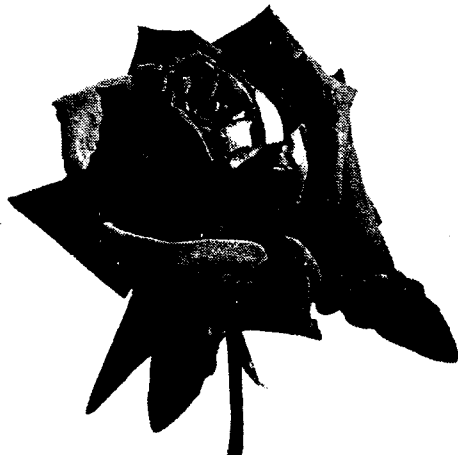


**ELEGANT FLORICULTURE &  
AGROTECH (INDIA) LIMITED**



**17TH ANNUAL REI**

**ELEGANT FLORICULTURE & AGROTECH (INDIA) LIMITED**

<b>BOARD OF DIRECTORS</b>	SHRI RAJKUMAR AGARWAL	<i>Director</i>
	SHRI PAWANKUMAR AGARWAL	<i>Director</i>
	SHRI SURENDRA GUPTA	<i>Director</i>
	DR. SHEORAM AGARWAL	<i>Director</i>

**REGISTERED OFFICE**

Village : Mouje-Kashal  
Taluka : Maval, Wadgaon  
Dist. : Pune

**SITE**

Village : Mouje-Kashal  
Taluka : Maval, Wadgaon  
Dist. : Pune

**AUDITORS**

M/S. SHIV PAWAN & COMPANY  
Chartered Accountants  
Navi Mumbai

**BANKERS**

IDBI BANK

**NOTICE**

Notice is hereby given that the 17th Annual General Meeting of Elegant Floriculture and Agrotech (India) Limited will be held on Tuesday, 31st August, 2010 at 2.00 p.m. at Village: Mouje-Kashal, Taluka: Maval, Wadgoan, Dist.: Pune to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as on 31st March, 2010, the Profit and Loss Account for the year ended 31st March, 2010 together with report of the Directors' and Auditors' thereon.
2. **To appoint Director** : To appoint a Director in place of MR.PAWANKUMAR AGARWAL who retires by rotation and being eligible offers himself for reappointment.
3. **To appoint Auditors of the Company** : To consider, and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION.

**"RESOLVED THAT** the Statutory Auditors of the Company M/s. Shiv Pawan & Company, Chartered Accountants, Navi Mumbai be and hereby re-appointed as Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of next Annual General Meeting of the Company at a remuneration as may be mutually decided by the Board of Directors and M/s. Shiv Pawan & Company."

For & on behalf of Board of Directors  
ELEGANT FLORICULTURE & AGROTECH (INDIA) LIMITED

Place : Mumbai  
Date : 15th June, 2010

Sd/-  
(PAWAN KUMAR AGARWAL)  
*Director*

**NOTES :**

1. A Member entitled to attend and vote at the Meeting is entitled to appoint Proxy to attend and vote instead of himself and the proxy need not be a member.
2. Proxies should be lodged with the Company 48 hours before the commencement of the meeting.
3. The Register of Members and the Share Transfer Books of the Company will be closed from 26-08-2010 to 31-08-2010 (both days inclusive).
4. Member desirous of obtaining information with respect of the accounts of the Company are requested to send queries in writing to the Company at its registered office so as to reach at least seven days before the date of Meeting.
5. The members shall intimate change in their address to the Company to enable the Company to update its records.

For & on behalf of Board of Directors  
ELEGANT FLORICULTURE & AGROTECH (INDIA) LIMITED

Place : Mumbai  
Date : 15th June, 2010

Sd/-  
(PAWAN KUMAR AGARWAL)  
*Director*

## DIRECTORS' REPORT

To The Members,

The Directors have pleasure in submitting the 17<sup>th</sup> Annual Report together with the Audited Accounts for the year ended 31<sup>st</sup> March 2010.

### DIVIDEND

The Directors do not recommend payment of dividend for the year.

### OPERATIONS

During the year under consideration the Company could not perform to its expectations. The Company has earned Total Income of Rs. 104.16 lacs in comparison to Rs. 168.18 lacs in the previous year. However, the Company has earned net profit after tax of Rs. 1.21 lacs in comparison to net loss of Rs. 7.42 lacs in the previous year. Your directors are hopeful of better performance in the current financial year.

### FIXED DEPOSITS

The Company has not accepted any deposits, within the meaning of section 58-A of the Companies Act, 1956, and the Companies (Acceptance of Deposits) Rules, 1975.

### PERSONNEL

There are no employees whose particulars are to be given under Section 217(2A) of The Companies Act read with the Companies (Particulars of Employees) Rules, 1975.

### DIRECTORS

Shri Pawankumar Agarwal, Director of the Company retires by rotation and being eligible offer himself for reappointment.

### AUDITORS

Auditors observations referred in the Auditor's Report are self-explanatory and therefore do not call for any further comments under section 217(3) of the Companies Act, 1956.

M/s. Shiv Pawan & Company, Auditors of the Company, retires from the office at conclusion of the Annual General Meeting and being eligible offer themselves for reappointment.

### CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Section 217(1)(e) read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, require disclosure of the particulars regarding conservation of Energy and Technology absorption. The Company not being an industrial Company, the same is therefore not applicable to it.

### FOREIGN EXCHANGE EARNINGS & OUTGO

The Company has earned an income of Rs. 2026832/- in foreign exchange. The Company has not incurred any expenditure in foreign exchange during the year.

**DIRECTORS RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217 (2AA) OF THE COMPANIES ACT, 1956**

Pursuant to section 217 (2AA) of the Companies Act, 1956, the Board of Directors hereby confirms:

- i) In the preparation of the Annual accounts, the applicable Accounting Standards have been followed.
- ii) The Company has selected and applied such Accounting Policy consistently and judgements and estimates are made in a reasonable and prudent manner so as to give true and fair view of the state of affairs of the Company as at the end of financial year and profit of the Company for the period.
- iii) Proper and sufficient care has been taken for maintenance of accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing/ detecting fraud and other irregularities.
- iv) The annual Accounts are prepared on a going concern basis.

**ACKNOWLEDGEMENTS:**

The Directors place on record their sincere appreciation of the valuable contribution made by the employees and shareholders at all levels towards the growth and performance of the Company.

The Directors would like to express their grateful appreciation for the assistance and Co-operation received from the various Departments of the Central and State Government and the Banks.

For & on behalf of the Board of Directors  
ELEGANT FLORICULTURE & AGROTECH (INDIA) LIMITED

Place : Mumbai  
Date : 15th June, 2010

Sd/-  
(PAWAN KUMAR AGARWAL)  
Chairman

**REPORT ON CORPORATE GOVERNANCE**

Corporate Governance is the application of best management practices, compliance of law and adherence to ethical standards to achieve the Company's objective of maximizing stakeholders' value and discharge of social responsibility. The Corporate Governance structure in the Company assigns responsibilities and entrusts authority among different participants in the organization. The Company has adopted the requirement of Corporate Governance under Clause 49 of the Listing Agreement, the disclosure requirements of which are given below :

**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company's philosophy on Corporate Governance is to observe the highest lever of ethics in all its dealings to ensure the efficient conduct of the affairs of the Company to achieve its goal of maximizing value for all its stakeholders.

**2. BOARD OF DIRECTORS**

(i) Composition of Board, Directorships and Committees position held in other Companies as at 31<sup>st</sup> March 2010.

Directors	Executive / Non-Executive/ Independent	No. of outside Directorship Held	Outside As Chairman	Committees# As member
Shri Rajkumar Agarwal	Non Executive	6	None	None
Shri Pawan Kumar Agarwal	Non Executive	4	None	None
Shri Surendra Gupta	*Non Executive	1	None	None
Dr. Sheoram Agarwal	*Non Executive	2	None	None

\* Also Independent

# Only three Committees viz. Audit Committee, shareholders' Grievance Committee and Remuneration committee are considered for this purpose

Independent Director is defined as one who apart from receiving sitting fee as a Director, does not have any other material pecuniary relationship or transactions in his personal capacity with the Company, its promoters & management.

