



**Disclaimer**

In this annual report, we have disclosed forward-looking information to help investors comprehend our prospectus and take informed Investments decisions. This report is based on certain forward-looking statements that we periodically make to anticipate results based on the management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as ‘anticipates’, ‘estimates’, ‘expects’, ‘projects’, ‘intends’, ‘plans’, ‘believes’, and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumption. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward- looking statements, whether as a result of new information, future events or otherwise.

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**BOARD OF DIRECTORS**

Shri Malvinder Singh	Chairman & Managing Director
Shri Vivek Atri	Dy. Managing Director & Secretary
Shri Harpreet Singh Nagra	Director
Shri Jalesh Grover	Independent Director
Shri Ajay Arora	Independent Director
Shri Multan Singh Kadian	Independent Director
Shri Rajesh Malhotra	Nominee Director ( IDBI Bank )

**REGISTERED & CORPORATE OFFICE**

S.C.O. 30, First Floor, Sector 33-D, Chandigarh – 160 020

**BANKERS/ TERM LENDERS**

Union Bank of India  
Bank of India  
State Bank of Patiala  
ICICI Bank Ltd.  
The Federal Bank Ltd.  
Axis Bank Ltd.  
IDBI Bank Ltd  
State Bank of India  
State Bank of Hyderabad  
Allahabad Bank  
Kotak Mahindra Bank Ltd.  
Barclays Bank Plc.  
DEG Germany  
M & T Bank, USA

**WORKS**

- Village Tofapur, Near Lalru  
Distt. S.A.S. Nagar (Mohali) (Punjab)
- Village Bhagwanpura, Barwala Road, Dera Bassi  
Distt. S.A.S. Nagar (Mohali) (Punjab)
- Padalam Sugar Factory Road,  
Pazhaynoor (PO) Madhurantakam,  
District Kancheepuram Tamil Nadu

**REGISTRAR & SHARE TRANSFER AGENT**

M/s Karvy Computershare Pvt. Ltd.  
Plot No.17-24, Vithal Rao Nagar,  
Madhapur,  
Hyderabad – 500 081



**NOTICE**

NOTICE is hereby given that the 21st Annual General Meeting of the Company shall be held on Saturday 28th September, 2013 at 09.30 A.M at Chandigarh Institute of Hotel Management (Formerly Food Craft Institute), Sector 42-D, Chandigarh to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March 2013 and the Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Jalesh Grover, who retire by rotation & being eligible, offers himself for re-appointment.
3. To Appoint Auditors of the Company.

By order of the Board

Sd/-

**(Vivek Atri)**

Place: Chandigarh

Date : 14.08.2013

Dy. Managing Director & Secretary

**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE MEMBER OF THE COMPANY. A PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME OF COMMENCEMENT OF MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed for 2 days from 27th September, 2013 to 28th September, 2013 (both days inclusive).
3. Members desirous of seeking any further information or clarification in respect of accounts and operations of the Company are requested to send their queries in writing to the Company at the Registered Office so as to reach at least 7 days before the date of the meeting so that the required information can be made available at the meeting.
4. Members are requested to bring with them the attendance slips sent with this Annual Report duly completed and signed to hand it over at the entrance.
5. Members holding shares in physical form are requested to notify immediately the change in their address, if any at the Registered Office of the Company.
6. In support of the green initiative of the Ministry of Corporate Affairs, the Company has also decided to send all future communications including the annual report through email to those shareholders, who have registered their e-mail id with their depository participant / Company's registrar and share transfer agent. In case a shareholder wishes to receive a printed copy of such communications, he/she may please send a request to the Company, which will send a printed copy of the communication to the shareholder.

**INFORMATION REQUIRED TO BE FURNISHED UNDER CLAUSE 49.IV (G) OF THE LISTING AGREEMENT.**

**DISCLOSURE REGARDING RE-APPOINTMENT OF DIRECTOR**

**DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING:**

<b>Particulars</b>	<b>Mr. Jalesh Grover</b>
Date of Birth	12-04-1968
Date of Appointment	26th April,2012
Qualifications	CA & MBA (Finance)
Expertise in specific functional area	11 years
Directorship held in other public companies (excluding foreign, private and Section 25 companies)	Director in Recorders & Medicare Systems Pvt Ltd And Intelligent Medicare Systems Pvt Ltd
Membership/ Chairmanship of committees of other public companies (includes only Audit and Shareholder/ Investors Grievance Committee)	N/A
Number of shares held in the Company	Nil

**DIRECTORS' REPORT**

The Directors are pleased to present the 21st Annual Report and Audited Statements of Accounts for the period ended on 31st March, 2013.

**FINANCIAL RESULTS**

	(Rs. in lacs)	
<b>Particulars</b>	<b>2012-13</b>	<b>2011-12</b>
Net Sales/Income	3550.54	17951.46
Other Income	27.63	76.67
(Increase)/Decrease in Stock	3379.94	(176.81)
Total Expenditure	13914.69	20334.80
Profit ( Loss ) before Int/Tax/Dep	(4630.07)	3134.41
Interest	4060.18	3789.16
Depreciation	1646.26	1651.92
Misc Expenses W/o	-	-
Profit ( loss ) before Tax	(10336.51)	(5305.79)
Provision for Taxation	-	-
Profit after Current Tax	(10336.51)	(5305.79)
Provision for deferred Tax	(534.96)	(520.48)
Mat Credit Entitlement/Reversal	145.29	
Profit/(Loss) after Tax	(9946.84)	(4793.57)
Extra Ordinary Items including Previous year adjustments	39.47	10.62
<b>Net Profit/(Loss) After tax</b>	<b>(9986.31)</b>	<b>(4793.57)</b>

**DIVIDEND**

In view of the loss, your directors regret their inability to recommend any Dividend for the year under review.

**PERFORMANCE**

During the year under review, your company has achieved a net income of Rs. 35.78 Crores (previous year Rs. 180.21 Crores). The Sales in the Current financial year i.e. 2012-13 of the Company have been adversely affected due to discontinuation of Shipments of Canned Mushrooms to US. The said discontinuation is due to non conformity with USFDA norms. In the wake of said norms of USFDA, the Company has recalled the shipped containers back to India. The said development has resulted into huge losses coupled with reduced level of production.

The company has started selling fresh mushrooms in the domestic market and other export market. The response from these markets is encouraging.

**CHENNAI PLANT**

The final commissioning of the Chennai unit is delayed due to financial crunch being faced by the Company.

**AUDITORS**

M/s Suresh Mittal & Associates, Chartered Accountants, retires as Statutory Auditors at the ensuing Annual General Meeting and they have expressed unwillingness for re-appointment as Statutory Auditors.

The Board has considered the appointment of M/s Rakesh Singla & Associates, Chartered Accountants, as Statutory Auditors of the Company.

M/s Rakesh Singla & Associates, Chartered Accountants have given a Certificate that their appointment as Auditors if made, would be in conformity with limit prescribed under Section 224 of the Companies Act, 1956.

**DIRECTORS**

Shri Jalesh Grover, liable to retire by rotation, being eligible offers himself for re-appointment.

**PARTICULARS OF EMPLOYEES**

There is no employee in the Company whose particulars are required to be given under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975

**DIRECTORS' RESPONSIBILITY STATEMENT**

— Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to Directors

Responsibilities Statement, it is hereby confirmed:

- i) that in the preparation of accounts for the period ended 31st March, 2013, the applicable Accounting Standards had been followed and there are no material departures;
- ii) that the selected Accounting Policies are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the year end and profit of the Company for that period;
- iii) that proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
- iv) that the accounts have been prepared on a going-concern basis.

**INTERNAL CONTROL AND ADEQUACY**

The Company has adequate system of internal controls to ensure that all assets are safeguard, transactions are authorized, optimum utilization of resources, costs are controlled, reporting of financial transactions and compliance with applicable law and regulations.

**BIFR AND REHABILITATION**

As per the Audited Financial Results for the year ended 31.03.2013, the Networth of the Company is continuing to be fully eroded.

The Company has filed a fresh reference to Board for Industrial & Financial Reconstruction (BIFR) on the basis of Audited Balance Sheet for the financial year ended on 31.03.2013. A suitable rehabilitation scheme shall be submitted to the BIFR upon declaration of the Company as Sick Industrial Unit. However, the Company has submitted a plan to the Secured Lenders for sale of its surplus & non core assets to reduce the debt, which is under active consideration of the said Lenders.

Earlier, the Company made a reference to the BIFR on the basis of Audited Balance Sheet for the financial year ended on 31.03.2011 to declare the Company Sick and the same was dismissed. However, an appeal has been filed by the Company with AAIFR against the order of BIFR, which is under consideration.

**COST AUDIT**

The Company has appointed Dr. Vimal Kumar (Membership No. 9982) Prop.of M/s V.Kumar and Associates, SCO 124-125, Sector 34A, Chandigarh, Cost and Works Accountants as the Cost Auditors of the Company for the financial year 2012-13 for filing of Compliance Report as per Cost Accounting Record Rules,2011 issue vide notification of Ministry of Company Affairs (MCA) dated 3rd June,2011

**AUDITOR'S REPORT**

Observations made in the Auditors' Report are self- explanatory and therefore do not call for any further explanation.

**AUDIT COMMITTEE**

The constitution is in accordance with Section 292A of the Companies (Amendment) Act, 2000.

1. Mr. Jalesh Grover
2. Mr. Ajay Arora
3. Mr. Multan Singh Kadian

The Committee met Five times during the year. The Board of Directors has accepted all the recommendation of the Audit Committee.

**CORPORATE GOVERNANCE**

The Company aims to conduct its affairs in an ethical manner. A separate Report on Corporate Governance forms a part of the Annual Report. A certificate from the Company's Auditors regarding the Compliance of Conditions of Corporate Governance as stipulated under Clause 49 is also annexed with the report.

**LISTING OF SHARES & SEBI REGULATION**

The Equity shares of the company are listed on The Stock Exchange Mumbai & National Stock Exchange of India Ltd., Mumbai.

**INSURANCE**

- The company has taken the required insurance coverage for its assets against the possible risks like fire,

flood, public liability, marine etc.

**DEPOSITS**

During the year under Report, your Company did not accept any deposits from the public in terms of the provisions of Section 58A and 58AA of the Companies Act ,1956.

**ACKNOWLEDGEMENTS**

Company would like to thank its Shareholders including suppliers, vendors, investors and bankers. Company also records its appreciation of the contribution made by employees at all levels. The diligent hard work, cooperation and support is a backbone of all endeavors of the company. We, assure all the stakeholders that the team ADIL is fully dedicated and assure that with the continuous support, we will overcome the turbulence in this year.

**For and on behalf of the Board**

Place: Chandigarh

-sd/-

Dated: 14.08.2013

**Vivek Atri**

Dy. Managing Director & secretary

**ANNEXURE TO THE DIRECTORS' REPORT**

STATEMENT CONTAINING PARTICULARS PURSUANT TO THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF DIRECTORS' REPORT

**i) Conservation of Energy**

Energy cost constitutes a major part of cost of production. The Company has installed its own co-generation power plant which helps the Company to reduce energy cost and also lower the dependence on State Electricity Board.

**ii) Technology Absorption : Not Applicable**

**iii) Foreign Exchange Earning and Outgo**

Earnings	Rs.	2595.95	Lacs
Interest	Rs.		-
<b>Outgo:</b>			
Capital A/c	Rs.		-
Raw Material & Consumables	Rs.	100.23	Lacs
Spares & Components	Rs.	1.93	Lacs
Travelling	Rs.	1.13	Lacs
Interest & Financial Charges	Rs.	243.3	Lacs
Others	Rs.	7.96	Lacs
Repayment of term loans	Rs.	0.00	Lacs

## MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

The principal business of the Agro Dutch Industries Limited is growing of White Button Mushrooms.

### a) **Business Environment**

The global economy continues to be sluggish with a moderation in growth in China adding to the continuation of the crisis in the European Union and the United States being unable to show clear signs of economic recovery. Within the domestic economy, growth slowed much more than anticipated, with the GDP growth for fiscal year 2012-13 being pegged at 5.0%, the lowest in a decade. Your Company's performance for the year 2012-13 has to be viewed in the context of the aforesaid economic and market environment.

### b) **Industry Structure and Outlook**

There is economic slowdown and recession alongwith fall in economic growth and increasing Current Account Deficit (CAD). The Indian Food Processing industry is viewed as growing industry, supported with new technologies being used in cultivation of various agro produce. Demand for processed and alternate food is growing due to rapid urbanization, increasing income levels and life style swing. The Mushroom industry has a bright future due to acceptability of the same.

### c) **Opportunities and Threats**

The food processing industry in India is witnessing rapid growth. In addition to the expansion of demand, changes happening on the supply side with the growth in organized retail, increasing FDI in food processing and introduction of new products. The opportunities of expansion in the food processing industry are vast. However, there is need to improve technology and productivity to be competitive globally. As the economy grows, the food processing industry will offer bigger opportunities to the new as well as the existing players. In the current recovering economy, our business is challenged by regulatory policy changes, raw material pricing, power tariff cost, weather changes, changing consumer demand, impact of currency fluctuations and competition from domestic and international front.

