately insured against the loss by fire and allied perils.
6. **Internal control system :**  
The Company has adequate internal controls consistent with size and nature of its business which provides safety to its assets and ensure reliability of financial transactions with adequate checks, compliances with applicable company policies, various statutes, accounting policies and approval procedures. These systems are regularly reviewed and improved by the management. The Company's Budgetary Control System monitors the revenue and expenditures against the approved budget on continuous basis. Deviations and key audit observations alongwith recommendations of the Internal and external auditors and their implementations are reviewed by the Audit Committee periodically.
7. **Health & safety Management system :**  
Health & safety Management system in the Company aims to reduce, eliminate or control workplace hazards and associated risks of accidents or injuries to the workers. Your Company is committed to ensure healthy and safe working environment for all concerned and to make continual improvement in its health and safety performance. We provide sufficient information, instructions, training and supervision to enable all workers to identify, minimise and manage hazards and contribute positively to safety at works.
8. **Cautionary statement :**  
The statement in the Management Discussion and Analysis describing the Company's future plans, projections, estimates, expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results could however differ materially from those expressed or implied in this statement may be due to economic conditions affecting demand and supply, monsoon condition, change in Government regulations etc.



## REPORT ON CORPORATE GOVERNANCE

### Introduction

The Company is committed to good corporate governance practices and has been consistently improving transparency, fairness, disclosures and accountability to all its stakeholders. The effective and transparent corporate governance guarantees that the affairs of the Company are being managed in a responsible manner focused on value creation. This report sets out to define the governance practices followed by the Company in compliances with Clause 49 of the listing agreement.

### 1. Board of Directors :

The constitution of the Board has been made in a manner, which results in an appropriate combination of executive, non executive and independent directors to ensure proper governance and management and is in conformity with Clause 49 of the listing agreement. The Composition and category of Directors alongwith record of attendance at meetings is as under:

Name	Category	Designation	No. of outside directorship in public ltd cos	No. of meetings attended	
				Board	AGM
Shri. D. C. Bhartia	Executive Director	Managing Director	Nil	10	1
Shri. S. C. Bhartia	Executive Director	Chairman & Managing Director	Nil	10	1
Shri. S. W. Sawant	Independent Director	Director	Nil	6	-
Dr. B. G. Bathkal	Independent Director	Director	Nil	6	1
Dr. R. S. Tainwala	Independent Director	Director	5	6	-
Shri. R.S.Tayade	Independent Director	Director	Nil	10	1
Shri. A. N. Bhartia	Executive Director	Executive Director	Nil	10	1

These are no pecuniary relationships or transactions of the Independent (non executive) directors vis-a-vis the company.

### In Compliance with Clause 49 IV (G) of the listing agreement brief details of the Directors proposed to be re appointed are given herebelow :

**(i) Shri. A. N. Bhartia :** He is B com and was appointed as the Director of the Company on 28.01.2008. Earlier to his appointment as Director he was President of the Company for over 7 years. He was instrumental in Errection of SSP fertilizer plant. He is incharge of production activities of all fertilizers units and also actively involved in expansion activities. He was instrumental in the acquisition of fertilizer Plants undertaken by the Company.

**(ii) Dr. Ramesh Tainwala :** He is MBA and PhD and was appointed as the Independent Director of the Company on 22.12.2005. He is having wide experience of over 28 years in handling international Business. He is the Head of International Marketing of Samsonite group. With his experience the company will be benefited in the light of its plans of strategic acquisitions and also pursuing new growth opportunities.

**(iii) Dr. B.G. Bathkal :** He is PhD in Agricultural science and is the Retd. vice chancellor of Dr. Punjabrao Deshmukh Krishi University. He was appointed as Independent Director of the Company on 22.11.1996. With his expert knowledge of Agri Inputs as well as Research & Development of various hybrid seeds, the Company could develop various new high yielding varieties of seeds especially cotton, sweet corn, jawar etc. The research activities are being carried out in R&D Laboratory of the Company under his supervision and guidance. He is also having wide experience in various fields like accounts, administration and marketing of seeds and fertilizers.

### 2. Audit Committee :

Audit Committee of the Company comprises of three independent Non-executive Directors. The role of the committee is in conformity with the requirement of Section 292A of the Companies Act and Clause 49 of the listing agreement entered with the Stock Exchange. The scope of the Committee has been reviewed periodically to make it more effective in its functioning especially internal control system. The General Manager (accounts & finance), the representatives of Internal and statutory auditors as well as Cost auditors are permanent invitees of the Audit Committee. The term of reference of the Audit Committee include:

- Overview the company's financial reporting process and review of financial statements to ensure that the financial statements are correct, sufficient and credible and are in compliance with the accounting standards and policies.
- Recommending to the Board the appointment and removal of statutory auditor including cost auditor & fixation of audit fees.
- Reviewing with management the periodical and annual financial statements, before submission to the Board.
- Reviewing with the management, external auditors & internal auditors, the adequacy of internal audit control system.
- Reviewing scope and adequacy of external and internal audit functions.
- Discussing with internal auditors significant finding regarding any irregularity or failure of internal control system.
- Discussion with the auditors periodically about internal control system, the scope of audit including the observation of the auditors and review all financial statements before submission to the Board and also ensure compliance of internal control system.
- Reviewing the Company's risk management policies and functioning of the Whistle Blower Mechanism.

Audit Committee	Number of meetings held during the year 2011-12	Number of meetings attended during the year 2011-12
Dr. B. G. Bathkal - Chairman of Committee	5	5
Shri. S. W. Sawant - Independent Director	5	5
Shri. R. S. Tayade - Independent Director	5	5

### 3. Shareholders' / Investors' Grievance committee :

To look into redressal of grievances of shareholders and investors like transfer of shares, non receipt of dividend etc. and improve the efficiency of investor's services and also to review the performance of Registrar and share transfer agent.

Shareholders' / Investors' Grievance Committee	Number of meetings held during the year 2011-12	Number of meetings attended during the year 2011-12
Shri. R. S. Tayade - Chairman of Committee	4	4
Shri. S. W. Sawant - Independent Director	4	4
Dr. B. G. Bathkal - Independent Director	4	4

During the year ended 31st March 2012 only five complaints were received and redressed and there was no complaint unreplied. The email exclusively for Investor's Grievances redressal is "basantagro\_investorgrievance@hotmail.com"

### 4. Remuneration committee :

Remuneration committee has been constituted pursuant to Clause 49 of the listing agreement to review and recommend to the Board about the appointment and fixing of the remuneration of Directors and key managerial personnel.

