

# **NAISARGIK AGRITECH (INDIA) LIMITED**

## **ANNUAL REPORT 2009-2010**

### **REGISTERED OFFICE**

304-305, KALASH-II,  
NAVRANGPURA P. O.,  
AHMEDABAD - 380009

**BOARD OF DIRECTORS**

Mr. Bipin M. Patel	Chairman & Managing Director
Mr. Paresh K. Shah	Director
Mr. Mayur M. Shah	Director

**AUDITORS**

Vishves A. Shah & Co.  
Chartered Accountants  
Ahmedabad

**REGISTERED OFFICE**

304-305, KALASH-II,  
NAVRANGPURA P. O.,  
AHMEDABAD - 380009

**NAISARGIK AGRITECH (INDIA) LIMITED**

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**NOTICE**

NOTICE is hereby given that the Sixteenth Annual General Meeting of Company will be held on 30th September, 2010 at 11.00 a.m. at the registered office of the Company to transact the following business.

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010, the Profit and Loss Account of the Company for the year ended on that date and the reports of the Directors and auditors thereon.
2. To appoint a Director in place of Mr. Paresh K. Shah, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors of the company and to fix their remuneration.

**SPECIAL BUSINESS :**

4. To Consider and if thought fit to pass the following resolution with or without modification(s) as an Special Resolution.

**“RESOLVED FURTHER THAT** pursuant to the provisions of section 198, 269, 309, 310, 311 and all other applicable provisions if any, of the companies Act, 1956 read with those in Schedule XIII to said act, the company hereby reappointed Mr. Bipin M. Patel as a Managing Director of the Company with effect from 1st October, 2010 for the period of Five years on Salary of Rs. 10,000 per month.

**RESOLVED FURTHER THAT** in case of absence or inadequacy of profits, Mr. Bipin M. Patel shall be paid the above mentioned remuneration as minimum remuneration or as determined by the Board of Directors.

**RESOLVED FURTHER THAT** the Board of Directors may alter the remuneration within the limit mentioned in Schedule XIII and other applicable provisions, if any, of the Companies Act for the time being in force.

**DATE : 27.08.2010**  
**PLACE : AHMEDABAD**

**BY ORDER OF THE BOARD OF DIRECTORS**

**SD/-**  
**(CHAIRMAN)**

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER. Proxy in order to be valid must be received by the company not less than forty eight hours before the time of holding the Meeting.
2. Register of Members and Share Transfer Books will remain close from 26.09.2010 to 30.09.2010.

**EXPLANATORY STATEMENT Pursuant to Section 173 (2) of the Companies Act, 1956.**

As required by Section 173 (2) of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 4 of the accompanying Notice.

**ITEM NO. 4**

As the term of Mr. Bipin M Patel as Managing Director is expiring on 30<sup>th</sup> September, 2010, board of Directors of the company recommend to reappoint him as Managing Director of the company for a further Period of five years on the terms and conditions and remuneration as set out in the resolution.

Bipin M Patel is young and dynamic director having good experience in the business. Your board of directors recommend to pass the resolution as Special Resolution.

Except Mr. Bipin M. Patel, None of the Directors of the Company is interested in aforesaid Resolution.

This should be considered as an abstract of the terms of appointment and payment of remuneration and a memorandum as to the nature of the concern or interest of the Directors as required under Section 302 of the Companies Act, 1956.

**DATE : 27.08.2010**  
**PLACE : AHMEDABAD**

**BY ORDER OF THE BOARD OF DIRECTORS**

**SD/-**  
**(CHAIRMAN)**

## **NAISARGIK AGRITECH (INDIA) LIMITED**

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### **DIRECTORS REPORT**

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To,  
The Members  
Naisargik Agritech (India) Limited

Your Directors have pleasure in presenting the Sixteenth Annual Report together with the audited statement of accounts for the period ended on 31st March, 2010.

#### **FINANCIAL RESULTS :**

(Amount in Rs.)

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<b>Particulars</b>	<b>2009-10</b>	<b>2008-09</b>
1. Total Income	2,35,18,400	36,57,925
2. Total Expenditure	2,32,19,543	36,20,180
3. Profit/ Loss before Tax	2,98,857	37,745

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Company has not carried out any business activities during the year under review.

#### **DIVIDEND :**

To conserve the resources, your Directors do not recommend the dividend for the financial year ended 31.03.2010.

#### **DIRECTORS :**

Mr. Paresh K. Shah, Director of the company is retiring by rotation and being eligible, offer himself for reappointment. Board recommends his reappointment.

#### **FIXED DEPOSITS :**

The Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956 and Rules made there under.

#### **AUDITORS :**

M/s Vishves A. Shah & Co., Auditors of the Company retire at this Annual General Meeting and being eligible, are recommended for reappointment.

#### **AUDITORS REPORTS :**

The observations of the Auditors in their Report and Notes Attached to the Accounts to the Accounts are Self-Explanatory and do not require any Further Clarifications.

## **SECRETARIAL COMPLIANCE REPORT:**

In Compliance of the Provision of section 383A of the Companies Act, 1956 the Board is pleased to enclose the Secretarial Compliance Report of M/s. A. Santoki and Associates, Company Secretaries for the Year 2009-2010 as part of this Directors Report.

## **LISTING :**

Equity Shares of the company are listed on the Bombay Stock Exchange Limited (BSE), Bangalore Stock Exchange and Ahmedabad Stock Exchange (ASE). And presently trading of the shares are under suspension.