The Non-Executive Directors have no material pecuniary relationship or transactions in their personal capacity with the Company.

(ii) Attendance of Directors in meetings held during the financial year 2009-2010.

Sr. No.	Nature & date of meetings	Name of Directors			
		R.K.Agarwal	P.K.Agarwal	S.S.Gupta	S.R.Agarwal
1	Board on 29.04.2009	Present	Present	Present	Present
2	Board on 15.06.2009	Present	Present	Absent	Present
3	Board on 26.06.2009	Present	Present	Present	Present
4	Board on 17.08.2009	Present	Present	Present	Present
5	Board on 29.10.2009	Present	Present	Present	Present
6	Board on 19.12.2009	Present	Present	Present	Present
7	Board on 04.01.2010	Present	Present	Absent	Present
8	Board on 29.01.2010	Present	Present	Present	Present
9	AGM on 06.08.2009	Present	Present	Present	Absent

3. **AUDIT COMMITTEE**

(i) Terms of Reference

The Audit Committee has been mandated with the terms of reference as specified in Clause 49 of the Listing agreement with the Stock Exchange, Mumbai & enumerated in section 292A of the Companies Act, 1956 and covers all the aspects stipulated by the SEBI Guidelines.

(ii) Composition Name of Members and Chairman

The Audit Committee is comprised of two independent Directors. During the financial year ended 31.03.2010, five Committee Meetings were held on 29<sup>th</sup> April, 2009, 26<sup>th</sup> June, 2009, 17<sup>th</sup> August, 2009, 29<sup>th</sup> October, 2009 & 29<sup>th</sup> January, 2010. The composition of the Audit Committee and the attendance of each Director at their meetings are as follows:-

Sr. No	Members	Meetings attended
1	Shri. Surendra Gupta - <i>Chairman</i>	5
2	Dr. Sheoram Agarwal	5
3	Shri. Pawan Kumar Agarwal	5

(iii) Invitee (being entitled to attend as per relevant provisions of applicable laws/rules and/or as and when felt necessary)

(a) The Statutory Auditors viz. M/s. Shiv Pawan & Company

(iv) The Chairman of the Audit Committee attended the Annual General Meeting held on 6<sup>th</sup> August, 2009 and provided clarifications to the members of the Company on the matters relating to Accounts and finance.

(v) The Audit Committee comprises persons with vast experience. Shri Surendra Gupta, Chairman is a practicing Chartered Accountant. Dr. Sheoram Agarwal, is a PHD holder and well known industrialist and Shri Pawan Kumar Agarwal having experience of around two and half decade of running business.

(vi) An Audit Committee meeting was held on 26<sup>th</sup> June, 2009 where the Annual Financial Statements for the year ended 31<sup>st</sup> March, 2009 were reviewed and examined by the members of the Audit Committee before recommendation of the same to the Board of Directors for their perusal and adoption.

The Audit Committee reviewed the Quarterly/Half Yearly Unaudited Financial Results on the following dates before recommending the same to the Board.

The Audit Committee reviewed the Quarterly/Half Yearly Unaudited Financial Results on the following dates before recommending the same to the Board.

Sr. No.	Financial Reporting	Date of Approval by Audit Committee
1)	Quarter ended 31 <sup>st</sup> March, 2009	29 <sup>th</sup> April 2009
2)	Quarter ended 30 <sup>th</sup> June, 2009	17 <sup>th</sup> August, 2009
3)	Quarter/Half Year ended 30 <sup>th</sup> Sept. 2009	29 <sup>th</sup> October, 2009
4)	Quarter ended 31 <sup>st</sup> December, 2009	29 <sup>th</sup> January 2010

**4. REMUNERATION COMMITTEE**

Since the Company has no Executive Director, as such constitution of Remuneration Committee is not required. The Company has not paid any remuneration to any director during the year.

**5. SHAREHOLDERS COMMITTEE**

(i) The Company has a 'Share Transfer Committee' to approve transfer and transmission of securities, issue of duplicate certificates and deals with other Shareholder related issues headed by Shri Rajkumar Agarwal, a Non-Executive Director of the Company. The Committee met 10 times during the year.

(ii) The Company also has a 'Shareholders/Investors Grievance Committee' headed by Shri Rajkumar Agarwal, a Non-Executive Director to specifically look into redressing of Shareholders' and Investors' complaints. It met 3 times during the year 2009-2010.

Shri Rajkumar Agarwal has also been designated by the Board as the 'Compliance Officer' of the Company for complying the requirements under the Listing Agreement with the Stock Exchange, Mumbai.

(iii) Number of Shareholders' complaints received during the year : Nil

Number not solved to the satisfaction of the Shareholders : Nil

Number of pending share Transfers : Nil

**6. (i) DETAILS OF GENERAL MEETING**

AGM Year	Date of the meetings	Location	Time
14th	28-09-2007	Vill: Mouje-Kashal	4.00 p.m.
15th	24-09-2008	Vill: Mouje-Kashal	2.30 p.m.
16th	06-08-2009	Vill: Mouje-Kashal	2.30 p.m.



- (ii) No Postal Ballot was put through during the year 2009-10 and as of now there is no proposal pending for passing any resolution through Postal Ballot in the ensuing Annual General Meeting.

**7. DISCLOSURES :**

Disclosure on materially significant related party transactions i.e. transactions of the Company of Material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large	There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors or the management or relatives etc. during the year, that may have potential conflict with the interests of the Company at large.
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Details of Non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority or any matter related to Capital Market during last three years.	None
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Secretarial Audit	A qualified practicing Company Secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
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**8. MEANS OF COMMUNICATION :**

Half yearly report sent to each household of Shareholder	No
Quarterly Results	The quarterly results as approved and taken on record by the Board of Directors of the Company generally within one month of the close of the relevant quarters are sent forthwith to the Stock Exchange, Mumbai and published in the proforma as prescribed in the Clause 41 of the Listing Agreement with the said Stock Exchange.

Which newspaper normally published in	The Free Press Journal (English Newspaper) Dainik Navshakti (Marathi newspaper)
Any website where displayed	NO
Whether it also displays official news release	N.A
Whether presentations made to institutional investors or to analyst	No request as such was received
Whether Management Discussion and Analysis Report is a part of Annual Report or not	Yes

9. **GENERAL SHAREHOLDERS INFORMATION :**

(i)	Next AGM:		
	Date	Time	Venue
	31-08-2010	2.00 p.m.	Vill.Mouje-Kashal Taluka- Maval. WadgaonDist.- Pune.
(ii)	Financial Calendar (tentative) for year 2010-11 :		
	Financial Reporting	Date of submission to stock exchange	
	For the quarter ending	30th June, 2010	4th week of July 2010
	For the quarter/half year ending	30th Sept. 2010	4th week of Oct. 2010
	For the quarter ending	31st Dec. 2010	4th week of Jan. 2011
	For the year ending	31st March, 2011	4th week of April 2011
(iii)	Next Dates of Book Closure	26th August 2010 to 31st August 2010 (both days inclusive)	
(iv)	<b>Code of Conduct for Prevention of insider Trading:</b>		
	Pursuant to the requirements of SEBI (Prohibitions of insider Trading) Regulations, 1992, as amended, the Company has adopted a "Code of Conduct for Dealing in Securities". The said Code of Conduct will be updated from time to time in line with the requirements of SEBI guidelines.		
	<b>Code of Conduct for Senior Management:</b>		
	The Company has adopted a Code of Conduct for Directors and Senior Management. It is the responsibility of the Board Members and Senior Management to familiarize themselves with the Code and comply with the same. The said Code of Conduct is made effective from 01-07-2007.		

