

**AUDIT REPORT  
&  
BALANCE SHEET AS AT 31.03.2015  
OF  
KANPUR ORGANICS PRIVATE LIMITED**

**AUDITORS :**  
***MANEESH AVNEESH & CO.***  
CHARTERED ACCOUNTANTS  
OFFICE NO. 310, 3<sup>RD</sup> FLOOR, KALPANA PLAZA,  
BIRHANA ROAD, KANPUR.  
Mobile : 9839504292, 9984169645  
8795504292

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## INDEPENDENT AUDITOR'S REPORT

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To,  
The Members,  
M/s KANPUR ORGANIC PRIVATE LIMITED  
Kanpur.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of M/s Kanpur Organic Private Limited ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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



judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **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, of the state of affairs of the Company as at 31st March, 2015, and its profit/loss and its cash flows for the year ended on that date.

### **Report on other Legal and Regularity Requirements**

- 1) As required by the Companies (Auditors' Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the annexure a statement on the matters specified in paragraphs 3 and 4 of the order to the extent applicable.
- 2) As required by section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the 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 aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2015 from being appointed as a director in terms of sub section (2) of Section 164 of the Companies Act, 2013.



- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Maneesh Avneesh &  
co.  
Chartered Accountants

  
(Avneesh Srivastava)  
Partner

M.No: 402380  
FRNo.008433C



Place : Kanpur  
Date : 24.05.2015

ANNEXURE REFER TO IN PARAGRAPH 1 OF REPORT ON OTHER LEGAL AND  
REGULATORY REQUIREMENTS OF OUR REPORT OF EVEN DATE

1. In respect of its fixed assets :
  - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
  - b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such physical verification.
2. In respect of its inventories:
  - a) The inventories have been physically verified during the year by the management. In our opinion 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 inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification as compared to the book records.
3. In respect of loans, secured or unsecured, granted by the Company to Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 :
  - a) As per the records produced before us and explanations given to us, the Company has not granted any loans, secured and unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
  - b) In our opinion and according to the information and explanations given to us, there are no contracts or arrangements, particulars of which need to be entered in the Register maintained under Section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and also for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
5. According to the information and explanations given to us, the Company has not accepted any deposits.
6. The Central Government has not prescribed maintenance of cost records under Section 148 (1) of the Companies Act, 1956 in respect of manufacturing activities of the Company.
7. In respect of statutory dues :
  - a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty and other material statutory dues applicable to it.

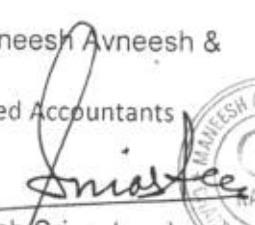


Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, customs duty excise duty and other statutory dues mentioned above were in arrears, as at 31.03.2015 for a period of more than six months from the date they became payable.

- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty and excise duty which have not been deposited on account of any dispute.
  - c) There were no amounts required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies act, 1956 and rules made thereunder.
8. The company does not have accumulated losses exceeding fifty percent of its Net worth at the end of the financial year. The company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
  9. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues from financial institutions or banks-.Further the Company has not issued any Debentures.
  10. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
  11. According to the information and explanations given to us, during the year company has accepted secured term loan of rs 125 lacs from central bank of india, narsinghpur branch, madhya pradesh for 5 years term period,out of which Rs 60 lacs has been availed by the company upto 31.03.2015.the loan is secured by pledging of Rs 65 lacs fdr deposited with the central bank of India. There is no any default in repayment of this term loan during the period under audit.
  12. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For Maneesh Avneesh &  
co.  
Chartered Accountants

  
(Avneesh Srivastava)  
Partner

M.No: 402380  
FRNo.008433C

Place : Kanpur  
Date : 24.05.2015



**KANPUR ORGANICS PRIVATE LIMITED**  
**BALANCE SHEET AS ON 31.03.2015**

Amount (Rs.)

