

**RAGHUVANSH AGROFARMS LIMITED**

**Registered Office:** 201-202, Namdhari Chambers, Karol Bagh, New Delhi, 110005.

Tel. No. +91-11-23634461, Email id: raghuvanshagro@gmail.com

**CIN:** U02001DL1996PLC258176

**NOTICE OF ANNUAL GENERAL MEETING**

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Notice is hereby given that the 18<sup>th</sup> Annual General Meeting of Raghuvansh Agrofarms Limited will be held on Monday, 4<sup>th</sup> Day of August, 2014 at 11.00 A.M. at Registered Office of the Company at 201-202, Namdhari Chambers, Karol Bagh, New Delhi, 110005, to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014, and Statement of Profit and Loss for the year ended on that date together with the Reports of the Board of Directors and the Auditors thereon.
2. Appointment of Auditors:

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 140 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s Naval Kapur & Co., Chartered Accountants (Firm Registration No. [005851C] be and is hereby appointed as Statutory Auditors of the Company in place of retiring auditors M/s Rajani Mukesh & Associates, Chartered Accountants (Firm Registration No. 004072C), to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 23<sup>rd</sup> Annual General Meeting of the Company to be held in the year 2019 (subject to ratification of their appointment at every AGM), at such remuneration as may be fixed by the Board of Directors of the Company based on recommendation of Audit Committee plus service tax, out-of-pocket, travelling and living expenses, etc."

**SPECIAL BUSINESS**

3. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 149, 150 152, 160, 161 and any other applicable provisions of the Companies Act, 2013 and any rules made thereunder read with Schedule IV to the Companies Act, 2013, Mr. Vishal Maheshwari, who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. January 13, 2014 and designated as Chairman of the Board of Directors w.e.f July 08, 2014 and who holds office up to the date of this Annual General meeting and in respect of whom the Company has received a notice in writing from a member proposing the candidature of Mr. Vishal Maheshwari for the office of the Director of the Company, be and is hereby elected and appointed as an Independent Director of the Company to hold office upto December 31, 2018, and whose office shall not be liable to retire by rotation.

4. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 149, 150 152, 160, 161 and any other applicable provisions of the Companies Act, 2013 and any rules made thereunder read with Schedule IV to the Companies Act, 2013, Mr. Rajesh Kumar, who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. July 01, 2014 and who holds office up to the date of this Annual General meeting and in respect of whom the Company has received a notice in writing from a member proposing the candidature of Mr. Mr. Rajesh Kumar for the office of the Director of the Company, be and is hereby elected and appointed as an Independent Director of the Company to hold office upto December 31, 2018, and whose office shall not be liable to retire by rotation.”

5. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152, 161 and any other applicable provisions of the Companies Act, 2013 and any rules made thereunder read with Schedule IV to the Companies Act, 2013, Mr. Subhash Ghosh, who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. July 01, 2014 and who holds office up to the date of this Annual General meeting and in respect of whom the Company has received a notice in writing from a member proposing the candidature of Mr. Subhash Ghosh for the office of the Director of the Company, be and is hereby elected and appointed as an Non-Executive Non-Independent Director of the Company, whose period of office shall be liable to determination by retirement of directors by rotation.”

6. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152, 161 and any other applicable provisions of the Companies Act, 2013 and any rules made thereunder read with Schedule IV to the Companies Act, 2013, Mrs. Renu Agarwal who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. July 01, 2014 and who holds office up to the date of this Annual General meeting and in respect of whom the Company has received a notice in writing from a member proposing the candidature of Mrs. Renu Agarwal for the office of the Director of the Company, be and is hereby elected and appointed as Non-Executive Non-Independent Director, whose period of office shall be liable to determination by retirement of directors by rotation.”

7. To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT,** pursuant to the provisions of Section 61 and all other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof, for the time being in force) (the “Act”) read with the rules made thereunder, to the extent notified and in effect, the applicable provisions, if any, of the Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon notification of sections of the Act) and pursuant to the provisions of the Memorandum and Articles of Association of the Company, consent and approval of the Members of the Company be and is hereby accorded to increase the existing Authorised

Share Capital of the Company of Rs.10,30,00,000 (Rupees Ten Crore and Thirty Lakhs only) divided into 1,03,00,000 (One Crore Three Lakh only) Equity Shares of Rs. 10 (Rupees Ten) each, to Rs.12,30,00,000 (Rupees Twelve Crore and Thirty Lakhs only) divided into 1,23,00,000 (One Crore Twenty Three Lakh only) Equity Shares of Rs. 10 (Rupees Ten) each.

**RESOLVED FURTHER THAT**, the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof with the following new Clause V:

"V. The Share Capital of the Company is Rs.12,30,00,000 (Rupees Eight Hundred Crores only) (Rupees Twelve Crore and Thirty Lakhs only) divided into 1,23,00,000 (One Crore Twenty Three Lakh only) Equity Shares of Rs. 10 (Rupees Ten) each."

**RESOLVED FURTHER THAT**, for the purpose of giving effect to this Resolution, the Board of Directors, be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard, as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding."

8. To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and all applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) (the "**Act**") read with the rules made thereunder, to the extent notified and in effect, the applicable provisions, if any, of the Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon notification of sections of the Act) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Listing Agreement(s) to be entered into by the Company with the Stock Exchange(s) where the Company's Equity Shares are to be listed and subject to the provisions contained in the relevant guidelines, circulars, rules, regulations etc. issued by the Reserve Bank of India ("RBI"), Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (the "Regulations"), approval of the Foreign Investment Promotion Board ("FIPB") and/or such other approvals, permissions and sanctions of all concerned authorities and departments, if and to the extent necessary and subject to such conditions and modifications as may be prescribed in granting such permissions, approvals and sanctions which may be agreed to by the Board of Directors or a Committee thereof, the members of the Company hereby authorize to Offer, issue and allot, Equity Shares of face value of Rs. 10/- each, in terms of an offer document/ prospectus, whether through an Initial Public Offer, Private Placement(s) or otherwise, and on such terms of issue or other conditions as the Board or a Committee thereof may, in its absolute discretion consider fit, including the premium charged on such Equity Shares and all related or incidental matters in consultation with BSE Limited, Securities and Exchange Board of India or such other authorities as may be prescribed and in accordance with the Regulations or other provisions of law as may be prevailing at that time and in such manner as may be determined by the Board or a Committee thereof, for an aggregate amount not exceeding Rs. 5,00,00,000/- (Rupees Five Crore Only), out of the authorised share capital of the Company to such category of person(s) who may or may not be the shareholders of the Company, as the Board or a

Committee thereof may in its absolute discretion decide, including one or more of the members, promoters, employees of the Company, Indian Nationals, Non-Resident Indians ("NRIs"), Companies, Private Limited or Public Limited, Investment Institutions, Societies, Trusts, Research Organisations, Qualified Institutional Buyers ("QIBs") like Foreign Institutional Investors ("FIIs"), Banks, Financial Institutions, Indian Mutual Funds, Venture Capital Funds, Foreign Venture Capital Investors, State Industrial Development Corporations, Insurance Companies, Provident Funds, Pension Funds, Development Financial Institutions or other entities, authorities or any other category of investors which are authorized to invest in Equity Shares of the Company as per extant regulations/guidelines, and to such other persons in one or more combinations thereof.

**RESOLVED FURTHER THAT** the Equity Shares so issued and allotted will rank pari passu in all respects with the then existing fully paid up ordinary Equity Shares of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to issue or allotment of Equity Shares, the Board or a Committee thereof be and is hereby authorized to determine the terms of the Initial Public Offer, including the class of investors to whom the securities are to be allotted, reservations of any nature, if any, the number of securities to be allotted in each tranche, issue price, premium amount on issue, listing on one or more Stock Exchange(s) in India [including, but not limited to the SME Platform of such Exchange(s)] or abroad as the Board or a Committee thereof in its absolute discretion deem fit and to do all such acts, deeds, matters and things and execute such deeds, documents and agreements, as it may, in its absolute discretion, deem necessary, proper or desirable, and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise in regard to the Initial Public Offer, issue, allotment and utilization of the issue proceeds, and to accept and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions, as it may, in its absolute discretion, deem fit and proper in the best interest of the Company, including but not limited to issuing shares on a preferential basis to a select investor(s) anytime before the commencement of the proposed Initial Public Offer, without requiring any further approval of the members and that all or any of the powers conferred on the Company and the Board or a Committee thereof vide this resolution may be exercised by the Board or such Committee thereof as the Board may constitute in this behalf.

**RESOLVED FURTHER THAT** the Board/Committee thereof be and is hereby authorised to approve the Draft Red Herring Prospectus/Draft Prospectus, Red Herring Prospectus as well as the Prospectus for the proposed issue of Equity Shares and to authorise any Director or Directors of the Company or any other Officer or Officers of the Company to sign the above documents for and on behalf of the Company together with the authority to vary, amend or modify the same as such authorised person may consider necessary, desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, certificates and/or authorities as may, in the opinion of such authorised persons, be required from time to time.