(v)	Dividend Payment Date	Not Applicable
(vi)	Listing on Stock Exchanges	The Shares of the Company are listed at Bombay Stock Exchange Limited, Mumbai - 400 001.
(vii)	Stock Code	526473
(viii)	ISIN No. for the Company's Equity Share in Demat Form	INE 152E01013
(ix)	Depository Connectivity	National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL)

(x) **Stock Market Data**

Month		High	Low
April,	2009	2.30	1.72
May,	2009	2.25	1.75
June,	2009	3.25	2.36
July,	2009	3.58	2.59
August,	2009	3.75	2.96
September,	2009	3.00	2.33
October,	2009	3.00	2.41
November,	2009	2.76	2.13
December,	2009	4.67	2.48
January,	2010	5.89	4.38
February,	2010	6.45	4.39
March,	2010	6.54	5.60

(xi) **Registrar & Transfer Agents:** The Company has appointed Sharex Dynamic (India) Pvt. Ltd as a common agency for share registry work (both physical & electronic) for all matters connected with transfers and transmission of shares and also dematerialization of shares and other related functions.

(xii) **Share Transfer System:** With a view to expedite the process of share transfers, the Board of Directors has delegated the power of share transfer to Share Transfer Committee of the Board, which meets almost once in every month. The shares for transfer received in physical mode by the Company, are transferred expeditiously and thereafter, option letter is sent to the transferee(s) for dematerialization. Confirmation in respect of the request for dematerialization of shares is sent to the respective depositories, i.e. National Security Depository Limited (NSDL) and Central Depository Services (India) Limited within 7 days.

(xiii) Registrar and Transfer Agent SHAREX DYNAMIC (INDIA) PVT. LTD.  
17/B, Dena Bank Building, 2nd Floor,  
Horniman Circle, Fort,  
Mumbai-400 001.

(xiv) DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2010 :

(a) According to Category holdings :

Category	No. of Shareholders	% of Shareholders	No. of Shares	% of shares
Promoters	18	0.33	1224628	7.97
FI(s) Bank & Mutual Fund	3	0.05	38700	0.25
Individual	5379	97.32	13202796	85.93
Corporate Bodies	116	2.10	880711	5.73
NRI/OCB	4	0.07	6200	0.04
Clearing Members	7	0.13	11965	0.08
<b>Total</b>	<b>5527</b>	<b>100.00</b>	<b>15365000</b>	<b>100.00</b>

(b) According to Number of Equity Shares :

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of shares
1-100	1300	23.52	123236	0.80
101-200	861	15.58	170977	1.11
201-500	1872	33.88	840595	5.47
501-1000	836	15.13	744574	4.85
1001-5000	491	8.88	1134525	7.38
5001-10000	61	1.10	476681	3.10
10001-100000	66	1.19	2045865	13.32
100001 & above	40	0.72	9828547	63.97
<b>Total</b>	<b>5527</b>	<b>100.00</b>	<b>153650000</b>	<b>100.00</b>

(xv) Dematerialization of Shareholding and liquidity 86.86% Company's Equity shares are Dematerialized as on 31.03.2010

(xvi) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity Not applicable

(xvii) Plant Locations Village : Mouje- Kashai, Taluka Maval, Wadgaon, Dist.- Pune

(xviii) Address for Correspondence

The shareholders may address their communications/suggestions/grievances/queries to our share transfer agent

**SHAREX DYNAMIC (INDIA) PVT. LTD.**

17/B, Dena Bank Building,  
2nd Floor, Horniman Circle,  
Fort, Mumbai - 400 001.

**Chief Executive Officer and Chief Financial Officer Certificate:**

The Chief Executive Officer has submitted to the Board of Directors the certification as per clause 49(V) of the Listing Agreement.

**Declaration under Clause 49 of the Listing Agreement:**

I, Confirm that the Company has, in respect of the year ended 31<sup>st</sup> March, 2010, received from the members of the Board and Senior Management Personnel of the Company, a declaration of compliance with the code of conduct as applicable to them.

Place : Mumbai  
Date : 15-06-2010

Sd/-  
**Pawankumar Agarwal**  
CHAIRMAN

**MANAGEMENT DISCUSSION AND ANALYSIS**

The Company is engaged in the business of floriculture and is trying to achieve the desired growth. The Company is in the business of cultivation of cut-flowers mainly roses for export purpose which is mainly done under U. V. Polyfilm covered area in Green Houses. The Company's project site is situated at Village Kashal, Vadgaon, Dist: Pune, which has best soil suited for cultivation of roses and plenty of water supply and low cost labour. Presently Company is growing 3 varieties of roses which have demand throughout of the year. The Company has planned to expand its capacity to achieve the economy of the scale and thereby its topline and bottomline. To increase the capacity and to meet the working capital requirements and other corporate purposes, the Company has issued and allotted 46,35,000 Equity Shares of Rs. 10/- each on preferential basis during the current financial year. This will help increasing the capacity and other infrastructure facilities and the management is of the view that the Company will perform well in the coming years.

**AUDITORS COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To the members of Elegant Floriculture & Agrotech (I) Limited

We have reviewed the compliance of conditions of Corporate Governance by Elegant Floriculture & Agrotech (I) Limited for the year ended 31<sup>st</sup> March, 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance in all material respect as stipulated in the above mentioned listing agreement.

We state that there are no investor grievance(s) pending for a period exceeding one month against the company as per the report given by the Registrars of the Company and placed before the Investor Grievance Committee.

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

For **SHIV PAWAN & COMPANY**  
Chartered Accountants

Sd/-

**S. H. GARG**

(Partner)

Membership No. 85517

Place : Navi Mumbai.

Date : 15-06-2010

**AUDITORS REPORT**

**AUDITORS REPORT TO THE MEMBERS OF ELEGANT FLORICULTURE & AGROTECH (I) LIMITED**

We have audited the attached Balance Sheet of ELEGANT FLORICULTURE & AGROTECH (I) LIMITED, MUMBAI, as at 31st March, 2010, and the Profit and Loss Account of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

- 1 We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 2 As required by Companies (Auditor's Report) Order 2003, issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order to the Company.
- 3 Further to our comments in the Annexure referred to in paragraph 2 above, we report that :
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of the books;
  - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the above books of accounts;
  - (d) In our opinion, the Profit and Loss Account and Balance Sheet dealt with by this report comply with the Accounting Standards referred to in sub-section (3c) of Section 211 of the Companies Act, 1956.
  - (e) On the basis of written presentations received from directors as on 31st March, 2010 and taken on records by the Boards of Directors, we report that none of the Directors are disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (i) of section 274 of the Companies Act, 1956 on the accounts for the year ended on 31st March, 2010.

- (f) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Profit and Loss account read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
- i) insofar as it relates to the Balance Sheet, of the state of affairs of the company as at 31st March, 2010, and
  - ii) insofar as it relates to the Profit & Loss account, of the Profit of the company for the year ended on that date.
  - iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For SHIV PAWAN & COMPANY  
Chartered Accountants

Sd/-  
(S.H.GARG)  
Partner

Place : Navi Mumbai  
Date : 15th June, 2010



**ANNEXURE TO THE AUDITOR'S REPORT OF EVEN DATE  
(Referred to in paragraph 3 thereof )**

- i) In respect of fixed assets:
  - 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 during the year. We are informed that no material discrepancies were noticed by the management on such verification.
  - c) A substantial part of fixed assets have not been disposed of during the year into consideration.
- ii) In respect of Inventories:
  - a) The physical verification of inventory has been conducted at regular intervals by the management.
  - b) The procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
  - c) The company has been maintaining proper records of the inventory and no material discrepancies were noticed.
- iii) In respect of loans secured or unsecured, granted or taken by the company, to or from companies, firms or other parties covered in the register maintained under section 301 of the Act according to the information and explanation given to us.
  - a) The company has granted loans to companies, firms or other parties covered in the register mentioned in Section 301 of the Act as per point 6 of Schedule N of the Balance Sheet.
  - b) The terms and conditions of the loans granted and the rate of interest are not prima facie prejudicial to the interest of the company.
  - c) According to the information provided to us, the payment schedule for the loans appears to be reasonably regular.
  - d) According to the information provided to us, in cases where the amounts involved are more than Rs. 1 lac, reasonable steps are being taken for the recovery of the principal and interest.
- iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods.