Particulars	Note No	2014-15	2013-14
<b>EQUITY &amp; LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	1915000	1915000
(b) Reserve & Surplus	2	6189276	5687825
(c) Money Received against share warrants		0	0
(d) Minority Interest		0	0
<b>(2) Share application money pending allotment</b>		0	0
<b>(3) Non- Current Liabilities</b>			
(a) Long Term borrowings	3	17277500	18237500
(b) Deferred tax liabilities		48825	0
(c) Other long term liabilities	3	24000	0
(d) Long term provisions	4	0	12000
<b>(4) Current liabilities</b>			
(a) Short term borrowings	3	6972541	0
(b) Trade payable	3	1917340	2810168
(c) Other current Liabilities	3	0	0
(d) Short Term provisions	4	176946	47806
<b>TOTAL</b>		<b>34521428</b>	<b>28710299</b>
<b>II. ASSETS</b>			
<b>(1) Non Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible assets	5	20288433	2531
(ii) Intangible assets		0	0
(iii) Capital work in progress	5	0	19733651
(iv) Intangible assets under development		0	0
(b) Non- current investments	6	7121360	6530600
(c) Deferred Tax Assets (net)		0	14164
(d) Long term loans & advances	11	0	86800
(e) Other non-current assets	11	46811	0
<b>(2). Current assets</b>			
(a) Current investment	7	0	0
(b) Inventories	8	1404100	645250
(c) Trade Receivables	10	0	0
(d) Cash & cash equivalents	9	2246600	78861
(e) Short term loans and advances	11	3414124	1526541
(f) Other current assets	11	0	91901
<b>TOTAL</b>		<b>34521428</b>	<b>28710299</b>

**Notes to Accounts**

1. Figures have been rounded of to the nearest rupee  
"As per our report of even date attached".

For Maneesh Avneesh & co.  
Chartered Accountants

(Avneesh Srivastava)  
Partner

M.No: 402380  
FRNo.008433C

Place : Kanpur  
Date : 24.05.2015



For and on behalf of the Board

*Raj Kumar Agarwal*      *Rahul Sachan*

Raj Kumar Agarwal

Rahul Sachan

DIRECTOR

DIRECTOR

DIN :-

6691235

3405499

**KANPUR ORGANICS PRIVATE LIMITED**  
**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH , 2015**

Particulars	Note No.	Amount (Rs.)	
		2014-15	2013-14
I. Revenue from operations	12	6052361	0.00
II. Other Income	13	590840	122501.00
<b>III.Total Revenue(I+II)</b>		<b>6643201</b>	<b>122501.00</b>
<b>IV. EXPENSES:</b>			
Cost of material consumed	14	0	0
Purchase of Stock- in-Trade	14A	2266200	0.00
Changes in inventories of finished goods, work in progress and stock-in- Trade	14B	-758850	0.00
Employee benefit expense	15	629700	0.00
Financial Cost	16	794850	1037.00
Depreciation and amortization expense	5	2732749	559.00
Other Expenses	17	241583	70893.00
<b>IV.Total Expenses</b>		<b>5906232</b>	<b>72489.00</b>
V. Profit before exceptional and extraordinary items and tax	(III-IV)	736969	50012.00
VI. Exceptional Items		0	2351.00
VII. Profit before extraordinary items and tax	(V-VI)	736969	47661.00
VIII. Extraordinary Items		0	0.00
IX. Profit before tax	(VII-VIII)	<b>736969</b>	<b>47661.00</b>
X. Tax Expense:			
(1) Current Tax		164946	35806.00
(2) Deferred Tax		62988	(14164.00)
XI. Profit(Loss) from the period continuing operations	(IX-X)	509035	26019.00
XII. Profit/(Loss) from discontinuing operations		0	0.00
XIII. Tax expense of discontinuing operations		0	0.00
XIV. Profit/(Loss) from discontinuing operations	(XII-XIII)	0	0.00
XV. Profit/(loss) for the period	(XI+ XIV)	509035	26019.00
XVI. Share of results of Associates		0	0.00
XVII. Minority Interest		0	0.00
XVIII. Profit/(loss) for the period	(XV+XVI+XVII)	<b>509035</b>	<b>26019.00</b>
XIX. Earning per equity share:			
(1) Basic		6.73	(1.20)
(2) Diluted		6.73	(1.20)