**RESOLVED FURTHER THAT** the Board and/or IPO Committee/Other designated committee be and is hereby authorized to make any alteration, addition or variation in relation to the Initial Public Offer, in consultation with the book running lead manager(s)/Lead Manager(s) or Stock Exchange(s) or SEBI or such other authorities as may be required, and without prejudice to the generality of the aforesaid, deciding the exact issue structure and the exact component of fresh issue of shares.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to engage the services of or appoint and enter into arrangements with Solicitor(s), Advocate(s), Legal Advisor(s),

Merchant Banker(s), Broker(s), Market Maker(s), Registrar and Transfer Agent(s), Guarantor(s), Depository(s), Custodian(s), and any such other agencies to act as Lead Manager(s), Market Maker(s), Underwriter(s), Registrar(s), Stabilising Agent for the purposes of the green shoe option, if any, Escrow Collection Banker(s)/Collection Banker(s) or in any other capacity or to advise or to certify any matter relating to Company's accounts or otherwise, and to negotiate and finalise the terms of their appointment, including but not limited to changing and/or substituting any one or more of the above agencies, negotiating, finalising and executing the Agreement/Memorandum of Understanding with the Lead Manager(s), Registrar(s) to the Issue, Market Maker(s), Underwriter(s), including terms of appointment and remuneration of the agencies by way of commission, brokerage, fees or otherwise as the Board may in its absolute discretion deem appropriate.

**RESOLVED FURTHER THAT** the Board and/or IPO Committee/Other designated committee be and is hereby authorized to finalise and settle and to execute and deliver or arrange the delivery of the Draft Red Herring Prospectus/Draft Prospectus, the Red Herring Prospectus, the Prospectus, Syndicate Agreement, Underwriting Agreement, Market Making Agreement, Escrow Agreement/Banker to the Issue Agreement, Stabilization Agreement, if any, and all other documents, deeds, agreements and instruments as may be required or desirable in relation to the Initial Public Offer.

**RESOLVED FURTHER THAT** Board and/or IPO Committee/Other designated committee be and is hereby authorized to do all such acts, deeds and things as may be required to dematerialise the equity shares of the Company and to sign agreements and/or such other documents as may be required with National Securities Depository Limited, Central Depository Services (India) Limited and such other agencies, authorities or bodies as may be required in this connection.

**RESOLVED FURTHER THAT: -**

1. All the monies received out of the issue of shares to the public shall be transferred to separate bank account referred to in Sub-section (3) of Section 40 of the Act;
2. Details of all monies utilised out of the Issue referred to in sub-item 1 above shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the purpose for which such monies had been utilised; and
3. Details of all unutilised monies out of the issue of shares, if any, referred to in sub-item 1 above shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the form in which such unutilised monies have been invested;

**RESOLVED FURTHER THAT** the Board and/or IPO Committee/Designated committee of the Board, be and is hereby authorised to take such action, give such directions, as may be necessary or desirable to give effect to this resolution and to do all such acts, matters, deeds and things, including but not limited to the allotment of Equity Shares against the valid applications received in the Initial Public Offering, as are in the best interests of the Company.

**RESOLVED FURTHER THAT** the Company do seek in-principle approval and approval for listing and trading of the Equity Shares on the BSE Limited.

**RESOLVED FURTHER THAT** the Company do execute the listing agreement upon such terms and conditions as may be specified by the BSE Limited.

**RESOLVED FURTHER THAT** Mr. Subodh Agarwal, Managing Director of the Company and/or the Company Secretary and Compliance Officer of the Company be and are hereby

severally authorised to do all such acts and deeds as may be required to sign all such papers and documents as may be necessary to implement the listing agreement.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer/issue, allotment and utilization of the proceeds and further to do all such acts, deeds, matters and things and to finalize and execute all documents and writings as may be necessary, proper, desirable or expedient, as it may deem fit, and to give such directions and/or instructions as it may, from time to time decide, and to accept and give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions, including the premium to be charged on the Equity Shares to vary the size of the issue as required by SEBI, Lead Manager(s), Bank(s) or other authorities or agencies or as the Board may decide in its absolute discretion in the best interest of the Company without requiring any further approval of the members and to do all such acts, deeds, matters or things whatsoever, including settling any question, doubt or difficulty that may arise with regard to or in relation to raising of resources as authorised herein and that all or any of the powers conferred on the Board vide this resolution may be exercised by the Board or such committee thereof as the Board may constitute in this behalf.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred in such manner as it may deem fit.”

9. To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

“**RESOLVED THAT** in supersession of any earlier resolution(s) and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) (the “Act”) read with the rules made thereunder, to the extent notified and in effect, the applicable provisions, if any, of the Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon notification of sections of the Act), consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing any sums of money from time to time from any one or more persons, firms, bodies corporate, or banks or financial institutions whether by way of cash credit, advance or deposits, loans or bill discounting or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company’s assets and properties whether movable or stock-in trade (including raw materials, stores, spare parts and components in stock or in transit) and work-in-progress or all or any of the undertakings of the Company notwithstanding that the monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, but, so, however, that the total amount up to which the monies may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs. 50 Crores (Rupees Fifty Crores).

**RESOLVED FURTHER THAT**, for the purpose of giving effect to this Resolution, the Board of Directors, be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question,

difficulty or doubt that may arise in this regard, as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

10. To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

**“RESOLVED THAT** in supersession of any earlier resolution(s) and pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) (the “Act”) read with the rules made thereunder, to the extent notified and in effect, the applicable provisions, if any, of the Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon notification of sections of the Act), consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company for creation by the Board of Directors on behalf of the Company, of such mortgages/ charges/ hypothecation and floating charges (in addition to the existing mortgages / charges /hypothecation created by the Company in favour of the lenders) in such form and in such manner as may be agreed to between the Board of Directors and the lenders, on all or any of the present and future immovable and / or movable properties of the Company wherever situated, of every nature and kind whatsoever to secure any Indian Rupee or foreign currency loans, Debentures, advances and all other moneys payable by the Company to the lenders concerned, subject, however, to an overall limit of Rs. 50 Crores (Rupees Fifty Crores) of loans or advances already obtained or to be obtained from, in any form including by way of subscription to debentures issued or to be issued by the Company to, any financial institution, bank, body corporate, company, insurer or to the general public.”

**RESOLVED FURTHER THAT**, for the purpose of giving effect to this Resolution, the Board of Directors, be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard, as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

11. To consider and if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to Section 13 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) (the “Act”) read with the rules made thereunder, to the extent notified and in effect, the applicable provisions, if any, of the Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon notification of sections of the Act), consent and approval of the Members of the Company be and is hereby accorded for alteration of Main Object Clause IIIA of Memorandum of Association of the Company by substituting/inserting following sub-clauses:

**Substitute existing sub-clause 2 of Main Object Clause IIIA of Memorandum of Association with the following new sub- clause 2**

2. To carry on in India or elsewhere the business of food preservation & refrigeration plant and multipurpose radiation plant for agro products, food & medical products and also applied business as manufacturers, producers, processors, importers, exporters, agents, brokers, whole sellers, showroom owners, retailers, distributors, exchangers, traders, buyers, sellers, job workers, stockists, and to market, promote, organize, or otherwise to deal in all types of medical food & agro products, tea, coffee, cinchona, rubber and other produce and all type of Organic/inorganic fertilizers, insecticides, pesticides and to do the business of cultivators, viners and buyers of every kind of vegetables and to participate in local, national, and international trade fairs, sales exhibitions, seminars, or any other sales promotion scheme, and involve in research & development activities , technical collaboration, technical transfer, to do all acts and things necessary for the attainment of the above objects.

**Insert the following new sub-clause 3 after substituted sub- clause 2 of Main Object Clause IIIA of Memorandum of Association:**

3.To own, co-own, promote, set up, establish, develop, maintain, run, operate and manage Biogas Plants, gobar-gas, wastes and other residual products and to supply use, purchase, acquire, distribute and apply the same for industrial, commercial, agricultural and domestic or other purpose for providing motive power, electric power, thermal power and other types of power for lighting, heating, cooling, and to supply all such materials, products and things as may be necessary or convenient in connection with the production, use, storage, regulation, measurement, supply and distribution of such products by the Company of every kind and description [whether on a BOO (Build, Own Operate) basis or BOOT (Build, Own, Operate and Transfer) basis or BOLT (Build, Own, Lease and Transfer) basis or otherwise] and to enter into partnership or any arrangement for sharing profits, union of interest, co-operation, joint venture or reciprocal with any person or persons or company or companies carrying on or engaged in any business in relation thereof.