### d) **Segment Review and Analysis**

Segment has been identified in line with the Accounting Standard on Segment Reporting (AS-17) taking into account the organization structure as well as the differential risks and returns of these segments.

### e) **Outlook**

The Company is exploring new markets including domestic market. The Company is looking for new innovative ways to increase its sales and market share. Negotiations are in progress with new customers in Europe/US which will improve the company's sales in the coming years.

### f) **Risks and concerns**

Every business faces risks involved in its operations, namely, external & internal risks. External risks affect the working of the Company and includes Market Competition, Government policies, political and economic changes in importing country etc. all these risks are out of the preview of the Company and cannot be mitigated. On the other hand, Internal risks include increase in price of Raw material, high risk from diseases, contamination, fall in standard of production and quality of produce. Company ensures that these risks are duly managed and well addressed.

### g) **Internal Control Systems and their adequacy**

The Company has adequate system of internal controls to ensure that all activities are monitored and controlled as well as transactions are authorized, recorded and reported correctly. The internal controls are supplemented by periodic audits. We have a qualified and independent Audit Committee which comprises Independent Directors. The Audit Committee reviews the adequacy and efficiency of internal controls and recommends any improvements or corrections.

### h) **Human Resource Development/Industrial Relations**

The Company continues to believe that their employees are key contributors to the company's success. The Group's Endeavour to impart the best training, working environment for retaining the best talents in the industry. Industrial relations continue to be cordial and harmonious.

### i) **Cautionary Statement**

Statements in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable laws and regulations and actual results might differ materially from those either expressed or implied.

**REPORT ON CORPORATE GOVERNANCE**

**COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

Corporate Governance contains a set of principles, process and systems to be followed by Directors, Management and all Employees of the Company for increasing the shareholder's value, keeping in view interest of other stakeholders. While adhering to the above, the Company is committed to integrity, accountability, transparency and compliance with laws in all dealings with the Government, customers, suppliers, employees and other stakeholders.

**COMPOSITION OF THE BOARD**

The Board of Directors of the Agro Dutch Industries Limited comprises of the Chairman cum Managing Director, who is a promoter director, One Deputy Managing Director, One Executive Director, and 4 Non-executive directors including one Nominee Director. Details are given in Table 1.

**TABLE 1: DETAILS ABOUT THE BOARD OF DIRECTORS**

Sr. Name of Director	Promoter, executive, non-executive, independent	Number of meetings held	Number of meetings attended	Whether attended last Agm on 29.09.2012	Number of outside directorships of public ltd. Companies	Materially significant pecuniary or business relationship with the company
1. Mr. Malvinder Singh	Promoter-Executive	6	1	NO	3	NIL
2. Mr. S.R.K Agnihotri*	Independent Non-Executive	6	1	Yes	NIL	NIL
3. Mr Arvind Kalra **	Executive Director	6	2	Yes	1	NIL
4. Mr. Jalesh Grover #	Independent Non- Executive	6	6	NA	2	NIL
5. Mr. Ajay Arora ##	Independent Non- Executive	6	4	Yes	5	NIL
6. Mr. Multan Singh Kadian ###	Independent Non- Executive	6	4	NA	NIL	NIL
7. Mr. Harpreet Singh Nagra ####	Independent Non-Executive	6	4	NA	NIL	NIL
8. Mr. Vivek Atri #####	Deputy Managing Director	6	4	NA	NIL	NIL
9. Mr. Rajesh Malhotra	Nominee Director	6	6	NA	NIL	NIL

\* Resigned from directorship w.e.f. 17th July, 2012

\*\* Resigned from directorship w.e.f. 1st July, 2012

# Appointed as Independent Director w.e.f. 26th April, 2012

## Appointed as Independent Director w.e.f. 30th July, 2012

### Appointed as Independent Director w.e.f. 30th July, 2012

#### Appointed as Whole Time Director w.e.f. 24th July,2012

##### Appointed as Dy. Managing Director w.e.f. 1st August,2012

**DETAILS OF BOARD MEETINGS HELD DURING THE YEAR**

Date of Board Meeting	15th May, 2012	24th July, 2012	13th August, 2012	30th August, 2012	10th November, 2013	9th February, 2013
Board Strength	5	5	7	7	7	7
No. of Directors Present	4	4	6	7	6	6

**DIRECTORS' ATTENDANCE RECORD & DIRECTORSHIPS**

Table I gives the composition of the Board of Directors, the category of Directors, their attendance record and the number of directorships.

**INFORMATION SUPPLIED TO THE BOARD**

The Board has complete access to the information within the company including the information as per Clause 49 of the listing agreement.



**DIRECTORS WITH MATERIALLY SIGNIFICANT PECUNIARY RELATIONSHIP OR BUSINESS TRANSACTIONS WITH THE COMPANY**

There have been no materially relevant pecuniary relationships or transactions between the Company and its Directors for the year 2012-13.

**BOARD COMMITTEES**

Presently the Board has three Committees i.e. Audit Committee, Investor Grievances/Share Transfer Committee and Remuneration Committee.

**AUDIT COMMITTEE**

Audit committee of the Board was constituted in compliance with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of Listing Agreement. Audit Committee is, inter-alia, responsible for the financial reporting and ensuring compliance with the Accounting Standard and reviewing the financial policies of our company and to recommend the appointment of Statutory Auditors and internal auditors and to fix their remuneration. The Committee is responsible for reviewing the reports from internal auditors. The Committee will review all quarterly reports before submission of the same to the board. Name of Directors who are members of the Committee and the details of meeting attended by directors are as under:

**Members of Committee**

1. Mr. Jalesh Grover	Chairman
2. Mr. Ajay Arora	Member
3. Mr. Multan Singh Kadian	Member

**Attendance at the Audit Committee meeting**

The Committee The Committee met Five times during the year and quorum was present for every meeting. The Audit Committee meetings during the Financial Year 2012-13 were held on the following dates:

1. 15th May,2012	2. 13th August,2012
3. 30th August,2012	4. 10th November,2012
5. 9th February,2013	

The Following areas are referred to the Audit Committee

- a) Overall assessment of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- a) Overall assessment of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending the appointment of external auditor, fixation of audit fees and also approval for payment for any other services.
- c) Reviewing with management the annual financial statements before submission to the board, focusing primarily on:
  - i. Changes, if any, in accounting policies and practices.
  - ii. Major accounting entries based on exercise of judgement by management.
  - iii. Observations, if any, in draft audit report.
  - iv. Significant changes/amendments, if any, arising out of audit.
  - v. The Going Concern assumption.
  - vi. Compliance with accounting standards.
  - vii. Compliance with Stock Exchanges and Legal requirements concerning financial statements.
  - viii. Any related party transactions i.e. Transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. That may have potential conflict with the interests of company at large.
- d) Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.
- e) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

- f) Discussion with internal auditors any significant findings and follow up there on.
- g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- h) Discussion with external auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  - i) Reviewing the company's financial and risk management policies.
  - j) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

The audit committee shall exercise the following additional powers:

- a. To investigate any activity within its terms of reference.
- b. To seek information from any employee.
- c. To obtain outside legal or other professional advice.
- d. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**SHAREHOLDERS/INVESTORS GRIEVANCES AND SHARE/DEBENTURE TRANSFER COMMITTEE**

The committee consists of three directors viz Mr. Vivek Atri, Mr. Ajay Arora & Mr. Multan Singh Kadian. This Committee deals with the transfer of share certificates and dematerialization of shares, investor grievances and complaints. The Board has appointed Mr. Vivek Atri, Dy. Managing Director & Company Secretary, as Compliance Officer. No valid transfer/transmission of share was pending as on 31st March, 2013.

**REMUNERATION COMMITTEE**

Remuneration committee presently comprises of Mr. Ajay Arora, Mr. Jalesh Grover and Mr. Multan Singh Kadian.

The remuneration committee convenes its meeting to consider and recommend the appointments of Managerial personnel.

**RECONCILIATION OF SHARE CAPITAL AUDIT**

The Company conducts a Reconciliation of Share Capital Audit on a quarterly basis in accordance with requirements of Securities and exchange Board of India (Depositories and Participants) Reg. 1996 and SEBI Circular No. D& CC/FITTC/Cir-16/2002 dated 31.12.2002. M/s Sharma Sarin & Associates, Company Secretaries were appointed by the Company to conduct such audit. The Reconciliation of Share Capital Audit Report, which was submitted to the stock exchanges within the stipulated period, inter-alia certifies that the Company's equity shares held in the dematerialised form confirm with the issued and paid-up equity shares capital of the Company.

**SECRETARIAL COMPLIANCE CERTIFICATE**

As per the provisions of the clause 47 (c) of the Listing Agreement entered with the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited by the Company, the company has obtained the Secretarial Compliance Certificate on half-yearly basis from M/s Sharma Sarin Associates, Company Secretaries, to the effect that all transfer of shares among others, were effected within the stipulated time.

The certificate was submitted with the stock exchanges within the prescribed time limit.

**INFORMATION ON GENERAL BODY MEETINGS**

The date, time and venue of the last three Annual General Meetings are as follows:-

<b>YEAR</b>	<b>LOCATION</b>	<b>DATE AND TIME</b>
2009-10	CHANDIGARH INSTITUTE OF HOTEL MANAGEMENT SECTOR 42-D, CHANDIGARH	28th September, 2010 AT 10.30 A.M
2010-11	CHANDIGARH INSTITUTE OF HOTEL MANAGEMENT SECTOR 42-D, CHANDIGARH	24th September, 2011 AT 10.30 A.M.
2011-12	CHANDIGARH INSTITUTE OF HOTEL MANAGEMENT SECTOR 42-D, CHANDIGARH	29th September, 2012 AT 10.00 A.M.

**DISCLOSURES**

During the year, there were no transactions of material nature with the Director or the management or their

subsidiaries or relatives that had potential conflicts with the interest of the Company.

There have been no instances of non-compliance on any matter related to the capital markets during the last three years.

**MEANS OF COMMUNICATION**

Quarterly, half yearly, annual results and statutory notices are published in prominent daily newspapers, i.e. The Financial Express (All editions) and Jansatta (Chandigarh). All these information are also uploaded on the web-site of the company i.e. www.agro-dutch.com

**ANNUAL GENERAL MEETING**

<b>Date</b>	<b>Time</b>	<b>Venue</b>
28.09.2013	09.30 A.M.	Chandigarh Institute of Hotel Management, Sector 42-D, Chandigarh

**FINANCIAL CALENDAR**

April 01 to March 31

**DATES OF BOOK CLOSURE**

27th September, 2013 to 28th September, 2013. (Both Day inclusive)

**REGISTERED OFFICE**

S.C.O.30, 1st FLOOR, SECTOR 33-D, CHANDIGARH – 160 020

TEL.No.: 0172-2665117, FAX No.: 0172-2604045, E.MAIL No. seema@agro-dutch.com

**REGISTRAR AND SHARE TRANSFER AGENT**

M/S. KARVY COMPUTERSHARES PVT LIMITED

PLOT NO.17-24, VITHAL RAO NAGAR, MADHAPUR, HYDERABAD – 500 081

**SHARE TRANSFER SYSTEM**

Share transfers are registered and returned within a period of twenty one days from the date of receipt, if the documents are in order in all respects.

**LISTING AND STOCK CODE**

Share of ADIL are listed on the Mumbai, and National Stock Exchange Limited, Mumbai. The code for Mumbai Stock Exchange is 519281.