**Notes to Accounts**

1. Figures have been rounded of to the nearest rupee  
 "As per our report of even date attached".

For Maneesh Avneesh & co.  
 Chartered Accountants

(Avneesh Srivastava)  
 Partner  
 M.No: 402380  
 FRNo.008433C



For and on behalf of the Board

Raj Kumar Agarwal  
 Raj Kumar Agarwal  
 DIRECTOR  
 DIN :- 6691235

Rahul Sachan  
 Rahul Sachan  
 DIRECTOR  
 3405499

Place : Kanpur  
 Date : 24.05.2015



**DEPRECIATION CHART AS PER COMPANIES ACT ACT  
FOR THE FINANCIAL YEAR-2014-15**

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	01.04.14	ADDITION	SALE/ADJ.	Total	01.04.14	During the Yr.	Total	31.03.15	31.03.14
A) Intangibles:	0	0	0	0	0	0	0	0	0
B) Tangibles									
Building	0	954380	0	954380	0	90666	90666	863714	0
Plant & Machinery	0	18779271	0	18779271	0	2612197	2612197	16167074	0
Trolley	0	160000	0	160000	0	28960	28960	131040	0
Furniture & Fixture	10240	0	0	10240	7709	926	8635	1605	2531
C) Capital Work in Progress									
Plant & Machinery	18779271	0	18779271	0	0	0	0	0	18779271
Building	954380	3125000	954380	3125000	0	0	0	3125000	954380
<b>TOTAL</b>	<b>19743891</b>	<b>23018651</b>	<b>19733651</b>	<b>23028891</b>	<b>7709</b>	<b>2732749</b>	<b>2740458</b>	<b>20288433</b>	<b>19736182</b>
Total (Previous Year)	2625110	17118781	0	19743891	7150	559	7709	19736182	2620311



**Note 1 :- Share Capital**

Particulars	2014-15	2013-14
<b>Authorized Shares</b> 250000 (50000)Nos. Equity Shares of Rs.10/- each	2500000	2500000
	2500000	2500000
<b>Issued ,Subscribed &amp; Fully Paid</b> 191500 Equity Shares of Rs.10/- each	1915000	1915000
<b>Total Issued ,Subscribed &amp; Fully Paid</b>	1915000	1915000

Share Capital Schedule (No. of shares Outstanding)	31-Mar-15		31-Mar-14	
	No's	Amount	No's	Amount
Opening number of Shares Outstanding	191500	1915000	41500	415000
Add: Allotment During the Year	0	0	150000	1500000
Less: buyback during the year	0	0	0	0
<b>outstanding shares at the end of the year</b>	<b>191500</b>	<b>1915000</b>	<b>191500</b>	<b>1915000</b>

**Detail of Shareholders Holding more than 5 percent Shares**

Name of the Shareholders	No. Of Equity Shares	% Shareholding
Raghuvansh Agrofarms Ltd.	181500	94.78%

**Detail of Share held by Holding Company**

Name of the Shareholders	No. Of Equity shares	% Shareholding
Raghuvansh Agrofarms Ltd. (Holding Company)	181500	94.78%



Notes Forming part of the Financial Statements

Note 1 :- Share Capital

Particulars	2014-15	2013-14
<b>Authorized Shares</b> 250000 (50000)Nos. Equity Shares of Rs.10/- each	2500000	2500000
	2500000	2500000
<b>Issued ,Subscribed &amp; Fully Paid</b> 191500 Equity Shares of Rs.10/- each	1915000	1915000
<b>Total Issued ,Subscribed &amp; Fully Paid</b>	1915000	1915000