## **CORPORATE GOVERNANCE :**

A separate section on Corporate Governance and a Certificate from Auditors of the company regarding compliance of conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement together with the Management Discussion and Analysis of the financial position of the company forms part of the Annual Report.

## **MANAGEMENT DISCUSSION AND ANALYSIS :**

The Management Discussion and Analysis Report is attached herewith and forms part of the Director Report.

## **DIRECTORS RESPONSIBILITY STATEMENT :**

Pursuant to the requirement under section 217 (2AA) of the Companies Amendment Act, 2000 with respect to Director Responsibility Statement it is hereby confirmed:

1. That in the preparation of the Annual Accounts for the financial year ended 31st March, 2010 the applicable accounting standards had been followed along with proper explanation relating to material departures.
2. That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company at the end of the financial year and of the Profit of Loss of the Company for the year under review.
3. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors had prepared the accounts for the financial year ended 31st March, 2010 on a going concern basis.

## **PARTICULARS OF THE EMPLOYEES :**

Company has no employee to whom the provision of Section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of employees) Rules, 1975 apply and so, forming part of the report is nil.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO :**

The Additional information required under Section 217(1)(e) of the Companies Act,1956 relating to Conservation of energy, technology absorption are not applicable to the Company. The Company has no any Foreign exchange earnings or outgoes.

**ACKNOWLEDGMENT :**

Your Director wish to thanks the Shareholders of the Company.

**DATE : 27.08.2010**  
**PLACE : AHMEDABAD**

**BY ORDER OF THE BOARD OF DIRECTORS**

**SD/-**  
**(CHAIRMAN)**

**A.SANTOKI & ASSOCIATES**  
**Company Secretaries**

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**Ajit M. Santoki**  
**B.B.A.,F.C.S.**

**203,AbhishekComplex**  
**B/h. Navgujarat College,**  
**Income-Tax,**  
**Ahmedabad-380014.**  
**Ph.(O)079-27541156**  
**(R) 079-55220033**

COMPLIANCE CERTIFICATE

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To,  
The Members,  
Naisargik Agritech (India) Limited.  
Ahmedabad.

We have examined the relevant registers, records, books and papers of **M/s. Naisargik Agritech (India) Limited** (the company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31st March, 2010. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company and its officers, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all register as stated in **Annexure `A'** to this Certificate as per the Provisions of the Act and the rules made thereunder and all entries have been duly recorded.
2. The company has duly filed the forms and returns as stated in **Annexure `B'** to this Certificate with the Registrar of Companies Gujarat within the time prescribed under the Act, and the rules made thereunder.
3. The Company being a Public Limited Company, comment is not required.
4. The Board of Directors duly met 6 times in a year on 30.04.2009, 31.07.2009, 29.08.2009, 31.10.2009, 31.01.2010 and 31.03.2010 in respect of which meetings proper notice were given and the proceedings were properly recorded and signed the Minutes Book maintained for the purpose.
5. The Company has closed its register of Members from 26<sup>th</sup> September 2009 to 30<sup>th</sup> September 2009 ( both days inclusive ) during the year
6. The Annual General Meeting for the Financial year ended on 31.03.2009 was held on 30<sup>th</sup> September, 2009 after giving due notice to the Members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.



7. No Extra Ordinary General Meeting was held during the financial year.
8. No Loan falling within the purview of Section 295 of the act, was advanced during the year by the Company.
9. According to the Register of Contracts, the Company has not entered into any contract falling within the purview of Section 297 of the Companies Act, 1956.
10. The Company has made necessary entries in the register maintained under Section 301 of the Companies Act, 1956.
11. The Provisions of Section 314 of the Companies Act, 1956 have not been attracted and therefore no approval was required to be taken.
12. The Company has not issued any duplicate Share Certificate during the year.
13. The Company has:
  - (i) Not made any allotment / transfer / transmission of securities during the financial year under review.
  - (ii) The Company has not deposited any amount in a separate bank account as no dividend was declared during the financial year.
  - (iii) The company was not required to post warrants to any member of the company as no dividend was declared during the financial year.
  - (iv) No amount lying in the Books of Accounts in respect of unpaid dividend, application money due for refund, matured deposits, matured debentures and the interest occurred thereon.
  - (v) Duly complied with the requirements of Section 217 of the Act.
14. The Board of Director of the Company is duly constituted and there was no appointment of additional director, alternative directors or directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director/ Whole time director during the year under review.
16. The Company has not appointed any sole selling agent during the year under review.
17. There were no such transactions or events during the year requiring particular approvals of Central Government, Company Law Board, Regional Director, Registrar or such other authorities as prescribed under the provisions of the Act.
18. The Directors have disclosed their interest in other firms/Companies to the Board of Directors pursuant to the Provisions of the Act, and the rules made thereunder.

19. The Company has not issued any shares, debentures or any other Securities during the year.
20. The Company has not bought back any shares during the year under review.
21. The Company has not redeemed any preference Shares/debentures during the year under review.
22. There were no transactions necessitating the company to keep in abeyance rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has not accepted any deposits under Section 58A of the Act.
24. The Company has not borrowed any amount during the year.
25. The Company has not made any additional loans, investments or given guarantees or provided securities to other bodies corporate during the year and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the Provisions of the Memorandum with respects to situation of the registered office of the Company during the year under review.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under review.
28. The Company has not altered the provisions of the Memorandum with respect to name of the company during the year under review.
29. The Company has not altered the Provisions of the Memorandum with respect to Share Capital of the Company during the year under review.
30. The Company has not altered its Articles of Association during the year.
31. No Prosecution has been initiated or show cause notices received by the company for any offences under the Act during the year under review.
32. The Company has not received any amount as security from its employees during the year under review.
33. The provisions of Section – 418 is not applicable to the company.

