



Basant Agro Tech (India) Limited

23rd Annual Report
2012-2013

We feed the land
which feeds the people.

Basant Agro Tech (India) Limited

..... 23rd Annual Report - 2012-2013

DIRECTOR

Chairman & Managing Director

Shri. S. C. Bhartia

Executive Director

Shri. A. N. Bhartia

Director

Dr. B.G. Bathkal

Director

Shri. S. W. Sawant

Managing Director

Shri. D. C. Bhartia

Director

Dr. R. D. Tainwala

Director

Shri. R. S. Tayade



Late Shri Chimanlal Bhartiya - Founder & Our Inspiration

"You live on in team Basant Agro,
we are only torch bearers of your mission, your vision"

Registered Office & Npk Fertilizer Unit I
Plot No. 13/2, Kaulkhed, Near S. T. Workshop,
Akola - 444 001 (Maharashtra).

NPK Fertilizer Unit II
Gat No. 76, Bhilwadi Station, Nr Chitale Dairy,
Tal. Palus, Sangli (Maharashtra).

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

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

SSP Fertilizer Unit II
Mhow Nasirabad Rd., Nayagaon, Neemuch - 458 468 (Madhya Pradesh).

PRESIDENT

Shri. Akshay D. Bhartia

VICE-PRESIDENT

Shri. Ankush D. Bhartia

COMPANY SECRETARY

Shri. Upendra Somani

AUDITORS

M/s. P. C. Baradiya & Co.,
Chartered Accountants,
208, Rewa Chambers,
31, New Marine Lines,
Mumbai - 400 020.

M/s. P. C. Bhandari & Co.,
Chartered Accountants,
Kanchan, Bhandari Bhawan,
Ramdas Peth, Akola.

LEGAL ADVISOR

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

BANKERS

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

CORPORATE OFFICE

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

REGISTRARS & SHARE TRANSFER AGENTS Sharex Dynamic (India) Pvt. Ltd.

Unit No. 1, Luthra Industrial Premises,
Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai - 400 072.
Tel. No. : 2851 5606 / 5644 / 6338, Fax : 2851 2885,
E-mail : sharexindia@vsnl.com.

BASANT AGRO TECH (INDIA) LIMITED

NOTICE

NOTICE is hereby given that Twenty Third Annual General Meeting of Members of BASANT AGRO TECH (INDIA) LIMITED, will be held at Krishi Sanjivani Office, Opp. Nagar Parishad, Akola - 444 001, Maharashtra on Saturday, 7th September, 2013, at 4:00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit and Loss Account of the Company for the year ended as on that date and the Reports of Board of Directors and Auditors thereon.
2. To declare Dividend on equity shares.
3. To appoint a Director in place of Shri. S.W. Sawant who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri. R.S. Tayade who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT, in accordance with the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded to the appointment of Shri. Shashikant Bhartia as the Jt. Managing Director of the Company for a period of 5 (five) years with effect from 28th January 2013, with the remuneration including Bonus & allowances in the scale of Rs. 1,75,000/- to Rs. 3,40,000/- per month, perquisites and benefits and with the powers and authority as set out in the agreement to be entered into between the Company and Shri. Shashikant C. Bhartia, a draft whereof is placed before this meeting, which agreement is hereby specifically sanctioned with liberty to Board of Directors (hereinafter referred to as "Board" which term shall be deemed to include Remuneration Committee) to alter and vary the terms and conditions of the said appointment and / or remuneration and / or agreement so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 including any statutory modification or re-enactment thereof, for the time being in force or any amendments and / or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendment thereto as may be agreed to between the Board and Shri. Shashikant C. Bhartia".

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

"RESOLVED THAT, in accordance with the provisions of Sections 198, 269, 309, and 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded to the re-appointment of Shri. Deepak C. Bhartia as the Managing Director of the Company for a period of 5 (five) years with effect from 28th January 2013, with the remuneration including Bonus & allowances in the scale of Rs. 1,75,000/- to Rs. 3,40,000/- per month, perquisites and benefits and with the powers and authority as set out in the agreement to be entered into between the Company and Shri. Deepak C. Bhartia, a draft whereof is placed before this meeting, which agreement is hereby specifically sanctioned with liberty to Board of Directors (hereinafter referred to as "Board" which term shall be deemed to include Remuneration Committee) to alter and vary the terms and conditions of the said appointment and / or remuneration and / or agreement so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 including any statutory modification or re-enactment thereof, for the time being in force or any amendments and / or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendment thereto as may be agreed to between the Board and Shri. Deepak C. Bhartia".

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

"RESOLVED FURTHER THAT, in accordance with the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded to the re-appointment of Shri. Ashwin N. Bhartia as the Executive Director of the Company for a period of 5 (five) years with effect from 28th January 2013, with the remuneration including Bonus & allowances in the scale of 1,20,000/- to Rs. 200,000/- per month, perquisites and benefits and with the powers and authority as set out in the draft agreement to be entered into between the Company and Shri. Ashwin N. Bhartia, a draft whereof is placed before this meeting, which agreement is hereby specifically sanctioned with liberty to Board of Directors (hereinafter referred to as "Board" which term shall be deemed to include Remuneration Committee) to alter and vary the terms and conditions of the said appointment and / or remuneration and / or agreement so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 including any statutory modification or re-enactment thereof, for the time being in force or any amendments and / or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendment thereto as may be agreed to between the Board and Shri. Ashwin N. Bhartia".

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

Place : Mumbai
Dated : 30th May, 2013
Registered Office : Plot No. 13 / 2, Kaulkhed,
Nr. S.T. Workshop, Akola - 444001. Maharashtra.

Upendra Somani
Company Secretary

NOTES :

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- (b) Proxy form duly completed should be deposited at the Registered Office of the Company not less than forty eight hours before the time fixed for the commencement of Meeting.
- (c) The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday 4th September, 2013 to Saturday 7th September, 2013 (both days inclusive).
- (d) The Dividend if declared, will be paid to those Shareholders whose names stand on the Register of Members on 7th September, 2013.
- (e) Annual Report and AGM Notice is available on the website of the Company at www.basantagro.com.

Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956.

Item No. 6, 7 & 8 :

The present terms of the office of Shri. Ashwin Bhartia, Executive Director, Shri. Deepak Bhartia, Managing Director and Shri. Shashikant Bhartia, Jt. Managing Director expired on 28th January, 2013. The Board of Directors has re appointed the aforesaid Directors for a further period of Five years from 28th January, 2013 on revised terms of appointment. Shri. Deepak Bhartia, Managing Director and Shri. Shashikant Bhartia, Joint Managing Director of the Company shall each be entitled to remuneration including Bonus & allowances in the scale of Rs. 1,75,000/- to Rs. 3,40,000/- per month whereas Shri. Ashwin Bhartia, Executive Director of the Company shall be entitled to remuneration including Bonus & allowances in the scale of Rs. 1,20,000/- to Rs. 2,00,000/- per month and the perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance together with reimbursement of expenses / or allowances for utilisation of gas, electricity, water, furnishing and repairs, medical reimbursement, leave travel concession for self and their family including dependents, club fees, medical insurance, and such other perquisites and / or allowances subject to overall ceiling of remuneration stipulated in the Sections 198 and 309 of the Companies Act, 1956. The said perquisites and allowances shall be evaluated, wherever applicable, as per the Income Tax Act, 1961 or any other rules there under (including any statutory modification(s) or re-enactment thereof, for the time being in force).

Company's contribution to Provident fund and Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax Act, gratuity payable as per the rules of the Company and encashment of leave at the end of the ten year, shall not be included in the computation of the limits of the remuneration or perquisites aforesaid. In addition to the salary, perquisites and allowances as above, the Executive Director, Managing Director and Joint Managing Director shall also be entitled to receive commission. With effect from 28th January, 2013 the overall remuneration payable by way of salary, perquisites, allowances and commission to all the aforesaid Directors shall not exceed the maximum permissible remuneration under the Companies Act, 1956.