Share Capital Schedule (No. of shares Outstanding) Particulars	31-Mar-15		31-Mar-14	
	No's	Amount	No's	Amount
Opening number of Shares Outstanding	191500	1915000	41500	415000
Add: Allotment During the Year	0	0	150000	1500000
Less: buyback during the year	0	0	0	0
<b>outstanding shares at the end of the year</b>	<b>191500</b>	<b>1915000</b>	<b>191500</b>	<b>1915000</b>

Detail of Shareholders Holding more than 5 percent Shares

Name of the Shareholders	No. Of Equity Shares	% Shareholding
Raghuvansh Agrofarms Ltd.	181500	94.78%

Detail of Share held by Holding Company

Name of the Shareholders	No. Of Equity shares	% Shareholding
Raghuvansh Agrofarms Ltd. (Holding Company)	181500	94.78%



**Note 2:- Reserve & surplus**

	Particulars	2014-15	2013-14
(a)	<b>Securities Premium</b>		
	As per last Balance sheet	5765000	1265000
	Add: received during the year	0	4500000
	less: utilised during the year	0	0
		<b>5765000</b>	<b>5765000</b>
(b)	<b>General Reserve</b>		
	As per last Balance Sheet	0	0
	Add: Any other adjustments	0	0
	less: Any other adjustments	0	0
		0	0
(c)	<b>Foreign Currency Translation Reserve</b>	0	0
(d)	<b>Surplus in the statement of Profit &amp; Loss Account</b>		
	As per last Balance Sheet	(77175)	(103194)
	Add: Profit for the year	509035	26019
	less: income tax paid	7584	
	Less: Appropriations	0	0
	Proposed Dividend	0	0
	Tax on dividend	0	0
	Transfer to general reserve	0	0
	<b>Net surplus in the statement of profit and loss account</b>	<b>424276</b>	<b>(77175)</b>
	<b>Total Reserve &amp; Surplus</b>	<b>6189276</b>	<b>5687825</b>



Note 3 Liabilities	Current		Non-Current	
	2014-15	2013-14	2014-15	2013-14
<b>a) Borrowings</b>				
<b>Secured</b>				
<b>i. Loans</b>				
-From banks;	1636541	0	5040000	6000000
-From other parties	0	0	0	0
<b>ii. Loans and advances from related Raghuvansh Agrofarms Ltd.</b>	5336000	0	12237500	12237500
<b>iii. Deposits</b>	0	0	0	0
<b>Unsecured</b>				
Other Loans and advances	0	0	0	0
	<b>6972541</b>	<b>0</b>	<b>17277500</b>	<b>18237500</b>
<b>b) Trade payables</b>	1917340	2810168	0	0
<b>c) Other Liabilities</b>	0	0	0	0
Unpaid Dividends	0	0	0	0
Other Payables	0	0	24000	0
	<b>0</b>	<b>0</b>	<b>24000</b>	<b>0</b>

the term loan shown in current liability Rs.1636541 represent the repayment alongwith interest due to be paid within 12 Months from the balance sheet Date i.e. 31.03.2016

Note 4 Provisions	Current		Non-Current	
	2014-15	2013-14	2014-15	2013-14
Audit Fees Payable	12000	12000	0	12000
- Provision for Taxation	164946	35806	0	0
	<b>176946</b>	<b>47806</b>	<b>0</b>	<b>12000</b>




**Note 6**

Non Current Investments	2014-15	2013-14
<i>a) Investment Property</i>	0	0
<i>b) Investments in Equity Instruments</i>	0	0
Quoted Investments		
Other unquoted investments	0	0
<i>C) FDR with banks</i>	7121360	6530600
	<b>7121360</b>	<b>6530600</b>

Aggregate amount of quoted investment(Market Value)	0	0
Aggregate amount of Unquoted investment	0	0
Value of Investment Property	0	0