**PLACE : AHMEDABAD**  
**DATE : 27.08.2010**

**FOR A. SANTOKI & ASSOCIATES**  
**COMPANY SECRETARIES**

**SD/-**  
**(AJIT SANTOKI)**  
**PROPRIETOR**  
**C.P.NO.:2539**

**Annexure`A'**

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Registers maintained by the Company :

1. Members register u/s. 150 of the Act.
2. Register of transfer.
3. Directors Register u/s. 303 of the Act.
4. Register of Director's share holding u/s 307 of the Act.
5. Register of Contracts, Companies and firms in which Directors of the company are interested u/s.299, 301 and 301 (3) of the Act.
6. Minutes of the general Meeting & Board meeting u/s 193 of the Act.
7. Directors' Attendance Register attending their meeting.

**Annexure`B'**

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Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ending on 31st March, 2010.

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Sr. No.	Form No. / Returns	Filed U/S	For	Date of filling	Whether filed within time Yes/No	SRN No.
	Nil		Nil	Nil		

**PLACE : AHMEDABAD**  
**DATE : 27.08.2010**

**FOR A. SANTOKI & ASSOCIATES**  
**COMPANY SECRETARIES**

**SD/-**  
**(AJIT SANTOKI)**  
**PROPRIETOR**  
**C.P.NO.:2539**

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **1. Financial Review**

Company earned net profit of Rs. 2,98,857 during the year as compared to net profit of Rs. 37,745 for the previous year.

### **2. Future Outlook**

Based on the buoyancy of the Indian Economy, the overall scenario and steps taken by the management, the future outlook of your company looks bright.

### **3. Risk and Concern**

There are no specific risks and concerns.

### **4. Internal Control System and their adequacy**

Considering the size of the company, your company has adequate system of internal control to provide reasonable assurance that assets are safeguarded and protected from unauthorized use or disposition.

### **5. Environmental Issues**

As the company is not in the field of manufacture, the matter relating to produce any harmful gases and the liquid effluents are not applicable.

### **6. Cautionary Statement**

Statement in this report on Management Discussion and Analysis may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however, differ materially, from those expressed or implied. Important factors that could make a difference to the company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability and changes in government regulation and tax structure, economic development within India and the countries with which the company has business contacts and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of forward - looking statements, which may be amended or modified in future on the basis of subsequent developments, information or events.

**NAISARGIK AGRITECH (INDIA) LIMITED**  
**REPORT ON CORPORATE GOVERNANCE**

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

The Company believes in functioning in a transparent manner with the basic philosophy being to enhance the shareholder value, keeping in mind the needs and interest of other shareholder. The following information is placed before the shareholders.

**BOARD OF DIRECTORS**

Company has three members on the Board of the Company constituting Non – executive directors. Composition of board of directors is as under:

- |                        |   |                                       |
|------------------------|---|---------------------------------------|
| (1) Mr. Bipin M. Patel | - | Director & Promoter (Executive)       |
| (2) Mr. Mayur M. Shah  | - | Director (Non Executive, Independent) |
| (3) Mr. Paresh K. Shah | - | Director (Non Executive, Independent) |

**a) Numbers of Board Meeting held and the dates on which held :**

During the year the Company has held 6 Board Meetings as against the minimum requirement of 4 meeting. The meetings were held on:

30<sup>th</sup> April, 2009, 31<sup>st</sup> July, 2009, 29<sup>th</sup> August, 2009, 31<sup>st</sup> October, 2009, 31<sup>st</sup> January, 2010 and 31<sup>st</sup> March, 2010.

**b) Director's presence in the Board Meeting held during the year:**

The details in regard to the attendance of Directors at Board Meetings/Shareholders Meetings held during the year as also the number of Directorship/s held by them in other Companies and the position of membership of Committee/s are given below:

Name of Director	Category of Director	No. of Board Meetings attended	Attend ance at the last AGM	Directorshi ps in other Indian Public Companie s* as at 31 <sup>st</sup> March 2010	Other Mandatory Committee** membership as at 31 <sup>st</sup> March 2010	
					Chairma n	Membe r
Mr. Bipin M. Patel	Chairman, Promoter, Executive	6	Yes	NIL	NIL	NIL
Mr. Mayur M. Shah	Non Executive, Independent	6	Yes	NIL	NIL	NIL
Mr. Paresh K. Shah	Non Executive, Independent	6	Yes	NIL	NIL	NIL

\*Excludes Directorships in private/foreign companies and companies incorporated under Section 25 of the Companies Act, 1956.

\*\*Represents Membership / Chairmanship of the Audit Committee, Shareholders/ Investors Grievance Committee and Remuneration Committee of other companies.

### **c) Management & Function of the Board:**

The day-to-day management of the Company is conducted by the Chairman & Managing Director in consultation with four Whole Time Directors and subject to the supervision and control of the Board of Directors. The required information as enumerated in Annexure I to Clause 49 of the Listing Agreement is made available to the Board of Directors for discussions and consideration at Board Meetings. The Board also reviews the Board Minutes of its Subsidiary Company.

### **d) Committees of the Board**

Currently the Board has three committees viz Audit Committee, Shareholders' / Investors' Grievance Committee and Remuneration Committee.