**SHAREHOLDING PATTERN AS ON 31.03.2013**

<b>CATEGORY</b>	<b>NO. OF</b>	<b>SHARES HELD</b>	<b>% OF HOLDING</b>
<b>A Promoters Holding</b>			
1. Indian Promoters		53,67,529	9.87
2. Ministry of Food Processing		15,00,000	2.76
3. Persons acting in concert		2,51,36,419	46.24
<b>Sub Total</b>		<b>3,20,03,948</b>	<b>58.87</b>
<b>B Non Promoters Holding</b>			
4. Institutional Investors			
a) Mutual Funds and UTI		7,900	0.01
b) Banks/Financial Institutions, Insurance Companies (Central/State Govt. Institutions/ Non-Govt. Institutions)		3,00,000	0.55
c) Foreign Institutional Investors		0.00	0.00
<b>Sub Total</b>		<b>3,07,900</b>	<b>0.56</b>

5. Others		
a) Private Corporate Bodies	2354037	4.33
b) Indian Public	18988879	34.93
c) Non Resident Indians/Overseas Corporate Bodies	666205	1.23
d) Any Other		
a) Directors	16000	0.03
b) Clearing Members	28031	0.05
<b>Sub Total</b>	<b>2,20,53,152</b>	<b>40.57</b>
<b>Grand Total</b>	<b>54365000</b>	<b>100%</b>

**STOCK MOVEMENT DATA**

Month	Bombay Stock Exchange			National Stock Exchange		
	High(Rs)	Low (Rs)	Monthly Volume	High (Rs)	Low(Rs)	Monthly Volume
April 2012	5.35	4.57	705667	5.35	4.55	171657
May 2012	5.25	4.07	589221	5.5	3.95	255938
June 2012	5.56	4.2	721564	5.45	4.3	216329
July2012	5.39	4	2465581	5.45	4	292025
Aug 2012	4.49	3.5	1010464	4.55	3.65	206530
Sept 2012	4.39	3.5	874091	4.25	3.5	269878
Oct 2012	4.39	3.55	423801	4.3	3.5	290683
Nov 2012	4.19	3.4	479324	3.85	3.45	281355
Dec 2012	5.2	3.83	2247697	5.15	3.85	687778
Jan 2013	4.23	3.15	700817	4.2	3.15	306177
Feb 2013	3.49	2.31	711342	3.5	2.1	434828
Mar 2013	3.19	2.31	443456	3.05	2.2	522944

**DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2013**

Sr. No.	CATEGORY	NUMBER OF CASES	% OF CASES	AMOUNT	% OF AMOUNT
	\FROM TO				
1	01 - 5000	16590	75.96	31927950.00	5.87
2	5001 - 10000	2380	10.90	19977360.00	3.67
3	10001 - 20000	1381	6.32	22015800.00	4.05
4	20001 - 30000	482	2.21	12642780.00	2.33
5	30001 - 40000	230	1.05	8330110.00	1.53
6	40001 - 50000	214	0.98	10180400.00	1.87
7	50001 - 100000	294	1.35	21884910.00	4.03
8	100001 > above	270	1.24	416690690.00	76.65
	<b>Total</b>	<b>21841.00</b>	<b>100.00</b>	<b>543650000.00</b>	<b>100.00</b>

**DEMATERIALIZATION OF SHARES**

As on 31st March 2013, in total 5,21,89,806 (96.00% of the total number of shares) shares are in dematerialised form. The Company's shares are compulsorily traded in dematerialised form.

**INVESTOR CORRESPONDENCE**

Shareholders can contact the Company's Registrar & Share Transfer Agent:-

M/S. KARVY COMPUTERSHARES PVT LIMITED  
PLOT NO.17-24, VITHAL RAO NAGAR, MADHAPUR, HYDERABAD – 500 081



**CEO/CFO CERTIFICATION**

As required under Clause 49 of the Listing Agreement the certificates duly signed by Mr. Vivek Atri, Dy. Managing Director, were placed at the meeting of Board of Directors held on 14th August, 2013.

**Declaration to the Compliance with code of conduct as per clause 49 of the Listing Agreement.**

I, Vivek Atri, Deputy Managing Director & Company Secretary of Agro Dutch Industries Limited having its registered office at SCO 30, 1st Floor, Sector 33 D, Chandigarh do hereby certify that the Board of Directors has formulated the code of conduct as per the provisions of clause 49 of the Listing Agreement for the Directors and Senior Management Personnel, which has been posted on the website of the company.

Further, it is hereby confirmed that all the Directors and Senior Management Personnel have complied with the code of conduct and a confirmation to this effect has been obtained from Directors and Senior Management Personnel for the financial year 2012-13.

**On behalf of the Board of Directors**

Sd/-

**(Vivek Atri)**

Deputy Managing Director & Secretary

Place: Chandigarh

Date: August 14, 2013

**COMPLIANCE CERTIFICATE OF CORPORATE GOVERNANCE**

The Company has obtained a certificate from Practising Company Secretary regarding compliance of the requirements of corporate governance as stipulated in clause 49 of the listing agreement with the Stock Exchanges and the same is annexed. The certificate will also be sent to the Stock Exchanges along with the Annual Report to be filed by the Company.

**CERTIFICATE**

To the Members of  
Agro Dutch Industries Limited

We have examined the compliance of conditions of corporate governance by Agro Dutch Industries Limited, for the year ended on March 31, 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange(s).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance(s) are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders 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 Sunita Kanwar & Associates  
Company Secretaries**

Sd/-

**(Sunita)**

Place: Chandigarh

Dated: 14.08.2013

**INDEPENDENT AUDITOR'S REPORT**

To the members of Agro Dutch Industries Limited

**Report on the Financial Statements**

We have audited the accompanying financial statements of Agro Dutch Industries Limited ("the company") which comprise the Balance Sheet as at March 31, 2013, the statement of Profit and Loss Account and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the financial statements.**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India including Accounting Standards referred to in section 211(3C) of the companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, 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 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.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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;

- i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31st, 2013;
- ii) In the case of the Statement of Profit and Loss, of the loss 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.

**Emphasis of Matters**

We draw attention to:

- (i) Note 1B regarding pending export obligations against machinery imported under advance license as stated in the said note
- (ii) Note 1B Para XIV, regarding reasons for preparing the financial statements of the company on a going concern basis, notwithstanding the fact that its net worth is totally eroded. The appropriateness of the said basis is inter alia depends on the admission of its case by BIFR and the rehabilitation packages approved by BIFR, repayment of debts by sale of surplus and non-core assets.
- (iii) Note XV regarding demurrage and other charges amounting to Rs 154 lacs claimed by the freight forwarding agency on recall of containers but disputed by the company on the basis of legal opinion.
- (iv) Note XVI regarding none provisioning for penal interest and other charges levied by financial Institutions/ banks for the reasons explained in the Note.

Our opinion is not qualified in respect of these matters.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Reports) Order, 2003 ( " the order " ) issued by the Central Government of India in terms of Sub Section (4A) of Section 227 of the Companies Act, 1956 , we give in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
2. 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 purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of 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 sub-Section ( 3C ) of section 211 of the Companies Act, 1956 .
  - e) On the basis of written representation received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For Suresh Mittal & Associates**  
**Chartered Accountants**  
FRN003800N

PLACE: Chandigarh  
Dated: 14.8.2013

**(Suresh Mittal)**  
Partner,  
Membership No 82740

**ANNEXURE TO INDEPENDENT AUDITOR'S REPORT**

Annexure referred to paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.

- i.
  - a. The Company has maintained proper records in respect of fixed assets showing full particulars including quantitative details and situation of fixed assets.
  - b. As explained to us, the management has physically verified fixed assets according to a phased programme of periodic verification which, in our opinion is reasonable having regard to the size of the company and nature of the assets. As informed, no material discrepancies between book records and physical inventory have been noticed in respect of the fixed assets physically verified during the year.
  - c. Fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
- ii.
  - a) As informed the inventories have been physically verified during the year by the management ( except the stock lying with third parties ) and in our opinion the frequency of verification is reasonable.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the Company are reasonable and adequate commensurate with the size of the Company and the nature of its business.
  - c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical inventory & book records were not material.
- iii.
  - a) The Company has not granted any loans, Secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, the Clause (iii)(b), (iii)(c) and (iii)(d) of the paragraph 4 of the order are not applicable.
  - b) The company has taken loan from parties covered in the register maintained under section 301 of the

Companies Act, 1956. Total number of party is four, the maximum amount involved during the year was Rs 14,02,74,974.00 and the year end balance of loan taken from such parties was Rs 10,64,74,974.00.

- c) In our opinion and according to information and explanations given to us , the rate of interest and other terms and conditions for such loan are not prima facie prejudicial to the interest of the company.
- d) In respect of loans taken , repayment of the principal amount is as stipulated and payment of interest have been regular
- iv. In our opinion and according to the information and explanation given to us and having regard to the explanations that some of the items purchased/ sold are of special nature and alternative quotations are not available, there are adequate internal control procedures commensurate with the size of the company and nature of its business for the purchase of inventory and fixed assets and for the 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 we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v.
  - a. In our opinion and according to information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
  - b. In our opinion and according to the information and explanation given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rs. Five Lacs in respect of each party during the year, have been made at prices which are reasonable having regard to the prevailing market price at the relevant time.
- vi. According to the information and explanations given to us the company has not accepted deposit from the public. We are informed by the management that no order has been passed by the Company Law Board , National Company Law Tribunal or Reserve Bank Of India or any court or any other Tribunal
- vii. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- viii. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under 209 (1) (d) of the Companies Act, 1956 , and are of the opinion that prima facie , the prescribed accounts and records have been maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or note.
- ix.
  - a) According to the information and explanation given to us and the records of the company examined by us, in our opinion, the company has been regular in depositing during the year undisputed statutory dues including Provident Fund, Employee's State Insurance Dues, Investor Education and Protection Fund, Income-Tax, Sales-Tax, Wealth Tax, Custom Duty, Service Tax, Excise Duty, Cess and other material statutory dues as applicable, with the appropriate authority in India.
  - b) According to the information and explanation given to us and the records of the company examined by us, there are no outstanding dues of income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty and on account of any cess.
- x. The company has accumulated losses as at 31.3.2013 not less than fifty percent of its net worth. Company has incurred cash losses in the financial year ended on that date and also incurred cash losses in the immediately proceeding financial year.
- xi. Based on our audit procedures and on the basis of information and explanations given by the management, we report that the company has defaulted in repayment of loans and interest thereon. The details are as per Annexure-I
- xii. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund, nidhi, mutual benefit or a society. Accordingly, Clause 4 (xiii) of the Order is not applicable.
- xiv. In our Opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies ( Auditors' Report ) Order , 2003 are not applicable to the company.
- xv. In our Opinion and according to information and explanations given to us and the records produced before us the company has not given guarantee for loan taken by others from bank.





- xvi. In our opinion and according to the information and explanations given to us, on an overall basis, term loans availed by the company were, prima facie, applied for the purpose for which they were raised.
- xvii. On the basis of information and explanations given to us, and on the basis of an overall examination of the balance sheet of the company, no funds raised on short term basis have been utilized for long-term investments.
- xviii. The company has not made any preferential allotment of shares to the parties and companies covered in the register maintained u/s 301 of the Companies Act during the year.
- xix. Company has no outstanding Debentures as on 31.3.2013.
- xx. The Company has not raised any money by way of public issues during the year.
- xxi. During the course of our examination of the books and records of the company carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us , we have neither come across any instance of fraud on or by the company , noticed or reported during the year, nor have we been informed of such case by the management.

Place : Chandigarh  
Dated : 14.8.2013

**For Suresh Mittal & Associates**  
**Chartered Accountants**  
FRN003800N  
**(Suresh Mittal)**  
Partner,  
Membership No 82740

## BALANCE SHEET AS AT 31st MARCH 2013

(Amount In Rs.)

Particulars	Note	As at 31.03.2013	As at 31.03.2012
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	94,00,61,000	94,00,61,000
Reserves and surplus	3	(2,18,28,92,097)	(1,18,42,60,838)
Money Received against share warrants		-	-
		<b>(1,24,28,31,097)</b>	<b>(24,41,99,838)</b>
<b>Share Application Money Pending Allotment</b>			
		-	-
<b>Non-Current Liabilities</b>			
Long-term borrowings	4	1,88,89,937	1,67,94,53,646
Deferred tax liabilities	5	9,11,40,682	14,46,36,999
Other long term liabilities - -			
Long-term provisions	6	20,98,476	37,50,843
		<b>11,21,29,095</b>	<b>1,82,78,41,488</b>
<b>Current liabilities</b>			
Short-term Borrowings	7	1,07,37,18,542	94,45,35,258
Trade payables	8	12,88,28,115	14,95,58,536
Other current liabilities	9	4,56,27,49,395	2,64,69,76,973
Short-term provisions	10	14,76,094	23,49,356
		<b>5,76,67,72,146</b>	<b>3,74,34,20,123</b>
<b>TOTAL</b>		<b>4,63,60,70,144</b>	<b>5,32,70,61,773</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed assets			
Tangible assets	11	2,36,13,44,203	2,52,76,53,482
Capital work-in-progress		1,57,33,38,393	1,45,54,85,983
Long-Term loans and advances	12	8,08,13,607	10,74,42,328
		<b>4,01,54,96,203</b>	<b>4,09,05,81,793</b>
<b>Current Assets</b>			
Inventories	13	48,76,02,146	84,01,74,515
Trade receivables	14	5,64,50,119	23,69,09,446
Cash and Cash Equivalents	15	98,97,807	1,88,32,634
Short-Term loans and advances	16	1,44,59,791	5,86,66,014
Other current assets	17	5,21,64,078	8,18,97,371
		<b>62,05,73,940</b>	<b>1,23,64,79,980</b>
<b>TOTAL</b>		<b>4,63,60,70,144</b>	<b>5,32,70,61,773</b>

Significant Accounting Policies and Notes on accounts  
This is the Balance sheet referred to in our report of even date.