**RESOLVED FURTHER THAT**, for the purpose of giving effect to this Resolution, the Board of Directors, be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard, as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

By order of the Board of Directors  
For **RAGHUVANSH AGROFARMS LIMITED**

Dated: July 08, 2014

Place: Kanpur



**(SUBODH AGARWAL)**  
**Managing Director**  
**DIN: 00122844**



**Notes:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED.**
2. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
3. Members are requested to bring their Client ID and DP ID or Folio Numbers, as may be applicable, for easy identification of attendance at the meeting.
4. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.

**EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013****Item No.3**

The Board of Directors of the Company had appointed Mr. Vishal Maheswari as an Additional Director w.e.f January 13, 2014 pursuant to Section 160 of the Companies Act, 1956. Further, Mr. Vishal Maheswari was designated as Chairman of the Board of Directors w.e.f July 08, 2014. He holds office upto conclusion of this Annual General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Vishal Maheswari for the office of Independent Director, to be appointed as such under the provisions of Section 149 and other applicable provisions of the Companies Act, 2013.

The Company has received a declaration from Mr. Vishal Maheswari in writing to the effect that he meets the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Vishal Maheswari as an Independent Director of the Company up to December 31, 2018 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and he shall not be liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Vishal Maheswari, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management. Accordingly Board of Directors, recommends the passing of the Ordinary Resolution as set out in the Item no. 3 of the Notice.

No Director, Key Managerial personnel or their relatives, except Mr. Vishal Maheswari, to whom the resolution relates, is interested or concerned in the resolution.

**Item No.4**

The Board of Directors of the Company had appointed Mr. Rajesh Kumar as an Additional Director w.e.f July 01, 2014 pursuant to Section 161 of the Companies Act, 2013. He holds office upto conclusion of this Annual General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Rajesh Kumar for the office of Independent Director, to be appointed as such under the provisions of Section 149 and other applicable provisions of the Companies Act, 2013.

The Company has received a declaration from Mr. Rajesh Kumar in writing to the effect that he meets the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Rajesh Kumar as an Independent Director of the Company up to December 31, 2018 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and he shall not be liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Rajesh Kumar, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management. Accordingly Board of Directors, recommends the passing of the Ordinary Resolution as set out in the Item no. 4 of the Notice.

No Director, Key Managerial personnel or their relatives, except Mr. Rajesh Kumar, to whom the resolution relates, is interested or concerned in the resolution.

**Item No.5**

The Board of Directors of the Company had appointed Mr. Subhash Ghosh as an Additional Director w.e.f July 01, 2014 pursuant to Section 161 of the Companies Act, 2013. He holds office upto conclusion of this Annual General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Subhash Ghosh for the office of Non-Executive Director, to be appointed as such under the provisions of Section 149 and other applicable provisions of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Subhash Ghosh as Non-Executive Director of the Company he shall be liable to retire by rotation.

Board of Directors recommends the passing of the Ordinary Resolution as set out in the Item no. 5 of the Notice.

No Director, Key Managerial personnel or their relatives, except Mr. Subhash Ghosh, to whom the resolution relates, is interested or concerned in the resolution.

**Item No.6**

The Board of Directors of the Company had appointed Mrs. Renu Agarwal as an Additional Director w.e.f July 01, 2014 pursuant to Section 161 of the Companies Act, 2013. He holds office upto conclusion of this Annual General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Mrs. Renu Agarwal for the office of Non-Executive Director, to be appointed as such under the provisions of Section 149 and other applicable provisions of the Companies Act, 2013.

In terms of provision of 149 of Companies Act, 2013, certain class of Companies are required to appoint atleast one woman director. Hence, the resolution seeks the approval of members for the appointment of Mrs. Renu Agarwal as Non-Executive Director of the Company he shall be liable to retire by rotation.

Board of Directors recommends the passing of the Ordinary Resolution as set out in the Item no. 6 of the Notice.

No Director, Key Managerial personnel or their relatives, except Mr. Subodh Agarwal, Managing Director and Mrs. Renu Agarwal, to whom the resolution relates, is interested or concerned in the resolution.

#### **Item No.7**

Presently the existing Authorised Share Capital of the Company is Rs.10,30,00,000 divided into 1,03,00,000 Equity Shares of Rs. 10 each and paid up capital of the Company is Rs. 8,31,75,500 divided into 83,17,550 Equity Shares of Rs. 10 each. In order to augment further capital raise by way of Initial Public Offer (IPO) or otherwise, it is necessary to increase the Authorised Share Capital of the Company.

As per the provisions of the Companies Act, 2013, any increase in Authorised Capital and consequent amendment to the Memorandum of Association of the Company requires consent and approval of the Members of the Company by way of Ordinary Resolution.

Board of Directors recommends the passing of the Ordinary Resolution as set out in the Item no. 7 of the Notice.

No Director, Key Managerial personnel or their relatives, is interested or concerned in the resolution except to the extent of their shareholding in the company.

#### **Item No.8**

Board of Directors of the Company has decided to diversify the business activities of the Company and decided to venture into the business of Bio-gas, Gobar-gas, preservation of agro products etc. To meet the long term funding requirement of the newly ventured business of the Company, Board of Directors of the Company proposes to raise the funds through issuance of fresh equity shares via Initial public offer or other methods as may be decided by the Board in due interest of the Company.

In terms of provisions of Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the issuance of Equity Shares is required to be approved by the members of the Company by way of Special Resolution, if

same is not being offered to existing members of the company in proportion of their shareholding in the Company.

Board of Directors recommends the passing of the Special Resolution as set out in the Item no. 8 of the Notice.

No Director, Key Managerial personnel or their relatives, is interested or concerned in the resolution except to the extent of their shareholding in the company.

### **Item No.9 and 10**

Under Section 180 (1)(c) of the Companies Act, 2013, the Board of Directors of a company cannot, except with the consent of the shareholders in general meeting, borrow monies, apart from temporary loans obtained from the company's bankers in the ordinary course of business, in excess of the aggregate of the paid up capital and free reserves of the Company.

The increasing business operations and future growth plans of the Company would necessitate restructuring of the borrowing limits by authorizing the Board of Directors to borrow monies which may exceed at any time the aggregate of the paid-up capital of the Company and its free reserves but not exceeding Rs. 50 Crores.

The borrowings of the Company are, in general, required to be secured by suitable mortgage or charge on all or any of the movable and/ or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company, from time to time, in consultation with the lender(s).

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) read with Section 180 (1)(a) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 9 & 10 of the Notice.

Board of Directors recommends the passing of the Ordinary Resolutions as set out in the Item no. 9 and 10 of the Notice.

No Director, Key Managerial personnel or their relatives, is interested or concerned in the resolution except to the extent of their shareholding in the company.

### **Item No.11**

The Board of Directors of the Company has decided to diversify its business activities in the fields of Bio-gas, Gobar-gas, preservation of agro products etc. To carry on the above mentioned business activities, object clause of Memorandum of Association of the Company is required to be altered to accommodate the above mentioned business activities.

In terms of provisions of the Companies Act, 2013, alteration of object clause of Memorandum of Association of the Company requires approval of members of the Company by way of Special Resolution.

Board of Directors recommends the passing of the Special Resolution as set out in the Item no. 11 of the Notice.

No Director, Key Managerial personnel or their relatives, is interested or concerned in the resolution.

By order of the Board of Directors  
For **RAGHUVANSH AGROFARMS LIMITED**

Dated: July 08, 2014  
Place: Kanpur

A handwritten signature in black ink, appearing to read 'Subodh Agarwal', is written over a faint, circular embossed stamp.

**(SUBODH AGARWAL)**  
**Managing Director**  
**DIN: 00122844**

**PROXY FORM**

Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014

**RAGHUVANSH AGROFARMS LIMITED**

**Registered Office:** 201-202, Namdhari Chambers, Karol Bagh, New Delhi, 110005.

Tel. No. +91-11-23634461, Email id: raghuvanshagro@gmail.com

**CIN:** U02001DL1996PLC258176

Name of the Member  
Registered address  
E-mail Id:  
Folio No/  
DP ID- Client ID

I/We, being the member of \_\_\_\_\_ Shares of above mentioned company hereby appoint:

Name  
Address  
E-mail Id:  
Signature  
**Or failing him / her**

Name  
Address  
E-mail Id:  
Signature  
**Or failing him / her**

Name  
Address  
E-mail Id:  
Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Monday, August 04, 2014 at 11.00 A.M. at the registered office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional <small>refer note 3 below</small>	
		For	Against
<b>Ordinary Business</b>			
1	Adoption of Balance Sheet, Statement of Profit and Loss and the Reports of the Board of Directors and Auditors thereon for the financial period ended on March 31, 2014		
2.	Appointment of Auditors		
<b>Special Business</b>			
3.	Appointment of Mr. Vishal Maheshwari as Independent Director of the Company		
4.	Appointment of Mr. Rajesh Kumar as Independent Director of the Company		
5.	Appointment of Mr. Subhash Ghosh as Non-Executive Director of the Company		
6.	Appointment of Mrs. Renu Agarwal as Non-Executive Director of the Company		
7.	Increase in Authorized Share Capital of the Company		
8.	Approval for proposed Initial Public Offer (IPO) of Equity Shares the Company		
9.	Authorisation to Board of Directors for borrowing to an amount not exceeding Rs. 50 Crores		
10.	Authorisation to Board of Directors to create mortgage/charges/ hypothecation in favor of lenders up to an amount not exceeding Rs. 50 Crores		
11.	Alteration in Main Objects Clause of the Company		

Signed this ..... day of ..... 2014.

