

# 18th ANNUAL REPORT 2013-2014



**USHER**<sup>®</sup>  
AGRO LIMITED

USHERING HOPE FOR A GREENER TOMORROW







## **CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis Report contains words or phrases such as “will”, “aim”, “believe”, “expect”, “will continue”, “plan”, “project”, “goal” and similar meaning expressions and variations that may be interpreted as “forward looking statements”. Actual results could differ from those expressed or implied. Important factors that could affect the Company’s operations include economic conditions affecting demand and supply, changes in Government regulations and changes in political conditions and other statutes.

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# Corporate Information

## BOARD OF DIRECTORS .....

### Promoter & Executive Directors

Dr. Vinod Kumar Chaturvedi: Managing Director

Mr. Manoj Pathak: Whole Time Director

### Non Executive Independent Directors

Mr. Vijay Ranchan (IAS Retd.)

Mr. Ajay Prakash Arora

Mr. Shri Prakash Arora

Mr. Prem Chand Tiwari

Mrs. Baljinder Kaur Mandal (Nominee IDBI Bank)

## STATUTORY AUDITORS .....

Ajmera Ajmera & Associates

Chartered Accountants

Parekh Shah & Lodha

Chartered Accountants

## INTERNAL AUDITORS .....

M/s Dinesh Bangar & Company

Chartered Accountants

## COST AUDITOR .....

M/s NKJ & Associates

Cost Accountants

## SHARE LISTED AT .....

National Stock Exchange of India Ltd. (NSE)

Bombay Stock Exchange Ltd. (BSE)

## COMPANY SECRETARY .....

Mrs. Sarika S. Singh

## REGISTRAR & SHARE TRANSFER AGENTS

Bigshare Services Pvt. Ltd.

E-2/3, Ansa Industrial Estate, Sakivihar Road

Sakinaka, Andheri (E), Mumbai – 400 072

Tel.: (022) 2856 0652/53

Fax: (022) 4043 0200

Email: info@bigshareonline.com

Website: www.bigshareonline.com

## BANKERS.....

Allahabad Bank

Axis Bank Limited

Bank of Baroda

Bank of Maharashtra

Commonwealth Bank of Australia

Dena Bank

Export-Import Bank of India

HDFC Bank

ICICI Bank Limited

IDBI Bank Limited

ING Vysya Bank Ltd.

Rabobank International (India)

Rabobank International (Singapore)

United Bank of India

## REGISTERED OFFICE .....

422, Laxmi Plaza, Laxmi Industrial Estate,

New Link Road Andheri (West)

Mumbai - 400 053

Tel: 022-39381100

Fax: 022-39381123

Email: compliance@usheragro.com

Website: www.usheragro.com

## MARKETING OFFICE

405, Pearl Best Heights-II

Netaji Subhash Place, Pritampura

New Delhi- 110 034

## PLANT LOCATION.....

### Chhata:

1) 158, Gohari, Delhi-Agra Highway, (N-H II)

Chhata, Dist: Mathura (Uttar Pradesh) - 281 401

2) 632-634, Duatana, Delhi-Agra Highway, (N-H II)

Chhata, Dist: Mathura (Uttar Pradesh) - 281 401

### Mathura:

239, Maholi, Krishna Nagar

Off Delhi-Agra Highway, (N-H II)

Mathura, (Uttar Pradesh) - 281 004

### Buxar:

Plot no. 1898, Chaubeji ki Chhavani,

Jalilpur Thana, Rajpur, Dist -Buxar (Bihar) - 801 144



## **VISION:**

To emerge as one of the India's leading agro-processing companies with a special focus on the basic foods segment (Rice, Pulses and Wheat). We envision a refreshing green, the personality of USHER, to be the symbol of nation's booming economy and the indication of the affluence of world agriculture.

## **MISSION:**

- Maximize creation of wealth, value and satisfaction for the stakeholders
- We intend to emerge as the one stop source for all the basic food products in India



# Company Overview



**U**sher Agro Limited was founded by Dr. Vinod Kumar Chaturvedi and Mr. Manoj Pathak on June 20, 1996.

The company's name was inspired by its meaning. "Usher" (verb) means: "cause or mark the start of something new".

It entered the Food Processing Sector by setting up its first Rice Milling Plant at Mathura, Uttar Pradesh in 1996 of 10,800 MTPA and today has grown to become one of the largest agro-food processing companies in India with integrated milling capacities of Rice, Wheat and Pulses. With this the company also manufactures other value added products like Silica, fortified rice.

*The company also prides itself to have one of the largest single location Rice milling capacity in India. Usher sells its products under the widely accepted brand name "Rasoi Raaja"*

The company also prides itself to have one of the largest single location Rice milling capacity in India. Usher sells its products under the widely accepted brand name "Rasoi Raaja" .

## Usher Eco Power:

The company also has a subsidiary called Usher Eco Power Ltd, It is into Rice Husk based eco-friendly power generation activity located at Chhata Dist: Mathura, U.P. generating 16 MW power. The Company has also forayed into the manufacturing of Silica from the ash generated by the burning of husk

## Key Strengths

**Location Advantage**

**Large Rice Milling Capacity**

**Automated and modernized plant and storage facilities**

**Strong Distribution & Procurement network**

# Chairman's Message

Dear Shareholders,

Your company envisions itself becoming a complete basic food processor. We have structured our growth story according to this philosophy and based on our ability to capitalise on new ideas.

As chairman it gives me great pleasure that your company has completed 18 years. I thank all my shareholders, stakeholders and banks for their continued support in the past year without which it would have been arduous for us to achieve the exceptional performance.

With the new stable Central Government in place, I am sure that the overall confidence and the positive perception for our nation in the mind-sets of people at large will get rejuvenated. I am confident that with pragmatic Government in centre, there will be series of proactive economic measures and pronouncements which will put the economy back on the path of progressive growth and development.

Given the reasonable normal monsoon the Indian agriculture sector is expected to grow in a range of about 5.2 to 5.7 percent in the agriculture year 2013-14, that is nearly 3 times that of the previous year. India's agricultural production is expected to grow at a rate of 4.6 per cent in 2014. With the second green revolution just around the corner, India's production of food grains this year is expected to break the 2011-12 record of 259 million tonnes (MT)

The past year saw Usher Agro expanding in many ways like increasing its, rice milling capacity in Chhata (U.P.) to 9,72,000 MTPA, setting up of a Pulses Milling and pulse flour plant having capacity of 1,05,600 MTPA and 23,100 MTPA respectively. This addition has taken your company a step to its vision of becoming a complete basic food processor. As you may be aware your company produces Green Silica through the ash formed by burning the rice husk. Your company is planning to expand this Green Silica production capacity by 10 times this year to 20,000 MTPA under Usher Eco Power Ltd.



In terms of the financials, your company's revenue has grown to 12,228.20 Mn from 9,493.39 Mn in the last year and profit after tax has grown to 669.46 Mn from 453.60 Mn in the last year.

Lastly I would again thank all my board of directors, employees, consumers, business partners, bankers and other stake holders for their unwavering support.

With best wishes,  
Sincerely,

*Sd/-*

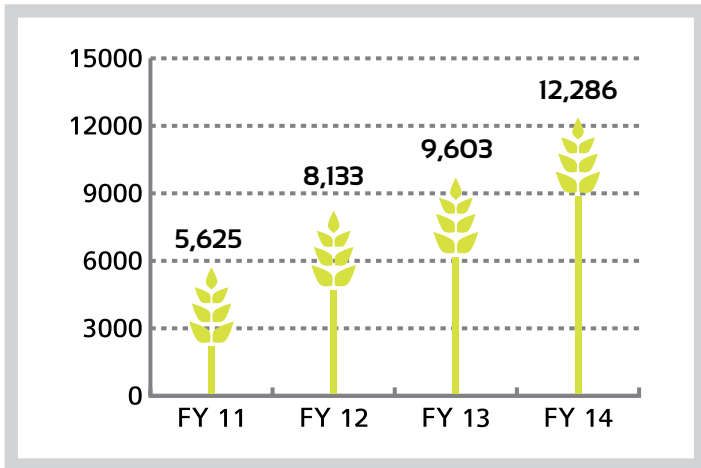
**Dr. Vinod Kumar Chaturvedi**

Chairman & Managing Director

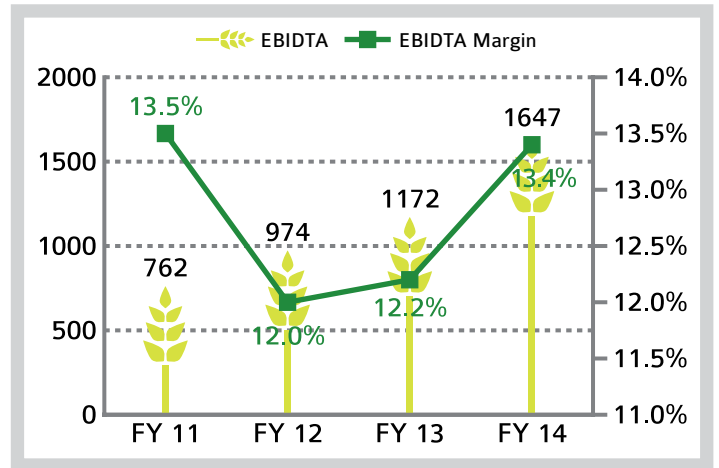


**Journey So Far**

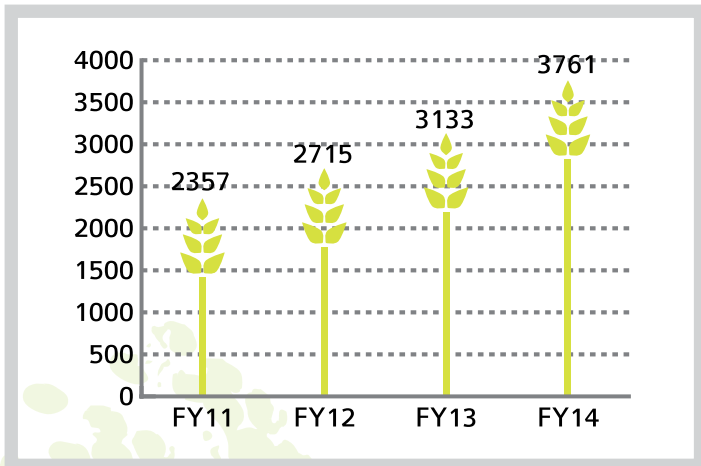
# Consolidated Financial Performance



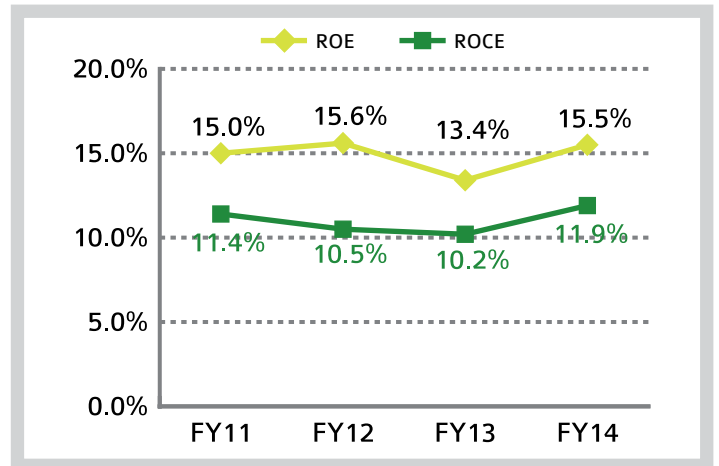
Total Revenue (INR Mn.)



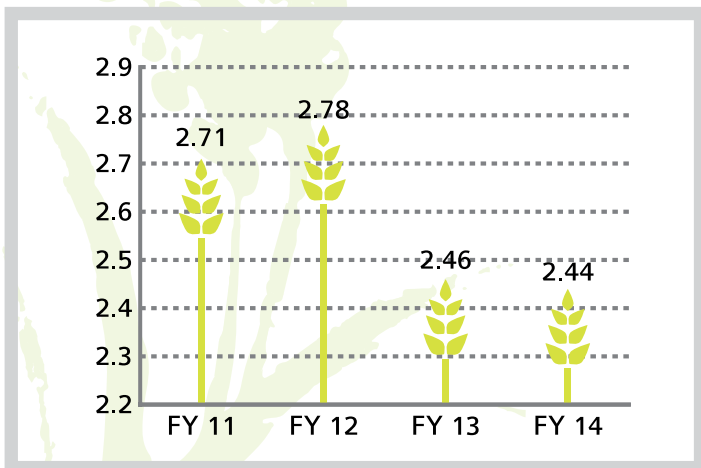
EBIDTA (INR Mn.)



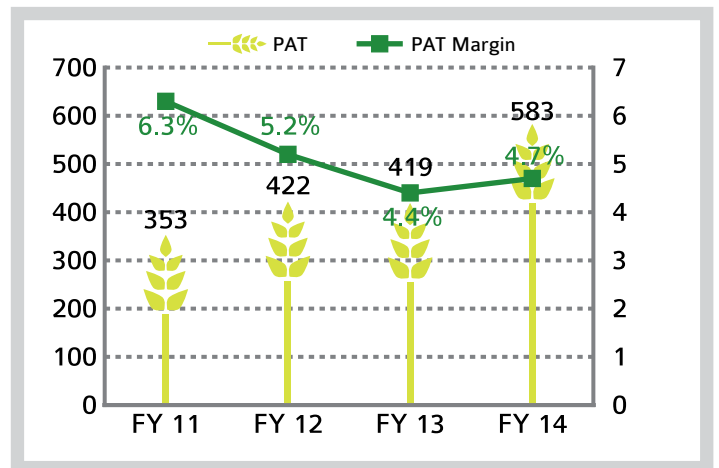
Net Worth



ROE and ROCE



Asset Turnover (X)



Net Profit (INR Mn.)

# Business Review

## Rice

Usher Agro is amongst the largest producer and processor of non-basmati rice in India. The company has the Largest single location Rice milling facility in India for rice processing. The company does processing of paddy in its three high-capacity plants at Mathura, Buxar and Chhata. **The company has a Total Rice Milling Capacity of 1,081,440 MTPA**

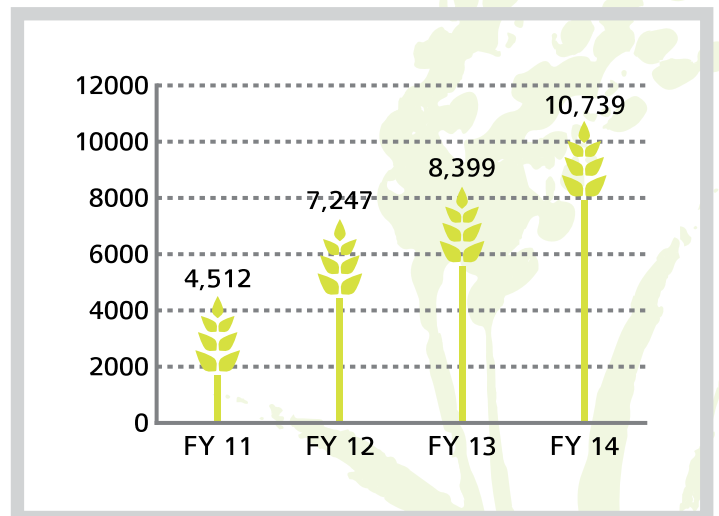
Usher Agro is also into rice Fortification, which is a practical and cost-effective way to ensure a sufficient supply of essential vitamins and minerals in rice, to improve the health and to eradicate the deficiency of micronutrients through highly consumed staple food.



The company has the Largest single location Rice milling company in India for rice processing



Rice Varieties Produced at Usher Agro Limited



Revenue from Rice (INR Mn.)

# Business Review Contd.

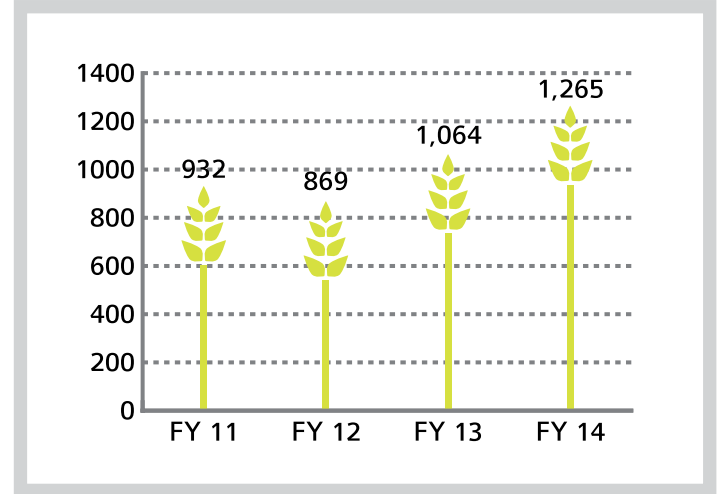
## Wheat

Usher Agro is into producing fine & superfine Wheat flour (Maida), Semolina premium (Rawa/Suji), R-Aata, Whole meal Aata (Chakki Aata), Daliya and Wheat

Bran (Choker). Our Wheat products are also sold under the well-known brand 'Rasoī Raaja'. **It has 125,400 MTPA milling capacity for Wheat.**



Range of Flours from Rasoī Raaja



Revenue from Wheat (INR Mn.)





## Pulses

With an overall vision to emerge as one stop solution to all basic food, the company has set up a plant for Pulses and Pulse Flour milling capacity at Chhata, U.P. **The company has set up pulses processing mill with a capacity of 105,600 MT PA and a pulses flour mill with a capacity of 23,100 MTPA.** After the said expansion the company has moved one step further in its vision to become a complete basic food processor.

## Eco Power

Usher Eco Power Limited is into Power Generation Activity. The Company has commissioned the 16 MW Rice husk based Cogeneration. Eco friendly power plant at Chhata, Dist: Mathura, U.P. which is using Bio Mass i.e. Rice husk as a fuel. This Power plant is eligible for CDM & REC benefits. The project is recently registered in the UNFCCC and will start getting CDM benefits from the next year. The Company has commenced power generation from 24th April, 2012 and commercial operations from 7th November 2012. The subsidiary Company's financial statement is attached to this annual financial report. This plant will further enhance its operational efficiency in next year and will ensure uninterrupted availability of power at good rates.



## Silica

Silica will be extracted by chemical process from Rice Husk ash and can be called as GREEN SILICA since it is the only renewable source of Silica. Usher Eco Power Ltd is the exclusive licensee for the Silica precipitation technology developed at CGPL, Indian Institute of Science (IISc), Bangalore. **Currently, Usher has a plant capacity of 2000 MTPA of Silica production at Chhata and is in process of installing new plant with higher capacity of 20000 MTPA (Subsidiary Company)**

The by-product of silica extraction, precipitated calcium carbonate is a marketable commodity used in fertilizers and paints. Residue slurry after extracting silica can also be used as fertilizer (Bio-Char). Usher Eco Power Ltd will be having the advantage to do this novel project first time in World. The process requires temperatures less than 150°C, as against 1500°C in the conventional method of silica extraction, reducing overall power consumption.

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# Board of Directors

## Promoter Directors

### Dr. Vinod K Chaturvedi

Managing Director

**Dr. Chaturvedi**, aged 49 years, is the Managing Director of your Company. He holds a Bachelors Degree in Commerce (B. Com) from Agra University and a fellow member of 'The Institute of Chartered Accountants of India'. Going further he has also done Doctorate of Philosophy in applied business economics (commerce) on the topic "Prospects and Rationale for Second Green Revolution". Dr. Vinod Kumar Chaturvedi has over 27 years of experience in finance, project and food processing industry. He promoted Usher Agro Limited in 1996 and set up a conventional rice milling plant at Mathura. After incorporation of Usher Agro Limited he promoted Usher Eco Power Limited, Usher Capitals Limited, Usher infra Logic Limited and Usher Oils And Foods Limited under the USHER umbrella.

### Mr. Manoj Pathak

Whole Time Director

**Mr. Pathak**, aged 41 years, is the Whole Time Director of our Company. He holds a Bachelors degree in Commerce (B. Com) from Agra University and a Bachelors of Law. He is one of our promoters and is the brother of Mr. Vinod Kumar Chaturvedi. He has over 18 years of experience in food processing industry and he has been involved with our Company since its inception. He has been actively involved in the implementation of all the projects of our Company and has played a vital role in the growth of our Company. His responsibilities include contributing to the strategic growth and development of a strong marketing network for our products. He has also contributed to the Company through his efficient managerial capabilities to deal with labour, farmers, and operating personnel at the plants.

## Non-Executive and Independent Directors

### Mr. Vijay Ranchan

Non-Executive and Independent Director

**Mr. Ranchan**, aged 71 years is the Non Executive, Independent Director of our Company and member of Audit committee. He holds a Masters degree in Arts in English Literature from Punjab University. He was in Indian Administrative Service (IAS) (1967 batch) and is currently retired. He has held senior positions of secretary/principal secretary/ additional chief secretary in the Department of Revenue, Industry, Labour and Health in Government of Gujarat. He was also the Joint Managing Director of Gujarat Agro Industries Corporation, Joint Managing Director of Gujarat Industrial Investment Corporation, Chairman of Gujarat Fisheries Central Co-operation Association.



## Mr. Ajay Prakash Arora

Non-Executive and Independent Director

**Mr. Arora**, aged 73 years, is the Independent Non- Executive Director of our Company. He is chairman of Audit Committee. He holds a Masters Degree in Commerce (M. Com) from Lucknow University and is also qualified as Certified Associate of Indian Institute of Bankers (CAIIB). He has over 37 years of rich experience in handling banking and finance functions. He joined the Central Bank of India in 1963 and continued working there till year 2000. During his tenure with the Central Bank of India, Mr. Arora worked in various capacities as the Senior Internal Auditor, Investigations/Enquiry officer, Branch Manager, Chief Manager in Branches and Zonal office in Central Bank.

## Mr. Shri Prakash Arora

Non-Executive and Independent Director

**Mr. Arora**, aged 74 years, is Independent Non- Executive Director of our Company. He holds a Bachelors degree in Animal Science from Agra University. He has previously worked with Pfizer Animal Health (Multinational Pharmaceutical Company) for 36 years, where he held several key positions overseeing the sales, technical, marketing, budgeting, training and business development of the Company. He was also responsible for launch and subsequent handling of Agro chemical business (bactericides for cotton, chillies and paddy crop) of Pfizer in western India. Presently, he is very proficient in areas vis. restructuring of sales and marketing group, developing marketing strategies, training / mentoring in connection with rural marketing, distribution system, recruitment and selection, developing reward and appraisal system, and launch of new products.

## Mrs. Baljinder Kaur Mandal

Non-Executive and Independent Director,  
(Nominee Director of IDBI Bank Limited)

**Mrs. Mandal**, aged 48 years is the IDBI Bank Limited Nominee & Independent Director appointed on 29th June, 2013. She holds BE (Electrical), PGDM.

## Mr. Prem Chand Tiwari

Non-Executive and Independent Director

**Mr. Tiwari**, aged 63 years is the Independent Non Executive Director of the Company. He holds bachelor's degree in science (M. Sc - Physics) from Agra University. He has experience of 39 years in Banking (Administration, Business growth & Profitability). He has Worked as General Manager Head of the largest zone-Mumbai Metropolitan Zone having maximum business mix (Deposits/Advances/profit/recovery).

# Manufacturing Facilities



## Usher Agro Limited - Manufacturing facilities at Chhata (U.P.)

Usher has one of the Largest single location Rice milling plant in India

- Usher has one of the largest single location rice milling plant in India of **9,72,000 MT PA**
- Total Rice milling capacity of **10,81,440 MT PA**
- Wheat milling capacity of **1,25,400 MT PA**
- Pulses and Pulses flour of **1,28,700 MT PA**
- 12 Modernized silos at Chhata plant each with a capacity of **3,000 MT** to store raw material

## State of the Art Milling Infrastructure:

All plants are completely modernized and have a fully automated system, resulting in optimum utilization and better cost effectiveness.

The machinery for the Rice Mill has been sourced from reputed global manufacturers like:

- Satake Corporation, Japan, leading rice milling unit supplier with a global market share of more than 70%.
- Industry as Machinery Zaccaria, Brazil, a leading rice milling machinery manufacturer in Latin America accounting for and nearly 50% paddy machinery installed in Latin America

The Company has also set up a Pulses Milling and Pulse Flour Mill at Chhata with a processing capacity of 105,600 MTPA and 23,100 MTPA which became operationalized in March 2014

The Machinery for the pulses milling has been purchased from Buhler, a global equipment supplier with over 70% market share in Pulses market

### CHHATA (U.P.):

- Rice Milling capacity – 9,72,000 MTPA
- Pulse Mill & Pulses Flour Mill - 1,28,700 MTPA
- Wheat flour mill – 50,400 MTPA
- Eco-friendly rice husk fired 16 MW biomass based co-generation power project under the subsidiary Usher Eco-power Ltd.

### MATHURA (U.P.):

- Rice Milling capacity -10,800 MTPA
- Wheat roller flour mill - 75,000 MTPA
- 1 MW of captive Power Plant

### BUXAR (BIHAR):

- Rice Milling capacity – 98,640 MTPA



# Directors' Report

To,  
The Members of  
Usher Agro Ltd.

Your Directors have pleasure in presenting 18th Annual Report on the business and operations of the Company and the financial accounts for the year ended 30th June, 2014.

## 1. Financial Results

The financial performance of the Company, for the year ended 30th June, 2014 is summarised below:

Particulars	Year ended 30.06.2014	Year ended 30.06.2013
Sales & Other Income	122436.26	95157.04
Profit before Financial Charges & Depreciation	16312.34	13070.71
Less : Financial Charges	(7665.93)	(5054.74)
Cash Profit for the year	8646.41	8015.97
Less : Depreciation	(2059.06)	(1501.79)
Profit before Tax	6782.46	6523.18
Less : Provision for Tax including Fringe Benefit Tax	(689.15)	(1738.70)
Less : Provision for Deferred tax	(428.01)	(154.50)
Less: Short / (Excess) Provision for tax of earlier years.	(249.13)	(93.90)
Profit after Tax	6694.66	4536.08
Balance brought forward from Previous Year	13088.86	9652.78
Balance available for Appropriation	19859.31	14188.86
Appropriations :		
Transferred to General Reserve	-	600.00
Debt Redemption Reserve	3000.00	500.00
Earning per Share (EPS)	17.59	11.92
<b>Balance carried to Balance Sheet</b>	<b>16859.31</b>	<b>13088.86</b>

Your Company has achieved stabilization of all of its existing Rice and Wheat milling capacities, which are operational now at optimum capacity utilization levels, except newly installed capacity expansion which have commenced commercial operations in the current financial year. The enhancement of production capacities and consolidation of processes and systems derived the synergies and optimized the use of available resources because of which your Company is being able to maintain its growth despite of prevailing difficult economic and market conditions.

During the year under review, the sales and other income of your Company have increased to Rs. 1,22,436.26 Lacs from Rs. 95157.04 lacs in the previous year, recording a growth of over 28.67%. Profit after tax also increased to Rs. 6,694.66 lacs against that of Rs. 4,536.08 lacs in previous year, registering a growth of 47.59%. Management of the Company under the direction of your Board of Director continued to achieve the targets of cutting down the cost of operations and bettering the efficiency by using better alternated resources/means and methods of operation.

## 2. APPROPRIATIONS

### Dividend

The Board of directors of the Company does not recommend any dividend for the financial year 2013-14.

### Transfer to Reserves

The Company has transferred Nil amount in the General Reserves during the financial year under review in pursuance to the provisions of Companies (Transfer of profits to Reserves) Rules, 1975.

## 3. SUBSIDIARY COMPANIES

The Company has two subsidiary i.e. Usher Eco Power Limited and one wholly owned subsidiary i.e. Usher Worldwide FZE, UAE.

### a) USHER ECO POWER LIMITED

Usher Eco Power Limited is into Power Generation Activity. The Company has commissioned the 16 MW Rice husk based co-generation Eco friendly power plant at Chhata Dist: Mathura, U.P. which is using Bio Mass i.e. Rice husk as a fuel. This Power Plant is eligible for CDM & REC benefits. The project is recently registered in the UNFCCC and will start getting CDM benefits from the next year. The Company has commenced power generation from 24th April, 2012 and commercial operations from 7th November 2012. The subsidiary Company's financial statement is attached to this annual financial report. This plant will further enhance

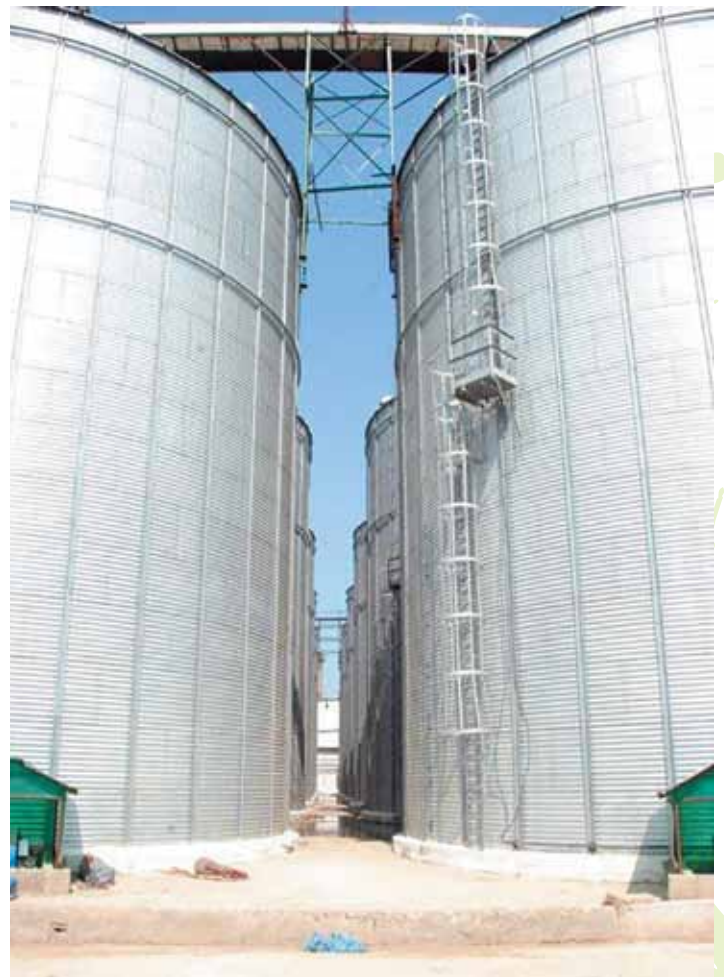
its operational efficiency in next year and will ensure uninterrupted availability of power at competitive rates.

### b) USHER WORLDWIDE FZE

Usher Worldwide FZE which is registered in a Free Zone Establishment (FZE) in the Sharjah Airport International Free Zone (SAIF Zone), United Arab Emirates has not yet commenced its business. This company has been incorporated in UAE for the purpose of general trading in rice and other commodities. This Company will provide strong foot hold to your Company in Middle East Asia and African market, which is the largest export market for rice as well as enable us to procure pulses from global market in most efficient and competitive terms, which is also a basic raw materials for us post expansion of pulses milling project.

## 4. GRAIN STORAGE SILOS AT CHHATA PLANT

Storage of grains is considered to be the best in Silos from cost and operational point of view. Along with the expansion of milling capacity at Chhata your Company is also enhanced its storage capacity by putting up Hopper Bottom Silos and Flat Bottom Silos besides your Company is contemplating to enhance the more Silos storage capacity. The Silos storage capacity stands to 36,000 MT. The significant increase in the Silos facility will help in reducing the labour, packing material cost in addition to savings in wastages.



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## 5. BUSINESS EXPANSION, DEVELOPMENTS & FUTURE OUTLOOK

### A) Capacity Expansion and Pulses Initiative

With an overall vision to emerge as one stop solution to all basic food, the Company has embarked on the increase of its Rice Milling capacity and setting up a plant for Pulse and Pulse Flour milling capacity at Chhata, U.P. The Company has successfully commissioned a Rice Milling Plant of 4,86,000 TPA after which total Rice milling capacity stands to 1,081,440 TPA. In addition, the company has also successfully commissioned a pulses processing mill with a capacity of 105,600 TPA and a pulses flour mill with a capacity of 23,100 TPA. The Company is proud to state that the machineries for the said expansion projects have been imported from world class manufacturers from Japan and Switzerland. Successful commissioning of said expansion projects have ensured a significant step towards the vision to become a complete basic food miller.

### B) Rice fortification plant

The Company has successfully commissioned imported rice fortification plant. The Company is selling the fortified rice to the mid-day meal projects of various states of the government through Programme for Appropriate Technology in Health (PATH). The said plant has already commenced its commercial production in November 2012. In view of the high profitability of the rice fortification plant, Usher Agro Ltd. is also planning to further increase the production capacity of fortified rice in the future. The Company also envisions exporting fortified rice to other countries. Fortified rice prevents loss of iron and vitamins from rice during the milling process.

### C) Venture into Silica

Usher Agro Ltd has successfully commenced commercial production of the Silica plant at Chhata Mathura. The technology for the manufacturing of silica has been taken from IISC Bangalore, which is a patented technology and Usher Agro Ltd. is the first company to implement this novel project first time in the world. Now the Company will be in a position to supply eco friendly green silica at competitive rate to the customers. Significant work has been done in the area of marketing of silica manufactured by this plant to global players. Also in the long run the Company envisions setting up a 50TPD Silica Plant in its subsidiary Company i.e. Usher Eco Power Limited. This plant will produce silica from Rice Husk Ash through the said patented technology. This will further improve operational efficiency of the Company by value added use of waste i.e. Rice Husk Ash.

### D) Modernization and Capacity Expansion of Rice Milling facilities at Buxar- Bihar

Rice Milling process and technology has seen good amount of progress during the last five years, in keeping pace with the advancement in the technology we have modernised the existing rice milling facility at Buxar and also additional capacity of 46,800 MTPA rice milling at the same complex has been added during the current year thereby making the total rice milling capacity to 93,600 MTPA at Buxar.

### E) Setting up of 1 MW Captive Power Plant at Buxar- Bihar

With the above rice milling capacity expansion project at Buxar- Bihar availability of rice husk, a bye-product of rice milling, will increase. To take the advantage of the availability of bye product and to be self reliant on the power front your Company has setup a gasifier power plant of 1 MW at Buxar, Bihar for captive use. This power plant will help to reduce the cost of operation with better efficiencies and better efficient value added utilization of Bye product.

### F) Expansion of Wheat milling Capacity at Mathura

Currently we are having 75,000 MTPA wheat milling capacity at Mathura and your Company has expanded its existing wheat milling capacity by 50,000 MTPA to make total wheat milling capacity of 1,25,000 MTPA. This capacity expansion has increased the existing wheat milling capacity by more than 60% and also will strengthen overall commitment and vision of Company to be a one step basic food solution.

## 5. FOREIGN EXCHANGE EARNINGS

Your Company has entered in to export market in January 2010. Since inception your Company has been focused on the domestic market and in future too our focus shall remain in that way. However with the installation of one of the most modern plant at Chhata and also to achieve progress in all markets, for the first time your Company has entered the export market in January 2010 and in very short period has been able to successfully tap the overseas market. Your directors are pleased to report that our products are well accepted in the export market and we are confident that in the coming years the export earnings will see quantum jump thereby earning precious foreign exchange for the country. Your Company is targeting mainly Middle East, Africa and Gulf countries for the export of rice and wheat based products. Further to focus on the said market and increase business operations the Company has already incorporated a wholly owned subsidiary in UAE i.e Usher Worldwide FZE and this Company is expected to commence commercial business activities in F.Y. 2014-15 and after that we can

expect more export values in future. The Company follows a prudent hedging policy to manage significant foreign currency exposures.

## 6. BOARD OF DIRECTORS

As per the provisions of Section 149 of the Companies Act 2013, which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Vijay Ranchan, Mr. Mr. Ajay Prakash Arora, Mr. Shri Prakash Arora and Mr. Prem Chand Tiwari being placed before the Members in previous General Meeting for their approval. In the opinion of the Board, they fulfil the conditions specified in the Act and the Rules made there under for appointment as Independent Directors and are independent of the management. Members are requested to refer to the Notice of the Annual General Meeting and the Explanatory Statement for details of the qualifications and experience of the Directors and the period of their appointment. The Board commends the passing of the Resolutions at Item Nos. 3 to 6 of the Annual General Meeting Notice.

## 7. AUDITORS AND AUDITORS REPORT

The retiring statutory auditors, namely, M/s. Parekh Shah and Lodha (Firm Registration No. 107487W), Chartered Accountants and M/s. Ajmera Ajmera & Associates (Firm Registration No. 123989W), Chartered Accountants, have expressed their unwillingness to be re-appointed and that a special notice in terms of provisions of Section 115 of the Companies Act, 2013 ("the Act") read with Section 140 of the Act has also been received from the members of the company for the appointment of new statutory auditors M/s. V.S. Kankariya and Co., (Firm Registration No. 104719W) Chartered Accountants in place of the retiring statutory auditors M/s. Parekh Shah and Lodha, Chartered Accountants and M/s. Ajmera Ajmera & Associates, Chartered Accountants.

The company has forthwith communicated to the retiring auditors of the special notice. Pursuant to the provisions of section 139 and 141 of the Act a written consent towards such appointment has been obtained from M/s. V.S. Kankariya and Co., Chartered Accountants along with a written certificate to the effect that their appointment if made will be within the limits prescribed under Section 139 of the

Companies Act, 2013 and that they are not disqualified for appointment under section 141 of the Act. The Board of Directors recommends their appointment as Statutory Auditors.

The observations and comments given in the Auditors' Report read together with notes to accounts are self-explanatory and do not call for any further information and explanation under section 134 of the Companies Act, 2013.

## 8. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors report that

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed and there are no material departures;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true & fair view of the state of affairs of the Company as at 30th June, 2014 and of the profit of the Company for the year ended on that date.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
- iv) The annual accounts have been prepared on a going concern basis.

## 9. FORMATION OF VARIOUS COMMITTEES:

Details of various committees constituted by the Board of Directors as per the provision of Clause 49 of the Listing Agreement and the Companies Act, 2013 are given in the Corporate Governance Report and form part of this report.

## 10. CORPORATE SOCIAL RESPONSIBILITY:

The particulars of the CSR committee constituted by the company pursuant to the provisions of Section 135 of the Companies Act, 2013 and the rules forming part of the same are included in the Corporate Governance Report annexed and forming part of this Annual Report.

## 11. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, to provide protection to employees at the

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workplace and for prevention and redressal of complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee, to inquire into complaints of sexual harassment and recommend appropriate action. The Company has not received any complaint of sexual harassment during the financial year 2013-14.

## **12. CONSOLIDATED FINANCIAL STATEMENTS:**

The audited consolidated financial statements of your Company as on 30th June, 2014, which form part of the annual report, have been prepared pursuant to Clause 41 of the Listing Agreement entered with the Stock Exchanges, in accordance with provisions of the Companies Act, 1956 and the Accounting Standards AS-21 on Consolidated Financial Statements.

## **13. ENVIRONMENTAL PROTECTION & POLLUTION CONTROL**

Your Company regards preservation of the environment as one of its primary social responsibilities. Accordingly, the Company places great emphasis on compliance with pollution control norms. Your Company is having all the environment clearance from the appropriate authorities for all the plant.

## **14. LISTING OF SHARES**

The Securities of the Company are listed at National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The listing fees for these Stock Exchanges were paid.

## **15. DEPOSITS**

During the year, the Company did not accept any deposits from the public within the meaning of section 58A of the Companies Act, 1956 and the rules made there under.

## **16. PARTICULARS OF EMPLOYEES**

The Company has not paid any remuneration attracting the provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975. Hence no information is required to be appended to this report in this regard.

## **17. INSURANCE**

All properties and insurable interests of the Company including Building and Plant & Machinery have been adequately insured.

## **18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

a. Conservation of Energy & Technology Absorption:

i) Energy Conservation Measures taken:

The Company is aware about energy consumption and environmental issues related with it and continuously making sincere efforts towards conservation of energy. The maintenance of the Boiler and Electrical Equipment is carried out regularly with optimum care with the help of the technical professionals and modern equipment.

The Company is in fact engaged in the continuous process of further energy conservation through improved operational and maintenance practices.

Your Company is having a rice husk fired 1 MW co-generation captive power plant at Mathura, which helped to save the cost of power consumption and also generating power in eco friendly manner by supporting environment.

ii) Additional Investments/Proposals, if any, being implemented for reduction of consumption of energy

During the year, the Company has made substantial progress in installing state of the art equipment. These equipment are highly efficient and consume less energy with the increased productivity. With the present resources, the Company had taken overall measures to reduce the consumption of energy. This was rendered possible through proper maintenance on regular intervals of Plant & Machinery and other electrical installed in the manufacturing/processing unit of the Company.

The Company has also implemented 'CONTINUOUS PAR BOILING PROCESS PLANT' which is imported technology from Thailand and implemented first time in India. With the implementation of the said modern technology, the process time to produce Par Boiled rice will reduce significantly from 10-12 hours in case of conventional process to 5-6 hours which will provide better operational efficiency and substantial saving in energy consumption.

We have also installed water treatment plant along with the said continuous Par Boiling Plant to recycle and reuse the water consumed in Par Boiling process. This will save water and also reduce the discharge of processed water.

At our Chhata plant we have installed Husk fired furnace to generate hot Air for drying the paddy. This furnace are patented and imported from Thailand. With the help of this furnace drying process will have less energy consumption as compared to traditional drying process which uses steam as medium of heat for drying.



iii) Impact of i & ii above for reduction of energy consumption

With the use of husk based power plant the Company has captive power which along with the energy conservation measures has resulted in lesser energy consumption.

iv) Total Energy consumption and Energy consumption per unit of production as per Form 'A'

The additional information as required under the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988 are given as Annexure-I to this report and forms part of it.

## 19. HUMAN RESOURCE & INDUSTRIAL RELATIONS

Industrial relations were harmonious throughout the year. The Board wishes to place on record their sincere appreciation to the co-operation extended by all employees in maintaining cordial relations and their commitment towards the growth of the Company.

## 20. SEBI REGULATION AND LISTING FEES

Your Company has complied with all the rules and regulations which are stipulated on the corporate sectors time to time.

The Annual Listing Fees for the year under review has been paid to The BSE Limited, Mumbai and The National Stock Exchange of India Limited where your Company's shares are listed.

## 21. MANAGEMENT DISCUSSION AND ANALYSIS

A separate report on Management Discussion and Analysis is appended herewith and forms a part of Directors' Report.

## 22. CORPORATE GOVERNANCE REPORT

The Company is committed to maintain the highest standards of corporate governance. The directors adhere to the requirements set out by the Securities Exchange Board of India's Corporate Governance Practice and have

implemented all the stipulations prescribed.

Pursuant to clause 49 of the Listing Agreement with Stock Exchanges, a separate section titled 'Report on Corporate Governance' has been included in this Annual Report along with the certificate on its compliance.

## 23. SECRETARIAL AUDIT REPORT

Keeping with the high standards of corporate governance adopted by the Company and also to ensure proper compliance with provisions of the various applicable corporate laws, regulations and guidelines issued by the securities exchange Board of India and other statutory authorities your Company is taking care of all the statutory compliances and submit its Secretarial Audit Report for all the quarters to the Stock Exchange.

## 24. INTERNAL CONTROL SYSTEMS

The internal Control System is an essential element of the Corporate Governance and plays key role in identifying, minimizing and managing risks that are significant for the Company, contributing to the safeguarding of stakeholders investments and the Company's assets.

The Company's internal control procedures are tailored to match the organization's pace of growth and increasing complexity of operations. The adequacy and effectiveness of internal controls are monitored regularly by the Internal Auditors and the audit observations are reported and discussed by the senior management and the operations teams.

## 25. ACKNOWLEDGEMENT

Your Directors express their sincere gratitude for the continued support and guidance received by the Company from the various State and Central Government Authorities and other regulatory agencies. Your Directors would like to acknowledge the continued support and co-operation extended by Financial Institution, Banks, Government Departments, Vendors, Contractors, Distributors, Dealers and valued customers and employees, who have contributed in the success of your Company

For and on Behalf of the Board

Sd/-

**Vinod Kumar Chaturvedi**

Managing Director

Place: Mumbai

Date: 28th August, 2014

## ANNEXURE- I TO DIRECTORS' REPORT

Information as per section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors') Rules, 1988 and forming part of the Directors' Report for the year ended 30th June, 2014.