**for Suresh Mittal & Associates**Chartered Accountants  
FRN003800N**Suresh Mittal**  
Partner  
Membership No 82740Place : Chandigarh  
Dated: 14.8.2013**Vivek Atri**  
Dy Managing Director & Company Secretary**Jalesh Grover**  
Director**For and on Behalf of the Board****Malvinder Singh**  
Chairman & Managing Director**H.S.Nagra**  
Director

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31st MARCH 2013

(Amount In Rs.)

Particulars	Note	As at 31.03.2013	As at 31.03.2012
<b>Revenue</b>			
Sale of Products (Gross)	18	34,87,24,359	1,71,17,64,992
Other Operating Income	19	1,39,08,811	8,69,17,087
		<u>36,26,33,170</u>	<u>1,79,86,82,079</u>
Less : Excise Duty		75,78,845	35,36,051
		<u>35,50,54,325</u>	<u>1,79,51,46,028</u>
Other Income	20	27,63,069	76,67,021
<b>Total Revenue</b>		<u>35,78,17,394</u>	<u>1,80,28,13,049</u>
<b>Expenses:</b>			
Cost of Materials Consumed	21	15,34,40,925	48,29,91,497
Changes in inventories	22	33,79,94,411	(1,76,81,066)
Employee benefits expense	23	3,83,48,604	6,95,45,776
Finance costs	24	40,60,18,453	37,89,16,336
Depreciation and amortization expense	25	16,46,26,238	16,51,91,798
Other expenses	26	26,58,18,423	95,47,52,230
<b>Total Expenses</b>		<u>1,36,62,47,055</u>	<u>2,03,37,16,571</u>
		<u>(1,00,84,29,661)</u>	<u>( 23,09,03,523)</u>
Less : Exceptional items	27	2,52,22,226	29,96,75,034
<b>Profit /(loss) before extraordinary items and tax</b>		<u>(1,03,36,51,886)</u>	<u>(53,05,78,556)</u>
Less : Extraordinary Items - -			
<b>Profit/ (Loss) before tax</b>		<u>(1,03,36,51,886)</u>	<u>(53,05,78,556)</u>
<b>Tax expense:</b>			
Current year		-	-
<b>Mat Credit entitlement-Reversal</b>		1,45,29,150	-
Deferred tax Liability/(Credit)		(5,34,96,317)	(5,20,47,544)
Prior period items (Net)	28	39,46,540	8,25,655
<b>Profit/ (Loss) for the year</b>		<u>(99,86,31,259)</u>	<u>(47,93,56,667)</u>
Earnings per equity share (Par value of ` 10/- each)			
Basic		(18.37)	(8.82)
Diluted		(18.37)	(8.82)

Significant Accounting Policies and Notes on accounts

This is the Balance sheet referred to in our report of even date.

**for Suresh Mittal & Associates**

Chartered Accountants

FRN003800N

**Suresh Mittal**

Partner

Membership No 82740

Place : Chandigarh

Dated: 14.8.2013

**Vivek Atri**

Dy Managing Director & Company Secretary

**Jalesh Grover**

Director

**For and on Behalf of the Board**

**Malvinder Singh**

Chairman & Managing Director

**H.S.Nagra**

Director

**CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31ST March,2013**

	(Amount In Rs.)	
	2012-13 (CY)	2011-12 (PY)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax & Extraordinary Items	-1,00,84,29,661	(23,09,03,523)
Adjustment for :-		
Add:- Depreciation & amortization expense	16,46,26,238	16,49,31,893
Loss on Sale of Fixed Assets	2,67,464	2,36,438
Miscellaneous expenses Written off	-	2,59,905
Finance Cost	40,60,18,453	37,89,16,336
<b>Operating Profit before Working Capital Changes</b>	<b>-43,75,17,505</b>	<b>54,43,44,572</b>
<b>Increase/(Decrease) in adjustment for</b>		
increase / (Decrease) in working capital	8,08,82,154	-25,08,43,342
Increase/(Decrease) in other payable	1,91,48,99,160	1,44,69,42,460
Increase/(Decrease) in trade payable	-2,07,30,420	-82,40,991
(Increase) / Decrease trade & other receivable	18,04,59,327	11,92,67,193
(Increase) / Decrease in inventories	35,25,72,370	12,61,48,202
(Increase) / Decrease in loans & advances	7,39,39,517	60,69,71,213
<b>Cash Generated From Operations</b>	<b>2,14,45,04,602</b>	<b>1,71,72,18,044</b>
Less:- Mat Credit reversal	1,45,29,150	
<b>Cash Flow Before Extraordinary Items</b>	<b>2,12,99,75,452</b>	<b>1,71,72,18,044</b>
Less:- Extraordinary items including previous year expenses	2,91,68,765	30,55,23,650
	<u>2,91,68,765</u>	<u>30,55,23,650</u>
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b><u>2,10,08,06,687</u></b>	<b><u>1,41,16,94,394</u></b>
<b>B. CASH FLOW IN INVESTING ACTIVITIES</b>		
Purchase/Capitalization of Fixed Assets -	-34,17,424	-2,31,85,166
Capital Work in Progress	(11,78,52,410)	(11,89,69,395)
(Increase)/Decrease in Long Term Loan & Advances	-	(48,23,308)
	(12,12,69,834)	(14,69,77,869)
Sale of Fixed Assets	48,33,000	8,47,492
(Increase)/Decrease in Long Term Loan & Advances	2,66,28,721	
	<u>3,14,61,721</u>	<u>8,47,492</u>
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b><u>-8,98,08,112</u></b>	<b><u>(14,61,30,377)</u></b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long Term Borrowing	-1,66,22,16,076	-89,41,24,477
Finance Cost	-40,60,18,453	-37,89,16,336
	-2,06,82,34,529	-1,27,30,40,813
Short Term Borrowing	4,83,01,130	36,42,291
	<u>4,83,01,130</u>	<u>36,42,291</u>
<b>NET CASH USED IN FINANCING ACTIVITIES ©</b>	<b><u>-2,01,99,33,399</u></b>	<b><u>-1,26,93,98,522</u></b>
<b>NET INCREASE/(DECREASE) IN CASH (A) +(B) + (C)</b>	<b>-89,34,825</b>	<b>-38,34,505</b>
CASH AND CASH EQUIVALENTS AS ON 01.04.2012	1,88,32,634	2,26,67,139
<b>CASH AND CASH EQUIVALENTS AS ON 31.03.2013</b>	<b><u>98,97,807</u></b>	<b><u>1,88,32,634</u></b>

Note : All Long Term borrowing have become Non-Performing/Doubtful/recalled and as such are shown under the head Current Liabilities . This has resulted in Sulplus amounting to Rs 210.08 crores from operating activities in above cash flow statement, However in actual there is negtive cash flow from operating activities.

for Suresh Mittal & Associates

For and on Behalf of the Board

Chartered Accountants

FRN003800N

Suresh Mittal

Partner (Membership No 82740)

Place : Chandigarh

Dated : 14.8.2013

Vivek Atri

Dy Managing Director & Company Secretary

Jalesh Grover

Director

Malvinder Singh

Chairman & Managing Director

H.S.Nagra

Director

**CERTIFICATE**

We have examined the above Cash Flow Statement of Agro Dutch Industries Limited for the year ended on 31st March 2013. The Statement has been prepared by the Company in accordance with the requirements of the clause 32 of the listing agreement and is based on and in agreement with the corresponding statement of Profit and Loss Account and Balance Sheet of the Company covered by our Report of 2013 to the member of the Company.

For Suresh Mittal & Associates

Chartered Accountants (FRN003800N)

(Suresh Mittal)

Partner, (Membership No 82740)

Place : Chandigarh

Dated : 14.8.2013

## ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

### 1 SIGNIFICANT ACCOUNTING POLICIES

#### I) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared to comply in all material respects with the notified accounting standards by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies applied by the company are consistent with those used in the previous year.

#### II) Revenue Recognition

Revenue/Income and Cost/Expenditure are generally accounted on accrual basis as they are earned or incurred. Incentives from various government agencies (for which the company is entitled under different schemes of the Government) are accounted for in the year of eligibility.

#### III) Use of Estimates

The preparation of financial statements requires management to make certain estimates and assumptions that effects the amounts reported in the financial statements and notes thereto. Difference between actual results and estimates are recognized in the period in which the results are known/ materialized.

#### IV) Fixed Assets and Depreciation

##### Fixed Assets

Fixed Assets are stated at cost of construction/ acquisition less accumulated depreciation and impairment losses. Cost comprises Purchase price and all other Costs of bringing the assets to its working condition for intended use. Financial costs relating to acquisition of qualifying fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use. Pre-operative expenses for major projects are also capitalised, where appropriate

##### Depreciation

Depreciation on fixed assets is provided on straight line method in the manner and at the rates specified in schedule XIV to the Companies Act, 1956.

##### Impairment Loss

Company has reviewed its future earning of its cash generating unit as on 31st March 2013 in accordance with the accounting standard issued by 'The Institute of Chartered Accountant of India'. Since the carrying amount of the assets does not exceed the future recoverable amount, consequently, no adjustment is considered necessary by the Management.

#### V) Inventories

Inventories are valued at lower of cost or estimated net realizable value. The basis of determination of cost for different categories of inventories are as follows:

Raw Material , Store and spares	At lower of cost or net realizable value on first- in first-out basis
Finished Goods	At lower of cost or net realizable value
Work in Progress	The cost includes - Material cost, Labour and appropriate share of manufacturing and other costs incurred in bringing the inventories to the present location and condition.

#### VI) Sales

Sales/Sales Returns are accounted for on dispatch of goods from/receipt of goods in the factory to/from the customers or Rejection. Sales are net of returns, if any, rejection of goods.

#### VII) Custom Duty and Excise Duty

Custom Duty and Excise Duty is accounted for at the time of dispatch of goods from factory.

#### VIII) Foreign Exchange Transactions

- a) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.
- b) At the year end, monetary items denominated in foreign currencies other than those covered by forward contracts are converted into rupee equivalent at the year-end exchange rates.
- c) All exchange differences arising on settlement / conversion of foreign currency transactions are recorded in the Profit and loss account

- d) In respect of transactions covered by forward exchange contracts, the difference between the forward rate and the exchange rate at the date of the transaction is recognized as income or expense over the period of contract.

**IX) Research & Development**

Revenue expenditure on research & Development (other than Cost of Assets acquired) are charged to Profit and Loss Account in the year in which they are incurred.

**X) Employee Benefits**

**a) Short Term Employee Benefit :**

All employees' benefits payable within twelve months of rendering of services are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, earned leave, awards, exgratia etc. and the same are recognized in the period in which the employee renders the related service.

**b) Post Employment Benefits:**

**i) Defined Contribution Plan:**

The Company's approved superannuation scheme, provident Fund Scheme are defined contribution plans. The contribution paid / Payable under the schemes are recognized during the period in which the employee renders the related services.

**ii) Defined Benefit Plan:**

The employee's gratuity fund scheme is company's defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation using the Project Unit Credit Method as at the date of the Balance Sheet. In case of Funded plans, the fair value of the plan asset is reduced from the gross obligation under the defined benefits plan, to recognize the obligation on the net basis.

**XI) Deferred Revenue Expenditure**

Processing charges and Syndication paid for obtaining Term Loans for repayment of High cost loans has been treated as Deferred Revenue Expenditure and are written off over the period of loan.

**XII) Taxation**

Current tax is determined as the amount of tax payable in respect of taxable income for the period based on applicable tax rate and laws.

Deferred tax is recognized on timing difference, being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods and is measured using tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are reviewed at each Balance Sheet date.

**XIII) Expenditure during Construction Period**

In the case expansion of existing/New units, all pre-operating expenditure especially for the project, incurred up to the date of installation, are capitalized and added pro rata to the cost of fixed assets.

**XIV) Borrowing costs:**

Borrowing costs attributable to the acquisition and construction of qualifying assets are added to the cost up to the date when such assets are ready for the intended use. The other borrowing costs are recognized as expense in the period in which these are incurred.

**XV) Prior Period & Extraordinary Items**

Prior period, extra ordinary items and changes in accounting policies having material impact on the financial affairs of the company are disclosed.

**XVI) Provision & Contingent Liabilities**

The company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

**XVII) Accounting policies not specifically referred to above are consistent with Generally Accepted Accounting Policies (GAAP)**

Note 1(b)

la) Contingent liabilities not provided for in respect of:-

Particulars	Rs. in Lakhs	
	Current Year	Previous Year
Letter of credit established by the Company	-	537.21
Bills discounted with Company's Bankers	-	2057.81
Collateral Security Bond with US Customs and Protection USA	128.76	128.76
Surety Bond to the Excise Department	5,000.00	5,000.00
Litigation Pending against company and not provided for	149.92	107.53
Demurraged & Other Charges on goods in the Custody of the third Parties	245.35	-
Guarantee given to AXIS Bank – (against facilities to farmers/JLGs )	-	413.80
Preference Dividend on 6% OCCRPS for 2009-10, 2010-11, 2011-12 & 2012-13 including Dividend Distribution Tax thereon.	1105.72	829.29

lb) Custom duty saved on Machinery imported against advance license scheme as on 31st March, 2013 and 31st March, 2012 is Rs 2136.31 and Rs 2136.31 lacs respectively. The management is of the view that the necessary Compliance will be adhere to.