The terms and conditions set out for re-appointment and payment of remuneration herein and / or in the respective Agreements may be altered and varied from time to time by the Board of Directors of the Company as it may at its discretion deem fit so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) or any amendment made thereto. The Board is entitled to revise the salary, perquisites and allowances and commission payable to all or any of the said Directors of the Company at any time, provided that the overall remuneration payable to all the aforesaid Directors shall not exceed the maximum permissible remuneration under the Companies Act, 1956.

The respective agreements may be terminated by the either party (Company or the concerned Directors) by giving the other three months prior notice of termination in writing. The draft agreement to be entered into between the Company and each of Shri. Ashwin Bhartia, Shri. Deepak Bhartia and Shri. Shashikant Bhartia are available for the inspection at the registered office of the company on any working day up to the date of the 23rd Annual General Meeting between 3.00 PM and 4.00 PM. The above may also be treated as an abstract of the terms of contract / agreement between the Company and Shri. Ashwin Bhartia, Shri. Deepak Bhartia and Shri. Shashikant Bhartia respectively pursuant to Section 302 of the Companies Act, 1956 which has been already despatched to shareholders by post. Shri. Ashwin Bhartia, Shri. Deepak Bhartia and Shri. Shashikant Bhartia are interested in the resolution which pertains to their respective reappointment and / or remuneration payable to each of them. Further Shri. Ashwin Bhartia, Shri. Deepak Bhartia and Shri. Shashikant Bhartia may be also deemed to be interested in the resolutions pertaining to the re-appointment of and / or remuneration payable to each other, as they are related to one another. Save and except the above, none of the other Directors of the company is, in any way, concerned or interested in the said resolutions.

The Board recommends the special Resolutions for the approval of the shareholders.

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

Place : Mumbai
Dated : 30th May, 2013
Registered Office : Plot No. 13 / 2, Kaulkhed,
Nr. S.T. Workshop, Akola - 444001. Maharashtra.

Upendra Somani
Company Secretary

Important Communication to Members

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

REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the 23rd Annual Report together with the audited statement of accounts of the Company for the year ended 31st March, 2013.

	(₹ in Thousands)	
	2012-13	2011-12
1. FINANCIAL RESULTS :		
Revenue from operations	2910186	2764531
Profit before interest, depreciation and tax	281462	244697
Less : Financial expenses	102713	83129
Less : Depreciation	48160	43929
Profit before tax	130589	117639
Provision for taxations	17500	15000
Provision for deferred tax	12018	26818
Profit after tax	101071	75821
Provision for taxation of earlier years	3079	966
Surplus brought forward from previous year	320436	255575
Amount available for appropriations	424586	332362
Appropriations :		
(a) Proposed dividend	7250	7250
(b) Tax on dividend	1232	1176
(c) Transferred to general reserve	3500	3500
Surplus carried to Balance Sheet	412604	320436

2. DIVIDEND :

The Board of Directors are pleased to recommend the Dividend of Rs. 0.08 per share (8%) for the year 2012-13 on equity share capital, subject to the approval of the shareholders at the Annual General Meeting (Previous year 8%) which shall absorb Rs. 72.50 lacs (Previous year Rs. 72.50 lacs).

3. OPERATING RESULTS :

FY 2012-13 was eventful year as Company had shown impressive performance in adverse conditions. The year was not good year for fertiliser industry as due to erratic monsoon and severe drought conditions prevailed in the Country, the demand for the agri inputs was adversely affected. The Directors are pleased to announce that in spite of the adverse market conditions and pressure on the market prices of fertilisers due to severe competition, the Company could register the sales turnover of Rs. 29101.86 lacs, which was marginally higher as compared to previous year. The profit before tax of the Company jumped by 11.01% mainly due to continuous efforts of management of the Company not only to control the cost of production by upgrading the manufacturing process but also by way of bulk procurement of the raw materials at the most competitive prices and also hard work of the marketing department. The cost cutting measures adopted by the Company and operational efficiencies alongwith timely supply of quality agro inputs by the company are the main factors which enabled the Company to perform better in the adverse market conditions.

The wide spread expansion of the operations by the seeds division of the Company has resulted in increase in the sales turnover of seeds division by over 45% during the year under review. The growth of Seeds division is remarkable which can be observed from the performance of the seeds division. This was the result of increased popularity of the trade mark "Krishi sanjiwani" alongwith the success of 'on field demonstration' of the crops and kisan melas at various locations during the year. The main focus of the Seeds division is to develop the new and improved hybrid varieties of the seeds which can give higher yeild, in different types of soil and climatic conditions.

The commercial production at the new SSP fertilisers plant at Jalgaon in Maharashtra with installed capacity of 1,32,000 TPA is likely to commence in August 2013. The said unit is located at very prime location thereby reducing the logistic cost for its raw materials and finished goods.

4. DIRECTORS :

Shri. S.W. Sawant and Shri. R.S. Tayade Directors retire by rotation at this Annual General Meeting and being eligible, offer themselves for reappointment.

5. AUDITORS :

M/s. P.C. Baradiya & Co., Chartered Accountants, Mumbai and M/s. P.C. Bhandari & Co., Chartered Accountants, Akola, the joint statutory auditors of the company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. They have furnished certificate to the effect that their appointment as statutory auditors if made, would be within prescribed limits under Section 224(1) of the Companies Act, 1956. The Company has appointed Mr. T.M. Rathi the Cost Auditor for conducting cost audit for the financial year 2012-13.

6. AUDITORS' REPORT :

The observations of the auditors in their report, read with notes annexed to the accounts are self explanatory, which does not contain any reservation, qualification or adverse remarks and therefore do not call for any further clarification.

7. PUBLIC DEPOSIT :

As on 31st March, 2013 the company has neither accepted nor invited any public fixed deposits. No amount of principal or interest was outstanding as on 31st March, 2013.

8. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed :

- i. That in the preparation of the accounts for the financial year ended 31st March, 2013, the applicable accounting standards have been followed alongwith proper explanation relating to material departures,
- ii. That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the year under review,
- iii. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,
- iv. That the directors have prepared the annual accounts for the financial year ended 31st March, 2013 on a going concern basis.

9. CORPORATE GOVERNANCE :

Pursuant to Clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd a separate section titled "Report on Corporate Governance" is being published as a part of this Annual Report.

10. MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

The Management Discussion & Analysis Report has been separately furnished in Annual Report and forms part of it.

11. INDUSTRIAL RELATIONS :

Relations between the employees and the management continued to be cordial.

12. CORPORATE SOCIAL RESPONSIBILITY:

The Company is committed to provide safe work place to its Workmen and contractors and adequate safety precautions has been taken at the workplace. Towards its responsibility towards the society, the free Medical check ups, Cataract Eye operations, Donation of ventilators to Government hospitals etc. were undertaken during the year. The other charitable activities includes supporting and aiding of schools for deaf and dumb, Vrudhashram, Free Bhakta Niwas, Gorakshan, Annachatra etc.

13. PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT 1956 :

There were no employees whose remuneration was in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975.

14. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO :

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in Report of Board of Directors) Rules 1988 are set out in the annexure forming part of this Report.

15. ACKNOWLEDGEMENTS :

Your Directors would like to acknowledge the contribution and place on records their appreciation for the continued support for the Shareholders, Financial Institutions and Company's Bankers for the assistance and co-operation given during the year under review. The Company wishes to place on record their sincere appreciation to all employees for their commitment and continued contribution to the Company.

For and on behalf of the Board

Place : Mumbai
Date : 30th May, 2013

SHASHIKANT C. BHARTIA
CHAIRMAN & MANAGING DIRECTOR

BASANT AGRO TECH (INDIA) LIMITED

ANNEXURE TO THE DIRECTORS' REPORT

Particulars required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2013.

A. CONSERVATION OF ENERGY:

As in the past, the company continues its efforts towards energy conservation and improved utilisation.