Signature of the Member

Signature of the Proxy Holder(s)

AFFIX REVENUE STAMP NOT LESS THAN Re 0.15
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Note:-

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.
3. It is optional to put a 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For ' and 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she think appropriate.
4. Please complete all details including detail of member(s) in above box before submission.

## **DIRECTOR'S REPORT**

The directors of this company feels great pleasure to welcome you to the Annual General Meeting and to present before you the Annual report for the year ended on 31 March 2014, which is as under:-

### **FINANCIAL RESULTS**

	<b>2013-2014</b>	<b>2012-2013</b>
	(Rs.)	(Rs.)
	(Consolidated)	
Income:	21312359.00	28382767.00
Profit/Loss before Int. & Dep.	1961738.00	650332.00
Less:		
Interest	210578.00	3857.00
Depreciation and amortization	1067641.00	123916.00
Profit/ Loss before Tax	683519.00	522559.00
Tax Expense	100077.00	161471.00
<b>NET PROFIT</b>	<b>583442.00</b>	<b>361088.00</b>

### **OPERATIONAL RESULTS:**

During the financial year under review, the Company has received an income of Rs. 21312359.00 (Rs.) as compared to the previous year income of Rs. 28382767.00 (Rs.) and earned profit after tax of Rs. 583442.00 as compared to Rs. 361088.00 to the previous year.



### **DIVIDEND**

In view to conserve the financial resources of the Company for meeting the financial requirements for future business projects it was decided by your directors not to declare any dividend this year.

### **DIRECTORS**

The Board is duly constituted.

Your Directors Mr. Vishal Maheshwari, Mr. Vinod Kumar Maheshwari and Mr. Devendra Pratap Singh were appointed as an Additional Director of the Company by the Board of Directors. They are eligible to be appointed as directors by regularisation at the AGM.

### **FIXED DEPOSIT**

Your Company has not accepted any deposit prescribed U/s 58A of the Companies Act 1956 during the financial year.

### **AUDITORS**

Your Auditors M/s Rajani Mukesh & Associates, Chartered Accountants, Kanpur, (Firm Registration No. 004072C), retire at this Annual general Meeting and pursuant to the provisions of Sections 139, 140 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, M/s Naval Kapur & Co., Chartered Accountants (Firm Registration No. [005851C] is appointed as Statutory Auditors of the Company to hold office from the conclusion of this Meeting till the conclusion of the 23<sup>rd</sup> Annual General Meeting of the Company to be held in the year 2019.

### **AUDITORS REPORT**

The comments in the Auditors report read together with the notes to the accounts are self – explanatory and therefore, do not call for any further explanation.

### **PARTICULARS OF EMPLOYEES UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956.**

The Company has no employee whose salary exceeds the limits prescribed under section 217(2A) of the companies Act, 1956. Hence, information required to be given under the side Section read with the companies (Particulars of Employees) Rules, 1975 has been provided in this report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND  
FOREIGE EXCHANGE EARNINGS AND OUTGOING**

Your Company is not engaged in any manufacturing activity which is power intensive , it is basically engaged in trading activities and use power saving devices by implementing the advanced and latest technology in carrying out its operational activities. In addition to this the Information is in accordance with the provision 217(1) (e) of the companies act, 1956 read with the companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988.

**DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to section 217(2AA) of the companies act, 1956, the Directors confirm that:

1. In the preparation of the annual accounts the applicable accounting standards have been followed.
2. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to given a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year under review,
3. The director's had taken proper and sufficient care for the maintenance of adequate accounting record 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, and
4. The Director's have prepared the annual accounts on a going concern basis.

**INDUSTRIAL RELATIONS**

During the period the relation between employee and Management remained cordial.

**RISK AND INTERNAL ADEQUACY**

The Company has adequate internal control procedure commensurate with its size and nature of its business. The board of Directors periodically reviews the audit plans, internal audit reports , adequacy of internal control and management.

**ACKNOWLEDGEMENTS**

Your Directors acknowledge with thanks for the Co operation and assistance what so ever received from the employees, members, banks and government authorities.

By order of the Board of Directors  
For **RAGHUVANSH AGROFARMS LIMITED**

Dated: July 08, 2014  
Place: Kanpur



**(SUBODH AGARWAL)**  
**Managing Director**

**DIN: 00122844**



## **RAJANI MUKESH & ASSOCIATES**

*Chartered Accountants*

510, Prem Ratan Vatika,

7/180, Swaroop Nagar, Kanpur – 208 002.

Phones: Off. 0512-3043251, Mob : 09839035251, 09307929209

e-mail : [rajani.ca@gmail.com](mailto:rajani.ca@gmail.com),

### **INDEPENDENT AUDITOR'S REPORT**

To the Members of **M/s RAGHUVANSH AGROFARMS LIMITED, Kanpur.**

#### **1. Report on the Financial Statements**

We have audited the accompanying Financial Statements of the unit **M/s RAGHUVANSH AGROFARMS LIMITED, 201-202, Namdhari Chambers, Karol Bagh, New Delhi** which comprise the Balance Sheet as at **31<sup>st</sup> March 2014**, and the statement of Profit and Loss for the year then ended, and a summary of significant Accounting Policies and other explanatory information.

#### **2. Management's responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting 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.

#### **3. Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk



assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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.

#### 4. 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 March 31, 2014;
- (b) in the case of the Profit and Loss Account, of the profit/ loss 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.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from branches not visited by us];
  - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account [and with the returns received from branches not visited by us];



d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

PLACE: KANPUR  
DATED: 08.07.2014  
M.No.: 073098  
FRNo :007072C

For RAJANI MUKESH & ASSOCIATES,  
CHARTERED ACCOUNTANTS,



(C.A.MUKESH RAJANI)

Proprietor

ANNEXURE

Referred to in paragraph 5 of our report of even date

Re: M/s RAGHUVANSH AGROFARMS LIMITED, Kanpur.

- i. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) The Company has a program for physical verification of fixed assets on a rotational basis, which in our opinion is reasonable having regard to the nature of business. Accordingly, the management, during the year has physically verified certain fixed Assets and no material discrepancies were noticed by such verification.  
(c) During the year, there was no substantial disposal of fixed assets.
- ii. (a) The management has conducted physical verification of inventory at reasonable intervals other than materials lying with third parties, which has been substantially confirmed by them.  
(b) The procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification as compared to book records.
- iii. The company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- iv. In our opinion and according to the information and explanations 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. During the course of our audit, no major weakness has been noticed in the internal controls in respect of these areas.
- v. (a) According to the information and explanation provided by the management, we are of the opinion that the transactions of Purchase of goods and Materials and sale of goods, materials and services aggregating, during the year to Rs.5,00,000 or more in respect of each party in Pursuance of contracts or engagements entered into the register maintained under section 301 have been so entered.  
(b) In our opinion and according to the information and explanations given to us, the transaction with the parties with whom transactions exceeding value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regards to the prevailing market prices at the relevant time.
- vi. The company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 58(A) of the act and the rules framed there under apply.



- vii. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii. We have broadly reviewed the conditions for books of accounts to be maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed account and records need not to be maintained.
- ix. (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty and excise duty were outstanding, at the year end for a period of more than six months from the date they became payable.
- x. The unit has no accumulated losses at the end of the financial year and has not incurred any cash losses in the current and immediately preceding financial year.
- xi. Based on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, bank or debentures holders.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of share debentures and other securities.
- xiii. In our opinion, the Company is not a chit and nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the order are not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities. The Company has not invested surplus and in mutual funds. According to the information and explanation given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank and financial institutions.
- xvi. According to the information and explanations given to us and on overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment. No long term funds have been used to finance short term assets except working capital.



A handwritten signature in black ink, appearing to be 'J. K.', is written over a faint circular stamp or watermark at the bottom center of the page.