II) Company has provided Rs. 2.48 lacs ( last year Rs 83.64 lacs ) as liability on account of Anti Dumping Duty for the period 1-4-2012 to 31-3-2013 on the basis of last assessment. Difference, if any, will be accounted for at the time of final assessment for the period.

iii) Under the provisions of Accounting Standard-18 Issued by the Institute of Chartered Accounts of India following information is disclosed: Particulars of Transactions

Name	Relationship	Nature of Transactions	(Amount in Rs.)		
			Current Year	Previous Year	Balance Outstanding as on 31.3.2013
Shri Malvinder Singh	Key Management personnel & promoter	Director's Remuneration	-	1,170,000	
Shri. Arvind Kalra	Key Management	Director's Remuneration	780,000	3,120,000	
Sh Vivek Atri	Key Management	Director's Remuneration	1,300,000	-	
Sh H S Nagra	Key Management	Director's Remuneration	456,258	-	
Penta Homes (P) Ltd	Directors interested	Loan taken	24,950,000	16,450,000	68,60,000
Calibre Rehabs Ltd	Directors interested	Loan Repaid	13,520	2,600,000	11,04,427
Penta Homes (P) Ltd	Directors interested	Loan Repaid	58,750,000	14,800,000	68,60,000
Calibre Rehabs Ltd	Directors interested	Interest paid	83,108	208,863	11,04,427
Shri Malvinder Singh	Promoter	Loan Taken	69,700,000	-	6,97,00,000
Vishwa Calibre Builders (P) Ltd.	Directors interested	Loan Taken	11,650,000	-	1,08,10,547
Vishwa Calibre Builders (P) Ltd.	Directors interested	Interest paid	183,942	-	1,08,10,547
Vishwa Calibre Builders (P) Ltd.	Directors interested	Loan Repaid	1,005,000	-	1,08,10,547

iv) Earning Per Share

Particulars	Current year	Previous Year
Profit/ ( loss ) after Tax	(9,986.31)	(4,793.57)
Less : Preference Dividend	-	-
Profit/ ( loss ) Attributable to Equity share holders	(9,986.31)	(4,793.57)
Weighted Average No of Equity shares	54,365,000	54,365,000
Nominal value Per Equity Share	Rs10/-	Rs10/-
Earning per share (Basic)	(18.37)	(8.82)
Earning per share (Diluted)	(18.37)	(8.82)

v) Deferred Tax Liability

Accounting for Taxes on Income – Disclosure as per AS 22: Major components of deferred tax assets

and liabilities on account of timing differences are as follows:

Particulars	(Rs. in Lacs)	
	31.3.2013	31.3.2012
<b>Deferred Tax Liabilities in respect of:</b>		
Difference between Book and Tax depreciation		
Opening Balance Deferred tax liability / (Asset)	1446.37	1966.85
Less Adjustment during the year	-534.96	-520.48
Deferred Tax liability at the end of the year	911.41	1446.37

The company follows Accounting Standard -22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. Since there is no convincing evidence which demonstrates virtual certainty of realization of deferred tax assets, the company has prudently decided not to recognise deferred tax asset.

vi) (Rs. in Lacs)

	(Rs. in Lacs)	
	Current Year	Previous Year
a) CIF Value of Imports		
Raw Material & consumables	100.23	266.01
Spares & Components	1.93	24.91
b) Earning in Foreign Currency		
FOB Value of Exports	2,595.95	13,711.94
c) Expenses in foreign currency		
Travelling	1.13	54.51
Interest and finance charges	243.3	334.38
Legal & Professional Charges	-	16.96
Rates and taxes	-	5.93
Others	7.96	22.59
d) Foreign Currency Remittance (Repayment of Foreign currency loan)	-	-

Particulars	UM	Qty In '000		(Rs. in Lacs)	
		Current Year	Previous Year	Current Year	Previous Year
Wheat Straw	MT	402.9	12.75	31268.82	1041.6
Chicken Manure	MT	15,115.8	161.54	35680.48	363.03
LDPE Granules	MT	87.8	80.03	417.846	325.83
Tin Plate	MT	719.9	408.44	2320.1	1416.35
Others	MT	27,278.8	871.66	42851.29	1683.11
(Lacquer, Spawn, Copper wire, etc.)					

f) Value of Raw Materials, Spare Parts and Components Consumed During the Year

Particulars	(Rs. in lacs)			
	Current Year		Previous Year	
<b>Raw Material</b>	Value	%	Value	%
Imported	106.08	6.91	500.74	10.37
Indigenous	1,428.33	93.09	4329.18	89.63
<b>Spare parts and Components</b>				
Imported	0.70	1.22	23.87	9.70
Indigenous	56.55	98.78	222.32	90.30

g) Auditor's Remuneration (Rs. in lacs)

Particulars	Current Year	Previous Year
Audit Fee	5.50	5.50
Tax Audit Fee	0.35	-
Certification Charges	0.60	0.60
Others	0.40	0.40
Total	6.85	6.50
The above figures excludes Service Tax Amounting of Rs.	0.85	0.80



vii) **SEGMENT INFORMATION**

Company deals in one product i.e. export of canned mushroom. As such Board is of the opinion that no disclosure is required as per accounting standard 17.

		(Rs. in lacs)	
		Current Year	Previous Year
viii) a)	<b>Prior Period Adjustments</b>		
	<b>Debits relating to Earlier Years</b>		
	On account of Income Tax	-	6.37
	Others	39.47	1.89
b)	<b>Foreign Currency Gain / (loss)</b>		
	Sales	(9.41)	341.35
	Financial Charges	(2.01)	(204.26)
		(11.42)	137.09
c)	<b>Exceptional Items Includes:</b>		
	Apeda Transport Subsidy	58.29	253.68
	VKGUY	0	112.54
	Debtors Written Off	69.58	1466.56
	Freight and other exp on recall of goods	124.35	92.26
	Provision for obsolete/ unsaleable/demunitation in value of Finished goods	-	1071.7
	<b>Total</b>	<b>252.22</b>	<b>2,996.74</b>

**Note :** Write off on account of Apeda Transport Subsidy is due to rejection of claim by the respective agencies. As regards expense on Freight and others on recall refer point XV below.

ix) Valuation of Work-in-Process & Finished Goods being a technical matter has been taken as certified by the Management and Cost Accountant.

x) As per notification of APEDA, the Company is entitled to transport Subsidy in respect of freight on Exports made during the year. The estimated value of Subsidy works out to Rs. 17.30 Lacs ( previous year Rs 172.06 lacs ) for the year 2012-13. The same amount has been considered in the Profit & Loss account against the Ocean Freight.

Company is also entitled for C.S.T reimbursement and Duty drawback on H.S.D under the EXIM Policy. During the year company paid Rs. 33.35 Lacs (Previous year Rs. 56.98 Lacs) as C.S.T. The amount has been taken under the head advance since the whole amount is reimbursable under the above policy. Duty drawback for Rs.4.24 Lacs (previous year Rs 25.45 Lacs) on Diesel has been adjusted against consumption of diesel.

xi) On the basis of information available with the Company, regarding the status of suppliers as defined under the "Micro Small and Medium Enterprises Development Act 2006", total dues to suppliers as at 31st March 2013 amounts to Rs. 78,93,830/- (Previous Year : Rs. 1,69,13,471/-)

Further as per information available there were no over dues during the period/close of the year and therefore the question of provision/payment of related disclosure under the said Act, does not arise.

xii) In the opinion of the Board Current Assets, Loans & Advances are approximately of the value stated which if realized in the ordinary course of business except stated otherwise. The provisions for all the known liability are adequate.

xiii) Commissioning of Can making plant at Chennai is getting delayed due to final integration of the unit, which is pending due to liquidity problem being faced by the Company.

xiv) The Company is continuously incurring substantial losses and its net worth has been fully eroded. The entire Loan accounts of the Company has become Non-Performing/recalled/doubtfull and has been accordingly been shown under the head 'Current Liabilities'.

A reference on the basis of Audited Balance Sheet of 31/03/2011 ,was made to the Board for Industrial and Financial Reconstruction (BIFR), which was dismissed by the Board on ground of basis of calculation of Net worth,considering auditors qualification.The Company filed an appeal against the order of the BIFR, which has been admitted by Appellate Authority for Industrial & Financial Reconstruction (AAIFR), New Delhi vide its order dated 22.08.2012. The company is ready with suitable rehabilitation scheme to be put before BIFR , which will help it in turnaround operations.

As per the Balance Sheet as on 31st March 2013, the net worth of the company continues to be

eroded. The Appeal in AAIFR is under Consideration .Pending the Appeal, Further the Company Propose to file a fresh reference with BIFR.The Company shall be filling fresh reference as per the Audited Balance sheet as on 31.03.2013.

The Company has approached its Consortium and Secured Lenders to repay the Debts by Selling its Non-Core and Surplus assets. The Said Proposal has been Principally agreed and under active consideration for final approval from the respective Competent authorities of the Lenders.

The company expect to repay the Secured Term Debts by way of disposing the said non core and surplus assets.Further the Operation shall continue with the remaininig assets as going concern .Taking into account the above facts, the financial statements have been prepared on the basis that the company is a going concern and that no adjustments are required to the carrying value of assets and liabilities.

- xv) The Operations of the Company have been adversely affected due to presence of some traces of Carbendazim in Shipments of Canned Mushrooms to US. The said traces have been found during testing by USFDA. The Company has recalled those containers back to India. The said development has resulted into reduced level of production.The freight forwarder agency has served a legal notice of Rs. 3.75 cores, which is towards inward and outward freight and also includes an amount of Rs. 1.55 Crores towards detention and demurrage charges. The Company has not made any provision towards that detention and demurrage as the said claim is not tenable as per the legal opinion obtained by the company.
- xvi) The Company has not made any provision towards the penal interest and other charges as levied by the Lenders. In the opinion of the Company, the said charges are not payable since there is no provision for the said charges in the loan documents of the company.

**xvii) DISCLOSURES IN ACCORDANCE WITH REVISED AS-15 ON "EMPLOYEEES BENEFITS"**

**a) Defined Contribution Plan:-**

The Company has recognized the following amounts in the Profit and Loss Account for the Year:  
(Rs. in lacs)

Particulars	Current Year	Previous Year
Employer's Contribution to Provident Fund	3.85	6.39
Employer's Contribution to Superannuation Fund	-	-
Employer's Contribution to Employee's State Insurance	8.00	15.13
Employer's Contribution to Employee's Pension Scheme, 1995	8.74	14.51
<b>Total</b>	<b>20.60</b>	<b>36.03</b>

**b) Defined Benefit Plans:-**

The following figures are as per actuarial valuation, as at the Balance Sheet Date, carried out by an independent actuary.

- i) A reconciliation of Opening and Closing Balances of the Present Value of the Defined Benefit Plan (DBO)

Particulars	Current Year	Previous Year
Opening Balance at the beginning of the year	70.24	66.87
Add : Current Service Cost	3.96	8.46
Add :Interest Cost	5.62	5.35
Actuarial (Gain)/Loss	(22.03)	-
Less : Benefits Paid	(23.10)	(10.44)
Closing DBO Balance	34.69	70.24

- ii) A reconciliation of Opening and Closing Balances of the Fair Value of Plan Assets

Particulars	Current Year	Previous Year
Opening Fair Value of Plan Assets	32.73	35.53
Add : Expected Return on Plan Assets	2.99	2.95
Add/(Less) : Actuarial Gain/(Loss)	0.45	1.33
Add :Contribution by Employer	0.64	3.36
Less : Benefits Paid	(23.10)	(10.44)
Closing Fair Value of Plan assets	13.71	32.73
Actual Return on Plan Assets	3.45	1.33

- iii) Amount recognized in Balance Sheet including a Reconciliation of the Present Value of the Defined obligation in (a) and Fair value of the Plan assets in (b) to the assets and liabilities recognized in the balance sheet.

Particulars	(Rs. in lacs)	
	Current Year	Previous Year
Present Value of Funded Obligations	34.69	70.24
Add : Unfunded Obligations	-	-
Less : Fair Value of Plan Assets	13.71	32.73
Net Liability/(Assets) recognised in Balance Sheet	20.98	37.51

- iv) The Total Expense Recognised in the Profit and Loss Account:

Particulars	(Rs. in lacs)	
	Current Year	Previous Year
Current Service Cost	3.96	8.46
Interest Cost	5.62	5.35
Expected Return on Plan Assets	(2.99)	(2.95)
Actuarial (Gain) / Losses	(22.48)	(1.33)
Past Service Cost	-	-
Total	(15.89)	9.53

Note :- Since there is reversal of Gratuity Provision during the Year.Following Treatment has been given in the Financial Statements.