FORM 'A'

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

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

	2012-13	2011-12
A. POWER & FUEL CONSUMPTION		
1. Electricity		
a) Purchased from Electricity Board (No of units)	3609367	4521449
Total Amount (Rs.)	25085098	29334466
Rate / Unit (Rs.)	6.95	6.49
b) Own Generation	Nil	Nil
2. Briquettes (Kgs)	3340305	4111298
Total Amount (Rs.)	15355364	17827608
Average Rate per Kg (Rs.)	4.60	4.34
B. CONSUMPTION PER UNIT OF PRODUCTION (MT)		
NPK Granulated Mixture Fertilizer		
Electricity (No. of units)	9.09	8.99
Briquettes (in Kgs)	24.03	23.95
SSP Fertilizer		
Electricity (No. of units)	17.13	17.11
G.S.S.P. Fertilizer		
Electricity (No. of units)	12.87	12.75
Briquettes (in Kgs)	23.90	24.16

FORM 'B'

A. ABSORPTION OF TECHNOLOGY : — Not Applicable —

B. RESEARCH AND DEVELOPMENT (R & D) :

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

The main focus of the R & D Department was on process excellence where existing processes are optimised and yields are improved. The optimum plant operation is ensured by quality improvement and cost reduction of fertilisers by way of energy conservation, environment protection, safety of workers. The Company's R & D work of seeds division mainly concentrate on development of new high yielding varieties of seeds. Use of Bio-technology alongwith other scientific tools in research on seeds has been extensively used to enhance the speed and precision of plant breeding.

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

Uninterrupted production is the result of improvement achieved in production performance, effluent treatment, environment protection, better working conditions and workers safety. Development of hybrid seeds with better yield were developed considering the scientific-technological advances, locational adaptability, soil and climatic conditions in general. The soyabean seeds developed by R & D team have more yield capacity, pest resistance and an early maturing factor in particular. Similarly gram, cotton and vegetable seeds have quality of boldness and pest resistance.

iii. Future plans of action:

The Company plans to continue its efforts on inhouse R & D to improve cost efficiency & achieving competitive edge. It intends to develop technology capabilities to enhance technical services and customer value. R & D activities focus on developing high yielding hybrid varieties of seeds, in pulses & cereals.

iv. Revenue expenditure on R & D : Rs. 55.75 lacs (Previous year Rs. 46.08 lacs).

C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

	2012-13	2011-12
Total foreign exchange outgo : (Raw materials)	392326	266250
Total foreign exchange earned :	NIL	NIL

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Organisation Profile :

The Company is one of the India's leading manufacturers of various farm inputs in India comprising of NPK mixture granulated fertilisers, phosphatic fertilizers as well as various hybrid seeds. The production facilities are located in different states like Maharashtra, Karnataka and Madhya Pradesh. The Company is also engaged in Wind Turbine Power Generation.

2. Economic Overview :

The global economy witnessed marginal growth as several European countries experienced recession due to high unemployment, fiscal tightening and sluggish growth. The European and American countries continued to reel under Global financial stress. Rising unrest in some of the middle east countries resulted into unprecedented levels of crude oil price volatility. Even developing economy of China felt the pressure of global slowdown as the exports for most of the Industries were adversely affected. Indian economy also showed slowing economic growth during 2012-13. Accordingly the RBI has adopted tight monetary policies to keep the inflation under control. The Government of India has initiated several measures not only for containing inflation and facilitating industrial growth but also to reduce fiscal deficits. The pro growth initiatives of Government with complimentary financial policies of the RBI have successfully maintained the Indian economy stable in spite of struggling Global economy. The Agriculture sector faced great challenge as it has to feed the large and growing population with limited cultivable land and sustaining to the climatic changes. Accelerating the growth of agricultural production by using balanced fertilizers by ensuring adequate availability of nutrients in soil to meet the requirement of plants at different stages of their growth and good quality hybrid seeds to the farmers is therefore necessary not only to meet the rising demand for food for the increasing population but also to increase incomes of those dependent on agriculture. With a view to encourage balanced use of fertilizers, government introduced Nutrient Based Subsidy (NBS) policy from April 2010 whereunder a fixed rate of subsidy is announced on nutrients, namely, nitrogen (N), phosphate (P), potash (K) and sulphur (S). Emphasis has been given on increasing area under irrigation, assuring favorable terms of trade to farmers, arranging better and cheaper access to credit, attracting more investment in agriculture, use of latest technology including the use of new and speciality fertilizers would certainly help in giving momentum to the agricultural growth.

3. Current and future outlook :

The Plants of the Company are located at the Consumption center thereby the Company is in the advantageous position over its competitors as agricultural produce can be made available to the farmers without delay at reasonable prices. The Company is continuously and gradually expanding all its activities especially in terms of its product range, volume and value of seed handled, level of seed distribution and have developed adequate level of specialization and competence in handling and managing various segments of seed improvement on scientifically sound and commercially viable terms. Emphasis has been given by the Company to develop GM seeds (Genetically Modified seeds) having traits such as insect / pest resistance, herbicide tolerance, disease resistance, etc. so that crop yields can be increased, farm costs can be reduced. The consistent, stable, and sustainable growth, improving its operational efficiencies and achieving better profitability alongwith the highest standard of quality, safety and productivity are the prime objectives of the Company. With a view to educate the farmers about the improved and modern techniques of cultivations, the Company arranges the 'krishi melas' at different locations wherein on field demonstrations has been given to the farmers about the output per acre of land by using the Hybrid seeds and appropriate fertilizers. The advantages of seeds replacement, soil improvements, efficient use of water and fertilizers, beneficial cropping pattern etc. are explained to the farmers in the said melas. By launching technologically superior seeds with less disease vulnerability, at reasonable prices, the Company has gained the confidence of the farming communities over the years. Your Company has developed hybrid seeds for high yielding and pest resistant varieties of crops suitable for different agro-climatic zones. Land and water resources being limited, increased agricultural production by using advanced agronomical practices like use of Micro-irrigation technologies and also by using Balanced Chemical fertilizers and hybrid seeds is of immense importance to meet the requirement of the increasing population. Hence timely availability of quality seeds at affordable prices to farmers is necessary for achieving higher agricultural productivity.

4. Opportunities and threats :

With about 2.5% of global land resources, 4% of water resources and 17% of global population living in India, achieving food security by increasing agricultural production is the main agricultural development strategy of India taking into account the increasing population and their growing economic prosperity. There have been major policy initiatives from Government for the growth of the fertilizer sector. Balanced fertilization aims at ensuring adequate availability of nutrients in soil to meet the requirement of plants at critical stages of growth and thus ensuring adequate soil humus to improve physio-chemical and biological properties of the soil. GM crops (Genetically Modified crop) have been developed by the Company to incorporate various traits such as insect pest resistance, herbicide tolerance, disease resistance, altered nutritional profile, enhanced storage life etc. The benefits of their use include increased crop yields, reduction in farm costs and thereby increase in farm profit as well as protection of the environment. Micro-irrigation technologies like drip and trickle systems, surface and subsurface drip tapes, micro-sprinklers, sprayers, micro-jets, spinners, rotors, bubblers, etc. have great potential in improving water use efficiency. In order to ensure self-sufficiency in foodgrains production in the country, availability of fertilisers at affordable prices to the producers is of utmost importance. The only way to improve food production is to increase crop yields through the scientific use of fertilisers along with other inputs like high yielding variety seeds, irrigation, etc. Increasing demand for industrialization, urbanization, housing and infrastructure has resulted into conversion of agricultural land to non-agricultural uses. Due to increasing demand of water for domestic, industrial and energy uses, there is a severe constraint in the availability of water for agriculture. The demand for agri inputs may be affected due to the erratic monsoon. The key risks associated with the business of the Company, its likely impact and the mitigation mechanism evolved are reviewed by the management periodically thereby safeguarding the Company from various risks and perils through adequate and timely actions.

5. Internal Control System :

Company is continuously endeavoring to maintain high standard of internal control designed to provide adequate assurance on the efficiency of operations and security of its assets. The Company has adequate internal controls which can effectively provide for reliability of financial transactions, with adequate checks and controls, compliances with applicable statutes and accounting policies. These systems are regularly reviewed and improved by the management. The Company's Budgetary Control System monitors the revenue and expenditures against the approved budget on continuous basis. Deviations and key audit observations alongwith recommendations of the Internal and external auditors and their implementations are reviewed by the Audit Committee periodically.