Remuneration Committee	Number of meetings held during the year 2011-12	Number of meetings attended during the year 2011-12
Shri. S. W. Sawant - Chairman of Committee	4	4
Dr. B. G. Bathkal - Independent Director	4	4
Shri. R. S. Tayade - Independent Director	4	4

### 5. Remuneration of Directors :

Name of Directors	Salary (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Shri. D. C. Bhartia	1600000	—	1600000
Shri. S. C. Bhartia	1600000	—	1600000
Shri. A. N. Bhartia	1040000	—	1040000
Shri. S. W. Sawant	—	3000	3000
Dr. B. G. Bathkal	—	3000	3000
Dr. R. D. Tainwala	—	3000	3000
Shri. R. S. Tayade	—	5000	5000

The Remuneration paid to the Executive Directors is within the limits as per the Companies Act, 1956 and as per the resolution passed by the shareholders at the Annual General Meeting held on 13.09.2008. No director has been paid any commission and perquisites other than referred above.

### 6. Annual General Meetings :

The details of Annual General Meetings held in last 3 years and No. of Special Resolutions passed are as under :

AGM	Date	Time	Venue	No. of Special Resolutions
21st AGM	30.09.2011	4.00 PM	Krishi Sanjivani office, Opp. Nagar Parishad, Akola	Nil
20th AGM	28.08.2010	4.00 PM	Krishi Sanjivani office, Opp. Nagar Parishad, Akola	3
19th AGM	26.09.2009	4.00 PM	Krishi Sanjivani office, Opp. Nagar Parishad, Akola	Nil

No resolutions were passed through postal ballots in last 3 years

The shareholders had passed by way of postal ballots the Resolutions for (i) Authorisation for borrowing under section 293 (1) (a) and (d) of the Companies Act 1956 (ii) Allotment of warrants on preferential basis to the promoters under section 81 (1A) of the Companies Act 1956 and the results has been announced on 8.7.2012.

### 7. Disclosures :

- i) There are no materially significant related party transactions i.e. transaction of the company of material nature with its promoters, directors or the management, their subsidiaries or relatives etc that would have potential conflict with the interests of the company at large. The details about related party transactions has been reported at the Schedule 27 of the annual report.
- ii) No penalties or strictures have been imposed on the Company by the Stock exchange or SEBI or any other statutory authority in the matter related to capital market.
- iii) The Company has complied with all mandatory requirements of Clause 49 of the listing agreements.
- iv) The Whistle Blower Policy (WBP) has been adopted by the company and has established the necessary mechanism in line with Clause 7 of Annexure ID to clause 49 of the listing agreement for employee to report concerns about unethical behavior. No personnel have been denied access to the Audit Committee.

### 8. Implementation of the code of conduct :

The Company had adopted the code of conduct for all board members and senior management of the company which serves as a guide to the employees of the company to make good decisions and act on them. The Managing Director has confirmed that all members of the Board and senior management personnel have affirmed compliance with the code for the year under review. The declaration of Managing Director is being given at the end of this report.

## 9. Means of communication :

- (i) Three quarterly and one annual financial results of the company has been submitted during this financial year to the stock exchanges immediately after its approval at the Board Meeting and the same was published in Free Press Journal & Navshakti.
- (ii) As per the requirements of Clause 52 of the Listing Agreement, all the data relating to quarterly financial results, shareholding pattern etc. are being electronically filed on the Corporate filing and Dissemination system viz "www.corpfiling.co.in" and also displayed on the website of the Company i.e."www.basantagro.com" within the time frame prescribed in this regard. The Annual report of the Company is also displayed on the Company's website.
- (iii) The Management Discussion and Analysis Report is a part of the Annual Report.

## 10. General shareholder's information :

The following information would be useful to our shareholders :

### 1. Annual General Meeting

- Date and Time : 28th September 2012, at 4:00 p.m.
- Venue : Krishi Sanjivani Office, Opp. Nagar Parishad, Akola - 444 001.

### 2. Financial Calendar (Tentative Schedule)

Financial Reporting for :

- the quarter ended June 30, 2012 : Second Fortnight of July 2012
- the quarter ended September 30, 2012 : Second Fortnight of October 2012
- the quarter ended December 31, 2012 : Second Fortnight of January 2013
- the year ending March 31, 2013 : Second Fortnight of May 2013

Annual General Meeting for the year ending 31/03/2013 : Second Fortnight of September 2013

3. **Book Closure Date** : 26th September 2012 to 28th September 2012, (both days inclusive)
4. **Dividend Payment Date** : Dividend as recommended by the Board of Directors, if declared at the Annual General Meeting will be payable on or after 28.9.2012
5. **Listing on Stock Exchange at** : The Bombay Stock Exchange Ltd  
Phiroz Jeejeebhoy Towers, Dalal Street, Mumbai - 400023.

Listing fees for the year 2012-2013 has been paid to The Bombay Stock Exchange Ltd.

6. **Stock Code** : **The Bombay stock exchange ltd. : 524687**
7. **DEMAT** : **ISIN No. : INE 473 E 01021**
8. **STOCK EXCHANGE DATA** :

Month	Price at Bombay Stock Exchange Ltd	
	High (Rs.)	Low (Rs.)
April 11	5.05	4.00
May 11	5.28	4.11
June 11	4.98	4.06
July 11	4.93	4.08
August 11	4.72	3.12
September 11	4.47	3.61
October 11	4.45	3.71
November 11	4.44	3.42
December 11	4.09	3.51
January 12	4.10	3.42
February 12	4.20	3.31
March 12	4.90	3.23

### 9. Registrar & ShareTransfer agent :

**Sharex Dynamic India (Pvt.) Ltd,**

Unit No. 1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai - 400 072.

Tel. No. : 2851 5606 / 5644 / 6338. Fax : 2851 2885. e-mail : sharexindia@vsnl.com.

### 10. Distribution of share holding as on 31st March, 2012

Category	No. of Shareholders	Percentage	No. of Shares	Percentage
1-500	1074	22.61	2,80,512	0.32
501-1000	1671	35.17	16,31,194	1.80
1001-5000	1325	27.89	37,18,190	4.10
5001-10000	278	5.85	23,84,305	2.63
10001-100000	327	6.88	94,45,631	10.42
above 100000	76	1.60	7,31,67,668	80.73
<b>Total</b>	<b>4751</b>	<b>100.00</b>	<b>9,06,27,500</b>	<b>100.00</b>

## 11. Category of share holding as on 31st March, 2012

Category	No. of Shares held	Percentage
- Promoters and Promoter Group	4,95,08,862	54.63
- Institutional Investors	19,000	0.02
- Independent Director	35,000	0.04
- Bodies Corporate	82,27,582	9.08
- NRI	6,46,965	0.71
- Indian Public	3,21,90,091	35.52
<b>Total</b>	<b>9,06,27,500</b>	<b>100.00</b>

## 12. De- materialisation of shares

As on 31.03.2012 8,21,34,150 Equity shares (90.63% total equity) has been dematerialised.