- xvii. The Company has not made any preferential allotment of share to parties or Companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xviii. The company has not raised any money through a public issue during the year.
- xix. According to the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

PLACE : KANPUR  
DATE : 08.07.2014  
M.No. : 073098  
FRNo. : 007072C

For M/s RAJANI MUKESH & ASSOCIATES,  
CHARTERED ACCOUNTANTS,



*Mukesh Rajani*  
(C.A. MUKESH RAJANI)  
Proprietor

**RAGHUVANSH AGROFARMS LIMITED**  
**BALANCE SHEET AS ON 31.03.2014**

Particulars	Note No	Amount (Rs.)	
		2013-14	2012-13
<b>EQUITY &amp; LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	83175500	2202000
(b) Reserve & Surplus	2	84944631	16739534
(c) Money Received against share warrants		0	0
(d) Minority Interest		0	0
<b>(2) Share application money pending allotment</b>		0	1600000
<b>(3) Non- Current Liabilities</b>			
(a) Long Term borrowings	3	259651	5851644
(b) Deffered tax liabilities		0	0
(c) Other long term liabilities	3	0	18500
(d) Long term provisions	4	21000	0
<b>(4) Current liabilities</b>			
(a) Short term borrowings	3	0	7323641
(b) Trade payable	3	69747	120000
(c) Other current Liabilities	3	0	43771
(d) Short Term provisions	4	283070	159455
<b>TOTAL</b>		<b>168753599</b>	<b>34058545</b>
<b>II. ASSETS</b>			
<b>(1) Non Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible assets	5	14749699	2451164
(ii) Intangible assets	5	0	0
(iii) Capital work in progress	5	5159559	0
(iv) Intangible assets under development		0	0
(b) Non- current investments	6	57088026	2801000
(c) Deffered Tax Assets (net)		206696	29958
(d) Long term loans & advances	11	0	0
(e) Other non-current assets	10,11	49094677	19752999
<b>(2). Current assets</b>			
(a) Current investment	7	0	0
(b) Inventories	8	2950415	3057483
(c) Trade Receivables	10	0	4707892
(d) Cash & cash equivalents	9	23165825	236843
(e) Short term loans and advances	11	16338702	1021206
(f) Other current assets	11	0	0
<b>TOTAL</b>		<b>168753599</b>	<b>34058545</b>

**Notes to Accounts**

18. Figures have been rounded off to the nearest rupee

"As per our report of even date

**For M/S Rajani Mukesh & Associates**

Chartered Accountants,

*Mukesh Rajani*

(CA. Mukesh Rajani)

Proprietor,

M.N.- 073098,

FRN-007072C

Place: Kanpur

Date : 08.07.2014



**For Raghuvansh Agrofarm Limited**

*Subodh Agarwal*

Subodh Agarwal  
Director

*Vishal Maheshwari*

Vishal Maheshwari  
Director

**RAGHUVANSH AGROFARMS LIMITED**  
**Profit and Loss statement for the year ended 31st March 2014**

Particulars	Note No.	Amount(Rs.)	
		2013-14	2012-13
I. Revenue from operations	12	11634794.76	26054151
II. Other Income	13	444658	2328616
<b>III.Total Revenue(I+II)</b>		<b>12079452.76</b>	<b>28382767</b>
<b>IV. EXPENSES:</b>			
Cost of material consumed	14	6396721	7369960
Purchase of Stock- in-Trade		150000	15314961
Changes in inventories of finished goods, work in progress and stock-in- Trade		730202	3330164
Employee benefit expense	15	1051380	812855
Financial Cost	16	194124	3857
Depreciation and amortization expense	5	364538	123916
Other Expenses	17	2655466	904495
<b>IV.Total Expenses</b>		<b>11542431.5</b>	<b>27860208</b>
V. Profit before exceptional and extraordinary items and tax	(III-IV)	537021	522559
VI. Exceptional Items		0	0
VII. Profit before extraordinary items and tax	(V-VI)	537021	522559
VIII. Extraordinary Items		0	0
IX. Profit before tax	(VII-VIII)	537021	522559
X. Tax Expense:			
(1) Current Tax		250820	159455
(2) Deffered Tax		-176738	2016
XI. Profit(Loss) from the period continuing operations	(IX-X)	462939	361088
XII. Profit/(Loss) from discontinuing operations		0	0
XIII. Tax expense of discounting operations		0	0
XIV. Profit/(Loss) from discontinuing operations	(XII-XIII)	0	0
XV. Profit/(loss) for the period	(XI+ XIV)	462939	361088
XVI. Share of results of Associates		0	0
XVII. Minority Interest		0	0
XVIII. Profit/(loss) for the period	(XV+XVI+XVII)	462939	361088
XIX. Earning per equity share:			
(1) Basic		0.29	1.64
(2) Adjusted		0.21	0.41
(3) Dilluted		0.29	1.64

**Notes to Accounts**

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

For M/S Rajani Mukesh & Associates  
 Chartered Accountants,

(CA. Mukesh Rajani)  
 Proprietor.  
 M.N.- 073098.  
 FRN-007072C  
 Place: Kanpur  
 Date : 08.07.2014



For Raghuvansh Agrofarm Limited

Subodh Agarwal  
 Director

Vishal Maheshwari  
 Director

Notes Forming Part of the Financial Statement

NOTE-1

Share Capital

PARTICULAR	2013-14	2012-13
Authorised Capital 10300000 Shares @ Rs.10/- each	103000000	3000000
Issued, Subscribed & fully paid up Capital 8317550 shares of Rs.10/-each	83175500	2202000
	83175500	2202000

Share Capital Schedule (No. of shares Outstanding)

Particulars	31-Mar-14		31-Mar-13	
	Nos.	Amount	Nos.	Amount
Opening number of Shares Outstanding	220200	2202000	220200	2202000
Add: Allotment during the year	8097350	80973500	0	0
Less: buyback/cancellation of shares	0	0	0	0
		0		
<b>Outstanding shares at the end of the period</b>	<b>8317550</b>	<b>83175500</b>	<b>220200</b>	<b>2202000</b>

Detail of Shareholders Holding more than 5 percent Shares

Name of the Shareholders	No.of shares	% Shareholding
Litmus Investment Ltd.	500000	6.01
Model kings Safetywear Ltd.	1000000	12.02



Note 2:- Reserve & surplus		2013-14	2012-13
(A)	<b>Securities Premium</b>		
	As per last Balance sheet	14774000	14774000
	Add: Received During the year	74367500	0
	less: utilised during the year	6606000	0
	<b>82535500</b>	<b>14774000</b>	
(b)	<b>General Reserve</b>		
	As per last Balance Sheet	1965534	1604446
	Add: Profit/(loss) for the year	462939	361088
	less: Income tax paid adjusted	19342	0
	<b>2409131</b>	<b>1965534</b>	
(c)	Foreign Currency Transalation Reserve	0	0
(d)	<b>Surplus in the statement of Profit &amp; Loss Account</b>		
	As per last Balance Sheet	0	0
	Add: Profit for the year	462939	361088
	Less: Appropriations	0	0
	Proposed Dividend	0	0
	Tax on dividened	0	0
	Transfer to general reserve	462939	361088
	<b>Net surplus in the statement of profit and loss account</b>	<b>0</b>	<b>0</b>
<b>Total Reserave &amp; Surplus</b>	<b>84944631</b>	<b>16739534</b>	



**Note 3**

Liabilities	Current		Non-Current	
	2013-14	2012-13	2013-14	2012-13
<b>a) Borrowings</b>				
<b>Secured</b>				
i. Loans				
-From banks;	0	0	0	0
-From other parties	0	0	0	0
ii. Loans and advances from related Parties	0	0	0	0
iii. Deposits	0	0	0	0
iv. Other Loans and advances	0	7323641	259651	5851644
	<b>0</b>	<b>7323641</b>	<b>259651</b>	<b>5851644</b>
<b>b) Trade payables</b>	69747	120000	0	0
<b>c) Other Liabilities</b>				
Unpaid Dividends	0	0	0	0
Other Payables	0	43771	0	18500
	<b>0</b>	<b>43771</b>	<b>0</b>	<b>18500</b>
<b>Note 4</b>				
<b>Provisions</b>				
Tds payable	20250	0		
Audit Fees payable	12000	0	21000	
Income tax payable	250820	159455	0	0
	<b>283070</b>	<b>159455</b>	<b>21000</b>	<b>0</b>