- |   |         |
|---|---------|
| 1. Current Year Service Cost charged to Statement of Profit & Loss Account under the head of Employee Benefits                      | 3.96    |
| 2. Gratuity Provision reversed during the year & shown under the head "Miscellaneous Income" In the Statement of Profit & Loss A/c. | 19.85   |
| 3. Net Impact   | (15.89) |

- v) For each major category of Plan Assets, following is the percentage that each major constitutes of the fair value of the Plan Assets:

Particulars	Current Year	Previous Year
Government of India Securities	-	-
Corporate Bonds	-	-
Special Deposit Scheme	-	-
Equity Shares of Listed Companies	-	-
Property	-	-
Insurance Managed Funds	100%	100%
Others	-	-
Total	100%	100%

- vi) The overall expected rate of return on assets is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

- vii) Following are the Principal Actuarial Assumptions used as at the Balance Sheet Date:

Particulars	Current Year	Previous Year
1. Attrition Rate	5.65%	5.65%
2. Discount Rate	8%	8%
3. Expected Rate of Return on Plan Assets	9.15%	9.15%
4. Salary Escalation Rate	7%	7%

Note 2

(Amount In Rs.)

As at	31.03.2013	31.03.2012
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
<b>Equity Share Capital</b>	700,000,000	700,000,000
7,00,00,000 equity shares of Rs.10/- each (Previous year 7,00,00,000)		
<b>Preference Share Capital</b>	400,000,000	400,000,000
40,00,000 Preference shares of Rs.100/- each (previous year 40,00,000)		
	<b>1,100,000,000</b>	<b>1,100,000,000</b>
<b>ISSUED, SUBSCRIBED AND FULLY PAID-UP</b>		
<b>Equity Share Capital</b>		
5,43,65,000 Equity shares of Rs.10/- each (Previous year 5,43,65,000)	543,650,000	543,650,000
<b>Preference Share Capital</b>		
6% Optionally Convertible Cumulative Redeemable Preference Shares	396,411,000	396,411,000
39,64,110 shares of Rs.100/- each (Previous year 39,64,110)		
	<b>940,061,000</b>	<b>940,061,000</b>

- a) Reconciliation of the Equity shares outstanding at the beginning and at the end of the year

	No of Shares	Amount in Rs	No of Shares	Amount in Rs
At the Beginning of the year	54,365,000	543,650,000	54,365,000	543,650,000
Add : Share Issued during the year	-	-	-	-
Outstanding at the end of the year	54,365,000	543,650,000	54,365,000	543,650,000

- b) The holders of the equity shares are entitled to receive dividends as declared from time to time, and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.
- c) Following Shareholders hold equity shares more than 5% of the total equity shares of the Company and no other share holder of the Company holds more than 5 percent of the equity shares.

c(a) Equity Share	% Holding	No. of Shares	% Holding
i) Penta Homes Pvt. Ltd.	19,743,663	36.32	19,743,663
ii) Vishwa Calibre Builders Pvt. Ltd.	5,392,736	9.92	5,392,736
iii) Malvinder Singh	4,824,629	8.87	4,824,629

**c(b) Optional Convertible Cumulative Redeemable Preference Shares**

	No. of Shares	% Holding	No. of Shares	% Holding
i) Bank of India	900,000	22.70	900,000	22.70
ii) Union Bank of India	858,000	21.64	858,000	21.64
iii) Axis Bank	526,710	13.29	526,710	13.29
iv) ICICI	471,000	11.88	471,000	11.88
v) The Federal Bank	467,000	11.78	467,000	11.78
vi) State Bank of Patiala	332,500	8.39	332,500	8.39
vii) State Bank of India	234,000	5.90	234,000	5.90

- d) Company allotted 39,64,110, 6 % Optional Convertible Cumulative Redeemable Preference Shares of Rs 100/- each to the lenders as per terms of CDR on 31.3.2010
- e) The OCCRPS are redeemable in 4 Equal instalments starting from 31.3.2016 and ending in 31.3.2019. The holders of OCCRPS, in case of default by the company, having right/ option to convert OCCRPS into equity at the end of four years.
- f) The Promoters shall have the right of first refusal in case of conversion of OCCRPS into equity.

## Note 3

	(Amount In Rs.)	
As at	31.03.2013	31.03.2012
<b>RESERVES AND SURPLUS</b>		
<b>Reserves</b>		
<b>Capital Reserve</b>		
As per last Balance Sheet	17,857,250	16,707,250
Add : Transfer on foreclosure of convertible warrants	-	1,150,000
	<b>17,857,250</b>	<b>17,857,250</b>
<b>Securities Premium Account</b>		
As per last Balance Sheet	442,187,500	442,187,500
	442,187,500	442,187,500
<b>General Reserve</b>		
As per last Balance Sheet	559,224,181	559,224,181
	<b>559,224,181</b>	<b>559,224,181</b>
<b>Profit and Loss Account</b>		
Loss as per last balance sheet	(2,203,529,769)	(1,724,173,103)
Add: Profit /(Loss) for the year from Statement of Profit & Loss Account	(998,631,259)	(479,356,667)
	<b>(3,202,161,028)</b>	<b>(2,203,529,769)</b>
<b>Grand Total</b>	<b>(2,182,892,097)</b>	<b>(1,184,260,838)</b>

## Note 4

	(Amount In Rs.)	
As at	31.03.2013	31.03.2012
<b>LONG-TERM BORROWINGS</b>		
<b>Term Loans</b>		
<b>Secured</b>		
From Banks		
Ruppee loans	-	1,658,238,377
Loan for ( Vehicles)	889,937	3,215,269
<b>Unsecured</b>		
From related Corporate	18,000,000	18,000,000
<b>TOTAL</b>	<b>18,889,937</b>	<b>1,679,453,646</b>

The above said Rupee Term Loan/FITL/WCTL/Corporate term loans are secured by way of pari passu first charge on the Fixed assets of the company and Pari passu second charge on current assets of the company, present and future.

The above said Term Loan/WCTL/FITL ( except Foreign Currency Loans ) are further secured by way personal guarantee of two directors of the company ( Out of which one has resigned) as well as pledge of their 100% holding ( present and future ) in the company. The said facilities are further secured by the corporate guarantee of M/S Vishwa Calibre Builders Pvt. Ltd. and M/S Penta Homes Pvt. Ltd . The later's guarantee being limited to the extent of face value of 19,00,000 equity shares in Agro Dutch Industries Limited

**Secured**

a (1)	Rupee Term Loan I	Repayment Start Date	No of Installments	Repayment End Date	Rate of Interest	Amount of Default	31.03.2013	31.03.2012
	Allahabad Bank	Aprill 2012.	28 Quarterly	March 2019	9.25%	-	-	3,70,74,289
	Allahabad Bank	Aprill 2011.	50 MONTHLY	May 2015	9.25%	-	-	1,50,38,710
	Axis Bank	Aprill 2012.	28 Quarterly	March 2019	9.25%	-	-	1,16,43,429
	IDBI	Aprill 2012.	28 Quarterly	March 2019	9.25%	-	-	37,26,00,000
	State Bank of Hyderabad	Aprill 2012.	28 Quarterly	March 2019	9.25%	-	-	2,13,37,571

**Agro Dutch Industries Limited**


State Bank of India	April 2012.	28 Quarterly	March 2019	9.25%	-	-	16,50,00,000	
State Bank of Patiala	April 2012.	28 Quarterly	March 2019	9.25%	-	-	13,46,08,403	
State Bank of Patiala	April 2012.	28 Quarterly	March 2019	9.25%	-	-	3,34,22,855	
State Bank of Patiala		28 Quarterly	March 2019	9.25%	-	-	1,82,79,306	
Union Bank of India	April 2012.	28 Quarterly	March 2019	9.25%	-	-	3,29,25,904	
<b>Term Loan II</b>								
IDBI Ltd	March 2019	28 Quarterly	March 2019	9.25%	-	-	1,62,76,137	
State Bank of Hyderabad	April 2012.	28 Quarterly	March 2019	9.25%	-	-	37,86,857	
State Bank of Patiala	April 2012.	28 Quarterly	March 2019	9.25%	-	-	93,64,105	
Axis Bank	April 2012.	28 Quarterly	March 2019	9.25%	-	-	1,03,96,904	
Bank of India	April 2012.	28 Quarterly	March 2019	9.25%	-	-	1,53,00,143	
Union Bank of India	April 2012.	28 Quarterly	March 2019	9.25%	-	-	2,28,38,571	
					-	-	91,98,93,183	
<b>a (2)</b>	<b>Funded Interest Term Loan I</b>	<b>Repayment Start Date</b>	<b>No of Installments</b>	<b>Repayment End Date</b>	<b>Rate of Interest</b>	<b>Amount of Default</b>		
							<b>31.03.2013</b>	
							<b>31.03.2012</b>	
	FITL-1 Allahabad Bank	April 2012.	28 Quarterly	March 2019	9.25%	-	-	66,72,000
	FITL-1 State Bank of Hyderabad	April 2012.	28 Quarterly	March 2019	9.25%	-	-	1,27,22,571
	FITL-1 State Bank of India	April 2012.	28 Quarterly	March 2019	9.25%	-	-	4,15,71,429
	FITL-1 State Bank of Patiala	April 2012.	28 Quarterly	March 2019	9.25%	-	-	4,86,01,161
	FITL-1 IDBI Bank	April 2012.	28 Quarterly	March 2019	9.25%	-	-	6,62,30,557
	Axis Bank	April 2012.	28 Quarterly	March 2019	9.25%	-	-	3,13,98,857
	Bank of India	April 2012.	28 Quarterly	March 2019	9.25%	-	-	4,54,63,714
	Union Bank of India	April 2012.	28 Quarterly	March 2019	9.25%	-	-	5,77,26,025
								-
								31,03,86,314
<b>a (3)</b>	<b>Working Capital Term Loans</b>	<b>Repayment Start Date</b>	<b>No of Installments</b>	<b>Repayment End Date</b>	<b>Rate of Interest</b>	<b>Amount of Default</b>		
							<b>31.03.2013</b>	
							<b>31.03.2012</b>	
	State Bank of Hyderabad	April 2012.	28 Quarterly	March 2019	9.25%	-	-	1,50,01,000
	State Bank of Patiala - (I)	April 2012.	28 Quarterly	March 2019	9.25%	-	-	2,77,92,667
	State Bank of India	April 2012.	28 Quarterly	March 2019	9.25%	-	-	2,00,57,000
	State Bank of Hyderabad -(II)	April 2012.	36 Monthly	March 2015	12.75%	-	-	71,36,000
	State Bank of India - (II) (Previously Indore)	April 2012.	36 Monthly	March 2015	12.75%	-	-	94,24,000
	State Bank of Patiala - (II)	April 2012.	36 Monthly	March 2015	12.75%	-	-	1,26,30,957
	Axis Bank - (I)	April 2012.	28 Quarterly	March 2019	9.25%	-	-	4,51,46,571
	Bank of India - (I)	April 2012.	28 Quarterly	March 2019	9.25%	-	-	7,71,42,857
	Union Bank of India- (I)	April 2012.	28 Quarterly	March 2019	9.25%	-	-	12,12,00,000
	Bank of India - (II)	April 2012.	28 Quarterly	March 2019	9.25%	-	-	3,64,80,000
	Axis Bank - (II)	April 2012.	36 Monthly	March 2015	12.75%	-	-	2,12,77,577
	Union Bank of India - (II)	April 2012.	36 Monthly	March 2015	12.75%	-	-	3,46,70,251
								-
								42,79,58,880
								-
								1,65,82,38,377
<b>b)</b>	<b>Vehicle loan &amp; Other</b>	<b>Repayment Start Date</b>	<b>No of Installments</b>	<b>Repayment End Date</b>	<b>Rate of Interest</b>	<b>Amount of Default</b>		
							<b>31.03.2013</b>	
							<b>31.03.2012</b>	
	Mahindra & Mahindra Financial Services Ltd.	Mar-12	47	16.12.2015	13.33	-	-	8,89,936
	Kotak Mahindra Bank - Hire Purchase	Dec-10	36	Dec-13	13.33	-	-	9,09,055
								-
								8,89,936
								32,15,269

Vehicle loans are secured against hypothecation of vehicles.

e)	Unsecured	Repayment Start Date	No of Installments	Repayment End Date	Rate of Interest	Amount of Default	31.03.2013	31.03.2012
	<b>From related Corporates bodies</b>							
	Penta Homes Pvt. Ltd.						1,80,00,000	1,80,00,000
							1,80,00,000	1,80,00,000

Following Long Term Borrowings have become non performing assests/recalled/doubtful and as such are stated under the head Other current Liabilities

**Loan Recalled By the Bankers**

(Amount In Rs.)