- v) In respect of transactions that need to be entered in the register maintained in pursuance of Section 301 of the Act in our opinion and according to the explanations given to us:
- a) The company has entered in to transactions with parties mentioned in the register maintained in pursuance of Section 301. The company has maintained the necessary records for the same.
  - b) According to the information provided to us, the company has entered in the transaction which are reasonable and at prevailing market prices.
- vi) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits covered under section 58A of the Act during the year. Hence, the question of compliance with the provisions of Section 58A of the Act does not arise.
- vii) The Company has an internal audit system commensurate with its size and nature of the business.
- viii) The Central Government has not prescribed maintenance of cost records for the Company under section 209(1)(d) of the Act.
- ix) According to the information and explanation given to us in respect of statutory and other dues:
- a) The Company is generally regular in depositing undisputed statutory dues including, Income-tax, Sales-tax, Customs Duty and other statutory dues with appropriate authorities when applicable. According to information and explanations given to us, provision of the statutes relating to ESIC and Provident Fund are not applicable to the company.
  - b) There are no disputed statutory dues.
- x) According to the information and explanation given to us in respect of Loss :
- a) The Company has accumulated losses at the end of the financial year into consideration is Rs. 40,222/-.
  - b) The company has not incurred the cash losses during the financial year into consideration.
  - c) The company has not incurred the cash losses during the financial year immediately preceding the financial year into consideration.
- xi) The Company has not defaulted on repayment of dues to any bank or financial institution. The company has not issued any debentures.
- xii) According to the information and explanations given to us, the Company has not granted loans and advances on basis of security by way of pledge of shares, debenture and other securities.

- xiii) As per information and explanations given to us, the nature of the Company's activities during the year under review is such that the provisions of any special statute applicable to chit fund are not applicable to the Company.
- xiv) As per information and explanations given to us, the Company is dealing or trading in shares, securities, debentures and other investments. The proper records are maintained of the transactions and contracts by company and timely entries have been made therein. The shares, securities, debenture and other securities have been held by the company, in its own name except to the extent of the exemption, if any, granted under section 49 of the Act.
- xv) As per information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) As per information and explanations given to us, the company has not obtained any term loans during the year.
- xvii) According to the information and explanations given to us, no funds has been raised on short-term basis.
- xviii) The Company has made preferential allotment of convertible shares warrant during the year as mentioned in Point no. 11 of 'Schedule M' of the Balance Sheet.
- xix) No debentures have been issued by the Company during the year.
- xx) During the year, the Company has allotted 93,65,000 Equity Shares of Rs. 10/- each on conversion of warrants on 19-12-2009. Out of the total 93,65,000 Equity Shares, 7,65,000 Equity Shares are allotted to the promoters and 86,00,000 Equity Shares are allotted to persons other than promoters. The price at which the said equity shares have been issued is not prejudicial to the interest of the Company.
- xxi) According to the information and explanations given to us, no fraud on or by the Company have been noticed or reported during the financial year under review.

For SHIV PAWAN & COMPANY  
Chartered Accountants

Sd/-  
(S.H.GARG)  
Partner

Place : Navi Mumbai  
Date : 15th June, 2010

## BALANCE SHEET AS AT 31ST MARCH 2010

PARTICULARS	Schedule No.	Current Year ended 31-03-2010 Rs.	Previous Year ended 31-03-2009 Rs.
<b>SOURCES OF FUND :</b>			
<b>1. SHAREHOLDERS' FUNDS</b>			
a) Share Capital	A	153,321,500	69,671,500
b) Capital Reserves		<u>2,658,179</u>	<u>695,179</u>
		<u>155,979,679</u>	<u>70,366,679</u>
<b>2. SECURED LOANS</b>			
	B	5,717,498	4,356,363
<b>3. DEFERRED TAX LIABILITY</b>			
	C	<u>2,151,097</u>	<u>2,068,284</u>
<b>TOTAL (1+2+3)</b>		<u>163,848,274</u>	<u>76,791,326</u>
<b>APPLICATION OF FUNDS :</b>			
<b>4. FIXED ASSETS</b>			
a) Net Block	D	<u>35,653,317</u>	<u>34,775,643</u>
<b>5. INVESTMENTS</b>			
a) Fixed Deposits		816,013	-
<b>6. CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
a) Sundry Debtors	E	1,933,742	11,131,718
b) Cash & Bank Balances	F	2,198,471	364,369
c) Loans & Advances	G	121,084,693	35,856,209
d) Closing Stock (Shares)		<u>592,890</u>	<u>-</u>
		125,809,796	47,352,296
Less : Current Liabilities & Provisions	H	<u>1,003,857</u>	<u>8,213,465</u>
		<u>124,805,939</u>	<u>39,138,831</u>
<b>7. MISCELLANEOUS EXPENDITURE</b>			
Miscellaneous Expenditure to the extent w/off or adjusted	I	2,532,783	2,715,993
<b>8. PROFIT &amp; LOSS ACCOUNT</b>			
		<u>40,222</u>	<u>160,859</u>
<b>TOTAL (4+5+6+7)</b>		<u>163,848,274</u>	<u>76,791,326</u>

## Notes to Accounts

The Schedules & Notes referred to above form an integral part of the Accounts.

As per our report of even date  
For SHIV PAWAN & COMPANY  
Chartered Accountants

For ELEGANT FLORICULTURE &  
AGROTECH (INDIA) LIMITED

Sd/-  
(S.H.GARG)  
Partner

Sd/-  
(RAJ KUMAR AGARWAL)  
Director

Sd/-  
(PAWAN KUMAR AGARWAL)  
Director

Place : Navi Mumbai  
Date : 15th June, 2010

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

PARTICULARS	Schedule No.	Current Year ended 31-03-2010 Rs.	Previous Year ended 31-03-2009 Rs.
<b>INCOME :</b>			
Sales & Other Income	J	10,415,949	16,818,651
<b>TOTAL</b>		<u>10,415,949</u>	<u>16,818,651</u>
<b>EXPENDITURE :</b>			
Purchases & Consumables	K	2,737,196	11,071,635
Administrative & Other Expenses	L	3,962,362	2,258,615
Interest paid		436,700	481,291
Depreciation		3,011,686	2,782,379
<b>TOTAL</b>		<u>10,147,944</u>	<u>16,593,920</u>
<b>Net Profit before Income-tax/Adjustment</b>		<b>268,005</b>	<b>224,731</b>
Less: Provision for Income-tax		64,555	-
Less: Provision for FBT		-	8,031
Less/(Add) : Deferred Tax Liabilities/(Assets)		82,813	958,709
<b>Net Profit/(Loss) After Income-tax</b>		<u><b>120,637</b></u>	<u><b>(742,009)</b></u>
Balance Brought Forward		<u>(160,859)</u>	<u>581,150</u>
Balance Carried Forward to Balance Sheet		<u>(40,222)</u>	<u>(160,859)</u>

Notes to Accounts

M

The Schedules & Notes referred to above form an integral parts of the Accounts.