#### **AUDIT COMMITTEE**

##### **a) Brief description of terms of reference:**

Terms of Reference of the Audit Committee are as per Section 292A of the Companies Act, 1956 and the guidelines set out in the listing agreements with the Stock Exchanges that inter-alia, include overseeing financial reporting processes, reviewing periodic financial results, financial statements and adequacy of internal control systems with the Management and adequacy of internal audit functions, discussions with the auditors about the scope of audit including the observations of the auditors and discussion with internal auditor on any significant findings.

##### **b) Composition:**

The Audit Committee has been constituted in conformity with the requirements of Section - 292A of the Companies Act, 1956 and Clause – 49 of the Listing Agreement with Stock Exchanges.

At present the Audit Committee comprises of three Directors as under :

- (1) Mr. Mayur M. Shah, Chairman
- (2) Mr. Paresh K. Shah, Member
- (3) Mr. Bipin M. Shah, Member

Minutes of meetings of the Audit Committee are circulated to members of the Committee and the Board is kept apprised.

During the year under review, Audit committee met Five times on 30<sup>th</sup> April, 2009, 31<sup>st</sup> July, 2009, 29<sup>th</sup> August, 2009, 31<sup>st</sup> October, 2009 and 31<sup>st</sup> January, 2010 where all the members were present.

#### **REMUNERATION COMMITTEE**

The remuneration committee consists of the following two Non – Executive, Independent Directors:

- (1) Mr. Paresh K. Shah, Chairman
- (2) Mr. Mayur M Shah, Member

At present, no remuneration is paid to any Directors of the company. As there was no business to discuss, meeting of the Remuneration committee was not held during the year.

## **SHAREHOLDERS COMMITTEE**

The Company has complied the requirement of the sub clause VI (A), (B) of the clause 49 of the Listing Agreement.

Shareholder's Committee consists of following two Directors :

- (1) Mr. Mayur M. Shah, Chairman
- (2) Mr. Bipin M. Patel, Member

During the year under review, Shareholders committee met Six times.

The meetings were held on 30<sup>th</sup> April, 2009, 30<sup>th</sup> June, 2009, 31<sup>st</sup> August, 2009, 30<sup>th</sup> November, 2009, 31<sup>st</sup> January, 2010 and 31st March, 2010.

The Company addresses all complaints, suggestions and grievances expeditiously and replies have been sent / issues resolved usually within 15 days except in case of dispute over facts or other legal constraints. During the year complaints were received from SEBI or shareholders were resolved satisfactory. No requests for share transfers are pending except those that are disputed or sub-judice.

Mr. Bipin M. Patel, Managing Director, is the Compliance Officer of the Company.

### **GENERAL BODY MEETING:**

DATE	TYPE	TIME	VENUE
30/09/2009	AGM	11.00. A.M.	304-305, KALASH-II, NAVRANGPURA P. O., AHMEDABAD - 380009
30/09/2008	AGM	11.00. A.M.	304-305, KALASH-II, NAVRANGPURA P. O., AHMEDABAD - 380009
29/09/2007	AGM	11.00. A.M.	304-305, KALASH-II, NAVRANGPURA P. O., AHMEDABAD - 380009

Company has not passed any resolution through postal ballot during the year.

## **DISCLOSURE**

As per the disclosures given by the Directors of the Company there were no materially related party transactions attracting Section 297 of the Companies Act, 1956.

All the guidelines issued by the SEBI and Stock Exchange or other statutory authority on the matter related to capital markets are generally complied.

The Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India, to the extent applicable, in the preparation of the financial statement.

## **DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENT**

Clause 49 of the Listing Agreement mandates to obtain a certificate from either the Auditors or practicing company secretaries regarding compliance of conditions of Corporate Governance as stipulated in the clause and annex the certificate with the Director's Report, which is sent annually to all the Shareholders. The Company has obtained a certificate from its Auditors to this effect and the same is given as annexure to this report.

## **UNCLAIMED DIVIDENDS**

The Company will be required to transfer dividends which have remained unpaid/unclaimed for the period of 7 years to the Investor Education & Protection Fund established by the Government. However there is no such unclaimed/unpaid dividend for which Company has to transfer the same to the Investor Education & Protection Fund in this financial year.

## **CODE OF CONDUCT FOR SENIOR MANAGEMENT**

The Company has adopted a Code of Conduct for Directors and Senior Management. It is the responsibility of all employees and Directors to familiarize themselves with the Code and comply with the same. The Code includes provisions where the employees of the Company can voice their concerns on violation and potential violation of this Code in a responsible and effective manner. All Board members and senior management personnel have confirmed compliance with the code. A declaration signed by the Managing Director is attached and forms part of the Annual Report of the company.

## **CEO CERTIFICATION**

Chief Executive Officer (CEO) certification on financial statements pursuant to the provisions of Clause 49 of the listing agreement is annexed and forms part of the Annual Report of the company.

## **MEANS OF COMMUNICATION**

The means of communication between the Shareholders and Company are transparent and investor friendly. The quarterly results of the Company are published in one English newspaper circulating substantially in whole of India and one in the gujarati language as required by the listing agreement.

## **GENERAL SHAREHOLDERS INFORMATION**

Annual General Meeting: (Date, Time and Venue)	Date: 30/09/2010 Time: 11.00 A.M. Venue: 304-305, Kalash-II, Navrangpura P.O., Ahmedabad – 380009
Financial Calendar:	1 <sup>st</sup> April 2009 to 31 <sup>st</sup> March 2010
Date of Book Closure:	26 <sup>th</sup> September 2010 To 30 <sup>th</sup> September 2010
Dividend Payment Date:	No dividend declared.