As at	31.03.2013	31.03.2012
<b>Term Loan 1</b>		
ICICI Bank		17,50,00,000
The Federal Bank Ltd.		15,00,00,000
Allahabad Bank	4,32,49,146	
Allahabad Bank	4,15,37,710	
Axis Bank	1,35,84,000	
IDBI	43,47,00,000	
State Bank of Hyderabad	2,49,10,000	
State Bank of India	19,25,00,000	
State Bank of Patiala	15,22,98,957	
State Bank of Patiala	3,82,84,277	
State Bank of Patiala	2,07,65,890	
Union Bank of India	3,93,54,475	
<b>Term Loan II</b>		
IDBI Ltd	1,90,18,994	
State Bank of Hyderabad	44,18,000	
State Bank of Patiala	1,09,92,676	
Axis Bank	1,21,29,904	
Bank of India	1,78,43,000	
Union Bank of India	2,66,45,000	
ICICI Bank		1,77,00,000
The Federal Bank Ltd.		1,76,00,000
<b>FITL-1</b>		
FITL- 1 ICICI Bank		5,92,36,000
FITL -I The Federal Bank Ltd		5,45,00,000
FITL- 1 Allahabad Bank	77,84,000	
FITL - 1 State Bank of Hyderabad	1,48,43,000	
FITL - 1 State Bank of India	4,54,66,924	
FITL- 1 State Bank of Patiala	5,46,40,770	
FITL -I IDBI Bank	7,74,08,557	
Axis Bank	3,66,32,000	
Bank of India	5,30,41,000	
Union Bank of India	4,16,23,739	
<b>FITL-II</b>		
FITL-II IDBI	1,10,18,000	
FITL-II SBOI	9,84,257	
FITL-II AXIS	16,01,000	

	(Amount In Rs.)	
As at	31.03.2013	31.03.2012
<b>LONG-TERM BORROWINGS</b>		
<b>Working Capital Term Loans</b>		
The Federal Bank - WCTL		4,67,00,000
ICICI - WCTL-I		4,71,00,000
State Bank of Hyderabad	1,75,00,000	
State Bank of Patiala- (I)	3,16,46,674	
State Bank of India	2,34,00,000	
State Bank of Hyderabad -(II)	1,78,00,000	
State Bank of India - (II) (Previously Indore)	2,36,00,000	
State Bank of Patiala - (II)	1,98,68,574	
Axis Bank - (I)	5,26,71,000	
Bank of India - (I)	9,00,00,000	
Union Bank of India- (I)	13,62,89,862	
Bank of India - (II)	9,12,00,000	
Axis Bank - (II)	5,31,78,577	
Union Bank of India - (II)	7,39,53,000	
The Federal Bank - WCTL (II)		3,91,19,000
ICICI - WCTL-I (II)		4,70,00,000
<b>Corporate Loans</b>		
Corporate Loan 2010 ICICI	2,50,00,000	
Corporate Loan (3989067400002) UBI	2,89,184	
Axis Bank - Corporate Loan (66191)	99,99,000	
UBI - Corporate Loan (6873)	2,76,94,000	
<b>Other Loan</b>		
FCL - D E G 5 Millon Euro	32,26,20,833	
FCL- Barclays Bank PC (FC)	11,85,76,194	
FCL - M & T Bank	16,43,29,617	
Kotak Mahindra Bank PC	4,75,00,000	
Kotak Mahindra Bank FDBP ( Crystallisation)	4,85,11,527	
	<b>2,83,29,03,319</b>	<b>65,39,55,000</b>

**Note 5**

	(Amount In Rs.)	
As on	31.03.2013	31.03.2012
<b>Deferred Tax Liabilities</b>		
Difference of book depreciation and tax depreciation	14,46,36,999	19,66,84,543
Adjustment During the Period	(5,34,96,317)	(5,20,47,544)
<b>Closing Balance</b>	<b>9,11,40,682</b>	<b>14,46,36,999</b>

**Note 6**

	(Amount In Rs.)	
As on	31.03.2013	31.03.2012
<b>LONG TERM PROVISIONS</b>		
Provision for employee benefits	20,98,476	37,50,843
<b>TOTAL</b>	<b>20,98,476</b>	<b>37,50,843</b>



## Note 7

(Amount In Rs.)

As at	31.03.2013	31.03.2012
<b>SHORT-TERM BORROWINGS</b>		
<b>Secured</b>		
<b>From Banks</b>		
<b>Rupee loans</b>		
Working Capital Demand Loans	21,17,39,597	18,65,54,597
Working Capital Limits	74,35,73,383	68,78,76,229
<b>Unsecured</b>		
<b>Loan From Related Party</b>		
From Corporates	1,87,74,974	4,17,03,150
From Directors	6,97,00,000	-
<b>Loan From Others</b>		
From Corporates	2,99,30,588	2,84,01,282
<b>TOTAL</b>	<b>1,07,37,18,542</b>	<b>94,45,35,258</b>

The above said Working Capital Demand loan are secured by way of pari passu first charge on the Fixed assets of the company and Pari passu second charge on current assets of the company, present and future.

Working capital facilities are secured by way of pari passu first charge on the current assets of the company and pari passu second charge on the fixed assets of the company, present and future.

The above said Working Capital facilities & Working Capital Demand Loans are further secured by way personal guarantee of two directors of the company as well as pledge of their 100% holding (present and future) in the company. The said facilities are further secured by the corporate guarantee of M/s Vishwa Calibre Builders Pvt. Ltd. And M/S Penta Homes Pvt. Ltd. The later's guarantee being limited to the extent of face value of 19,00,000 equity shares in Agro Dutch Industries Limited.

**Rupee loans**

a) Rupee Term Loans	Date of NPA	Rate of Interest	Amount of Default	As on 31.03.2013	As on 31.03.2012
<b>Working Capital Demand Loans</b>					
Axis Bank WCDL	30.09.2011	13.75%	1,74,92,000	1,74,92,000	1,74,92,000
Bank of India - WCDL	30.06.2011	13.75%	1,26,63,228	1,26,63,228	1,26,63,228
Union Bank of India - WCDL	29.02.2011	13.75%	15,63,99,368	15,63,99,368	15,63,99,368
The Federal Bank -WCDL 172	31.12.2012	13.75%	2,51,85,000	2,51,85,000	-
				<b>21,17,39,597</b>	<b>18,65,54,597</b>

**Rupee loans**

b) Working Capital Limits	Date of NPA	Rate of Interest	Amount of Default	As on 31.03.2013	As on 31.03.2012
<b>Packing Credit Limit 2009-10</b>					
Axis Bank Ltd.(PC)	30.09.2011	9%	6,64,73,896	6,64,73,896	6,64,73,896
Axis Bank - P.C Fresh	30.09.2011	9%	1,06,31,278	1,06,31,278	1,06,31,278
IDBI Bank - CC	30.09.2011	9%	1,65,83,582	1,65,83,582	1,65,83,582
State Bank of Hyderabad Fresh PC	30.06.2011	9%	38,00,000	38,00,000	38,00,000
<b>Packing Credit</b>					
Bank of India - PC	30.06.2011	9%	12,95,56,043	12,95,56,043	12,95,56,043
ICICI Bank - PC	31.03.2011	9%	7,44,60,739	7,44,60,739	-
The Federal Bank -PC	31.12.2012	9%	7,41,47,076	7,41,47,076	-
State Bank of Hyderabad -PC (804769)	30.06.2011	9%	2,22,68,001	2,22,68,001	2,22,68,001

**Agro Dutch Industries Limited**


State Bank of India (Previously Indore)	30.09.2010	9%	4,11,88,903	4,11,88,903	4,11,88,903
Union Bank of India - PC	29.02.2012	9%	12,97,15,625	12,97,15,625	13,11,82,751
State Bank of Patiala - PC	28.09.2012	9%	15,97,51,181	15,97,51,181	5,68,49,130
State Bank of Patiala - LC	28.09.2012	9%	-	-	19,01,97,595
IDBI Bank - CC	30.09.2011	9%	-	-	1,91,45,051
<b>FDBP LIMIT</b>		9%	-	-	-
Federal Bank	31.12.2012	9%	1,49,97,060	1,49,97,060	-
				<b>74,35,73,383</b>	<b>68,78,76,229</b>

**Note 8**

	(Amount In Rs.)	
As at	31.03.2013	31.03.2012
<b>TRADE PAYABLES</b>		
For Goods and Services	12,09,34,285	13,26,45,064
Due to Micro, Small & Medium Enterprises (To the extent identified with available information)	78,93,830	1,69,13,471
<b>Total</b>	<b>12,88,28,115</b>	<b>14,95,58,536</b>

**Note 9**

	(Amount In Rs.)	
As at	31.03.2013	31.03.2012
<b>OTHER CURRENT LIABILITIES</b>		
Current Maturities of long Term Debts	3,48,75,49,519	2,04,25,77,526
Interest accrued but not due on borrowings	-	22,54,575
Interest accrued & due on borrowings	91,38,11,833	42,32,81,132
Advances from customers and others	4,79,57,299	65,58,752
Overdraft by Banks	2,77,79,317	2,73,70,984
Other Payables		
Statutory dues (including Tax deducted at source and Provident Fund)	2,51,12,202	4,60,70,873
Others	6,05,39,226	9,88,63,130
<b>Total</b>	<b>4,56,27,49,395</b>	<b>2,64,69,76,973</b>

**Note :-** All term loan liabilities have become non performing Assets/recalled/doubtful and as such have been shown under the head Current Maturities of long term Debts.

**Note 10**

	(Amount In Rs.)	
As at	31.03.2013	31.03.2012
<b>SHORT TERM PROVISIONS</b>		
Provision for employee benefits	13,56,394	21,97,559
Provision for Wealth tax	1,19,700	1,51,797
<b>Total</b>	<b>14,76,094</b>	<b>23,49,356</b>

Note 11

NON-CURRENT ASSETS

(Amount In Rs.)

TANGIBLE ASSETS	GROSS BLOCK				DEPRECIATION / AMORTISATION					NET BLOCK	
	Rate of Depreciation	As at 01.04.2012	Additions	Deductions/ Adjustments	As at 31.03.2013	Upto 01.04.2012	For the period	Deductions/ Adjustments	Upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
<b>Land :</b> (including development expenses)											
Freehold		92,557,934	-	-	92,557,934	-	-	-	-	92,557,934	92,557,934
<b>Building :</b>											
Freehold											
Main plant	3.34%	1,545,406,555	-	-	1,545,406,555	388,856,066	51,616,579	-	440,472,645	1,104,933,910	1,156,550,489
Others	1.63%	1,421,629	-	-	1,421,629	256,643	23,173	-	279,815	1,141,814	1,164,986
<b>Plant and Machinery :</b>											
Plant and machinery Imp.											
- Continuous	5.28%	198,765,119	-	-	198,765,119	59,787,354	10,494,798	-	70,282,153	128,482,966	138,977,764
- Others	4.75%	332,530,414	-	-	332,530,414	166,808,664	15,795,195	-	182,603,858	149,926,556	165,721,750
Plant and machinery Ind.											
- Continuous	5.28%	1,198,281,469	63,000	-	1,198,344,469	476,296,547	63,269,553	-	539,566,100	658,778,369	721,984,922
- Others	4.75%	297,172,218	2,765,256	-	299,937,474	103,113,515	14,142,236	-	117,255,751	182,681,723	194,058,702
<b>Furniture and fixtures</b>	6.33%	13,897,633	-	-	13,897,633	7,598,702	879,720	-	8,478,422	5,419,211	6,298,931
<b>Vehicles</b>											
Owned	9.50%	84,735,101	-	7,466,310	77,268,791	43,787,806	6,966,818	2,365,845	48,388,779	28,880,012	40,947,295
Office equipment	6.33%	11,672,014	-	-	11,672,014	5,995,104	738,838	-	6,733,942	4,938,072	5,676,910
EDP, WP machines and Satcom	16.21%	12,258,205	440,553	-	12,698,758	10,468,408	530,564	-	10,998,972	1,699,786	1,789,797
Communication Equipments	6.33%	2,635,175	148,615	-	2,783,790	711,174.61	168,764	-	879,939	1,903,851	1,924,000
<b>Total</b>		<b>3,791,333,465</b>	<b>3,417,424</b>	<b>7,466,310</b>	<b>3,787,284,579</b>	<b>1,263,679,983</b>	<b>164,626,238</b>	<b>2,365,845</b>	<b>1,425,940,376</b>	<b>2,361,344,203</b>	<b>2,527,653,482</b>
Previous year		3,775,227,893	23,185,166	7,079,594	3,791,333,465	1,109,506,811	164,931,893	10,758,721	1,263,679,983	2,527,653,482	2,665,721,082

**Note 11**

**Capital Work in Progress**

(Amount In Rs.)