6. Human Resources / Safety Management System :

During the year industrial relations across all the plants continued to remain cordial. Health & safety Management system in the Company aims at to reduce, eliminate or control workplace hazards and associated risks of accidents or injuries to the workers. We provide sufficient information, instructions, training and supervision to enable all workers to identify, minimise and manage hazards and contribute positively to safety at works.

7. Corporate Social Responsibilities :

The Company continued its efforts to help the poor and downtrodden people by providing them free medical facilities, proper education and bringing them into the main stream of life. The Annachatra, Vrudhashram, Free Bhakta Niwas are some of the charitable activities undertaken by the Company to meet its responsibilities towards the general public.

8. Cautionary Statement :

This document contains statement about the Company's future plans, projections, estimates, expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results could however differ materially from those expressed or implied in this statement due to factors beyond control of the Company like, economic conditions affecting demand and supply, monsoon condition, change in Government regulations etc.

REPORT ON CORPORATE GOVERNANCE**Introduction**

The Company emphasis on good and effective corporate governance practices by way of increased transparency, fairness and accountability for performances at all levels thereby protecting the interest as well as value creation of all stake holders. These practices aim at attaining the balance between enhancement of stakeholders' value alongwith corporate social responsibility and financial objective of the Company.

1. Board of Directors :

The constitution of the Board meets the requirement of the listing agreement and represents appropriate combination of professionalism, knowledge and experience to enable the Board to discharge its functions in the best interest of the company. The Board is entrusted with the ultimate responsibility of managing the state of affairs of the company by formulating corporate policies and ensuring effective compliance in order to achieve the financial targets. The Board of Director is the decision making body of the Company duly constituted by the shareholders to formulate the business plans, management policies and evaluate the performances of the Company to ensure the effective and timely achievement of the targets set by them taking into consideration the interest of shareholders. The Executive Director and other functional committees of the Board alongwith the senior management personnel assist the Chairman and Managing Directors in the decision making process. In addition to the minimum required Board meetings, the meetings of the Board are convened at appropriate time considering the urgency of the matters. The important decisions taken by the Board or committee thereof are communicated to the concerned divisions promptly and the action taken report on the said decisions is placed at the succeeding board meeting. The Composition and category of Directors alongwith record of attendance at meetings is as under:

Name	Category	Designation	No. of outside directorship in public ltd cos	No. of meetings attended	
				Board	AGM
Shri.S.C. Bhartia	Executive Director	Chairman & Managing Director	Nil	11	1
Shri.D.C. Bhartia	Executive Director	Managing Director	Nil	11	1
Shri.S.W. Sawant	Independent Director	Director	Nil	5	-
Dr. B.G Bathkal	Independent Director	Director	Nil	5	1
Dr. R.S. Tainwala	Independent Director	Director	3	4	-
Shri.R.S. Tayade	Independent Director	Director	Nil	11	1
Shri.A.N. Bhartia	Executive Director	Executive Director	Nil	11	1

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

In compliance with clause 49 iv (a) of the listing agreement brief details of the Directors proposed to be re-appointed are given here below:

Shri. S.W. Sawant :

He is Science graduate and is the director of the company since 20.09.1991. He was executive director of Rallies India Ltd and was head of the agri business of Rallies. He has got rich experience of marketing of fertilizers, hybrid seeds as well as their accounting. He is expert in general management and handling commercial matters. He is backbone behind the growth and success of the company.

Shri. R.S. Tayade :

He is commerce graduate and has got thorough knowledge of various industrial and labour laws. His public relations and knowledge about demand and supply of fertilizer market will be beneficial in the interest of the company in the light of new fertilizer plant and also ongoing major expansion plans of the company.

2. Audit Committee :

The Composition of the Audit Committee of the Company is in conformity with the requirement of Section 292A of the Companies Act, 1956 and Clause 49 of the listing agreement. The scope of the Committee is to supervise the Company's internal control, financial audits and financial reporting process and in particular perform following functions:

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

- (g) Discussion with the auditors periodically about internal control system, the scope of audit including the observation of the auditors and review all financial statements before submission to the Board and also ensure compliance of internal control system.
- (h) Reviewing the Company's risk management policies and functioning of the Whistle Blower Mechanism.

Audit Committee	Number of meetings held during the year 2012-13	Number of meetings attended during the year 2012-13
Dr. B.G. Bathkal - Chairman of the Committee	5	5
Shri. S.W. Sawant - Independent Director	5	5
Shri. R.S. Tayade - Independent Director	5	5

The General Manager (Accounts & finance), the representatives of Internal and statutory auditors as well as Cost auditors are permanent invitees of the Audit Committee.

3. Shareholders' / Investors' Grievance Committee :

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

Shareholders' / Investors' Grievance Committee	Number of meetings held during the year 2012-13	Number of meetings attended during the year 2012-13
Shri. R.S. Tayade - Chairman of the Committee	4	4
Shri. S.W. Sawant - Independent Director	4	4
Dr. B.G. Bathkal - Independent Director	4	4

During the year ended 31st March, 2013 only four complaints were received and redressed and there was no complaint unreported. The email exclusively for Investor's Grievances redressal is "basantagro_investorgrievance@hotmail.com".

4. Remuneration committee :

Remuneration committee has been constituted pursuant to Clause 49 of the listing agreement to review and recommend to the Board the remuneration of Managing Directors, Executive Directors and key managerial personnel.

Remuneration Committee	Number of meetings held during the year 2012-13	Number of meetings attended during the year 2012-13
Shri. S.W. Sawant - Chairman of the Committee	4	4
Dr. B.G. Bathkal - Independent Director	4	4
Shri. R.S. Tayade - Independent Director	4	4

5. Remuneration of Directors :

Name of Directors	Salary (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
Shri. S.C. Bhartia	2100000	—	2100000
Shri. D.C. Bhartia	2100000	—	2100000
Shri. A.N. Bhartia	1440000	—	1440000
Shri. S.W. Sawant	—	2500	2500
Dr. B.G. Bathkal	—	2500	2500
Dr. R.D. Tainwala	—	2000	2000
Shri. R.S. Tayade	—	5500	5500

The Remuneration paid to the Executive Directors is within the limits as per the Companies Act, 1956. No director has been paid any commission and perquisites other than referred above.

6. Annual General Meetings :

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

AGM	Date	Time	Venue	No. of Special Resolutions
22nd AGM	28.09.2012	4.00 PM	Krishi Sanjivani office, Opp. Nagar Parishad, Akola	2
21st AGM	30.09.2011	4.00 PM	Krishi Sanjivani office, Opp. Nagar Parishad, Akola	Nil
20th AGM	28.08.2010	4.00 PM	Krishi Sanjivani office, Opp. Nagar Parishad, Akola	3

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

7. Disclosures :

- There are no materially significant transactions with related parties i.e. promoters, directors or the management, subsidiaries or relatives etc that would have potential conflict with the interests of the company at large. The details about related party transactions has been reported at the Schedule - 29 of the annual report.
- No penalties or strictures have been imposed on the Company by the Stock exchange or SEBI or any other statutory authority in the matter related to capital market during the last three years.

- iii) The Company has complied with all mandatory requirements of Clause 49 of the listing agreements.
- iv) The Whistle Blower Policy (WBP) has been adopted by the company and has established the necessary mechanism in line with Clause 7 of Annexure ID to clause 49 of the listing agreement for employees to report concerns about unethical behavior. No personnel has been denied access to the Audit Committee.

8. Implementation of the code of conduct :

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

9. Means of communication :

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

10. General shareholder's information :

The following information would be useful to our shareholders :

1. Annual General Meeting

- Date and Time : 7th September 2013, at 4:00 p.m.
- Venue : Krishi Sanjivani Office, Opp. Nagar Parishad, Akola - 444 001.

2. Financial Calendar (Tentative Schedule)

Financial Reporting for :

- the quarter ended June 30, 2013 : Second Fortnight of July 2013
- the quarter ended September 30, 2013 : Second Fortnight of October 2013
- the quarter ended December 31, 2013 : Second Fortnight of January 2014
- the year ending March 31, 2014 : Second Fortnight of May 2014
- Annual General Meeting for the year ending 31/03/2014 : Second Fortnight of September 2014

- 3. **Book Closure Date** : 4th September 2013 to 7th September, 2013, (both days inclusive)

- 4. **Dividend Payment Date** : Dividend as recommended by the Board of Directors, if declared at the Annual General Meeting will be payable on or after 07.09.2013

- 5. **Listing on Stock Exchange at** : The Bombay Stock Exchange Ltd
Phiroz Jeejeebhoy Towers, Dalal Street, Mumbai - 400 023.