As per our report of even date  
For SHIV PAWAN & COMPANY  
Chartered Accountants

For ELEGANT FLORICULTURE &  
AGROTECH (INDIA) LIMITED

Sd/-  
(S.H.GARG)  
Partner

Sd/-  
(RAJ KUMAR AGARWAL)  
Director

Sd/-  
(PAWAN KUMAR AGARWAL)  
Director

Place : Navi Mumbai  
Date : 15th June, 2010

## SCHEDULES

## Schedules Annexed to and forming part of Balance Sheet as on 31st March, 2010

PARTICULARS	Current Year ended 31-03-2010 Rs.	Previous Year ended 31-03-2009 Rs.
<b><u>SCHEDULE 'A':</u></b>		
<b><u>SHARE CAPITAL</u></b>		
Authorised Capital 16,000,000 (16,000,000) Equity Shares of Rs.10/-(10/-) each	<u>160,000,000</u>	<u>160,000,000</u>
Issued, Subscribed & Paid Up Capital 15,365,000 (6,000,000) Equity Shares of Rs.10/- (10/-) each fully paid up	153,650,000	60,000,000
Less: Calls unpaid by other than Directors	<u>328,500</u>	<u>328,500</u>
	153,321,500	59,671,500
Add: Warrants Convertible into Equity Shares	-	10,000,000
	<u>153,321,500</u>	<u>69,671,500</u>
<b><u>SCHEDULE 'B':</u></b>		
<b><u>SECURED LOANS</u></b>		
Bank of Maharashtra (Secured against hypothecation of shed, flowers, dried irrigation set, stock of pesticide & land and personal guarantee of one of the director of company)	3,790,826	4,356,363
Bank of Maharashtra (Secured loan against Cold Storage)	759,000	-
HDFC Bank (Secured loan against Refrigerated Van)	387,666	-
HDFC Bank (Secured loan against Motor Car)	780,006	-
	<u>5,717,498</u>	<u>4,356,363</u>
<b><u>SCHEDULE 'C':</u></b>		
<b><u>DEFERRED TAX LIABILITY</u></b>		
Opening Balance b/f	2,068,284	1,109,575
Add: During the year	<u>82,813</u>	<u>958,709</u>
	<u>2,151,097</u>	<u>2,068,284</u>

**SCHEDULE D: SCHEDULE OF FIXED ASSETS**  
**DEPRECIATION CHART AS PER STRAIGHT LINE METHOD FOR THE YEAR ENDED ON 31ST MARCH, 2010**

Amount in Rs.

PARTICULARS		GROSS BLOCK				DEPRECIATION				NET BLOCK	
NAME OF THE ASSETS	RATE %	COST AS ON 01-04-09	ADDITION DURING THE YEAR	SALES DURING THE YEAR	COST AS ON 31-03-10	DEPR. UPTO 31-03-09	WITHDAR DURING THE YEAR	DEPR. DURING THE YEAR	DEPR. UPTO 31-03-10	AS ON 31-03-10	AS ON 31-03-09
Land	0.00	430,627	-	-	430,627	-	-	-	-	430,627	430,627
Building	1.63	9,659,801	-	-	9,659,801	1,310,577	-	157,455	1,468,032	8,191,769	8,349,224
Plant & Machinery	4.75	44,173,151	1,267,300	-	45,440,451	23,683,688	-	2,158,421	25,842,109	19,598,342	20,489,463
Planting Material	4.75	7,700,905	-	-	7,700,905	3,948,995	-	365,793	4,314,788	3,386,117	3,751,910
Electrical Inst.	4.75	2,863,594	52,500	-	2,916,094	1,489,319	-	138,514	1,627,833	1,288,261	1,374,275
Furniture & Fixture	6.33	67,836	-	-	67,836	15,731	-	4,294	20,025	47,811	52,105
Tools & Equipments	4.75	399,271	-	-	399,271	89,354	-	18,965	108,319	290,952	309,917
Two Wheeler (Scooter)	7.07	23,000	-	-	23,000	4,878	-	1,626	6,504	16,496	18,122
Cold Storage Unit	4.75	-	648,713	-	648,713	-	-	30,814	30,814	617,899	-
Motor Car	7.07	-	1,028,971	-	1,028,971	-	-	72,748	72,748	956,223	-
Refrigerated Van	7.07	-	891,876	-	891,876	-	-	63,056	63,056	828,820	-
<b>Total</b>		<b>65,318,185</b>	<b>3,889,360</b>	<b>-</b>	<b>69,207,545</b>	<b>30,542,542</b>	<b>-</b>	<b>3,011,686</b>	<b>33,554,228</b>	<b>35,653,317</b>	<b>34,775,643</b>
<b>Previous Year Total</b>		<b>65,298,585</b>	<b>19,600</b>	<b>-</b>	<b>65,318,185</b>	<b>27,760,163</b>	<b>-</b>	<b>2,782,379</b>	<b>30,542,542</b>	<b>34,775,643</b>	<b>37,538,422</b>

## SCHEDULES (Contd....)

PARTICULARS	Current Year ended 31-03-2010 Rs.	Previous Year ended 31-03-2009 Rs.
<b>SCHEDULE 'E':</b>		
<b>SUNDRY DEBTORS (unsecured, considered good)</b>		
Debts outstanding for a period exceeding 6 months	132,052	9,980,376
Other Debts	1,801,690	1,151,342
	<u>1,933,742</u>	<u>11,131,718</u>
<b>SCHEDULE 'F':</b>		
<b>CASH &amp; BANK BALANCES</b>		
Cash in hand (Certified by Director)	300,438	308,215
Balance with Schedule Banks in Current Account	1,898,033	56,154
	<u>2,198,471</u>	<u>364,369</u>
<b>SCHEDULE 'G':</b>		
<b>LOANS AND ADVANCES</b>		
Advances recoverable in cash or kind for value to be received.	119,380,000	33,907,190
Deposits	7,500	12,500
Income Tax for the A. Y. 2006-2007	118,894	118,894
Income tax for the A. Y. 2007-2008	-	416,248
Income tax for the A. Y. 2008-2009	607,248	607,248
Income tax for the A. Y. 2009-2010	472,879	496,026
Income tax for the A. Y. 2010-2011	432,070	-
Staff Advance	4,088	271,000
F. B. T. for A. Y. 2008-09	1,080	1,080
F. B. T. for A. Y. 2009-10	-	6,180
VAT Refundable for F. Y. 2008-09	17,328	17,328
VAT Refundable for F. Y. 2009-10	43,606	-
Advance given to creditors	-	2,515
	<u>121,084,693</u>	<u>35,856,209</u>
<b>SCHEDULE 'H':</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
A) Statutory Liabilities		
Service Tax Payable	51,258	35,663
T.D.S. Payable on Legal & Professional Fess	8,296	1,194
T.D.S. Payable to Contractors & Sub-Contractors	-	3,214
Profession Tax (Staff)	5,895	4,080
Interest on T.D.S. Payable	115	-
	<u>65,564</u>	<u>44,151</u>
B) Other Current Liabilities		
Sundry Creditors	698,884	8,119,320
Audit Fees Payable	19,532	33,563
Legal & Professional Fees Payable	28,469	8,400
Advance received from Debtors	150,000	-
Provision for I. T. A. Y. 10-11	41,408	-
Provision for F. B. T. A. Y. 09-10	-	8,031
	<u>938,293</u>	<u>8,169,314</u>
Total (A+B)	<u>1,003,857</u>	<u>8,213,465</u>