## 13. CEO/CFO Certification:

In pursuant to Clause 49 of the listing agreement, Shri S. C. Bhartia Chairman & Managing Director of the Company and Mr Narendra Pathak CFO of the Company have certified to the Board that :

- i. They have reviewed financial statements and cash flow statements for the year ended 31st March,2012 and that to the best of their knowledge and belief :
  - a) These statements do not contain materially untrue statement or omit any fact or contain statements that might be misleading,
  - b) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- ii. There are to the best of their knowledge and belief no transactions entered into by the company during the year which are fraudulent, illegal or violative of the code of conduct.
- iii. They accept responsibility for establishing and maintaining internal controls for financial reporting and they have evaluated the effectiveness of the internal control system of the company, pertaining to financial reporting and they have disclosed to the auditors and Audit Committee, that no deficiencies were found in the design and operation of the internal controls.
- iv. They have indicated to the Auditors and Audit committee, whether there are any significant changes in the internal control and/ or of accounting policies and that there have been no instances of significant fraud of which they have become aware during the year.

## 14. Declaration by the CEO under Clause 49 of the listing agreement regarding adherence to the code of conduct.

In accordance with Clause 49 sub-clause I (D) of the Listing Agreement with the stock Exchanges I hereby confirm that all the Directors and the senior management personnel of the company have affirmed compliance to their respective code of conduct, as applicable to them for the financial year ended March 31, 2012.

Place : Mumbai  
Date : 9th July 2012

For Basant Agro Tech (I) Ltd  
**SHASHIKANT BHARTIA**  
Chairman & Managing Director

### Auditors' Certificate on Corporate Governance

We have examined the compliance of conditions of Corporate Governance by M/s. Basant Agro Tech (I) Limited for the year ended on March 31, 2012, as stipulated in Clause 49 of Listing Agreement of the Company with the Stock Exchange. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement. We have been explained that no investors' grievances are pending for a period exceeding one month against the company as per the records maintained by the company.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company.

#### FOR P. C. BARADIYA & CO.

Chartered Accountants

**K. C. Kankariya**

Partner

M. No. 43951

Dated : 9th July 2012

Place : Mumbai

#### FOR P. C. BHANDARI & CO.

Chartered Accountants

**P. C. Bhandari**

Partner

M. No. 39710

## AUDITORS' REPORT

### Report of the Auditors to the Members of BASANT AGRO TECH (I) LIMITED on the financial statements for the year ended 31st March, 2012.

1. We have audited the attached Balance Sheet of BASANT AGRO TECH (INDIA) LIMITED as at 31st March, 2012, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our Audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit also includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956 (herein after referred to as the "Act"), we enclose in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order, to the extent applicable.
4. Further to our comments in the Annexure referred to in paragraph 3 above, 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 Statements 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 Balance Sheet, the Statements of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Act;
  - e) On the basis of the written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of Sub-Section (1) of Section 274 of the Act;
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with Significant Accounting Policies and notes thereon, 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:
    - i. in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
    - ii. in the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date; and
    - iii. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

FOR P. C. BARADIYA & CO.

Chartered Accountants

**K. C. Kankariya**

Partner

M. No. 43951

Place: Mumbai

FOR P. C. BHANDARI & CO.

Chartered Accountants

**P. C. Bhandari**

Partner

M. No. 39710

Dated: 30th May, 2012

### ANNEXURE REFERRED TO IN PARAGRAPH 3 OF AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS AS AT & FOR THE YEAR ENDED 31ST MARCH, 2012 OF BASANT AGRO TECH (I) LTD.

1.
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The fixed assets have been physically verified by the management in accordance with the phased programme of verification adopted by the Company. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and nature of fixed assets. No material discrepancies have been noticed in respect of the assets physically verified during the year.
  - c) No substantial part of the fixed assets has been disposed off during the year.
2.
  - a) The inventory has been physically verified by the management at reasonable intervals during the year. Inventory lying with third parties and in-transit have been verified with reference to confirmations and subsequent receipt of the goods.
  - 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 nature of its business.

- c) The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.
3.
  - a) The Company has not granted any loans, secured or unsecured, to firms, companies or other parties covered in the register maintained under Section 301 of the Act.
  - b) The Company has taken unsecured loans from 16 parties covered in register maintained under Section 301 of Act. The maximum amount involved during the year and the year-end balance of such loans aggregated to Rs. 1212.45 Lacs. There were no stipulation as to when the repayment has to be made or when the Interest was payable. In our opinion, the rate of interest and other terms and conditions of such loans are prime facie not prejudicial to the interest of the Company.
4. In our opinion and according to the information and explanations given to us there are adequate internal control system commensurate with size of the Company and the nature of its business for purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system.
5.
  - a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts and arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that Section.
  - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance to contracts or arrangements entered in the register maintained under Section 301 of the Act and aggregating during the year to Rs. 5 lacs or more in respect of each party, have been entered at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from public within the meaning of the Section 58A, 58AA or any other relevant provisions of the Act and rules framed thereunder.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and the nature of its business.
8. We have broadly reviewed the cost records of the Company in respect of products maintained pursuant to the Order of the Central Government under Section 209 (1) (d) of the Act and are of the opinion that, prima facie, the prescribed records have been made and maintained. We are, however, not required to make a detailed examination of the records with a view to determine whether they are accurate or complete.
9.
  - a) The Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Custom Duty, Excise Duty, Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, there are no undisputed statutory dues outstanding as at 31st March, 2012 for a period of more than six months from the date they became payable.
  - b) According to the records of the Company and the information and explanations given to us by the management, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty, Cess which have not been deposited on account of any dispute.
10. The Company does not have accumulated losses as at 31st March, 2012 and has not incurred cash losses in the financial year ended on that date and in the immediately preceding financial year.
11. The Company has not defaulted in repayment of dues to financial institutions or banks.
12. During the year, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. According to the information & explanation given to us, in our opinion, the term loans were applied for the purpose for which they were obtained.
14. According to the information & explanation given to us, the Company has not given any guarantee for the loan taken by others from Banks & financial institutions.
15. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment.
16. The Company has allotted equity shares to the promoters on conversion of warrants and we have verified the end use of moneys raised and the same has been disclosed in the Note No.30.
17. During the year, no fraud on or by the company has been noticed or reported during the course of our audit.

FOR P. C. BARADIYA & CO.

Chartered Accountants

**K. C. Kankariya**

Partner

M. No. 43951

Place: Mumbai

FOR P. C. BHANDARI & CO.