**Note 7**

Current Investments	2014-15	2013-14
<i>a) Investment Property</i>	0	0
<i>b).Other investments</i>	0	0
<i>c) Investments in Equity Instruments</i>		
Quoted Investments	0	0
Other unquoted investments	0	0
	<b>0</b>	<b>0</b>

Aggregate amount of quoted investment(Market Value)	0.00	0.00
Aggregate amount of Unquoted investment	0.00	0.00



**Note 8**

Inventories	Current		Non- Current	
	2014-15	2013-14	2014-15	2013-14
a) Raw Materials	0	645250	0	0
b) Work- in progress	0	0	0	0
c) Finished goods	1404100	0	0	0
d) Stock in trade	0	0	0	0
e) Stores & Spares	0	0	0	0
f) Loose Tools	0	0	0	0
<b>TOTAL</b>	<b>1404100</b>	<b>645250</b>	<b>0</b>	<b>0</b>

**Note 9**

Cash & Cash Equivalents	Current		Non- Current	
	2014-15	2013-14	2014-15	2013-14
<b>a) Balances with Banks</b>				
On current accounts	20515	48549	0	0
On Margin Money	0	0	0	0
On unpaid dividend account	0	0	0	0
Deposits with banks maturity less than 12 months	0	0	0	0
	<b>20515</b>	<b>48549</b>	<b>0</b>	<b>0</b>
<b>b) Cheques, drafts on hands</b>	0	0	0	0
<b>c) Cash on Hand</b>	2226085	30312	0	0
	<b>2246600</b>	<b>78861</b>	<b>0</b>	<b>0</b>



Note 10	Current		Non- Current	
	2014-15	2013-14	2014-15	2013-14
<b>Trade Receivable</b>				
Unsecured considered good	0	0	0	0
Outstanding exceeding six months	0	0	0	0
Others		0	0	0
	0	0	0	0
Less: Provision for doubtful debts	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Note 11	Current		Non-current	
	2014-15	2013-14	2014-15	2013-14
<b>Loans &amp; Advances</b>				
<b>a) Loans &amp; Advances to Related parties</b>	0	0	0	0
<b>b) Other Advances</b>				
Advances, secured considered good	0	0	0	0
Advances, unsecured considered good				
Advance Lease Rent	0	35417	0	0
Hans Metal Ltd	1491124	1491124	0	0
others	1923000	0	0	0
Less: Provision for doubtful advance	0	0	0	0
	<b>3414124</b>	<b>1526541</b>	<b>0</b>	<b>0</b>
Advance income Tax	0	3401	0	39989
Advance Indirect Taxes	0	0	46811	46811
<b>Others</b>	0	0	0	0
Commision Receivable	0	88500	0	0
Capital Advances	0	0	0	0
Deposits secured, considered goods	0	0	0	0
Deposits unsecured, considered good	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>91901</b>	<b>46811</b>	<b>86800</b>





**Note 12**

Revenue from Operations	2014-15	2013-14
a) other operating revenue	6052361	0
	6052361	0

**Note 13**

Other Income	2014-15	2013-14
a) Commission	0	88500
b) Interest	590760	34001
c) Balance w/o	80	
	590840	122501

**Note 14**

Cost of Material consumed	2014-15	2013-14
Opening Stock	0	311250
Add: Purchase During the Year	0	334000
Less: Closing Stock	0	645250
	0	0

**Note 14 A**

Traded Goods	2014-15	2013-14
Purchase During the Year	2266200	0
	2266200	0

**Note 14 B**

Changes in inventory of Stock in trade	2014-15	2013-14
At the beginning of the year Stock in trade	0	0
At the end of the year Stock in trade	0	0
	0	0

**Note 15**

Employee benefit expenses	2014-15	2013-14
a) Salaries & wages	610000	0
b) Staff welfare	19700	
	629700	0

**Note 16**

Finance Cost	2014-15	2013-14
a) Interest Expense	776541	0
b) Other finance cost	18309	1037
c) Net gain/loss on foreign currency transaction & translation	0	0
	0	0
	794850	1037