**SCHEDULES (Contd....)**

PARTICULARS	Current Year ended 31-03-2010 Rs.	Previous Year ended 31-03-2009 Rs.
<b>SCHEDULE 'I':</b>		
<b>MISCELLANEOUS EXPENDITURE</b>		
(to the extent not w/off or adjusted)		
Issue Expenses	2,085,543	2,198,703
Less: W/off during the year	<u>113,160</u>	<u>113,160</u>
	<u>1,972,383</u>	<u>2,085,543</u>
Deferred Revenue Expenditure	630,450	700,500
Less: W/off during the year	<u>70,050</u>	<u>70,050</u>
	<u>560,400</u>	<u>630,450</u>
	<u>2,532,783</u>	<u>2,715,993</u>
<b>SCHEDULE 'J':</b>		
<b>SALES &amp; OTHER INCOMES</b>		
Sales of Floriculture	3,784,780	2,508,009
Sales of Shares	2,072,538	-
Sales of Iron & Steel	-	10,905,540
Brokerage & Commission	2,323,696	1,754,432
Interest Received	2,168,649	1,650,670
Profit on Sale of Shares	7,763	-
Discount	14,917	-
VAT refundable	43,606	-
	<u>10,415,949</u>	<u>16,818,651</u>
<b>SCHEDULE 'K':</b>		
<b>PURCHASES &amp; CONSUMABLES</b>		
Opening Stock	-	-
Add: Purchases of Iron & Steel	-	10,332,636
Add: Purchases of Shares	<u>2,551,128</u>	-
	<u>2,551,128</u>	<u>10,332,636</u>
Less: Closing Stock of Shares	<u>592,890</u>	-
	<u>1,958,238</u>	<u>10,332,636</u>
Consumable Stores	<u>778,958</u>	<u>738,999</u>
	<u>2,737,196</u>	<u>11,071,635</u>
<b>SCHEDULE 'L':</b>		
<b>A) ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Wages & Labour	384,379	310,472
Packing Charges	76,097	54,922
Transportation & Hamali Charges	-	225,558
Electricity Expenses	41,792	11,711
Repair & Maintenance (Plant & Machinery)	156,023	31,383
Discount	-	14,965
	<u>658,291</u>	<u>649,011</u>

## SCHEDULES (Contd....)

PARTICULARS	Current Year ended 31-03-2010 Rs.	Previous Year ended 31-03-2009 Rs.
<b>B) OTHER EXPENSES</b>		
<u>Payment to &amp; Provisions made for employees</u>		
i) Salaries & Leave wages	568,460	338,422
ii) Bonus	59,213	48,270
Staff Welfare	33,236	18,983
Printing & Stationery	129,096	122,200
Telephone Expenses	38,049	42,939
Postage & Stamps	22,150	21,070
Conveyance Charges	74,400	30,150
Travelling Expenses	166,188	67,484
<u>Payment to Statutory Auditors</u>		
i) as Statutory Auditors	15,565	14,150
ii) in Other Capacity	-	5,000
Tax Audit Fees	21,354	19,413
Advertisement Expenses	13,119	6,817
Legal & Professional Charges	157,936	146,975
Bank commission	11,226	2,801
Miscellaneous Expenses	20,913	26,428
Profession Tax (Company)	2,500	2,500
Vehicle Expenses	64,634	10,752
Issue Expenses w/off	113,160	113,160
Annual Fees	49,635	39,097
Annual General Meeting Expenses	19,850	17,930
Share Transfer Expenses	18,207	11,586
Fees & Fine	100,551	9,464
Service Tax Paid	216,991	197,019
<u>Repairs &amp; Maintenance</u>		
i) On Building	346,445	193,566
ii) On Others	44,576	13,731
Clearing & Forwarding Charges	685,771	-
Demat Charges	1,206	-
Sales Tax Paid A/c	-	1,154
Insurance Charges	80,310	15,394
Rates & Taxes	-	3,099
Deferred revenue expenditure w/off	70,050	70,050
Bank Charges	6,583	-
Business Promotion Exp.	22,814	-
Service Tax Paid on Shares	745	-
Stamp Duty Paid on Shares	485	-
T. O. Charges Paid on Shares	237	-
Foreign Exchange Fluctuation	128,416	-
	3,304,071	1,609,604
Total (A+B)..	3,962,362	2,258,615

**SCHEDULE 'M':**

**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2010**

- 1 Contingent Liability not acknowledged as Debt is Rs. Nil (Nil).
- 2 In the opinion of the Board of Directors, the Current assets, loans and advances have a value which on realisation in the ordinary course of Business would be at least equal to the amount stated in the Balance Sheet.
- 3 Significant Accounting Policies :
  - (A) The Company generally follows mercantile method of accounting except the following which are accounted on cash basis.
    - i) Gratuity and incentives to employees
    - ii) Income from investment
    - iii) Claims and interest due on overdue bills.
  - (B) Depreciation on fixed assets have been provided on straight line method as per schedule XIV of the Companies Act, 1956, on Single shift basis.
- 4 Income Tax :
 

Income taxes are accounted for in accordance with Accounting Standard 22 on Accounting for Taxes on Income. Taxes comprise both current and deferred tax.

Current tax is measured at amount expected to be paid to the taxation authorities, using the applicable tax rates and tax laws.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax assets or liability.

They are measured using the substantively enacted rates and tax regulations.
- 5 Pursuant to Clause 32 of the Listing Agreement, on disclosure of Loans/Advances in the nature of loans, the relevant information is provided hereunder :

Sr. No.	Particulars	Closing Balance as on 31.03.2010 (Rs.)	Maximum amount due during the year (Rs.)
1.	Loans & Advances to a Company in which key management person or his relatives have substantial interest (Note 1): Surajbhan Rajkumar Pvt. Ltd.	-	27,312,190

Note 1 :

There are no repayment schedule for the loans and advances to the companies in which key management person or his relatives have substantial interest, as mentioned above, as these are in the nature of current account and repayable on demand.

**SCHEDULE 'M':**

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2010

6 Pursuant to compliance of Accounting Standard (AS) 18 "Related Party Disclosures", provisions of section 301 of the Companies Act, 1956, as per Point (iii)(a) of the Annexure to the Companies (Auditor's Report) Order, 2003 and also the loans taken or granted by the Company which is covered under section 370(1-B) of the Companies Act, 1956, the relevant information is provided hereunder :

A) Related Parties where control exists

Sr. No.	Name of Party	Relationship
1	Rajkumar B. Agarwal	Key Management Personnel
2	Pawankumar B. Agarwal	Key Management Personnel

B) The details of the related parties with whom transactions have taken place in the current and the preceeding year.

**Name of the Party - Surajbhan Rajkumar Private Limited (A Company in which key management person or his relatives have substantial interest/significant influence)**

Amount in Rs.

Sr. No.	Nature of Transaction	Current Year			Preceeding Year		
		Loan Given	Loan Taken	Closing Balance (Dr.)	Loan Given	Loan Taken	Closing Balance (Dr.)
1	Loan Transactions	53,806,386	53,806,386	-	32,274,939	13,687,749	18,587,190
2	Interest Received	1,709,196			1,530,670		

7 Pursuant to compliance of Accounting Standard (AS) 17 regarding "Segment Reporting" the relevant information is provided here below :

Particulars	Floriculture	Trading in Steel	Brokerage	Total
<b>REVENUE</b>				
Local sales	1,757,948	2,072,538	-	3,830,486
Export	2,026,832	-	-	2,026,832
Total sales	3,784,780	2,072,538	-	5,857,318
<b>Other Income</b>				
Interest Received	2,168,649	-	-	2,168,649
Profit on Sale of Shares	-	7,763	-	7,763
Discount	14,917	-	-	14,917
Vat refundable	43,606	-	-	43,606