### 1. CONSERVATION OF ENERGY

Particulars	Current Year 2013-2014	Previous Year 2012-13
Conservation of Energy		
A Power & Fuel Consumption		
1 Electricity		
a) Units Purchased	1,07,95,114	96,34,456
Total Amount(Rs.)	7,07,89,146	6,42,90,836
Rate/Unit(Rs.)	6.56	6.67
b) Own Generation		
(I) Through Diesel Generator		
Unit Per Ltr of Diesel	3.73	3.40
Rate/Unit (Rs.)	16.14	14.87
(II) Through Steam Turbine/generator		
Units Produced	65,20,488	64,26,096
Unit per Kg of Husk	0.86	0.78
Through DG cum Gasifier		
Units Produced	12,87,225	11,62,862
Unit Per Ltr of Diesel	8.51	7.66
Unit per Kg of Husk (Excluding cost of Husk)	2.11	2.19
Rate/Unit (Rs.)	8.01	6.74
2 Coal		
Quantity (in MT)	-	-
Total Cost	-	-
Avg Rate per MT	-	-
3 Furnace oil/SKD/Diesel		
Quantity in Ltrs	-	-
Total Cost	-	-
Rate/Unit	-	-
4 Other (Husk Saw Dust etc.)		
Quantity (in MT)	-	-
Total Cost	-	-
Avg Rate per MT	-	-

Particulars	Current Year 2013-2014	Previous Year 2012-13
B Consumption per unit of Production		
Electricity (unit)		
Paddy-Rice	33.25	37.62
Flour-Atta	54.25	55.15
Pulses	52.25	-
Furnace oil (Ltrs)		
Coal (MT)		
Other (Husk Saw Dust etc.)		

## 2. TECHNOLOGY ABSORPTION

The Company is using latest technology in rice and wheat milling which is well established the world over. The Company has installed new equipment with latest technology for the purpose of rice processing.

The Company has carried out R&D in house so as to improve the quality of the Rice Bran, one of the bye-products of rice milling process (9% of the total output). The Company has evolved the process to reduce the content of Nakku (Broken Rice) in the Rice Bran.

## 3. FOREIGN EXCHANGE EARNING AND OUTGO

During the year under review, the foreign exchange outgo was Rs 2318.19 lacs (Prev. Yr. Rs. 467.14 lacs) and the foreign exchange earnings on exports on FOB Basis were Rs. 4944.43 lacs (Prev. Yr. Rs. 7982. 83 lacs).

Place: Mumbai  
Date: 28th August, 2014

For and on Behalf of the Board

Sd/-

**Vinod Kumar Chaturvedi**  
Managing Director

# Management Discussion And Analysis Report

## GLOBAL ECONOMY OVERVIEW

The financial year 2013-14 was an encouraging year with global activity improving during the second half of 2013 and is expected to improve further in 2014-15 according to the International Monetary Fund (IMF) World Economic Outlook Report dated April 2014, with much of the impetus coming from advanced economies. Emerging market economies have had a less encouraging growth rate due to poor external financial environment, although they continue to contribute more than two-thirds of the global growth.

According to the IMF, with supportive monetary conditions and a smaller drag from fiscal consolidation, annual growth is projected to rise above trend in the United States and to be close to trend in the core euro area economies. In the stressed euro area economies, however, growth is projected to remain weak and fragile as high debt and financial fragmentation hold back domestic demand. Growth in emerging market economies is projected to pick up modestly. These economies are adjusting to a more difficult external financial environment in which international investors are more sensitive to policy weakness. As a result, financial conditions in emerging market economies have tightened further, although their output growth is expected to be lifted by stronger exports to advanced economies.

Source: (International Monetary Fund, World Economic Outlook— Recovery Strengthens, Remains Uneven (Washington, April 2014).

## INDIAN ECONOMY OVERVIEW

The financial year gone by 2013-14 in India, was marred by continued low GDP growth, declining industrial output, decline in investments, higher inflation, lower quality of bank assets, high current account deficit, which has been brought down drastically through affirmative policy action, and depreciation in the domestic exchange rate.

The weakness in the Indian economy persisted in FY14 with GDP growth as per the advance estimates showing a growth of 4.86%, marginally higher than the 4.5% of FY13. The country has been witness to a sharp drop in its economic growth from an average 8.2% during FY04 - FY12 to sub 5% in FY13 and FY14.

According to the IMF, India's growth is expected to recover from 4.4% in 2013 to 5.4% in 2014, supported by slightly stronger global growth, improving export competitiveness, and implementation of recently approved investment projects. A pickup in exports in recent months and measures to curb gold imports has contributed to lowering the current account deficit. Policy measures to bolster capital flows have further helped reduce external vulnerabilities. Overall growth is expected to firm up on policies supporting investment and a confidence boost from recent policy actions.

Source: (International Monetary Fund, World Economic Outlook Recovery Strengthens, Remains Uneven (Washington, April 2014, CARE Research).

## AGRICULTURE SECTOR OVERVIEW IN INDIA

Given the seasonal monsoon, the agriculture sector in India is likely to grow in the range of 5.2-5.7 per cent in the 2013-14 agriculture year (July-June), nearly three times as compared to the previous year. In FY12, total food grains production in India reached at all-time high of 259.3 million tonnes (MT). Rice and wheat production stood at 105.3 MT and 94.9 MT respectively.

Total exports of Indian agri and processed food products in the period April-February 2013-14 stood at US\$ 20,331.05 million as compared to US\$ 19,144.45 million during the corresponding period of the previous year, according to the Agricultural and Processed Food Products Export Development Authority (APEDA).

In 2012-13, the share of exports of 'agricultural and processed food products' in total exports rose to 13.53 per cent from 10.5 per cent share in 2010-11. Guar gum has emerged as India's largest item of farm exports with a share of 9.58 per cent during the period, followed by basmati rice and marine products.

### Agricultural Production Outlook for 2013-14:

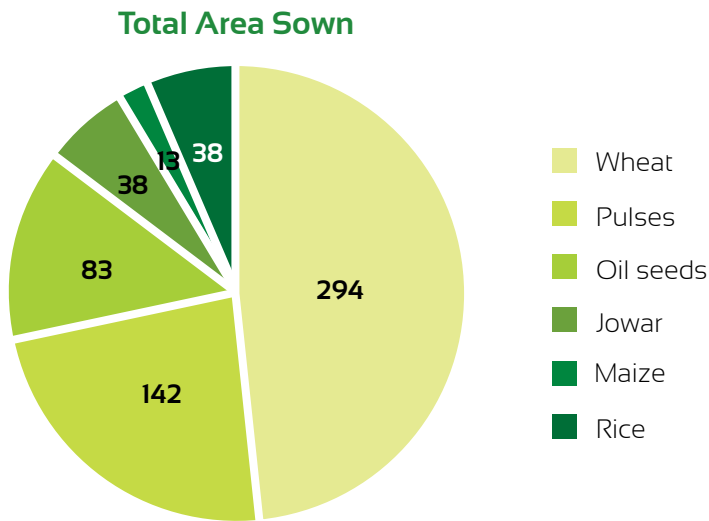
India's agricultural production is expected to grow at a rate of 4.6 per cent in 2014. With the second green revolution just around the corner, India's production of food grains this year is expected to break the 2011-12 record of 259 million

tonnes (MT). Presently, the overall grain stock position in India is about 62.1 MT, including 41.8 MT wheat and 20.3 MT rice.

The Indian food industry which presently stands at close to US\$ 135 billion with a CAGR of 10 per cent, is expected to touch US\$ 200 billion by 2015. The food processing industry in India attracted foreign direct investments (FDI) worth US\$ 5,793.95 million during the period April 2000–March 2014, according to data published by Department of Industrial Policy and Promotion (DIPP).

## AREA SOWN IN INDIA

Area sown in India during rabi season in FY13 (lakh hectares). Your company is present in three of these.



## GOVERNMENT INITIATIVES IN AGRICULTURE INDUSTRY

The Government of India is implementing many programmes for raising investments in agriculture. Notable among them are Rashtriya Krishi Vikas Yojana (RKVY); National Food Security Mission (NFSM); National Horticulture Mission (NHM); Gramin Bhandaran Yojana; Integrated Scheme of Oilseeds, Pulses, Oil palm, and Maize (ISOPOM), etc. The following are some of the major initiatives taken by the Government of India:

- The government has allowed 100 per cent FDI under automatic route in storage and warehousing, including cold storages. Hundred per cent FDI is also permitted for development of seeds under the automatic route.
- The government is promoting production of various organic inputs in the country, including bio-fertilizers under the National Project on Organic Farming (NPOF). The project provides financial assistance up to 25 per

cent of total financial outlay up to a ceiling of Rs. 40 lacs as credit linked back-ended subsidy for setting up bio-fertilizers production units.

- In the Union Budget 2014–15, a target of Rs 8 trillion (US\$ 132.71 billion) for agriculture credit has been set for 2014–15. The credit target for 2013–14 was Rs 7 trillion (US\$ 116.06 billion). Further, the government on January 31, 2014 released Rs 180.22 crore (US\$ 29.89 million) as grant-in-aid to states under the scheme to develop infrastructure facilities for production and distribution of quality seeds.
- The Cabinet Committee on Economic Affairs (CCEA) has approved the implementation of the National Mission on Agricultural Extension and Technology (NMAET) during the 12th Five Year Plan with a total outlay of Rs 13,073.08 crore (US\$ 2.17 billion). The mission aims to restructure and strengthen agricultural extension to enable delivery of appropriate technology and improved agronomic practices to farmers.
- Further, in 2013–14, a pilot scheme on Nutri Farms was launched with an outlay of Rs 200 crore (US\$ 33.18 million) to promote cultivation of bio-fortified food crops enriched with critical micro nutrients such as iron-rich bajra, protein-rich maize and zinc-rich wheat, etc., to improve the nutrition status of the most vulnerable sections of the country's population.

## ROAD AHEAD

With a population of about 1.2 billion, India requires a robust, modernised agriculture sector to ensure food security. The 12th Five Year Plan estimated a potential storage capacity expansion of 35 MT. Cold storage capacity also needs to grow rapidly from the current level of 24 MT. The government has targeted an overall growth rate of 4 per cent for the farm sector under the 12th Plan.

## INDIAN FOOD PROCESSING SECTOR:

India is the world's second largest producer of food with the potential of being the biggest, backed by its food and agricultural sector. The food processing industry is one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. The total food production in India is likely to double in the next 10 years with the country's domestic food market estimated to reach US\$ 258 billion by 2015.

Agriculture, which provides employment to 52 per cent of the population, is estimated to account for 14 per cent of the country's gross domestic product (GDP). Further,

technology and advancements in agricultural sciences and mechanization of farm operations has helped transform Indian agriculture and increased output considerably.

Presently, the Indian food processing industry accounts for 32 per cent of the country's total food market. The Government of India has nominated two agencies, Agricultural & Processed Food Products Export Development Authority (APEDA) and Marine Products Export Development Authority (MPEDA), for promoting exports from India. Owing to them and the seemingly lucrative opportunities in this sector, the food industry in India has been attracting a lot of attention from foreign investors as the country is close to the markets of Middle East, Africa and South East Asia.

The Confederation of Indian Industry (CII) has estimated that the food processing sector has the potential to attract US\$ 33 billion of investment in 10 years and generate employment of around nine million persons.

Also, the opportunities in food and grocery retail in India are immense, given that it constitutes about 69 per cent of India's total retail market, as per panel members at the seventh Food and Grocery Forum India.

The revival of the agriculture sector could open up opportunities for developing a number of other businesses in the food industry, such as integrated cold chains, mega food parks and processable varieties of crops, among many others. To promote food processing industries in India, the MoFPI has finalised the Vision 2015 document, which envisages tripling the size of the processed food sector by increasing the level of processing of perishables from 6 per cent to 20 per cent, value addition from 20 per cent to 35 per cent and share in global food trade from 1.5 per cent to 3 per cent, by 2015.

Source (IBEF)

## RICE INDUSTRY:

### Rice Industry Overview

Global rice production has been assessed to be at 496 million tonnes in 2013 compared to 491 million tonnes in the previous year. This low growth could be attributed to mixed production trends across the globe. In Asia, the production of rice was low for countries like China, Laos and Malaysia who witnessed adverse climatic conditions. India, Indonesia and Pakistan, on the other hand experienced good harvest due to ample rainfall.

### Indian Rice industry

Rice is the staple food of 65% of India's population and its cultivation is a major source of employment in South Asia. India, Bangladesh and Pakistan supply almost 30% of the world's paddy rice. India is one of the world's largest producer of white rice and brown rice, accounting for 20% of all world rice production. The non-basmati sector constitutes more than 99% of the total rice produced in India, where your company is primarily present.

Indian states of the south and the east are very strong rice cultivation areas. These include the highly populated states of West Bengal and Tamil Nadu and mid-sized states with distinctive cultural traditions such as Kerala and Orissa. Rice is also grown to an extent across much of the rest of India.

Rice fields can even be found up to moderate elevations in

#### India's Himalayan states.

Rice being the key staple for India, the government has covered the crop under National Food Security Act as well as Minimum Support Price (MSP) Scheme. There is a cohesive focus on maintaining the demand supply balance in the country. Food Corporation of India plays a major role in procuring adequate volumes, which in turn reaches people through the Targeted Public Distribution System (TPDS).

The production of rice in India has fallen short of the consumption during the year by 6 million tonnes. Indian rice production is estimated to have reached 92.3 million tonnes during 2013. Consumption in 2013 is estimated to be around 99 million tonnes. (Source: Oryza)

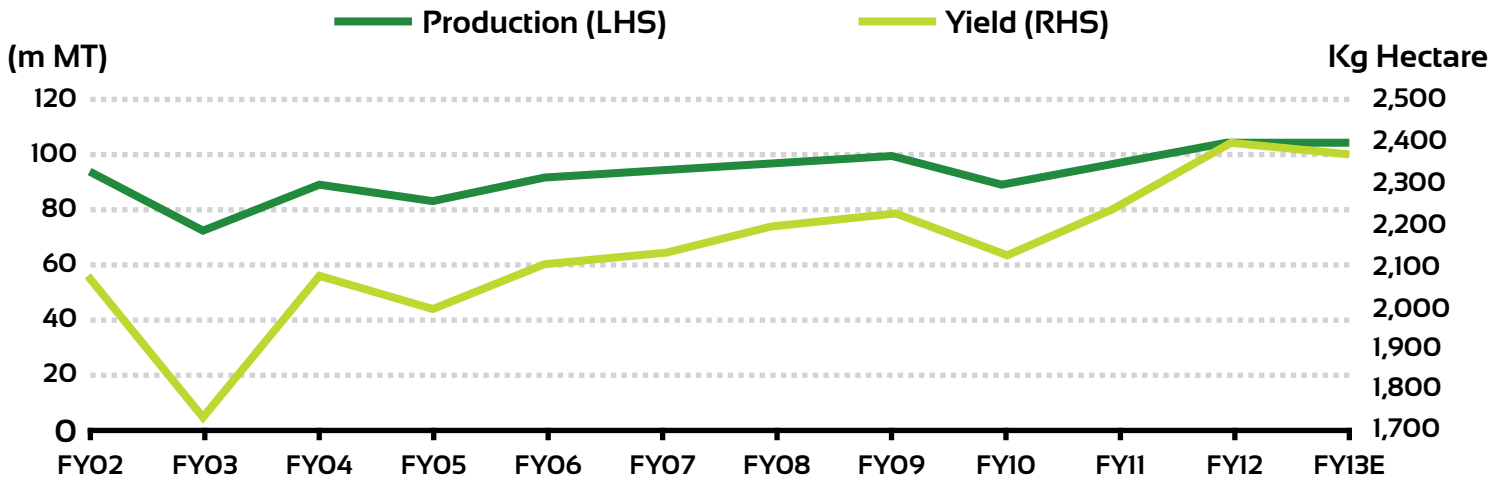
Growing realization from rice is encouraging farmers to increase their acreage on rice, thereby increasing paddy throughput. Higher realizations from variants like high-end basmati and organic is encouraging farmers to cultivate more of such varieties. Favourable policy initiatives towards exports are encouraging the rice industry towards higher exports.

The packaged rice market in India was valued at INR 122 billion in 2012, and is growing at a CAGR of over 30% for the past three years. It is projected to reach ~INR 333 billion by 2016.

### Demand Drivers

- Increasing disposable income is leading to increased overall consumption and also of branded high quality rice. Rice, being the major staple food of Indian population

## Rice Production Grew Substantially Over FY10-FY13



Source: Ministry of Agriculture

will also see a rise in demand in response to increase in per capita income.

- Evolving lifestyle in urban areas is translating into increased demand for high-end variants such as organic, nutrient-rich and healthier brown rice.
- Increasing popularity of rice-based snacks and other eatables in increasing institutional demand.
- Growing popularity of large format retail is enabling marketers to launch and display more and more specialized varieties, leading to higher than usual off-take off the shelves.
- Increasing preference towards eating out is leading to increasing demand from HORECA segment. Rice marketers' response with niche variants for restaurant is also adding to the growth.
- Growing popularity and availability of Indian rice in global markets coupled with currency depreciation is leading to increasing exports.

## WHEAT INDUSTRY

The Wheat Industry in India is one of the major contributors to the rural business and economy. Wheat is one of the major agricultural produce of the country. At present India is the second largest producer of wheat in the world. With the onset of the green revolution and other developments in the agricultural sector, the Wheat Business in India was

given a major boost. Wheat in India, plays an important part in the Indian food economy. It is one of the most important staple foods, covering almost the whole country. Wheat is consumed in different forms such flour for bread, chapattis, pasta, semolina, noodles, etc. Nearly 70 million tonnes of wheat is produced in India every year. The wheat production in India contributes to about 12% of the global wheat production. Wheat is cultivated in India as a rabi crop, i.e., sown in October and harvested in May.

Currently 213 million people in India are food insecure and over 100 million are reliant on the national food welfare system, which uses huge quantities of wheat. This underlines how crucial it is to consider what types of wheat need to be grown in the coming decades to secure production, the study said.

### Production:

Riding on a wave of back-to-back bumper crops since 2005, India is heading for another record wheat harvest this summer on record planting and favourable growing conditions in major wheat growing areas. Assuming normal weather conditions through harvest (April), Post forecasts marketing year (MY) 2014/15 wheat production at 96 MMT compared to last year's 92.5 MMT and the previous record of 94.9 MMT in MY 2012/13.

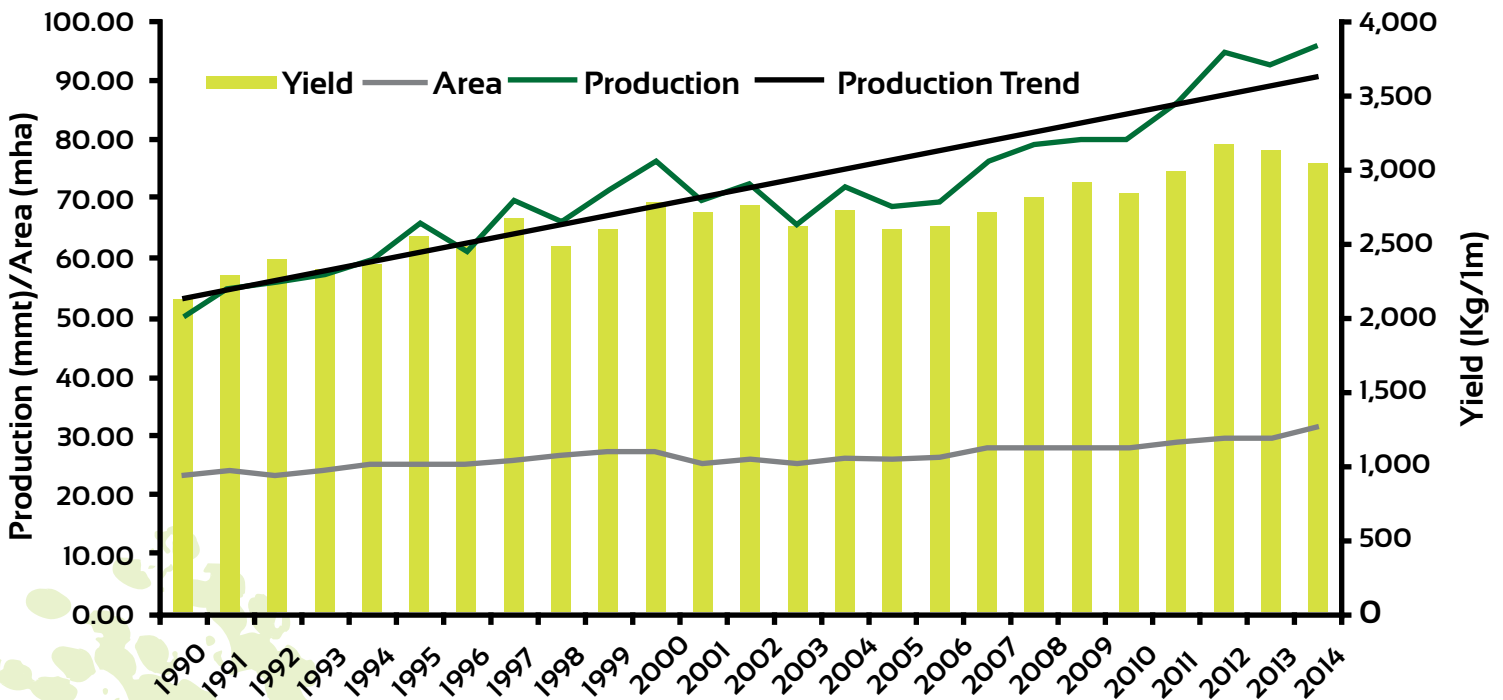
Sources: GAIN Report

## Consumption:

Wheat consumption (FSI) in MY 2014/15 is forecast at 87 MMT on sufficient domestic production and expected higher supplies of subsidized government wheat through the Public Distribution System (PDS) with the implementation of the new National Food Security Act (NFSA). Expected near-record government procurement is likely to increase the already 'more-than-sufficient' government wheat stocks, forcing the government to continue sale of wheat at subsidized prices to local millers through the Open Market Sales Scheme (OMSS). Wheat for feed consumption and residual is forecast at 4.5 MMT on expected steady demand from the dairy feed sector and damage to the abnormally large government-held wheat stocks. The MSP of wheat has been fixed at Rs. 1400 per quintal, marking an increase of Rs. 50 per quintal over the last year's MSP.

Sources: GAIN Report

### India: Wheat: Area, Production, and Yield



Source: Ministry of Agriculture, GOI; and FAS/New Delhi estimates for MY 2014/15

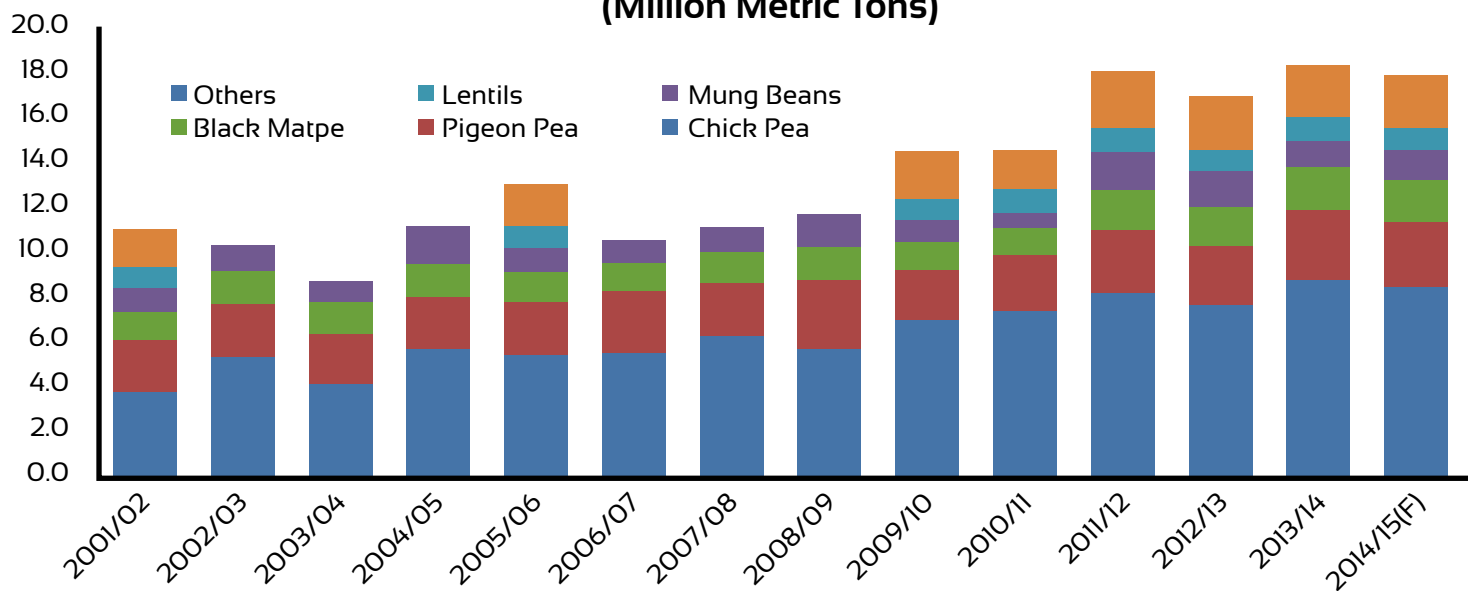
## PULSES:

India is the world's largest producer, consumer and importer of pulses. India's MY 2014/15 (April/March) pulse production is forecast at 18.0 MMT, marginally lower than MY 2013/14 record production of 18.5 MMT. Most states received relatively higher monsoon rains during September–October coinciding with the harvest of kharif pulses (mostly pigeon pea, mung beans, and black matpe). Consequently, production of kharif pulses is estimated lower at 5.8 MMT compared to last year's 5.9 MMT on harvest losses due to untimely rains. According to the preliminary planting figures from the Ministry of Agriculture, area under rabi pulses (mainly chickpeas, lentils, and peas) through January 2014 is estimated higher at 15.6 million hectares compared to 14.9 million hectares last year. Soil moisture and weather conditions have been generally favourable in most growing areas for planting of pulses. However, market sources reports shift of traditional chickpea growing areas with some irrigation facilities to wheat due to



relatively weak chickpea prices. Nevertheless, good monsoon rains during September-October has supported overall planting of rabi pulses, including chickpeas, as additional traditionally fallow land has been brought under cultivation on sufficient soil moisture at the time of planting. The area shift in chickpea acreage is likely to result in overall lower yield than last year's record. Consequently, rabi pulse production is estimated lower at 12.2 MMT compared to last year's record 12.5 MMT.

### India: Pulse Production Trend (Million Metric Tons)



Source: Ministry of Agriculture, GOI; and FAS/New Delhi estimates for MY 2014/15

In the last few years, the government has raised the minimum support prices (MSPs) for pulses relatively higher than for rice and wheat to encourage a production shift away from rice and wheat. The government also has various other programs to support pulse development. Despite the government's recent measures, pulse cultivation in India has been unable to compete with less risky crops like wheat and rice, traditionally the GOI's focus crop for food security. Pulse production has not been attractive to farmers due to a largely ineffective procurement policy and historically low government support of improved production technology vis-à-vis wheat and rice.

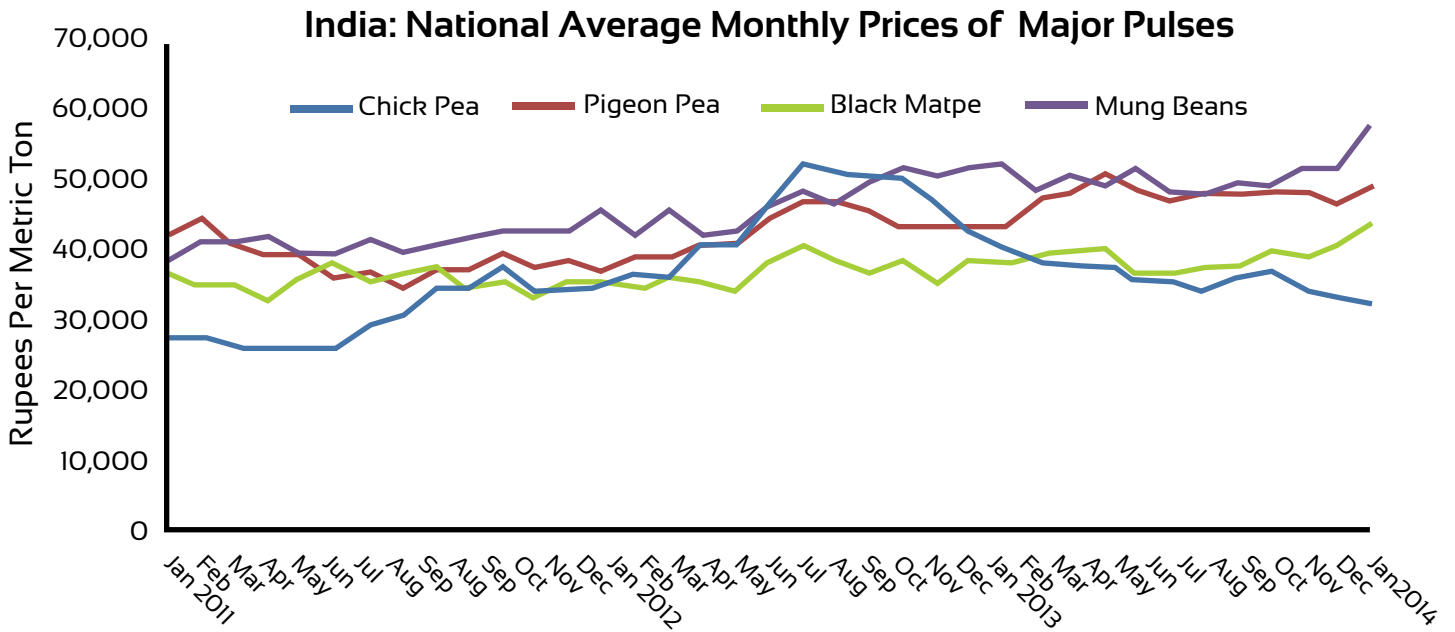
### Consumption:

Economic growth has continued to fuel increased pulse consumption in recent years. Consumption in MY 2014/15 is forecast higher at 22.5 MMT compared to 21.5 MMT last year on continued strong domestic demand for the rising Indian population.

Pulses are an integral part of the traditionally vegetarian Indian diet as one of two major protein source along with dairy products. Pulses are one of the cheapest protein sources in an average Indian's diet. One kg of any pulse costing \$1 to \$2 can be the major protein source for 3-4 meals for a family of five. Due to increasing demand and purchasing power of Indian consumers, market prices of pulses in the last few years have been relatively firm despite back to back bumper domestic production and continued strong imports.

## Prices:

Reports of lower kharif pulse harvest resulted in pulse prices firming up since September. However, prices of chickpeas have continued to decline on record domestic production and expectation of another bumper rabi harvest in MY 2014/15. Future pulse prices will largely depend on the arrival of the rabi pulse harvest and value of rupee vis-à-vis international currencies (US\$).



Source: Agmarket News (<http://agmarkweb.dacnet.ic.in>), Ministry of Agriculture, GOI.

## POWER:

Indian Power sector - predominantly based on fossil fuels. About 53.3 percent of the country's power generation dependent on vast indigenous reserves of coal, followed by hydro, natural gas and so on. Renewable sources of energy projects account for 7.7% of total generation of power which constitutes small hydro, wind, biomass-based power generation, and solar technologies. Non Solar Renewable Energy Certificate (REC) comprises of wind, Bio gas and small hydel. CERC has prescribed price band of Non Solar REC as INR 1.5 to INR 3.3 per unit.

# USHER AGRO LTD - Key Strengths:

## STRATEGIC LOCATION:

Our mills are present in Uttar Pradesh and Bihar and our plants have proximity to Haryana state. Together, the three states contribute about 19.41% and 53.2% of total rice and wheat production in India respectively

Our presence in Mathura and Chhata brings us closer to the rice deficit states such as Rajasthan, Gujarat and Maharashtra. This gives us a logistic advantage to supply products to the consumers in these states. Plants are located near the Mandis leading to lesser transport cost.

Large Capacities and Economies of Scale:

USHER is amongst the largest producer and processor of non-basmati rice in India, which helps us achieve better economies of scale in procurement, processing, logistics and other areas:

## QUALITY CERTIFICATION:

The Company's processes and setup are accredited with international certifications like ISO 9001:2008 for Quality Management System and Hazard Analysis and Critical Control Point ('HACCP') Management System certificate from International Industrial Certification Company Limited, South Korea, JAS-ANZ, Food and Drug Administration (FDA) and CDG.

## STRONG PROCUREMENT NETWORK:

Strong distribution network of distributors / agents / traders in more than 45 cities across India. A strong procurement network with presence in over 100 mandis. Exclusive agents (pukka arahitias) in each of the mandis who procure the raw materials for our plants at competitive rates.

Export distribution (International Network):

- Middle East: UAE, Iran, Saudi Arabia
- Africa: Benin, Ghana, Mozambique, Kenya, Malawi
- Europe: Italy, Reunion union (Holland, Israel, UK, and Canada)

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has implemented adequate internal control systems and procedures, commensurate with the nature of its business and size of its operations. It has implemented adequate internal control system that facilitates adequate and timely completion of the audit and compliance process. Our Internal auditor M/s. Dinesh Bangar & Company Chartered Accountants conducts the audit and submits periodical reports which are reviewed by the Audit Committee.

The Audit Committee of the Board meets several times during the year and reviews the audit reports, audit plans and recommendations of the management and auditors.

## HUMAN RESOURCE DEVELOPMENT & INDUSTRIAL RELATIONS:

The key to the success of the Company lies in its people whose skills, expertise, and talent help the Company to achieve and sustain its market position. The Company believes that employees are the key to achieve targeted goals and are the primary source of competitive advantage thus we have recruited, nurtured and retained some of the best talents in the industry.

Your Company is giving equal importance to develop the intellectual infrastructure by employing the best HR practices such as performance management, succession planning, open work culture and effective employee communication. HR systems were improved, refined and upgraded to provide better services to business and functions. The Company has stable and experienced middle and senior level management team. The industrial relations with the employees at all levels remained cordial during the year under review.

# Corporate Governance Report

## Company's Philosophy on Corporate Governance

The Company has set itself the objective of expanding its capacities and becoming globally competitive in its business. As a part of its growth strategy, the Company believes in adopting 'best practices' that are followed in the area of Corporate Governance across various geographies. The Company emphasizes the need for full transparency and accountability in all its transactions, in order to protect the interest of its stakeholders. The Board considers itself as a trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth. Usher's Corporate Governance philosophy is based on ethical values including honesty, integrity, justice, transparency and responsiveness to stakeholders. Your Company recognizes that good Corporate Governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in overall interest of the Company and its stakeholders.

## 1. BOARD OF DIRECTORS (Please ref. Pg. 10,11)

### CORPORATE GOVERNANCE

The business of the Company is managed by the Board of Directors. The Board formulates the strategy, regularly reviews the performance of the Company and ensures that the previously agreed objectives are met on a consistent basis.

## A) Composition of the Board

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The Non-Executive Directors with their diverse knowledge, experience and expertise bring in their independent judgment in the deliberations and decisions of the Board.

As on June 30, 2014, Board of Directors of the Company consists of 7 Directors, with a combination of Executive and Non-executive Directors. The Board consists of 2 Executive Directors and 5 Non-Executive Directors. All the 5 Non-executive Directors are Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement.

Further, Independent Directors do not have any material pecuniary relationship or transactions with the Company, its promoters, its management or its associates, which in the judgment of the Board may affect independence of judgment of the Director, apart from the sitting fees and commission received by them for attending the meetings of the Board. Further, as mandated by Clause 49, none of the Directors are members of more than ten committees of Boards nor are they chairman of more than five committees in which they are members.

Sr. No.	Directors	Din No.	No. of Board Meeting attended	Whether last AGM Attended	*No. of Outside Directorship Held	No. of Committee Membership held	No. of shares held in Usher Agro Limited
1.	Dr. Vinod Kumar Chaturvedi Managing Director	00325197	4/4	Yes	6	Nil	4692470
2.	Mr. Manoj Pathak Whole Time Director	00616061	2/2	Yes	4	Nil	3284060
3.	Mr. Vijay Ranchan Independent Director	01602023	4/4	No	5	4	Nil
4.	Mr. Ajay Prakash Arora Independent Director	01055020	4/4	No	3	4	Nil
5.	Mr. Shri Prakash Arora Independent Director	01872519	4/4	No	Nil	Nil	Nil
6.	Mrs. Baljinder Kaur Mandal IDBI Bank Limited Nominee Director	06652016	1/4	No	Nil	Nil	Nil
7.	Mr. Prem Chand Tiwari Independent Director	05182634	4/4	No	Nil	Nil	Nil

\*Directorship in the Private Limited/ Foreign Companies and Companies under Section 25 of the Companies Act, 1956 are excluded in the above table.

None of the Directors on the Board is a Member of more than ten Committees or Chairman of more than five Committees across all the companies in which Directorship is held. Necessary disclosures regarding Committee positions in other public companies as on 30th June, 2014 have been made by the Directors.

## ATTENDANCE AND COMPOSITION OF THE BOARD:

### Board Procedure

Four Board Meetings were held during the Financial Year 2013-14, and the gap between two meetings did not exceed four months. The Board of Directors met on the following dates:

Date of the Meeting	29th Aug 2013	14 Nov 2013	11th Feb 2014	14th May, 2014
No of Directors Present	6	5	6	6

The agenda and notes on agenda are circulated to the Directors, in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

### B) Details of Directors seeking Appointment / Re-Appointment

Particulars	Mr. Vijay Ranchan	Mr. Ajay Prakash Arora	Mr. Shri Prakash Arora	Mr. Prem Chand Tiwari
Father's Name	Mr. Pyarelal Sharma	Mr. Madho Prasad Arora	Mr. Jagat Prasad Verma	Mr. Yad Ram Tiwari
Date of Birth	01.10.1942	08.05.1941	11.03.1940	28.12.1950
Date of Appointment	30.12.2004	29.12.2006	17/11/2005	15/11/2011
Address	Plot No. 131, Sector 8, Gandhinagar-382 000	305, Wing 3-B, Dheeraj Enclave, Borivali (East), Mumbai 400 066.	503, 504, C wing, Dheeraj Enclave, Borivali (East), Mumbai 400 066	E 7/6, Chitra Society, Arera Colony, Near Sent Joseph School, Oriental Bank Commarce Sai Bord, Bhopal
Designation	Non-executive Independent Director	Non-executive Independent Director	Non-executive Independent Director	Non-Executive Independent Director

Continued on following Page

<b>Particulars</b>	<b>Mr. Vijay Ranchan</b>	<b>Mr. Ajay Prakash Arora</b>	<b>Mr. Shri Prakash Arora</b>	<b>Mr. Prem Chand Tiwari</b>
Qualification & Experience	Mr. Vijay Ranchan is a retired Indian Administrative Service (IAS) official, he holds an MA degree in English Literature from Punjab University. During his tenure, Mr. Ranchan has held various senior positions in the Government Departments of Revenue, Industry, Labour and Health. He had been the Additional Chief Secretary to the Government of Gujarat, handling policy framing and administration. He has also worked for Gujarat Agro Industries Corporation GAIC), Gujarat Industrial Investment Corporation (GIIC), Gujarat State Petroleum Corporation (GSPC), Gujarat Mineral Development Corporation (GMDC) and Gujarat Industrial Development Corporation (GIDC).	He holds a Masters Degree in Commerce (M.Com) from Lucknow University and is also qualified as Certified Associate of Indian Institute of Bankers (CAIIB). He has over 37 years of rich experience in handling banking and finance functions. He joined the Central Bank of India in 1963 and continued working there till year 2000. During his tenure with the Central Bank of India, Mr. Arora worked in various capacities as the Senior Internal Auditor, Investigations/ Enquiry officer, Branch Manager, Chief Manager in Branches and Zonal office in Central Bank	He holds a Bachelors degree in Animal Science from Agra University. He has previously worked with Pfizer Animal Health (Multinational Pharmaceutical Company) for 36 years, where he held several key positions overseeing the sales, technical, marketing, budgeting, training and business development of the Company. He was also responsible for launch and subsequent handling of Agro chemical business (bactericides for cotton, chillies and paddy crop) of Pfizer in western India. Presently, he is very proficient in areas vis. restructuring of sales and marketing group, developing marketing strategies, training / mentoring in connection with rural marketing, distribution system, recruitment and selection, developing reward and appraisal system, and launch of new products	He holds bachelor's degree in science (M. Sc -Physics) from Agra University. He has experience of 39 years in Banking (Administration, Business growth & Profitability). He has Worked as General Manager Head of the largest zone-Mumbai Metropolitan Zone having maximum business mix (Deposits/ Advances/profit/ recovery)
Salary etc.	Nil	Nil	Nil	Nil
Directorships held in other Public companies (excluding Private Companies foreign companies and Section 25 companies)	1. Shah Pulp and Paper Mills Limited 2. Adani Power Limited 3. Usher Eco Power Limited 4. Adani Power Maharashtra Limited	1. Usher Eco Power Limited 2. Usher Capitals Ltd. 3. Usher Oils & Foods Ltd. 4. Shree Perfect-Tech Solutions Pvt. Ltd.	Nil	Nil
Memberships/ Chairmanships of committees of other Public Limited companies	Shah Pulp and Paper Mills Ltd.	Nil	Nil	Nil
Equity Shares held	Nil	Nil	Nil	Nil

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## BOARD COMMITTEES

Presently the Board has Five Committees, Audit Committee, Investor Grievances Committee, Preferential Issue Allotment Committee, Finance Committee and Remuneration Committee.

### A. Audit Committee

#### Terms of reference

The Audit Committee functions according to its Charter that defines its composition, authority, responsibilities and reporting functions. The terms of reference of the Audit Committee are as follows:

The terms of reference of Audit Committee are as under:

1. To review the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. To Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. To Approval of payment to statutory auditors for any other services rendered by the statutory Auditors;
4. To Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to;
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub-section 2(AA) of Companies Act, 1956 and clause (c) of sub section 3 of section 134 of the Companies Act, 2013
  - ii. Changes, if any, in accounting policies and practices and reasons for the same
  - iii. Major accounting entries involving estimates based on the exercise of judgment by the management
  - iv. Significant adjustments made in the financial statements arising out of audit findings
  - v. Compliance with listing and other legal requirements relating to financial statements
  - vi. Disclosure of any related party transactions
  - vii. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, the performance of statutory and internal auditors adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### Composition and Attendance during the year

The Audit Committee of the Company is constituted in accordance with the provisions of Clause 49 of the Listing Agreement and the provisions of the Companies Act. All members of the Committee are financially literate, with Mr. Ajay Prakash Arora, Chairman of the Committee, having the relevant accounting and financial management expertise. The composition of the Audit Committee and the details of Meetings attended by the Directors during the year are given below:

Sr. No.	Name of the Members	Status at the committee	Nature of directorship	No. of Meeting attended
1.	Mr. Ajay Prakash Arora	Chairman	Independent	4
2.	Mr. Vijay Ranchan	Member	Independent	4
3.	Ms. Baljinder Kaur Mandal	Member	Independent	1

### Meetings of the Audit Committee held during FY 2013-14

During the year, four meetings of the Audit Committee were held: 29th Aug 2013, 14th November, 2013, 11th Feb 2014 and 14th May, 2014 Necessary quorum was present for all the meetings.

The Company Secretary and Compliance Officer acts as Secretary of the Committee. The Chairman of the Committee was present at the last Annual General Meeting held on 23rd December, 2013

### Subsidiary Companies

Independent Directors viz. Mr. Vijay Ranchan and Mr. Ajay Prakash Arora are the Directors on the boards of the non listed Indian Subsidiary Company Usher Eco Power Limited. The financial statements and the minutes of the board meetings of the subsidiary companies are considered at the meetings of the Board of Directors of the Company.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's Internal Control and Financial Reporting Process. The terms of reference of the Audit Committee are in accordance with all the items listed in Clause 49 of the Listing Agreement.

### B. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of the Company comprised of three members namely, Mr. Shri Prakash Arora as the Chairman Mr. Vijay Ranchan, Mr. Ajay Prakash Arora, as the members of the Committee.

Shareholder/Investor Grievance and Share Transfer Committee has been renamed as Stakeholders' Relationship Committee to comply with Section 178 of Companies Act 2013 and clause 49 of Listing Agreement.

#### a) Terms of reference:

- i) Investor relations and redressal of shareholders grievances in general and relating to non-receipt of dividends, interest, non- receipt of balance sheet etc.
- ii) Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.
- iii) To approve request received for transfer, transmission, demat etc. of securities of the Company.

The composition and terms of reference Stakeholders' Relationship Committee of the Company are in compliance with provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement.

Company Secretary acts as the Secretary of the Committee.



### Meeting held during the year and the Attendance thereat:

During the year one meeting of Shareholder Grievance Committee was held on 29th August, 2013.

The attendance of members of the Shareholder Grievance Committee Meetings is as follow:

Sr. No.	Name of Members	Status	No. of Meeting attended
1.	Mr. Shri Prakash Arora	Chairman	1
2	Mr. Ajay Prakash Arora	Member	1
3	Mr. Vijay Ranchan	Member	1

### C. Preferential Issue Allotment Committee

The Preferential Issue Allotment Committee of the Company comprised of two non-executive directors and one executive Director. During the year no meeting of the Preferential Issue Allotment Committee was held.

The Preferential Issue allotment Committee consists of following members.

Sr. No.	Name of Members	Status	Nature of Directorship
1	Mr. Vijay Ranchan	Chairman	Independent Director
2	Mr. Ajay Prakash Arora	Member	Independent Director
3	Mr. Vinod Kumar Chaturvedi	Member	Managing Director

No meeting of preferential issue Allotment Committee was held hence no sitting fees was paid for the same.