Listing fees for the year 2013-2014 has been paid to The Bombay Stock Exchange Ltd.

- 6. **Stock Code** : **The Bombay stock exchange ltd. : 524687**

- 7. **DEMAT** : **ISIN No. : INE 473 E 01021**

- 8. **STOCK EXCHANGE DATA** :

Month	Price at Bombay Stock Exchange Ltd	
	High (Rs.)	Low (Rs.)
April 12	5.29	3.42
May 12	5.21	3.87
June 12	4.90	3.89
July 12	4.44	3.83
August 12	4.49	3.55
September 12	4.50	3.70
October 12	6.40	4.62
November 12	6.10	4.60
December 12	5.20	4.71
January 13	5.25	4.51
February 13	4.79	3.81
March 13	4.44	3.27

BASANT AGRO TECH (INDIA) LIMITED

9. Registrar & ShareTransfer agent :

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

10. Distribution of share holding as on 31st March, 2013

Category	No. of Shareholders	Percentage	No. of Shares	Percentage
1-500	1222	24.16	3,21,247	0.36
501-1000	1720	34.01	16,79,031	1.85
1001-5000	1418	28.04	39,70,795	4.38
5001-10000	292	5.78	24,59,325	2.71
10001-100000	333	6.59	1,00,19,048	11.06
above 100000	72	1.42	7,21,78,054	79.64
Total	5057	100.00	9,06,27,500	100.00

11. Category of share holding as on 31st March, 2013

Category	No. of Shares held	Percentage
- Promoters and Promoter Group	4,91,91,523	54.28
- Institutional Investors	19,000	0.02
- Independent Director	35,000	0.04
- Bodies Corporate	91,58,905	10.11
- NRI	8,54,644	0.94
- Indian Public	3,13,68,428	34.61
Total	9,06,27,500	100.00

12. De- materialisation of shares

As on 31.03.2013 8,91,50,750 Equity shares (98.37% total equity) has been dematerialised.

13. CEO / CFO Certification:

As required under Clause 49 of the listing agreement, the certificate from Shri. S.C.Bhartia the Chairman & Managing Director of the Company and Mr Narendra Pathak CFO of the Company was placed before the Board of Directors at their meeting held on 30th May 2013.

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

In accordance with Clause 49 sub-clause I(D) of the Listing Agreement with the stock Exchanges I hereby confirm that all the Directors and the senior management personnel of the company have affirmed compliance to their respective code of conduct, as applicable to them for the financial year ended March 31, 2013.

For Basant Agro Tech (I) Ltd

SHASHIKANT BHARTIA

Chairman & Managing Director

Auditors' Certificate on Corporate Governance

We have examined the compliance of conditions of Corporate Governance by M/s. Basant Agro Tech (I) Limited for the year ended on March 31, 2013, as stipulated in Clause 49 of Listing Agreement of the Company with the Stock Exchange. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement. We have been explained that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the company.

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

FOR P. C. BARADIYA & CO.

Chartered Accountants

K. C. Kankariya

Partner

M. No. 43951

FOR P. C. BHANDARI & CO.

Chartered Accountants

P. C. Bhandari

Partner

M. No. 39710

Dated : 30th May, 2013

Place : Mumbai

INDEPENDENT AUDITORS' REPORT

To
The Members of Basant Agro Tech (India) Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Basant Agro Tech (India) Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's 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 Standards referred to in sub-section (3C) of section 211 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 the 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 auditors consider the 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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order to the extent applicable.
- (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 purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet, 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, 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 Act.
 - (e) On the basis of the written representations received from the directors as on 31st March 2013 and taken on record by the Board of Directors, 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 Act.

FOR **P. C. BARADIYA & CO.**

Firm Regn. No. 101017W
Chartered Accountants

K. C. Kankariya

Partner

M. No. 43951

Place: Mumbai

FOR **P. C. BHANDARI & CO.**

Firm Regn. No. 114079W
Chartered Accountants

P. C. Bhandari

Partner

M. No. 39710

Dated: 30th May, 2013

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE BASANT AGRO TECH (INDIA) LIMITED

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The fixed assets have been physically verified by the management in accordance with the phased programme of verification adopted by the Company. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and nature of fixed assets. No material discrepancies have been noticed in respect

- c) of the assets physically verified during the year.
- d) No substantial part of the fixed assets has been disposed off during the year.
2. a) The inventory has been physically verified by the management at reasonable intervals during the year. Inventory lying with third parties and in-transit have been verified with reference to confirmations and subsequent receipt of the goods.
- b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
- c) The Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.
3. a) The Company has not granted any loans, secured or unsecured, to firms, companies or other parties covered in the register maintained under Section 301 of the Act.
- b) The Company has taken unsecured loans from 10 parties covered in register maintained under Section 301 of Act. The maximum amount involved during the year and the year end balance of such loans aggregated to Rs. 1448.05 Lacs. There were no stipulation as to when the repayment has to be made or when the Interest was payable. In our opinion, the rate of interest and other terms and conditions of such loans are prime facie not prejudicial to the interest of the Company.
4. In our opinion and according to the information and explanations given to us there are adequate internal control system commensurate with size of the Company and the nature of its business for purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system.
5. a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts and arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that Section.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance to contracts or arrangements entered in the register maintained under Section 301 of the Act and aggregating during the year to Rs. 5 lacs or more in respect of each party, have been entered at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from public within the meaning of the Section 58A, 58AA or any other relevant provisions of the Act and rules framed thereunder.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and the nature of its business.
8. We have broadly reviewed the cost records of the Company in respect of products maintained pursuant to the Order of the Central Government under Section 209 (1) (d) of the Act and are of the opinion that, prima facie, the prescribed records have been made and maintained. We are, however, not required to make a detailed examination of the records with a view to determine whether they are accurate or complete.
9. a) The Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Custom Duty, Excise Duty, Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, there are no undisputed statutory dues outstanding as at 31st March, 2013 for a period of more than six months from the date they became payable.
- b) According to the records of the Company and the information and explanations given to us by the management, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty, Cess which have not been deposited on account of any dispute.
10. The Company does not have accumulated losses as at 31st March, 2013 and has not incurred cash losses in the financial year ended on that date and in the immediately preceding financial year.
11. The Company has not defaulted in repayment of dues to financial institutions or banks.
12. During the year, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. According to the information & explanation given to us, in our opinion, the term loans were applied for the purpose for which they were obtained.
14. According to the information & explanation given to us, the Company has not given any guarantee for the loan taken by others from Banks & financial institutions.
15. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment.
16. The Company has not raised any money by way of public issue during the year. Therefore the provisions of clause 4(xx) of the order are not applicable to the Company.
17. During the year, no fraud on or by the company has been noticed or reported during the course of our audit.