### **Tentative Financial Calendar**

Publication of Quarterly Results ending 30 <sup>th</sup> June, 2010	Last week of July 2010
Publication of Quarterly Results ending 30 <sup>th</sup> Sep. 2010	Last week of Oct. 2010
Publication of Quarterly Results ending 31 <sup>st</sup> Dec. 2010	Last week of Jan. 2011
Publication of Quarterly Results ending 31 <sup>st</sup> March 2011	Last week of April 2011



## **LISTING ON STOCK EXCHANGE**

1. Bombay Stock Exchange Limited
2. Ahmedabad Stock Exchange.
3. Bangalore Stock Exchange.

## **STOCK MARKET DATA**

Shares of the Company are generally not traded in the Stock Market. Presently the trading of the shares are suspended.

## **SHARE TRANSFER SYSTEM**

The Company is in process of appointment of Share Transfer Agent.

The share transfer work is handled by the company.

Share Transfer are registered and dispatched within a period of thirty days from the date of the lodgment if the transfer documents are correct and valid in all respects.

## **ISIN**

No Dematerialization is made by the Company.

Outstanding GDRs/ ADRs/ Warrants or any  
Convertible Instruments, Conversion date and  
Likely impact on equity:

Not Applicable

## **Distribution of Shareholding as on March 31, 2010.**

<b>No. of Equity shares held</b>	<b>No of share holders</b>	<b>% of shareholders</b>	<b>No of shares held</b>	<b>% of holding</b>
Upto 5000	2040	95.64	15,89,500	26.05
5001-10000	29	1.36	2,18,200	3.58
10001-20000	25	1.17	4,16,200	6.82
20001-30000	10	0.47	2,73,700	4.49
30001-40000	4	0.19	1,43,900	2.36
40001-50000	7	0.33	3,44,100	5.64
50001-100000	11	0.51	10,26,960	16.82
100001 & above	7	0.33	20,89,510	34.24
<b>Total</b>	<b>2133</b>	<b>100.00</b>	<b>61,02,070</b>	<b>100.00</b>

### Categories of Shareholders as on March 31, 2010

	Category	No. of Shares	% of Shares
A	Promoter's Holding		
1	Indian Promoters	777670	12.74
2	Foreign Promoters	NIL	NIL
	<b>Sub total</b>	<b>777670</b>	<b>12.74</b>
B	Non-Promoters		
3	Institutional Investors	NIL	NIL
	A Mutual Funds and UTI	NIL	NIL
	B Banks, Financial Inst., Insurance Com.	NIL	NIL
	(Central State Gov. Inst. /Non- Gov Inst.)	NIL	NIL
	C FIIS	NIL	NIL
	<b>Sub total</b>	<b>NIL</b>	<b>NIL</b>
4	Others		
	A Private corporate Bodies	589500	9.66
	B Indian Public	4734900	77.59
	C NRIs / Clearing Member/OCBs/Trust	NIL	NIL
	<b>Sub total</b>	<b>5324400</b>	<b>87.26</b>
	<b>GRAND TOTAL</b>	<b>6102070</b>	<b>100.000</b>

Plant Location:

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Address for correspondence:

Registered Office of the company

## **DECLARATION**

The Board has laid down a code of conduct for all Board Members and Senior Management of the Company. The Board members and Senior Management have affirmed compliance with the code of conduct.

**Place: Ahmedabad**  
**Date: 27.08.2010**

**For and on behalf of the Board**

**Sd/-**  
**Bipin Patel**  
**Managing Director**

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## **CEO CERTIFICATION**

I, Mr. Bipin Shah, Director, certify to the Board that:

(a) We have reviewed financial statements and the cash flow statement for the year ended on 31.03.2010 and that to the best of their knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit committee

(i) significant changes in internal control during the year;

(ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

**Place: Ahmedabad**  
**Date: 27.08.2010**

**For and on behalf of the Board**

**Sd/-**  
**Bipin Patel**  
**Managing Director**

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE  
GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)

1. We have examined the compliance of conditions of Corporate Governance by **Naisargik Agritech (India) Limited**("the company") for the period from during the year ended 1<sup>st</sup> April, 2009 to 31<sup>st</sup> March, 2010 as stipulated in clause 49 of the Listing Agreement of the said company with the stock exchange.
2. The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, and representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. As required by the Guidance Note issued by the Institute of Chartered Accountant of India we have to state that based on the report given by the Registrar of the Company to the investor's Grievance Committee, as on 31<sup>st</sup> march, 2010, there were no investor grievance matter against the Company remaining unattended/pending for more than 30 days.
5. 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.

Place: Ahmedabad  
Date: 27/8/2010

For, Vishves A.Shah & Co.  
Chartered Accountants

Sd/-  
(Proprietor)  
M.No. 109944

## AUDITORS' REPORT

### **Auditor's Report to the Members of NAISARGIK AGRITECH (INDIA) LIMITED.**

1. We have audited the attached Balance sheet of **NAISARGIK AGRITECH (INDIA) LIMITED** as at 31<sup>st</sup> March, 2010 and the related Profit & Loss Account for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conduct our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) amendment Order, 2010 (together with the order) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we annex here to a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph (3) above and information and explanations provided to us, we report that:
  - 1) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit.
  - 2) In our opinion, proper books of accounts as required by the law have been kept by the Company so far as it appears from our examination of such books.
  - 3) The Balance Sheet, Profit & Loss Account and the Cash Flow Statement referred to in this report are in agreement with the books of accounts of the company.
  - 4) In our opinion, these financial statements comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act 1956, except as stated in para 6(a) and (b) below.
  - 5) On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956.