### D. Finance Committee

The Finance committee of the Company was reconstituted on 30th August, 2010 and comprised of following members. The finance committee comprising of following Directors in order to have convenience in expediting day to day matters relating to finance.

Sr. No.	Name of Member	Status
1.	Mr. Ajay Prakash Arora	Chairman
2.	Mr. Vinod Kumar Chaturvedi	Member
3.	Mr. Manoj Pathak	Member

Following are the terms of reference for the finance committeee

(a) Borrow and raise such sums of money from time to time as may be required for the purpose of the company's business, subject to the condition that such borrowing shall not exceed Rs. 1,000 crores and

(b) Invest the surplus funds of the Company, subject to the provisions of section 372A of the Companies Act, 1956, in the purchase of shares, debentures, securities and stock certificates, etc. of any private or public limited company or in any securities floated by the Central Government or any State Government, however, to the condition that the funds so invested shall not exceed Rs. 250 crores.

(c) To open/close bank account and to authorize company's executives/ officers to operate bank account and to withdraw such authority from time to time.

(d) Give authority to any members of the committee to discuss the terms and conditions with the lenders, sign all documents including agreements, certificates, statements, undertakings, declarations, receipts, deeds, instruments and to do all such acts and things as may be necessary on behalf of the Company to give effect to the above resolution."

### **E. Nomination and Remuneration Committee:**

The Remuneration Committee of the Company comprised of three non-executive directors namely, Mr. Shri Prakash Arora as the Chairman Mr. Ajay Prakash Arora and Mr. Vijay Ranchan as the members of the Committee. All the members of the Committee are independent Directors.

Remuneration Committee has been renamed as Nomination and Remuneration Committee and its terms of reference were modified by the Board to comply with Section 178 of Companies Act 2013 and clause 49 of Listing Agreement.

During the year one meeting of Remuneration Committee was held on 29th August, 2014.

<b>Sr. No.</b>	<b>Name of the Member</b>	<b>Status at the committee</b>	<b>Nature of directorship</b>
1	Mr. Shri Prakash Arora	Chairman	Independent Director
2	Mr. Vijay Ranchan	Member	Independent Director
3	Mr. Ajay Prakash Arora	Member	Independent Director

#### **Terms of reference:**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. To recommend / review remuneration of the Managing Director(s) and Whole-time Director(s)/Executive Director(s) based on their performance and defined assessment criteria.
6. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

#### **c) Remuneration Policy:**

##### **Non-Executive Directors:**

The Non-Executive Independent Directors are paid remuneration by way of commission and sitting fees. In terms of shareholders' approval obtained at the Annual General Meeting held on 21st December, 2012, the commission can be paid at a rate not exceeding 1% per annum of net profit of the Company. During the year, the Company paid sitting fees of Rs. 20,000 per meeting to Independent Directors for attending meetings of the Board and Audit Committee Committees.

The details of sitting fees paid to Independent Directors during the financial year 2013-14 is as Under:

Name of Directors	Sitting Fees			
	Board Meeting	Audit Committee	Shareholders Committee	Remuneration Committee
Mr. Vijay Ranchan	80000	80000	-	7500
Mr. Ajay Prakash Arora	80000	80000	5000	7500
Mr. Shri Prakash Arora	80000	-	5000	7500
Mrs. Baljinder Kaur Mandal	20000	20000	-	-
Mr. Prem Chand Tiwari	80000	-	-	-

There were no other pecuniary relationships or transactions of Non-Executive Directors vis-a-vis the Company.

• **Executive Directors**

The Board of Directors in consultation with the Nomination and Remuneration Committee decides on the remuneration payable to the Managing Director / Executive Director as approved by the Board of Directors and approved by the members, within the ceilings prescribed under the Companies Act.

**Remuneration to Executive Director**

The terms of remuneration of executive directors has been fixed by board of directors and approved by shareholders. The particulars of remuneration of executive directors during the financial year 2013- 2014 are as under:

The details of remuneration paid/ payable to the Directors during the financial year 2013-14 are as under.

Rs. in Lacs

Name	Remuneration including Perquisite Commission	Sitting Fees	Total
Mr. Vinod Kumar Chaturvedi (Managing Director)	79.45	Nil	79.45
Manoj Pathak (Executive Director)	50.26	Nil	50.26

At present the Company does not have any Employee Stock Option Scheme (ESOS).

Details of shares held by Managing Director and Whole Time Director of the Company as on 30th June, 2014.

Sr. No.	Name	No of Shares
1	Mr. Vinod Kumar Chaturvedi	4692470
2	Manoj Pathak	3284060

## F. Corporate Social Responsibility Committee

Considering the requirements of the Companies Act, 2013, the Board of Directors of the Company in its meeting held on 28th August, 2014 constituted the Corporate Social Responsibility Committee.

### Composition of the Committee:

Sr. No	Name of Member	Designation
1.	Mr. Shri Prakash Arora	Chairman
2.	Mr. Vinod Kumar Chaturvedi	Member
3.	Mr. Manoj Pathak	Member

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of "Corporate Social Responsibility Policy", observe practices of Corporate Governance at all levels and to suggest remedial measures wherever necessary. The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

Terms of reference of the Committee, inter alia, includes the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made there under;
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the implementation of framework of CSR Policy.
- To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

## 2. General Body Meetings

Details of Annual General Meetings held during last three financial years:

Year	Date	Venue	Time	Summary of Special Business Conducted
2013	23.12.2013	Nand Kripa Banquet Hall, Four Bungalow Road, Main Market, Andheri (West), Mumbai-400 058	11.30	<ul style="list-style-type: none"><li>• Re-appointment of Dr. Vinod Kumar Chaturvedi- Managing Director</li><li>• Increase in borrowing limits from Rs. 1,000 Crores to Rs. 2,000 Crores</li><li>• Creation of Charges on the movable and immovable properties of the Company</li><li>• Increase in Authorized Share Capital of the Company and consequently alteration in Capital Clause of the Memorandum of Association of the Company:</li><li>• Amendment in Articles of Association of the Company</li></ul>

Year	Date	Venue	Time	Summary of Special Business Conducted
2012	21.12.2012	Nand Kripa Banquet Hall, Four Bungalow Road, Main Market, Andheri (West), Mumbai-400 058	11.00 a.m.	<ul style="list-style-type: none"> <li>1% commission to Non Executive Director with effect from 01.06.2011.</li> <li>Approval under section 81(1A) for further allotment of shares.</li> </ul>
2011	20.12.2011	Nand Kripa Banquet Hall, Four Bungalow Road, Main Market, Andheri (West), Mumbai-400 058	11.00 a.m.	Revision in remuneration of Mr. Vinod Kumar Chaturvedi and Mr. Manoj Pathak

### 3. Disclosures

- a) There was no such materially significant related party transaction(s) with its promoters, the directors or the management their relatives etc. that may have the potential conflict with the interest of the Company at large. The other related party transactions are given in the notes of accounts annexed to and forming the part of Balance sheet and Profit and Loss Account of the Company.
- b) Your Company has followed all relevant Accounting Standards while preparing the financial statement.
- c) The Company was not subject to any non-compliance and no penalties or strictures have been imposed by Stock Exchanges, SEBI or any other Statutory Authority, on any matters relating to Capital Market during the last three years.

### 4. Means of Communication

The quarterly, Half Yearly and Yearly results are published in English and Regional Newspapers. The financial results and investor update are displayed on the website of the company [www.usheragro.com](http://www.usheragro.com) shortly after its submission to the Stock Exchange. Management Discussion and Analysis Report has been included in this Annual Report and forms the part of this Annual Report being sent to the shareholders of the Company.

### 5. General Shareholder Information

#### a) Annual General Meeting

Day	Saturday
Date	20th December, 2014
Time	11.30 A.M
Venue	Nand Kripa Banquet Hall, Four Bungalow Road, Main Market, Andheri, (West), Mumbai-400 058

**Book Closure Period:**

From: Monday, 15th December, 2014 to Friday 19th December, 2014 (both days inclusive).

**b) Financial Year**

The Company has changed the financial year as per the requirement of the new Companies Act, 2013. The Financial year 2014-15 will be from 1st July, 2014 to 31st March, 2015. The financial results will be declared as per the following schedule.

Particulars	Tentative Schedule
<b>Quarterly Unaudited Results</b>	
September 30, 2014	On or before 14th November, 2013
December 31, 2014	On or before 14th February, 2015
March 31, 2015	On or before May 2015
<b>Annual Audited Results</b>	
Year ending 31 March, 2015	Within 60 days from 31 March, 2015

**c) Listing on Stock Exchange**

The Shares of the Company is Listed with Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE).

**Stock Code**

Bombay Stock Exchange Ltd. (BSE) P. J. Towers, Dalal Street, Mumbai 400 001	532765
National Stock Exchange of India Ltd (NSE) Exchange Plaza, Bandra- Kurla Complex, Bandra (East), Mumbai 400 051	On or before 14th November, 2013 USHERAGRO
ISIN for Depositories (NSDL and CDSL)	INE235G01011
Cin No.	LO1100MH1996PLC100380

**Listing fees**

Listing fees paid to Bombay stock exchange (BSE) and National Stock Exchange of India Limited (NSE) for the financial year 2014-15.

**Payment of depository Fees**

Annual Custody / Issuer fees for the year 2014-15 has been paid by the Company to Nation Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL).

**Electronic connectivity:**

National Security Depository of Ltd. & Central Depository Services (India) Ltd.

#### d) Registration with SEBI SCORE

As per SEBI Circular No. CIR/OIAE/2/2011 dated June 3, 2011 the Company got registered with SEBI for redressing of Complaints of Shareholders by SEBI Complaints redress System (SCORE).

#### e) Registered office & corporate office

422, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai - 400 053 India

Tel. No.: +91 22 39381100, Fax No.: +91 22 39381123; Email: compliance@usheragro.com

Website: www.usheragro.com

#### f) Plant Location

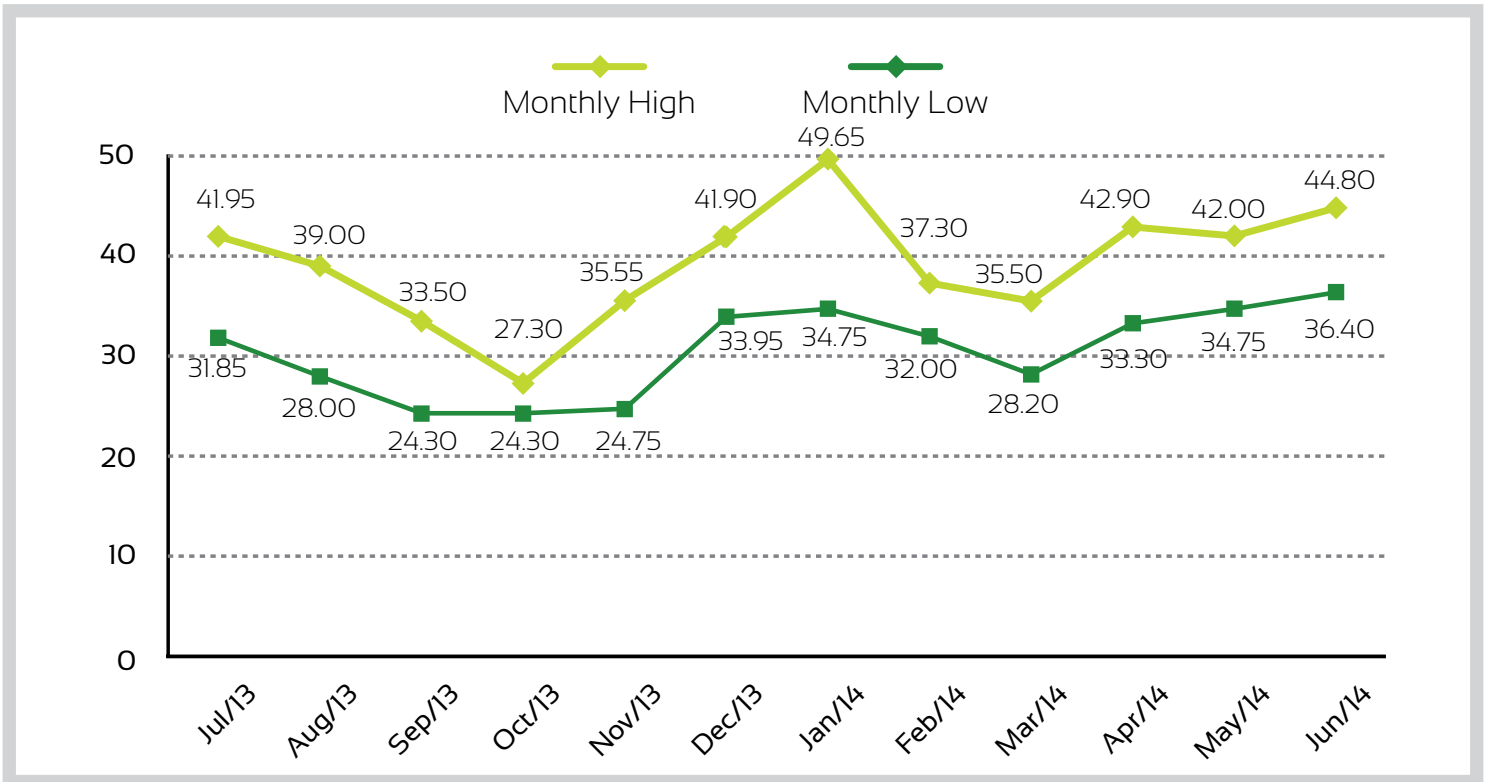
<b>Mathura:</b> 239, Maholi, Krishna Nagar Off Delhi-Agra Highway, (N-H II) Mathura, (Uttar Pradesh) - 281 004	<b>Buxar:</b> Plot no. 1898, Chaubeji hi Chhavani, Jalilpur Thana, Rajpur, Dist: Buxar (Bihar) - 801 144	<b>Chatta:</b> 158, Gohari, Delhi-Agra Highway, (N-H II), Chhata, Dist: Mathura (Uttar Pradesh) - 281 401 632-634, Duatana, Delhi-Agra Highway, (N-H II), Chhata, Dist: Mathura (Uttar Pradesh) - 281 401
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#### g) Market Price Data and Performance.

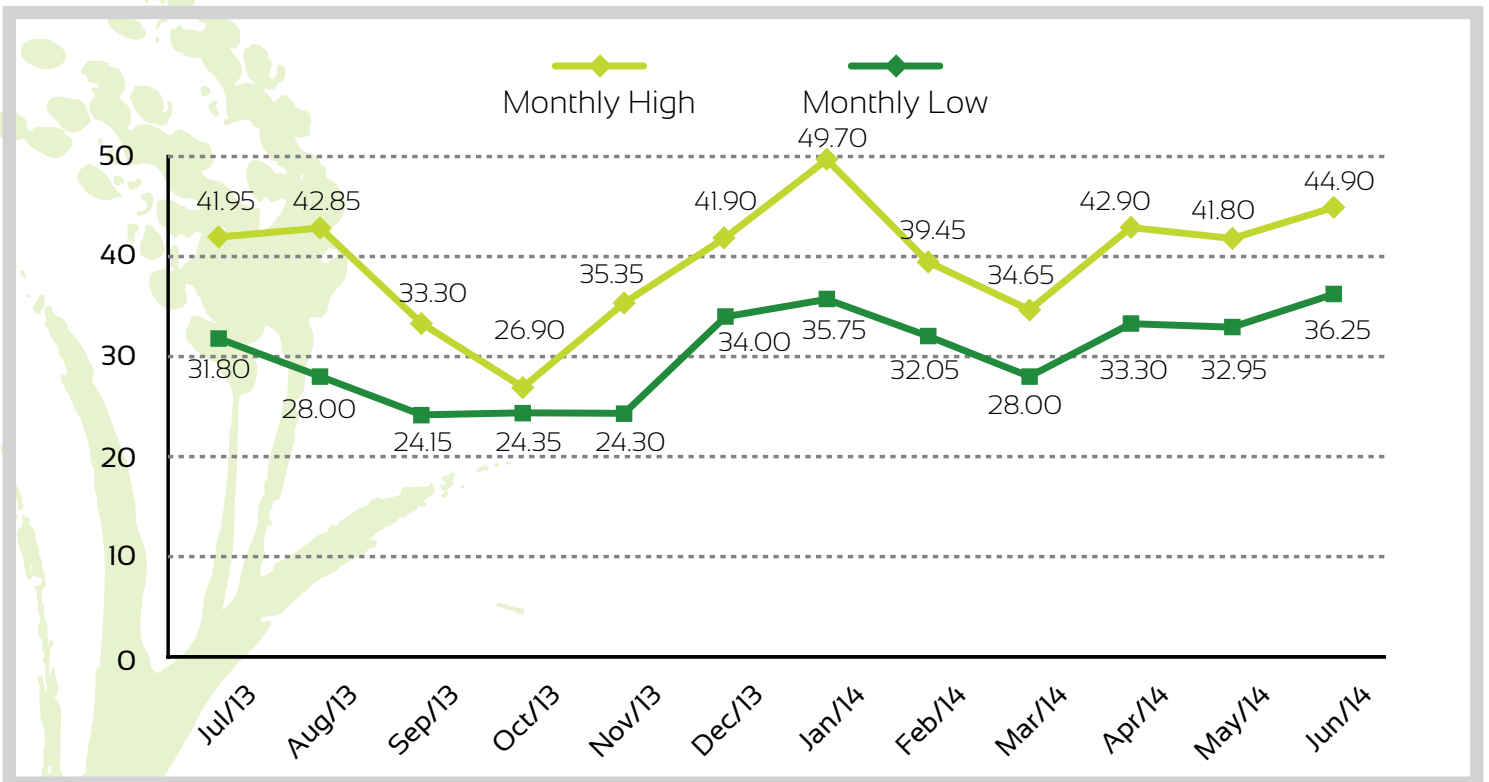
Monthly High and Low quotations of Shares traded at The National Stock Exchange of India Ltd. (NSE) and The Bombay Stock Exchange Ltd. (BSE) Share price data Monthly basis

Month	BSE		NSE	
Year	Monthly High Price	Monthly Low Price	Monthly High Price	Monthly Low Price
July, 2013	41.95	31.85	41.95	31.80
August, 2013	39.00	28.00	42.85	28.00
September, 2013	33.50	24.30	33.30	24.15
October, 2013	27.30	24.30	26.90	24.35
November, 2013	35.55	24.75	35.35	24.30
December, 2013	41.90	33.95	41.90	34.00
January, 2014	49.65	34.75	49.70	35.75
February, 2014	37.30	32.00	39.45	32.05
March, 2014	35.50	28.20	34.65	28.00
April, 2014	42.90	33.30	42.90	33.30
May, 2014	42.00	34.75	41.80	32.95
June, 2014	44.80	36.40	44.90	36.25

### BSE



### NSE





## h) Investors' correspondence may be addressed to:

<b>Usher Agro Limited</b> Mrs. Sarika S. Singh Company Secretary 422, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai - 400 053 Tel N.:+91 22 39381100 Fax No :+91 2239381123 compliance@usheragro.com	<b>Registrar &amp; Transfer Agents:</b> Bigshare Services Pvt. Ltd. E2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East) Mumbai – 400 072. Tel: + Tel: +91-022-28470632/53 Fax: +91-022-28475207 Email: flavia@bigshareonline.com
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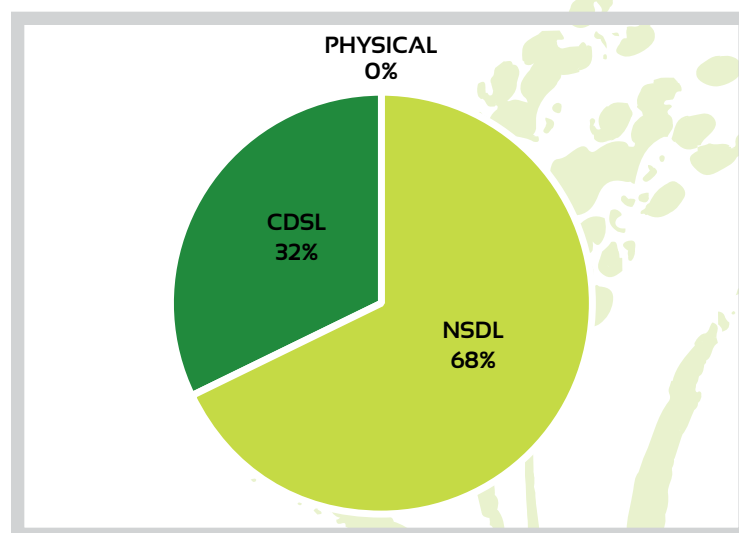
## i) Registrar and Share Transfer Agents

Name	BIGSHARES SERVICES PVT. LTD.
Contact Person	Ms. Flavia D Souza
Address	E2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East) Mumbai – 400 072
Telephone No.	Tel: + Tel: +91-022-28470632/53
Fax No.	Fax: +91-022-28475207
E mail	flavia@bigshareonline.com

## j) Dematerialization of shares and liquidity

The Company has established connectivity with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through the Registrar- Bigshare Services Pvt. Ltd. This has facilitated the shareholders to hold and trade their shares in 'electronic form'. Almost the entire share holding (99.98%) is held in dematerialized form with NSDL 26042850 Shares (68.43%), CDSL 12016074 Shares (31.57%) and 115 in physical form as on 30th June, 2014.

### Dematerialized Position as of 30th June, 2014



## k) Share Transfer System

The Company has appointed Bigshare Services Pvt. Ltd. as the Registrar and Transfer Agent of the Company w.e.f 1st February, 2012.

The work related to share transfer in terms of both physical and electronic mode is being dealt at single point with Bigshare services Pvt. Ltd. After the completion of preliminary formalities of transfer/transmission by the Share Transfer Agent, the

approval of transfer of shares in the physical form is given by the share Transfer Committee.

The Share transfer committee, constituted specifically for this purpose, meets periodically as the need arise to approve the Share Transfer etc.

The Company has complied with the provisions of the requisite guidelines issued by the regulatory authorities in respect of the transfer of shares and other related matters.

Bigshare services Pvt. Ltd has been appointed as Registrar & Share Transfer Agent for processing, transfer, sub-division, consolidation, splitting of shares and for rendering depository services such as dematerialization and re-materialization of the Company's shares.

The share transfers, which are received in physical form, are processed and the share certificates returned within 15 days of lodgment, subject to the documents being valid and complete in all respect.

Shareholders/investors are requested to forward share transfer documents, dematerialization requests and other related correspondence directly to Investor Bigshare services Pvt. Ltd at the above address for speedy response.

#### **Unclaimed Shares lying in the Escrow Account**

In accordance with the provisions contained in clause 5A of the listing agreement with the Stock Exchanges, as amended by SEBI vide circular dated 16 December 2010, the Company was required to send 3 reminders at the registered addresses of the shareholders whose shares were lying "Undelivered/Unclaimed" with the Company, requesting for the correct particulars to dispatch such share certificates. If no response was received, the shares were required to be transferred to an "Unclaimed Share Suspense Account", which shall be maintained by the Company in an electronic form. As and when any shareholder approaches at a later date, the Company shall deliver the shares to him/her from the said account, after proper verification/identification. Further, voting rights on such shares are to remain frozen till the rightful owner claims the shares. Accordingly, during the previous year, the Company sent three reminders to these shareholders, followed by opening of the said suspense account with Axis Bank. After completing the necessary formalities, 2189 shares held by one shareholder were transferred to the said suspense account. The Company, acting as a trustee in respect of the unclaimed shares, follows the modalities for the operation of the said account in the manner set out in clause 5A of the listing agreement. The summary of this account for the year 2013-14 is as follows:

<b>Sr. No.</b>	<b>Particulars</b>	<b>No. of shareholders</b>	<b>Outstanding shares</b>
1.	Aggregate no. of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year i.e. 1st July 2013	1	2189
2.	No. of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year	Nil	Nil
3.	No. of shareholders to whom shares were transferred Unclaimed Suspense Account during the year	Nil	Nil
4.	Aggregate no. of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year i.e. 30TH June, 2014	1	2189

#### l) Distribution of Holding as on 30th June 2014

Sr. No.	Number of Shares	Number	% to Total	Share Amount (Rs.)	% to Total
1.	1 - 500	6316	76.1790	1,04,23,200	2.7387
2.	501 - 1,000	836	10.0832	71,10,810	1.8684
3.	1,001 - 2,000	469	5.6567	74,20,270	1.9497
4.	2,001 - 3,000	179	2.1590	46,22,260	1.2145
5.	3,001 - 4,000	86	1.0373	30,80,850	0.8095
6.	4,001 - 5,000	91	1.0976	43,39,000	1.1401
7.	5,001 - 10,000	135	1.6283	1,02,63,840	2.6968
8.	10,001 & above	179	2.1590	33,33,30,160	87.5824
	<b>Total</b>	<b>8291</b>	<b>100.00</b>	<b>38,05,90,390</b>	<b>100.00</b>

#### m) Share holding Pattern as on 30th June 2014

Sr. No.	Category of Shareholders	No. of Shareholders	Total No. of Shareholders	% of total Share holding
1.	Promoters and Promoter Group	6	12262370	32.22
2.	Foreign Institutional Investors	2	2844767	7.47
3.	Bodies Corporate	335	10106685	26.56
4.	Indian Public/ Other	7948	12845217	33.75
	<b>Total</b>	<b>8291</b>	<b>38059039</b>	<b>100.00</b>

#### DECLARATION

The Board members & senior management personnel have affirmed compliance with the code of conduct for the directors & senior management for the year ended 30th June, 2014.

For and on Behalf of the Board

Sd/-

**Vinod Kumar Chaturvedi**  
Managing Director

Place: Mumbai  
Date: 28th August, 2014

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## CEO Certification

Mr. Vinod Kumar Chaturvedi, Managing Director has certified to the Board that:

- (a) I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief:
  - (i) These statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
  
- (b) There is, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or volatile of the Company's code of conduct.
  
- (c) I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
  
- (d) I have indicated to the auditors and the Audit committee.
  - a. Significant changes in internal control during the year, if any;
  - b. Significant changes in accounting policies during the year, if any and that the same have been disclosed in the notes to the financial statement; and
  - c. Instance of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Place: Mumbai

Date: 28th August, 2014

*Sd/-*

**Vinod Kumar Chaturvedi**

Managing Director

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## Auditor's Certificate on Corporate Governance

To the Members of  
USHER AGRO LIMITED

We have examined the compliance of conditions of corporate governance by Usher Agro Limited for the year ended 30th June, 2014 as stipulated in clause 49 of the listing agreement of the said Company with the stock exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the management, we certify that the Company has complied with the conditions of corporate governance as stipulated in clause 49 of the above mentioned listing agreement.

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

**For Parekh Shah & Lodha  
Chartered Accountants  
Firm reg.: 107487W**

*Sd/-*

**Ashutosh Dwivedi**

(Partner)

M.No. : 410227

**For Ajmera Ajmera & Associates  
Chartered Accountants  
Firm Reg.: 123989W**

*Sd/-*

**Sandeep Ajmera**

(Partner)

M. No. : 048277

Place: Mumbai

Date: 28th August, 2014

# Independent Auditor's Report

To,  
The Members of  
Usher Agro Ltd.

## Report on the Financial Statements

We have audited the accompanying financial statements of M/s. **USHER AGRO LIMITED** ("the Company"), which comprise the Balance Sheet as at June 30, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information, *in accordance with the provision of General Circular 08/2014 dated 4th April, 2014 issued by the Ministry of Corporate Affairs, Government of India.*

## Management's Responsibilities for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 issued by the Ministry of Corporate Affairs of India in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. 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.

## Auditor 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. 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.

## 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 June 30, 2014;
- b) in the case of the Statement of Profit and Loss Account, of the profit for the year ended on that date;
- c) in the case of the Cash Flow statement, of the cash flows for the year ended on that date.

## Emphasis of Matter

### We draw attention to

- a) Note No. 47 to the financial statements which describes that the Balance of Debtors, Creditors, Loans & Advances and other parties are subject to confirmation and reconciliation, if any.

## Report on other Legal and Regulatory Requirement

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. As required by section 227(3) of the Companies Act, 1956, 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
  - 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.
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
  - e) On the basis of written representations received from the directors as on June 30, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on June 30, 2014, from being appointed as a director in terms of clause (g) of sub-section (l) of section 274 of the Companies Act, 1956.

**For Ajmera Ajmera & Associates**  
**Chartered Accountants**  
**Firm Reg.: 123989W**

*Sd/-*  
**Sandeep Ajmera**  
 (Partner)  
 M. No. : 048277

**For Parekh Shah & Lodha**  
**Chartered Accountants**  
**Firm reg.: 107487W**

*Sd/-*  
**Ashutosh Dwivedi**  
 (Partner)  
 M.No. : 410227

Place: Mumbai  
 Date: 28th August, 2014

## ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors Report of even date for the year ended 30th June, 2014]

### 1. In respect of its fixed assets:

- a) On the basis of the available information the Company has maintained records to show full particulars including quantitative details and situation of fixed assets although the same needs to be updated
- b) As explained to us, all the fixed assets are being physically verified by the management in a phased periodical manner under supervision of the internal auditors, which in our opinion needs to be further improved, considering the size of the Company and nature / multiple locations of its assets. As informed to us prima-facie no material discrepancies were noticed on such physical verification.
- c) In our opinion the Company has not disposed a substantial part of its fixed assets during the year and the 'Going Concern' status of the Company is not affected.

### 2. In respect of its inventories:

- a) The inventories have been physically verified by the management, under supervision of the internal auditors, during the financial year. In our opinion the frequency of verification is more or less reasonable but needs to be further improved, considering the size, nature of the business of the Company and multiple storage locations of the inventories.
- b) In our opinion, the procedures of physical verification of inventories followed by the management are more or less reasonable in relation to the size of the Company and the nature of its business but same needs to be strengthen further.
- c) The company has maintained proper records of inventory but the internal control systems and level of computerizations needs to be improved in this context considering to the size of the Company and the nature of its business. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.

3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
  - a. The company has granted Unsecured Loans (other than short term business advances) to one company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was Rs 1,484.64 lacs (P.Y. Rs. 2,193.04 lacs) and the year-end balance of loans granted to such party was Rs. 1,048.70 lacs (P.Y. Rs. 1,444.04 lacs).
  - b. In our opinion, the terms and conditions of such Loan is not, prima facie, prejudicial to the interest of the company, except that the company has not charged any interest on such loans, which is also in contravention to the Section 372A (3) of the Companies Act, 1956, where charging of interest is mandatory for such loans.
  - c. As informed to us, the part of loans were received as stipulated, during the year, thus there has been no default on receipt of the loans.
  - d. During the financial year, the Company has not taken any loans/ advances (other than short term business advances) from parties listed in the register maintained under section 301 of the Companies Act, 1956 (P.Y. Nil). Consequently the requirements of Clause (iii)(f) and (iii) (g) of Paragraph 4 of the order are not applicable.
4. There is an internal control procedure present in the company for the purchase of fixed assets, inventory and for the sale of goods and services, which needs to be reviewed and improved / strengthen considering the size of the company and its nature of business.
5. In respect of transactions covered under section 301 of the Companies Act, 1956.
  - a) Based on the audit procedures applied by us and according to the explanations provided by the management, we are of the opinion that there are transactions that need to be entered into a register in pursuance of Section 301 of the Companies Act, 1956 and have been so entered.



- b) According to the information and explanations given to us and based on the comments of internal auditors, the transactions made in pursuance of contracts or arrangements entered in the register in pursuance of Section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5 lacs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. In our opinion the present internal audit system of the company need to be strengthened to commensurate with the size of the Company and the nature of its business particularly in relation to internal control systems / procedures.
8. The company has appointed the Cost Auditors as required under Companies (Cost Audit Records) Rules, 2011 as prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956. Further the Cost Records required

to be maintained under Companies (Cost Accounts Records) Rules, 2011 have been maintained by the company during the year. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

#### 9. In respect of Statutory Dues:

- a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Wealth Tax, Sales Tax, Customs Duty, Excise Duty, Service Tax, Cess and any other statutory dues (excluding any interest, advance tax, penalties, etc, if any, the amount could not be quantified) with the appropriate authorities. According to the information made available to us, no undisputed arrears of statutory dues are outstanding as at 30th June, 2014 for more than six months from the date when they became payable.
- b) According to the information and explanations given to us and records examined by us, there are no dues of Sales Tax, Income Tax, Custom duty, Wealth tax, Service Tax, Excise duty and Cess that have not been deposited with the appropriate authorities on account of any dispute except the following:

Nature of Statute	Nature of dues	Period	Amount (Rs. in Lacs)	Forum where dispute is pending
Entry Tax	Entry Tax	A.Y. 2008-09	4.26	Addl. Commissioner (Commercial Tax), Mathura UP
Sales Tax	VAT & CST	A.Y. 2008-09	29.17	Appellate Tribunal, Agra
Sales Tax	VAT & CST	A.Y. 2009-10	0.21	Additional Commissioner Grade -II (Appeal) Mathura
Sales Tax	VAT & CST	A.Y. 2010-11	201.87	Addl. Commissioner (Commercial Tax), Mathura UP
Sales Tax	VAT	A.Y. 2012-13	2.15	Addl. Commissioner (Commercial Tax), Mathura UP
Indian Stamp Act	Stamp Duty	A.Y. 2012-13	452.00	Asst. Commissioner Stamps, Mathura

10. There are no accumulated losses of the Company as on 30th June, 2014. The company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company is generally regular in repayment of dues to a financial institution, bank or debenture holders, except for some instances of slight delays in the repayments of the principal/ interest were observed .
12. Based on our audit procedures and as per the information and explanations given by the management, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities during the financial year 2013-14.
13. The provisions of any special statutes applicable to the Chit Funds, Nidhi or Mutual Benefit Society are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of this clause are not applicable to the Company.
15. According to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions, except those mentioned in Note no. 38 of the financial statements.
16. The term loans raised by the company during the year have been applied for the purpose for which they were obtained according to the information and the explanations given to us and on the basis of the certificates issued by independent chartered accountants/ engineers on regular intervals.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we are of the opinion that there are no funds raised on short term basis that have been used for long term investment.
18. During the current financial year, the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. During the year under audit, the company has neither issued any debentures nor was any debenture outstanding at the year end.
20. The company has not raised any money by public issue during the year.
21. On the basis of our examination and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the current financial period.

**For Ajmera Ajmera & Associates**  
**Chartered Accountants**  
**Firm Reg.: 123989W**

*Sd/-*  
**Sandeep Ajmera**  
 (Partner)  
 M. No. : 048277

**For Parekh Shah & Lodha**  
**Chartered Accountants**  
**Firm reg.: 107487W**

*Sd/-*  
**Ashutosh Dwivedi**  
 (Partner)  
 M.No. : 410227

Place: Mumbai  
 Date: 28th August, 2014

## USHER AGRO LIMITED - STANDALONE BALANCE SHEET AS AT 30TH JUNE, 2014

Rs. in Lacs

	Particulars	Note	As at 30th June, 2014	As at 30th June, 2013
I	EQUITY AND LIABILITIES			
1	Shareholder's Fund			
a	Share Capital	3	3,805.90	3,805.90
b	Reserves and Surplus	4	34,581.73	27,887.07
			<b>38,387.63</b>	<b>31,692.97</b>
2	Non-Current Liabilities			
a	Long-Term Borrowings	5	19,775.59	18,376.46
b	Deferred Tax Liabilities (Net)	6	706.36	1,134.37
c	Other Long Term Liabilities	7	1,463.94	1.44
			<b>21,945.89</b>	<b>19,512.27</b>
3	Current Liabilities			
a	Short-Term Borrowings	8	52,969.33	42,522.43
b	Trade Payables	9	9,108.67	4,947.60
c	Other Current Liabilities	10	6,697.67	3,217.90
d	Short-Term Provisions	11	679.29	1,728.99
			<b>69,454.96</b>	<b>52,416.92</b>
	<b>TOTAL</b>		<b>1,29,788.49</b>	<b>1,03,622.16</b>
II	ASSETS			
1	Non-current Assets			
a	Fixed assets			
i.	Tangible Assets	12	35,937.12	13,827.02
ii.	Capital Work-In-Progress		3,001.87	14,067.02
			<b>38,938.99</b>	<b>27,894.04</b>
b	Non-Current Investments	13	1,725.36	1,725.36
c	Long-Term Loans And Advances	14	637.83	1,180.59
			<b>2,363.19</b>	<b>2,905.95</b>
2	Current Assets			
a	Inventories	15	56,687.64	40,920.80
b	Trade Receivables	16	26,490.98	23,984.68
c	Cash and Cash Equivalents	17	1,404.32	3,253.87
d	Short-Term Loans And Advances	18	1,555.25	1,525.36
e	Other Current Assets	19	2,348.12	3,137.46
			<b>88,486.31</b>	<b>72,822.17</b>
	<b>TOTAL</b>		<b>1,29,788.49</b>	<b>1,03,622.16</b>
	Notes to Balance Sheet and Statement of Profit & Loss	1-51		

As per our report of even date

**For Ajmera Ajmera & Associates**  
Chartered Accountants  
Firm Reg.: 123989W

Sd/-  
**Sandeep Ajmera**  
(Partner)  
M. No. : 048277

**For Parekh Shah & Lodha**  
Chartered Accountants  
Firm reg.: 107487W

Sd/-  
**Ashutosh Dwivedi**  
(Partner)  
M.No. : 410227

**For and on behalf of the Board**  
Usher Agro Limited

Sd/-  
**Sarika S. Singh**  
Company Secretary

Sd/-  
**V. K. Chaturvedi**  
Managing Director

Sd/-  
**Manoj Pathak**  
Wholetime Director

Date: 28th Aug, 2014  
Place : Mumbai

## USHER AGRO LIMITED - STANDALONE STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 30TH JUNE, 2014

Rs. in Lacs

	Particulars	Note	Year Ended 30th June, 2014	Year Ended 30th June, 2013
I	Revenue from Operations	20	1,22,282.01	94,933.89
II	Other Income	21	154.25	223.15
<b>III</b>	<b>Total Revenue (I + II)</b>		<b>1,22,436.26</b>	<b>95,157.04</b>
IV	Expenses:			
	Cost of Materials Consumed	22	99,165.11	79,052.11
	Changes in Inventories(Increase)/Decrease of Finished Goods	23	949.69	(1,803.10)
	Employee Benefits Expense	24	1,265.72	1,022.62
	Finance Costs	25	7,665.93	5,045.74
	Depreciation and Amortization Expense	26	2,059.06	1,501.79
	Other Expenses	27	4,819.18	3,814.70
	<b>Total expenses</b>		<b>1,15,924.69</b>	<b>88,633.86</b>
V	Profit before exceptional and extraordinary items and tax (III-IV)		6,511.56	6,523.18
VI	Exceptional items		-	-
<b>VII</b>	<b>Profit before extraordinary items and tax (V - VI)</b>		<b>6,511.56</b>	<b>6,523.18</b>
VIII	Extraordinary Items		195.11	-
IX	Profit before tax (VII- VIII)		6,706.68	6,523.18
X	Tax Expense:			
	(1) Current Tax		689.15	1,738.70
	(2) Deferred Tax		(428.01)	154.50
	(3) Short / ( Excess ) Provision for Income Tax for Earlier Years		(249.13)	93.90
<b>XI</b>	<b>Profit (Loss) for the period from continuing operations (IX-X)</b>		<b>6,694.66</b>	<b>4,536.08</b>
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
<b>XV</b>	<b>Profit (Loss) for the period (XI + XIV)</b>		<b>6,694.66</b>	<b>4,536.08</b>
XVI	Earnings per equity share: (In Rupees)			
	Basic		17.59	11.92
	Diluted		17.59	11.92
	Notes to Balance Sheet and Statement of Profit & Loss	1-51		
	Notes to Balance Sheet and Statement of Profit & Loss	1-51		

As per our report of even date

**For Ajmera Ajmera & Associates**  
Chartered Accountants  
Firm Reg.: 123989W

*Sd/-*  
**Sandeep Ajmera**  
(Partner)  
M. No. : 048277

Date: 28th Aug, 2014  
Place : Mumbai

**For Parekh Shah & Lodha**  
Chartered Accountants  
Firm reg.: 107487W

*Sd/-*  
**Ashutosh Dwivedi**  
(Partner)  
M.No. : 410227

*Sd/-*  
**Sarika S. Singh**  
Company Secretary

**For and on behalf of the Board**  
Usher Agro Limited

*Sd/-*  
**V. K. Chaturvedi**  
Managing Director

*Sd/-*  
**Manoj Pathak**  
Wholetime Director

## USHER AGRO LIMITED - STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2014

Rs. in Lacs

	Particulars	As at 30th June, 2014	As at 30th June, 2013
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit/(Loss) before Tax	6,706.68	6,523.18
	Less: Other Income	(154.25)	(223.15)
	Less: Extraordinary Items	(195.11)	
	Add: Loss on sale of assets	1.20	3.24
	Add: Interest cost	7,665.93	5,045.74
	Add: Depreciation\Amortization	2,059.06	1,501.79
	<b>Operating Profit/(Loss) before working capital changes</b>	<b>16,083.50</b>	<b>12,850.80</b>
	Adjustments for movement in working capital:		
	Adjustment for Increase/ (Decrease) in operating Liabilities:		
	Trade Payables	4,161.07	1,636.78
	Short-Term Borrowings	10,446.90	8,915.14
	Other Current Liability	148.97	(120.76)
	Short term provision	27.57	3.86
	Adjustment for (Increase)/ Decrease in operating Assets:		
	Inventories	(15,766.84)	(9,212.03)
	Trade Receivables	(2,506.30)	(3,178.50)
	Short-term Loans & Advances	(29.89)	(459.85)
	Other Current Assets	789.34	(1,610.92)
	<b>Cash from / (Used in) Operating Activities</b>	<b>13,354.33</b>	<b>8,824.52</b>
	Add / (Less) : Direct Taxes		
	Other Income	35.67	59.89
	Tax Paid	(1,517.30)	(1,159.78)
	<b>Net Cash from / (Used in) Operating Activities (A)</b>	<b>11,872.70</b>	<b>7,724.63</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	(Purchase)/Sale of Fixed Assets (Including CWIP)	(11,447.61)	(9,776.03)
	Long Term Loan/Advances (include non current assets)	542.76	(1,091.93)
	Interest Income	118.58	163.26
	Investment	0.00	(22.71)
	<b>Cash from / (Used in) Investing Activities (B)</b>	<b>(10,786.24)</b>	<b>(10,727.41)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from Long Term Borrowings (net of Repayment)	4,599.46	6,533.45
	Interest Cost	(7,535.45)	(5,045.74)
	Proceeds from Issue of shares & Share Application Money	-	(0.06)
	Dividend Paid	-	(570.89)
	<b>Cash from / (Used in) Financing Activities (C)</b>	<b>(2,935.99)</b>	<b>916.76</b>
	<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents (A)+(B)+(C)</b>	<b>(1,849.53)</b>	<b>(2,086.01)</b>
	Cash & Cash equivalent as at beginning of the year	2,361.34	3,497.57
	Other Bank Balance as at beginning of the year	892.53	1,842.31
	Cash & Cash equivalent as at end of the year	355.82	2,361.34
	Other Bank Balance as at end of the year	1,048.52	892.53
	<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(1,849.53)</b>	<b>(2,086.01)</b>

**Additional information:**

1) Figures in brackets represent outflows.

2) Previous years figures have been restated where necessary.

As per our Report of even date

**For Ajmera Ajmera & Associates**  
**Chartered Accountants**  
**Firm Reg.: 123989W**

*Sd/-*  
**Sandeep Ajmera**  
 (Partner)  
 M. No. : 048277

**For Parekh Shah & Lodha**  
**Chartered Accountants**  
**Firm reg.: 107487W**

*Sd/-*  
**Ashutosh Dwivedi**  
 (Partner)  
 M.No. : 410227

*Sd/-*  
**Sarika S. Singh**  
 Company Secretary

*Sd/-*  
**V. K. Chaturvedi**  
 Managing Director

**For and on behalf of the Board**  
**Usher Agro Limited**

*Sd/-*  
**Manoj Pathak**  
 Wholetime Director

Date: 28th Aug, 2014  
 Place : Mumbai

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED ON 30TH JUNE, 2014 CORPORATE OVERVIEW

Usher Agro Limited is engaged in the business of food processing, mainly basic food i.e. wheat, rice and pulses. The Company is having manufacturing facilities for rice, wheat & pulses milling. The company is also engaged in Bio Mass Power generation and Logistic, however the operations in these two segments are comparatively not significant and mainly for captive purpose only.

### SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of preparation

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy, if any, as discussed below in detail, are consistent with those used in the previous year.

#### (b) Use of estimates

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statement and the reported amount of revenues and expenses during the reporting period. Although these estimates are based upon management best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialize.