**RAGHUVANSH AGROFARMS LTD**  
**DEPRECIATION CHART 2013-14**

**Note 5**  
**TANGIBLE AND INTANGIBLE ASSETS:**

Particulars	Rate	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		01.04.13	ADDITION	DELETION	Total	01.04.13	During Yr.	Total	31.03.14	31.03.13
<b>A) Intangibles:</b>										
Goodwill		0	0	0	0	0	0	0	0	0
Software		0	0	0	0	0	0	0	0	0
Trademark		0	0	0	0	0	0	0	0	0
<b>B) Tangibles</b>										
<b>CAPITAL WORK IN PROGRESS</b>										
Bio gas plant	13.91%	0.00	2574735	0	2574735	0.00	0.00	0.00	2574735	0
shed construction	5.00%	0.00	2584824	0	2584824	0.00	0.00	0.00	2584824	0
<b>TOTAL (A)</b>		<b>0.00</b>	<b>5159559</b>	<b>0.00</b>	<b>5159559</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>5159559</b>	<b>0.00</b>
Agriculture Implement	13.91%	132041	0	0	132041	61068	9872	70940	61101	70973
Air Conditioner	13.91%	244813	0	0	244813	111123	18596	129719	115094	133690
car	25.89%	0	2152018	0	2152018	0	247568	247568	1904450	0
Computer	40%	10220	0	0	10220	10049	68	10117	103	171
Cycle	20%	2700	0	0	2700	1699	200	1899	801	1001
Diesel Engine	13.91%	40250	0	0	40250	16166	3072	21238	19012	22084
Fax Machine	13.91%	10627	0	0	10627	7420	446	7866	2761	3207
Furniture & Fixtures	18.10%	36603	0	0	36603	30789	1414	32203	6400	7814
Generator	13.91%	10507	0	0	10507	7337	441	7778	2729	3170
Live Stock (Cattle)	0	1839500	10465500	0	12305000	0	0	0	12305000	1839500
Loader	40%	167000	0	0	167000	160330	10668	170998	16002	26670
Motorcycle	25.89%	0	45555	0	45555	0	10922	10922	34633	0
Office Equipment	13.91%	126878	0	0	126878	61712	6283	87995	38883	45166
Plant & Machinery	13.91%	241906	0	0	241906	47111	27096	74207	167699	194795
Pump Set	13.91%	35494	0	0	35494	16941	2581	19522	15972	18553
Tractor	30%	428100	0	0	428100	343730	25311	369041	59059	84370
<b>TOTAL (B)</b>		<b>3348639</b>	<b>12663073</b>	<b>0</b>	<b>16011712</b>	<b>897475</b>	<b>364538</b>	<b>1262013</b>	<b>14749699</b>	<b>2451164</b>
<b>Grand Total (A+B)</b>		<b>3348639</b>	<b>17822632</b>	<b>0.0</b>	<b>21171271</b>	<b>897475</b>	<b>364538</b>	<b>1262013</b>	<b>19909257</b>	<b>2451164.0</b>



**RAGHUVANSH AGROFARMS LTD.**  
**Depreciation chart as per Income Tax Act**  
**FOR THE FIN YEAR-2013-14**

ASSETS	RATE	opening wdv	Addition		Sale	Total	Depreciation	closing wdv
			APR-SEP	OCT-MARCH				
Building(NOTE)	0%	0	0	2584823.8	0	2584824	0	2584823.8
Furniture & Fitting	10%	16617	0	0	0	16617	1661.70	14955.30
PLANT & Machinery	15%	549468	487647	1709926	0	2747041	283811.70	2463229.30
BIO GAS PLANT (NOTE)	15%	0	0	2574735	0	2574735	0	2574735
PLANT & Machinery	30%	44899	0	0	0	44899	13469.70	31429.30
COMPUTER	60%	7	0	0	0	7	4.20	2.80
LIVE CATTLE	0	1839500	0	10465500	0	12305000	0	12305000.00
		<b>2450491</b>	<b>487647</b>	<b>17334984.8</b>	<b>0</b>	<b>20273123</b>	<b>298947.30</b>	<b>19974175.50</b>

**NOTE:-**

Bio Gas plant & Building are capital work in progress





**Note 6**

<b>Non Current Investments</b>	<b>2013-14</b>	<b>2012-13</b>
a) Investment Property	0	0
b) Investments in Equity Instruments	0	0
Quoted Investments		
Other unquoted investments	57088026	2801000
	<b>57088026</b>	<b>2801000</b>

Aggregate amount of quoted investment(Market Value)	0	0
Aggregate amount of Unquoted investment	57088026	2801000
Value of Investment Property	0	0

**Note 7**

<b>Current Investments</b>	<b>2013-14</b>	<b>2012-13</b>
a) Investment Property	0	0
b) Investments in Equity Instruments		
<b>Quoted Investments</b>	0	0
<b>other unquoted investments</b>	0	0
	<b>0</b>	<b>0</b>

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



**Note 8**

Inventories	Current		Non- Current	
	2013-14	2012-13	2013-14	2012-13
a) Raw Materials	623134	0	0	0
b) Work- in progress	0	0	0	0
c) Finished goods	0	0	0	0
d) Stock in trade	2327281	3057483	0	0
e) Stores & Spares	0	0	0	0
f) Loose Tools	0	0	0	0
<b>TOTAL</b>	<b>2950415</b>	<b>3057483</b>	<b>0</b>	<b>0</b>

**Note 9**

Cash & Cash Equivalents	Current		Non- Current	
	2013-14	2012-13	2013-14	2012-13
<b>a) Balances with Banks</b>				
On current accounts	1547287	216385	0	0
On Margin Money	0	0	0	0
On unpaid dividend account	0	0	0	0
Deposits with banks maturity less than 12 months	0	0	0	0
	<b>1547287</b>	<b>216385</b>	<b>0</b>	<b>0</b>
<b>b) Cheques, drafts on hands</b>	20000000	0	0	0
<b>c) Cash on Hand</b>	1618538	20458	0	0
	<b>23165825</b>	<b>236843</b>	<b>0</b>	<b>0</b>



Note 10

Trade Receivable	Current		Non- Current	
	2013-14	2012-13	2013-14	2012-13
Unsecured considered good	0	4707892	954	19327207
Outstanding exceeding six months				
Others	0	0	0	0
	0	4707892	954	19327207
Less: Provision for doubtful debts	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>4707892</b>	<b>954</b>	<b>19327207</b>

Note 11

Loans & Advances	Current		Non-current	
	2013-14	2012-13	2013-14	2012-13
a) Loans & Advances to Related parties	0	0	38797500	0
b) Other Advances				
Loans	0	0	0	0
Advances, secured considered good	0	0	0	0
Advances, usecured considered good	16247685	799995	10229467	405000
Less: Provision for doubtful advance	0	0	0	0
Advance income tax	44437	221211	61756	20792
Advance Indirect Taxes	0	0	0	0
<b>Other Receivables</b>				
Unsecured considered good	46580	0	5000	0
Outstanding exceeding six months				
Other Non Current Assets	0	0	0	0
Capital Advances	0	0	0	0
Deposits secured, considered good	0	0	0	0
Deposits unsecured, considered good	0	0	0	0
<b>TOTAL</b>	<b>16338702</b>	<b>1021206</b>	<b>49093723</b>	<b>425792</b>



# RAGHUVANSH AGROFARMS LTD.

WORKING NOTE :-

## CALCULATION OF BASIC EPS FOR THE YEAR 2013-14

BONUS ISSUE

NET PROFIT AVAILABLE TO THE EQUITY SHAREHOLDERS (Rs.)			462939
DATE OF ISSUE	NO OF SHARES	DAYS	WE.AVG NO.OF SHARES
OPENING	220200	365	220200
<b>28-09-2013</b>	<b>660600</b>	<b>365</b>	660600
08-10-2013	867500	174	413548
06-12-2013	1137500	115	358390
07-01-2014	2164000	83	492088
13-03-2014	2234000	18	110170
31-03-2014	1033750	1	2832
<b>TOTAL (Nos.)</b>	<b>8317550</b>		<b>2257828</b>
<b>TOTAL (Nos.)EXCLUDING BONUS SHARES</b>			<b>1597228</b>
<b>ADJUSTED EPS</b>	<b>NOPAT/WE.AVG NO.OF SHARES</b>	<b>0.21</b>	
<b>BASIC EPS</b>		<b>0.29</b>	

ADD-

ADJUSTED EPS FOR THE FINACIAL YEAR 2012-13		
<b>NOPAT</b>		<b>361088</b>
NO. OF SHARES	220200	
BONUS SHARES	660600	
<b>TOTAL NO OF SHARES</b>	<b>880800</b>	
<b>REVISED EPS</b>		<b>0.41</b>



**NOTE-12****Revenue From Operations**

Particulars	2013-14	2012-13
Sale	11634795	26054151
Less :-Taxes	0	0
	<b>11634795</b>	<b>26054151</b>

**NOTE-13****Other Income**

Particulars	2013-14	2012-13
Interest Income	444373	2212118
Dividend	0	116498
Balances Written Back	285	0
	<b>444658</b>	<b>2328616</b>

**NOTE-14****Cost Of Material Consumed**

Particulars	2013-14	2012-13
Opening Stock	0	0
Add- Purchase During the Year	7019855	7369960
Less:-Closing Stock	623134	0
	<b>6396721</b>	<b>7369960</b>

**NOTE-15****Employee Benefit Exp**

Particulars	2013-14	2012-13
Salary & Wages	1051380	812855
	<b>1051380</b>	<b>812855</b>