- b) In the case of Profit and Loss Account, of the profit for the year ended on 31<sup>st</sup> March, 2010.

### Annexure referred to in paragraph 3

10. The company have any accumulated losses. The company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

11. In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to financial institutions or banks.
12. According to the information and explanations given to us, the company has not granted loans and advances on the basis of securities by way of pledge of shares, debentures and other securities. Therefore the provisions of clause 4(xii) of the Companies (Auditors Report) order, 2003 are not applicable to the company.
13. In our opinion, the company is not a Chit Fund or a NIDHI Mutual Benefit Fund/Society. Therefore the provisions of clause 4(xiii) of the Companies (Auditors Report) order, 2003 are not applicable to the company.
14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Therefore the provisions of clause 4(xiv) of the Companies (Auditors Report) order, 2003 are not applicable to the company.
15. As informed to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
16. According to the information and explanations given to us, and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for Long-term assets. No long-term funds have been used to finance short-term assets.
17. The company has not made any preferential allotment of shares to companies, firms or other parties listed in the register maintained u/s 301 of the Companies Act.
18. The company has not issued any debentures.
19. During the period covered by our audit report, the company has not raised any money by public issue.
20. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Date : 27<sup>th</sup> August, 2010  
Place : Ahmedabad

**For, Vishves A. Shah & Co.**  
Chartered Accountants  
Firm No:-121356W

SD/-  
(Vishves A. Shah)  
Proprietor  
M. No. 109944

**Balance Sheet (As per schedule VI of the Companies Act) as on  
31st March, 2010**

	Particulars	Sch No.	As on 31.03.2010	As on 31.03.2009
	<b>SOURCES OF FUNDS:</b>			
[1]	<b>Share Holders' Fund</b>			
	(a) Capital	1	46,671,700	46,671,700
	(b) Reserves & Surplus		NIL	NIL
[2]	<b>Borrowed Fund</b>			
	(a) Secured Loans		NIL	NIL
	(b) Unsecured Loans		NIL	NIL
	<b>TOTAL Sources of Funds:</b>		<b>46,671,700</b>	<b>46,671,700</b>
	<b>APPLICATION OF FUNDS:</b>			
[1]	<b>Fixed Assets</b>			
	(a) Gross Block (Office Equipments)		10,777	12,679
	(b) (Less) Depreciation		1,617	1,902
	(c) Net Block		9,160	10,777
[2]	<b>Investments</b>		25,000,000	25,000,000
[3]	<b>Current Assets, Loan &amp; Advances</b>			
	(a) Inventories		NIL	NIL
	(b) Sundry Debtors & Receivables		NIL	NIL
	(c) Cash & Bank Balance	2	342,911	42,437
	(d) Loans & Advances	3	17,458,385	17,458,385
			<u>17,801,296</u>	<u>17,500,822</u>
	Less: Current Liabilities & Provisions			
	(a) Liabilities		NIL	NIL
	(b) Provisions	4	5,000	5,000
			<u>5,000</u>	<u>5,000</u>
	Net Current Assets		17,796,296	17,495,822
[4]	<b>Prelimnery &amp; Pre Operative Expenses</b> (to the extent not Written off)		NIL	NIL
[5]	<b>Net Loss as per Profit &amp; Loss Account</b>		3,866,244	4,165,101
	<b>TOTAL :</b>		<b>46,671,700</b>	<b>46,671,700</b>

**Signature to Schedule 1 to 6**

For & on behalf of Board of Directors of  
NAISARGIK AGRITECH (INDIA) LIMITED

Sd/-  
Directors

**As per our Saperate Report  
of Even Date**

**For, Vishves A. Shah & Co**

Chartered Accountants

Firm No. 121356W

Sd/-  
(Proprietor)  
M. No. 109944

Date: 27th August,2010

Place: Ahmedabad

Date: 27th August,2010

Place: Ahmedabad



**NAISARGIK AGRITECH (INDIA) LIMITED**  
**306, " KALASH" ,Navrangpura Post Office, Ahmedabad-380009**

**Profit & Loss Account for the year ended**  
**31st March, 2010**

	Particulars	Sch No.	Year 2009-10	Year 2008-09
	<b>INCOME:</b>			
	Sales		23,518,400	3,657,925
	Sub Total (A)		<b>23,518,400</b>	<b>3,657,925</b>
	<b>EXPENDITURE:</b>			
	Purchases		22,386,300	3,258,690
	Direct Expenses		141,250	0
	Employees Cost	5	216,000	144,000
	Indirect Expenses	6	474,376	215,588
	Preliminary Expenses (written off)		0	0
	Depreciation		1,617	1,902
	Sub Total (B)		<b>23,219,543</b>	<b>3,620,180</b>
	<b>Net Profit (Loss) Before Tax</b>	(A-B)	298,857	37,745
	<b>Less: Provision for Taxation</b>		NIL	NIL
	<b>Profit (Loss) after Taxation</b>		298,857	37,745
	<b>Surplus (Deficit) Carried Forward</b>		(4,165,101)	(4,202,846)
	<b>Proposed Dividend</b>		NIL	NIL
	<b>Less: Tax on Dividend</b>		NIL	NIL
	<b>Balance Carried to Balance Sheet</b>		<b>-3,866,244</b>	<b>-4,165,101</b>