**Note 17**

<b>Other Expenses</b>	<b>2014-15</b>	<b>2013-14</b>
a) Rent	35417	0
b) Miscellaneous expenses	23135	3700
c) Auditors Remuneration	12000	12000
d) preliminary expenses w/o	0	55193
e) freight & cartage	13990	0
f) Printing and stationery	11460	0
g) Repair and maintenance	18431	0
h) Telephone expenses	9810	0
i) Power & Fuel	117340	0
	<b>241583</b>	<b>70893</b>

**Auditors Remuneration is as Under:**

<b>Particulars</b>	<b>2014-15</b>	<b>2013-14</b>
Audit fees	12000	12000
Tax Audit fees	0	0
Certificate & Tax Services	0	0
Reimbursement of Exp	0	0
<b>Total</b>	<b>12000</b>	<b>12000</b>



**KANPUR ORGANICS PRIVATE LIMITED**  
**CALCULATION OF BASIC EPS FOR THE YEAR 2014-15**

NET PROFIT AVAILABLE TO THE EQUITY SHAREHOLDERS (Rs.)			509035
<b>DATE OF ISSUE</b>	<b>NO OF SHARES</b>	<b>DAYS</b>	<b>WE.AVG NO.OF SHARES</b>
OPENING	41500	365	41500
07-01-2014	150000	83	34110
<b>TOTAL (Nos.)</b>	<b>191500</b>		<b>75610</b>
<b>BASIS EPS</b>	<b>NOPAT/WE.AVG NO.OF SHARES</b>	<b>6.73</b>	



## KANPUR ORGANICS PVT LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31 MARCH, 2014

	AS At 31ST MARCH, 2014
<b>PARTICULARS</b>	<b>AMOUNT (Rs)</b>
<b>Cash flows from operating activities</b>	
Profit before taxation	736969
<b>Adjustments for:</b>	
Depreciation	2732749
Depreciation charged due to change in basis of depreciation rate	2351
Investment income	(590760)
Finance cost	794850
Profit / (Loss) on the sale of property, plant & equipment	0
<b>Operating Profit/(Loss) before working capital changes</b>	<b>3676159</b>
<b>Working capital changes:</b>	
Adjustment for (increase)/ decrease in operating assets	
Inventories	(758850)
Trade receivables	0
Short-term loans and advances	(1887583)
Long-term loans and advances	86800
Other current assets	95302
Other non-current assets	(46811)
Adjustments for increase / (decrease) in operating liabilities:	
Trade payables	(892828)
Other current liabilities	0
Other long-term liabilities	24000
Short-term provisions	12000
Long-term provisions	(12000)
<b>Cash generated from operations</b>	<b>296189</b>
Income taxes paid	0
<b>Net cash from operating activities (A)</b>	<b>296189</b>
<b>B. Cash flow from investing activities</b>	
Capital expenditure on fixed assets,	(23018651)
Proceeds from sale of fixed assets	0
Inter-corporate deposits (net)	0
Bank balances not considered as Cash and cash equivalents	
- Placed	0
- Matured	0
Current investments not considered as Cash and cash equivalents	
- Purchased	0
- Proceeds from sale	0
Purchase of long-term investments	
FDR	(6530600)
Proceeds from sale of long-term investments	
- Subsidiaries	0
- Associates	0
- Joint ventures	0