<b>Particulars</b>	<b>Floriculture</b>	<b>Trading in Steel</b>	<b>Brokerage</b>	<b>Total</b>
Closing stock of Shares	-	592,890	-	592,890
Brokerage & Commission	-	-	2,323,696	2,323,696
<b>Total Revenue</b>	<b>6,011,952</b>	<b>2,673,191</b>	<b>2,323,696</b>	<b>11,008,839</b>
<b>EXPENDITURE</b>				
Purchases	-	2,551,128	-	2,551,128
Consumable Stores	778,958	-	-	778,958
Demat Charges	-	1,206	-	1,206
Service Expenses	-	1,467	216,991	218,458
Foreign Exchange Fluctuation	128,416	-	-	128,416
Other Expenses	6,625,968	-	-	6,625,968
Unallocated Expenses	-	-	-	-
<b>Total Expenditure</b>	<b>7,533,342</b>	<b>2,553,801</b>	<b>216,991</b>	<b>10,304,134</b>
<b>SEGMENT RESULT</b>				
Operating Profit	(1,521,390)	119,390	2,106,705	704,705
Interest Expenses	436,700	-	-	436,700
Prov. For Income-tax	64,555	-	-	64,555
Deferred Tax Liability	82,813	-	-	82,813
<b>Net profit</b>	<b>(2,105,458)</b>	<b>119,390</b>	<b>2,106,705</b>	<b>120,637</b>
<b>OTHER INFORMATION</b>				
Segment assets				
Fixed Assets	35,653,317	-	-	35,653,317
Loans & Advances	119,392,668	-	-	119,392,668
Investments	816,013	-	-	816,013
Sundry Debtors	1,439,723	-	494,019	1,933,742
Cash in hand	300,438	-	-	300,438
Bank A/c	1,898,033	-	-	1,898,033
VAT refundable	60,934	-	-	60,934
I. T. refundable	1,631,091	-	-	1,631,091
Closing Stock	-	592,890	-	592,890
Profit & Loss A/c	2,105,458	-	-	2,105,458
Unallocated Profit & Loss A/c	-	-	-	-
Unallocated assets	-	-	-	2,532,783
<b>Total assets</b>	<b>163,297,675</b>	<b>592,890</b>	<b>494,019</b>	<b>166,917,367</b>
Segment liabilities				
Bank O/D	3,790,826	-	-	3,790,826
Secured Loan	1,926,672	-	-	1,926,672
Sundry Creditors	698,836	48	-	698,884
Deferred Tax Liability	2,151,097	-	-	2,151,097
Profession Tax & T. D. S.	14,306	-	-	14,306
Service Tax	-	-	51,258	51,258
Provisions	239,409	-	-	239,409
Shareholders' Funds	153,321,500	-	-	153,321,500
Profit & Loss A/c	-	119,390	2,106,705	2,226,095
Unallocated Reserves & Surplus	-	-	-	2,497,320
<b>Total liabilities</b>	<b>162,142,646</b>	<b>119,438</b>	<b>2,157,963</b>	<b>166,917,367</b>
Capital Expenditure	3,889,360	-	-	3,889,360
Depreciation	3,011,686	-	-	3,011,686
Amortisation	183,210	-	-	183,210

**ELEGANT FLORICULTURE & AGROTECH (INDIA) LIMITED**

<b>Particulars</b>	<b>Floriculture</b>	<b>Trading in Steel</b>	<b>Brokerage</b>	<b>Total</b>
Closing stock of Shares	-	592,890	-	592,890
Brokerage & Commission	-	-	2,323,696	2,323,696
<b>Total Revenue</b>	<b>6,011,952</b>	<b>2,673,191</b>	<b>2,323,696</b>	<b>11,008,839</b>
<b>EXPENDITURE</b>				
Purchases	-	2,551,128	-	2,551,128
Consumable Stores	778,958	-	-	778,958
Demat Charges	-	1,206	-	1,206
Service Expenses	-	1,467	216,991	218,458
Foreign Exchange Fluctuation	128,416	-	-	128,416
Other Expenses	6,625,968	-	-	6,625,968
Unallocated Expenses	-	-	-	-
<b>Total Expenditure</b>	<b>7,533,342</b>	<b>2,553,801</b>	<b>216,991</b>	<b>10,304,134</b>
<b>SEGMENT RESULT</b>				
Operating Profit	(1,521,390)	119,390	2,106,705	704,705
Interest Expenses	436,700	-	-	436,700
Prov. For Income-tax	64,555	-	-	64,555
Deferred Tax Liability	82,813	-	-	82,813
<b>Net profit</b>	<b>(2,105,458)</b>	<b>119,390</b>	<b>2,106,705</b>	<b>120,637</b>
<b>OTHER INFORMATION</b>				
<b>Segment assets</b>				
Fixed Assets	35,653,317	-	-	35,653,317
Loans & Advances	119,392,668	-	-	119,392,668
Investments	816,013	-	-	816,013
Sundry Debtors	1,439,723	-	494,019	1,933,742
Cash in hand	300,438	-	-	300,438
Bank A/c	1,898,033	-	-	1,898,033
VAT refundable	60,934	-	-	60,934
I. T. refundable	1,631,091	-	-	1,631,091
Closing Stock	-	592,890	-	592,890
Profit & Loss A/c	2,105,458	-	-	2,105,458
Unallocated Profit & Loss A/c	-	-	-	-
Unallocated assets	-	-	-	2,532,783
<b>Total assets</b>	<b>163,297,675</b>	<b>592,890</b>	<b>494,019</b>	<b>166,917,367</b>
<b>Segment liabilities</b>				
Bank O/D	3,790,826	-	-	3,790,826
Secured Loan	1,926,672	-	-	1,926,672
Sundry Creditors	698,836	48	-	698,884
Deferred Tax Liability	2,151,097	-	-	2,151,097
Profession Tax & T. D. S.	14,306	-	-	14,306
Service Tax	-	-	51,258	51,258
Provisions	239,409	-	-	239,409
Shareholders' Funds	153,321,500	-	-	153,321,500
Profit & Loss A/c	-	119,390	2,106,705	2,226,095
Unallocated Reserves & Surplus	-	-	-	2,497,320
<b>Total liabilities</b>	<b>162,142,646</b>	<b>119,438</b>	<b>2,157,963</b>	<b>166,917,367</b>
Capital Expenditure	3,889,360	-	-	3,889,360
Depreciation	3,011,686	-	-	3,011,686
Amortisation	183,210	-	-	183,210

**SCHEDULE 'M':**

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2010

- 8 As per the information given by the Company, there are no suppliers who are covered under the Micro, Small and Medium Enterprises Development Act, 2006.
- 9 Figures in brackets represent the figures of the previous year and have been regrouped / rearranged wherever necessary.
- 10 During the year the Company has created deferred tax liability of Rs. 82,813/-.
- 11 The Company has allotted 93,65,000 Equity Shares of Rs. 10/- each on conversion of warrants on 19-12-2009. Out of the total 93,65,000 Equity Shares, 7,65,000 Equity Shares are allotted to the promoters and 86,00,000 Equity Shares are allotted to persons other than promoters.

12 Additional information pursuant to the provision of paragraph 3(x)(f), 4C and 4D of part II of Schedule VI of the Companies Act, 1956.

	Amount in Rs.	Amount in Rs.
a) <u>Amount paid / payable to auditors</u>		
Statutory Audit fees	15,565	(14,150)
For Other Matters	NIL	(5,000)
b) <u>Expenditure / Income in Foreign Currency</u>		
Expenditure in Foreign Currency	NIL	(NIL)
Earnings in Foreign Currency	2,026,832	(149,551)
c) Quantitative details for Flowers :	<b>Current Year 31-03-2010</b>	<b>Previous Year 31-03-2009</b>
i) Licensed Capacity	Not Applicable	Not Applicable
ii) Installed Capacity	22.50 Lacs (Flowers)	22.50 Lacs (Flowers)
iii) Actual Production	11.45 Lacs (Flowers)	12.69 Lacs (Flowers)
iv) Opening Stock, Purchases, Sales & Closing Stock (Flowers)		

Particulars	Current Year (No. In Lacs)	Previous Year (No. In Lacs)	Current Year (in Rs. Lacs)	Previous Year (in Rs. Lacs)
Opening Stock	NIL	NIL	NIL.	NIL
Production	11.45	12.69	N.A.	N.A.
Sales	11.45	12.69	37.84	25.08
Closing Stock	NIL	NIL	NIL	NIL

13 Pursuant to compliance of Accounting Standard (AS) 20 "Earnings per Share", the relevant information is provided here below :

Particulars	Amount (Rs.)
1 Net profit / (loss) after tax as per Profit & Loss A/c	120,637
2 No. of Equity shares of Rs. 10/- during the year	15,365,000
3 Earnings/(Loss) per equity share of Rs. 10/- Each Basic/Diluted (1)/(2) (EPS)	0.01



**SCHEDULE 'M':**

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2010

**14 Balance Sheet Abstract and Company's General Business Profile :****i. Registration Details :**

Registration No.	11-73872
State Code	11
Balance Sheet Date	31st March, 2010

**ii. Capital raised during the year : (Rs. in Lacs)**

Public Issue	936.50
Rights Issue	0.00
Bonus Issue	0.00
Private Placement	0.00

**iii. Position of Mobilisation and Deployment of funds :**

Total Liabilities	1,648.52
Total Assets	1,648.52

**Sources of Funds :**

Paid up Capital	1,533.22
Reserves & Surplus	26.58
Secured Loans	57.17
Unsecured Loans	0.00
Deferred Tax Liability	21.51

**Application of Funds :**

Net Fixed Assets	356.53
Investment	8.16
Net Current Assets	1,248.06
Miscellaneous Expenditure	25.33
Accumulated Losses	0.40

**SCHEDULE 'M':**

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2010

<u>Performance of Company</u>	(Rs. in Lacs)
Turnover/Income	104.16
Total Expenditure	101.48
 Profit before Taxation	 2.68
Less : Deferred Tax Assets	0.83
Less: Provision for Tax	0.65
Less: Provision for FBT	0.00
 Profit after tax	 1.20
 Earnings Per Share in (Rs.)	 0.01
Dividend Rate	0.00

Generic Names of principal products/ services of the Company.