**NOTE-16****Finance Cost**

Particulars	2013-14	2012-13
Bank Charges	4514	0
Interest Exp	189610	3857
	<b>194124</b>	<b>3857</b>



**NOTE-17****Other Expenses**

Particulars	2013-14	2012-13
Advertisement Exp	19513	16000
Audit Fee	12000	12000
Business Promotion Exp	81800	0
Demat Charges	1420	0
Depository Charges	46073	0
Director Salary	240000	180000
Donation	10200	0
Electricity Exp	92297	0
Insurance Exp	7075	0
Legal & Professional Exp	30714	16000
Misc.Exp	91292	280316
Rent & Taxes	457500	354500
Power & Fuel	446640	40594
Telephone Exp	19455	5085
Conveyance Exp	276354	0
Share Issue Exp	755000	0
Vehicle Running & Maintenance	68134	0
	<b>2655466</b>	<b>904495</b>



**NOTE-12****Revenue From Operations**

Particulars	2013-14	2012-13
Sale	11634795	26054151
Less :-Taxes	0	0
	<b>11634795</b>	<b>26054151</b>

**NOTE-13****Other Income**

Particulars	2013-14	2012-13
Interest Income	444373	2212118
Dividend	0	116498
Balances Written Back	285	0
	<b>444658</b>	<b>2328616</b>

**NOTE-14****Cost Of Material Consumed**

Particulars	2013-14	2012-13
Opening Stock	0	0
Add- Purchase During the Year	7019855	7369960
Less:- Closing Stock	623134	0
	<b>6396721</b>	<b>7369960</b>

**NOTE-15****Employee Benefit Exp**

Particulars	2013-14	2012-13
Salary & Wages	1051380	812855
	<b>1051380</b>	<b>812855</b>

**NOTE-16****Finance Cost**

Particulars	2013-14	2012-13
Bank Charges	4514	0
Interest Exp	189610	3857
	<b>194124</b>	<b>3857</b>



**NOTE-17****Other Expenses**

Particulars	2013-14	2012-13
Advertisement Exp	19513	16000
Audit Fee	12000	12000
Business Promotion Exp	81800	0
Demat Charges	1420	0
Depository Charges	46073	0
Director Salary	240000	180000
Donation	10200	0
Electricity Exp	92297	0
Insurance Exp	7075	0
Legal & Professional Exp	30714	16000
Misc. Exp	91292	280316
Rent & Taxes	457500	354500
Power & Fuel	446640	40594
Telephone Exp	19455	5085
Conveyance Exp	276354	0
Share Issue Exp	755000	0
Vehicle Running & Maintenance	68134	0
	<b>2655466</b>	<b>904495</b>





RAGHUVANSH AGROFARMS LTD

	DEFERRED TAX WORKING	F.Y 2013-14
A	WDV AS PER COMPANIES ACT	19909257
B	WDV AS PER INCOME TAX ACT	19974176
C=A-B	TIMING DIFFERENCE	64918
D	PRELIMINERY EXP	604000
C+D	TOTAL TIMING DIFF	668918
(C+D)*30.90%	DEFERED TAX @ 30.90%	206696



## **Note-18 SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

### **Corporate Information**

Raghuvansh Agrofarm Limited is a Limited Company in India and incorporated under the provisions of the Companies Act, 1956. It came into existence on 19.12.1996. The company is engaged in manufacturing and trading of agro products. The company played an eminent role in agro industry since its incorporation and served the nation in a positive and effective way. The company is also engaged in sale & purchase of shares/stocks/securities.

### **1. SIGNIFICANT ACCOUNTING POLICIES**

#### **1.1 Basis of Preparation**

The Financial Statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these Financial Statements to comply in all material aspects, with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956, which continues to be applicable in terms of General circular 15/2013 dated September 13, 2013. The Financial Statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except for the change in accounting policy, if any.

#### **1.2. Uses of Estimates**

The preparation of the Financial Statements in conformity with Indian GAAP requires Management to make Judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosures relating to contingent assets and liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in material or immaterial adjustments to the carrying amounts of assets or liabilities in future periods.

#### **1.3. Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Income is accounted for on accrual basis in accordance with the Accounting Standards (AS) 9- "Revenue Recognition".

Insurance and other claims are recognized in accounts on lodgment to the extent these are measurable with reasonable certainty of acceptance. Excess/ shortfall is adjusted in the year of receipt.

Interest is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

#### **1.4. Inventories**

- (a) Inventories as valued at cost, computed on a First-in-First-out (FIFO) basis, and estimated net realizable value whichever is lower. In respect of finished goods and work in process, appropriate overheads are loaded.
- (b) Stock of securities is valued at lower of cost and market value, determined category wise. Cost for this purpose is calculated under First in First Out method.

#### **1.5. Tangible Fixed Assets**

Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any subsidy/ reimbursement/ contribution received for installation and acquisition of any fixed assets is shown as deduction in the year of receipt. Capital work- in- progress is stated at cost.



## 1.6. Depreciation

Depreciation on assets is provided on written Down Value Method as per the rates under the Schedule XIV to the Companies Act, 1956,

Depreciation on fixed assets added/disposed off during the year/period is provided on pro-rata basis with reference to the date of addition/disposal. Individual assets costing upto Rs. 5000 are depreciated in full in the year of purchase.

## 1.7. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets are not capitalized and expensed off in the Statement of Profit and Loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

## 1.8. Borrowing Cost

Borrowing cost includes interest. Such costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

## 1.9. Taxes on Income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax Laws used to compute the amounts are those that are enacted, at the reporting date.

Deferred Taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets including the unrecognized deferred tax assets, if any, at each reporting date, are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date and are adjusted for its appropriateness.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the Company recognizes MAT Credit as an asset in accordance with the *Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961*, the said asset is created by way of credit to the statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the sufficient period.



### **1.10. Employee Benefits**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

**Defined contribution plan:** Company's contribution towards provident fund is recognized in the profit and loss account.

### **1.11. Investment**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in values is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

### **1.12. Earning Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all diluting potential equity shares.

### **1.13. Impairment of Assets**

The carrying amounts of assets are reviewed at each Balance Sheet date. If there is any indication of impairment based on internal/external factors, an impairment loss is recognized wherever the carrying amount of an asset exceed its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

### **1.14. Provisions, Liabilities & Contingent Assets**

#### **a. Provisions**

A provision is recognized when the company has present obligations as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and reliable estimate can be made of amount of the obligation. Provisions are not discounted at their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.



## **b. Contingent Liabilities**

A Contingent liability is a possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

### **1.15. Leases**

#### **Where the company is Lessee**

Assets taken on lease, under which the lessor effectively retains all the risks and rewards of ownership, are classified as operating lease. Operating lease payments are recognized as expense in the statement of profit and loss account.

Assets acquired under leases where all the risks and rewards of ownership are substantially transferred to company are classified as finance leases. Such leases are capitalized at the inception of the lease at the lower of fair value or the present value of minimum lease payments and liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

#### **Where the company is Lessor**

Leases in which the company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and Loss as revenue from operation. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.



### 18.2. 1. Contingent Liabilities

Particulars	As at 31.03.2014 ( )	As at 31.03.2013 ( )
(a) Claims against the company not acknowledged as debts	NIL	NIL
(b) Bank Guarantees	NIL	NIL

2. Capital Commitment (net of advances) Rs. nil (Previous year Rs. nil).
3. As per the Micro, Small and Medium Enterprises Development Act, 2006, the Company is required to identify the Micro, Small and Medium Enterprises and pay them interest on amounts overdue beyond the specified period irrespective of the terms agreed with them.

S. No.	Particulars	As at 31.03.2014	As at 31.03.2013
a.	Principal amount remaining unpaid	NIL	NIL
b.	Interest due thereon	NIL	NIL
c.	Interest paid by the Company in term of Section 16	NIL	NIL
d.	Interest due and payable for the period of delay in payment	NIL	NIL
e.	Interest accrued and remaining unpaid	NIL	NIL
f.	Interest remaining due and payable even in succeeding years	NIL	NIL

4. The balances of creditors/Trade payables and debtors/ Trade receivables appearing in the balance sheet are subject to balance confirmation/ reconciliation at the year end. The management is in the process of obtaining the respective confirmations in the due course. However, the reconciliation of these balances is not expected to result in any material adjustments in the stated balances.