#### (c) Current–non-current classification

##### Assets

An asset is classified as current when it satisfies any of the following criteria:

It is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

It is held primarily for the purpose of being traded;  
It is expected to be realised within 12 months after the reporting date; or  
It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

##### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

It is expected to be settled in the company's normal operating cycle;  
It is held primarily for the purpose of being traded;  
It is due to be settled within 12 months after the reporting date; or  
The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.  
Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

#### (d) Operating cycle

An operating cycle is the time between the acquisition of assets/materials for processing and their realization in Cash or cash equivalents. Where the normal operating cycle cannot be identified, it is assumed to have duration of twelve months

#### (e) Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost (including pre-operative and trial & run expenses) of bringing the asset to its working condition for its intended use.

Assets under installation or under construction as at the Balance Sheet date are shown as Capital work in progress.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets till the period, such assets are ready to be put to use, the qualifying assets is one that take substantial period of time to get ready for its intended use or sale. Other borrowing cost not attributable to the acquisition of any capital assets are recognized as expenses in the period in which they are incurred. The cost of acquisition is further adjusted for exchange difference relating to non current foreign currency borrowing attributable to the acquisition of depreciable assets.

### **(f) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### **(g) Depreciation**

Depreciation is provided using the Straight Line Method as per the rates prescribed under schedule XIV of the Companies Act, 1956. Depreciation on addition/deletion to the assets during the year is provided on pro-rata basis.

### **(h) Impairment**

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 exceeds its recoverable amount. The recoverable amount is the greater of the asset's 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 asset over its remaining useful life.

### **(i) Leases**

Finance Lease Transaction:

Finance leases, which effectively transfer to the Company

substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Operating Lease Transaction :

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

### **(j) Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

### **(k) Inventories**

Raw materials, components, stores and spares Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on FIFO basis.

Work-in-progress and finished goods Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### **(l) 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.

#### Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer.

#### Income from Services

Revenues from Job work & stock processing of material are recognised as and when services are rendered.

#### Interest

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

### **(m) Deferred Revenue Expenditure**

Any expense which is the nature of Preliminary expenses, has write off in the year which they have incurred from/ against the Profit & Loss Account.

Any expenses related to public issue/QIP/any other capital raising issue has write off entire expenses in the year which they have incurred from/against the security premium account.

### **(n) Foreign currency translation**

#### (i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### (ii) Conversion

Foreign currency monetary items are reported using the closing rate at the end of the reporting period. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

#### (iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise. Exchange differences arising in respect of fixed assets acquired from outside India are capitalized as a part of fixed asset.

### **(o) Retirement and other employee benefits.**

Retirement benefits in the form of Provident Fund is a defined contribution scheme and contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Gratuity liability is defined benefit obligations and are provided for on the basis of an actuarial valuation made at the end of each financial year.

Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

### **(p) Income taxes**

Tax expense comprises of current tax and deferred tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognises unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case



may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

### **(q) Expenditure on new projects and substantial expansion**

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the Profit and Loss Account. Income earned during construction period is deducted from the total of the indirect expenditure.

All direct capital expenditure on expansion are capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its original standard of performance.

### **(r) Segment Reporting Policies**

Primary segment is identified based on the nature of products and services. Secondary segment is identified based on geography in which major operating division of the company operate.

For primary segment, the segment revenue, segment expenses, segment assets and segment liabilities have been identified to segment on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the group as a whole and are not allocable to segment on reasonable basis, have been included under 'Unallocated revenue/expenses/assets/liabilities'.

### **(s) Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The

weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares). 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 dilutive potential equity shares.

### **(t) Provisions and Contingent Liabilities**

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Liabilities whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent and disclosed by way of Notes on Accounts.

### **(u) Financial /Commodity Derivatives Transaction**

In respect of derivative contracts, premium paid, gain / losses on settlement and provision for losses for cash flow hedges are recognised in the Profit and Loss Account except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

### **(v) Government Grants**

Grants from the Government are recognized when there is reasonable assurance that the grant /subsidy will be received and all attaching conditions will be complied with. Government Grants related to specific fixed assets has been deducted from the gross value of the assets concerned in arriving at their book value.

Government Grants of the nature of the revenue are recognised on a systematic basis in the profit and loss account over the periods necessary to match them with related costs which they are intended to compensate. Such grants either be shown under 'other income' or deducted in reporting the related expenses.

## USHER AGRO LIMITED - NOTES TO BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS

Rs. in Lacs

Particulars	As at 30th June, 2014	As at 30th June, 2013
<b>SHARE CAPITAL</b>		
Authorised Share Capital 5,00,00,000 (P.Y. 4,00,00,000) Equity Shares of Rs. 10/- each	5,000.00	4,000.00
<b>TOTAL</b>	<b>5,000.00</b>	<b>4,000.00</b>
Issued, Subscribed and Paid up share capital 3,80,59,039 (P.Y.3,80,59,039) Equity Shares of Rs. 10/- each	3,805.90	3,805.90
<b>TOTAL</b>	<b>3,805.90</b>	<b>3,805.90</b>

a) A reconciliation of the number of shares outstanding at the beginning and at the end of the accounting year, is set out below:

Particulars	No. of Shares 2013 - 2014	No. of Shares 2012 - 2013
<b>Equity Shares</b>		
Equity shares at the beginning of the year	3,80,59,039	3,80,59,039
Add: shares issued during the year	-	-
<b>Equity shares at the end of the year</b>	<b>3,80,59,039</b>	<b>3,80,59,039</b>

b) The Company has only one class of equity shares having a par value of Rs. 10. The equity shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 1956 below:

c) There are nil number of shares ( P.Y. Nil) in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiary or associates of the holding company or the ultimate holding company in aggregate.

d) Shares in the company held by each shareholders holding more than 5% shares, as on 30.06.2014:

Name of the Shareholder	As on 30.06.2014		As on 30.06.2013	
	No. Of Shares	Percentage (%)	No. Of Shares	Percentage (%)
Mr. Vinod Kumar Chaturvedi	46,92,470	12.33%	47,16,470	12.39%
Mr. Manoj Pathak	32,84,060	8.63%	32,84,060	8.63%
Narayani Nivesh Nigam Pvt Limited	20,08,740	5.28%	20,54,752	5.40%
Hi Tech Housing Projects Pvt Ltd	-	-	49,51,893	13.01%
Elara India Opportunities Fund Limited	25,90,312	6.81%	25,90,312	6.81%
Parin Trading Private Limited	-	-	21,00,000	5.52%
Abhi Ambi Financial Services Limited	49,51,893	13.01%	-	-

e) There are nil number of shares ( Previous year Nil) reserved for issue under option and contracts /commitment for the sale of shares/disinvestment including the terms and amounts.

f) For the period of five years immediately preceding the date as at which the balance sheet is prepared

Particulars	No. of Equity Shares
Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash	Nil
Aggregate number and class of shares allotted as fully paid-up by way of bonus shares.	Nil
Aggregate number and class of shares bought back	Nil

g) During the year there are no securities issued/converted which are convertible into equity/preference shares. However On 15th December 2009 the company has issued 60,00,000 warrants on preferential basis to the promoters and others to raise Rs. 2,460 lacs through preferential allotment. out of which, 10,00,000 warrants and 50,00,000 warrants have been converted in to equity share in financial year 2009-10 and 2010-11 respectively.

h) There are no calls unpaid ( P.Y. Nil )including calls unpaid by Directors and Officers as on balance sheet date

Particulars	Rs. in Lacs	
	As at 30th June, 2014	As at 30th June, 2013
4 RESERVES AND SURPLUS		
General Reserve		
Opening balance	2,252.00	1,652.00
(+) Current Year Transfer	-	600.00
(-) Written Back in Current Year	-	-
Closing Balance	<b>2,252.00</b>	<b>2,252.00</b>
Securities Premium	11,546.21	11,546.21
Debt Redemption Reserve	11,546.21	11,546.21
Opening balance	1,000.00	500.00
Add:during the year	3,000.00	500.00
Closing Balance	4,000.00	1,000.00
Profit and Loss Account		
Opening balance	13,088.86	9,652.78
(+) Net Profit/(Net Loss) For the current year	6,694.66	4,536.08
(-) Debt Redemption Reserve	3,000.00	500.00
(-) Transfer to Reserves	-	600.00
Closing Balance	16,783.52	13,088.86
<b>TOTAL</b>	<b>34,581.73</b>	<b>27,887.07</b>

## USHER AGRO LIMITED - NOTES TO BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS

Rs. in Lacs

Particulars	As at 30th June, 2014	As at 30th June, 2013
<b>5 LONG-TERM BORROWINGS</b>		
Term Loans(Secured)		
i) From Banks		
In Foreign Currency <sup>1</sup>	8,844.07	10,418.15
In Rupees <sup>2</sup>	9,871.56	7,928.62
ii) From Financial Institutions		
In Rupees <sup>3</sup>	1,059.96	29.69
<b>TOTAL</b>	<b>19,775.59</b>	<b>18,376.46</b>

1. Foreign Currency borrowings are secured by way of first pari passu charge on the entire immovable and movable fixed assets of the company and second pari passu charge on the entire current assets of the company present and future created in favour of respective Banks/Trustees along with the personal guarantees of the Directors of the Company namely Dr. Vinod Kumar Chaturvedi and Mr. Manoj Pathak .

Loan From Banks	Repayment Schedule		
	No. of Installments	Frequency	Commencing from
Rabo Bank International Ltd	9	Half yearly	Dec, 2012
ICICI Bank Ltd.	11	Half yearly	Sept, 2014

2. Rupee Term Loan are secured by way of first pari passu charge on the entire immovable and movable fixed assets of the company and second pari passu charge on the entire current assets of the company, both present and future created in favour of respective Banks/Trustees along with the personal guarantees of the Directors of the company namely Mr. Vinod K. Chaturvedi and Mr. Manoj Pathak .

Loan From Banks	Repayment Schedule		
	No. of Installments	Frequency	Commencing from
Axis Bank Ltd	20	Quarterly	Sept, 2014
Dena Bank	20	Quarterly	Sept, 2014
EXIM Bank of India	20	Quarterly	Sept, 2014
ICICI Bank (Vehicle Loan) <sup>3</sup>	36	Monthly	Feb, 2014
IDBI Corporate Loan	18	Quarterly	March, 2015

<sup>3</sup> Equipment and Vehicle loans are secured against the respective equipment/vehicles financed through the said loans.

Rs. in Lacs

		As at 30th June, 2014	As at 30th June, 2013
6	DEFERRED TAX LIABILITIES (NET)		
	(In respect of the timing differences)		
	Deferred Tax Liability		
	On account of Depreciation	692.14	1,129.42
	On Account of Employee Benefits	14.22	4.95
	<b>TOTAL</b>	<b>706.36</b>	<b>1,134.37</b>
7	OTHER LONG-TERM LIABILITIES		
	Long term creditors for Capital Goods	1,386.66	-
	Other Non current liabilities	-	1.44
	Provision for Mark to Market(MTM) on Derivative Contract	77.29	-
	<b>TOTAL</b>	<b>1,463.94</b>	<b>1.44</b>
8	SHORT-TERM BORROWINGS		
	Secured Short Term Borrowings*		
	Loans Repayable on Demand- From Banks		
	In Foreign Currency	8,168.63	4,108.00
	In Rupees	43,990.83	37,578.91
	Unsecured Short Term Borrowings		
	Loans Repayable on Demand- From Other Parties	809.87	835.51
	<b>TOTAL</b>	<b>52,969.33</b>	<b>42,522.43</b>

\* Cash credit /working capital credit facilities are secured by way of first pari passu charge over the entire current assets and second pari passu charge over the entire Immovable and moveable fixed assets of the company, both present and future created in favour of respective banks/trustees along with personal guarantees of the Directors of the company namely Dr. Vinod K. Chaturvedi and Mr. Manoj Pathak.

Rs. in Lacs

		As at 30th June, 2014	As at 30th June, 2013
9	TRADE PAYABLES		
	Sundry Creditors- For Goods	8,485.77	4,456.87
	Sundry Creditors- For Expenses	622.90	490.73
	<b>TOTAL</b>	<b>9,108.67</b>	<b>4,947.60</b>

The Company has not received any information from "Suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amount unpaid as at year end together with interest paid/payable under the said Act have not been given.

Rs. in Lacs

	Particulars	As at 30th June, 2014	As at 30th June, 2013
10	OTHER CURRENT LIABILITIES		
	Current Maturities of Long-Term Debts	5,012.72	1,812.40
	Interest accrued but not due on Borrowings	250.93	105.21
	Unclaimed Dividends	10.68	10.68
	Deposits Payables	5.97	7.74
	Advance received from Customers	247.82	22.70
	Creditors for Capital Expenditure	449.48	527.26
	Other Liabilities including Statutory Liabilities	571.48	640.40
	Interest accrued and due on borrowings	76.26	91.51
	Advance received from related party		
	Usher Infra Logic Limited	72.33	-
	<b>TOTAL</b>	<b>6,697.67</b>	<b>3,217.90</b>
11	SHORT TERM PROVISIONS		
	Provision for employee benefits		
	Provision for Gratuity	41.83	14.56
	Contribution to PF	4.56	4.27
	ESIC	0.30	0.29
	Other Provisions		
	Income Tax	632.60	1,709.87
	<b>TOTAL</b>	<b>679.29</b>	<b>1,728.99</b>

**USHER AGRO LIMITED - SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 30.06.2014**  
**FIXED ASSETS**  
**NOTE 12**

	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	AS ON 01-Jul-13	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	TOTAL AS 30.06.2014	AS ON 01-Jul-13	CHARGED FOR THE YEAR	DEDUCTION FOR THE YEAR	AS ON 30.06.2014	AS ON 30.06.2014	AS ON 30.06.2013
LAND (Read with Note No 47)	1,456.12	-	73.73	1,382.39	-	-	-	-	1,382.39	1,456.12
OFFICE BUILDING	255.73	-	-	255.73	17.85	4.17	-	22.02	233.71	237.88
FACTORY BUILDING	3,214.01	2,465.42	-	5,679.42	459.90	155.77	-	615.67	5,063.75	2,780.99
BUILDING & GODOWNS	550.69	2,804.74	-	3,355.43	51.70	37.68	-	89.38	3,266.05	472.11
PLANT & MACHINERY	12,936.49	18,839.83	-	31,776.31	4,313.80	1,816.70	-	6,130.49	25,645.81	8,622.69
COMPUTER & PRINTER	54.35	27.16	-	81.52	33.76	11.13	-	44.89	36.63	20.59
TUBE WELL, WATER TANKS &	8.73	-	-	8.73	0.95	0.14	-	1.09	7.64	7.78
FURNITURE & FIXTURE	65.27	24.94	-	90.21	17.32	4.45	-	21.77	68.44	47.95
VEHICLE	113.49	69.88	8.58	174.79	48.67	15.12	4.91	58.89	115.91	64.82
OFFICE EQUIPMENT	59.25	5.66	-	64.91	9.36	3.01	-	12.37	52.54	49.88
LABORATORY & STORE EQUIPMENT	100.81	8.93	-	109.74	34.59	10.89	-	45.48	64.25	66.20
<b>TOTAL</b>	<b>18,814.93</b>	<b>24,246.55</b>	<b>82.30</b>	<b>42,979.20</b>	<b>4,987.91</b>	<b>2,059.07</b>	<b>4.91</b>	<b>7,042.06</b>	<b>35,937.12</b>	<b>13,827.02</b>
<b>PREVIOUS YEAR TOTAL</b>	<b>18,719.56</b>	<b>106.92</b>	<b>11.55</b>	<b>18,814.93</b>	<b>3,490.50</b>	<b>1,501.79</b>	<b>4.39</b>	<b>4,987.90</b>	<b>13,827.02</b>	<b>15,229.04</b>

Rs. in Lacs

	Particulars	As at 30th June, 2014	As at 30th June, 2013
13	NON-CURRENT INVESTMENTS		
	Trade Investments- Unquoted		
	In Subsidiary Company " Usher Eco Power Limited." (1,69,13,731(P.Y. 1,69,13,731) Equity Shares of Rs. 10 each fully paid )	1,691.37	1,691.37
	In Wholly owned Foreign Subsidiary Company 'Usher World Wide FZE,UAE' (1 No. (PY 1 No.) Equity shares of AED 150000 each fully paid)	22.71	22.71
	In Other related Party		
	Usher Infra Logic Limited (11,275 (PY 11,275) Equity Shares of Rs. 10 each fully paid up )	11.28	11.28
	<b>TOTAL</b>	<b>1,725.36</b>	<b>1,725.36</b>
	LONG-TERM LOANS AND ADVANCES		
14	(Unsecured, Considered Good)		
	Security Deposits	103.79	112.50
	Loans and Advance to related Parties		
	Usher Eco Power Ltd.	534.04	1,068.09
	<b>TOTAL</b>	<b>637.83</b>	<b>1,180.59</b>
	INVENTORIES		
15	(As valued and certified by the Management)		
	Raw Materials & work in process	46,541.68	29,825.15
	Finished goods	10,145.96	11,095.65
	<b>TOTAL</b>	<b>56,687.64</b>	<b>40,920.80</b>
	TRADE RECEIVABLES		
16	(Unsecured, Considered Good)		
	Trade receivables (outstanding for a period less than six months)	26,321.58	23,682.67
	Trade receivables (outstanding for a period exceeding six months)	169.40	302.01
	<b>TOTAL</b>	<b>26,490.98</b>	<b>23,984.68</b>

**Notes**

- Trade Receivables (outstanding for a period less than six months) includes Rs 452.79 lacs (P.Y. Rs. 702.40 lacs) receivable from the Subsidiary Company M/s Usher Eco Power Ltd.

- The Classification of Trade Receivables outstanding for a period less than six months and exceeding six months is based on the certification from the management, regarding the due date of payment, as per terms of transaction and/or in accordance with further mutual negotiation, formal as well informal with the individual parties concerned



Rs. in Lacs

	Particulars	As at 30th June, 2014	As at 30th June, 2013
17	CASH & BANK BALANCE		
	Cash & Cash Equivalents		
	Cash on hand	73.53	30.08
	Balance with Bank		
	Balance with Scheduled Banks - In Current Accounts	282.29	2,331.26
	Other Bank Balance		
	Fixed Deposits with Interest accrued*	-	
	With more than 12 months maturity	285.74	106.02
	With Less than 12 months maturity	752.09	775.82
	(* Includes FDs held as margin money/guarantee given)		
	Eamarked Balance - In Dividend Accounts	10.68	10.68
	<b>TOTAL</b>	<b>1,404.32</b>	<b>3,253.87</b>
18	SHORT-TERM LOANS AND ADVANCES		
	(Unsecured, Considered Good)		
	Business advances to related parties		
	Usher Eco Power Ltd.	915.36	972.32
	Narayani Nivesh Nigam Pvt Ltd.	12.29	42.30
	Vedika Finance Pvt Ltd	-	14.92
	Usher Capitals Ltd	3.00	2.39
	Usher World Wide FZE,UAE	10.32	10.22
	Usher Oils & Foods Ltd	67.42	(2.09)
	Other loans and advances		
	To related parties		
	Short Term Loan to Usher Eco Power Ltd.	514.66	375.95
	To Others		
	Advance Recoverable in Cash or in kind	32.20	109.36
	<b>TOTAL</b>	<b>1,555.25</b>	<b>1,525.36</b>
19	OTHER CURRENT ASSETS		
	Advance to Suppliers	1,323.26	1,248.74
	Pre Paid Expenses	216.08	39.12
	Staff Advance	56.37	92.50
	Balance with Revenue Authorities	445.88	143.13
	Advances for Capital Goods	306.53	1,613.97
	<b>TOTAL</b>	<b>2,348.12</b>	<b>3,137.46</b>

## USHER AGRO LIMITED - NOTES FORMING PART OF PROFIT & LOSS A/C FOR THE YEAR ENDED 30.06.2014

Rs. in Lacs

	Particulars	As at 30th June, 2014	As at 30th June, 2013
20	INCOME FROM OPERATIONS		
	Sale of Products-Domestic	1,12,233.37	83,308.86
	Sale of Products-Exports	9,894.97	11,454.93
	Other Operating Income	153.67	170.10
	<b>TOTAL</b>	<b>1,22,282.01</b>	<b>94,933.89</b>
21	OTHER INCOME		
	Interest Income	118.58	163.26
	Other Non-operating Income	35.67	59.89
	<b>TOTAL</b>	<b>154.25</b>	<b>223.15</b>
22	COST OF MATERIALS CONSUMED		
	Raw Materials consumed	99,165.11	79,052.11
	<b>TOTAL</b>	<b>99,165.11</b>	<b>79,052.11</b>
23	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
	Opening Stock of Finished Goods	11,095.65	9,292.55
	Less: Closing Stock of Finished Goods	10,145.96	11,095.65
	<b>TOTAL</b>	<b>949.69</b>	<b>(1,803.10)</b>
24	EMPLOYEE BENEFITS EXPENSE		
	Salaries and incentives	1,152.85	966.08
	Contributions to -		
	- Provident fund	28.48	21.61
	- ESIC	2.97	2.61
	-Staff Insurance premium	2.32	0.19
	Gratuity fund contributions	27.27	3.26
	Staff welfare expenses	51.83	28.87
	<b>TOTAL</b>	<b>1,265.72</b>	<b>1,022.62</b>

Rs. in Lacs

	Particulars	As at 30th June, 2014	As at 30th June, 2013
25	FINANCE COSTS		
	Bank Charges	463.77	217.18
	Bank Interest	7,193.30	4,824.18
	Other Interest	8.86	4.38
	<b>TOTAL</b>	<b>7,665.93</b>	<b>5,045.74</b>
26	DEPRECIATION AND AMORTIZATION EXPENSE		
	Depreciation	2,059.06	1,501.79
	<b>TOTAL</b>	<b>2,059.06</b>	<b>1,501.79</b>
27	OTHER EXPENSES		
	Power & Fuel	1,287.52	901.53
	Freight & Cartage	233.66	180.78
	Export Freight including Expenses	1,377.63	1,282.14
	Stores & Spares Consumed	66.45	46.41
	Travelling & Conveyance	84.48	72.99
	Printing & Stationery	21.41	19.91
	Directors Remuneration and Managerial Commission	185.65	130.21
	Provision for CSR Activity	38.86	27.61
	Director's Sitting Fee	5.58	6.28
	Postage ,Courier & Telephone	26.78	20.72
	Insurance	33.95	27.76
	Rent	14.80	17.24
	Warehousing Charges	430.01	392.60
	Repairs & Maintenance - Plant & Machinery	183.89	71.97
	Repairs & Maintenance - Building	19.10	6.23
	Running & Maintenance - Vehicle	44.33	41.72
	Repairs & Maintenance - Others	5.38	1.09
	Subscriptions & Membership	11.83	8.13
	Legal & Professional Fees	81.66	58.98

Rs. in Lacs

Particulars	As at 30th June, 2014	As at 30th June, 2013
Loss/(Gain) on Foreign Exchange Fluctuation	86.79	144.47
Office & Misc Expenses	101.44	54.41
Quality Control Expenses	24.62	13.06
Rebate & Discount	96.53	49.71
Loss on Sales of Car	1.20	3.24
Filing fees /R.O.C fee	7.57	5.28
Handling Charges	64.99	21.85
Brokerage & Commission	184.78	164.35
Advertisement & Business Promotion	15.21	38.41
Audit fees	5.79	5.62
Provision for Mark to Market(MTM) on Derivative Contract	77.29	-
<b>TOTAL</b>	<b>4,819.18</b>	<b>3,814.70</b>

## 28 Earning Per Share (EPS)

(Rs. In Lacs except EPS face value and nos. of shares)

Particulars	2013-14	2012-13
i) Net Profit after tax as per profit and loss account	6,694.66	4,536.08
ii) Net Profit attributable to equity share holders	6,694.66	4,536.08
iii) Net Profit before exceptional and extraordinary items and Taxes	6,511.56	6,523.18
iv) Weighted Average number of equity shares used as denominator for calculation of Basic EPS	3,80,59,039	3,80,59,039
v) Weighted Average number of equity shares used as denominator for calculation of Diluted EPS*	3,80,59,039	3,80,59,039
vi) Basic and Diluted EPS		
- Basic	17.59	11.92
- Diluted	17.59	11.92
vii) Face Values per equity share	10	10

## 29 Capital Work in Progress

(Rs. In Lacs)

Particulars	30.06.2014	30.06.2013
Civil work of Construction & Land Development	835.09	6,256.89
Plant & Machinery under installation	1,844.98	5,758.56
Preoperative Expenses related to assets under construction	321.80	2,051.57
<b>TOTAL</b>	<b>3,001.87</b>	<b>14,067.02</b>

## 30 Benefits to Employees :

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee Benefits as defined in the Accounting Standard are given below :

## (i) Defined Contribution Plan:

Contribution to Defined Contribution Plan, recognized as expenses for the year are as under :

Particulars	Rs. in Lacs	
	30.06.2014	30.06.2013
Employer's contribution to Provident Fund, ESIC and Group Insurance	33.76	24.41

## (ii) Changes in the present value of the defined benefit obligation are as follows:

Particulars	Rs. in Lacs	
	30.06.2014	30.06.2013
Opening defined benefit obligation	21.11	17.37
Interest cost	1.69	1.39
Current service cost	17.18	9.48
Transfer out (*)	(0.07)	-
Transfer in (**)	0.78	-
Past Service Cost (Non Vested Benefits)	-	-
Past Service Cost (Vested Benefits)	-	-
Benefit paid	-	-
Actuarial (gain)/losses on obligation	8.14	(7.13)
Closing defined benefit obligation	48.83	21.11

(\*) One employee was transferred from Usher Agro Ltd to Usher Eco Power Ltd

(\*\*) Ten employees were transferred from Usher Eco Power Ltd to Usher Agro Ltd

## (iii) Changes in the fair value of plan assets are as follows:

Particulars	Rs. in Lacs	
	30.06.2014	30.06.2013
Opening fair value of plan assets	6.55	6.07
Adjusted in opening balance	-	-
EXPECTED RETURN	0.44	0.61
Contributions by employer	-	-
Benefits paid	-	-
Actuarial gains / (losses)	-	(0.12)
Closing fair value of plan assets	6.99	6.55

(iv) Fair value of plan assets:

Rs. in Lacs

Particulars	30.06.2014	30.06.2013
Fair value of plan assets at the beginning of period	6.55	6.07
Adjusted in opening balance	-	-
Actual Return of plan assets	0.44	0.49
Contributions	-	-
Benefits paid	-	-
Fair value of the plan assets at the end of period	6.99	6.55
Funded status (including unrecognized past service cost)	(41.83)	(14.56)
Excess of actual over estimated return on plan assets	-	(0.12)

(v) Experience History

Rs. in Lacs

Particulars	30.06.2014	30.06.2013
(Gain)/Loss on obligation due to change in Assumption	17.01	(4.03)
Experience (Gain)/ Loss on obligation	(8.87)	(3.10)
Actuarial Gain/(Loss) on plan assets	-	(0.12)

(vi) Actuarial gain/(loss) recognized

Rs. in Lacs

Particulars	30.06.2014	30.06.2013
Actuarial gain/(loss) for the period (Obligation)	(8.14)	7.13
Actuarial gain/(loss) for the period – (Plan Assets)	-	(0.12)
Total gain/(loss) for the period	(8.14)	7.01
Actuarial gain/(loss) recognized for the period	(8.14)	7.01
Unrecognized Actuarial gain/(loss) at end of period	-	-

(vii) Past Service cost recognised

Rs. in Lacs

Particulars	30.06.2014	30.06.2013
Past service Cost – (non vested benefits)	-	-
Past Service Cost – (vested benefits)	-	-
Average remaining future service till vesting of the benefit	-	-
Recognized Past service Cost – (non vested benefits)	-	-
Recognized Past Service Cost – (vested benefits)	-	-
Unrecognized Past Service Cost – non vested benefits	-	-

(viii) The amount recognised in the Balance Sheet

Rs. in Lacs

Particulars	30.06.2014	30.06.2013
Present value of obligation at the end of the year	48.83	21.11
Fair value of plan assets at the end of the year	6.99	6.55
Funded status	(41.83)	(14.56)
Excess of actual or estimated	-	-
Unrecognized actuarial gains / (loss)	-	-
Unrecognized Past Service cost - Non Vested Benefit	-	-
Net assets/(liabilities) recognized in the Balance Sheet	(41.83)	(14.56)

(ix) Expenses recognized in the Profit &amp; Loss account

Rs. in Lacs

Particulars	30.06.2014	30.06.2013
Current service cost	17.18	9.48
Interest cost on benefit obligation	1.69	1.39
Expected return on plan assets	(0.44)	(0.61)
Net actuarial( gain) / loss recognized in the year	8.14	(7.01)
Past service cost- Non Vested Benefits	-	-
Past Service cost -Vested Benefits	-	-
Expenses recognized in the Profit & Loss A/c	26.56	3.26

(x) Details of Provision for gratuity

Rs. in Lacs

Particulars	30.06.2014	30.06.2013
Net liability at the beginning of the year	14.56	11.31
Transfer in (**)	0.78	-
Transfer out (*)	(0.07)	-
Adjusted in opening balance	-	-
Expenses recognized during the year	26.56	3.26
Net Expenses recognized during the year	27.27	3.26
Contribution paid during the year	-	-
Net liability at the end of the year	41.83	14.56

(xi) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	Rs. in Lacs	
	30.06.2014	30.06.2013
Mortality table	IALM (1994-96) Ult.	LIC (1994-96) Ult.
Interest/Discount rate	8.00%	8.00%
Expected rate of return on plan assets	6.75%	10.00%
Increase in Compensation cost	10.00%	7.00%
Employee turnover	5.00%	18.00%
Expected average remaining service	13.51 Yrs	4.37 Yrs

### 31 SEGMENT INFORMATION

#### Business Segments :

The Company is operating in three different business segments i.e. food processing, Bio-mass power generation and logistic. However, considering their size, volume of operations the same are not qualified into the reporting criteria of Business segments as described in the accounting Standard (AS) 17 as Segment Reporting, issued by the Institute of Chartered Accountants of India (ICAI). Hence no disclosure is required to be made under AS-17 as Segment Reporting.

#### Geographical Segments :

The Company is carrying on its operational activities in the domestic market i.e. India as well as in overseas market i.e. an export hence geographical segment i.e domestic and overseas has identified as secondary segment and the details of segment results as per AS 17 issued by ICAI are as under :-

#### Information about Secondary Segments

Particulars	Rs. in Lacs	
	For the year ended 30th June, 2014	For the year ended 30th June, 2013
Revenue By Geographical Market		
India	1,12,387.04	83,478.96
Outside India	9,894.97	11,454.93
<b>TOTAL</b>	<b>1,22,282.00</b>	<b>94,933.89</b>
Addition To Fixed Assets And Intangible Assets (Include Capital work in progress)		
India	12,910.10	9,776.03
Outside India	-	-
<b>TOTAL</b>	<b>12,910.10</b>	<b>9,776.03</b>
Carrying Amount Of Fixed Assets		
India	38,938.99	27,894.04
Outside India	-	-
<b>TOTAL</b>	<b>38,938.99</b>	<b>27,894.04</b>



Notes:-

The geographical segments considered for disclosure are as follows :

Sales within India includes Sales to Customers located within India

Sales Out side India includes Sales to customers located outside India including merchant exporters.

The carrying amount of segment assets in India and Outside India is based on geographical location of the respective assets.

### 32 AUDITORS REMUNERATION IS AS UNDER:

Rs. in Lacs

Particulars	2013-2014	2012-2013
Audit Fees	3.50	3.50
Tax Audit Fees	1.65	1.50
Service Tax	0.64	0.62
<b>TOTAL</b>	<b>5.79</b>	<b>5.62</b>

### 33 EXPENDITURE/REVENUE IN FOREIGN CURRENCY

Earnings in foreign currency (Cash/Accrual basis)

Rs. 4944.43 lac

Export Sales on FOB Basis\*

(P.Y. Rs. 7,982.83 lac )

\* Export sales exclude sales to merchant exporter

Rs. 1,534.30 lac

Value of imports calculated on CIF basis

(P.Y. Rs. 27.22 lac)

Capital goods

Rs. in Lacs

Particulars	2013-2014	2012-2013
Finance Charges	743.71	385.73
Commission	32.88	51.01
Travelling Expenses	7.20	2.41
Professional Fees & Subscription Charges	0.09	0.77
<b>TOTAL</b>	<b>783.89</b>	<b>439.92</b>

## 34 Net dividend remitted in foreign currency

(All are in Rs. In Lacs except nos.)

Particulars	2013-2014	2012-2013
Number of Non-resident shareholders	N.A.	95
Number of Equity Shares held by them	N.A.	50,68,970
Amount of dividend paid (Gross), TDS Rs. Nil (P.Y.Nil)	NIL	76.03
Year to which dividend relates	N.A.	2011-12

## 35 Provisions and Contingencies

Rs. in Lacs

Contingent Liabilities not provided for	2013-2014	2012-2013
Letter of Credit issued by the Bankers of the Company in favour of suppliers ( Fixed deposits in the form of margin money including interest thereon of Rs. 434.64 lacs (P.Y. Rs. 228.85 lac) have been kept with respective bankers for the said letter of credit)	2,316.56	1,961.61
Letter of Credit issued by the Bankers of the Company for import of capital goods*. (Fixed deposits in the form of margin money including interest thereon of Rs. Nil (P.Y. Rs. Nil) have been kept with respective bankers for the said letter of credit) * Converted on the foreign exchange conversion rate prevailing on the date of Balance Sheet.	1,452.40	1,188.78
Bank guarantees issued by the bankers of the Company for EPCG License (Fixed deposits of Rs. 33.71 lac (P.Y. Rs. 25.25 lac) have been kept with respective Banks for the said bank guarantees)	25.25	25.25
VAT & CST Liability in respect of A.Y. 2008-09 for which company has filed appeal with Appellate Tribunal, Agra	29.17	29.17
Entry Tax Liability in respect of A.Y. 2008-09 for which company has gone into appeal with the appropriate authority	4.26	4.26
VAT & CST Liability in respect of A.Y. 2009-10 for which the company had filed application for rectification of order u/s 31 of UP VAT Acts. 2008, the application was accepted by the department and has remanded back the case to assessing authority as a fresh case.	-	239.54
VAT Liability in respect of A.Y. 2009-10 for which company has filed appeal with Additional Commissioner Grade -II (Appeal) Mathura.	0.21	0.21
VAT & CST Liability in respect of A.Y. 2010-11 for which company has gone into the appeal with the appropriate authority	201.87	201.87
VAT Liability in respect of A.Y. 2012-13 for which company has gone into the appeal with the appropriate authority	2.15	2.15

Rs. in Lacs

Contingent Liabilities not provided for	2013-2014	2012-2013
Stamp Duty Liability pursuant to letter by Stamp Authority, Mathura, dt 13.02.2012, dt 22.02.2012 & dt 09.12.2011 (The management has taken expert legal opinion on the said stamp duty matter and based on that opinion, the total liability in the subject matter may not exceed to Rs. 12.00 lacs and the matter has already been taken up with the appropriate authorities.)	452.00	452.00

Note: The Company has given Corporate Guarantee for Foreign Currency Loan (ECB) of USD 132.50 Lacs (equivalent to Rs. 7963.25 Lacs) (P.Y. USD 132.50 Lacs (equivalent to Rs. 7,910.18 Lacs)) taken by its Subsidiary Company i.e. Usher Eco Power Ltd from Axis Bank Limited. This guarantee was given for the intervening period till the stabilisation of commercial power generation by the said subsidiary company and is due for withdrawal.

### 36 Derivative Instruments and Unhedged Foreign Currency Exposure

Derivative Instruments:

The Company uses commodities / forward contracts to hedge its risk associated with fluctuation in prices of food grain / commodities/currency.

The company does not use forward contract for speculative purposes.

In the forward contract entered by the Company, where the counter party is a recognised commodities exchange. The hedging / forward contracts mature generally between one to six months. The company considers the risk of non-performance by the counter party as negligible.

Outstanding short term commodities forward contracts entered into by the Company at the year end are Rs. Nil (P.Y.Nil)

Particulars of Outstanding Interest rate swaps to hedge against fluctuations in interest rate change as at the Balance Sheet date:

As at	No. of Contracts	Amount (In USD)	Amount (Rs. in Lacs)
30-Jun-14	3	1,71,10,306.00	10,283.29
30-Jun-13	3	1,80,50,155.50	10,775.85

Particulars	Amount
Creditors for Capital Goods	Rs. 1,386.66 lac, (JPY 187,187,000; GBP 270,000) (P.Y. Nil)
Foreign Currency Loan	Rs. 11,187.82 lac, (USD 1,86,15,341.73) {P.Y. Rs. 10,963.33 Lac, (USD 18,364,189.36)}
Foreign Debtors	Rs. 189.10 lac, (USD 314,646.30) {(P.Y. Rs. 442.69 Lac (USD 741,897.77)}

Particulars	Amount
Interest Accrued but Not Due on ECB	Rs. 103.04 lac, (USD 169,690.09) {(P.Y. Rs. 100.31 Lac (USD 168,027))}
Interest Accrued and Due on PCFC	Rs. 3.56 Lacs, (USD 5,929.33) (P.Y. Rs. 4.64 Lacs (USD 7780))
Advance from Customers	Rs. 237.97 lac (USD 395,958.88) {P.Y. Rs. 4.48 lac, (USD 7500)}
Advance to Subsidiary	Rs. 10.32 Lacs, (AED 63,090) {P.Y. Rs. 10.22 Lac, (AED 63,090)}
Investment in Foreign Subsidiary Company	Rs. 24.54 lac, (AED 1,50,000) {P.Y. Rs. 24.31 lac, (AED 1,50,000)}

\* Converted at the foreign exchange conversion rate prevailing on the date of Balance Sheet.

### 37 Leases

In case of assets taken on lease

Finance Lease :

There are no finance lease transactions in the reporting period hence no disclosure is required to be made under AS 19 – Accounting for Leases, issued by the ICAI

Operating Lease :

(i) Office premises, godowns and warehouses are obtained on operating lease basis during the financial year in relation of business. The lease terms are normally for 11 months and renewable at the option of the Company. There are no restrictions imposed in lease arrangements. There are no subleases.

Particulars	Operating Lease (Rs. in Lacs)	
	2013-14	2012-13
Lease payments for the year	444.81	409.84
Minimum Lease Payments :		
Not later than one year	55.82	83.15
Later than one year but not later than five years	19.16	7.85
Later than five years	-	-

(ii) The Company has given office premises on operating lease basis for a period of less than one year.

Particulars	Operating Lease (Rs. in Lacs)	
	2013-14	2012-13
Lease payments for the year	7.41	9.79
Minimum Lease Payments :		
Not later than one year	7.65	2.50
Later than one year but not later than five years	-	0.45
Later than five years	-	-

## 38 Impairment of assets

As on the Balance Sheet date the carrying amounts of the assets net of accumulated depreciation is not less than the recoverable amount of those assets. Hence, in the opinion of the management, there is no provision for impairment loss on the assets of the Company is required to be made under Accounting Standard-28 (Impairment of Assets) issued by the ICAI.

## 39 Related Parties

<b>Names of related parties</b>	
Names of related parties where control exists irrespective of whether transactions have occurred or not	Usher Eco Power Limited. (Subsidiary Company)  Usher World Wide FZE (Wholly Owned Foreign Subsidiary Company from 4th July, 2012)
Names of other related parties with whom transactions have taken place during the year Key Management Personnel	Mr. V. K. Chaturvedi (Managing Director) Mr. Manoj Pathak (Whole Time Director)
Relatives of key management personnel	Mrs. Samta Chaturvedi, (wife of Managing Director Mr. V. K. Chaturvedi) Mrs. Shimla Pathak, (wife of Whole Time Director Mr. Manoj Pathak)
Enterprises owned or significantly influenced by key management personnel or their relatives	Usher Capitals Limited. Vedika Finance Pvt. Limited Usher Oils & Foods Limited. Usher Infra Logic Limited. Narayani Nivesh Nigam Private Limited

## USHER AGRO LIMITED - RELATED PARTY TRANSACTION FOR THE YEAR 2013-14

Rs. in Lacs

Particulars	Subsidiary		Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Relatives of Key Management Personnel (Spouse, son, daughter, brother, sister, father, mother who may influence or be influenced by such personnel in his dealings with the Company)		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	June-14	June-13	June-14	June-13	June-14	June-13	June-14	June-13	June-14	June-13
<b>Employee Benefits for Key Management Personnel*</b>										
Mr. V. K. Chaturvedi			79.45	68.20					79.45	68.20
Mr. Manoj Pathak			50.26	42.76					50.26	42.76
<b>Share Application Money paid**</b>										
Usher World Wide,FZE	-	22.71								22.71
Shares Allotment										
Usher World Wide,FZE	-	22.71								22.71
<b>Loan/Business Advances Taken/repayment</b>										
Usher Eco Power Ltd.	2,190.50	1,389.86							2,190.50	1,389.86
Narayani Nivesh Nigam Pvt. Ltd.							94.58	50.00	94.58	50.00
Vedika Finance Private Ltd.							15.03		15.03	
Usher Infra Logic Ltd.							182.05	675.46	182.05	675.46
<b>Loan/Business Advances Given/ repaid</b>										
Usher Eco Power Ltd.	1,420.91	2,347.43							1,420.91	2,347.43
Narayani Nivesh Nigam Pvt. Ltd.							15.60	53.50	15.60	53.50
Usher Oils & Foods Ltd.							-	67.05		67.05
Vedika Finance Private Ltd.							-	13.80		13.80
Usher Infra Logic Ltd.							60.48	543.13	60.48	543.13
<b>Rent Income (Truck/office/Godown)</b>										
Usher Oils & Foods Ltd.							62.13	134.52	62.13	134.52
Usher Infra Logic Ltd.							53.59	22.18	53.59	22.18
<b>Proceeds of Rental Income</b>										
Usher Oils & Foods Ltd.							8.66	96.31	8.66	96.31
Usher Infra Logic Ltd.							4.65	1.997	4.65	2.00
<b>Rent Expenses (Trucks/Office)</b>										
Usher Infra Logic Ltd.							219.46	166.18	219.46	166.18

## USHER AGRO LIMITED - RELATED PARTY TRANSACTION FOR THE YEAR 2013-14

Rs. in Lacs

Particulars	Subsidiary		Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Relatives of Key Management Personnel (Spouse, son, daughter, brother, sister, father, mother who may influence or be influenced by such personnel in his dealings with the Company)		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	June-14	June-13	June-14	June-13	June-14	June-13	June-14	June-13	June-14	June-13
Mrs. Shimla Pathak				-			1.80	3.00	1.80	3.00
Narayani Nivesh Nigam Pvt. Ltd.							4.80	4.80	4.80	4.80
<b>Payment of Rent (Trucks/office)</b>										
Mrs. Shimla Pathak				-			4.59	0.35	4.59	0.35
Usher Infra Logic Ltd.							219.22	154.96	219.22	154.96
Narayani Nivesh Nigam Pvt. Ltd.							0.48		0.48	
<b>Sale of goods</b>										
Usher Eco Power Ltd.	1,753.84	583.38							1,753.84	583.38
<b>Proceeds of sale of Goods</b>										
Usher Eco Power Ltd.	1,097.50								1,097.50	-
<b>Purchase of Steam /Electricity</b>										
Usher Eco Power Ltd.	713.48	410.73							713.48	410.73
Incurring by related party on our Behalf										
Usher Eco Power Ltd.	-	1.54							-	1.54
Usher Infra Logic Ltd.							10.16		10.16	
Narayani Nivesh Nigam Pvt. Ltd.							2.79	2.25	2.79	2.25
<b>Repayment to related party of expenses reimbursement</b>										
Usher Eco Power Ltd.		47.28								47.28
Narayani Nivesh Nigam Pvt. Ltd.								4.97		4.97
Incurring for related party										
Usher Eco Power Ltd.	49.96	-							49.96	-
Usher Infra Logic Ltd.							145.45	16.61	145.45	16.61
Usher Oils & Foods Ltd.							26.27	11.19	26.27	11.19
Usher Capitals Ltd.							0.62	0.13	0.62	0.13
Vedika Finance Private Ltd.							0.12		0.12	
Narayani Nivesh Nigam Pvt. Ltd.							6.06		6.06	

39  
Contd.

## USHER AGRO LIMITED - RELATED PARTY TRANSACTION FOR THE YEAR 2013-14

Rs. in Lacs

Particulars	Subsidiary		Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Relatives of Key Management Personnel (Spouse, son, daughter, brother, sister, father, mother who may influence or be influenced by such personnel in his dealings with the Company)		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	June-14	June-13	June-14	June-13	June-14	June-13	June-14	June-13	June-14	June-13
	Usher World Wide FZE									
Repaid by the related party										
Usher Eco Power Ltd.	48.25								48.25	-
Usher Oils & Foods Ltd.							15.75			15.75
Usher Infra Logic Ltd.							130.80		130.80	-
Corporate Guarantee Given										
Usher Eco Power Ltd.	7,963.25	7,910.18							7,963.25	7,910.18
<b>Outstanding amount of Corporate Guarantee</b>										
Usher Eco Power Ltd.	6,701.13	6,717.04							6,701.13	6,717.04
<b>Advance against supply</b>										
Usher Eco Power Ltd.	123.15	872.90							123.15	872.90
<b>Balances Outstanding at the year end (Dr/(Cr))*</b>										
Mr. V. K. Chaturvedi			(5.86)	(4.47)					(5.86)	(4.47)
Mr. Manoj Pathak			(1.03)	(1.68)					(1.03)	(1.68)
Mrs. Shimla Pathak							0.15	(2.65)	0.15	(2.65)
Vedika Finance Private Ltd.							14.92	-	14.92	
Usher Eco Power Ltd.	2,416.86	3,120.03						-	2,416.86	3,120.03
Usher Infra Logic Ltd.							(72.42)	-	(72.42)	-
Narayani Nivesh Nigam Pvt. Ltd.							12.29	42.30	12.29	42.30
Usher Capitals Ltd.							3.00	2.39	3.00	2.39
Usher Oils & Foods Ltd.							67.42	(2.09)	67.42	(2.09)
Usher World Wide FZE	10.32	10.22							10.32	10.22
<b>Total Balance outstanding.</b>	<b>2,427.18</b>	<b>3,130.26</b>	<b>(6.89)</b>	<b>(6.15)</b>			<b>10.45</b>	<b>54.87</b>	<b>2,437.48</b>	<b>3,178.98</b>



## 40 Raw Material Consumed

Rs. in Lacs

Particulars	2013-2014	2012-2013
Paddy & Dehusked Raw Rice	85,700.71	70,112.63
Wheat	10,065.93	8,220.30
Bajra	-	98.00
Barley	-	76.58
Packing Material	1,089.04	544.61
Pulses-Raw	2,309.44	-
<b>TOTAL</b>	<b>99,165.11</b>	<b>79,052.12</b>

## 41 Purchase of Raw Material

Rs. in Lacs

Particulars	2013-2014	2012-2013
Paddy & Dehusked Raw Rice	101,472.92	74,490.30
Wheat	10,779.66	11,305.58
Bajra	-	98.00
Barley	-	76.58
Packing Material	1,164.62	490.59
Pulses-Raw	2,464.44	-
<b>TOTAL</b>	<b>115,881.64</b>	<b>86,461.05</b>

## 42 Value of Sales, Closing and Opening Inventory

Rs. in Lacs

Particulars	2013-2014	2012-2013
OPENING STOCK OF FINISHED GOODS AND BY PRODUCTS		
Rice	10,096.24	6,634.08
Wheat Products	234.05	165.30
Husk	470.97	743.68
Bran	217.80	1,749.49
Barley	76.58	
<b>TOTAL</b>	<b>11,095.65</b>	<b>9,292.55</b>

Rs. in Lacs

Particulars	2013-2014	2012-2013
SALES		
Rice	1,01,305.06	77,342.64
Wheat Product	12,651.85	10,642.85
Bajra	-	130.06
Bran	4,320.27	4,965.08
Husk	1,768.31	1,683.16
Barley	100.59	-
Toor Daal Finished	1,877.49	-
Chuni	104.77	-
<b>TOTAL</b>	<b>1,22,128.34</b>	<b>94,763.79</b>
CLOSING STOCKS		
Finished Rice	8,837.36	10,096.24
Wheat Product	347.92	234.05
Husk	15.00	470.97
Barley	-	76.58
Bran	219.09	217.80
Toor Daal Finished	685.60	-
Chuni	40.98	-
<b>TOTAL</b>	<b>10,145.96</b>	<b>11,095.64</b>

## 43 Capital Commitments

Rs. in Lacs

Particulars	2013-2014	2012-2013
Estimated amount of contracts remaining to be executed on capital account and not provided for.	548.21	4,753.99
<b>TOTAL</b>	<b>548.21</b>	<b>4,753.99</b>

## 44 Provision for Taxation

Provision for current tax has been made as per provisions of the Income Tax Act, 1961, after considering deduction/exemptions, if any, available to the Company under the said Act. Further, the provision for current tax and deferred tax has been made up to 31st March, 2014, financial year ending as per the said Act.