Chartered Accountants

**P. C. Bhandari**

Partner

M. No. 39710

Dated: 30th May, 2012



# BASANT AGRO TECH (INDIA) LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2012

(Rs. in Thousands)

	NOTES	AS AT 31st March, 2012	AS AT 31st March, 2011
<b>EQUITY AND LIABILITIES</b>			
<b>1. Shareholder's funds</b>			
Share capital	1	90628	97628
Reserves & surplus	2	<u>514752</u>	<u>399141</u>
		<b>605380</b>	496769
<b>2. Non-current liabilities</b>			
Long-term borrowings	3	328313	249305
Deferred tax liability (Net)	4	<u>54567</u>	<u>27749</u>
		<b>382880</b>	277054
<b>3. Current liabilities</b>			
Short term borrowings	5	579080	369162
Trade payables	6	429794	245053
Other current liabilities	7	70938	64952
Short term provisions	8	<u>53591</u>	<u>37699</u>
		<b>1133403</b>	716866
<b>TOTAL</b>		<b><u>2121663</u></b>	<b><u>1490689</u></b>
<b>ASSETS</b>			
<b>1. Non-current assets</b>			
Fixed assets			
Tangible assets	9	514275	408061
Capital work-in-progress		<u>68564</u>	<u>47750</u>
		<b>582839</b>	455811
Non current investment	10	9	390
Other Non current assets	11	<u>29891</u>	<u>27710</u>
		<b>612739</b>	483911
<b>2. Current assets</b>			
Inventories	12	764424	547144
Trade receivable	13	641953	368097
Cash & bank balances	14	17557	15795
Short term loans and advances	15	<u>84990</u>	<u>75742</u>
		<b>1508924</b>	1006778
<b>Total</b>		<b><u>2121663</u></b>	<b><u>1490689</u></b>

The accompanying notes are forming part of the financial statements  
As per our attached report of even date

For and on behalf of the Board  
**SHASHIKANT C. BHARTIA** *Chairman & Managing Director*

For **P. C. BARADIYA & CO.**  
*Chartered Accountants*

For **P. C. BHANDARI & CO.**  
*Chartered Accountants*

**K. C. KANKARIYA**  
*Partner*

**P. C. BHANDARI**  
*Partner*

**DEEPAK C. BHARTIA** *Managing Director*

Place : Mumbai  
Dated : 30th May, 2012

**UPENDRA SOMANI**  
*Company Secretary*

**SHARAD W. SAWANT** *Director*

# BASANT AGRO TECH (INDIA) LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

(Rs. in Thousands)

	NOTES	2011-12	2010-11
<b>INCOME</b>			
Revenue from operations	16	2764531	1687144
Other income	17	6833	3107
		<b>2771364</b>	1690251
<b>EXPENDITURE</b>			
Cost of material consumed	18	1982962	1368883
Change in Inventories of finished goods, stock in process	19	88251	(113987)
Employees benefit expenses	20	44973	35483
Finance costs	21	83129	63268
Depreciation & amortisation expenses	22	43929	29534
Other expenses	23	410481	236130
		<b>2653725</b>	1619311
<b>Profit before tax</b>		<b>117639</b>	70940
Provision for taxation			
- Current tax		15000	8700
- Deferred tax		26818	1480
- Provision for taxation of earlier years		(966)	1637
<b>Profit after tax</b>		<b>76787</b>	<b>59123</b>
<b>Earnings per share (Rs. 1/- each)</b>			
<b>Basic (Rs.)</b>	24	<b>0.85</b>	0.71
<b>Diluted (Rs.)</b>		<b>0.90</b>	0.71

The accompanying notes are forming part of the financial statements  
As per our attached report of even date

For and on behalf of the Board  
**SHASHIKANT C. BHARTIA** *Chairman & Managing Director*

For **P. C. BARADIYA & CO.**  
*Chartered Accountants*

For **P. C. BHANDARI & CO.**  
*Chartered Accountants*

**K. C. KANKARIYA**  
*Partner*

**P. C. BHANDARI**  
*Partner*

**DEEPAK C. BHARTIA** *Managing Director*

Place : Mumbai  
Dated : 30th May, 2012

**UPENDRA SOMANI**  
*Company Secretary*

**SHARAD W. SAWANT** *Director*

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**

(Rs. in Thousands)

	2011-12	2010-11
<b>A) Cash Flow from Operating Activities :</b>		
<b>Net Profit before tax &amp; extraordinary items</b>	117639	70940
Adjustments for :		
Depreciation	43929	29534
(Profit) / Loss on sale of investments	367	—
(Profit) / Loss on sale of fixed assets (net)	703	236
Interest paid (net)	81049	61861
<b>Operating Profit before working capital changes</b>	126048	91631
Adjustments for :		
(Increase) / Decrease in trade and other receivables	(273856)	(113789)
(Increase) / Decrease in inventories	(217280)	(144396)
(Increase) / Decrease in other current assets	(9434)	(13983)
Increase / (Decrease) in trade payables	169954	57970
<b>Cash deployed into operations</b>	(330616)	(214198)
Cash from operating activities	(86929)	(51627)
Less : Taxes paid	7470	(20895)
<b>Net cash from operating activities</b>	(79459)	(72522)
<b>B) Cash Flow from Investing Activities :</b>		
Purchase of fixed assets & other capital expenditure	(177554)	(101909)
Sale of fixed assets	5895	583
Sale / (Purchase) of investments	15	(6)
<b>Net cash used in investing activities</b>	(171644)	(101332)
<b>C) Cash Flow From Financing Activities :</b>		
Proceeds from issue of warrants	40250	14000
Proceeds from long term and other borrowings	300490	217365
Dividend paid	(5854)	(5018)
Corporate Dividend Taxes Paid	(972)	(833)
Interest Paid	(81049)	(61861)
<b>Net cash generated from financing activities</b>	252865	163653
<b>Net change in cash and cash equivalents (A+B+C)</b>	1762	(10201)
<b>Cash &amp; cash equivalents - Opening balance</b>	15795	25996
<b>Cash &amp; cash equivalents - Closing balance</b>	17557	15795

**Notes :**

- The above cash flow statement has been prepared by using the indirect method as per the Accounting standard 3-Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- Previous year's figures have been regrouped/ rearranged wherever necessary to conform to the current year's presentation.

The accompanying notes are forming part of the financial statements  
As per our attached report of even date

For and on behalf of the Board  
**SHASHIKANT C. BHARTIA** *Chairman & Managing Director*

For **P. C. BARADIYA & CO.**  
*Chartered Accountants*

For **P. C. BHANDARI & CO.**  
*Chartered Accountants*

**K. C. KANKARIYA**  
*Partner*

**P. C. BHANDARI**  
*Partner*

**DEEPAK C. BHARTIA** *Managing Director*

Place : Mumbai  
Dated : 30th May, 2012

**UPENDRA SOMANI**  
*Company Secretary*

**SHARAD W. SAWANT** *Director*

## SIGNIFICANT ACCOUNTING POLICIES

### a. Basis of preparation of financial statements :

- i) The financial statements have been prepared under the historical cost convention in accordance with the applicable accounting principles and comply with notified accounting standards as referred to in Section 211(3C) and other relevant provisions of Companies Act 1956, subject to what is stated herein below, as adopted consistently by Company.
- ii) Company generally follows Mercantile System of accounting and recognises significant items of Income & Expenditure on accrual basis.