Item Code no. :	
Product Description :	Growing of Cut Flowers

Signature to Schedule 'A' to 'M'

As per our report of even date  
For SHIV PAWAN & COMPANY  
*Chartered Accountants*

For ELEGANT FLORICULTURE &  
AGROTECH (INDIA) LIMITED

Sd/-  
(S.H.GARG)  
*Partner*

Sd/-  
(RAJ KUMAR AGARWAL)  
*Director*

Sd/-  
(PAWAN KUMAR AGARWAL)  
*Director*

Place : Navi Mumbai  
Date : 15th June, 2010

**ANNEXURE TO CLAUSE - 32 OF THE LISTING AGREEMENT  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010**

<b>A.</b>	<b><u>Cash Flow from Operating Activities</u></b>	<b>Rs. In Lacs</b>
	Net Profit After tax and extraordinary items	1.21
	<u>Add :</u> Depreciation	30.12
	Deferred Tax Liability during the year	0.83
	Issue Expenses Written Off	1.13
	Deferred Revenue Expenditure W/o during the year	0.70
	<u>Add:</u> Items considered separately	
	Interest Paid	4.37
	<u>Less:</u> Items considered separately	
	Interest Received	(21.69)
	Operating Profit before Working Capital Changes	16.67
	Changes in Working Capital	
	Decrease in Sundry Debtors	91.98
	Decrease in Other Current Assets	2.44
	Increase in Closing Stock	(5.93)
	Decrease in Sundry Creditors	(74.20)
	Increase in Short Term Borrowings	13.61
	Increase in Other Current Liabilities	2.10
	Net Changes in Working Capital	30.00
	Cash Flow from Operating Activities	46.67
	Less: Taxes Paid	-
	<b><u>Net Cash Flow from Operating Activities</u></b>	<b>46.67</b>
<b>B.</b>	<b><u>Cash Flow from Investment Activities :</u></b>	
	Purchase of Fixed Assets	(38.89)
	Investment in Fixed Deposit	(8.16)
	Increase in Loans & Advances	(854.73)
	Interest Received	21.69
	<b><u>Net Cash Flow from Investment Activities</u></b>	<b>(880.09)</b>
<b>C.</b>	<b><u>Cash Flow from Financing Activities :</u></b>	
	Proceeds from Issue of Equity Shares	836.50
	Increase in Capital reserve	19.63
	Interest Paid	(4.37)
	<b><u>Net Cash Flow form Financing Activities</u></b>	<b>851.76</b>
	<b><u>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</u></b>	<b>18.34</b>
	Cash & Cash Equivalents as at 31st March, 2009	3.64
	<b><u>Cash &amp; Cash Equivalents as at 31st March, 2010</u></b>	<b>21.98</b>

As per our report of even date  
For SHIV PAWAN & COMPANY  
Chartered Accountants

Sd/-  
(S.H.GARG)  
Partner

Sd/-  
(RAJ KUMAR AGARWAL)  
Director

For ELEGANT FLORICULTURE &  
AGROTECH (INDIA) LIMITED

Sd/-  
(PAWAN KUMAR AGARWAL)  
Director

Place : Navi Mumbai  
Date : 15th June, 2010

**AUDITORS' CERTIFICATE**

We have audited the attached Cash Flow Statement of **ELEGANT FLORICULTURE & AGROTECH (I) LIMITED, MUMBAI**, as at 31st March, 2010. The statement is made by the Company and in accordance with the requirement of listing agreement Clause 32 with Stock Exchange and is based on and in agreement with the corresponding profit and loss account and balance sheet of the Company covered by our report dated 15th June 2010, to the members of the Company.

For SHIV PAWAN & COMPANY  
*Chartered Accountants*

Sd/-  
(S.H.GARG)  
*Partner*

Place : Navi Mumbai  
Date : 15th June, 2010

**ELEGANT FLORICULTURE & AGROTECH (INDIA) LIMITED**  
 Regd. Office: Village Mouje-Kashal, Taluka-Maval, Wadgaon, Dist. Pune.

**ATTENDANCE SLIP**

**Annual General Meeting 31st August, 2010**

Name : \_\_\_\_\_ No. of Shares : \_\_\_\_\_  
 Address : \_\_\_\_\_ Jt. Holder : \_\_\_\_\_  
 1 \_\_\_\_\_ F/H Name : \_\_\_\_\_  
 2 \_\_\_\_\_

<p><b>For Shares held in Physical Mode</b>                  Regd. Folio No. _____                  (Please note that folio No. must be provided)</p>	<p><b>For Shares held in Electronic Mode</b>                  DPID No. _____ CLIENT ID No. _____                  (Please note that both DPID No. and CLINT ID No. <b>must be provided</b>)</p>
--	---

I certify that I am a registered Shareholder / Proxy for the registered Shareholder of the Company.

I hereby record my presence at the 17th Annual General Meeting of the Company to be held on August 31st, 2010 at 2:00 p.m. at Village Mouje-Kashal, Taluka-Maval, Wadgaon, Dist. Pune.

Member's/Proxy's name in BLOCK LETTERS \_\_\_\_\_ Member's/Proxy's Signature \_\_\_\_\_  
**Note** : Please fill in this attendance slip and at the time of handling it over for registration at the above address

**ELEGANT FLORICULTURE & AGROTECH (INDIA) LIMITED**  
 Regd. Office: Village Mouje-Kashal, Taluka-Maval, Wadgaon, Dist. Pune.

**PROXY FORM**  
**Annual General Meeting 31st August, 2010**

<p><b>For Shares held in Physical Mode</b>                  Regd. Folio No. _____                  (Please note that folio No. must be provided)</p>	<p><b>For Shares held in Electronic Mode</b>                  DPID No. _____ CLIENT ID No. _____                  (Please note that both DPID No. and CLINT ID No. <b>must be provided</b>)</p>
--	---

I / We \_\_\_\_\_ of \_\_\_\_\_  
 in the district of \_\_\_\_\_ being a member /members of the above named Company,  
 hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_  
 or failing him \_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to vote for me/us on my/our behalf, at the 17th Annual General Meeting of the Company to be held on Tuesday, the 31st August, 2010 at 2.00 p.m. at Village Mouje-Kashal, Taluka-Maval, Wadgaon, Dist. Pune and at any adjournmant thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2010  
 Signed by proxy \_\_\_\_\_ Signature of the member \_\_\_\_\_

Affix Rs. 1/- Revenue Stamp
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**NOTE** : The form in order effective must be stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the Commenment of Meeting.

**BOOK-POST**  
**PRINTED MATTER**  
**U.P.C**

**TO:**

**If Undelivered, please return to :**  
**ELEGANT FLORICULTURE &**  
**AGROTECH (INDIA) LIMITED**  
**Village Mouje-Kashal,**  
**Taluka-Maval, Wadgaon,**  
**Dist. Pune.**