FOR **P. C. BARADIYA & CO.**

Firm Regn. No. 101017W
Chartered Accountants

K. C. Kankariya

Partner

M. No. 43951

Place: Mumbai

FOR **P. C. BHANDARI & CO.**

Firm Regn. No. 114079W
Chartered Accountants

P. C. Bhandari

Partner

M. No. 39710

Dated: 30th May, 2013

BASANT AGRO TECH (INDIA) LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

(₹ in Thousands)

	NOTES	As at 31st March, 2013	As at 31st March, 2012
EQUITY AND LIABILITIES			
1. Shareholder's funds			
Share capital	1	90628	90628
Reserves & surplus	2	610420	514752
		701048	605380
2. Non current liabilities			
Long term borrowings	3	417855	328313
Deferred tax liability (Net)	4	66585	54567
Other long term liabilities	5	35719	12402
		520159	395282
3. Current liabilities			
Short term borrowings	6	637810	579080
Trade payables	7	584523	388571
Other current liabilities	8	156366	99759
Short term provisions	9	44701	53591
		1423400	1121001
TOTAL		2644607	2121663
ASSETS			
1. Non current assets			
Fixed assets	10		
Tangible assets		590246	514275
Intangible assets		-	-
Capital work-in-progress		121282	68564
		711528	582839
Non current investment	11	9	9
Long term loans and advances	12	13125	29891
		724662	612739
2. Current assets			
Inventories	13	849003	764424
Trade receivable	14	902245	641953
Cash & bank balances	15	16631	17557
Short term loans and advances & other current assets	16	152066	84990
		1919945	1508924
TOTAL		2644607	2121663

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

For and on behalf of the Board

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

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

SHASHIKANT C. BHARTIA Chairman &
Managing Director

K. C. KANKARIYA
Partner

P. C. BHANDARI
Partner

DEEPAK C. BHARTIA Managing Director

Place : Mumbai
Dated : 30th May, 2013

UPENDRA SOMANI
Company Secretary

SHARAD W. SAWANT Director

BASANT AGRO TECH (INDIA) LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Thousands)

	NOTES	2012-13	2011-12
INCOME			
Revenue from operations	17	2910186	2764531
Other Income	18	9299	6833
Total revenue		2919485	2771364
EXPENDITURE			
Cost of material consumed	19	2239109	1982962
Change in inventories of finished goods, stock in process	20	(67630)	88251
Employee benefits expenses	21	49327	44973
Finance costs	22	102713	83129
Depreciation & amortisation expenses	23	48160	43929
Other expenses	24	417217	410481
Total expenditure		2788896	2653725
Profit before tax		130589	117639
Tax expenses			
- Current tax		17500	15000
- Deferred tax		12018	26818
- Provision for taxation of earlier years		(3079)	(966)
Profit for the year		104150	76787
Earning per share (Equity share of face value Rs. 1/- each)			
Basic (Rs.)	25	1.15	0.85
Diluted (Rs.)		1.15	0.90

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

For and on behalf of the Board

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

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

SHASHIKANT C. BHARTIA Chairman &
Managing Director

K. C. KANKARIYA
Partner

P. C. BHANDARI
Partner

DEEPAK C. BHARTIA Managing Director

Place : Mumbai
Dated : 30th May, 2013

UPENDRA SOMANI
Company Secretary

SHARAD W. SAWANT Director

BASANT AGRO TECH (INDIA) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Thousands)

	2012-13	2011-12
A) Cash Flow from Operating Activities :		
Net Profit before tax & extraordinary items	130589	117639
Adjustments for :		
Depreciation	48160	43929
(Profit) / Loss on sale of investments	—	367
(Profit) / Loss on sale of fixed assets (net)	51	703
Interest paid (net)	<u>100157</u>	<u>81049</u>
Operating Profit before working capital changes	148368	126048
Adjustments for :		
(Increase) / Decrease in trade and other receivables	(260292)	(273856)
(Increase) / Decrease in inventories	(84578)	(217280)
(Increase) / Decrease in current assets and loans & advances	(62931)	(9434)
Increase / (Decrease) in trade payables and other liabilities	<u>281629</u>	<u>169954</u>
Cash deployed into operations	(126172)	(330616)
Cash from operating activities	<u>152785</u>	(86929)
Less: Taxes paid	<u>(16500)</u>	7470
Net cash from operating activities	<u>136285</u>	<u>(79459)</u>
B) Cash Flow from Investing Activities :		
Purchase of fixed assets & other capital expenditure	(177000)	(177554)
Sale of fixed assets	99	5895
Sale / (Purchase) of Investment	<u>—</u>	<u>15</u>
Net cash used in investing activities	(176901)	(171644)
C) Cash Flow From Financing Activities :		
Proceeds from issue of warrants	—	40250
Proceeds from long term and other borrowings	148273	300490
Dividend	(7250)	(5854)
Tax on dividend	(1176)	(972)
Interest paid	<u>(100157)</u>	<u>(81049)</u>
Net cash generated from financing activities	39690	252865
Net change in cash and cash equivalents (A+B+C)	(926)	1762
Cash & cash equivalents - Opening balance	17557	15795
Cash & cash equivalents - Closing balance	<u>16631</u>	<u>17557</u>

Notes :

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

The accompanying notes are forming part of the financial statements

For and on behalf of the Board

As per our attached report of even date

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

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

SHASHIKANT C. BHARTIA Chairman &
Managing Director

K. C. KANKARIYA
Partner

P. C. BHANDARI
Partner

DEEPAK C. BHARTIA Managing Director

Place : Mumbai
Dated : 30th May, 2013

UPENDRA SOMANI
Company Secretary

SHARAD W. SAWANT Director

SIGNIFICANT ACCOUNTING POLICIES**a. Basis of preparation of financial statements:**

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

b. Use of estimates:

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

c. Fixed assets:

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

d. Depreciation and amortisation:

Depreciation on Fixed Assets is provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Leasehold land has not been written off as lease agreement is yet to be executed.

e. Investments:

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

f. Inventories:

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

g. Employee benefits:

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

h. Revenue recognition:**Sales:**

- 1)
 - i. Sales are inclusive of freight & forwarding charges wherever recoverable from customers.
 - ii. Subsidy on sale of Single Super Phosphate fertilizers receivable from Ministry of chemicals & fertilisers credited to subsidy account under the group head sales in the Profit & Loss Account at the time of sale. Subsidy on SSP fertilizers sold in 2012-13 is Rs. 42.51 Cr. (Previous year Rs. 93.73 Cr.)
- 2) Revenue in respect of insurance / other claims, interest etc. is recognised only when it is reasonably certain that the ultimate collection will be made.

i. Foreign Currency Transactions:

Transaction denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction or that approximates the actual rate, at the date of transaction. Monetary items denominated in foreign currencies at the year end are stated at year end rates.

j. Excise Duty / Value Added Tax:

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

k. Research & Development expenditure:

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

l. Taxation:

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

m. Provision for contingent liabilities and contingent assets:

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

BASANT AGRO TECH (INDIA) LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Thousands)

NOTE No. 1 : SHARE CAPITAL

Authorised Share Capital

25,00,00,000 Equity shares of Rs. 1/- each
(Previous year 25,00,00,000 Equity shares of Rs. 1/- each)

Issued, Subscribed and Paid up Share Capital

9,06,27,500 Equity shares of Rs. 1/- each fully paid up
(Previous year 9,06,27,500 equity shares of Rs. 1/- each)

TOTAL

As at
31st March, 2013

250000

90628

90628

As at
31st March, 2012

250000

90628

90628

- Reconciliation of shares :

Opening at the beginning of the year
Add : Equity shares issued during the
year on conversion of warrants
Add: Rights / Bonus shares issued

TOTAL

Less: Buy back of shares

Less: Reduction in capital

Outstanding at the end of the year

- List of share holders having 5% or more shares (In Nos)

Name of shareholders

- (i) Arcadia share & Stock Brokers Pvt. Ltd.
- (ii) Shri. S.C. Bhartia
- (iii) Shri. D.C. Bhartia
- (iv) Shri. C.L. Jhunjhnuwala

No. of
Shares

Amount

No. of
Shares

Amount

90627500

90628

—

—

—

—

90627500

90628

—

—

90627500

90628

83627500

83628

7000000

7000

—

—

90627500

90628

—

—

90627500

90628

In Nos

In %

In Nos

In %

5166100

5.70

5500000

6.07

8322630

9.18

8322630

9.18

8303830

9.16

8303830

9.16

6692170

7.38

6692170

7.38

Rights attached to equity shares

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

(₹ in Thousands)

NOTE No. 2 : RESERVES AND SURPLUS

Capital Reserve

Balance as per last Balance Sheet

Securities Premium Account

Balance as per last Balance Sheet

Add : Addition during the year

General Reserve

Balance as per last Balance Sheet

Add : Transferred from the Profit & Loss Account

Profit and Loss Account

Balance as per last Balance Sheet

Add : Profit for the year

Less : Proposed dividend on equity shares

(Rs. 0.80 per share) (Previous year Rs. 0.80 per share)