- Business units	0
- Others	0
Loans given	
- Subsidiaries	0
- Associates	0
- Joint ventures	0
- Others	0
Loans realised	
- Subsidiaries	0
- Associates	0
- Joint ventures	0
- Others	0
Interest received	
- Subsidiaries	0
- Associates	0
- Joint ventures	0
- Others	34001
Dividend received	
- Subsidiaries	0
- Associates	0
- Joint ventures	0
- Others	0
Rental income from investment properties	0
Rental income from operating leases	0
Amounts received from partnership firms	0
Amounts received from AOPs	0
Amounts received from LLPs	0
Cash flow from extraordinary items	0
Net income tax (paid) refunds	(3401)
<b>Net cash flow from (used in) investing activities (B)</b>	<b>(29518651)</b>
<b>C. Cash flow from financing activities</b>	
Proceeds from issue of equity shares	0
Proceeds from issue of preference shares	0
Redemption / buy back of preference / equity shares	0
Proceeds from issue of share warrants	0
Share application money received / (refunded/adjusted)	0
Proceeds from long-term borrowings	(960000)
Repayment of long-term borrowings	0
Net increase / (decrease) in working capital borrowings	0
Proceeds from other short-term borrowings	6972541
Repayment of other short-term borrowings	0
Finance cost	(794850)
Dividends paid	0
Tax on dividend	0
Cash flow from extraordinary items	0
<b>Net cash flow from (used in) financing activities (C)</b>	<b>5217691</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(24004771)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>2027</b>



Cash and cash equivalents at end of period	2246600
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(26249344)

NOTE:-1. Cash and cash equivalents consist of cash on hand and balances with banks.

Cash	2226085
Balance with banks	20515
Cheques in hand	0
Total	2246600

- 2 The above statement has been prepared under the indirect method as set out in Accounting Standard-3, Cash Flow Statement.
- 3 Figures have been rounded off to the nearest rupee

"As per our report of even date

For Maneesh Avneesh & co.  
Chartered Accountants

(Avneesh Srivastava)  
Partner  
M.No: 402300  
FR No. 0084030

Place: Kanpur

Date: 24.05.2014



For and on behalf of the Board

Raj Kumar Agarwal      Rahul Sachan

Raj Kumar Agarwal  
DIRECTOR  
DIN:-06691235

Rahul Sachan  
DIRECTOR  
3405499

**KANPUR ORGANICS PRIVATE LIMITED**

**Deffered Tax working**

F.Y	DEP AS PER IT ACT	DEP ASP PER CO,S Act	DIFFERENCE	PRELIMINARY EXP* DISALLOWED	TIMING DIFFERENCE	DEFFERED TAX	DTA (DTL)
2007-08	1024	1853	829	0	829	256	256
2008-09	922	1518	596	0	596	184	440
2009-10	829	1243	414	0	414	128	568
2010-11	747	1018	271	0	271	84	652
2011-12	672	834	162	0	162	50	702
2012-13	605	683	78	0	78	24	726
2013-14	544	559	15	43471	43486	13437	14164
2014-15	2924873	2732749	-192124	-11722	-203846	-62988	-48825



**M/S KANPUR ORGANICS PRIVATE LIMITED**  
**(Annexed to and forming part of the Balance Sheet for the year ended 31.03.2015)**

Notes No :- 18 NOTES ON ACCOUNTS

**ACCOUNTING POLICIES**

**1- ACCOUNTING CONVENTION :-**

THE FINANCIAL STATEMENTS ARE PREPARED UNDER THE HISTORICAL COST OF CONVENTION & REVENUE AND EXPENSES ARE ACCOUNTED FOR ON THEIR ACCRUAL WITH NECESSARY PROVISION FOR KNOWN LIABILITIES AND LOSSES.

2- LAST YEARS FIGURES HAVE BEEN GROUPED & REGROUPED HAS BEEN PROVIDED WHEREVER FOUND NECESSARY.

3- IN THE OPINION OF THE DIRECTORS AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF THE VALUE ON THE REALISATION OF LOANS, ADVANCES AND CURRENT ASSETS IN THE ORDINARY COURSE OF BUSINESS WILL NOT BE LESS THAN THE AMOUNT AT WHICH THEY ARE STATED IN THE BALANCE SHEET.