	As at 01.04.2012	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2013
<b>CAPITAL WORK-IN-PROGRESS</b>					
i) Tangible Assets to be commissioned	89,88,29,921	81,44,735	-	32,61,980	90,37,12,676
ii) Expenditure pending allocation	55,66,56,062	11,29,69,655	-	-	66,96,25,717
<b>Total</b>	<b>1,45,54,85,983</b>	<b>12,11,14,390</b>	<b>-</b>	<b>32,61,980</b>	<b>1,57,33,38,393</b>
<b>Previous year</b>	<b>1,33,65,16,588</b>	<b>14,22,26,562</b>		<b>2,32,57,167</b>	<b>1,45,54,85,983</b>

**Note 12**

(Amount In Rs.)

As at	31.03.2013	31.03.2012
<b>LONG TERM LOANS AND ADVANCES</b>		
(Unsecured ,Considered good, unless otherwise stated)		
Security Deposits	3,25,58,916	3,41,93,252
Mat Credit Entitlement	2,88,92,912	4,34,22,062
<b>CAPITAL ADVANCES</b>		
(Unsecured ,Considered good, unless otherwise stated)		
Capital Advances	1,93,61,779	2,98,27,014
	<b>8,08,13,607</b>	<b>10,74,42,328</b>

**Note 13**

(Amount In Rs.)

As at	31.03.2013	31.03.2012
<b>INVENTORIES : Valued at lower of cost / net realisable value unless stated otherwise.</b>		
Raw Material	3,98,47,271	5,08,17,915
Work In Progress	21,24,40,215	55,26,58,684
Finished Goods	15,44,43,537	29,73,28,891
Goods In transit (Stock lying with third parties)	5,92,68,064	2,13,28,252
Stores & Spares	2,07,70,814	2,42,85,611
Scrap	8,32,245	9,24,763
	<b>48,76,02,146</b>	<b>94,73,44,116</b>
Less Provision of demunition in value of inventory /obsolete/unsaleable Goods		10,71,69,601
	<b>48,76,02,146</b>	<b>84,01,74,515</b>

**Note 14**

(Amount In Rs.)

As at	31.03.2013	31.03.2012
<b>TRADE RECEIVABLES</b>		
<b>Exceeding Six Months</b>		
Unsecured, considered Good	3,94,24,687	53,02,770
<b>Others</b>		
Unsecured, considered Good	1,70,25,432	23,16,06,676
<b>Total</b>	<b>5,64,50,119</b>	<b>23,69,09,446</b>

**Note 15**

	(Amount In Rs.)	
As at	31.03.2013	31.03.2012
<b>CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents</b>		
Balances with banks	9,388,856	1,28,89,592
Cash in hand	2,71,439	3,03,195
(A)	96,60,295	1,31,92,787
<b>Other Bank Balances-</b>		
(not available for use to the Company and include) :		
Pledged with banks as margin against credit facilities	2,37,512	56,39,847
(B)	2,37,512	56,39,847
<b>Total (A) + (B)</b>	<b>98,97,807</b>	<b>1,88,32,634</b>

**Note 16**

	(Amount In Rs.)	
As at	31.03.2013	31.03.2012
<b>SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured , Considered good, unless otherwise stated)		
Employees	3,02,209	70,70,623
Contractors & Suppliers	1,39,08,260	5,13,71,642
	1,42,10,469	5,84,42,265
Tax deducted at source	2,49,322	2,23,749
<b>Total</b>	<b>1,44,59,791</b>	<b>5,86,66,014</b>

**Note 17**

	(Amount In Rs.)	
As at	31.03.2013	31.03.2012
<b>OTHER CURRENT ASSETS</b>		
Prepaid Expenses	2,77,282	55,50,600
Others (Including VKGUY, APEDA TPT assistance, Duty Draw Back etc.)	5,18,86,796	7,63,46,771
<b>Total</b>	<b>5,21,64,078</b>	<b>8,18,97,371</b>

**Note 18**

	(Amount In Rs.)	
As at	31.03.2013	31.03.2012
<b>Sale of Products</b>		
<b>Sales</b>		
- Exports	27,32,59,448	1,61,36,21,275
- Domestic	7,54,64,911	9,81,43,717
<b>Net Sales</b>	<b>34,87,24,359</b>	<b>1,71,17,64,992</b>

**Note 19**

	(Amount In Rs.)	
As at	31.03.2013	31.03.2012
Other Operating Revenue		
Vishesh Krishi Udyog	1,00,14,673	6,83,24,324
Other Claims	38,94,138	1,21,36,266
Unclaimed Credit Balance Written Back	-	64,56,497
Other Operating Income	1,39,08,811	8,69,17,087

**Note 20**

	(Amount In Rs.)	
As at	31.03.2013	31.03.2012
<b>OTHER INCOME</b>		
Miscellaneous Income	22,61,937	5,57,482
Exchange Rate Fluctuation	-	62,10,383
Interest		
- Margin Money	42,631	4,33,609
- On Others	4,58,501	4,65,547
<b>Total</b>	<b>27,63,069</b>	<b>76,67,021</b>

**Note 21****COST OF RAW MATERIAL CONSUMED**

	(Amount In Rs.)	
As at	31.03.2013	31.03.2012
Opening Stock	5,17,42,678	9,60,41,202
Add Purchase During the Year	14,23,77,762	4 3,86,92,974
	19,41,20,441	5 3,47,34,175
Less Closing Stock	4,06,79,516	5,17,42,678
	<b>15,34,40,925</b>	<b>48,29,91,497</b>

**Note 22****Changes in Inventories of Finished Goods and Work in Progress**

	(Amount In Rs.)	
As at	31.03.2013	31.03.2012
<b>(Increase) /Decrease In Stock</b>		
<b>Closing Stock</b>		
Work In Progress	21,24,40,215	55,26,58,685
Finished Good	15,44,43,537	29,73,28,891
Goods In transit (Stock lying with third Parties)	5,92,68,064	2,13,28,252
	42,61,51,815	87,13,15,828
Less : Provision for Demuniton in Value of Inventory/ObsoleteUnsaleable Goods	-	10,71,69,601
<b>Total (A)</b>	<b>42,61,51,815</b>	<b>76,41,46,227</b>
<b>Opening Stock</b>		
Work In Progress	55,26,58,685	63,44,88,794
Finished Goods	19,01,59,290	21,91,45,968
Goods In transit (Stock lying with third Parties)	2,13,28,252	-
<b>Total (B)</b>	<b>76,41,46,227</b>	<b>85,36,34,762</b>
Gross (Increase)/ Decrease in stock during the year <b>(B)-(A)</b>	33,79,94,411	8,94,88,535
Less Amount Charged to Profit & Loss A/c Under Head Exceptional Items	-	10,71,69,601
<b>Net (Increase)/ Decrease in stock during the year</b>	<b>33,79,94,411</b>	<b>(1,76,81,066)</b>

**Note 23**

	(Amount In Rs.)	
As at	31.03.2013	31.03.2012
<b>EMPLOYEE BENEFITS EXPENSE</b>		
Salaries	3,45,72,531	6,30,55,901
Contribution to provident and other funds	26,79,811	46,01,183
Gratuity	3,96,382	9,52,691
Staff welfare expenses	6,99,880	9,36,001
<b>Total</b>	<b>3,83,48,604</b>	<b>6,95,45,776</b>

**Note 24****FINANCE COSTS**

	(Amount In Rs.)	
For the period ended	31.03.2013	31.03.2012
<b>Interest on:</b>		
Term Loan	24,14,63,388	22,24,49,030
Working Capital	16,19,00,751	15,08,48,535
Others	26,02,853	30,41,112
	<b>40,59,66,992</b>	<b>37,63,38,677</b>
<b>Other Borrowing Costs:</b>		
Processing and other charges	51,461	25,77,659
<b>Total</b>	<b>40,60,18,453</b>	<b>37,89,16,336</b>

**Note 25****DEPRECIATION AND AMORTISATION EXPENSES**

	(Amount In Rs.)	
As at	31.03.2013	31.03.2012
Depreciation	16,46,26,238	16,49,31,893
Misc. Expenditure Written Off	-	2,59,905
<b>Total</b>	<b>16,46,26,238</b>	<b>16,51,91,798</b>

**Note 26****OTHER EXPENSES**

	(Amount In Rs.)	
For the period ended	31.03.2013	31.03.2012
<b>Manufacturing Expenses</b>		
Laboratory Expenses	2,08,998	12,46,192
Consumables	52,89,449	2,56,00,739
Power & Fuel	12,30,23,273	35,22,45,251
Repair & Maintenance	57,24,869	2,67,69,602
Material Handling Charges	3,66,50,463	12,75,81,471
<b>Total (A)</b>	<b>17,08,97,052</b>	<b>53,34,43,254</b>
<b>Selling and Other Expenses</b>		
Freight Outward	3,30,12,378	13,02,11,997
Anti Dumping Duty Expense	2,48,158	82,21,966
Selling Expenses - Custom Duties & Others	1,55,60,838	15,54,86,143
Packing Material Consumed	1,81,50,946	6,22,92,162
<b>Total (B)</b>	<b>6,69,72,320</b>	<b>35,62,12,268</b>

<b>Other</b>		
Bank Charges	21,61,128	1,06,30,783
Business Promotion	15,34,881	25,260
Insurance Charges	34,47,970	97,11,899
Rent	22,95,794	29,57,886
Legal & Professional Fee	27,10,676	62,61,976
Misc.Expenses	10,43,303	10,50,382
Office Expenses	10,59,844	21,36,092
Printing & Stationery	5,34,931	11,35,832
Payment to Auditors	6,85,000	6,50,000
Rates, Fees & Taxes	36,64,777	58,17,311
Telephone, Postage & Telegrams	12,20,604	26,66,304
Travelling Expenses	30,20,317	1,57,23,939
Vehicle Running & Maintenance	31,59,943	60,92,605
Loss On Sale of Fixed Assets	2,67,464	2,36,438
Exchange (Gain)/Loss	11,42,420	-
<b>Total (C)</b>	<b>2,79,49,051</b>	<b>6,50,96,708</b>
<b>Grand Total (A+B+C)</b>	<b>26,58,18,423</b>	<b>95,47,52,230</b>

**Note No. 27**

	(Amount In Rs.)	
<b>For the period ended</b>	<b>31.03.2013</b>	<b>31.03.2012</b>
Exceptional Items	2,52,22,226	29,96,75,034
	<b>2,52,22,226</b>	<b>29,96,75,034</b>

**Note No. 28**

	(Amount In Rs.)	
<b>As at</b>	<b>31.03.2013</b>	<b>31.03.2012</b>
<b>PRIOR PERIOD ITEMS (NET)</b>		
REVENUE	-	55,83,971
EXPENDITURE	39,46,540	64,09,626
<b>Net Expenditure/(Revenue)</b>	<b>39,46,540</b>	<b>8,25,655</b>





**AGRO DUTCH INDUSTRIES LIMITED**

Regd. Office : S.C.O. 30, 1<sup>st</sup> Floor, Sector 33-D, Chandigarh - 160020

DP ID	
Client ID	

**PROXY FORM**

Folio No .	
No. of Shares held	

I/We ..... in the district of ..... being a member/ members of AGRO DUTCH INDUSTRIES LIMITED hereby appoint Mr./Ms. .... of ..... in the district of ..... or failing him/her Mr./Ms. .... of ..... in the district of ..... as my/our proxy to vote for me/us on my/our behalf at the 21<sup>st</sup> Annual General Meeting of the Company to be held on **Saturday 28<sup>th</sup> September, 2013 at 9:30 A.M at Chandigarh Institute of Hotel Management, Sector 42-D, Chandigarh** any adjournment thereof.

Signed this ..... day of ..... 2013.

Affix Rs. 1  
Revenue  
Stamp  
here

NOTE:- The proxy must be returned so as to reach the Registered Office of the Company, not less than 48 hours before the Commencement of the Meeting.

**AGRO DUTCH INDUSTRIES LIMITED**

Regd. Office : S.C.O. 30, 1<sup>st</sup> Floor, Sector 33-D, Chandigarh - 160020

**ATTENDANCE SLIP**

(THIS ATTENDANCE SLIP DULY FILLED TO BE HANDED AT THE ENTERANCE OF THE MEETING HALL)

DP ID	
Client ID	

Folio No .	
No. of Shares held	

Name of the attending Member .....  
(In Block Letters)

Name of Proxy(s) (In Block Letters) .....  
(to be filled in if the Proxy attends instead of the Member)

No. of share held .....

I, hereby record my presence at the 21<sup>st</sup> Annual General Meeting of the Company to be held on **Saturday 28<sup>th</sup> September, 2013 at 9:30 A.M at Chandigarh Institute of Hotel Management, Sector 42-D, Chandigarh.**

Member's/ Proxy's Signature  
(To be signed at the time  
of handing over this slip)

Note : Member attending the meeting must fill this attendance slip and hand it over at the entrance hall. Members are requested to bring their copy of Annual Report in the Meeting.