### b. Use of estimates :

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual result could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

### c. Fixed assets :

- i) Fixed Assets are stated at cost of acquisition or construction less depreciation. In accordance with the provisions of AS-28, if the carrying amount of fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The cost of fixed assets includes interest on borrowings attributable to the acquisition of the said fixed assets upto the date of commissioning of that assets.
- ii) The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such asset is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exist, then such loss is reversed and the asset is restated to that effect.

### d. Depreciation and amortisation :

- i. Depreciation on Fixed Assets is provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Leasehold land has not been written off as lease agreement is yet to be executed.
- ii. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired.

### e. Investments :

Investments are classified into current Investments and long term Investments. Long term Investments are valued at cost or below cost whenever there is a diminution in the value thereof (scrip wise) of a permanent nature.

### f. Inventories :

- i. The stock of Finished Goods, Raw Materials, Stores & Spares, Packing Materials and other consumables are valued at cost or net realisable value whichever is lower. Cost is either average cost or specific identification as applicable.
- ii. Stock in process is valued at estimated cost.

### g. Employee benefits :

- i. Short term employee benefits are recognised as an expense at the amount in the profit & loss account of the year in which the related service is tendered.
- ii. Provident Fund dues are accounted for on accrual basis.
- iii. In respect of Gratuity Liability, the company has taken a group policy, premium whereof is paid annually to Life Insurance Corporation of India based on their actuarial valuation. Gratuity liabilities are funded and administered through Group Gratuity Scheme with Life Insurance Corporation of India.

### h. Revenue recognition :

#### Sales :

- 1)
  - I. Sales are inclusive of freight & forwarding charges wherever recoverable from customers.
  - II. Subsidy on sale of Single Super Phosphate fertilizers receivable from Ministry of fertilisers credited to subsidy account under the group head sales in the Profit & Loss Account at the time of sale.
- 2) Revenue in respect of insurance/other claims, interest etc. is recognised only when it is reasonably certain that the ultimate collection will be made.

### i. Foreign Currency Transactions :

Transaction denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction or that approximates the actual rate, at the date of transaction.

### j. Excise Duty/ Value Added Tax :

Excise Duty is accounted on the basis of payments made in respect of goods cleared. Sales tax / VAT paid is charged to Profit and Loss account.

### k. Research & Development expenditure :

- i) Capital Expenditure in respect of Research & Development activity is amortised over the period of three years.
- ii) Revenue expenditure on Research and Development shown separately in Profit & Loss Account.

### l. Taxation :

Provision for the current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. Income tax expense comprises current tax and fringe benefit tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying value at each balance sheet date. Tax credit is recognized in respect of Minimum Alternate Tax (MAT) as per the provisions of Section 115JB of the Income tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within the statutory time frame and is reviewed at each balance sheet date.

### m. Provision for contingent liabilities and contingent assets :

- i) Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be outflow of resources.
- ii) Disclosures for a contingent liability is made, without a provision in books, when there is an obligation that may, but probably will not, require outflow of resources. Contingent Assets are neither recognized nor disclosed in the financial statement.

**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**

(Rs. in Thousands)

	AS AT 31st March, 2012	AS AT 31st March, 2011
<b>NOTE No. 1 : SHARE CAPITAL</b>		
<b>Authorised Share Capital</b>		
25,00,00,000 Equity shares of Rs. 1/- each (Previous year 25,00,00,000 Equity shares of Rs. 1/- each)	<u>250000</u>	<u>250000</u>
<b>Issued, Subscribed and Paid up Share Capital</b>		
9,06,27,500 Equity shares of Rs. 1/- each fully paid up (Previous year 8,36,27,500 equity shares of Rs. 1/- each)	<u>90628</u>	83628
<b>Warrants convertible into equity shares (Partly paid up)</b>		
70,00,000 warrants convertible into equity shares were allotted to promoters and Rs. 2/- per warrant has been paid up on the said warrants.	<u>-</u>	<u>14000</u>
<b>TOTAL</b>	<u><u>90628</u></u>	<u><u>97628</u></u>

	No. of Shares	Amount	No. of Shares	Amount
<b>- Reconciliation of shares :</b>				
Outstanding at the beginning of the year	83627500	83628	83627500	83628
Add : Equity shares issued during the year on conversion of warrants	7000000	7000	-	-
Add : Rights/bonus shares issued	-	-	-	-
<b>TOTAL</b>	<u>90627500</u>	<u>90628</u>	83627500	83628
Less : Buy back of shares	-	-	-	-
Less : Reduction in capital	-	-	-	-
Outstanding at the end of the year	<u>90627500</u>	<u>90628</u>	83627500	83628
<b>- List of share holders having 5% or more Shares</b>				
Name of shareholders	<b>In Nos</b>	<b>In %</b>	In Nos	In %
Arcadia share & Stock Brokers Pvt. Ltd.	<u>5500000</u>	<u>6.07</u>	5500000	6.58
<b>SHARE APPLICATION MONEY PENDING ALLOTMENT</b>				
Application money of Rs.2/- per warrant on 70,00,000 warrants received	-	-	-	14000
<b>TOTAL</b>	-	-	-	14000

**Rights attached to equity shares**

The Company has only one class of equity share of face value of Rs. 1/- per share. Each holder of equity share is entitled to 1 vote per share. The company declares and pays dividend on equity shares in Indian Rupee and the dividend proposed by the board is subject to approval of shareholders in the ensuing Annual General Meeting.

(Rs. in Thousands)

	AS AT 31st March, 2012	AS AT 31st March, 2011
<b>NOTE No. 2 : RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
Balance as per last Balance Sheet	<u>3254</u>	3254
<b>Securities Premium Account</b>		
Balance as per last Balance Sheet	<u>99037</u>	99037
Add : Addition during the year	<u>47250</u>	-
	<u>146287</u>	99037
<b>General Reserve</b>		
Balance as per last Balance Sheet	<u>41275</u>	37775
Add : Transferred from the Profit & Loss Account	<u>3500</u>	<u>3500</u>
	<u>44775</u>	41275
<b>Surplus in statement of Profit and Loss</b>		
<b>Opening Balance</b>	<u>255575</u>	206778
Add : Profit during the year	<u>76787</u>	59123
Less : Proposed dividend	<u>7250</u>	5854
(Rs. 0.80 per share)(Previous year Rs. 0.70 per share)		
Less : Corporate dividend tax	<u>1176</u>	972
Less : Transfer to reserves	<u>3500</u>	<u>3500</u>
<b>TOTAL</b>	<u><u>320436</u></u> <u><u>514752</u></u>	<u><u>255575</u></u> <u><u>399141</u></u>



**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**

(Rs. in Thousands)