**Signature to Schedule 1 to 6**

For & on behalf of Board of Directors of  
**NAISARGIK AGRITECH (INDIA) LIMITED**

**As per our Saperate Report  
of Even Date**

**For, Vishves A. Shah & Co**

Chartered Accountants

Firm No. 121356W

**Sd/-  
Directors**

**Sd/-  
(Proprietor)  
M. No. 109944**

Date: 27th August,2010

Place: Ahmedabad

Date: 27th August,2010

Place: Ahmedabad

**NAISARGIK AGRITECH (INDIA) LIMITED****Schedule for Balance Sheet and Profit & Loss Account as on 31st March 2010**

	<b>As on 31.03.2010</b>	<b>As on 31.03.2009</b>
<b>Schedule 1: Share Capital</b>		
Authorised Share Capital	80,000,000	80,000,000
8000000 Equity shares of Rs. 10 Each	<b>80,000,000</b>	<b>80,000,000</b>
Issued share capital		
6200070 Equity shares of Rs. 10 Each	62,000,700	62,000,700
Subscribed & Paid up share capital		
6102070 Equity shares of Rs. 10 Each		
3232270 Equity Share, Fully Paid (Rs. 10)	32,322,700	32,322,700
2869800 Equity Share, Partly Paid (Rs. 5)	14,349,000	14,349,000
	<b>46,671,700</b>	<b>46,671,700</b>
<b>Schedule 2 : Cash &amp; Bank Balances</b>		
Cash	342,911	42,437
<b>Total :</b>	<b>342,911</b>	<b>42,437</b>
<b>Schedule 3: Loan &amp; Advances</b>		
Advances Receivable in Cash or Kind	17,458,385	17,458,385
<b>Total :</b>	<b>17,458,385</b>	<b>17,458,385</b>
<b>Schedule 4: Provisions</b>		
Unpaid Exp.	5,000	5,000
<b>Total :</b>	<b>5,000</b>	<b>5,000</b>
<b>Schedule 5: Cost of Employees</b>		
Salary	216,000	144,000
<b>Total :</b>	<b>216,000</b>	<b>144,000</b>
<b>Schedule 6: Indirect Expenses</b>		
Audit Exp.	5,000	5,000
Conveyance Exp.	24,990	12,478
Office Exp.	68,230	56,750
Consultancy Exp.	8,500	5,500
Legal Charges	14,500	9,500
Newspaper & Periodicals	4,130	3,250
Petrol Exp.	31,466	14,580
Post & Courier Exp.	2,150	1,250
Repair & Maintanance	8,850	4,580
Staff Fooding Exp.	26,440	14,350
Staff Welfare Exp.	21,450	15,765
Storage Exp.	114,230	25,640
Telephone Exp.	4,320	2,245
Transportation Exp.	116,500	28,640
Printing & Stationary	3,980	2,340
Misc. Exp.	19,640	13,720
<b>Total :</b>	<b>474,376</b>	<b>215,588</b>

**NAISARGIK AGRITECH (INDIA) LIMITED**  
**306, " KALASH" ,Navrangpura Post Office, Ahmedabad-380009**  
**Cash Flow for the Year ended 31st March, 2010**

Particulars	2009-10 Rupees		2008-09 Rupees	
<b>A. Cash Flow from Operating Activity:</b>				
Net Profit before tax and Extraordinary items		298,857		37,745
Adjustments for Non cash Items:				
Depreciation	1,617		1,902	
Unpaid Expenses	0	1,617	(5,000)	(3,098)
Adjustments for in Receivables & Payables:				
Change in Operating Receivables	NIL		NIL	
Change in Operating Payables	NIL	NIL	NIL	NIL
<b>Net Cash Flow from Operating Activity [Total-A]:</b>		<b>300,474</b>		<b>34,647</b>
<b>B. Cash Flow from Investing Activity:</b>				
Change in Investment in Shares	NIL	NIL	NIL	NIL
<b>Net Cash Flow from Investing Activity [Total-B]:</b>		<b>NIL</b>		<b>NIL</b>
<b>C. Cash Flow from Financing Activity:</b>				
Change in Loans & Advances	NIL	NIL	NIL	NIL
<b>Net Cash Flow from Financing Activity [Total-C]:</b>		<b>0</b>		<b>0</b>
<b>Net Increase/Decrease in Cash &amp; Cash Equivalents [A+B+C]:</b>		<b>300,474</b>		<b>34,647</b>
<b>Cash &amp; Cash Equivalents - Opening Balance</b>	42,437		7,790	
<b>Cash &amp; Cash Equivalents - Closing Balance</b>	342,911		42,437	
<b>Net Increase/Decrease in Cash &amp; Cash Equivalents (Closing - Opening Balance)</b>		<b>300,474</b>		<b>34,647</b>

**As per our Saperate  
Report  
of Even Date**

For & on behalf of Board of Directors of  
**NAISARGIK AGRITECH (INDIA) LIMITED**

**For, Vishves A. Shah & Co.**

Chartered Accountants

Sd/-  
**Directors**

Sd/-  
(Vishves A. Shah)  
(Proprietor)  
M. No. 109944

Date: 27th August,2010

Place: Ahmedabad

Date: 27<sup>th</sup> August,2010

Place: Ahmedabad

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE  
ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2010.

**1. SIGNIFICANT ACCOUNTING POLICIES**

**a) BASIS FOR PREPARATION OF FINANCIAL STATEMENTS.**

The financial statements have been prepared under the historical cost convention, in accordance with Accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, as adopted consistently by the company. All income and expenditure having a material bearing on the financial statements are recognized on accrual basis.