- 45 The Balances of Debtors, Creditors, Loans & Advances and other parties are subject to confirmation and reconciliation, if any.
- 46 In the opinion of the Board, the Assets (other than fixed assets & non-current investments) are approximately of the value stated if realized in the ordinary course of business and the provisions of all known liabilities are adequate.
- 47 Foreign Exchange Fluctuation

The Company has opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standard) Amendment Rules 2009 relating to Accounting Standard 11(AS-11) notified by Government of India on 31st March, 2009. Accordingly the effect of exchange differences on foreign currency loans of the company is accounted by addition or deduction to the cost of the assets so far it relates to the depreciable capital assets. The total amount of foreign exchange fluctuation profit/ (loss) of Rs. 75.00 lac (P.Y. (859.22) lac) has been reduced/added from CWIP/pre-operative expenses account/ fixed assets during the year.

- 48 Extraordinary Item

During the year 2013-14, National Highway Authority of India (NHAI) has acquired 0.611 hectare land of the Company located at Chatta (Mathura) for widening the National Highway- 2. The said land parcels were acquired by the company during the FY 2010-2011.

The Company has received compensation of Rs. 268.84 lac on 4th December 2013 and recognised profit of Rs. 195.11 lac, as an extraordinary item in the Statement of Profit and Loss for the said compulsory acquisition of land by NHAI.

- 49 The Company has not provided income tax on the capital gain arising on the compulsory acquisition (as referred in Note No. 47), as it intends to claim deduction of the capital gain under Section 54D of the Income Tax Act, 1961 by investing the amount of capital gain in new land and building for industrial purposes.
- 50 The Financial Statements, comprising the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement have been prepared in accordance with the provision of General Circular 08/2014 dated 4th April, 2014 of the Ministry of Corporate Affairs.
- 51 Previous Year figures has been regrouped/ reclassified, wherever necessary to correspond with the current years classification/ disclosure

**For Ajmera Ajmera & Associates**  
Chartered Accountants  
Firm Reg.: 123989W

Sd/-

**Sandeep Ajmera**  
(Partner)  
M. No. : 048277

**For Parekh Shah & Lodha**  
Chartered Accountants  
Firm reg.: 107487W

Sd/-

**Ashutosh Dwivedi**  
(Partner)  
M.No. : 410227

Sd/-

**Sarika S. Singh**  
Company Secretary

**For and on behalf of the Board**  
Usher Agro Limited

Sd/-

**V. K. Chaturvedi**  
Managing Director

Sd/-

**Manoj Pathak**  
Wholesale Director

Date: 28th Aug, 2014  
Place : Mumbai

# Independent Auditor's Report

To The Members of  
Usher Agro Ltd.

## Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **USHER AGRO LIMITED** (the "Company"), its subsidiary **USHER ECO POWER LIMITED** and wholly owned Foreign Subsidiary **USHER WORLDWIDE FZE** (the Company and its subsidiaries constitute the "Group") as at June 30, 2014, which comprise the consolidated Balance Sheet as at June 30, 2014, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement, for the year then ended, and a summary of significant accounting policies and other explanatory information, in accordance with the provision of General Circular 08/2014 dated 4th April, 2014 issued by the Ministry of Corporate Affairs, Government of India..

## Management's Responsibilities for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated 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 notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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 consolidated financial statements.

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

As stated in the Other Matters paragraph below, our opinion, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries, jointly controlled entities and associates not audited by us, is based solely on the reports of such other auditors.

## Basis for Qualified opinion

1. M/s Usher Eco Power Limited has incurred expenses Rs. 170.53 lacs from financial year 2008-09 till the year ended March 31, 2014 in connection with its initial Public Offering (IPO). As explained in Note No.52 of the financial statements, the Company has dropped the IPO. However, such expenditure has not been written off in the Statement of Profit and Loss and has been included under other Current Assets for adjustment against the securities premium that will be received upon the issue of shares in future. This is not in compliance with the provision of Section 78 of the Companies Act, 1956.

Had the Company written off the Pre IPO Expenses in the Statement of Profit and Loss Account, the loss for the year would have been higher by ₹17053.43 thousands and other Current Assets would have been lower by an equivalent amount.

### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the separate audit reports on the financial statements/financial information of the subsidiaries and the unaudited financial statements/financial information of the subsidiaries, referred to below in the Other Matters paragraph except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at June 30, 2014;
- b) in the case of the consolidated Statement of Profit and Loss, of the profit of the group for the year ended on that date;
- c) in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Place: Mumbai  
Date: 28th August, 2014

### Emphasis of Matter

We draw attention to:

#### M/s. Usher Agro Limited

- a) Note No.47 to the financial statements which describes that Balance of Debtors, Creditors, Loans & Advances and other parties are subject to confirmation and reconciliation.

### Other Matter

We did not audit the financial statements/financial information of any of the subsidiaries, whose financial statements/financial information reflect total assets of Rs. 13,412.65 lacs as at March 31, 2014 (P.Y. Rs. 13,088.45 lacs), total revenues of Rs. 2,981.33 lacs (P.Y. Rs. 1,447.21 lacs) and net cash flows amounting to Rs. 76.53 lacs (P.Y. Rs. 73.86 lacs) for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditors, whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

**For Ajmera Ajmera & Associates**  
**Chartered Accountants**  
**Firm Reg.: 123989W**

*Sd/-*  
**Sandeep Ajmera**  
(Partner)  
M. No. : 048277

**For Parekh Shah & Lodha**  
**Chartered Accountants**  
**Firm reg.: 107487W**

*Sd/-*  
**Ashutosh Dwivedi**  
(Partner)  
M.No. : 410227

## USHER AGRO LIMITED - CONSOLIDATED BALANCE SHEET AS AT 30TH JUNE 2014

Rs. in Lacs

	Particulars	Note	As at 30th June, 2014	As at 30th June, 2013
I	EQUITY AND LIABILITIES			
1	Shareholder's Fund			
a	Share Capital	3	3,805.90	3,805.90
b	Reserves and Surplus	4	33,809.05	27,526.98
			<b>37,614.95</b>	<b>31,332.88</b>
2	Share Application Money		-	-
2	Minority Interest		433.48	570.88
3	Non-Current Liabilities			
a	Long-Term Borrowings	5	25,829.42	24,279.29
b	Deferred Tax Liabilities (Net)	6	971.87	1,402.58
c	Other Long Term Liabilities	7	1,386.66	1.44
d	Long-Term Provisions	8	124.33	87.99
			<b>28,312.28</b>	<b>25,771.30</b>
4	Current Liabilities			
a	Short-Term Borrowings	9	54,069.90	42,522.42
b	Trade Payables	10	9,354.18	5,270.61
c	Other Current Liabilities	11	8,527.48	5,114.48
d	Short-Term Provisions	12	679.80	1,730.88
			<b>72,631.36</b>	<b>54,638.40</b>
	<b>TOTAL</b>		<b>1,38,992.07</b>	<b>1,12,313.46</b>
II	ASSETS			
1	Non-current Assets			
a	Fixed assets	13		
	i. Tangible Assets		47,140.71	24,744.80
	ii. Intangible Assets		123.03	8.82
	iii Goodwill		43.88	43.88
	ii. Capital Work-In-Progress	31	3,022.74	14,081.63
			<b>50,330.36</b>	<b>38,879.13</b>
b	Non-Current Investments	14	11.28	11.28
c	Long-Term Loans And Advances	15	103.79	112.50
d	Other Non Current Assets	16	538.39	292.03
			<b>653.46</b>	<b>415.81</b>
2	Current Assets			
a	Inventories	17	57,512.57	41,299.80
b	Trade Receivables	18	26,258.90	24,461.98
c	Cash and Cash Equivalents	19	1,305.94	3,371.60
d	Short-Term Loans And Advances	20	360.50	331.68
e	Other Current Assets	21	2,570.34	3,553.46
			<b>88,008.24</b>	<b>73,018.52</b>
	<b>TOTAL</b>		<b>1,38,992.07</b>	<b>1,12,313.46</b>
	Notes to Balance Sheet and Statement of profit and loss	1-56		

As per our report of even date  
**For Ajmera Ajmera & Associates**  
Chartered Accountants  
Firm Reg.: 123989W

**For Parekh Shah & Lodha**  
Chartered Accountants  
Firm reg.: 107487W

**For and on behalf of the Board**  
Usher Agro Limited

Sd/-  
**Sandeep Ajmera**  
(Partner)  
M. No. : 048277

Sd/-  
**Ashutosh Dwivedi**  
(Partner)  
M.No. : 410227

Sd/-  
**Sarika S. Singh**  
Company Secretary

Sd/-  
**V. K. Chaturvedi**  
Managing Director

Sd/-  
**Manoj Pathak**  
Wholetime Director

Date: 28th Aug, 2014  
Place : Mumbai

## USHER AGRO LIMITED - CONSOLIDATED STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 30TH JUNE, 2014

Rs. in Lacs

	Particulars	Note	Year Ended 30th June, 2014	Year Ended 30th June, 2013
I	Revenue from Operations	22	122,644.14	95,803.09
II	Other Income	23	172.86	225.33
<b>III</b>	<b>Total Revenue (I + II)</b>		<b>1,22,817.00</b>	<b>96,028.42</b>
IV	Expenses:			
	Cost of Materials Consumed	24	99,232.01	79,800.65
	Changes in Inventories(Increase)/Decrease of Finished Goods	25	949.69	(1,803.10)
	Employee Benefits Expense	26	1,382.31	1,083.68
	Finance Costs	27	8,342.95	5,223.77
	Depreciation and Amortization Expense	28	2,427.30	1,646.10
	Other Expenses	29	4,630.58	3,783.48
	<b>Total expenses</b>		<b>1,16,964.84</b>	<b>89,734.57</b>
V	Profit before exceptional and extraordinary items and tax (III-IV)		5,852.16	6,293.86
VI	Exceptional items		-	-
VII	Profit before extraordinary items and tax (V - VI)		5,852.16	6,293.86
VIII	Extraordinary Items		300.97	-
IX	Profit before tax (VII- VIII)		6,153.13	6,293.86
X	Tax Expense:			
	(1) Current Tax		689.15	1,738.70
	(2) Deferred Tax		(430.71)	422.71
	(3) Short / ( Excess ) Provision for Income Tax for Earlier Years		(249.13)	93.90
XI	Profit (Loss) for the period from continuing operations (IX-X)		6,143.81	4,038.55
XII	Minority Interest		(137.40)	(148.56)
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV	Profit (Loss) for the period (XI + XIV)		6,281.22	4,187.11
XVI	Earnings per equity share:			
	Basic		16.50	11.00
	Diluted		16.50	11.00
	Notes to Balance Sheet and Statement of profit and loss	1-56		

As per our report of even date

**For Ajmera Ajmera & Associates**  
Chartered Accountants  
Firm Reg.: 123989W

Sd/-  
**Sandeep Ajmera**  
(Partner)  
M. No. : 048277

**For Parekh Shah & Lodha**  
Chartered Accountants  
Firm reg.: 107487W

Sd/-  
**Ashutosh Dwivedi**  
(Partner)  
M.No. : 410227

Sd/-  
**Sarika S. Singh**  
Company Secretary

Sd/-  
**V. K. Chaturvedi**  
Managing Director

**For and on behalf of the Board**  
Usher Agro Limited

Sd/-  
**Manoj Pathak**  
Wholetime Director

Date: 28th Aug, 2014  
Place : Mumbai

## USHER AGRO LIMITED - CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2014

Rs. in Lacs

Particulars	As at 30th June, 2014	As at 30th June, 2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Tax	6,153.13	6,293.86
Less: Other Income	(172.86)	(225.33)
Less: Provision for MTM on Derivative Contract	-	86.22
Add: Loss on sale of assets	(291.78)	3.24
Add: Interest cost	8,342.95	5,223.77
Add: Depreciation\Amortization	2,427.30	1,646.09
<b>Operating Profit/(Loss) before working capital changes</b>	<b>16,458.74</b>	<b>13,027.84</b>
Add: Exchange Fluctuation Loss		
Adjustments for movement in working capital:		
Adjustment for Increase/( Decrease) in operating Liabilities		
Trade Payables	4,083.57	1,859.65
Short-Term Borrowings	11,547.48	8,915.14
Other Current Liability	(17.10)	(268.85)
Short term provision	26.19	5.08
Long term provision	34.90	1.26
Adjustment for (Increase)/ Decrease in operating Assets		
Inventories	(16,212.77)	(9,549.42)
Trade receivables	(1,796.92)	(3,750.00)
Short-term Loans & Advances	(12.86)	311.17
Other Current Assets	983.12	(1,527.60)
<b>Cash from / (Used in) Operating Activities</b>	<b>15,094.35</b>	<b>9,024.29</b>
Add / (Less) : Direct Taxes		
Other Income	49.55	60.82
Tax Paid	(1,533.25)	(1,159.76)
<b>Net Cash from / (Used in) Operating Activities (A)</b>	<b>13,610.65</b>	<b>7,925.34</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Purchase)/Sale of Fixed Assets (Including CWIP)	(13,586.76)	(11,349.80)
Long Term Loan/Advances (include non current assets)	(237.65)	(23.84)
Interest Income	123.31	164.51
Investment	0.85	(0.83)
<b>Cash from / (Used in) Investing Activities (B)</b>	<b>(12,313.60)</b>	<b>(11,209.94)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	4,775.00	7,002.31
Finance Cost	(8,159.55)	(5,157.66)
Proceeds from Issue of Shares & Share Application Money	-	(0.06)
Dividend Paid	-	(570.89)
<b>Cash from / (Used in) Financing Activities (C)</b>	<b>(3,384.55)</b>	<b>1,273.70</b>
<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents (A)+(B)+(C)</b>	<b>(2,087.49)</b>	<b>(2,010.89)</b>
Cash & Cash equivalent as at beginning of the year	2,456.87	3,525.23
Other Bank Balance as at beginning of the year	914.73	1,857.26
Cash & Cash equivalent as at end of the year	448.40	2,456.87
Other Bank Balance as at end of the year	835.70	914.73
<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(2,087.49)</b>	<b>(2,010.89)</b>

Additional information:

1) Figures in brackets represent outflows.

2) Previous years figures have been restated where necessary.

As per our attached report of even date

For Ajmera Ajmera & Associates  
Chartered Accountants

Firm Reg.: 123989W

Sd/-  
**Sandeep Ajmera**  
(Partner)  
M. No. : 048277For Parekh Shah & Lodha  
Chartered Accountants

Firm reg.: 107487W

Sd/-  
**Ashutosh Dwivedi**  
(Partner)  
M.No. : 410227Sd/-  
**Sarika S. Singh**  
Company SecretarySd/-  
**V. K. Chaturvedi**  
Managing DirectorSd/-  
**Manoj Pathak**  
Wholetime DirectorFor and on behalf of the Board  
Usher Agro LimitedDate: 28th Aug, 2014  
Place : Mumbai



## CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

### 1. CORPORATE OVERVIEW

Usher Agro Limited is engaged in the business of food processing, mainly basic food i.e. wheat, rice, pulses and power generation from biomass. The Group is having manufacturing facilities for wheat, rice, pulses milling and rick husk based 16 MW power plant.

### 2.1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of preparation

The Consolidated financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The Consolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy, if any, as discussed below in detail, are consistent with those used in the previous year.

#### (b) Current–non-current classification

##### Assets

An asset is classified as current when it satisfies any of the following criteria:

It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;  
It is held primarily for the purpose of being traded;  
It is expected to be realized within 12 months after the reporting date; or  
It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

##### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

It is expected to be settled in the company's normal operating cycle;  
It is held primarily for the purpose of being traded;  
It is due to be settled within 12 months after the reporting date; or

The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

#### (c) Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost (including pre-operative and trial & run expenses) of bringing the asset to its working condition for its intended use.

Assets under installation or under construction as at the Balance Sheet date are shown as Capital work in progress.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets till the period, such assets are ready to be put to use, the qualifying assets is one that take substantial period of time to get ready for its intended use or sale. Other borrowing cost not attributable to the acquisition of any capital assets are recognized as expenses in the period in which they are incurred. The cost of acquisition is further adjusted for exchange difference relating to long term foreign currency borrowing attributable to the acquisition of depreciable assets.

#### (d) Depreciation

Depreciation is provided using the Straight Line Method as per the rates prescribed under schedule XIV of the Companies Act, 1956. Depreciation on addition/deletion to the assets during the year is provided on pro-rata basis.

Depreciation on the Fixed Assets pertaining to Electricity business (UEPL) are provided on Straight Line Method, as per the rates and in the manners prescribed as per the Uttar Pradesh Electricity Regulatory Commission (UPERC).

### (e) Impairment

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 exceeds its recoverable amount. The recoverable amount is the greater of the asset's 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 asset over its remaining useful life.

### (f) Leases

Finance Lease Transaction:

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Operating Lease Transaction :

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

### (g) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-

term investments. Current investments are carried 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 value is made to recognise a decline other than temporary in the value of the investments.

### (h) Inventories

Raw materials, components, stores and spares Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on FIFO basis.

Cost of Inventory of Fuel at UEPL is determined on Weighted Average basis.

Work-in-progress and finished goods Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### (i) 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.

Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer.

Income from Services

Revenues from Job work & stock processing of material are recognised as and when services are rendered.

Interest

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

### (j) Deferred Revenue Expenditure

Any expense which is the nature of Preliminary expenses, has write off in the year which they have incurred from/ against the Profit & Loss Account.

Any expenses related to public issue/QIP/any other capital raising issue has write off entire expenses in the year which they have incurred from/against the security premium account.

### **(k) Foreign currency translation**

#### **(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### **(ii) Conversion**

Foreign currency monetary items are reported using the closing rate at the end of the reporting period. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

#### **(iii) Exchange Differences**

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise. Exchange differences arising in respect of fixed assets acquired from outside India are capitalized as a part of fixed asset. In case of consolidation of financial figures of those subsidiaries companies, which have different accounting period, the books are consolidated on the basis of the figures as on the date of the account closing of that subsidiary company.

### **(l) Retirement and other employee benefits**

Retirement benefit in the form of Provident Fund is a defined contribution scheme and contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Gratuity liability is defined benefit obligations and is provided for, on the basis of an actuarial valuation made at the end of each financial year.

Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

### **(m) Income taxes**

Tax expense comprises of current tax and deferred tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

### **(n) Expenditure on new projects and substantial expansion**

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the Profit and Loss Account. Income earned during construction period is deducted from the total of the indirect expenditure.

All direct capital expenditure on expansion are capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its original standard of performance.

### (o) Segment Reporting Policies

Primary segment is identified based on the nature of products and services. Secondary segment is identified based on geography in which major operating division of the company operate.

For primary segment, the segment revenue, segment expenses, segment assets and segment liabilities have been identified to segment on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the group as a whole and are not allocable to segment on reasonable basis, have been included under 'Unallocated revenue/expenses/assets/liabilities'.

### (p) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares). 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 dilutive potential equity shares.

### (q) Provisions and Contingent Liabilities

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Liabilities whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent and disclosed by way of Notes on Accounts.

### (r) Financial Commodity Derivatives Transaction

In respect of derivative contracts, premium paid, gain / losses on settlement and provision for losses for cash flow hedges are recognised in the Profit and Loss Account except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

### (s) Use of estimates

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statement and the reported amount of revenues and expenses during the reporting period. Although these estimates are based upon management best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialize.

### (t) Government Grants

Grants from the Government are recognized when there is reasonable assurance that the grant /subsidy will be received and all attaching conditions will be complied with. Government Grants related to specific fixed assets has been deducted from the gross value of the assets concerned in arriving at their book value.

Government Grants of the nature of the revenue are recognised on a systematic basis in the profit and loss account over the periods necessary to match them with related costs which they are intended to compensate. Such grants either be shown under 'other income' or deducted in reporting the related expenses.

### (u) Principal of Consolidation

The consolidated financial information incorporates the results of the parent and its subsidiary companies. The control is normally evidenced when the company is able to govern another company's financial and operating policies so has to benefit from its activities or where the company owns, either directly or indirectly, the majority of another company's equity voting rights unless in exceptional circumstances it can be demonstrated that ownership does not constitute control.

Particulars of subsidiary are given below:-

Name of the Company	Country of incorporation	Date of becoming subsidiary	% of voting power held on 30th June, 2013	% of voting power held on 30th June, 2012	Financial year ending on
Usher Eco Power Ltd.	India	22nd August, 2010	69.49%	69.49%	31st March
Usher Worldwide FZE	UAE	4th July, 2012	100.00%	-----	31st March

### (v) Goodwill

Goodwill arising out of consolidation of financial statements of Subsidiaries and joint Ventures is not amortised. However the same is tested for impairment at each Balance Sheet Date.

## 2.2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statements comprise of the financial statement of Usher Agro Limited (UAL) and its subsidiary companies Usher Eco power limited (UEPL) and Usher Worldwide FZE (UWW)

Reference in these notes to the 'company' shall mean to include UAL and its subsidiaries viz. UEPL and UWW consolidated in these financial statements unless otherwise stated.

i) The consolidated financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The consolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company. The financial statement of the company and its subsidiary companies have been considered on a line by line basis by adding together the value like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profit or loss.

ii) The consolidated financial statement have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the UAL and UEPL separate financial statements.

The difference between the cost of investment in the subsidiary over the net assets at the time of acquisition of share in the subsidiaries is recognised in the financial statements as goodwill, which is not being amortized, or Capital reserve as the case may be.

iii) Minority interest's share of net profit of consolidated financial statements for the year is identified and adjusted the income of the group in order to arrive at the net income attributable to share holder of the company.

Minority interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company's shareholders.

iv) In case of foreign subsidiaries being non-integral operations, revenue items are consolidated at the average rates prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the "Foreign Currency Translation Reserve".

v) There has been no change in the holding Company's interest in the subsidiary between the end of financial year of the subsidiary and the end of the holding company financial year.

There has been no material changes which have occurred between the end of the financial year of subsidiary companies and that of the holding company's financial year.

## 2.3 GOODWILL

Goodwill represents the difference between the Group's share in the net worth of subsidiaries and the cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

### USHER AGRO LIMITED - CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2014

Rs. in Lacs

Particulars	As at	As at
	30th June, 2014	30th June, 2013
3 SHARE CAPITAL		
Authorised Share Capital		
5,00,00,000 (Prev. Year 4,00,00,000) Equity Shares of Rs. 10/- each	5,000.00	4,000.00
<b>TOTAL</b>	<b>5,000.00</b>	<b>4,000.00</b>
ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL		
3,80,59,039 (P.Y.3,80,59,039) Equity Shares of Rs. 10/- each	3,805.90	3,805.90
ECO SHARES CAPITAL		
Equity Share Application Money Pending Allotment	-	-
<b>TOTAL</b>	<b>3,805.90</b>	<b>3,805.90</b>

a) A reconciliation of the number of shares outstanding at the beginning and at the end of the accounting year, is set out below:

Rs. in Lacs

Particulars	2013-2014	2012-13
	No. of shares	No. of shares
EQUITY SHARES		
Equity shares at the beginning of the year	3,80,59,039	3,80,59,039
Add: shares issued during the year	-	-
<b>Equity shares at the end of the year</b>	<b>3,80,59,039</b>	<b>3,80,59,039</b>

b) The Company has only one class of equity shares having a par value of Rs. 10. The equity shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 1956.

c) There are nil number of shares ( Previous year Nil) in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiary or associates of the holding company or the ultimate holding company in aggregate.

d) Shares in the company held by each shareholders holding more than 5% shares, as on 30.06.2014:

Name of the Shareholder	As on 30.06.2014		As on 30.06.2013	
	No. Of Shares	Percentage (%)	No. Of Shares	Percentage (%)
Dr. Vinod Chaturvedi	46,92,470	12.33%	47,16,470	12.39%
Mr. Manoj Pathak	32,84,060	8.63%	32,84,060	8.63%
Narayani Nivesh Nigam Pvt Limited	20,08,740	5.28%	20,54,752	5.40%
Hi Tech Housing Projects Pvt Ltd	-	0.00%	49,51,893	13.01%
Elara India Opportunities Fund Limited	25,90,312	0.07 %	25,90,312	0.07 %
Parin Trading Private Limited	-	0.00%	21,00,000	5.52%
Abhi Ambi Financial Services Limited	49,51,893	13.01%	-	0.00%

e) There are nil number of shares ( Previous year Nil) reserved for issue under option and contracts /commitment for the sale of shares/disinvestment including the terms and amounts.

f) For the period of five years immediately preceding the date as at which the balance sheet is prepared

Particulars	No. of Equity Shares
Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash	Nil
Aggregate number and class of shares allotted as fully paid-up by way of bonus shares	Nil
Aggregate number and class of shares bought back	Nil

g) During the year there are no securities issued/converted which are convertible into equity/preference shares. However On 15th December 2009 the company has issued 60,00,000 warrants on preferential basis to the promoters and others to raise Rs. 2,460 lacs through preferential allotment. out of which, 10 Lacs warrants and 50 Lacs warrants have been converted in to equity share in financial year 2009-10 and 2010-11 respectively.

h) There are no calls unpaid ( Previous year No )including calls unpaid by Directors and Officers as on balance sheet date

Rs. in Lacs

		As at 30th June, 2014	As at 30th June, 2013
4	<b>RESERVES AND SURPLUS</b>		
	General Reserve		
	Opening balance	2,252.00	1,652.00
	(+) Current Year Transfer	-	600.00
	(-) Written Back in Current Year		-
	<b>Closing Balance</b>	<b>2,252.00</b>	<b>2,252.00</b>
	Securities Premium	11,546.21	11,546.21
	Add:Received during the year	-	-
		11,546.21	11,546.21
	Less: Public Issue Expenses Write Off	-	-
	Less: QIP Expenses Write Off	-	-
		11,546.21	11,546.21
	Foreign Currency Translation Reserve	0.02	(0.83)
	Debt Redemption Reserve		
	Opening balance	1,000.00	500.00
	Add: during the year	3,000.00	500.00
	Closing Balance	4,000.00	1,000.00
	Profit and Loss Account		
	Opening balance	12,729.60	9,641.11
	(+) Net Profit/(Net Loss) For the current year	6,281.22	4,187.11
	(-) Debt Redemption Reserve	3,000.00	500.00
	(+) Attributable to Pre Profit		1.38
	(-) Transfer to Reserves	-	600.00
	<b>Closing Balance</b>	<b>16,010.82</b>	<b>12,729.60</b>
	<b>TOTAL</b>	<b>33,809.05</b>	<b>27,526.98</b>

Consolidated Notes forming part of the Financial Statement

Rs. in Lacs

		As at 30th June, 2014	As at 30th June, 2013
	<b>LONG-TERM BORROWINGS</b>		
	Term Loans(Secured)		
	i) From Banks		
	In Foreign Currency 1 & 4	14,162.90	16,319.36



Rs. in Lacs

Particulars	As at 30th June, 2014	As at 30th June, 2013
IN RUPEES <sup>2</sup>	9,871.56	7,928.62
ii) From Financial Institutions		
In Rupees 3 & 5	1,794.96	31.31
<b>TOTAL</b>	<b>25,829.42</b>	<b>24,279.29</b>

1. Foreign Currency borrowings are secured by way of first pari passu charge on the entire immovable and movable fixed assets of the company and second pari passu charge on the entire current assets of the company present and future created in favour of respective Banks/Trustees along with the personal guarantees of the Directors of the Company namely Dr. Vinod K. Chaturvedi and Mr. Manoj Pathak .

Loan From Banks	Repayment Schedule		
	No. of Installments	Frequency	Commencing from
RABO BANK INTERNATIONAL LTD	9	Half yearly	Dec, 2012
ICICI Bank Ltd.	11	Half yearly	Sept, 2014

2. Rupee Term Loan are secured by way of first pari passu charge on the entire immovable and movable assets of the company and second pari passu charge on the entire current assets of the company, both present and future created in favour of respective Banks/Trustees along with the personal guarantees of the Directors of the company namely Dr. Vinod K. Chaturvedi and Mr. Manoj Pathak .

Loan From Banks	Repayment Schedule		
	No. of Installments	Frequency	Commencing from
AXIS BANK LTD	20	Quarterly	Sept, 2014
Dena Bank	20	Quarterly	Sept, 2014
EXIM Bank of India	20	Quarterly	Sept, 2014
ICICI Bank (Vehicle Loan) <sup>3</sup>	36	Monthly	Feb, 2014
IDBI Corporate Loan	18	Quarterly	March, 2015

3. Equipment and Vehicle loans are secured against the respective equipment / vehicles financed through the said loans.

For Subsidiaries

4. The ECB facility provided by Axis Bank is secured by first charge on the entire fixed assets of UEPL and exclusive charge on Debt service reserve account (DSRA), Corporate guarantee by Usher Agro Ltd. and personal guarantee of Mr. V.K. Chaturvedi & Mr. Manoj Chaturvedi (Directors of the Company). The ECB facility is repayable in 24 unequal quarterly instalments, commencing from the first quarter of the financial year 2012-13. The rate of interest is Six months LIBOR+5%.

The interest on ECB for the month of February 2014 due on 28th February 2014 of Rs. 29.22 lac is paid on 28th May 2014, and interest on ECB of Rs. 32.32 lac and principal instalment on ECB of Rs. 180.30 lac, due on 31st March, 2014 is paid on 27th June, 2014.

5. First exclusive charge on the Debt Service Reserve Account to be created by borrower UEPL in favour of Reliance Capital Limited (RCL), first exclusive charge on Escrow Account where all the cash flows from the sale of the steam shall be deposited, Second Pari Passu charge on entire immovable and movable fixed assets of the company (Present and Future) and personal guarantee of Dr. V.K. Chaturvedi and Mr. Manoj Chaturvedi (Directors of the Company). The term loan shall be repayable in 32 structured quarterly instalments starting from 1st July 2014 and ending on 1st April 2022. The rate of interest is RCL Prime Lending Rate minus 3.5% per annum.

Rs. in Lacs

		As at 30th June, 2014	As at 30th June, 2013
6	<b>DEFERRED TAX LIABILITIES(NET)</b>		
	(In respect of the timing differences)		
	Deferred Tax Liability		
	On account of Depreciation	1,357.83	1,530.51
	On Account of Employee Benefit	14.22	4.95
	Deferred Tax Assets		
	On account of Unabsorbed Depreciation	256.06	105.88
	On account of Business Loss	143.59	27.01
	On Account of Employee Benefit	0.53	-
	<b>Closing Balance</b>	<b>971.87</b>	<b>1,402.58</b>
7	<b>OTHER NON CURRENT LIABILITIES</b>		
	Long term creditors for Capital Goods	1,386.66	-
	Other non current liabilities	-	1.44
	<b>TOTAL</b>	<b>1,386.66</b>	<b>1.44</b>
8	<b>LONG TERM PROVISIONS</b>		
	Provision for employee benefits		
	Provision for Gratuity	-	-
	Provision for Leave Encashment	1.20	1.77
	Provision for Mark to Market(MTM) on Derivative Contract	123.13	86.22
	<b>TOTAL</b>	<b>124.33</b>	<b>87.99</b>
9	<b>SHORT-TERM BORROWINGS</b>		
	(Loans Repayable on Demand)		

Rs. in Lacs

<b>Particulars</b>	<b>As at 30th June, 2014</b>	<b>As at 30th June, 2013</b>
Secured Borrowings from Banks*		
In Foreign Currency	8,168.63	4,108.00
In Rupees	43,990.83	37,578.91
Unsecured Borrowings from others		
i) Loan From Related Party	0.57	
ii) From Others	1,909.87	835.51
<b>TOTAL</b>	<b>54,069.90</b>	<b>42,522.42</b>

\* Cash credit /working capital credit facilities are secured by way of first pari passu charge over the entire current assets and second pari passu charge over the entire Immovable and moveable assets of the company, both present and future created in favour of respective banks/trustees along with personal guarantees of the Directors of the company namely Dr. Vinod K. Chaturvedi and Mr. Manoj Pathak.

Rs. in Lacs

<b>Particulars</b>	<b>As at 30th June, 2014</b>	<b>As at 30th June, 2013</b>
10 TRADE PAYABLES		
For Goods	8,731.28	4,779.88
For Others	622.90	490.73
<b>TOTAL</b>	<b>9,354.18</b>	<b>5,270.61</b>

Consolidated Notes forming part of the Financial Statement

<b>Particulars</b>	<b>As at 30th June, 2014</b>	<b>As at 30th June, 2013</b>
11 OTHER CURRENT LIABILITIES		
Current Maturities of Long-Term Debts	6,391.68	3,166.81
Interest accrued but not due on Borrowings	270.99	105.26
Unclaimed Dividends	10.68	10.68
Deposits Payables	5.97	7.74
Advance from Customers	247.82	22.70
Creditors for Capital Expenditure	746.83	922.21
Other Liabilities including Statutory Liabilities	620.77	670.91
Interest Accrued and due on borrowings	138.58	120.91
Retention from Contractors	-	88.15
Book Overdraft	21.83	-
Advance received from related party		
Usher Infra Logic Limited	72.33	-

Rs. in Lacs

Particulars		As at 30th June, 2014	As at 30th June, 2013
	Usher Agro Limited	-	(0.89)
	<b>TOTAL</b>	<b>8,527.48</b>	<b>5,114.48</b>
12	SHORT TERM PROVISIONS		
	Provision for employee benefits		
	Contribution to PF	4.56	4.27
	Provision for gratuity	42.26	16.40
	Provision for Leave Encashment	0.08	0.05
	ESIC	0.30	0.29
	Other Provisions		
	Income Tax(Net of Advance tax & TDS)	632.60	1,709.87
	<b>TOTAL</b>	<b>679.80</b>	<b>1,730.88</b>

**USHER AGRO LIMITED - NOTES FORMING PART OF THE BALANCE SHEET AS AT 30.06.2014**  
**NOTE-13**  
**CONSOLIDATED FIXED ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	AS ON 01-Jul-13	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	TOTAL AS 30.06.2014	AS ON 01-Jul-13	CHARGED FOR THE YEAR	DEDUCTION FOR THE YEAR	AS ON 30.06.2014	AS ON 30.06.2014	AS ON 30.06.2013
LAND	2,042.87	-	122.75	1,920.12	-	-	-	-	1,920.12	2,042.87
OFFICE BUILDING	255.73	-	-	255.73	17.85	4.17	-	22.02	233.71	237.88
FACTORY BUILDING	4,880.46	2,492.62	-	7,373.08	476.55	198.27	-	674.83	6,698.25	4,403.90
BUILDING & GODOWNS	523.81	2,804.74	-	3,328.55	51.70	37.68	-	89.38	3,239.17	472.11
PLANT & MACHINERY	20,372.74	19,553.86	47.61	39,878.99	4,418.03	2,083.45	0.31	6,501.17	33,377.82	15,954.71
ELECTRICAL INSTALLATION	-	-	-	-	-	-	-	-	-	-
COMPUTER & PRINTER	59.27	27.16	-	86.43	35.26	11.42	-	46.68	39.74	24.00
TUBE WELL, WATER TANKS &	8.73	-	-	8.73	0.95	0.14	-	1.09	7.64	7.78
PIPIINGS	-	-	-	-	-	-	-	-	-	-
FURNITURE & FIXTURE	74.88	27.70	0.14	102.44	17.84	5.11	0.00	22.94	79.50	57.04
VEHICLE	132.23	69.88	8.58	193.53	53.26	18.50	4.91	66.85	126.68	-
OFFICE EQUIPMENT	61.15	6.88	-	68.03	9.57	3.18	-	12.75	55.28	51.58
LABORATORY & STORE EQUIPMENT	100.80	8.93	-	109.73	34.59	10.89	-	45.48	64.24	66.21
SWITCH YARD	815.89	-	-	815.89	11.59	29.37	-	40.96	774.93	804.30
DISTRIBUTION LINES	551.29	-	-	551.29	7.83	19.85	-	27.68	523.61	543.46
<b>TOTAL</b>	<b>29,879.84</b>	<b>24,991.77</b>	<b>179.07</b>	<b>54,692.54</b>	<b>5,135.01</b>	<b>2,422.04</b>	<b>5.22</b>	<b>7,551.83</b>	<b>47,140.71</b>	<b>24,744.80</b>
<b>PREVIOUS YEAR TOTAL</b>	<b>18,029.44</b>	<b>1,342.11</b>	<b>39.26</b>	<b>19,332.28</b>	<b>2,030.75</b>	<b>1,469.67</b>	<b>6.38</b>	<b>3,493.34</b>	<b>15,838.94</b>	<b>15,998.69</b>

Rs. in Lacs

	Particulars	As at 30th June, 2014	As at 30th June, 2013
14	NON-CURRENT INVESTMENTS		
	Trade Investments		
	In related Party		
	Usher Infra Logic Limited	11.28	11.28
	(11,275 (PY 11275) Equity Shares of Rs. 10 each fully paid up )		
	<b>TOTAL</b>	<b>11.28</b>	<b>11.28</b>
15	LONG-TERM LOANS AND ADVANCES		
	(Unsecured, Considered Good)		
	Security Deposits	103.79	112.50
	<b>TOTAL</b>	<b>103.79</b>	<b>112.50</b>
16	OTHER NON CURRENT ASSETS		
	Up-front Fee(Unamortized)	242.65	292.03
	Fixed Deposits having maturity more than twelve months	295.74	-
	<b>TOTAL</b>	<b>538.39</b>	<b>292.03</b>
17	INVENTORIES		
	(As valued and certified by the Management)		
	Raw Materials & work in process	46,541.68	29,647.22
	Fuel	888.43	362.04
	Stores, spares and consumables	29.39	19.86
	Finished goods	10,145.96	11,270.68
	<b>TOTAL</b>	<b>57,605.46</b>	<b>41,299.80</b>
18	TRADE RECEIVABLES		
	(Unsecured, Considered Good)		
	Trade receivables (outstanding for a period less than six months)	25,739.74	23,349.64
	Trade receivables (outstanding for a period exceeding six months)	519.16	1,112.34
	<b>TOTAL</b>	<b>26,258.90</b>	<b>24,461.98</b>
19	CASH & BANK BALANCE		
	Cash & Cash Equivalents		
	Cash on hand	85.20	49.23

Rs. in Lacs

Particulars	As at 30th June, 2014	As at 30th June, 2013
Balance with Bank		
Balance with Scheduled Banks - In Current Accounts	363.20	2,407.63
Other Bank Balance		
Fixed Deposits (includes held as margin money/guarantee given)	846.86	904.05
Eamarked Balance - In Dividend Accounts	10.68	10.68
<b>TOTAL</b>	<b>1,305.94</b>	<b>3,371.60</b>

Consolidated Notes forming part of the Financial Statement

Rs. in Lacs

Particulars	As at 30th June, 2014	As at 30th June, 2013
20 SHORT-TERM LOANS AND ADVANCES		
(Unsecured, Considered Good)		
Business advances to related parties		
Usher Eco Power Ltd.*	110.25	35.58
Usher Oils & Foods Ltd.	-	-
Narayani Nivesh Nigam Pvt Ltd.	12.29	42.30
Vedika Finance Pvt Ltd	-	14.92
Usher Capitals Ltd	3.00	2.39
Usher Oils & Foods Ltd	67.42	(2.09)
(* due to difference in the balance sheet date of the subsidiaries and holding companies)		
Other loans and advances		
Unutilized Banked Power	55.23	35.69
Advance Recoverable in Cash	32.20	109.36
Advance for Expenses	0.24	1.03
Advance to Staff	56.37	92.50
Advance Income tax	15.96	-
Advance to vendors	7.54	-
<b>TOTAL</b>	<b>360.50</b>	<b>331.68</b>
21 OTHER CURRENT ASSETS		
Pre Paid Expenses	218.92	39.79
Balance with Revenue Authorities	445.88	143.13

Rs. in Lacs

Particulars	As at 30th June, 2014	As at 30th June, 2013
Pre IPO Expenses	170.53	170.53
Up-front Fees (Unamortized)	68.50	66.11
Capital Advances	306.53	1,614.31
Advance to Suppliers	1,323.26	1,250.08
Others advances	36.71	269.51
<b>TOTAL</b>	<b>2,570.34</b>	<b>3,553.46</b>

**USHER AGRO LIMITED**  
**NOTES FORMING PART OF PROFIT & LOSS A/C FOR THE YEAR ENDED 30.06.2014**

Rs. in Lacs

Particulars	Year Ended 30th June, 2014	Year Ended 30th June, 2013
22 INCOME FROM OPERATIONS		
Sale of Products-Domestic	1,12,594.26	84,178.06
Sale of Products-Exports	9,894.97	11,454.93
Other Operating Income	154.91	170.10
<b>TOTAL</b>	<b>1,22,644.14</b>	<b>95,803.09</b>
23 OTHER INCOME		
Interest Income	123.31	164.51
Other Non-operating Income	49.55	60.82
Gain on Mark to Mark(MTM) on Derivative Contract	-	
<b>TOTAL</b>	<b>172.86</b>	<b>225.33</b>
24 COST OF MATERIALS CONSUMED		
Raw Materials consumed	99,120.36	79,733.79
Cost of Electricity Purchased	111.65	66.86
<b>TOTAL</b>	<b>99,232.01</b>	<b>79,800.65</b>
25 CHANGES IN INVENTORIES OF FINISHED GOODS		
Opening Stock of Finished Goods	11,095.65	9,292.55
Less: Closing Stock of Finished Goods	10,145.96	11,095.65
<b>TOTAL</b>	<b>949.69</b>	<b>(1,803.10)</b>