	AS AT 31st March, 2012	AS AT 31st March, 2011
<b>NOTE No. 3 : LONG TERM BORROWINGS</b>		
<b>SECURED</b>		
- Term loan from banks [Secured by way of mortgage of fixed assets of the company & Out of which Rs.712 lacs (previous year NIL) has been converted into FCNR (B) demand loan.]	113586	81594
- Vehicle Loan (Secured by way of hypothecation of vehicle financed)	<u>3482</u>	<u>1133</u>
	<b>117068</b>	82727
<b>UNSECURED</b>		
From promoters	121245	66578
Intercompany deposits	<u>90000</u>	<u>100000</u>
	<b>211245</b>	166578
<b>TOTAL</b>	<u><b>328313</b></u>	<u><b>249305</b></u>

Maturity Profile	2013-14	2014-15	2015-16	2016-17	2017-18
Term Loan	37696	28951	31500	37200	22637
Vehicle Loan	1922	657	591	313	-

**NOTE No. 4 : DEFERRED TAX LIABILITY**

- Deferred tax liabilities		
Balance as per last Balance Sheet	27749	26269
Add : Addition during the year (Related to fixed assets)	<u>26818</u>	<u>1480</u>
	<b>54567</b>	27749
- Deferred tax assets	-	-
- Deferred tax liabilities (Net)	<u>54567</u>	<u>27749</u>
<b>TOTAL</b>	<u><b>54567</b></u>	<u><b>27749</b></u>

**NOTE No. 5 : SHORT TERM BORROWINGS**

<b>- Secured (Loans repayable on demand)</b>		
<b>Cash Credit from Banks</b>		
- Secured by way of hypothecation of stock & book debts and charge over fixed assets of the Company	578427	369057
- Out of which Rs. 1040 lacs (previous year NIL) has been converted into FCNR(B) demand loan.		
<b>Overdrafts from Banks</b>		
- Overdrafts from the Banks are against the fixed deposits pledged with them	653	105
<b>TOTAL</b>	<u><b>579080</b></u>	<u><b>369162</b></u>

**NOTE No. 6 : TRADE PAYABLES**

<b>Trade Payables</b>		
For goods	358635	186841
<b>Others</b>		
For Statutory dues	2607	1962
Outstanding liabilities	<u>68552</u>	<u>56250</u>
	<b>71159</b>	58212
<b>TOTAL</b>	<u><b>429794</b></u>	<u><b>245053</b></u>

The company has not received any intimation from the supplier regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures if any relating to amounts unpaid as at the year end together with the interest paid/payable as required under the said Act have not been given.

**NOTE No. 7 : OTHER CURRENT LIABILITIES**

- Unclaimed dividends	299	257
- Advances from customers	26967	36073
- Deposits from dealers & customers	12402	8916
- Other liabilities		
Current maturities of longterm borrowings	<u>31270</u>	<u>19706</u>
<b>TOTAL</b>	<u><b>70938</b></u>	<u><b>64952</b></u>

# BASANT AGRO TECH (INDIA) LIMITED

## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

(Rs. in Thousands)

	AS AT 31st March, 2012	AS AT 31st March, 2011
<b>NOTE No. 8 : SHORT TERM PROVISIONS</b>		
Provision for expenses	12965	22173
Provision for taxation (Gross)	32200	8700
Proposed dividend	7250	5854
Corporate dividend tax	1176	972
<b>TOTAL</b>	<b>53591</b>	<b>37699</b>

### NOTE No. 9 : FIXED ASSETS

(Rs. in Thousands)

PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK		
	As on 1.4.2011	Addition	Deductions	As on 31.03.2012	Upto 31.03.2011	For the year	Recouped	Upto 31.03.2012	As on 31.03.2012	As on 31.03.2011
Freehold Land	68789	13564	5141	77212	—	—	—	—	77212	68789
Leasehold Land	3400	—	—	3400	—	—	—	—	3400	3400
Buildings	187653	108584	—	296237	58424	17323	—	75747	220490	129229
Plant & Machinery	300650	22849	—	323499	109538	23685	—	133223	190276	191112
Furniture & Fixtures	5289	433	—	5722	3921	343	—	4264	1458	1368
Vehicles	22045	11310	2552	30803	7882	2578	1096	9364	21439	14163
License Rights	2404	—	—	2404	2404	—	—	2404	—	—
<b>TOTAL</b>	590230	156740	7693	739277	182169	43929	1096	225002	514275	408061
<b>Previous Year</b>	508281	83942	1993	590230	153807	29534	1172	182169	408061	354474
Capital work-in progress									68564	47750

**Note :** Lease hold land has been acquired from M/s Suzlon for the period of 30 years.

(Rs. in Thousands)

### NOTE No. 10 : INVESTMENTS

	Face Value Rs.	AS AT 31.03.2012		AS AT 31.03.2011	
		Nos.	Amount	Nos.	Amount
<b>Long -Term Investments</b>					
<b>Trade Investments :</b>					
<b>(a) Quoted - Fully paid up - Equity</b>					
Nagarjuna Fertilizers & Chemicals Ltd.	10	100	4	100	4
Rashtriya Chemical & Fertilizers Ltd.	10	100	4	100	4
Oswal Chemicals & Fertilizers Ltd.	10	50	1	50	1
Oswal Agro Mills Ltd.	10	—	—	2500	18
M. P. Telelink Ltd.	10	—	—	2000	93
Frontier Information Technologies Ltd.	10	—	—	300	77
Inhouse Productions Ltd.	10	—	—	56	20
DSQ Software Ltd.	10	—	—	50	117
Rolta India Ltd.	10	—	—	2	1
Usha Martin Ltd.	5	—	—	5	1
Usha Martin Education & Solutions Ltd.	5	—	—	100	23
Zee Entertainment Enterprises Ltd.	1	—	—	1	1
NIIT Technology Ltd.	5	—	—	1	1
Aptech Ltd.	1	—	—	1	4
Liberty Phosphate Ltd.	10	—	—	30	1
Rama Phosphate Ltd.	10	—	—	5	1
Khaitan Chemicals & Fertilisers Ltd.	10	—	—	25	4
<b>(b) Unquoted - Fully paid up-Preference</b>					
Inhouse Production Ltd.	10	—	—	50	19
<b>TOTAL</b>			<b>9</b>	<b>390</b>	<b>390</b>
Market Value of Quoted Investments			<b>8</b>	<b>21</b>	<b>21</b>

**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**

(Rs. in Thousands)