4- DETAILS OF THE PAYMENTS TO AUDITORS ARE AS FOLLOWS :

A: - TAX AUDIT FEE	Rs. 6000/-
STATUTORY AUDIT FEE	Rs. 6000/-
	-----
	Rs. 12000/-
	-----

B: - IN ANY OTHER CAPACITY (TAXATION & OTHER MATTERS)	Rs. NIL
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5- CONTINGENT LIABILITIES: DURING THE FINANCIAL YEAR COVERED UNDER AUDIT NO CONTINGENT LIABILITY EXISTED.

6- THE COMPANY HAS ACCEPTED UNSECURED LOANS AN AGREEGATE OF Rs. 17573500/- OUTSTANDING AS ON 31.03.2015 (PREVIOUS YEAR 2013-2014 Rs. 12237500/-) DUE TO THE HOLDING COMPANY RAGHUVANSH AGROFARMS LIMITED.

7- DURING THE YEAR UNDER AUDIT COMPANY HAS PAID REMUNERATION OF THE DIRECTOR AMOUNTING TO Rs. NIL/-

**8- DISCLOSURE OF SHARE CAPITAL:-**

<u>S.NO.</u>	<u>PARTICULARS</u>	<u>NO. OF SHARE</u>	<u>NOMINAL VALUE</u>	<u>TOTAL VALUE</u>
1-	AUTHORISED CAPITAL	250000	10/-each	25,00,000/-
2-	ISSUED CAPITAL	191500	10/-each	1915000/-
3-	SUBSCRIBED AND FULLY PAIDUP	191500	10/-each	1915,000/-

9- OUT OF THE TOTAL NO. OF SHARES 10000 . SHARE HOLDERS HAVING SHARE MORE THAN 5% OF THE SHARE HOLDING ARE AS UNDER :-

S.No.	NAME OF SHARE HOLDERS	NO. OF SHARES	In %
1-	RAGHUVANSH AGROFARMS LIMITED	181500	94.78%





10- ACCOUNTING FOR TAXES ON INCOME AS-22: DURING THE YEAR THE AUDITEE COMPANY HAS RECOGNISED DEFERRED TAX ASSETS/LIABILITY AS PER FOLLWING:

F.Y	DEP AS PER IT ACT	DEP ASP PER CO,S Act	DIFFERENCE	PRELIMINARY EXP DISALLOWED	TIMING DIFFERENCE	DEFFERED TAX	DTA (DTL)
2007-08	1024	1853	829	0	829	256	256
2008-09	922	1518	596	0	596	184	440
2009-10	829	1243	414	0	414	128	568
2010-11	747	1018	271	0	271	84	652
2011-12	672	834	162	0	162	50	702
2012-13	605	683	78	0	78	24	726
2013-14	544	559	15	43471	43486	13437	14164
2014-15	2924873	2732749	-192124	-11722	-203846	-62988	-48825

11- RELATED PARTY DISCLOSURES AS-18: DURING THE YEAR UNDER REPORT COMPANY HAS NOT ENTERED INTO ANY TRANSACTION OF PURCHASE/SALE WITH RELATED PARTY. However THE FOLLOWING EQUITY SHARES HAVE BEEN ACQUIRED BY THE RAGHUVANSH AGROFARMS LIMITED(RELATED PARTY AS PER AS-18).

Detail of Share held by Holding Company

Name of the Shareholders	No. Of Equity shares	% Shareholding
Raghuvansh Agrofarms Ltd. (Holding Company)	181500	94.78%

12- DURING THE YEAR COMPANY HAS ACCEPTED SECURED TERM LOAN OF RS 125 LACS FROM CENTRAL BANK OF INDIA, NARSINGHPUR BRANCH, MADHYA PRADESH FOR 5 YEARS TERM PERIOD,OUT OF WHICH RS 60 LACS HAS BEEN AVAILED BY THE COMPANY UPTO 31.03.2015.THE LOAN IS SECURED BY PLEDGING OF RS 65 LACS FDR DEPOSITED WITH THE CENTRAL BANK OF INDIA. THERE IS NO ANY DEFAULT IN REPAYMENT OF THIS TERM LOAN DURING THE PERIOD UNDER AUDIT.