Rs. in Lacs

	Particulars	Year Ended 30th June, 2014	Year Ended 30th June, 2013
26	EMPLOYEE BENEFITS EXPENSE		
	Salaries and incentives	1,267.30	1,024.02
	Contributions to -		
	- Provident fund	30.57	22.70
	Gratuity fund contributions	26.57	4.06
	Contribution to Staff Insurance premium	2.32	0.19
	ESIC	2.97	2.61
	Staff welfare expenses	52.59	30.10
	<b>TOTAL</b>	<b>1,382.31</b>	<b>1,083.68</b>
27	FINANCE COSTS		
	Bank Charges	464.25	217.19
	Bank Interest	7,600.17	4,975.24
	Other Interest	278.55	31.33
	<b>TOTAL</b>	<b>8,342.95</b>	<b>5,223.77</b>

Consolidated Notes forming part of the Financial Statement

Rs. in Lacs

	Particulars	As at 30th June, 2014	As at 30th June, 2013
28	DEPRECIATION AND AMORTIZATION EXPENSE		
	Depreciation	2,059.06	1,501.79
	Depreciation-UEPL	368.25	144.30
	<b>TOTAL</b>	<b>2,427.30</b>	<b>1,646.10</b>
29	OTHER EXPENSES		
	Power & Fuel	574.04	567.44
	Freight & Cartage	233.66	180.78
	Export Freight including Expenses	1,377.63	1,282.14
	Stores & Spares Consumed	125.09	76.48
	Travelling & Conveyance	91.41	76.72
	Printing & Stationery	21.41	19.91
	Directors Remuneration and Managerial Commission	185.65	131.75

Rs. in Lacs

Particulars	As at 30th June, 2014	As at 30th June, 2013
Provision for CSR Activity	38.86	27.61
Provision for Mark to Market(MTM) on Derivative Contract	36.91	86.22
Director's Sitting Fee	5.58	6.28
Postage, Courier & Telephone	26.78	20.72
Insurance	43.32	29.22
Rent	24.59	23.44
Warehousing Charges	430.02	392.60
Repairs & Maintenance - Plant & Machinery	503.60	173.51
Repairs & Maintenance - Building	19.14	6.23
Running & Maintenance - Vehicle	45.74	43.30
Repairs & Maintenance - Others	5.38	1.09
Subscriptions & Membership	11.83	8.13
Legal & Professional Fees	99.16	64.34
Loss/(Gain) on Foreign Exchange Fluctuation	90.43	145.84
Office & Misc Expenses	142.15	70.23
Commercial General Trading License SAIF Zone	-	2.15
Quality Control Expenses	24.62	13.06
Rebate & Discount	96.53	49.71
Loss on Assets	9.19	3.24
Filing fees /R.O.C fee	7.57	5.28
Handling Charges	64.99	21.85
Loading & Unloading charges	61.94	13.86
Brokerage & Commission	184.78	164.35
Advertisement & Business Promotion	15.21	42.11
Audit fees	6.34	6.12
CDM Registration expenses	3.34	12.59
Equipment Hire Charges	23.68	15.18
<b>TOTAL</b>	<b>4,630.58</b>	<b>3,783.48</b>

## 30 Earning Per Share (EPS)

(Rs. In Lacs except EPS face value and nos. of shares)

Particulars	2013-14	2012-13
i) Net Profit after tax as per profit and loss account	6,281.22	4,187.11
ii) Net Profit attributable to equity share holders	6,281.22	4,187.11
iii) Net Profit before exceptional and extraordinary items and Taxes	5,852.16	4,187.11
iv) Weighted Average number of equity shares used as denominator for calculation of Basic EPS	3,80,59,039	3,80,59,039
v) Weighted Average number of equity shares used as denominator for calculation of Diluted EPS*	3,80,59,039	3,80,59,039
vi) Basic and Diluted EPS		
- Basic	16.50	11.00
- Diluted	16.50	11.00
vii) Face Values per equity share	10.00	10.00

## 31 Capital Work in Progress

Rs. In Lacs

Particulars	2013-14	2012-13
CAPITAL WORK IN PROGRESS		
Usher Agro Limited		
Civil work of Construction & Land Development	835.09	6,256.87
Plant & Machinery under Installation	1,844.94	5,758.56
Preoperative Expenses related to assets under construction	321.80	2,051.57
Usher Eco Power Limited		
Pre Operative Expenses for 18MW	14.63	14.63
Pre Operative Expenses for Silica	6.28	-
<b>Total</b>	<b>3,022.74</b>	<b>14,081.63</b>

## 32 Benefits to Employees :

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below :

## A. Gratuity

## (i) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized as expenses for the year are as under :

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
EMPLOYER'S CONTRIBUTION TO PROVIDENT FUND, ESIC AND GROUP INSURANCE	35.86	25.50

(ii) Changes in the present value of the deferred benefit obligation are as follows:

<b>Particulars</b>	<b>Rs. In Lacs</b>	
	<b>30.06.2014</b>	<b>30.06.2013</b>
Opening defined benefit obligation	25.16	20.03
Interest cost	2.01	1.60
Current service cost	18.45	11.87
Past Service cost(Non Vested Benefits)	-	-
Past Service cost (Vested Benefits)	-	-
Benefit paid	-	-
Actuarial (gain)/losses on obligation	5.99	(8.35)
Closing defined benefit obligation	51.61	25.16

(iii) Changes in the fair value of plan assets are as follows:

<b>Particulars</b>	<b>Rs. In Lacs</b>	
	<b>30.06.2014</b>	<b>30.06.2013</b>
Opening fair value of plan assets	8.76	8.11
Adjusted in opening balance	-	-
Expected return	0.66	0.77
Contributions by employer	-	-
Benefits paid	-	-
Actuarial gains / (losses)	(0.07)	(0.12)
Closing fair value of plan assets	9.35	8.75

(iv) Fair value of plan assets:

<b>Particulars</b>	<b>Rs. In Lacs</b>	
	<b>30.06.2014</b>	<b>30.06.2013</b>
Fair value of plan assets at the beginning of period	8.76	8.11
Adjusted in opening balance	-	-
Actual Return of plan assets	0.59	0.65
Contributions	-	-
Benefits paid	-	-
Fair value of the plan assets at the end of period	9.35	8.76
Funded status (including unrecognized past service cost)	(42.27)	(16.40)
Excess of actual over estimated return on plan assets	(0.07)	(0.12)

## (v) Experience History

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
(Gain)/Loss on obligation due to change in Assumption	16.09	(3.72)
Experience (Gain)/ Loss on obligation	(10.10)	(4.63)
Actuarial Gain/(Loss) on plan assets	(0.07)	(0.12)

## (vi) Actuarial gain/(loss) recognized

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Actuarial gain/(loss) for the period – obligation	(5.99)	8.35
Actuarial gain/(loss) for the period – plan assets	(0.07)	(0.12)
Total gain/(loss) for the period	(6.06)	8.22
Actuarial gain/(loss) recognized for the period	(6.06)	8.22
Unrecognized Actuarial gain/(loss) at end of period	-	-

## (vii) Past Service cost recognised

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Past service Cost – (non vested benefits)	-	-
Past Service Cost – (vested benefits)	-	-
Average remaining future service till vesting of the benefit	-	-
Recognized Past service Cost – (non vested benefits)	-	-
Recognized Past Service Cost – (vested benefits)	-	-
Unrecognized Past Service Cost – non vested benefits	-	-

## (viii) The amount recognised in the Balance Sheet

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Present value of obligation at the end of the year	51.61	25.16
Fair value of plan assets at the end of the year	9.35	8.75
Funded status	(42.27)	(16.40)
Excess of actual or estimated	-	-
Unrecognized actuarial gains / (loss)	-	-
Unrecognized Past Service cost Non Vested Benefit	-	-
Net assets/(liabilities) recognized in the Balance Sheet	(42.27)	(16.40)

(ix) Expenses recognized in the Profit &amp; Loss account

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Current service cost	18.45	11.87
Interest cost on benefit obligation	2.01	1.60
Expected return on plan assets	(0.66)	(0.77)
Net actuarial( gain) / loss recognized in the year	6.06	(8.22)
Past service cost- Non Vested Benefits	-	-
Past Service cost -Vested Benefits	-	-
Expenses recognized in the Profit & Loss A/c	25.86	4.48

Balance sheet

(x) Details of Provision for gratuity

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Net liability at the beginning of the year	16.40	11.93
Adjusted in opening balance	-	-
Expenses recognized during the year	25.86	4.48
Net Expenses recognized during the year	25.86	
Contribution paid during the year	-	-
Net liability at the end of the year	42.27	16.40

B. Leave Encashment

(i) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized as expenses for the year are as under :

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Employer's contribution to Provident Fund, ESIC and Group Insurance	-	-

(ii) Changes in present value of obligation

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Opening Balance of Present Value of Obligation	181.92	53.77
Liability on transfer in / (out) of Employees (Net)	(44.49)	-
Interest Cost	92.47	4.30

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Current Service Cost	14.56	185.30
Benefits Paid	-	-
Actuarial (Gain) / Loss	(116.67)	(61.45)
Closing Balance of Present Value of Obligation	127.79	181.92

(iii) Changes in Fair Value of plan assets

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Opening Balance of Present Value of Plan Assets	-	-
Expected return on Plan assets	-	-
Contributions	-	-
Benefits Paid	-	-
Actuarial Gain / (Loss) on Plan assets	-	-
Closing Balance of Fair Value of Plan Assets	-	-
Plan assets transfer / pending transfer	-	-
Closing Balance of Fair Value of Plan Assets net of pending transfer	-	-

(iv) Percentage of each category of Plan assets to total fair value of Plan assets

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Administered by Life Insurance Corporation of India	N.A	N.A

(v) Reconciliation of Present Value of Defined Present Obligations and the Fair Value of Assets

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Closing Balance of Present Value of Obligation	127.79	181.92
Closing Balance of Fair Value of Plan Assets net of pending transfers	-	-
Asset / (Liability) recognized in the Balance Sheet	127.79	(181.92)

(vi) Amounts recognised in the Balance Sheet

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Closing Balance of Present Value of Obligation	181.92	181.92
Closing Balance of Fair Value of Plan Assets net of pending transfers	-	-
Net Assets/ (Liability) recognized in the Balance Sheet	181.92	(181.92)

(vii) Expenses recognised in the statement of Profit and Loss

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Current Service Cost	14.56	185.30
Interest Cost	92.47	4.30
Expected Return on Plan Assets	-	-
Net Actuarial (Gain) / Loss	(116.67)	(61.45)
Expenses recognized in the statement of Profit and Loss	(9.64)	128.16

## 33 Segment Information

Business Segments :

The Company is operating in three different business segments i.e. food processing, Bio-mass power generation and logistic. However, considering the size and volume of operations, there are only two reporting segments, i.e. Food Processing (including logistic operations) and Bio Mass Power Generation (except the captive power plant in the parent company) as Business Segments as described in the Accounting Standard (AS) 17 as Segment Reporting, issued by the Institute of Chartered Accountants of India (ICAI). The Required Disclosures are as follows:

Information about Primary Segments

Rs. In Lacs

Particulars	Food Processing For the year ended 30th June, 2014	Power Generation For the year ended 30th June, 2014	Food Processing For the year ended 30th June, 2013	Power Generation For the year ended 30th June, 2013
External revenue from Operations	1,20,528.16	2,208.86	94,692.16	1,110.93
Inter segment revenue	1,753.84	713.48	238.82	334.10
Other income	154.25	58.99	223.15	2.18
Segment revenue	1,22,436.25	2,981.33	95,154.13	1,447.21
Segment results after tax- Gross	6,694.64	(450.35)	4,536.08	(485.65)
Segment Assets- Gross	1,29,788.49	13,398.51	1,03,624.25	13,065.68
Segment Liabilities- Gross	91,323.58	11,977.87	71,931.28	11,194.70
Capital Expenditure- Gross	12,910.05	870.99	9,779.93	1,573.80
Segment Depreciation	2059.06	368.25	1,501.79	144.30



## Geographical Segments :

The Company is carrying on its operational activities in the domestic market i.e. India as well as in overseas market i.e. an export hence geographical segment i.e domestic and overseas has identified as secondary segment and the details of segment results as per AS 17 issued by ICAI are as under :

## Information about Secondary Segments

Particulars	Rs. In Lacs	
	For the year ended 30th June, 2014	For the year ended 30th June, 2013
Revenue By Geographical Market		
India	1,12,749.17	84,348.16
Outside India	9,894.97	11,454.93
<b>Total</b>	<b>1,22,644.14</b>	<b>95,803.09</b>
Addition To Fixed Assets And Intangible Assets (Include Capital work in progress)		
India	14,052.37	11,353.73
Outside India	-	-
<b>Total</b>	<b>14,052.37</b>	<b>11,353.73</b>
Carrying Amount Of Fixed Assets		
India	50,330.36	38,879.13
Outside India	-	-
<b>Total</b>	<b>50,330.36</b>	<b>38,879.13</b>

## Notes:-

The geographical segments considered for disclosure are as follows :

Sales within India includes Sales to Customers located within India

Sales Out side India includes Sales to customers located outside India including merchant exporters.

The carrying amount of segment fixed assets in India and Outside India is based on geographical location of the respective assets.

## 34 Auditors Remuneration is as under:

Particulars	Rs. In Lacs	
	2013-14	2012-13
Audit Fees	7.50	7.50
For Other Services	-	2.95
Tax Audit Fees	2.65	2.50
Service Tax	1.25	1.60
Reimbursement of Expenses	0.23	-
<b>Total</b>	<b>11.63</b>	<b>14.55</b>

- 35 Usher Eco Power Ltd. (UEPL) started its commercial operations from Nov 7, 2012, therefore the current years figures in the Financial Statements, to that extent, are not comparable with that of previous years.

Expenditure/Revenue in Foreign Currency

Earnings in foreign currency (Cash/Accrual basis)

Export Sales on FOB Basis\*

Rs. 4281.12 lac  
(P.Y. Rs. 7982.83 lac)

**Rs. In Lacs**

<b>Expenditure in foreign currency (Cash/Accrual basis)</b>	<b>2013-14</b>	<b>2012-13</b>
Professional Fee & Subscription Charges	0.09	0.77
Travelling Expenses	8.85	2.41
Finance Cost	1,150.58	790.39
CDM Registration Expenses	-	8.95
Commission	32.88	51.01
<b>TOTAL</b>	<b>1,192.41</b>	<b>853.52</b>

\* Export sales exclude sales to merchant exporter

Value of imports calculated on CIF basis

Capital goods

Rs. 1,534.30 lac  
(P.Y. Rs. 27.22 lac)

- 36 Net dividend remitted in foreign currency

**(All are in Rs. In Lacs except nos.)**

<b>Particulars</b>	<b>2013-14</b>	<b>2012-13</b>
Number of Non-resident shareholders	N.A.	95
Number of Equity Shares held by them	N.A.	50,68,970
Amount of dividend paid (Gross), TDS Rs. Nil (P.Y.Nil)	NIL	76.03
Year to which dividend relates	N.A.	2011-12

- 37 Provisions and Contingencies

**Rs. In Lacs**

<b>Contingent Liabilities not provided for</b>	<b>2013-14</b>	<b>2012-13</b>
Letter of Credit issued by the Bankers of the Company in favour of suppliers ( Fixed deposits in the form of margin money including interest thereon of Rs.434.64 lacs (P.Y. Rs. 228.85 lac) have been kept with respective bankers for the said letter of credit)	2,316.56	1,961.61

Rs. In Lacs

<b>Contingent Liabilities not provided for</b>	<b>2013-14</b>	<b>2012-13</b>
Letter of Credit issued by the Bankers of the Company for import of capital goods*. (Fixed deposits in the form of margin money including interest thereon of Rs. Nil (P.Y. Rs. Nil) have been kept with respective bankers for the said letter of credit) * Converted on the foreign exchange conversion rate prevailing on the date of Balance Sheet.	1,452.40	1,188.78
Bank guarantees issued by the bankers of the Company for EPCG License (Fixed deposits of Rs. 33.71 lac (P.Y. Rs. 25.25 lac) have been kept with respective Banks for the said bank guarantees)	25.25	25.25
VAT & CST Liability in respect of A.Y. 2008-09 for which company has filed appeal with Appellate Tribunal, Agra	29.17	29.17
Entry Tax Liability in respect of A.Y. 2008-09 for which company has gone into appeal with the appropriate authority	4.26	4.26
VAT & CST Liability in respect of A.Y. 2009-10 for which the company had filed application for rectification of order u/s 31 of UP VAT Acts. 2008, the application was accepted by the department and has remanded back the case to assessing authority as a fresh case.	-	239.54
VAT Liability in respect of A.Y. 2009-10 for which company has filed appeal with Additional Commissioner Grade -II (Appeal) Mathura.	0.21	0.21
VAT & CST Liability in respect of A.Y. 2010-11 for which company has gone into the appeal with the appropriate authority	201.87	201.87
VAT Liability in respect of A.Y. 2012-13 for which company has gone into the appeal with the appropriate authority	2.15	2.15
Stamp Duty Liability pursuant to letter by Stamp Authority, Mathura, dt 13.02.2012, dt 22.02.2012 & dt 09.12.2011 (The management has taken expert legal opinion on the said stamp duty matter and based on that opinion, the total liability in the subject matter may not exceed to Rs. 12.00 lacs and the matter has already been taken up with the appropriate authorities.)	452.00	452.00

### 38 Derivative Instruments and Unhedged Foreign Currency Exposure

#### Derivative Instruments:

The Company uses commodities / forward contracts to hedge its risk associated with fluctuation in prices of food grain / commodities/currency.

The company does not use forward contract for speculative purposes.

In the forward contract entered by the Company, where the counter party is a recognised commodities exchange. The hedging / forward contracts mature generally between one to six months. The company considers the risk of non-performance by the counter party as negligible.

Outstanding short term commodities forward contracts entered into by the Company at the year end are Rs. Nil .(P.Y.Nil)

Particulars of Outstanding Interest rate swaps to hedge against fluctuations in interest rate change as at the Balance Sheet date

As at	No. of Contracts	Amount (In USD)	Amount (Rs. In Lacs)
30-Jun-14	4	2,79,60,306.00	16,804.14
30-Jun-13	4	1,91,35,155.50	16,677.05

Pursuant to the clarification issued by the Institute of Chartered Accountants of India on March 29, 2008 on accounting of derivatives, the Company has for the year ended March 31, 2014 recognised unrealized gain/(loss) of Rs. 40.38 lac (March 31, 2013 - (Rs. 86.22 lac)) towards mark to market of the interest rate swap.

The provision for mark to market losses of the interest rate swap as on March 31, 2014 amounts to Rs. 45.85 lac. (March 31, 2013- Rs. 86.22 lac).

Particulars of Unhedged foreign currency exposure as at the Balance Sheet date

Particulars	Amount
Creditors for Capital Goods	Rs. 1,386.66 lac, (JPY 187,187,000; GBP 270,000) (P.Y. Nil)
Foreign Currency Loan	Rs. 18,099.32 lac, (USD 3,01,15,341.73) {P.Y. Rs. 11,635.03 lac, (USD 19,599,189.36)}
Foreign Debtors	Rs. 189.10 lac, (USD 314,646.30) {(P.Y. Rs. 442.69 Lac (USD 741,897.77)}
Interest Accrued but Not Due on ECB	Rs. 163.52 lac, (USD 272,083.09) {(P.Y. Rs. 129.87 lac (USD 222,390.5)}
Interest Accrued and Due on PCFC	Rs. 3.56 Lacs, (USD 5,929.33) (P.Y. Rs. 4.64 Lacs (USD 7780)
Advance from Customers	Rs. 237.97 lac (USD 395,958.88) {P.Y. Rs. 4.48 lac, (USD 7500)}

\* Converted at the foreign exchange conversion rate prevailing on the date of Balance Sheet.

### 39 Leases

In case of assets taken on lease

Finance Lease :

There are no finance lease transactions in the reporting period hence no disclosure is required to be made under AS 19 – Accounting for Leases, issued by the ICAI

## Operating Lease :

(i) Office premises, godowns and warehouses are obtained on operating lease basis during the financial year in relation of business. The lease terms are normally for 11 months and renewable at the option of the Company. There are no restrictions imposed in lease arrangements. There are no subleases.

Particulars	Operating Lease (Rs. in Lacs)	
	2013-14	2012-13
Debited to Statement of Profit & Loss Account	454.61	416.03
Debited to Pre-operative Expenses under Capital Work in Progress	-	3.51
Minimum Lease Payments :		
Not later than one year	55.82	83.15
Later than one year but not later than five years	19.16	7.85
Later than five years	-	-

(ii) The Company has given office premises on operating lease basis for a period of less than one year.

Particulars	Operating Lease (Rs. in Lacs)	
	2013-14	2012-13
Lease payments for the year	7.41	9.79
Minimum Lease Payments :		
Not later than one year	7.65	2.50
Later than one year but not later than five years	-	0.45
Later than five years	-	-

## 40 Related Parties- consolidated

Names of other related parties with whom transactions have taken place during the year

List of related parties	
1) Key Management Personnel	Dr. V. K. Chaturvedi (Managing Director) Mr. Manoj Pathak (Whole Time Director)
2) Relatives of key management personnel	Mrs. Samta Chaturvedi, (wife of Managing Director Dr. V. K. Chaturvedi) Mrs. Shimla Pathak, (wife of Whole Time Director Mr. Manoj Pathak) Shreyash Chaturvedi (son of Managing Director Dr. V. K. Chaturvedi)
3) Enterprises owned or significantly influenced by key management personnel or their relatives (With whom transactions have taken place during the year)	Usher Capitals Limited Vedika Finance Pvt. Limited Usher Oils & Foods Limited Usher Infra Logic Limited

Rs. in Lacs

Particulars	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Relatives of Key Management Personnel (Spouse, son, daughter, brother, sister, father, mother who may influence or be influenced by such personnel in his dealings with the Company)		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	JUNE-14	JUNE-13	JUNE-14	JUNE-13	JUNE-14	JUNE-13	JUNE-14	JUNE-13
<b>Employee Benefits for Key Management Personnel</b>								
Mr. V. K. Chaturvedi	115.45	104.20					115.45	104.20
Mr. Manoj Pathak	65.46	59.23					65.46	59.23
<b>Loan/Business Advances Taken/ repaid by</b>								
Narayani Nivesh Nigam Pvt. Ltd.					94.58	50.00	94.58	50.00
Vedika Finance Private Ltd.					15.03	-	15.03	-
Usher Infra Logic Ltd.					182.05	675.46	182.05	675.46
<b>Loan/Business Advances Given/ repaid to</b>								
Narayani Nivesh Nigam Pvt. Ltd.					15.60	53.50	15.60	53.50
Usher Oils & Foods Ltd.					-	67.05	-	67.05
Vedika Finance Private Ltd.					-	13.80	-	13.80
Usher Infra Logic Ltd.					60.48	543.13	60.48	543.13
<b>Rent Income (Truck/office)</b>								
Usher Infra Logic Ltd.					53.59	22.18	53.59	22.18
Usher Oils & Foods Ltd.					62.13	134.52	62.13	134.52
<b>Proceeds of Rental Income</b>								
Usher Oils & Foods Ltd.					8.66	96.31	8.66	96.31
Usher Infra Logic Ltd.					4.65	2.00	4.65	2.00
<b>Rent Expenses (Trucks/Office)</b>								
Usher Infra Logic Ltd.					236.94	166.18	236.94	166.18
Narayani Nivesh Nigam Pvt. Ltd.					7.36	7.11	7.36	7.11
Mrs. Shimla Pathak			1.80	3.00			1.80	3.00
Usher Oils & Foods Ltd.					4.80	4.80	4.80	4.80
<b>Payment of Rent (Truck/Office)</b>								
Usher Infra Logic Ltd.					219.22	154.96	219.22	154.96
Mrs. Shimla Pathak			4.59	0.35			4.59	0.35
Narayani Nivesh Nigam Pvt. Ltd.					0.48	-	0.48	-

40  
Contd.

Rs. in Lacs

Particulars	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Relatives of Key Management Personnel (Spouse, son, daughter, brother, sister, father, mother who may influence or be influenced by such personnel in his dealings with the Company)		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	JUNE-14	JUNE-13	JUNE-14	JUNE-13	JUNE-14	JUNE-13	JUNE-14	JUNE-13
<b>Consumables Purchased</b>								
Usher Infra Logic Limited					6.60	-	6.60	-
<b>Expenses Incurred by related party on our Behalf</b>								
Usher Infra Logic Ltd.					10.16	-	10.16	-
Narayani Nivesh Nigam Pvt. Ltd.					2.79	2.25	2.79	2.25
<b>Reimbursement of expenses to related party</b>								
Narayani Nivesh Nigam Pvt. Ltd.					-	4.97	-	4.97
<b>Expenses Incurred for related party</b>								
Usher Infra Logic Ltd.					145.45	16.61	145.45	16.61
Usher Oils & Foods Ltd.					26.27	11.19	26.27	11.19
Usher Capitals Ltd.					0.62	0.13	0.62	0.13
Vedika Finance Private Ltd.					0.12		0.12	-
Narayani Nivesh Nigam Pvt. Ltd.					6.06		6.06	-
<b>Reimburse by the related party</b>								
Usher Oils & Foods Ltd.						15.75	-	15.75
Usher Infra Logic Ltd.					130.80	-	130.80	-
<b>Balances Outstanding at the year end, Debit/(credit)*</b>								
Mr. V. K. Chaturvedi	(24.15)	(4.47)					(24.15)	(4.47)
Mr. Manoj Pathak	(1.03)	(1.68)					(1.03)	(1.68)
Mrs. Shimla Pathak		-	0.15	(2.65)			0.15	(2.65)
Vedika Finance Private Ltd.					-	14.92	-	14.92
Usher Infra Logic Ltd.					(72.42)	-	(72.42)	-
Narayani Nivesh Nigam Pvt. Ltd.					18.51	42.30	18.51	42.30
Usher Capitals Ltd.					3.00	2.39	3.00	2.39
Usher Oils & Foods Ltd.					75.38	(2.09)	75.38	(2.09)

\*Excluding investment in shares and application money

## 41 Impairment of assets

As on the Balance Sheet date the carrying amounts of the assets net of accumulated depreciation is not less than the recoverable amount of those assets. Hence, in the opinion of the management, there is no provision for impairment loss on the assets of the Company is required to be made under Accounting Standard-28 (Impairment of Assets) issued by the ICAI.

42 Raw Material Consumed  
Holding Company

Rs. in Lacs

Particulars	2013-2014	2012-2013
Paddy & Dehusked Raw Rice	85,700.71	70,112.63
Wheat	10,065.93	8,220.30
Packing Material	1,089.04	544.61
Bajra	-	98.00
Barley	-	76.58
Pulses-Raw	2,309.44	-
Bagasse	169.97	66.95
<b>Total</b>	<b>99,335.08</b>	<b>79,119.07</b>

## Subsidiary Company

Rs. in Lacs

Particulars	2013-2014	2012-2013
Fuel	1,365.04	684.86
<b>Total</b>	<b>1,365.04</b>	<b>684.86</b>

43 Purchase of Raw Material  
Holding Company

Rs. in Lacs

Particulars	2013-2014	2012-2013
Paddy & Dehusked Raw Rice	101,472.92	74,490.30
Wheat	10,779.66	11,305.58
Bajra	-	98.00
Barley	-	76.58
Pulses-Raw	2,464.44	-
Packing Material	1,164.62	490.59
<b>Total</b>	<b>115,881.64</b>	<b>86,461.05</b>



## Subsidiary Company

Rs. in Lacs

Particulars	2013-2014	2012-2013
Fuel	288.24	1,072.59
Total	288.24	1,072.59

44 Value of Sales, Closing and Opening Inventory  
Holding Company

Rs. in Lacs

Particulars	2013-2014	2012-2013
<b>Opening Stock of Finished Goods and By Products</b>		
Rice	10,096.24	6,634.08
Wheat Products	234.05	165.30
Husk	470.97	743.68
Bran	217.80	1,749.49
Barley	76.58	-
<b>Total</b>	<b>11,095.65</b>	<b>9,292.55</b>
Sales		
Rice	1,01,305.06	77,342.64
Wheat Product	12,651.85	10,642.85
Bajra	-	130.06
Bran	4,320.27	4,965.08
Husk	14.47	1,683.16
Barley	100.59	-
Toor Daal Finished	1,877.49	-
Chuni	104.77	-
<b>Total</b>	<b>1,20,374.49</b>	<b>94,763.79</b>
<b>Closing Stocks</b>		
Finished Rice	8,837.36	10,096.24
Wheat Product	347.92	234.05
Husk	15.00	470.97
Barley	-	76.58
Bran	219.09	217.80
Toor Daal Finished	685.60	-
Chuni	40.98	-
<b>Total</b>	<b>10,145.96</b>	<b>11,095.65</b>

## Subsidiary Company

Rs. in Lacs

Particulars	2013-2014	2012-2013
Opening Stock of Finished Goods and By Products		
Fuel	362.04	41.61
<b>Total</b>	<b>362.04</b>	<b>41.61</b>
Sales		
Electricity	2,702.93	1,362.60
<b>Total</b>	<b>2,702.93</b>	<b>1,362.60</b>
Closing Stocks		
Fuel	888.43	362.04
<b>Total</b>	<b>888.43</b>	<b>362.04</b>

## 45 Capital Commitments

Rs. in Lacs

Particulars	2013-2014	2012-2013
Estimated amount of contracts remaining to be executed on capital account and not provided for.	615.50	4,814.71
<b>Total</b>	<b>615.50</b>	<b>4,814.71</b>

## 46 Provision for Taxation

Provision for current tax has been made as per provisions of the Income Tax Act, 1961, after considering deduction/exemptions, if any, available to the Company under the said Act. Further the provision for current tax has been made up to 31st March, 2013, financial year ending as per the said Act.

## 47 The Balances of Debtors, Creditors, Loans &amp; Advances and other parties are subject to confirmation and reconciliation.

## 48 In the opinion of the Board the Assets (other than fixed assets &amp; non current investments) are approximately of the value stated if realized in the ordinary course of business and the provisions of all known liabilities are adequate.

## 49 Foreign Exchange Fluctuation

The Company has opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standard) Amendment Rules 2009 relating to Accounting Standard 11(AS-11) notified by Government of India on 31st March, 2009. Accordingly the effect of exchange differences on foreign currency loans of the company is accounted by addition or deduction to the cost of the assets so far it relates to the depreciable capital assets. The total amount of foreign exchange fluctuation profit/ (Loss) of Rs. (632.24) Lacs (P.Y. (1273.76) lacs) has been reduced/added from CWIP/pre-operative expenses account.

## 50 Extraordinary Item

During the year 2013-14, National Highway Authority of India (NHAI) has acquired 0.963 hectare land of the Company located at Chatta (Mathura) for widening the National Highway- 2.

The Company has received compensation of Rs. 423.72 lac during the year and recognised profit of Rs. 300.97 lac, as an extraordinary item in the Statement of Profit and Loss for the said compulsory acquisition of land by NHAI.

- 51 The Company has not provided income tax on the capital gain arising on the compulsory acquisition (as referred in Note No 49), as it intends to claim deduction of the capital gain under Section 54D of the Income Tax Act, 1961 by investing the amount of capital gain in new land and building for industrial purposes.
- 52 Usher Eco Power Ltd. (UEPL) proposed to raise finance through an Initial Public Offering (IPO) to fund its proposed 18MW husk based co-generation power plant. However, due to the prevailing capital market conditions, the Company has not gone ahead with the IPO.
- The Company has incurred expenses aggregating Rs. 170.53 Lacs (PY Rs. 170.53 Lacs ) from the financial year 2008-09 till year ended March 31, 2014. in connection with the IPO. The Company is now evaluating other options of raising capital and it intends to adjust the such Pre IPO expenses with the Securities Premium amount expected to be received on such capital. Hence, till such time the amount of Pre IPO Expenses is shown as Other Current Assets.
- 53 Usher Eco Power Ltd. (UEPL) has registered itself with UNFCCC for CDM benefits. The Company has incurred Rs. 31.78 Lacs during the year on operation and maintenance cost of Emission Reduction Equipment.
- 54 Information relating to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below.

Particulars	2013-2014	2012-2013
Principal amount due to suppliers under MSMED Act,2006	2.36	6.19
Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	1.50	0.10
Payment made to suppliers( other than Section 16) beyond the appointed day/due date	4.19	3.60
Interest paid to suppliers under MSMED Act (Section No. 16)	-	-
Interest due and payable towards suppliers under MSMED Act for payments already made.	0.29	0.39
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	1.80	0.49
Amount of further interest remaining due and payable in succeeding years	0.34	0.32

- 55 The Financial Statements, comprising the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement have been prepared in accordance with the provision of General Circular 08/2014 dated 4th April, 2014 of the Ministry of Corporate Affairs.
- 56 Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year. Figures in bracket indicate previous year's figures.

As per our report of even date

**For Ajmera Ajmera & Associates**  
Chartered Accountants  
Firm Reg.: 123989W

Sd/-  
**Sandeep Ajmera**  
(Partner)  
M. No. : 048277

**For Parekh Shah & Lodha**  
Chartered Accountants  
Firm reg.: 107487W

Sd/-  
**Ashutosh Dwivedi**  
(Partner)  
M.No. : 410227

Sd/-  
**Sarika S. Singh**  
Company Secretary

Sd/-  
**V. K. Chaturvedi**  
Managing Director

**For and on behalf of the Board**  
**Usher Agro Limited**

Sd/-  
**Manoj Pathak**  
Wholetime Director

Date: 28th Aug, 2014  
Place : Mumbai

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956**  
**Relating to subsidiary Company Rs. In Lacs except as stated**

Sr. No.	Particulars	M/s Usher Eco Power Ltd	M/s Usher World Wide, FZE, UAE
1	Financial Year of Subsidiary Company ended on	31/03/2014	31/03/2014
2	Shares of subsidiary Company held on above date and extent of holding		
	a) Equity Shares	1,69,13,731	1,50,000
	b) Extent of Holding	69.49%	100.00%
3	The net aggregate amount of Subsidiary profit/(loss) so far as it is concerned with the members of the Usher Agro Limited		
	i. Not dealt with in the holding company's accounts		
	a) For the financial year of the subsidiary	(312.95)	(10.53)
	b) Since it became the holding company's subsidiary	(391.27)	(19.49)
	ii. Dealt with in the holding company's accounts		
	a) For the financial year of the subsidiary	Nil	Nil
	b) Since it became the holding company's subsidiary	Nil	Nil
4	Material Changes, if any between the end of the financial of the subsidiary company and that of the Holding Company		
	i) Increase in Fixed Assets by Usher Eco Power Ltd :	1.87	-
	Additions in Capital Work In Progress	Nil	-
5	Additional information on Subsidiary Company		
	Share Capital including Share Application Money	2,434.05	22.71
	Reserve and Surplus (net of debit balance of Profit & Loss Account)	(1,013.42)	(32.18)
	Total Assets (Fixed Assets plus Current Assets)	13,398.50	0.80
	Total Liability (Debts plus Current Liabilities & Provisions)	11,977.88	10.89
	Details of Investment (net of investment in Subsidiary Company)	Nil	Nil
	Turnover	2,922.34	-
	Profit/(Loss) Before Taxation	(453.05)	(10.53)
	Provision For Taxation	2.70	Nil
	Profit/(Loss) After Tax	(450.35)	(10.53)
	Proposed Dividend (including Corp. Dividend Tax)	Nil	Nil

As per our report of even date

**For Ajmera Ajmera & Associates**  
**Chartered Accountants**  
**Firm Reg.: 123989W**

Sd/-  
**Sandeep Ajmera**  
(Partner)  
M. No. : 048277

**For Parekh Shah & Lodha**  
**Chartered Accountants**  
**Firm reg.: 107487W**

Sd/-  
**Ashutosh Dwivedi**  
(Partner)  
M.No. : 410227

Sd/-  
**Sarika S. Singh**  
Company Secretary

Sd/-  
**V. K. Chaturvedi**  
Managing Director

**For and on behalf of the Board**  
**Usher Agro Limited**

Sd/-  
**Manoj Pathak**  
Wholetime Director

Date: 28th Aug, 2014  
Place : Mumbai

# Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT THE EIGHTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF USHER AGRO LIMITED WILL BE HELD ON SATURDAY, THE 20TH DAY OF DECEMBER, 2014 AT 11.00 A.M. AT NANDKRIPA BANQUET HALL, FOUR BUNGALOW ROAD, MAIN MARKET, ANDHERI, (WEST), MUMBAI-400 058 TO TRANSACT THE FOLLOWING BUSINESS:

## ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet as at 30th June, 2014 and the Statement of Profit and Loss account for the year ended 30th June, 2014 and the Directors' and Auditors' Reports thereon.
2. To appoint Statutory Auditor and to fix their remuneration and in this connection, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. V.S. Kankariya and Co., (Firm Registration No. 104719W), Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, and in this regard the Board of Directors/Committees of the Board be and are hereby authorized to decide and finalize the terms and conditions of their appointment and to fix their remuneration".

## SPECIAL BUSINESS:

### 3. APPOINTMENT OF MR. VIJAY RANCHAN AS AN INDEPENDENT DIRECTOR

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 149, 152, Schedule IV and other applicable provisions, if any of the Companies Act, 2013 ('the Act') and the Rules made there under, as amended from time to time, Mr. Vijay Ranchan (DIN 01602023), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company, with effect from 20th December, 2014 up to 19th December, 2019, not liable to retire by rotation."

### 4. APPOINTMENT OF MR. AJAY PRAKASH ARORA AS AN INDEPENDENT DIRECTOR

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 149, 152, Schedule IV and other applicable provisions, if any of the Companies Act, 2013 ('the Act') and the Rules made there under, as amended from time to time, Mr. Ajay Prakash Arora (DIN 01055020) a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company, with effect from 20th December, 2014 up to 19th December, 2019, not liable to retire by rotation."

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5. APPOINTMENT OF MR. SHRI PRAKASH ARORA AS AN INDEPENDENT DIRECTOR

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 149, 152, Schedule IV and other applicable provisions, if any of the Companies Act, 2013 (‘the Act’) and the Rules made there under, as amended from time to time, Mr. Shri Prakash Arora (DIN 01872519) a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company, with effect from 20th December, 2014 up to 19th December, 2019, not liable to retire by rotation.”

6. APPOINTMENT OF MR. PREM CHAND TIWARI AS AN INDEPENDENT DIRECTOR

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 149, 152, Schedule IV and other applicable provisions, if any of the Companies Act, 2013 (‘the Act’) and the Rules made there under, as amended from time to time, Mr. Prem Chand Tiwari (DIN 05182634) a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company, with effect from 20th December, 2014 up to 19th December, 2019, not liable to retire by rotation.”

7. TO RE-APPOINT MR. MANOJ PATHAK (DIN: 00616061) AS A WHOLE-TIME DIRECTOR

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Manoj Pathak (DIN: 00616061) as a Whole-time Director of the Company, for a period of 5 (Five) years with effect from 1st December, 2014 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Human Resources, Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Manoj Pathak, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any Statutory medication(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. TO APPROVE BORROWING LIMITS OF THE COMPANY

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

“RESOLVED THAT in supersession of the Resolution No.6 passed at the Annual General Meeting of the Company held on 23rd December, 2013 and pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the

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Companies Act, 2013, as amended from time to time, and the applicable Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company ('the Board') to borrow any sum or sums of money, from time to time, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) may exceed, at any time, the aggregate of the paid-up share capital of the Company and its free reserves, provided that the total amount so borrowed by the Board shall not at any time exceed 2000 Crores (Rupees Two Thousand crores only).

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such moneys are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to a Committee constituted by the Board and/or any member of such Committee with power to the said Committee to sub-delegate its powers to any of its members.

#### 9. CREATION OF CHARGE ON THE ASSETS OF THE COMPANY

To Consider, and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the Resolution No.7 passed at the Annual General Meeting of the Company held on 23rd December, 2013 and pursuant to the provisions of Section 180 (l) (a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby given to the Board of Directors of the Company ('the Board') to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations, if any, created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, in favour of Banks, Financial Institutions, Insurance Companies, other lending/ investing agencies or bodies/ trustees for holders of debentures/ bonds which may be issued to or subscribed to by all or any of the Banks, Financial Institutions, Insurance Companies, other lending/ investing agencies or any other person(s)/ bodies corporate by way of private placement or otherwise (hereinafter collectively referred to as 'Lenders'), provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said loans, for which such charges, mortgages or hypothecations are created, shall not, at any time exceed the limit of Rs. 2000 Crores (Rupees Two Thousand Crores only).

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to a Committee constituted by the Board and/ or any member of such Committee with power to the said Committee to sub-delegate its powers to any of its members."

For and on behalf of Board

Sd/-

**Vinod Kumar Chaturvedi**

Managing Director

Place: Mumbai

Date: 28th August, 2014

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Notes:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, share holding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
8. The Register of Members and Share Transfer Books of the Company will remain closed from 15th December 2014 to 19th December 2014 (both days inclusive).
9. Under Section 205A of the erstwhile Companies Act, 1956, read with Rule 3 of the Investor Education and Protection fund (Uploading of information regarding unpaid and unclaimed amounts lying with the companies) Rules, 2012 the amount of unpaid or unclaimed amounts for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred Rs. 144,210/- unclaimed share application money pertaining to the IPO made in October, 2006 to the Investor Education and Protection Fund of the Central Government.
10. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Big Share, for consolidation into a single folio.
11. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.



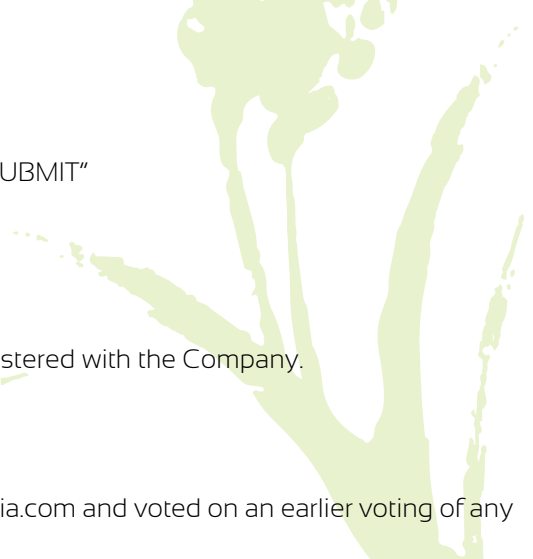
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12. As per the provisions of the Companies Act, 2013 facility for making nomination is available for the Members in respect of the shares held by them. Nomination forms can be obtained from the Company's Share Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
  13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Bigshare Services Pvt. Ltd.
  14. In terms of section 101 and 136 of the Companies Act, 2013 read together with the Rules made there under, the listed companies may send the notice of annual general meeting and the annual report, including Financial statements, Board Report, etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their e-mail ids with their respective depository participants or with the share transfer agent of the Company.
  15. The company has designated an exclusive e-mail ID viz. usherinvestors@usheragro.com to enable investors to register their complaints/ grievances, if any.
  16. In compliance with provisions of the Companies Act 2013, the company is also offering the e-VOTING FACILITY to the members to enable them to cast their votes electronically. E-voting facility would remain open only from 14.12.2014 to 16.12.2014 (both days inclusive).

MRS. PALAK DESAI, PRACTICING COMPANY SECRETARY, 31-E, Laxmi Industrial Estate, New Link Road, Andheri West, Mumbai - 400 058 (COP No. 7426) has been appointed as Scrutinizer for scrutinizing e-voting system in a fair and transparent manner and to give her report thereon.

#### E-VOTING INSTRUCTIONS

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - (ii) Click on "Shareholders" tab.
  - (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
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(vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the serial number (refer serial no. printed on the name and address sticker/Postal Ballot Form) in the PAN field.</li><li>In case the serial number is less than 8 digits enter the applicable number of O's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.</li></ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"><li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li></ul>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

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- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian ,if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 14.12.2014 at 10.00 A.M. and ends on 16.12.2014 at 06.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 14.11.2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

Place: Mumbai  
Date: 28th August, 2014

For and on behalf of Board

Sd/-

**Vinod Kumar Chaturvedi**  
Managing Director

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## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 8 of the accompanying Notice dated August, 2014.

### Item 2

The retiring statutory auditors, namely, M/s. Parekh Shah and Lodha (Firm Registration No. 107487W), Chartered Accountants and M/s. Ajmera Ajmera & Associates (Firm Registration No. 123989W), Chartered Accountants, have expressed their unwillingness to be re-appointed and that a special notice in terms of provisions of Section 115 of the Companies Act, 2013 ("the Act") read with Section 140 of the Act has also been received from the members of the company for the appointment of new statutory auditors M/s. V.S. Kankariya and Co., (Firm Registration No. 104719W) Chartered Accountants in place of the retiring statutory auditors M/s. Parekh Shah and Lodha, Chartered Accountants and M/s. Ajmera Ajmera & Associates, Chartered Accountants.