NOTES	AS AT 31st March, 2012	AS AT 31st March, 2011
<b>NOTE No. 11 : OTHER NON CURRENT ASSETS</b>		
Advance income tax (net)	18290	16295
Sundry deposits	11601	11415
<b>TOTAL</b>	<u>29891</u>	<u>27710</u>
<b>NOTE No. 12 : INVENTORIES</b> (Valued at lower of cost or net realisable value)		
Raw materials	469632	167910
Packing material	26406	21150
Work-in-process	588	588
Stock in trade	261917	350651
Stores and spares and other consumables	5881	6845
<b>TOTAL</b>	<u>764424</u>	<u>547144</u>
<b>NOTE No. 13 : TRADE RECEIVABLES</b>		
Over Six months-Considered good	5342	3202
Below Six months-Considered good	636611	364895
<b>TOTAL</b>	<u>641953</u>	<u>368097</u>
<b>NOTE No. 14 : CASH AND BANK BALANCES</b>		
<b>- Cash and Cash Equivalents</b>		
Cash on hand	2870	1676
Balance with banks		
- In Current accounts	5618	3250
- In Fixed deposit accounts	9069	10869
<b>TOTAL</b>	<u>14687</u> <u>17557</u>	<u>14119</u> <u>15795</u>
<b>NOTE No. 15 : SHORT TERM LOANS AND ADVANCES</b> (Unsecured and considered good)		
Advances to suppliers	49717	50859
Prepaid expenses	755	742
Advances staff and others	8023	4725
Other current assets	26495	19416
<b>TOTAL</b>	<u>84990</u>	<u>75742</u>
	<b>For the Year Ended 31st March, 2012</b>	<b>For the Year Ended 31st March, 2011</b>
<b>NOTE No. 16 : REVENUE FROM OPERATIONS</b>		
<b>Indigenous Sales</b>		
Manufactured Goods	2225670	1232226
less : Excise duty	(15376)	-
	2210294	1232226
Traded Goods	625558	482268
less : Interdivisional sales	(71321)	(27350)
<b>TOTAL</b>	<u>2764531</u>	<u>1687144</u>
<b>NOTE No. 17 : OTHER INCOME</b>		
Interest earned on Deposits	2079	1407
Profit on sale of assets	206	18
Rent Received	790	87
Insurance Claim Received	120	-
Misc Income	3638	1595
<b>TOTAL</b>	<u>6833</u>	<u>3107</u>
<b>NOTE No. 18 : COST OF MATERIAL CONSUMED</b>		
Raw Materials' consumption (Refer Note No. 18.1)	1423450	1023864
Traded goods purchased	559512	345019
<b>TOTAL</b>	<u>1982962</u>	<u>1368883</u>
<b>18.1 : RAW MATERIAL CONSUMPTION COMPRISE</b>		
- Straight fertilisers	476028	400901
- Rock Phosphate	717022	459886
- Spent Sulphuric Acid	182810	145485
- 98% Sulphuric Acid	32899	16857
- Others	14691	735
<b>TOTAL</b>	<u>1423450</u>	<u>1023864</u>

**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**

(Rs. in Thousands)

	<b>For the Year Ended 31st March, 2012</b>	<b>For the Year Ended 31st March, 2011</b>
<b>NOTE No. 19 : VARIATION IN STOCK</b>		
<b>Stock at Commencement</b>		
Work-in Process	588	588
Finished Goods	<u>348096</u>	<u>234109</u>
	<b>348684</b>	<b>234697</b>
<b>Less: Stock at Close</b>		
Work-in-Process	588	588
Finished Goods	<u>259845</u>	<u>348096</u>
	<b>260433</b>	<b>348684</b>
Stock Decreased / (Increased) by	<b>TOTAL</b>	<b>TOTAL</b>
	<u>88251</u>	<u>(113987)</u>
<b>NOTE No. 20 : EMPLOYEE BENEFITS EXPENSES</b>		
Salaries, Wages, Bonus etc.	34733	29109
Contribution to P. F, E. S. I. C. and Other Statutory Funds	1168	1154
Workmen and Staff welfare expenses	<u>9072</u>	<u>5220</u>
	<b>44973</b>	<b>35483</b>
<b>NOTE No. 21 : FINANCE COSTS</b>		
<b>Interest Expense</b>		
Interest on Term Loan	19473	12700
Interest on Working Capital	42846	28328
Other borrowing costs	<u>20810</u>	<u>22240</u>
	<b>83129</b>	<b>63268</b>
<b>NOTE No. 22 : DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation and Amortisation	43929	29534
	<b>43929</b>	<b>29534</b>
<b>NOTE No. 23 : OTHER EXPENSES</b>		
<b>Manufacturing expenses</b>		
Store,spares and consumables	38032	16079
Packing materials' consumption	61935	42044
Labour and processing charges	35244	19132
Power and fuels	47162	32723
Repairs to buildings	7522	1847
Repairs to machinery	8744	5375
Insurance	1903	1899
Research and development expenses	4608	3247
Seeds processing charges	3300	4619
Agricultural expenses	<u>5812</u>	<u>4385</u>
	<b>214262</b>	<b>131350</b>
<b>Administrative and other expenses</b>		
Rent	1161	819
Rates and taxes	2098	852
Payment to statutory auditors		
- Audit fees	100	100
- Tax audit fees	17	17
- Other matters	10	10
Loss on sale of investments	367	-
Loss on sale of assets	909	254
Misc expenses	18708	10969
Office expenses	5905	4296
Legal expenses	4378	3265
Repairs - others	4094	1939
Printing & stationery	2525	2182
Housekeeping & security charges	<u>11284</u>	<u>9042</u>
	<b>51556</b>	<b>33745</b>
<b>Selling &amp; Distribution Expenses</b>		
Freight	105912	48824
Travelling	15745	10846
Selling and distribution expenses	<u>23006</u>	<u>11365</u>
	<b>144663</b>	<b>71035</b>
<b>TOTAL</b>	<u><b>410481</b></u>	<u><b>236130</b></u>

**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**

(Rs. in Thousands)

	<b>For the Year Ended 31st March, 2012</b>	For the Year Ended 31st March, 2011
<b>NOTE No. 24 : EARNINGS PER SHARE : (EPS)</b>		
- Profit after tax (in thousands)	<b>76787</b>	59123
- Number of equity shares	<b>90627500</b>	83627500
- Number of equity shares(weighed average)	<b>85377500</b>	83627500
- Nominal value of equity share (Rs.)	<b>1</b>	1
- Basic earnings per share (Rs.)	<b>0.85</b>	0.71
- Diluted earnings per share (Rs.)	<b>0.90</b>	0.71
 <b>NOTE No. 25 : CONTINGENT LIABILITIES</b>		
Contingent liabilities not provided for	<b>Nil</b>	Nil
 <b>NOTE No. 26 : VALUE OF IMPORTS (CALCULATED ON CIF BASIS) &amp; EARNINGS</b>		
(a) - Raw materials :	<b>266250</b>	100762
- Stores & spares & capital goods	<b>Nil</b>	Nil
(b) Earning in foreign exchange	<b>Nil</b>	Nil

**NOTE No. 27 : SEGMENT REPORTING**

(Rs. in Thousands)