Less : Tax on dividend

Less : Transfer to general reserves

TOTAL

As at
31st March, 2013

3254

146287

146287

44775

3500

48275

320436

104150

7250

1232

3500

412604

610420

As at
31st March, 2012

3254

99037

47250

146287

41275

3500

44775

255575

76787

7250

1176

3500

320436

514752

BASANT AGRO TECH (INDIA) LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Thousands)

NOTE No. 3 : LONG TERM BORROWINGS

SECURED

- Term Loan from State Bank of India
[Secured by way of mortgage of fixed assets of the Company and out of which Rs. 1072 lacs (previous year Rs. 712 lacs) has been converted into FCNR(B) term loan.]
- Vehicle Loan
(Secured by way of hypothecation of vehicle financed)

UNSECURED

- From promoter
- Intercompany deposits

TOTAL

As at 31st March, 2013	As at 31st March, 2012
169384	113586
3666	3482
173050	117068
144805	121245
100000	90000
244805	211245
417855	328313

Maturity Profile	2014-15	2015-16	2016-17	2017-18
Term loan	44581	47350	44258	33195
Vehicle loan	1140	1096	998	432

NOTE No. 4 : DEFERRED TAX LIABILITY (NET)

- Deferred Tax Liabilities
Balance as per last Balance Sheet
Add: Addition during the year
(Related to Fixed Assets)
- Deferred Tax Assets

TOTAL

54567	27749
12018	26818
66585	54567
66585	54567

NOTE No. 5 : OTHER LONG TERM LIABILITIES

- Deposits from dealers & customers

TOTAL

35719	12402
35719	12402

NOTE No. 6 : SHORT TERM BORROWINGS

- Secured (repayable on demand)

Cash Credit from Banks

- Secured by way of hypothecation of present and future stock & book debts and charge over fixed assets of the Company
- Out of which Rs. 3182 lacs (previous year Rs. 1040 lacs) has been converted into FCNR (B) demand loan.

Overdrafts from Banks

- Overdrafts from the Banks are against the fixed deposits pledged with them

TOTAL

634054	578427
3756	653
637810	579080

NOTE No. 7 : TRADE PAYABLES

- Total trade payables (*)

TOTAL

584523	388571
584523	388571

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

BASANT AGRO TECH (INDIA) LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Thousands)

	As at 31st March, 2013	As at 31st March, 2012
NOTE No. 8 : OTHER CURRENT LIABILITIES		
- Unclaimed dividends	363	299
- Advances from customers	114249	68190
- Other liabilities		
Current maturities of long term borrowings	41754	31270
TOTAL	156366	99759
NOTE No. 9 : SHORT TERM PROVISIONS		
Provision for expenses	18719	12965
Provision for taxation (gross)	17500	32200
Proposed dividend	7250	7250
Tax on dividend	1232	1176
TOTAL	44701	53591

NOTE No. 10 : FIXED ASSETS

(₹ in Thousands)

PARTICULARS	GROSS BLOCK			As at 31.03.2013	DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 1.4.2012	Addition	Deductions		As at 31.03.2012	For the year	Deductions / adjustment	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
A. Tangible Assets										
Freehold Land	77212	865	6764	71313	—	—	—	—	71313	77212
Leasehold Land	3400	—	—	3400	—	—	—	—	3400	3400
Buildings	296237	118304	—	414541	75747	20238	—	95985	318556	220490
Plant & Machinery	323499	6488	—	329987	133223	24485	—	157708	172279	190276
Furniture & Fixtures	5722	145	—	5867	4264	368	—	4632	1235	1458
Vehicles	30803	5244	225	35822	9364	3069	74	12359	23463	21439
Total	736873	131046	6989	860930	222598	48160	74	270684	590246	514275
B. Intangible Assets										
Previous year	590230	156740	7693	739277	182169	43929	1096	225002	514275	408061
Capital work-in progress									121282	68564

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

(₹ in Thousands)

NOTE No. 11 : NON CURRENT INVESTMENT

	Face Value Rs.	As at 31.03.2013 Nos. Amount	As at 31.03.2012 Nos. Amount
Long -Term Investments			
Trade Investments :			
(a) Quoted - Fully paid up - Equity			
Nagarjuna Fertilizers & Chemicals Ltd.	1	110 2	100 4
Nagarjuna Oil Refinery Ltd.	1	100 2	— —
Rashtriya Chemical & Fertilizers Ltd.	10	100 4	100 4
Oswal Chemicals & Fertilizers Ltd.	10	50 1	50 1
TOTAL		9	9
Market Value of Quoted Investments		5	8
NOTE No. 12 : LONG TERM LOANS AND ADVANCES			
Advance income tax (net)		5669	18290
Sundry deposits		7456	11601
TOTAL		13125	29891

BASANT AGRO TECH (INDIA) LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Thousands)

NOTES	As at 31st March, 2013	As at 31st March, 2012
NOTE No. 13 : INVENTORIES (Valued at lower of cost or net realisable value)		
Raw materials	486797	469632
Packing material	30119	26406
Stock-in-process	588	588
Stock in trade	327625	261917
Stores and spares and other consumables	3874	5881
TOTAL	849003	764424
NOTE No. 14 : TRADE RECEIVABLES Over Six Months-considered good Others-considered good	6263 895982	5342 636611
TOTAL	902245	641953
NOTE No. 15 : CASH AND BANK BALANCES - Cash and Cash Equivalents Cash on hand Balance with banks - In Current accounts - In Fixed deposit accounts	3372 3387 9872	2870 5618 9069
TOTAL	13259 16631	14687 17557
NOTE No. 16 : SHORT TERM LOANS AND ADVANCES & OTHER CURRENT ASSETS (Unsecured and considered good) Advances to suppliers Prepaid expenses Advances - staff and others Other current assets	113975 1107 7999 28985	49717 755 8023 26495
TOTAL	152066	84990
	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
NOTE No. 17 : REVENUE FROM OPERATIONS Indigenous Sales Sale of Products Income from windmill less: Excise duty less: Interdivisional sales	3005985 14925 (17630) 3003280 (93094) 2910186	2838565 12663 (15376) 2835852 (71321) 2764531
NOTE No. 17.1 : PARTICULARS OF SALE OF PRODUCTS Fertiliser Seeds Others	2005180 890081 14925	2140405 611463 12663
TOTAL	2910186	2764531
NOTE No. 18 : OTHER INCOME Interest on deposits Profit on sale of assets Rent received Insurance claim received Misc income	2556 — 4333 598 1812	2079 206 790 120 3638
TOTAL	9299	6833

BASANT AGRO TECH (INDIA) LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Thousands)

	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
NOTE No. 19 : COST OF MATERIAL CONSUMED		
Raw materials' consumption (Refer Note No. 19.1)	1507017	1423450
Traded goods purchased	732092	559512
TOTAL	2239109	1982962
NOTE No. 19.1 : RAW MATERIAL CONSUMPTION COMPRISE		
- Straight fertilisers	642328	476028
- Rock phosphate	708978	717022
- Spent sulphuric acid	128087	182810
- 98% sulphuric acid	15533	32899
- Others	12091	14691
TOTAL	1507017	1423450
NOTE No. 20 : CHANGE IN INVENTORIES OF FINISHED GOODS STOCK IN PROCESS AND		
Stock at Commencement		
Stock-in-process	588	588
Finished goods	259844	348096
	260432	348684
Less: Stock at close		
Stock-in-process	588	588
Finished goods	327474	259845
	328062	260433
TOTAL	(67630)	88251
NOTE No. 21 : EMPLOYEE BENEFITS EXPENSES		
Salaries, wages, bonus etc.	38068	34733
Contribution to P.F, E.S.I.C. and other statutory funds	1317	1168
Staff welfare expenses	9942	9072
TOTAL	49327	44973
NOTE No. 22 : FINANCE COSTS		
Interest Expense		
Interest on term loan	26874	19473
Interest on working capital	54057	42846
Other borrowing costs	21782	20810
TOTAL	102713	83129
NOTE No. 23 : DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation and amortisation (Refer Note No. 10)	48160	43929
TOTAL	48160	43929
NOTE No. 24 : OTHER EXPENSES		
Manufacturing expenses		
Store, spares and consumables	31076	38032
Packing materials	57578	61935
Labour and processing charges	30713	35244
Power and fuels	40440	47162
Repairs to buildings	7847	7522
Repairs to machinery	8084	8744
Insurance	2896	1903
Research and development expenses	5575	4608
Seeds processing charges (net)	898	3300
Agricultural expenses	5343	5812
	190450	214262