The company has forthwith communicated to the retiring auditors of the special notice. Pursuant to the provisions of section 139 and 141 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 a written consent towards such appointment has been obtained from M/s. V.S. Kankariya and Co., Chartered Accountants along with a written certificate to the effect that their appointment if made will be within the limits prescribed under Section 139 of the Companies Act, 2013 and that they are not disqualified for appointment under section 141 of the Act.

Your directors recommend the resolution for your approval.

None of the Directors is concerned or interested in this resolution.

### Item 3 to 6

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. Vijay Ranchan, Mr. Ajay Prakash Arora, Mr. Shri Prakash Arora and Mr. Prem Chand Tiwari as Independent Directors at various times, in compliance with the requirements of the clause.

Pursuant to the provisions of Section 149 of the Act, which came in to effect from 1 April, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors, who are not liable to retire by rotation.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, the above independent directors being eligible and seeking appointment, are proposed to be appointed as an Independent Directors for a term of five years. The Company has received notices in writing from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Mr. Vijay Ranchan, Mr. Ajay Prakash Arora, Mr. Shri Prakash Arora and Mr. Prem Chand Tiwari for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from the above Independent Directors (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that they meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

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The resolution seeks the approval of members for the appointment of above non-executive directors as Independent Directors of the pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made there under. They are not liable to retire by rotation.

In the opinion of the Board of Directors, the above Independent Directors fulfils the conditions specified in the Act and the Rules made thereunder and they are independent of the Management. A copy of the draft letter for the appointment of Mr. Vijay Ranchan, Mr. Ajay Prakash Arora, Mr. Shri Prakash Arora and Mr. Prem Chand Tiwari as Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM. The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of above Independent Director.

No director, key managerial personnel or their relatives, of Mr. Vijay Ranchan, Mr. Ajay Prakash Arora, Mr. Shri Prakash Arora and Mr. Prem Chand Tiwari, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 3 to 6 for the approval of the members.

## Item 7

The Board of Directors of the Company in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force, by passing a resolution at its meeting held on 28th August, 2014 on the recommendation made by remuneration committee at its meeting held on the same day, re-appointed Mr. Manoj Pathak as the Whole Time Director of the company for a further period of 5 years effective 1st December, 2014 subject to your approval on the terms and conditions, including minimum remuneration, as detailed hereafter.

### 1. REMUNERATION:

Salary shall not exceed Rs. 32,15,400/- per annum with annual increments being determined and recommended by the Remuneration Committee and to be approved by the Board of Directors on a year-to-year basis.

### 2. COMMISSION:

Commission will be paid on annual basis @ 0.56% of the total Profit as per the calculation of the provision of the section 198 of the Companies Act, 2013 excluding salary.

### 3. PERQUISITES:

In addition to Salary as above, the Whole Time Director shall be entitled to perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, as permissible under law together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, repairs and other allowances, medical reimbursement, club fees and leave travel concession for self and his family, personal accident insurance and such other perquisites as are payable in accordance with the rules of the Company or as may be agreed to by the Remuneration Committee or Board of Directors. However, such perquisites will be subject to a ceiling of 100% of the salary.

The above perquisites shall be evaluated as per the Income tax Rules wherever applicable. In the absence of such rules,

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perquisites will be evaluated at actual costs.

Where in any financial year during the currency of the tenure of the Whole Time Director, the Company has made no profits or its profits are inadequate, the Company shall pay to the Whole Time Director, the above Salary and perquisites as Minimum Remuneration subject to the ceiling limits prescribed in Schedule XIII of the Companies Act, 1956.

#### 4. SITTING FEES

The Whole Time Director shall not be entitled for sitting fees.

#### 5. The Whole Time Director shall be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified herein above :

- a. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
- b. Gratuity payable at the rate not exceeding half a month's Salary for each completed year of service.
- c. Earned privilege leave at the rate of one month's leave for every eleven months of service. The Whole Time Director shall be entitled to encash leave at the end of his tenure as Whole Time Director.
- d. Provision for Car and Telephone communication facilities at the residence of the Whole Time Director shall not be treated as perquisites.

#### 6. Other terms:

- a. The appointment of the Whole Time Director may be terminated by either side by giving six months notice in writing.
- b. The Whole Time Director shall unless prevented by ill health, throughout the said term devote his attention and ability to the business of the Company and shall perform such duties and exercise such power as shall from time to time be assigned to or vested in him by the Board of Directors, and shall comply with the orders, directions and regulations from time to time of the Board of Directors of the Company and shall well and faithfully serve the Company and use his utmost endeavour to promote the interest thereof. The Board commends the approval by the members for the revision in the remuneration payable to him.

### Item 8

Under the erstwhile Section 293 (1) (d) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose.

Under the provisions of Section 180 (1) (c) of the Companies Act, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Further, as per a clarification issued by the Ministry of Corporate Affairs, the Ordinary Resolution earlier passed under Section 293 (1) (d) of the Companies Act, 1956 will remain valid for a period of one year from the date of notification of Section 180 of the Companies Act, 2013, i.e. up to 11th September, 2014. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up share capital and free reserves of the Company. The borrowing limit

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of Rs. 2000 Crores under the earlier resolution passed by the shareholders at the Annual General Meeting of the Company held on 23rd December, 2013 remains unchanged. The Board commends the Resolution at Item No.8 of the Notice for approval of the shareholders by a Special Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.8 of the Notice.

## Item 9

Under the erstwhile Section 293 (l) (a) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business). Under the provisions of Section 180 (l) (a) of the Companies Act, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Further, as per a clarification issued by the Ministry of Corporate Affairs, the Ordinary Resolution earlier passed under Section 293 (l) (a) of the Companies Act, 1956 will remain valid for a period of one year from the date of notification of Section 180 of the Companies Act, 2013, i.e. up to 11th September, 2014. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

As the documents to be executed between the Company and the lenders/ trustees for the holders of debentures/ bonds may contain the power to take over the management of the Company in certain events, it is necessary to obtain Members' approval under Section 180 (l) (a) of the Companies Act, 2013, by way of a Special Resolution. The existing limit of 2000 Crores under the earlier resolution passed by the shareholders at the Annual General Meeting of the Company held on 23rd December, 2013 remains unchanged. The Board commends the Resolution at Item No.9 of the Notice for approval of the shareholders by a Special Resolution. None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.9 of the Notice.

### IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with the Company's Share Transfer Agent, Bigshare Services Pvt. Ltd. Email: [flavia@bigshareonline.com](mailto:flavia@bigshareonline.com)







Regd. Office: 422, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai- 400 053.

## ATTENDANCE SLIP

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 18th ANNUAL GENERAL MEETING of the Company at Nand Kripa Banquet Hall, Four Bungalow Road, Main Market, Andheri (West), Mumbai - 400 058, at 11.00 a.m. on Saturday, 20th December, 2014.

Folio No. .... /DP ID No.\* ..... & Client ID No. ....

\* Applicable for members holding shares in electronic form.

.....  
Full name of Member/Proxy  
(In block capitals) .....  
Signature

NOTE: Shareholder/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

TEAR HERE



Regd. Office: 422, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai- 400 053.

## PROXY FORM

I/We.....of..... in the district of ..... being a member of the above named Company, hereby appoint..... of.....in the district of ..... or failing him ..... of ..... in the district ..... as my/our Proxy to attend and vote for me/us and on my/our behalf at the, 18th ANNUAL GENERAL MEETING of the Company, to be held on Saturday, the 20th December, 2014 at 11.00 a.m. and at any adjournment thereof

Signed this ..... Day of ..... 2014 Folio No. .... /DP ID No.\* ..... & Client ID

\* Applicable for members holding shares in electronic form

Affix  
Revenue  
Stamp

.....  
Signature

No. of Shares

This form is to be used @ in favour/@against the resolution. Unless otherwise instructed, the proxy will act as he thinks fit.

@ Strike out whichever is not desired.

NOTES: (i) The proxy form must be returned so as to reach the Registered Office of the Company 422, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai- 400 053 not less than FORTY-EIGHT HOURS before the time for holding the aforesaid meeting. (ii) Those members who have multiple folios with different joint holders may use copies of this Attendance Slip/Proxy form.













## **CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis Report contains words or phrases such as “will”, “aim”, “believe”, “expect”, “will continue”, “plan”, “project”, “goal” and similar meaning expressions and variations that may be interpreted as “forward looking statements”. Actual results could differ from those expressed or implied. Important factors that could affect the Company’s operations include economic conditions affecting demand and supply, changes in Government regulations and changes in political conditions and other statutes.

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# Corporate Information

## BOARD OF DIRECTORS .....

### Promoter & Executive Directors

Dr. Vinod Kumar Chaturvedi: Managing Director

Mr. Manoj Pathak: Whole Time Director

### Non Executive Independent Directors

Mr. Vijay Ranchan (IAS Retd.)

Mr. Ajay Prakash Arora

Mr. Shri Prakash Arora

Mr. Prem Chand Tiwari

Mrs. Baljinder Kaur Mandal (Nominee IDBI Bank)

## STATUTORY AUDITORS .....

Ajmera Ajmera & Associates

Chartered Accountants

Parekh Shah & Lodha

Chartered Accountants

## INTERNAL AUDITORS .....

M/s Dinesh Bangar & Company

Chartered Accountants

## COST AUDITOR .....

M/s NKJ & Associates

Cost Accountants

## SHARE LISTED AT .....

National Stock Exchange of India Ltd. (NSE)

Bombay Stock Exchange Ltd. (BSE)

## COMPANY SECRETARY .....

Mrs. Sarika S. Singh

## REGISTRAR & SHARE TRANSFER AGENTS

Bigshare Services Pvt. Ltd.

E-2/3, Ansa Industrial Estate, Sakivihar Road

Sakinaka, Andheri (E), Mumbai – 400 072

Tel.: (022) 2856 0652/53

Fax: (022) 4043 0200

Email: info@bigshareonline.com

Website: www.bigshareonline.com

## BANKERS.....

Allahabad Bank

Axis Bank Limited

Bank of Baroda

Bank of Maharashtra

Commonwealth Bank of Australia

Dena Bank

Export-Import Bank of India

HDFC Bank

ICICI Bank Limited

IDBI Bank Limited

ING Vysya Bank Ltd.

Rabobank International (India)

Rabobank International (Singapore)

United Bank of India

## REGISTERED OFFICE .....

422, Laxmi Plaza, Laxmi Industrial Estate,

New Link Road Andheri (West)

Mumbai - 400 053

Tel: 022-39381100

Fax: 022-39381123

Email: compliance@usheragro.com

Website: www.usheragro.com

## MARKETING OFFICE

405, Pearl Best Heights-II

Netaji Subhash Place, Pritampura

New Delhi- 110 034

## PLANT LOCATION.....

### Chhata:

1) 158, Gohari, Delhi-Agra Highway, (N-H II)

Chhata, Dist: Mathura (Uttar Pradesh) - 281 401

2) 632-634, Dumatana, Delhi-Agra Highway, (N-H II)

Chhata, Dist: Mathura (Uttar Pradesh) - 281 401

### Mathura:

239, Maholi, Krishna Nagar

Off Delhi-Agra Highway, (N-H II)

Mathura, (Uttar Pradesh) - 281 004

### Buxar:

Plot no. 1898, Chaubeji ki Chhavani,

Jalilpur Thana, Rajpur, Dist -Buxar (Bihar) - 801 144



## **VISION:**

To emerge as one of the India's leading agro-processing companies with a special focus on the basic foods segment (Rice, Pulses and Wheat). We envision a refreshing green, the personality of USHER, to be the symbol of nation's booming economy and the indication of the affluence of world agriculture.

## **MISSION:**

- Maximize creation of wealth, value and satisfaction for the stakeholders
- We intend to emerge as the one stop source for all the basic food products in India

# Company Overview



**U**sher Agro Limited was founded by Dr. Vinod Kumar Chaturvedi and Mr. Manoj Pathak on June 20, 1996.

The company's name was inspired by its meaning. "Usher" (verb) means: "cause or mark the start of something new".

It entered the Food Processing Sector by setting up its first Rice Milling Plant at Mathura, Uttar Pradesh in 1996 of 10,800 MTPA and today has grown to become one of the largest agro-food processing companies in India with integrated milling capacities of Rice, Wheat and Pulses. With this the company also manufactures other value added products like Silica, fortified rice.

*The company also prides itself to have one of the largest single location Rice milling capacity in India. Usher sells its products under the widely accepted brand name "Rasoi Raaja"*

The company also prides itself to have one of the largest single location Rice milling capacity in India. Usher sells its products under the widely accepted brand name "Rasoi Raaja".

## Usher Eco Power:

The company also has a subsidiary called Usher Eco Power Ltd, It is into Rice Husk based eco-friendly power generation activity located at Chhata Dist: Mathura, U.P. generating 16 MW power. The Company has also forayed into the manufacturing of Silica from the ash generated by the burning of husk

## Key Strengths

**Location Advantage**

**Large Rice Milling Capacity**

**Automated and modernized plant and storage facilities**

**Strong Distribution & Procurement network**

# Chairman's Message

Dear Shareholders,

Your company envisions itself becoming a complete basic food processor. We have structured our growth story according to this philosophy and based on our ability to capitalise on new ideas.

As chairman it gives me great pleasure that your company has completed 18 years. I thank all my shareholders, stakeholders and banks for their continued support in the past year without which it would have been arduous for us to achieve the exceptional performance.

With the new stable Central Government in place, I am sure that the overall confidence and the positive perception for our nation in the mind-sets of people at large will get rejuvenated. I am confident that with pragmatic Government in centre, there will be series of proactive economic measures and pronouncements which will put the economy back on the path of progressive growth and development.

Given the reasonable normal monsoon the Indian agriculture sector is expected to grow in a range of about 5.2 to 5.7 percent in the agriculture year 2013-14, that is nearly 3 times that of the previous year. India's agricultural production is expected to grow at a rate of 4.6 per cent in 2014. With the second green revolution just around the corner, India's production of food grains this year is expected to break the 2011-12 record of 259 million tonnes (MT)

The past year saw Usher Agro expanding in many ways like increasing its, rice milling capacity in Chhata (U.P.) to 9,72,000 MTPA, setting up of a Pulses Milling and pulse flour plant having capacity of 1,05,600 MTPA and 23,100 MTPA respectively. This addition has taken your company a step to its vision of becoming a complete basic food processor. As you may be aware your company produces Green Silica through the ash formed by burning the rice husk. Your company is planning to expand this Green Silica production capacity by 10 times this year to 20,000 MTPA under Usher Eco Power Ltd.



In terms of the financials, your company's revenue has grown to 12,228.20 Mn from 9,493.39 Mn in the last year and profit after tax has grown to 669.46 Mn from 453.60 Mn in the last year.

Lastly I would again thank all my board of directors, employees, consumers, business partners, bankers and other stake holders for their unwavering support.

With best wishes,  
Sincerely,

*Sd/-*

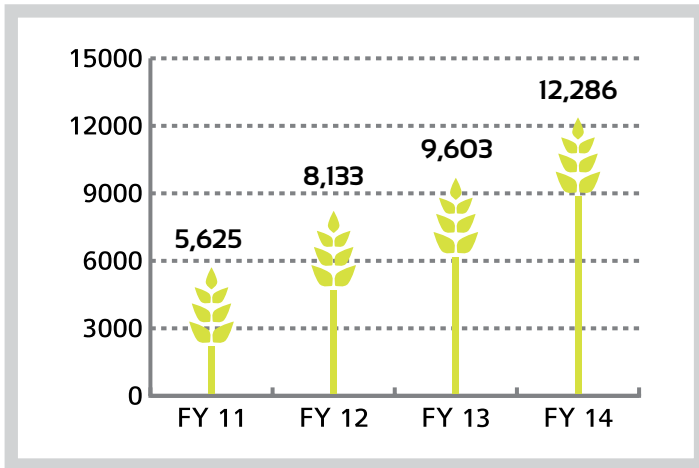
**Dr. Vinod Kumar Chaturvedi**

Chairman & Managing Director

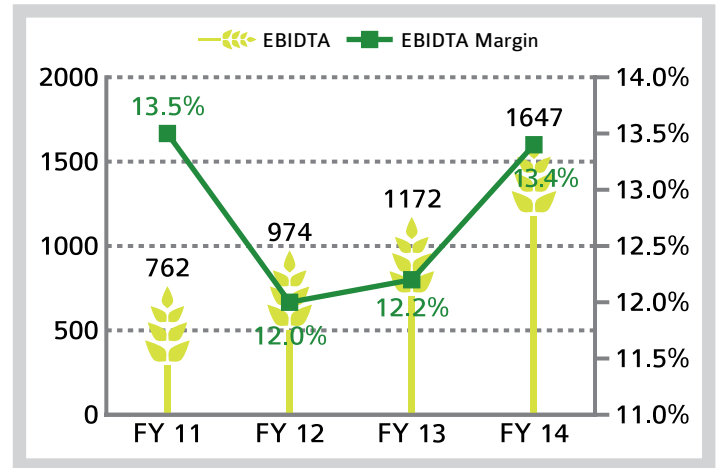


**Journey So Far**

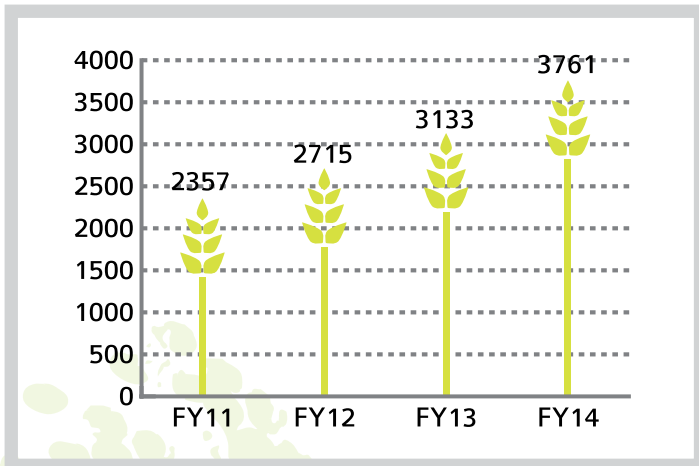
# Consolidated Financial Performance



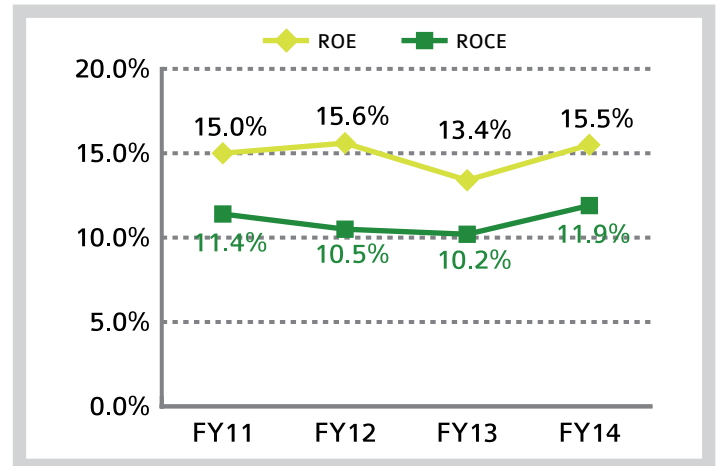
Total Revenue (INR Mn.)



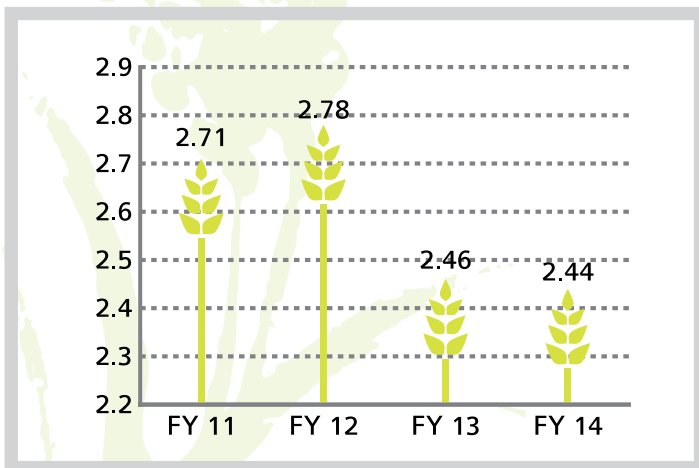
EBIDTA (INR Mn.)



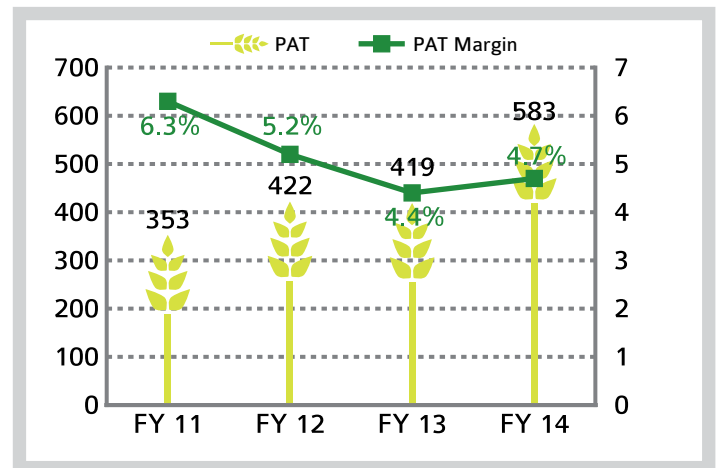
Net Worth



ROE and ROCE



Asset Turnover (X)



Net Profit (INR Mn.)

# Business Review

## Rice

Usher Agro is amongst the largest producer and processor of non-basmati rice in India. The company has the Largest single location Rice milling facility in India for rice processing. The company does processing of paddy in its three high-capacity plants at Mathura, Buxar and Chhata. **The company has a Total Rice Milling Capacity of 1,081,440 MTPA**

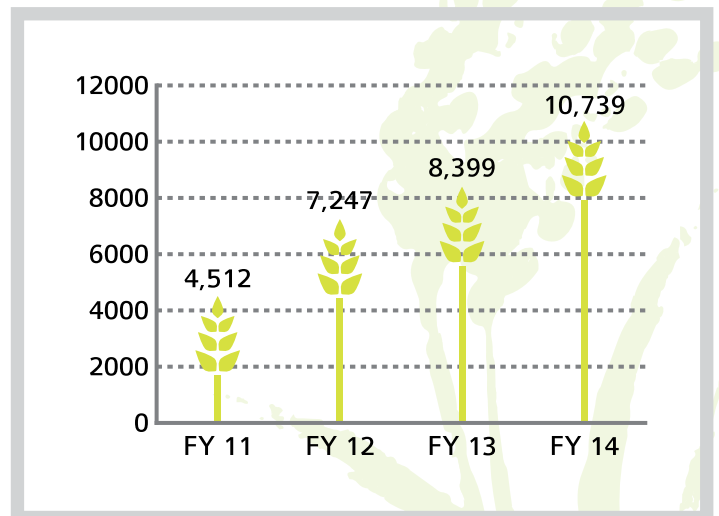
Usher Agro is also into rice Fortification, which is a practical and cost-effective way to ensure a sufficient supply of essential vitamins and minerals in rice, to improve the health and to eradicate the deficiency of micronutrients through highly consumed staple food.



The company has the Largest single location Rice milling company in India for rice processing



Rice Varieties Produced at Usher Agro Limited



Revenue from Rice (INR Mn.)



# Business Review Contd.

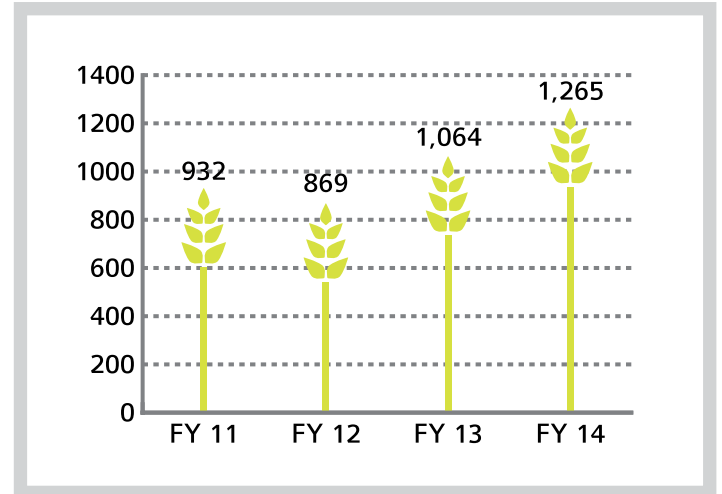
## Wheat

Usher Agro is into producing fine & superfine Wheat flour (Maida), Semolina premium (Rawa/Suji), R-Aata, Whole meal Aata (Chakki Aata), Daliya and Wheat

Bran (Choker). Our Wheat products are also sold under the well-known brand 'Rasoil Raaja'. **It has 125,400 MTPA milling capacity for Wheat.**



Range of Flours from Rasoil Raaja



Revenue from Wheat (INR Mn.)





## Pulses

With an overall vision to emerge as one stop solution to all basic food, the company has set up a plant for Pulses and Pulse Flour milling capacity at Chhata, U.P. **The company has set up pulses processing mill with a capacity of 105,600 MT PA and a pulses flour mill with a capacity of 23,100 MTPA.** After the said expansion the company has moved one step further in its vision to become a complete basic food processor.

## Eco Power

Usher Eco Power Limited is into Power Generation Activity. The Company has commissioned the 16 MW Rice husk based Cogeneration. Eco friendly power plant at Chhata, Dist: Mathura, U.P. which is using Bio Mass i.e. Rice husk as a fuel. This Power plant is eligible for CDM & REC benefits. The project is recently registered in the UNFCCC and will start getting CDM benefits from the next year. The Company has commenced power generation from 24th April, 2012 and commercial operations from 7th November 2012. The subsidiary Company's financial statement is attached to this annual financial report. This plant will further enhance its operational efficiency in next year and will ensure uninterrupted availability of power at good rates.



## Silica

Silica will be extracted by chemical process from Rice Husk ash and can be called as GREEN SILICA since it is the only renewable source of Silica. Usher Eco Power Ltd is the exclusive licensee for the Silica precipitation technology developed at CGPL, Indian Institute of Science (IISc), Bangalore. **Currently, Usher has a plant capacity of 2000 MTPA of Silica production at Chhata and is in process of installing new plant with higher capacity of 20000 MTPA (Subsidiary Company)**

The by-product of silica extraction, precipitated calcium carbonate is a marketable commodity used in fertilizers and paints. Residue slurry after extracting silica can also be used as fertilizer (Bio-Char). Usher Eco Power Ltd will be having the advantage to do this novel project first time in World. The process requires temperatures less than 150°C, as against 1500°C in the conventional method of silica extraction, reducing overall power consumption.

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# Board of Directors

## Promoter Directors

### Dr. Vinod K Chaturvedi

Managing Director

**Dr. Chaturvedi**, aged 49 years, is the Managing Director of your Company. He holds a Bachelors Degree in Commerce (B. Com) from Agra University and a fellow member of 'The Institute of Chartered Accountants of India'. Going further he has also done Doctorate of Philosophy in applied business economics (commerce) on the topic "Prospects and Rationale for Second Green Revolution". Dr. Vinod Kumar Chaturvedi has over 27 years of experience in finance, project and food processing industry. He promoted Usher Agro Limited in 1996 and set up a conventional rice milling plant at Mathura. After incorporation of Usher Agro Limited he promoted Usher Eco Power Limited, Usher Capitals Limited, Usher infra Logic Limited and Usher Oils And Foods Limited under the USHER umbrella.

### Mr. Manoj Pathak

Whole Time Director

**Mr. Pathak**, aged 41 years, is the Whole Time Director of our Company. He holds a Bachelors degree in Commerce (B. Com) from Agra University and a Bachelors of Law. He is one of our promoters and is the brother of Mr. Vinod Kumar Chaturvedi. He has over 18 years of experience in food processing industry and he has been involved with our Company since its inception. He has been actively involved in the implementation of all the projects of our Company and has played a vital role in the growth of our Company. His responsibilities include contributing to the strategic growth and development of a strong marketing network for our products. He has also contributed to the Company through his efficient managerial capabilities to deal with labour, farmers, and operating personnel at the plants.

## Non-Executive and Independent Directors

### Mr. Vijay Ranchan

Non-Executive and Independent Director

**Mr. Ranchan**, aged 71 years is the Non Executive, Independent Director of our Company and member of Audit committee. He holds a Masters degree in Arts in English Literature from Punjab University. He was in Indian Administrative Service (IAS) (1967 batch) and is currently retired. He has held senior positions of secretary/principal secretary/ additional chief secretary in the Department of Revenue, Industry, Labour and Health in Government of Gujarat. He was also the Joint Managing Director of Gujarat Agro Industries Corporation, Joint Managing Director of Gujarat Industrial Investment Corporation, Chairman of Gujarat Fisheries Central Co-operation Association.

## Mr. Ajay Prakash Arora

Non-Executive and Independent Director

**Mr. Arora**, aged 73 years, is the Independent Non- Executive Director of our Company. He is chairman of Audit Committee. He holds a Masters Degree in Commerce (M. Com) from Lucknow University and is also qualified as Certified Associate of Indian Institute of Bankers (CAIIB). He has over 37 years of rich experience in handling banking and finance functions. He joined the Central Bank of India in 1963 and continued working there till year 2000. During his tenure with the Central Bank of India, Mr. Arora worked in various capacities as the Senior Internal Auditor, Investigations/Enquiry officer, Branch Manager, Chief Manager in Branches and Zonal office in Central Bank.

## Mr. Shri Prakash Arora

Non-Executive and Independent Director

**Mr. Arora**, aged 74 years, is Independent Non- Executive Director of our Company. He holds a Bachelors degree in Animal Science from Agra University. He has previously worked with Pfizer Animal Health (Multinational Pharmaceutical Company) for 36 years, where he held several key positions overseeing the sales, technical, marketing, budgeting, training and business development of the Company. He was also responsible for launch and subsequent handling of Agro chemical business (bactericides for cotton, chillies and paddy crop) of Pfizer in western India. Presently, he is very proficient in areas vis. restructuring of sales and marketing group, developing marketing strategies, training / mentoring in connection with rural marketing, distribution system, recruitment and selection, developing reward and appraisal system, and launch of new products.

## Mrs. Baljinder Kaur Mandal

Non-Executive and Independent Director,  
(Nominee Director of IDBI Bank Limited)

**Mrs. Mandal**, aged 48 years is the IDBI Bank Limited Nominee & Independent Director appointed on 29th June, 2013. She holds BE (Electrical), PGDM.

## Mr. Prem Chand Tiwari

Non-Executive and Independent Director

**Mr. Tiwari**, aged 63 years is the Independent Non Executive Director of the Company. He holds bachelor's degree in science (M. Sc - Physics) from Agra University. He has experience of 39 years in Banking (Administration, Business growth & Profitability). He has Worked as General Manager Head of the largest zone-Mumbai Metropolitan Zone having maximum business mix (Deposits/Advances/profit/recovery).

# Manufacturing Facilities



## Usher Agro Limited - Manufacturing facilities at Chhata (U.P.)

Usher has one of the Largest single location Rice milling plant in India

- Usher has one of the largest single location rice milling plant in India of **9,72,000 MT PA**
- Total Rice milling capacity of **10,81,440 MT PA**
- Wheat milling capacity of **1,25,400 MT PA**
- Pulses and Pulses flour of **1,28,700 MT PA**
- 12 Modernized silos at Chhata plant each with a capacity of **3,000 MT** to store raw material

## State of the Art Milling Infrastructure:

All plants are completely modernized and have a fully automated system, resulting in optimum utilization and better cost effectiveness.

The machinery for the Rice Mill has been sourced from reputed global manufacturers like:

- Satake Corporation, Japan, leading rice milling unit supplier with a global market share of more than 70%.
- Industry as Machinery Zaccaria, Brazil, a leading rice milling machinery manufacturer in Latin America accounting for and nearly 50% paddy machinery installed in Latin America

The Company has also set up a Pulses Milling and Pulse Flour Mill at Chhata with a processing capacity of 105,600 MTPA and 23,100 MTPA which became operationalized in March 2014

The Machinery for the pulses milling has been purchased from Buhler, a global equipment supplier with over 70% market share in Pulses market

### CHHATA (U.P.):

- Rice Milling capacity – 9,72,000 MTPA
- Pulse Mill & Pulses Flour Mill - 1,28,700 MTPA
- Wheat flour mill – 50,400 MTPA
- Eco-friendly rice husk fired 16 MW biomass based co-generation power project under the subsidiary Usher Eco-power Ltd.

### MATHURA (U.P.):

- Rice Milling capacity -10,800 MTPA
- Wheat roller flour mill - 75,000 MTPA
- 1 MW of captive Power Plant

### BUXAR (BIHAR):

- Rice Milling capacity – 98,640 MTPA



# Directors' Report

To,  
The Members of  
Usher Agro Ltd.

Your Directors have pleasure in presenting 18th Annual Report on the business and operations of the Company and the financial accounts for the year ended 30th June, 2014.

## 1. Financial Results

The financial performance of the Company, for the year ended 30th June, 2014 is summarised below:

Particulars	Year ended 30.06.2014	Year ended 30.06.2013
Sales & Other Income	122436.26	95157.04
Profit before Financial Charges & Depreciation	16312.34	13070.71
Less : Financial Charges	(7665.93)	(5054.74)
Cash Profit for the year	8646.41	8015.97
Less : Depreciation	(2059.06)	(1501.79)
Profit before Tax	6782.46	6523.18
Less : Provision for Tax including Fringe Benefit Tax	(689.15)	(1738.70)
Less : Provision for Deferred tax	(428.01)	(154.50)
Less: Short / (Excess) Provision for tax of earlier years.	(249.13)	(93.90)
Profit after Tax	6694.66	4536.08
Balance brought forward from Previous Year	13088.86	9652.78
Balance available for Appropriation	19859.31	14188.86
Appropriations :		
Transferred to General Reserve	-	600.00
Debt Redemption Reserve	3000.00	500.00
Earning per Share (EPS)	17.59	11.92
<b>Balance carried to Balance Sheet</b>	<b>16859.31</b>	<b>13088.86</b>

Your Company has achieved stabilization of all of its existing Rice and Wheat milling capacities, which are operational now at optimum capacity utilization levels, except newly installed capacity expansion which have commenced commercial operations in the current financial year. The enhancement of production capacities and consolidation of processes and systems derived the synergies and optimized the use of available resources because of which your Company is being able to maintain its growth despite of prevailing difficult economic and market conditions.

During the year under review, the sales and other income of your Company have increased to Rs. 1,22,436.26 Lacs from Rs. 95157.04 lacs in the previous year, recording a growth of over 28.67%. Profit after tax also increased to Rs. 6,694.66 lacs against that of Rs. 4,536.08 lacs in previous year, registering a growth of 47.59%. Management of the Company under the direction of your Board of Director continued to achieve the targets of cutting down the cost of operations and bettering the efficiency by using better alternated resources/means and methods of operation.

## 2. APPROPRIATIONS

### Dividend

The Board of directors of the Company does not recommend any dividend for the financial year 2013-14.

### Transfer to Reserves

The Company has transferred Nil amount in the General Reserves during the financial year under review in pursuance to the provisions of Companies (Transfer of profits to Reserves) Rules, 1975.

## 3. SUBSIDIARY COMPANIES

The Company has two subsidiary i.e. Usher Eco Power Limited and one wholly owned subsidiary i.e. Usher Worldwide FZE, UAE.

### a) USHER ECO POWER LIMITED

Usher Eco Power Limited is into Power Generation Activity. The Company has commissioned the 16 MW Rice husk based co-generation Eco friendly power plant at Chhata Dist: Mathura, U.P. which is using Bio Mass i.e. Rice husk as a fuel. This Power Plant is eligible for CDM & REC benefits. The project is recently registered in the UNFCCC and will start getting CDM benefits from the next year. The Company has commenced power generation from 24th April, 2012 and commercial operations from 7th November 2012. The subsidiary Company's financial statement is attached to this annual financial report. This plant will further enhance

its operational efficiency in next year and will ensure uninterrupted availability of power at competitive rates.

### b) USHER WORLDWIDE FZE

Usher Worldwide FZE which is registered in a Free Zone Establishment (FZE) in the Sharjah Airport International Free Zone (SAIF Zone), United Arab Emirates has not yet commenced its business. This company has been incorporated in UAE for the purpose of general trading in rice and other commodities. This Company will provide strong foot hold to your Company in Middle East Asia and African market, which is the largest export market for rice as well as enable us to procure pulses from global market in most efficient and competitive terms, which is also a basic raw materials for us post expansion of pulses milling project.

## 4. GRAIN STORAGE SILOS AT CHHATA PLANT

Storage of grains is considered to be the best in Silos from cost and operational point of view. Along with the expansion of milling capacity at Chhata your Company is also enhanced its storage capacity by putting up Hopper Bottom Silos and Flat Bottom Silos besides your Company is contemplating to enhance the more Silos storage capacity. The Silos storage capacity stands to 36,000 MT. The significant increase in the Silos facility will help in reducing the labour, packing material cost in addition to savings in wastages.





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## 5. BUSINESS EXPANSION, DEVELOPMENTS & FUTURE OUTLOOK

### A) Capacity Expansion and Pulses Initiative

With an overall vision to emerge as one stop solution to all basic food, the Company has embarked on the increase of its Rice Milling capacity and setting up a plant for Pulse and Pulse Flour milling capacity at Chhata, U.P. The Company has successfully commissioned a Rice Milling Plant of 4,86,000 TPA after which total Rice milling capacity stands to 1,081,440 TPA. In addition, the company has also successfully commissioned a pulses processing mill with a capacity of 105,600 TPA and a pulses flour mill with a capacity of 23,100 TPA. The Company is proud to state that the machineries for the said expansion projects have been imported from world class manufacturers from Japan and Switzerland. Successful commissioning of said expansion projects have ensured a significant step towards the vision to become a complete basic food miller.

### B) Rice fortification plant

The Company has successfully commissioned imported rice fortification plant. The Company is selling the fortified rice to the mid-day meal projects of various states of the government through Programme for Appropriate Technology in Health (PATH). The said plant has already commenced its commercial production in November 2012. In view of the high profitability of the rice fortification plant, Usher Agro Ltd. is also planning to further increase the production capacity of fortified rice in the future. The Company also envisions exporting fortified rice to other countries. Fortified rice prevents loss of iron and vitamins from rice during the milling process.

### C) Venture into Silica

Usher Agro Ltd has successfully commenced commercial production of the Silica plant at Chhata Mathura. The technology for the manufacturing of silica has been taken from IISC Bangalore, which is a patented technology and Usher Agro Ltd. is the first company to implement this novel project first time in the world. Now the Company will be in a position to supply eco friendly green silica at competitive rate to the customers. Significant work has been done in the area of marketing of silica manufactured by this plant to global players. Also in the long run the Company envisions setting up a 50TPD Silica Plant in its subsidiary Company i.e. Usher Eco Power Limited. This plant will produce silica from Rice Husk Ash through the said patented technology. This will further improve operational efficiency of the Company by value added use of waste i.e. Rice Husk Ash.

### D) Modernization and Capacity Expansion of Rice Milling facilities at Buxar- Bihar

Rice Milling process and technology has seen good amount of progress during the last five years, in keeping pace with the advancement in the technology we have modernised the existing rice milling facility at Buxar and also additional capacity of 46,800 MTPA rice milling at the same complex has been added during the current year thereby making the total rice milling capacity to 93,600 MTPA at Buxar.

### E) Setting up of 1 MW Captive Power Plant at Buxar- Bihar

With the above rice milling capacity expansion project at Buxar- Bihar availability of rice husk, a bye-product of rice milling, will increase. To take the advantage of the availability of bye product and to be self reliant on the power front your Company has setup a gasifier power plant of 1 MW at Buxar, Bihar for captive use. This power plant will help to reduce the cost of operation with better efficiencies and better efficient value added utilization of Bye product.

### F) Expansion of Wheat milling Capacity at Mathura

Currently we are having 75,000 MTPA wheat milling capacity at Mathura and your Company has expanded its existing wheat milling capacity by 50,000 MTPA to make total wheat milling capacity of 1,25,000 MTPA. This capacity expansion has increased the existing wheat milling capacity by more than 60% and also will strengthen overall commitment and vision of Company to be a one step basic food solution.

## 5. FOREIGN EXCHANGE EARNINGS

Your Company has entered in to export market in January 2010. Since inception your Company has been focused on the domestic market and in future too our focus shall remain in that way. However with the installation of one of the most modern plant at Chhata and also to achieve progress in all markets, for the first time your Company has entered the export market in January 2010 and in very short period has been able to successfully tap the overseas market. Your directors are pleased to report that our products are well accepted in the export market and we are confident that in the coming years the export earnings will see quantum jump thereby earning precious foreign exchange for the country. Your Company is targeting mainly Middle East, Africa and Gulf countries for the export of rice and wheat based products. Further to focus on the said market and increase business operations the Company has already incorporated a wholly owned subsidiary in UAE i.e Usher Worldwide FZE and this Company is expected to commence commercial business activities in F.Y. 2014-15 and after that we can

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expect more export values in future. The Company follows a prudent hedging policy to manage significant foreign currency exposures.

## 6. BOARD OF DIRECTORS

As per the provisions of Section 149 of the Companies Act 2013, which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Vijay Ranchan, Mr. Mr. Ajay Prakash Arora, Mr. Shri Prakash Arora and Mr. Prem Chand Tiwari being placed before the Members in previous General Meeting for their approval. In the opinion of the Board, they fulfil the conditions specified in the Act and the Rules made there under for appointment as Independent Directors and are independent of the management. Members are requested to refer to the Notice of the Annual General Meeting and the Explanatory Statement for details of the qualifications and experience of the Directors and the period of their appointment. The Board commends the passing of the Resolutions at Item Nos. 3 to 6 of the Annual General Meeting Notice.

## 7. AUDITORS AND AUDITORS REPORT

The retiring statutory auditors, namely, M/s. Parekh Shah and Lodha (Firm Registration No. 107487W), Chartered Accountants and M/s. Ajmera Ajmera & Associates (Firm Registration No. 123989W), Chartered Accountants, have expressed their unwillingness to be re-appointed and that a special notice in terms of provisions of Section 115 of the Companies Act, 2013 ("the Act") read with Section 140 of the Act has also been received from the members of the company for the appointment of new statutory auditors M/s. V.S. Kankariya and Co., (Firm Registration No. 104719W) Chartered Accountants in place of the retiring statutory auditors M/s. Parekh Shah and Lodha, Chartered Accountants and M/s. Ajmera Ajmera & Associates, Chartered Accountants.

The company has forthwith communicated to the retiring auditors of the special notice. Pursuant to the provisions of section 139 and 141 of the Act a written consent towards such appointment has been obtained from M/s. V.S. Kankariya and Co., Chartered Accountants along with a written certificate to the effect that their appointment if made will be within the limits prescribed under Section 139 of the

Companies Act, 2013 and that they are not disqualified for appointment under section 141 of the Act. The Board of Directors recommends their appointment as Statutory Auditors.

The observations and comments given in the Auditors' Report read together with notes to accounts are self-explanatory and do not call for any further information and explanation under section 134 of the Companies Act, 2013.

## 8. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors report that

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed and there are no material departures;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true & fair view of the state of affairs of the Company as at 30th June, 2014 and of the profit of the Company for the year ended on that date.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
- iv) The annual accounts have been prepared on a going concern basis.

## 9. FORMATION OF VARIOUS COMMITTEES:

Details of various committees constituted by the Board of Directors as per the provision of Clause 49 of the Listing Agreement and the Companies Act, 2013 are given in the Corporate Governance Report and form part of this report.

## 10. CORPORATE SOCIAL RESPONSIBILITY:

The particulars of the CSR committee constituted by the company pursuant to the provisions of Section 135 of the Companies Act, 2013 and the rules forming part of the same are included in the Corporate Governance Report annexed and forming part of this Annual Report.

## 11. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, to provide protection to employees at the

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workplace and for prevention and redressal of complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee, to inquire into complaints of sexual harassment and recommend appropriate action. The Company has not received any complaint of sexual harassment during the financial year 2013-14.

## 12. CONSOLIDATED FINANCIAL STATEMENTS:

The audited consolidated financial statements of your Company as on 30th June, 2014, which form part of the annual report, have been prepared pursuant to Clause 41 of the Listing Agreement entered with the Stock Exchanges, in accordance with provisions of the Companies Act, 1956 and the Accounting Standards AS-21 on Consolidated Financial Statements.

## 13. ENVIRONMENTAL PROTECTION & POLLUTION CONTROL

Your Company regards preservation of the environment as one of its primary social responsibilities. Accordingly, the Company places great emphasis on compliance with pollution control norms. Your Company is having all the environment clearance from the appropriate authorities for all the plant.

## 14. LISTING OF SHARES

The Securities of the Company are listed at National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The listing fees for these Stock Exchanges were paid.

## 15. DEPOSITS

During the year, the Company did not accept any deposits from the public within the meaning of section 58A of the Companies Act, 1956 and the rules made there under.

## 16. PARTICULARS OF EMPLOYEES

The Company has not paid any remuneration attracting the provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975. Hence no information is required to be appended to this report in this regard.

## 17. INSURANCE

All properties and insurable interests of the Company including Building and Plant & Machinery have been adequately insured.