Particulars	Fertilisers		Seeds		Windmill		Total	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
<b>Segment Revenue</b>								
Gross sales	<b>2211726</b>	1236294	<b>611463</b>	467058	<b>12663</b>	11142	<b>2835852</b>	1714494
Less: Interdivisional sales	<b>71321</b>	27350	<b>0</b>	0	<b>0</b>	0	<b>71321</b>	27350
Net sales	<b>2140405</b>	1208944	<b>611463</b>	467058	<b>12663</b>	11142	<b>2764531</b>	1687144
Other Income	<b>5236</b>	1525	<b>1597</b>	1582	<b>0</b>	0	<b>6833</b>	3107
<b>Segment Results</b>								
Profit before Interest & Depreciation	<b>174551</b>	114248	<b>59638</b>	38822	<b>10508</b>	10672	<b>244697</b>	163742
Less: Interest	<b>73449</b>	51792	<b>5280</b>	1611	<b>4400</b>	9865	<b>83129</b>	63268
Less: depreciation	<b>26420</b>	13289	<b>2049</b>	785	<b>15460</b>	15460	<b>43929</b>	29534
<b>Profit before tax</b>	<b>74682</b>	49167	<b>52309</b>	36426	<b>(9352)</b>	(14653)	<b>117639</b>	70940
<b>Segment Assets</b>	<b>1768921</b>	1159818	<b>239858</b>	194334	<b>95319</b>	120359	<b>2104098</b>	1474511
Unallocable assets							<b>17565</b>	16178
Total Assets							<b>2121663</b>	1490689
<b>Segment Liabilities</b>	<b>467505</b>	313379	<b>174908</b>	75059	<b>22966</b>	39620	<b>665379</b>	428058
Unallocable liabilities							<b>1456284</b>	1062631
Total Liabilities							<b>2121663</b>	1490689



## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

### NOTE No. 28 : RELATED PARTY DISCLOSURE

List of related parties with whom transactions have taken place during the year :

1. **Associate** : Basant Seeds, Ashwin & Co.
2. **Key Managerial Personnel** : Deepak C. Bhartia - Managing Director, Shashikant C. Bhartia - Chairman & Managing Director, Ashwin Bhartia - Executive Director
3. **Nature of transaction** :

(Rs. in Thousands)

Transactions	Associates		Key managerial personnel		Others	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Finance cost	-	-	5228	7348	3155	3612
Rent paid	-	-	674	-	12	-
Managerial remuneration	-	-	4240	2160	840	480
Seeds processing charges	2807	2573	-	-	-	-
Trade (payable)/receivable	2622	85443	-	-	-	-
Sales	164135	167336	-	-	-	-
Purchases	467553	179594	-	-	-	-
Outstanding loan to Company	-	-	62883	35915	58362	30663

#### Notes:

- (i) No amounts in respect of related parties have been written off / written back or provided for during the year.
- (ii) Related party relationship have been identified by the management and relied upon by the auditors.

### NOTE No. 29 : FOREIGN CURRENCY EXPOSURE ONLY RELATES TO FCNR (B) BORROWING AS ON 31ST MARCH, 2012

Particulars	2011-12		2010-11	
	USD	Rs. in Thousands	USD	Rs. in Thousands
Hedged	3612000	175128	-	-
Unhedged	-	-	-	-

### NOTE No. 30 : UTILISATION OF FUNDS

During the year 2011-12 the company has allotted 70,00,000 equity shares of Rs. 1/- each to the promoters of the company at the premium of Rs. 6.75 per shares aggregating to Rs. 542.50 lacs on conversion of warrants.

#### Utilisation of funds is as under:

Acquisition and refurbishment of plant at Jalgaon	<u>288.00</u>
Construction of Briquette plant at Sangli	48.00
Long term working capital for the company	206.50
	<u><u>542.50</u></u>

### NOTE No. 31 : PARTICULARS OF MATERIAL CONSUMED :

	2011-12		2010-11	
	Rs. in Thousands	Percentage	Rs. in Thousands	Percentage
Raw material (Imported)	266250	(18.70%)	100762	(9.84%)
Raw material (Indigenous)	1157200	(81.30%)	923102	(90.16%)
Stores & spares (Indigenous)	38032	(100%)	16079	(100%)

### NOTE No. 32 :

The financial statement has been prepared on basis of revised Schedule VI which has become effective from April 2011. Hence previous year's figures/published financial results have been regrouped and reclassified wherever necessary to correspond with the current years' classification/disclosures.

**BASANT AGRO TECH (INDIA) LIMITED**

**Regd. Office :** Plot No.13/2, Kaulkhed, Near S. T. Workshop, Akola - 444 001, Maharashtra.

**PROXY FORM**

Regd.Folio No. \_\_\_\_\_

No. of Shares held \_\_\_\_\_

I/We \_\_\_\_\_

of \_\_\_\_\_

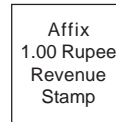
being Member/s of Basant Agro Tech (India) Ltd, Akola hereby appoint \_\_\_\_\_

of or failing him/her \_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to attend and vote for me/us on my/our behalf at the 22nd Annual General Meeting of the Company to be held on Friday 28th September, 2012 at 4.00 p.m. at Krishi Sanjivani Office, Opp. Nagar Parishad, Akola - 444 001, Maharashtra and at any adjournment thereof.

\_\_\_\_\_  
Date

Signed this



**Note : The Proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.**

----- ✂ ----- TEAR HERE ----- ✂ -----

**BASANT AGRO TECH (INDIA) LIMITED**

**Regd.Office :** Plot No.13/2, Kaulkhed, Near S.T.Workshop, Akola - 444 001, Maharashtra.

**ATTENDANCE SLIP**

(PLEASE PRESENT THIS SLIP AT ENTRANCE OF THE MEETING HALL)

I hereby record my presence at the 22nd Annual General Meeting to be held at Krishi Sanjivani Office, Opp. Nagar Parishad, Akola - 444 001, Maharashtra on Friday, the 28th September, 2012 at 4:00 p.m.

Ledger Folio No. \_\_\_\_\_

No. of Shares \_\_\_\_\_

Name of Shareholder

\_\_\_\_\_  
(Signature of Member/Proxy)  
(To be signed at the time of handling  
over the slip at the Meeting Hall)

TEAR HERE



Shri S. C. Bhartia, Chairman & Managing Director  
with Prof. Yuan Long Ping, scientist from China for Rice.



Shri A. N. Bhartia, Executive Director with  
scientists inspecting crops at R & D farms.



Shri D. C. Bhartia, Managing Director, Shri A. D. Bhartia,  
President and Shri N. C. Bhartia with Chief Secretary,  
Govt of Maharashtra at R & D Laboratory

## Book Post

*If Undelivered, please return to,*

**Basant Agro Tech (India) Limited**

Regd. Office : Plot No. 13/2, Kualkhed,

Near S.T. Workshop,

Akola - 444 001, Maharashtra.