**b) REVENUE RECOGNITION.**

The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis except in case of significant uncertainties.

**c) FIXED ASSETS AND DEPRECIATION.**

Fixed Assets are stated at historical cost. Depreciation on the assets is provided as per government rules.

**2. NOTES FORMING PART OF ACCOUNTS**

- (i) Balance of cash on hand at the end is accepted as certified by the management of the company
- (ii) The figures of the previous year are regrouped or rearranged wherever it is necessary.
- (iii) Provision in respect of Audit Fees Rs. 5,000.

For and on behalf of the board of directors

**For, Naisargik Agritech (India) Limited**

SD/-  
Directors

Place : Ahmedabad  
Date : 27<sup>th</sup> August, 2010

As per our attached report of even date

**For, Vishves A.. Shah & Co,**

Chartered Accountants

Firm No:-121356W

**SD/-**  
(Vishves A. Shah)  
(Proprietor)  
M No:-109944

Place : Ahmedabad  
Date : 27<sup>th</sup> August, 2010

# NAISARGIK AGRITECH (INDIA) LIMITED

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

### I. Registration Details

Registration No. 

	0	2	3	3	3	6
--	---	---	---	---	---	---

 State Code 

0	4
---	---

Balance Sheet Date 

3	1
---	---

0	3
---	---

1	0
---	---

### II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue

Rights Issue

						N	I	L
--	--	--	--	--	--	---	---	---

						N	I	L
--	--	--	--	--	--	---	---	---

Bonus Issue

Private Placement

						N	I	L
--	--	--	--	--	--	---	---	---

						N	I	L
--	--	--	--	--	--	---	---	---

### III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities

Total Assets

				4	6	6	7	1
--	--	--	--	---	---	---	---	---

				4	6	6	7	1
--	--	--	--	---	---	---	---	---

#### Sources of Funds

Paid up Capital

Reserves & Surplus

				4	6	6	7	1
--	--	--	--	---	---	---	---	---

						N	I	L
--	--	--	--	--	--	---	---	---

Secured Loans

Unsecured Loans

						N	I	L
--	--	--	--	--	--	---	---	---

						N	I	L
--	--	--	--	--	--	---	---	---

#### Application of Funds

Net Fixed Assets

Investments

								9
--	--	--	--	--	--	--	--	---

				2	5	0	0	0
--	--	--	--	---	---	---	---	---

Net Current Assets

Misc. Expenditures

				1	7	7	9	6
--	--	--	--	---	---	---	---	---

						N	I	L
--	--	--	--	--	--	---	---	---

Accumulated Losses

					3	8	6	6
--	--	--	--	--	---	---	---	---

### IV. Performance of Company (Amount in Rs. Thousands)

Turnover\*

Total Expenditure

				2	3	5	1	8
--	--	--	--	---	---	---	---	---

				2	3	2	1	9
--	--	--	--	---	---	---	---	---

\*Including other Income & Increase in Stock

+ - Profit/Loss Before Tax

+ - Profit/Loss After Tax

						2	9	9
--	--	--	--	--	--	---	---	---

						2	9	9
--	--	--	--	--	--	---	---	---

Earning Per Share in Rs.

								0
--	--	--	--	--	--	--	--	---

Dividend Rate%

N	I	L
---	---	---

### V. Generic Names of Three Principal Products/ Services of Company (as per monetary terms)

I.T.C. Code

Product Description

						N	A
--	--	--	--	--	--	---	---

						N	A
--	--	--	--	--	--	---	---

I.T.C. Code

Product Description

						N	A
--	--	--	--	--	--	---	---

						N	A
--	--	--	--	--	--	---	---

I.T.C. Code

Product Description

						N	A
--	--	--	--	--	--	---	---

						N	A
--	--	--	--	--	--	---	---

# NAISARGIK AGRITECH (INDIA) LIMITED

Registered office : 304-305, KALASH-II, NAVRANGPURA P.O.,  
AHMEDABAD, PIN – 380009

## ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Full Name of the member attending.....

Full Name of the first Joint-holder.....

(To be filled in if first named joint-holder does not attend the meeting)

Name of Proxy.....

(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the Annual General Meeting of the Company held on Thursday, the 30<sup>th</sup> day of September, 2010 at 11:00 A.M. at 304-305, Kalash - II, Navrangpura P.O., Ahmedabad, PIN – 380009

Ledger Folio No.....

No. of Share held.....

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

---

# NAISARGIK AGRITECH (INDIA) LIMITED

Registered office : 304-305, KALASH-II, NAVRANGPURA P.O.,  
AHMEDABAD, PIN – 380009

## PROXY

I/We.....of.....  
..... in the district  
of..... being a Member / Members of  
**NAISARGIK AGRITECH (INDIA) LIMITED** hereby appoint  
..... of  
..... in the district of ..... or  
..... failing him, .....  
..... of .....  
..... in the district of .....  
..... as my /  
our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company held on Thursday, the 30<sup>th</sup> day of September, 2010 at 11:00 A.M. at 304-305, Kalash – II, Navrangpur P.O., Ahmedabad, PIN – 380009 and at any adjournment thereof.

Signed this ..... day of .....2010.

Ledger Folio No.....

No. of Shares held.....

(Signature of Member)

**Note :** Proxy must be deposited at the Registered Office of the Company not less than 48 Hours before the commencement of the meeting.