### 5. Taxation

- a. Provision for taxation is ascertained on the basis of assessable profits computed in accordance with provisions of the Income tax act, 1961.

b. **Deferred Tax Assets/Liability**

The movement of deferred tax Assets/Liabilities are given below:

	Opening As at 01.04.13 ( )	Movement during the year ( )	Closing As at 31.03.14 ( )
Deferred Tax Assets	29,958	1,76,738	2,06,696
Deferred Tax Liabilities	NIL	NIL	NIL
<b>Net Deferred Tax (Liabilities)/Assets</b>	<b>29,958</b>	<b>1,76,738</b>	<b>2,06,696</b>



6. During the year, company has 94.78% shareholding in 'Kanpur Organics Private Limited' which is engaged in manufacturing of Organic Fertilizers and Crude Wax from Sugarcane Press Mud and The company also holds 51% shares in 'Sanjeevani Fertilizer and Chemicals Limited' which will start the manufacturing of Refined Wax from Crude Wax from the next financial year.
7. Total value of shares for delivery based Non-speculative is considered as turnover provided the stocks or commodities is held as stock in trade.
- Aggregate of both positive and negative differences in Contract notes is treated as turnover for the purpose of Section 44AB of Income Tax Act, 1961 for speculative shares.

#### 8. Remuneration to Auditors

	2013-14 (₹)	2012-13 (₹)
(a) Audit Fee	12,000	12,000
(b) Other Matters	NIL	NIL

#### 9. Related Party Disclosure

a) List of related parties & relationships, where control exists.							
Sr. No.	Nature of Relationship	Name of Parties					
1	Holding Company	Nil					
2	Subsidiary Company	Kanpur organics Pvt.Ltd. Sanjeevani Fertilizers and Chemicals Pvt.Ltd.					
3	Associates	Nil					
4	Key Management Personnel	Mr. Subodh Agarwal Mr. Uma Shanker Dixit Mr. Devendra pratap singh Mr. Vinod Maheewari Mr. Vishal Maheswari.					
5	Relatives of Key Management Personnel	Mrs. Renu Agarwal					
6	Enterprises where Significant Influence exist by Key Management Personnel	Nil					
b) Transactions with Related Parties							
(Amount in ₹)							
Sr. No.	Transactions	Holding Company	Subsidiary Company	Associates	Key Management Personnel / Individuals	Relatives of Key Management Personnel	Enterprises where Significant Influence exist by Key Management Personnel
1	Remuneration	Nil (Nil)	Nil (Nil)	Nil (Nil)	2,40,000 (1,80,000)	Nil (Nil)	Nil (Nil)
2	Purchase of Finished Material	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
3	Purchase of Raw Material	Nil (Nil)	Nil (Nil)	Nil (Nil)	1,01,794 (Nil)	Nil (Nil)	Nil (Nil)



4	Purchase of Capital Items	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
5	Purchase of Shares	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (5,36,550)	Nil (Nil)
6	Repairing & Machining	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
7	Rent	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
8	Revenue (Travelling exp.)	Nil (Nil)	Nil (Nil)	Nil (Nil)	53,557 (Nil)	Nil (Nil)	Nil (Nil)
9	Sale	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (35,01,200)	Nil (Nil)
10	Share Capital	Nil (Nil)	1,47,15,000 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
11	Loan	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (2,23,065)	Nil (Nil)	Nil (Nil)
12	<b>Outstanding as on 31.03.2014</b>						
	a) Amount Receivable	Nil (Nil)	3,87,97,500 (Nil)	Nil (Nil)	Nil (1,13,077)	Nil (Nil)	Nil (Nil)
	b) Amount Payable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	c) Share Application Money	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	d) Guarantee given	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
	e) Guarantee taken	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)

Note: Figures in bracket represent previous year amounts.

#### 10. Segment Reporting

As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided in terms of Accounting Standard - 17 Segment Reporting.

#### 11. Provisions (AS 29 Disclosure)

Particulars	(Amount in `)			
	Balance as on 31st March 2013	Utilized / Adjustment during the year	Provision made during the year	Balance as on 31st March 2014
Provision for Audit Fees Payable	28,500	7,500	12,000	33,000
Provision for TDS Payable	Nil	Nil	20,250	20,250
Provision for Income Tax	1,59,455	1,59,455	2,50,820	2,50,820
Legal fees Payable	2,000	2,000	Nil	Nil
<b>Total</b>	<b>1,89,955</b>	<b>1,68,955</b>	<b>2,83,070</b>	<b>3,04,070</b>

#### 13. Earning per share

	2013-14	2012-13
Net profit after tax (`)(a)	4,62,939	3,61,088
No. of shares outstanding at the end of the year(b)	8317550	220200
Weighted average number of equity Shares outstanding during the year (c)	1614771	220200





Weighted average no of Equity shares at the time of end of the year (Including Bonus Share) (d)	2275371	880800
Basic Earnings per share (')(a/c)	0.29	1.64
Adjusted Earning Per Share (')(a/d)	0.21	0.41

Signed for Identification Notes 18, which form an integral part of the Balance Sheet and Statement of Profit & Loss signed of even date.

In terms of our report of even date:

**For Rajani Mukesh & Associates**  
Chartered Accountants  
FRN NO.: 007072C

*Mukesh Rajani*  
Mukesh Rajani  
Proprietor  
Membership No.: 073098  
Place: Kanpur  
Date: 8 July, 2014

**For Raghubansh Agrofarms Limited**

*Subodh Agarwal*      *Vishal Maheswari*  
(Subodh Agarwal)      (Vishal Maheswari)  
Managing Director      Director

# RAGHUVANSH AGROFARMS LTD

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

	2013-14	2012-13
PARTICULARS	AMOUNT (Rs)	AMOUNT (Rs)
<b>Cash flows from operating activities</b>		
Profit before taxation	537021	522559
<b>Adjustments for:</b>		
Depreciation	364538	123916
Investment income	(444373)	(2328616)
Finance cost	194124	3857
Profit / (Loss) on the sale of property, plant & equipment	0	0
Operating Profit/(Loss) before working capital changes	<b>651310</b>	<b>(1678284)</b>
<b>Working capital changes:</b>		
Adjustment for (increase)/ decrease in operating assets		
Inventories	107068	3330164
Trade receivables	4707892	20178269
Short-term loans and advances	(15317496)	1952860
Long-term loans and advances	0	0
Other current assets	0	0
Other non-current assets	(29341678)	5362150
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Trade payables	(50253)	(11978962)
Other current liabilities	(43771)	(33960261)
Other long-term liabilities	(18500)	4500
Short-term provisions	(82768)	87440
Long-term provisions	21000	(60922)
<b>Cash generated from operations</b>	<b>(39367196)</b>	<b>(16763046)</b>
Income taxes paid	(19342)	(159455)
<b>Net cash from operating activities (A)</b>	<b>(39386538)</b>	<b>(16922501)</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital advances	(17822632)	(514500)
Proceeds from sale of fixed assets	0	0
Inter-corporate deposits (net)	0	0
Bank balances not considered as Cash and cash equivalents		
- Placed	0	0
- Matured	0	0
Current investments not considered as Cash and cash equivalents		
- Purchased	0	0
- Proceeds from sale	0	0
Purchase of long-term investments	(54287026)	(2801000)
Interest received		
- Subsidiaries	0	0
- Associates	0	0
- Joint ventures	0	0
- Others	444373	2328616
Dividend received	0	0
Rental income from investment properties	0	0
Rental income from operating leases	0	0
Amounts received from partnership firms	0	0
Amounts received from AOPs	0	0
Amounts received from LLPs	0	0
Cash flow from extraordinary items	0	0



Net income tax (paid) / refunds	(44437)	0
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(71709722)</b>	<b>(986884)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares	148735000	0
Proceeds from issue of preference shares	0	0
Redemption / buy back of preference / equity shares	0	0
Proceeds from issue of share warrants	0	0
Share application money received / (refunded/adjusted)	(1600000)	1600000
Proceeds from long-term borrowings	0	5851644
Repayment of long-term borrowings	(5591993)	0
Net increase / (decrease) in working capital borrowings	0	0
Proceeds from other short-term borrowings	0	7323641
Repayment of other short-term borrowings	(7323641)	0
Finance cost	(194124)	(3857)
Dividends paid	0	0
Tax on dividend	0	0
Cash flow from extraordinary items	0	0
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>134025242</b>	<b>14771428</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>22928982</b>	<b>(3137957)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>236843</b>	<b>3374800</b>
<b>Cash and cash equivalents at end of period</b>	<b>23165825</b>	<b>236843</b>

Cash and cash equivalents consist of cash on hand and balances with banks.

Cash	1618538	20458
Balance with banks	1547287	216385
Cheques in hand	20000000	0
<b>Total</b>	<b>23165825</b>	<b>236843</b>

The above statement has been prepared under the indirect method as set out in Accounting Standard 3, Cash Flow Statement.

Figures have been rounded off to the nearest rupee

"As per our report of even date

For M/S Rajani Mukesh & Associates  
Chartered Accountants,

(CA. Mukesh Rajani)  
Proprietor,  
M.N. - 073098.  
FRN-007072C

Place: Kanpur  
Date : 08.07.2014

For Raghuvansh Agrofarms Limited

Subodh Agarwal  
Director

Vishal Maheshwari  
Director