BASANT AGRO TECH (INDIA) LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Thousands)

	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
Administrative and other expenses		
Rent	1233	1161
Rates and taxes	1028	2098
Payment to statutory auditors		
- Audit fees	100	100
- Tax audit fees	17	17
- Other matters	10	10
Loss on sale of investments	—	367
Loss on sale of assets	51	909
Misc expenses	24103	18708
Office expenses	6695	5905
Legal expenses	4276	4378
Other repairs	6113	4094
Printing and stationery	2230	2525
Security & other charges	14148	11284
	60004	51556
Selling & distribution expenses		
Freight	108275	105912
Travelling	20480	15745
Other selling and distribution expenses	38008	23006
	166763	144663
TOTAL	417217	410481
NOTE No. 25 : EARNINGS PER SHARE : (EPS)		
- Profit after tax (in thousand)	104150	76787
- Number of equity shares	9,06,27,500	9,06,27,500
- Number of equity shares (weighed average)	9,06,27,500	8,53,77,500
- Face value of equity share (Rs.)	1	1
- Basic earning per share (Rs.)	1.15	0.85
- Diluted earning per share (Rs.)	1.15	0.90

NOTE No. 26 : SEGMENT REPORTING

(₹ in Thousands)

Particulars	Fertilisers		Seeds		Windmill		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Segment Revenue								
Gross sales	2098274	2211726	890081	611463	14925	12663	3003280	2835852
Less: Interdivisional sales	93094	71321	0	0	0	0	93094	71321
Net sales	2005180	2140405	890081	611463	14925	12663	2910186	2764531
Other income	8610	5236	689	1597	0	0	9299	6833
Segment Results								
Profit before interest & depreciation	202248	174551	66486	59638	12728	10508	281462	244697
Less: Interest	95592	73449	6076	5280	1045	4400	102713	83129
Less: Depreciation	30569	26420	2131	2049	15460	15460	48160	43929
Profit before tax	76087	74682	58279	52309	(3777)	(9352)	130589	117639
Segment Assets	2229220	1768921	320602	239858	78146	95319	2627968	2104098
Unallocable assets							16639	17565
Total assets							2644607	2121663
Segment Liabilities	674366	467505	305114	174908	11214	22966	990694	665379
Unallocable liabilities							1653913	1456284
Total liabilities							2244607	2121663

BASANT AGRO TECH (INDIA) LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in Thousands)

NOTE No. 27 : CONTINGENT LIABILITIES

Contingent liabilities not provided for

For the Year Ended
31st March, 2013

For the Year Ended
31st March, 2012

Nil

Nil

NOTE No. 28 : VALUE OF IMPORTS (ON CIF BASIS) & EARNINGS

(a) - Raw materials :

392326

266250

- Stores & spares & capital goods

Nil

Nil

(b) Earning in foreign exchange

Nil

Nil

NOTE No. 29 : RELATED PARTY DISCLOSURE

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

1. **Associate** : M/s. Basant Seeds, M/s. Ashwin & Co.
2. **Key Managerial Personnel** : Shri. Deepak C. Bhartia - Managing Director
Shri. Shashikant C. Bhartia - Chairman & Managing Director
Shri. Ashwin Bhartia - Executive Director.

3. Nature of transaction :

(₹ in Thousands)

Transactions	Associates		Key managerial personnel		Others	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Finance cost	—	—	4809	5228	6432	3155
Rent paid	—	—	1034	674	199	12
Remuneration to key managerial personnel	—	—	5640	4240	1600	840
Seeds processing charges	919	2807	—	—	—	—
Trade (payable)/Receivable	15004	2622	—	—	—	—
Revenue from operations	245257	164135	—	—	—	—
Purchases/material consumed	301814	467553	—	—	—	—
Loans and advances (net)	—	—	105883	62883	38923	58362

Notes:

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

NOTE No. 30 : FOREIGN CURRENCY EXPOSURE ONLY RELATES TO FCNR (B) BORROWING AS ON 31ST MARCH, 2013

Particulars	2012-13		2011-12	
	USD	Rs. in Thousands	USD	Rs. in Thousands
Hedged	7795599	425410	3612000	175128
Unhedged	—	—	—	—

NOTE No. 31 : PARTICULARS OF MATERIAL CONSUMED

	2012-13		2011-12	
	Rs. in Thousands	Percentage	Rs. in Thousands	Percentage
Raw material (Imported)	392326	(26.25%)	266250	(18.70%)
Raw material (Indigenous)	1114691	(73.75%)	1157200	(81.30%)
Stores & spares (Indigenous)	31076	(100%)	38032	(100%)

NOTE No. 32 :

Previous year's figures / published financial results have been regrouped and reclassified wherever necessary to correspond with the current years' classification / disclosures.

BASANT AGRO TECH (INDIA) LIMITED

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

PROXY FORM

Regd.Folio No. _____

No. of Shares held _____

I / We _____

of _____

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

of or failing him / her _____ of _____

as my / our proxy to attend and vote for me / us on my / our behalf at the 23rd Annual General Meeting of the Company to be held on Saturday 7th September, 2013 at 4.00 p.m. at Krishi Sanjivani Office, Opp. Nagar Parishad, Akola - 444 001, Maharashtra and at any adjournment thereof.

Date

Signed this

Affix
1.00 Rupee
Revenue
Stamp

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

TEAR HERE

BASANT AGRO TECH (INDIA) LIMITED

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

ATTENDANCE SLIP

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

I hereby record my presence at the 23rd Annual General Meeting to be held at Krishi Sanjivani Office, Opp. Nagar Parishad, Akola - 444 001, Maharashtra on Saturday, the 7th September, 2013 at 4:00 p.m.

Ledger Folio No. _____

No. of Shares _____

Name of Shareholder _____

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



Felicitation of our Chairman & Managing Director - Shri. Shashikant Bhartia and Managing Director - Shri. Deepak Bhartia at hands of Shri. A. Krishna Kumar - Managing Director, Shri. J.N. Misra - CGM and Shri. Ravindra Joshi - GM of SBI



Shri. Ashwin Bhartia - Executive Director at SSP Fertiliser plant Neemuch, MP



Shri. Akshay Bhartia - President discussing with the foreign delegates at Seed Research Station of the Company



Shri. Ankush Bhartia - Vice President inspecting the new Warehouse of the Company

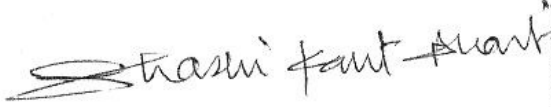

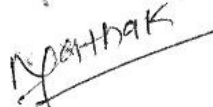

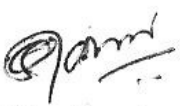
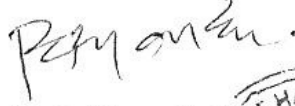

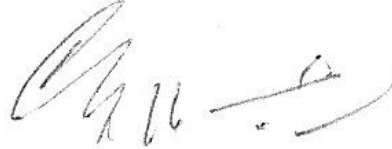
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If Undelivered, Please return to,
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Regd. Office: Plot No. 13/2, Kaulkhed,
Near S.T. Workshop,
Akola - 444 001, Maharashtra.

Annexure

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1	Name of the company	Basant Agro Tech India Limited
2	Annual Financial Statements for the year ended	31 st March, 2013
3	Type of Audit observation	Un-qualifieds
4	Frequency of observation	NA
5	To be signed by-	
	1. CEO /Managing Director	 Shri. Shashikant Bhartia 
	2. CFO	 Shri. Narendra Pathak 
	3. Auditors of the Company	For P.C Bardiya & Co. /For P.C Bhandari & Co   K.C Kankariya /P.C Bhandari Partner /Partner 
	4. Audit Committee Chairman	 Dr. B.G. Bathkal 