## 18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

a. Conservation of Energy & Technology Absorption:

i) Energy Conservation Measures taken:

The Company is aware about energy consumption and environmental issues related with it and continuously making sincere efforts towards conservation of energy. The maintenance of the Boiler and Electrical Equipment is carried out regularly with optimum care with the help of the technical professionals and modern equipment.

The Company is in fact engaged in the continuous process of further energy conservation through improved operational and maintenance practices.

Your Company is having a rice husk fired 1 MW co-generation captive power plant at Mathura, which helped to save the cost of power consumption and also generating power in eco friendly manner by supporting environment.

ii) Additional Investments/Proposals, if any, being implemented for reduction of consumption of energy

During the year, the Company has made substantial progress in installing state of the art equipment. These equipment are highly efficient and consume less energy with the increased productivity. With the present resources, the Company had taken overall measures to reduce the consumption of energy. This was rendered possible through proper maintenance on regular intervals of Plant & Machinery and other electrical installed in the manufacturing/processing unit of the Company.

The Company has also implemented 'CONTINUOUS PAR BOILING PROCESS PLANT' which is imported technology from Thailand and implemented first time in India. With the implementation of the said modern technology, the process time to produce Par Boiled rice will reduce significantly from 10-12 hours in case of conventional process to 5-6 hours which will provide better operational efficiency and substantial saving in energy consumption.

We have also installed water treatment plant along with the said continuous Par Boiling Plant to recycle and reuse the water consumed in Par Boiling process. This will save water and also reduce the discharge of processed water.

At our Chhata plant we have installed Husk fired furnace to generate hot Air for drying the paddy. This furnace are patented and imported from Thailand. With the help of this furnace drying process will have less energy consumption as compared to traditional drying process which uses steam as medium of heat for drying.

iii) Impact of i & ii above for reduction of energy consumption

With the use of husk based power plant the Company has captive power which along with the energy conservation measures has resulted in lesser energy consumption.

iv) Total Energy consumption and Energy consumption per unit of production as per Form 'A'

The additional information as required under the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988 are given as Annexure-I to this report and forms part of it.

## 19. HUMAN RESOURCE & INDUSTRIAL RELATIONS

Industrial relations were harmonious throughout the year. The Board wishes to place on record their sincere appreciation to the co-operation extended by all employees in maintaining cordial relations and their commitment towards the growth of the Company.

## 20. SEBI REGULATION AND LISTING FEES

Your Company has complied with all the rules and regulations which are stipulated on the corporate sectors time to time.

The Annual Listing Fees for the year under review has been paid to The BSE Limited, Mumbai and The National Stock Exchange of India Limited where your Company's shares are listed.

## 21. MANAGEMENT DISCUSSION AND ANALYSIS

A separate report on Management Discussion and Analysis is appended herewith and forms a part of Directors' Report.

## 22. CORPORATE GOVERNANCE REPORT

The Company is committed to maintain the highest standards of corporate governance. The directors adhere to the requirements set out by the Securities Exchange Board of India's Corporate Governance Practice and have

implemented all the stipulations prescribed.

Pursuant to clause 49 of the Listing Agreement with Stock Exchanges, a separate section titled 'Report on Corporate Governance' has been included in this Annual Report along with the certificate on its compliance.

## 23. SECRETARIAL AUDIT REPORT

Keeping with the high standards of corporate governance adopted by the Company and also to ensure proper compliance with provisions of the various applicable corporate laws, regulations and guidelines issued by the securities exchange Board of India and other statutory authorities your Company is taking care of all the statutory compliances and submit its Secretarial Audit Report for all the quarters to the Stock Exchange.

## 24. INTERNAL CONTROL SYSTEMS

The internal Control System is an essential element of the Corporate Governance and plays key role in identifying, minimizing and managing risks that are significant for the Company, contributing to the safeguarding of stakeholders investments and the Company's assets.

The Company's internal control procedures are tailored to match the organization's pace of growth and increasing complexity of operations. The adequacy and effectiveness of internal controls are monitored regularly by the Internal Auditors and the audit observations are reported and discussed by the senior management and the operations teams.

## 25. ACKNOWLEDGEMENT

Your Directors express their sincere gratitude for the continued support and guidance received by the Company from the various State and Central Government Authorities and other regulatory agencies. Your Directors would like to acknowledge the continued support and co-operation extended by Financial Institution, Banks, Government Departments, Vendors, Contractors, Distributors, Dealers and valued customers and employees, who have contributed in the success of your Company

For and on Behalf of the Board

Sd/-

**Vinod Kumar Chaturvedi**

Managing Director

Place: Mumbai

Date: 28th August, 2014

## ANNEXURE- I TO DIRECTORS' REPORT

Information as per section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors') Rules, 1988 and forming part of the Directors' Report for the year ended 30th June, 2014.

### 1. CONSERVATION OF ENERGY

Particulars	Current Year 2013-2014	Previous Year 2012-13
Conservation of Energy		
A Power & Fuel Consumption		
1 Electricity		
a) Units Purchased	1,07,95,114	96,34,456
Total Amount(Rs.)	7,07,89,146	6,42,90,836
Rate/Unit(Rs.)	6.56	6.67
b) Own Generation		
(I) Through Diesel Generator		
Unit Per Ltr of Diesel	3.73	3.40
Rate/Unit (Rs.)	16.14	14.87
(II) Through Steam Turbine/generator		
Units Produced	65,20,488	64,26,096
Unit per Kg of Husk	0.86	0.78
Through DG cum Gasifier		
Units Produced	12,87,225	11,62,862
Unit Per Ltr of Diesel	8.51	7.66
Unit per Kg of Husk (Excluding cost of Husk)	2.11	2.19
Rate/Unit (Rs.)	8.01	6.74
2 Coal		
Quantity (in MT)	-	-
Total Cost	-	-
Avg Rate per MT	-	-
3 Furnace oil/SKD/Diesel		
Quantity in Ltrs	-	-
Total Cost	-	-
Rate/Unit	-	-
4 Other (Husk Saw Dust etc.)		
Quantity (in MT)	-	-
Total Cost	-	-
Avg Rate per MT	-	-

Particulars	Current Year 2013-2014	Previous Year 2012-13
B Consumption per unit of Production		
Electricity (unit)		
Paddy-Rice	33.25	37.62
Flour-Atta	54.25	55.15
Pulses	52.25	-
Furnace oil (Ltrs)		
Coal (MT)		
Other (Husk Saw Dust etc.)		

## 2. TECHNOLOGY ABSORPTION

The Company is using latest technology in rice and wheat milling which is well established the world over. The Company has installed new equipment with latest technology for the purpose of rice processing.

The Company has carried out R&D in house so as to improve the quality of the Rice Bran, one of the bye-products of rice milling process (9% of the total output). The Company has evolved the process to reduce the content of Nakku (Broken Rice) in the Rice Bran.

## 3. FOREIGN EXCHANGE EARNING AND OUTGO

During the year under review, the foreign exchange outgo was Rs 2318.19 lacs (Prev. Yr. Rs. 467.14 lacs) and the foreign exchange earnings on exports on FOB Basis were Rs. 4944.43 lacs (Prev. Yr. Rs. 7982. 83 lacs).

Place: Mumbai  
Date: 28th August, 2014

For and on Behalf of the Board

Sd/-

**Vinod Kumar Chaturvedi**  
Managing Director

# Management Discussion And Analysis Report

## GLOBAL ECONOMY OVERVIEW

The financial year 2013-14 was an encouraging year with global activity improving during the second half of 2013 and is expected to improve further in 2014-15 according to the International Monetary Fund (IMF) World Economic Outlook Report dated April 2014, with much of the impetus coming from advanced economies. Emerging market economies have had a less encouraging growth rate due to poor external financial environment, although they continue to contribute more than two-thirds of the global growth.

According to the IMF, with supportive monetary conditions and a smaller drag from fiscal consolidation, annual growth is projected to rise above trend in the United States and to be close to trend in the core euro area economies. In the stressed euro area economies, however, growth is projected to remain weak and fragile as high debt and financial fragmentation hold back domestic demand. Growth in emerging market economies is projected to pick up modestly. These economies are adjusting to a more difficult external financial environment in which international investors are more sensitive to policy weakness. As a result, financial conditions in emerging market economies have tightened further, although their output growth is expected to be lifted by stronger exports to advanced economies.

Source: (International Monetary Fund, World Economic Outlook— Recovery Strengthens, Remains Uneven (Washington, April 2014).

## INDIAN ECONOMY OVERVIEW

The financial year gone by 2013-14 in India, was marred by continued low GDP growth, declining industrial output, decline in investments, higher inflation, lower quality of bank assets, high current account deficit, which has been brought down drastically through affirmative policy action, and depreciation in the domestic exchange rate.

The weakness in the Indian economy persisted in FY14 with GDP growth as per the advance estimates showing a growth of 4.86%, marginally higher than the 4.5% of FY13. The country has been witness to a sharp drop in its economic growth from an average 8.2% during FY04 - FY12 to sub 5% in FY13 and FY14.

According to the IMF, India's growth is expected to recover from 4.4% in 2013 to 5.4% in 2014, supported by slightly stronger global growth, improving export competitiveness, and implementation of recently approved investment projects. A pickup in exports in recent months and measures to curb gold imports has contributed to lowering the current account deficit. Policy measures to bolster capital flows have further helped reduce external vulnerabilities. Overall growth is expected to firm up on policies supporting investment and a confidence boost from recent policy actions.

Source: (International Monetary Fund, World Economic Outlook Recovery Strengthens, Remains Uneven (Washington, April 2014, CARE Research).

## AGRICULTURE SECTOR OVERVIEW IN INDIA

Given the seasonal monsoon, the agriculture sector in India is likely to grow in the range of 5.2-5.7 per cent in the 2013-14 agriculture year (July-June), nearly three times as compared to the previous year. In FY12, total food grains production in India reached at all-time high of 259.3 million tonnes (MT). Rice and wheat production stood at 105.3 MT and 94.9 MT respectively.

Total exports of Indian agri and processed food products in the period April-February 2013-14 stood at US\$ 20,331.05 million as compared to US\$ 19,144.45 million during the corresponding period of the previous year, according to the Agricultural and Processed Food Products Export Development Authority (APEDA).

In 2012-13, the share of exports of 'agricultural and processed food products' in total exports rose to 13.53 per cent from 10.5 per cent share in 2010-11. Guar gum has emerged as India's largest item of farm exports with a share of 9.58 per cent during the period, followed by basmati rice and marine products.

### Agricultural Production Outlook for 2013-14:

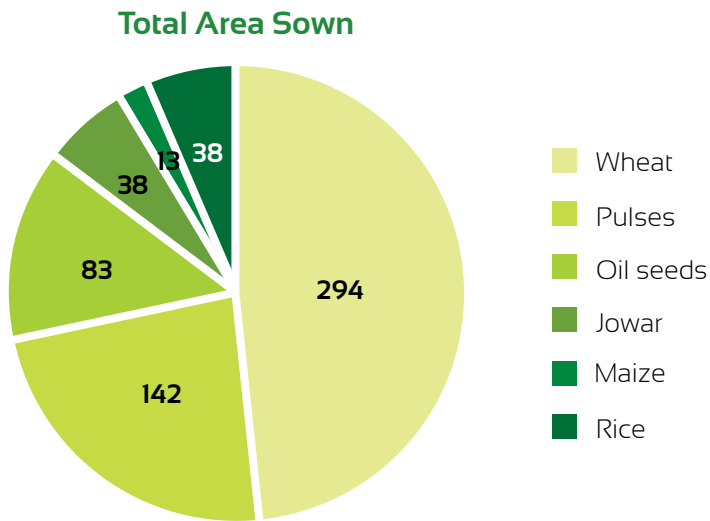
India's agricultural production is expected to grow at a rate of 4.6 per cent in 2014. With the second green revolution just around the corner, India's production of food grains this year is expected to break the 2011-12 record of 259 million

tonnes (MT). Presently, the overall grain stock position in India is about 62.1 MT, including 41.8 MT wheat and 20.3 MT rice.

The Indian food industry which presently stands at close to US\$ 135 billion with a CAGR of 10 per cent, is expected to touch US\$ 200 billion by 2015. The food processing industry in India attracted foreign direct investments (FDI) worth US\$ 5,793.95 million during the period April 2000–March 2014, according to data published by Department of Industrial Policy and Promotion (DIPP).

## AREA SOWN IN INDIA

Area sown in India during rabi season in FY13 (lakh hectares). Your company is present in three of these.



## GOVERNMENT INITIATIVES IN AGRICULTURE INDUSTRY

The Government of India is implementing many programmes for raising investments in agriculture. Notable among them are Rashtriya Krishi Vikas Yojana (RKVY); National Food Security Mission (NFSM); National Horticulture Mission (NHM); Gramin Bhandaran Yojana; Integrated Scheme of Oilseeds, Pulses, Oil palm, and Maize (ISOPOM), etc. The following are some of the major initiatives taken by the Government of India:

- The government has allowed 100 per cent FDI under automatic route in storage and warehousing, including cold storages. Hundred per cent FDI is also permitted for development of seeds under the automatic route.
- The government is promoting production of various organic inputs in the country, including bio-fertilizers under the National Project on Organic Farming (NPOF). The project provides financial assistance up to 25 per

cent of total financial outlay up to a ceiling of Rs. 40 lacs as credit linked back-ended subsidy for setting up bio-fertilizers production units.

- In the Union Budget 2014–15, a target of Rs 8 trillion (US\$ 132.71 billion) for agriculture credit has been set for 2014–15. The credit target for 2013–14 was Rs 7 trillion (US\$ 116.06 billion). Further, the government on January 31, 2014 released Rs 180.22 crore (US\$ 29.89 million) as grant-in-aid to states under the scheme to develop infrastructure facilities for production and distribution of quality seeds.
- The Cabinet Committee on Economic Affairs (CCEA) has approved the implementation of the National Mission on Agricultural Extension and Technology (NMAET) during the 12th Five Year Plan with a total outlay of Rs 13,073.08 crore (US\$ 2.17 billion). The mission aims to restructure and strengthen agricultural extension to enable delivery of appropriate technology and improved agronomic practices to farmers.
- Further, in 2013–14, a pilot scheme on Nutri Farms was launched with an outlay of Rs 200 crore (US\$ 33.18 million) to promote cultivation of bio-fortified food crops enriched with critical micro nutrients such as iron-rich bajra, protein-rich maize and zinc-rich wheat, etc., to improve the nutrition status of the most vulnerable sections of the country's population.

## ROAD AHEAD

With a population of about 1.2 billion, India requires a robust, modernised agriculture sector to ensure food security. The 12th Five Year Plan estimated a potential storage capacity expansion of 35 MT. Cold storage capacity also needs to grow rapidly from the current level of 24 MT. The government has targeted an overall growth rate of 4 per cent for the farm sector under the 12th Plan.

## INDIAN FOOD PROCESSING SECTOR:

India is the world's second largest producer of food with the potential of being the biggest, backed by its food and agricultural sector. The food processing industry is one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. The total food production in India is likely to double in the next 10 years with the country's domestic food market estimated to reach US\$ 258 billion by 2015.

Agriculture, which provides employment to 52 per cent of the population, is estimated to account for 14 per cent of the country's gross domestic product (GDP). Further,



technology and advancements in agricultural sciences and mechanization of farm operations has helped transform Indian agriculture and increased output considerably.

Presently, the Indian food processing industry accounts for 32 per cent of the country's total food market. The Government of India has nominated two agencies, Agricultural & Processed Food Products Export Development Authority (APEDA) and Marine Products Export Development Authority (MPEDA), for promoting exports from India. Owing to them and the seemingly lucrative opportunities in this sector, the food industry in India has been attracting a lot of attention from foreign investors as the country is close to the markets of Middle East, Africa and South East Asia.

The Confederation of Indian Industry (CII) has estimated that the food processing sector has the potential to attract US\$ 33 billion of investment in 10 years and generate employment of around nine million persons.

Also, the opportunities in food and grocery retail in India are immense, given that it constitutes about 69 per cent of India's total retail market, as per panel members at the seventh Food and Grocery Forum India.

The revival of the agriculture sector could open up opportunities for developing a number of other businesses in the food industry, such as integrated cold chains, mega food parks and processable varieties of crops, among many others. To promote food processing industries in India, the MoFPI has finalised the Vision 2015 document, which envisages tripling the size of the processed food sector by increasing the level of processing of perishables from 6 per cent to 20 per cent, value addition from 20 per cent to 35 per cent and share in global food trade from 1.5 per cent to 3 per cent, by 2015.

Source (IBEF)

## RICE INDUSTRY:

### Rice Industry Overview

Global rice production has been assessed to be at 496 million tonnes in 2013 compared to 491 million tonnes in the previous year. This low growth could be attributed to mixed production trends across the globe. In Asia, the production of rice was low for countries like China, Laos and Malaysia who witnessed adverse climatic conditions. India, Indonesia and Pakistan, on the other hand experienced good harvest due to ample rainfall.

### Indian Rice industry

Rice is the staple food of 65% of India's population and its cultivation is a major source of employment in South Asia. India, Bangladesh and Pakistan supply almost 30% of the world's paddy rice. India is one of the world's largest producer of white rice and brown rice, accounting for 20% of all world rice production. The non-basmati sector constitutes more than 99% of the total rice produced in India, where your company is primarily present.

Indian states of the south and the east are very strong rice cultivation areas. These include the highly populated states of West Bengal and Tamil Nadu and mid-sized states with distinctive cultural traditions such as Kerala and Orissa. Rice is also grown to an extent across much of the rest of India.

Rice fields can even be found up to moderate elevations in

#### India's Himalayan states.

Rice being the key staple for India, the government has covered the crop under National Food Security Act as well as Minimum Support Price (MSP) Scheme. There is a cohesive focus on maintaining the demand supply balance in the country. Food Corporation of India plays a major role in procuring adequate volumes, which in turn reaches people through the Targeted Public Distribution System (TPDS).

The production of rice in India has fallen short of the consumption during the year by 6 million tonnes. Indian rice production is estimated to have reached 92.3 million tonnes during 2013. Consumption in 2013 is estimated to be around 99 million tonnes. (Source: Oryza)

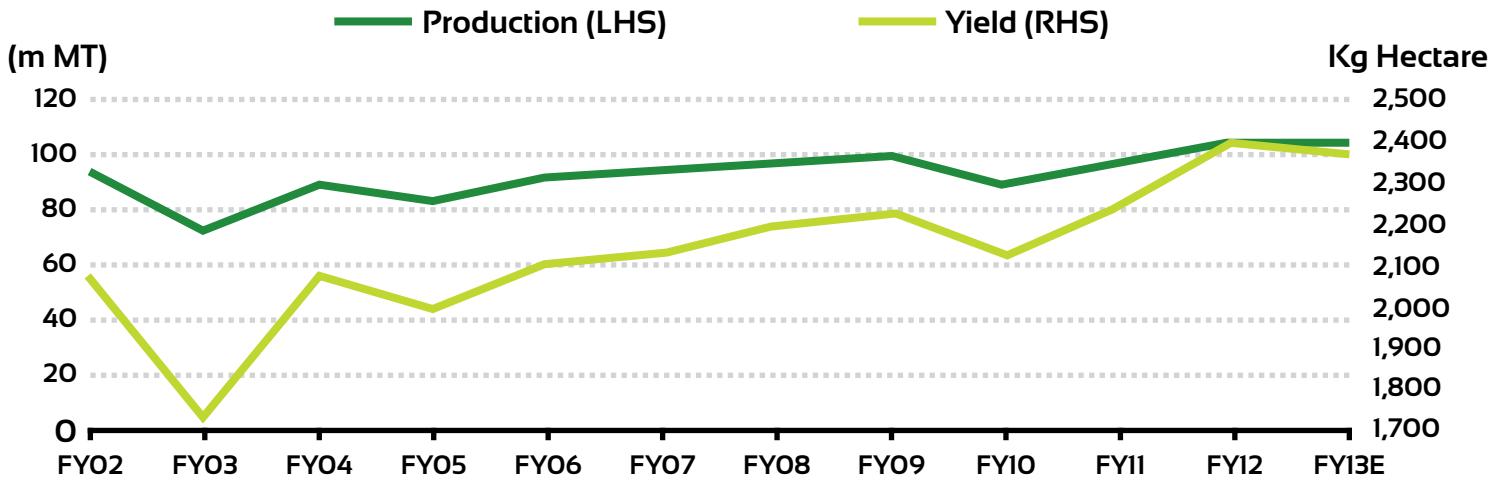
Growing realization from rice is encouraging farmers to increase their acreage on rice, thereby increasing paddy throughput. Higher realizations from variants like high-end basmati and organic is encouraging farmers to cultivate more of such varieties. Favourable policy initiatives towards exports are encouraging the rice industry towards higher exports.

The packaged rice market in India was valued at INR 122 billion in 2012, and is growing at a CAGR of over 30% for the past three years. It is projected to reach ~INR 333 billion by 2016.

### Demand Drivers

- Increasing disposable income is leading to increased overall consumption and also of branded high quality rice. Rice, being the major staple food of Indian population

## Rice Production Grew Substantially Over FY10-FY13



Source: Ministry of Agriculture

will also see a rise in demand in response to increase in per capita income.

- Evolving lifestyle in urban areas is translating into increased demand for high-end variants such as organic, nutrient-rich and healthier brown rice.
- Increasing popularity of rice-based snacks and other eatables in increasing institutional demand.
- Growing popularity of large format retail is enabling marketers to launch and display more and more specialized varieties, leading to higher than usual off-take off the shelves.
- Increasing preference towards eating out is leading to increasing demand from HORECA segment. Rice marketers' response with niche variants for restaurant is also adding to the growth.
- Growing popularity and availability of Indian rice in global markets coupled with currency depreciation is leading to increasing exports.

## WHEAT INDUSTRY

The Wheat Industry in India is one of the major contributors to the rural business and economy. Wheat is one of the major agricultural produce of the country. At present India is the second largest producer of wheat in the world. With the onset of the green revolution and other developments in the agricultural sector, the Wheat Business in India was

given a major boost. Wheat in India, plays an important part in the Indian food economy. It is one of the most important staple foods, covering almost the whole country. Wheat is consumed in different forms such flour for bread, chapattis, pasta, semolina, noodles, etc. Nearly 70 million tonnes of wheat is produced in India every year. The wheat production in India contributes to about 12% of the global wheat production. Wheat is cultivated in India as a rabi crop, i.e., sown in October and harvested in May.

Currently 213 million people in India are food insecure and over 100 million are reliant on the national food welfare system, which uses huge quantities of wheat. This underlines how crucial it is to consider what types of wheat need to be grown in the coming decades to secure production, the study said.

### Production:

Riding on a wave of back-to-back bumper crops since 2005, India is heading for another record wheat harvest this summer on record planting and favourable growing conditions in major wheat growing areas. Assuming normal weather conditions through harvest (April), Post forecasts marketing year (MY) 2014/15 wheat production at 96 MMT compared to last year's 92.5 MMT and the previous record of 94.9 MMT in MY 2012/13.

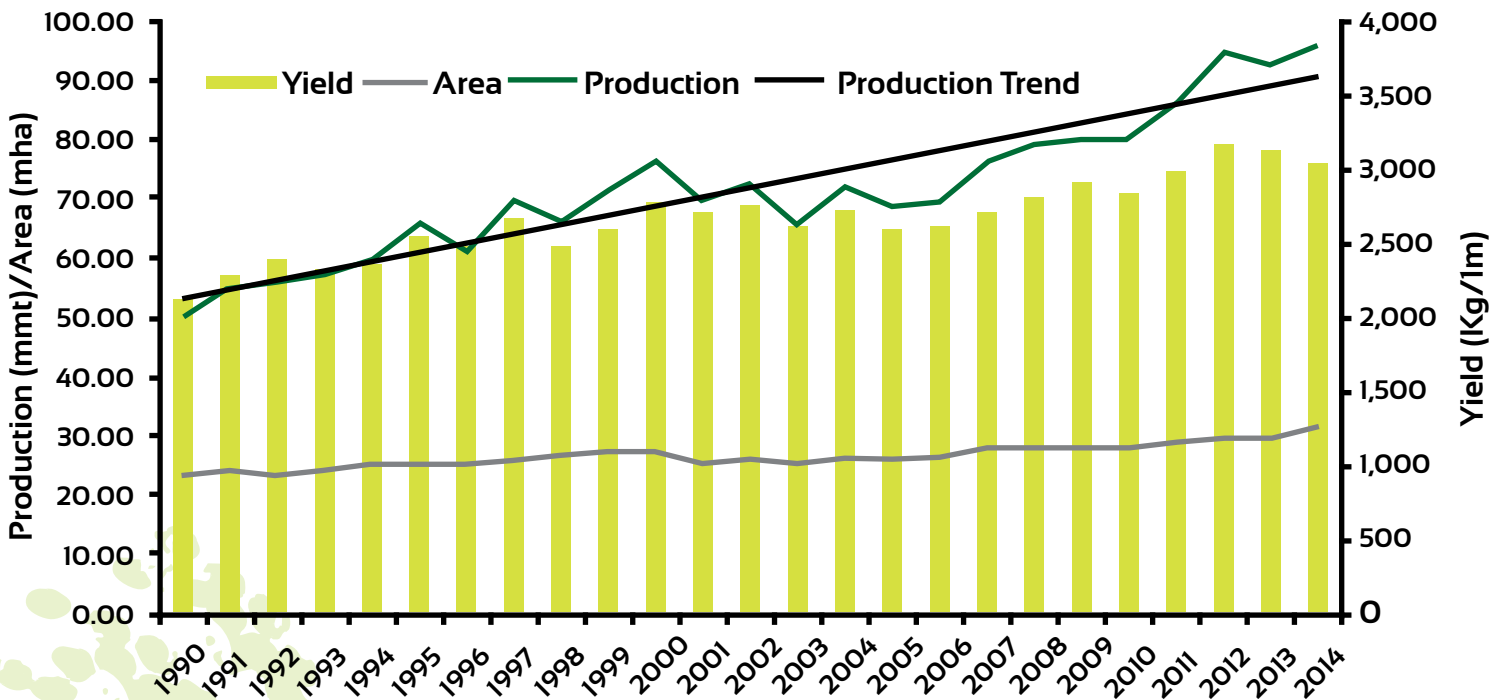
Sources: GAIN Report

## Consumption:

Wheat consumption (FSI) in MY 2014/15 is forecast at 87 MMT on sufficient domestic production and expected higher supplies of subsidized government wheat through the Public Distribution System (PDS) with the implementation of the new National Food Security Act (NFSA). Expected near-record government procurement is likely to increase the already 'more-than-sufficient' government wheat stocks, forcing the government to continue sale of wheat at subsidized prices to local millers through the Open Market Sales Scheme (OMSS). Wheat for feed consumption and residual is forecast at 4.5 MMT on expected steady demand from the dairy feed sector and damage to the abnormally large government-held wheat stocks. The MSP of wheat has been fixed at Rs. 1400 per quintal, marking an increase of Rs. 50 per quintal over the last year's MSP.

Sources: GAIN Report

### India: Wheat: Area, Production, and Yield



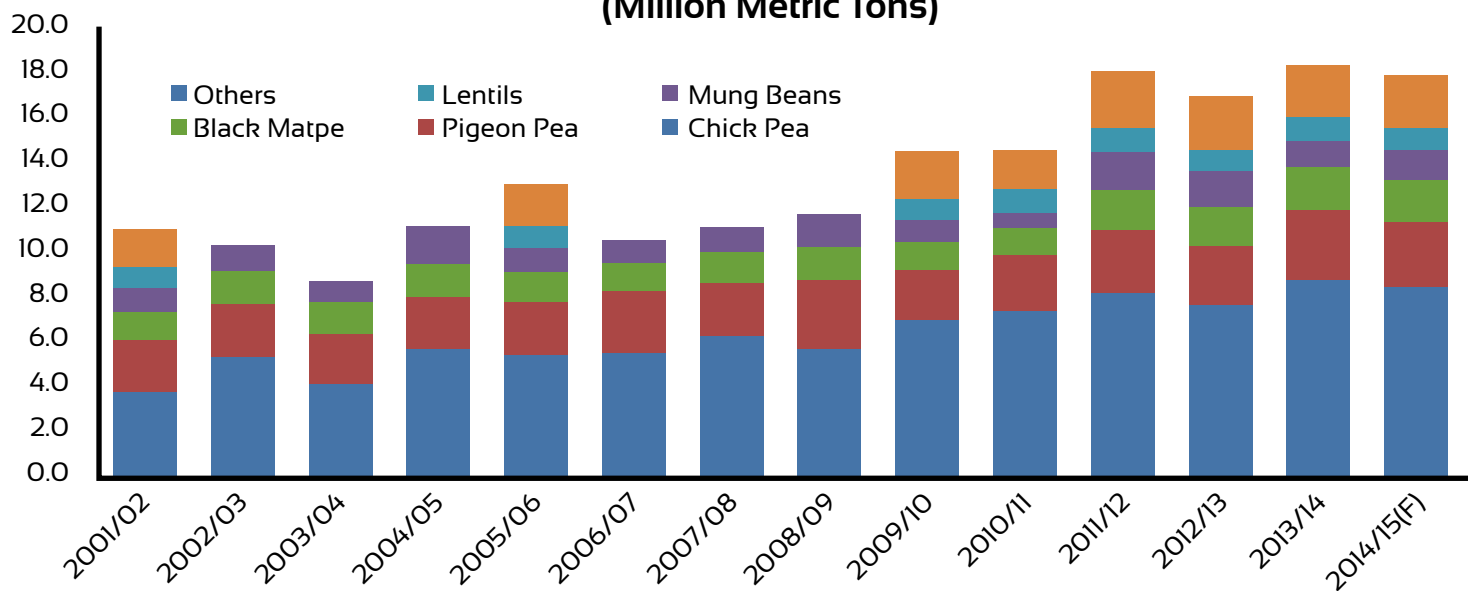
Source: Ministry of Agriculture, GOI; and FAS/New Delhi estimates for MY 2014/15

## PULSES:

India is the world's largest producer, consumer and importer of pulses. India's MY 2014/15 (April/March) pulse production is forecast at 18.0 MMT, marginally lower than MY 2013/14 record production of 18.5 MMT. Most states received relatively higher monsoon rains during September-October coinciding with the harvest of rharif pulses (mostly pigeon pea, mung beans, and black matpe). Consequently, production of rharif pulses is estimated lower at 5.8 MMT compared to last year's 5.9 MMT on harvest losses due to untimely rains. According to the preliminary planting figures from the Ministry of Agriculture, area under rabi pulses (mainly chickpeas, lentils, and peas) through January 2014 is estimated higher at 15.6 million hectares compared to 14.9 million hectares last year. Soil moisture and weather conditions have been generally favourable in most growing areas for planting of pulses. However, market sources reports shift of traditional chickpea growing areas with some irrigation facilities to wheat due to

relatively weak chickpea prices. Nevertheless, good monsoon rains during September-October has supported overall planting of rabi pulses, including chickpeas, as additional traditionally fallow land has been brought under cultivation on sufficient soil moisture at the time of planting. The area shift in chickpea acreage is likely to result in overall lower yield than last year's record. Consequently, rabi pulse production is estimated lower at 12.2 MMT compared to last year's record 12.5 MMT.

### India: Pulse Production Trend (Million Metric Tons)



Source: Ministry of Agriculture, GOI; and FAS/New Delhi estimates for MY 2014/15

In the last few years, the government has raised the minimum support prices (MSPs) for pulses relatively higher than for rice and wheat to encourage a production shift away from rice and wheat. The government also has various other programs to support pulse development. Despite the government's recent measures, pulse cultivation in India has been unable to compete with less risky crops like wheat and rice, traditionally the GOI's focus crop for food security. Pulse production has not been attractive to farmers due to a largely ineffective procurement policy and historically low government support of improved production technology vis-à-vis wheat and rice.

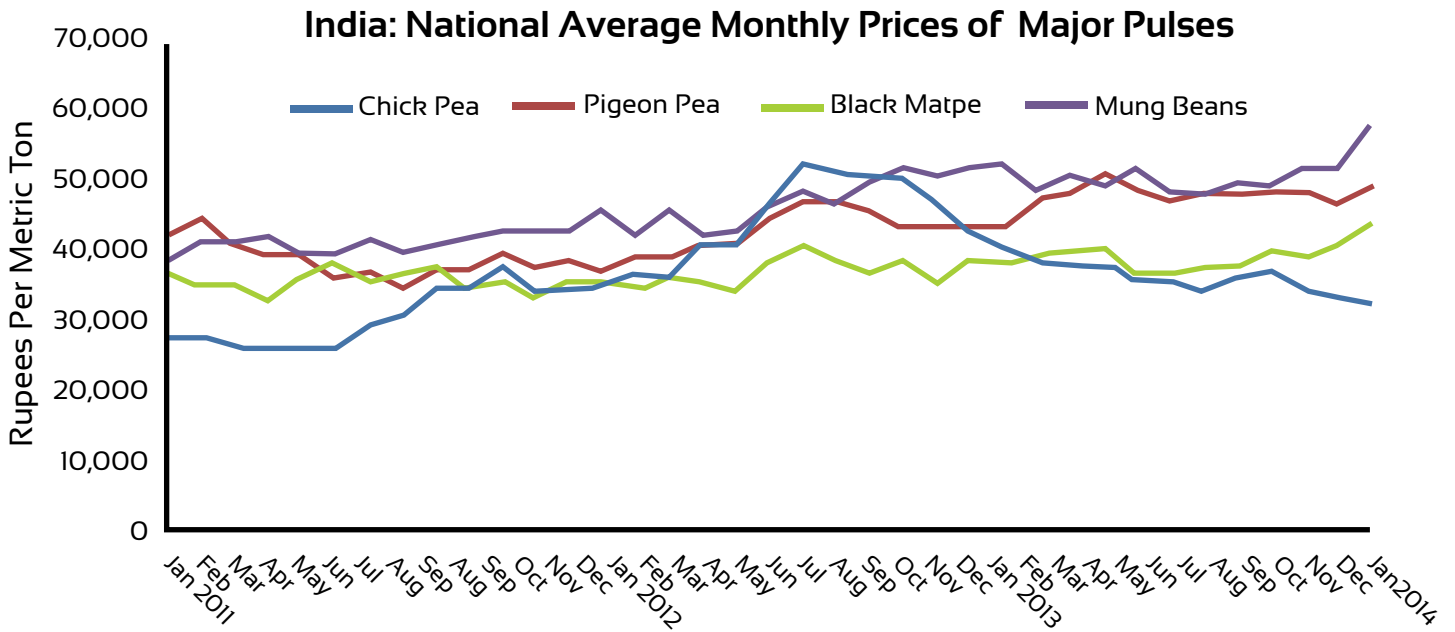
#### Consumption:

Economic growth has continued to fuel increased pulse consumption in recent years. Consumption in MY 2014/15 is forecast higher at 22.5 MMT compared to 21.5 MMT last year on continued strong domestic demand for the rising Indian population.

Pulses are an integral part of the traditionally vegetarian Indian diet as one of two major protein source along with dairy products. Pulses are one of the cheapest protein sources in an average Indian's diet. One kg of any pulse costing \$1 to \$2 can be the major protein source for 3-4 meals for a family of five. Due to increasing demand and purchasing power of Indian consumers, market prices of pulses in the last few years have been relatively firm despite back to back bumper domestic production and continued strong imports.

## Prices:

Reports of lower kharif pulse harvest resulted in pulse prices firming up since September. However, prices of chickpeas have continued to decline on record domestic production and expectation of another bumper rabi harvest in MY 2014/15. Future pulse prices will largely depend on the arrival of the rabi pulse harvest and value of rupee vis-à-vis international currencies (US\$).



Source: Agmarket News (<http://agmarkweb.dacnet.ic.in>), Ministry of Agriculture, GOI.

## POWER:

Indian Power sector - predominantly based on fossil fuels. About 53.3 percent of the country's power generation dependent on vast indigenous reserves of coal, followed by hydro, natural gas and so on. Renewable sources of energy projects account for 7.7% of total generation of power which constitutes small hydro, wind, biomass-based power generation, and solar technologies. Non Solar Renewable Energy Certificate (REC) comprises of wind, Bio gas and small hydel. CERC has prescribed price band of Non Solar REC as INR 1.5 to INR 3.3 per unit.

# USHER AGRO LTD - Key Strengths:

## STRATEGIC LOCATION:

Our mills are present in Uttar Pradesh and Bihar and our plants have proximity to Haryana state. Together, the three states contribute about 19.41% and 53.2% of total rice and wheat production in India respectively

Our presence in Mathura and Chhata brings us closer to the rice deficit states such as Rajasthan, Gujarat and Maharashtra. This gives us a logistic advantage to supply products to the consumers in these states. Plants are located near the Mandis leading to lesser transport cost.

Large Capacities and Economies of Scale:

USHER is amongst the largest producer and processor of non-basmati rice in India, which helps us achieve better economies of scale in procurement, processing, logistics and other areas:

## QUALITY CERTIFICATION:

The Company's processes and setup are accredited with international certifications like ISO 9001:2008 for Quality Management System and Hazard Analysis and Critical Control Point ('HACCP') Management System certificate from International Industrial Certification Company Limited, South Korea, JAS-ANZ, Food and Drug Administration (FDA) and CDG.

## STRONG PROCUREMENT NETWORK:

Strong distribution network of distributors / agents / traders in more than 45 cities across India. A strong procurement network with presence in over 100 mandis. Exclusive agents (pukka arahitias) in each of the mandis who procure the raw materials for our plants at competitive rates.

Export distribution (International Network):

- Middle East: UAE, Iran, Saudi Arabia
- Africa: Benin, Ghana, Mozambique, Kenya, Malawi
- Europe: Italy, Reunion union (Holland, Israel, UK, and Canada)

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has implemented adequate internal control systems and procedures, commensurate with the nature of its business and size of its operations. It has implemented adequate internal control system that facilitates adequate and timely completion of the audit and compliance process. Our Internal auditor M/s. Dinesh Bangar & Company Chartered Accountants conducts the audit and submits periodical reports which are reviewed by the Audit Committee.

The Audit Committee of the Board meets several times during the year and reviews the audit reports, audit plans and recommendations of the management and auditors.

## HUMAN RESOURCE DEVELOPMENT & INDUSTRIAL RELATIONS:

The key to the success of the Company lies in its people whose skills, expertise, and talent help the Company to achieve and sustain its market position. The Company believes that employees are the key to achieve targeted goals and are the primary source of competitive advantage thus we have recruited, nurtured and retained some of the best talents in the industry.

Your Company is giving equal importance to develop the intellectual infrastructure by employing the best HR practices such as performance management, succession planning, open work culture and effective employee communication. HR systems were improved, refined and upgraded to provide better services to business and functions. The Company has stable and experienced middle and senior level management team. The industrial relations with the employees at all levels remained cordial during the year under review.

# Corporate Governance Report

## Company's Philosophy on Corporate Governance

The Company has set itself the objective of expanding its capacities and becoming globally competitive in its business. As a part of its growth strategy, the Company believes in adopting 'best practices' that are followed in the area of Corporate Governance across various geographies. The Company emphasizes the need for full transparency and accountability in all its transactions, in order to protect the interest of its stakeholders. The Board considers itself as a trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth. Usher's Corporate Governance philosophy is based on ethical values including honesty, integrity, justice, transparency and responsiveness to stakeholders. Your Company recognizes that good Corporate Governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in overall interest of the Company and its stakeholders.

## 1. BOARD OF DIRECTORS (Please ref. Pg. 10,11)

### CORPORATE GOVERNANCE

The business of the Company is managed by the Board of Directors. The Board formulates the strategy, regularly reviews the performance of the Company and ensures that the previously agreed objectives are met on a consistent basis.

## A) Composition of the Board

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The Non-Executive Directors with their diverse knowledge, experience and expertise bring in their independent judgment in the deliberations and decisions of the Board.

As on June 30, 2014, Board of Directors of the Company consists of 7 Directors, with a combination of Executive and Non-executive Directors. The Board consists of 2 Executive Directors and 5 Non-Executive Directors. All the 5 Non-executive Directors are Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement.

Further, Independent Directors do not have any material pecuniary relationship or transactions with the Company, its promoters, its management or its associates, which in the judgment of the Board may affect independence of judgment of the Director, apart from the sitting fees and commission received by them for attending the meetings of the Board. Further, as mandated by Clause 49, none of the Directors are members of more than ten committees of Boards nor are they chairman of more than five committees in which they are members.

Sr. No.	Directors	Din No.	No. of Board Meeting attended	Whether last AGM Attended	*No. of Outside Directorship Held	No. of Committee Membership held	No. of shares held in Usher Agro Limited
1.	Dr. Vinod Kumar Chaturvedi Managing Director	00325197	4/4	Yes	6	Nil	4692470
2.	Mr. Manoj Pathak Whole Time Director	00616061	2/2	Yes	4	Nil	3284060
3.	Mr. Vijay Ranchan Independent Director	01602023	4/4	No	5	4	Nil
4.	Mr. Ajay Prakash Arora Independent Director	01055020	4/4	No	3	4	Nil
5.	Mr. Shri Prakash Arora Independent Director	01872519	4/4	No	Nil	Nil	Nil
6.	Mrs. Baljinder Kaur Mandal IDBI Bank Limited Nominee Director	06652016	1/4	No	Nil	Nil	Nil
7.	Mr. Prem Chand Tiwari Independent Director	05182634	4/4	No	Nil	Nil	Nil

\*Directorship in the Private Limited/ Foreign Companies and Companies under Section 25 of the Companies Act, 1956 are excluded in the above table.

None of the Directors on the Board is a Member of more than ten Committees or Chairman of more than five Committees across all the companies in which Directorship is held. Necessary disclosures regarding Committee positions in other public companies as on 30th June, 2014 have been made by the Directors.

## ATTENDANCE AND COMPOSITION OF THE BOARD:

### Board Procedure

Four Board Meetings were held during the Financial Year 2013-14, and the gap between two meetings did not exceed four months. The Board of Directors met on the following dates:

Date of the Meeting	29th Aug 2013	14 Nov 2013	11th Feb 2014	14th May, 2014
No of Directors Present	6	5	6	6

The agenda and notes on agenda are circulated to the Directors, in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

### B) Details of Directors seeking Appointment / Re-Appointment

Particulars	Mr. Vijay Ranchan	Mr. Ajay Prakash Arora	Mr. Shri Prakash Arora	Mr. Prem Chand Tiwari
Father's Name	Mr. Pyarelal Sharma	Mr. Madho Prasad Arora	Mr. Jagat Prasad Verma	Mr. Yad Ram Tiwari
Date of Birth	01.10.1942	08.05.1941	11.03.1940	28.12.1950
Date of Appointment	30.12.2004	29.12.2006	17/11/2005	15/11/2011
Address	Plot No. 131, Sector 8, Gandhinagar-382 000	305, Wing 3-B, Dheeraj Enclave, Borivali (East), Mumbai 400 066.	503, 504, C wing, Dheeraj Enclave, Borivali (East), Mumbai 400 066	E 7/6, Chitra Society, Arera Colony, Near Sent Joseph School, Oriental Bank Commarce Sai Bord, Bhopal
Designation	Non-executive Independent Director	Non-executive Independent Director	Non-executive Independent Director	Non-Executive Independent Director

Continued on following Page



Particulars	Mr. Vijay Ranchan	Mr. Ajay Prakash Arora	Mr. Shri Prakash Arora	Mr. Prem Chand Tiwari
Qualification & Experience	<p>Mr. Vijay Ranchan is a retired Indian Administrative Service (IAS) official, he holds an MA degree in English Literature from Punjab University. During his tenure, Mr. Ranchan has held various senior positions in the Government Departments of Revenue, Industry, Labour and Health. He had been the Additional Chief Secretary to the Government of Gujarat, handling policy framing and administration. He has also worked for Gujarat Agro Industries Corporation GAIC), Gujarat Industrial Investment Corporation (GIIC), Gujarat State Petroleum Corporation (GSPC), Gujarat Mineral Development Corporation (GMDC) and Gujarat Industrial Development Corporation (GIDC).</p>	<p>He holds a Masters Degree in Commerce (M.Com) from Lucknow University and is also qualified as Certified Associate of Indian Institute of Bankers (CAIIB). He has over 37 years of rich experience in handling banking and finance functions. He joined the Central Bank of India in 1963 and continued working there till year 2000. During his tenure with the Central Bank of India, Mr. Arora worked in various capacities as the Senior Internal Auditor, Investigations/ Enquiry officer, Branch Manager, Chief Manager in Branches and Zonal office in Central Bank</p>	<p>He holds a Bachelors degree in Animal Science from Agra University. He has previously worked with Pfizer Animal Health (Multinational Pharmaceutical Company) for 36 years, where he held several key positions overseeing the sales, technical, marketing, budgeting, training and business development of the Company. He was also responsible for launch and subsequent handling of Agro chemical business (bactericides for cotton, chillies and paddy crop) of Pfizer in western India. Presently, he is very proficient in areas vis. restructuring of sales and marketing group, developing marketing strategies, training / mentoring in connection with rural marketing, distribution system, recruitment and selection, developing reward and appraisal system, and launch of new products</p>	<p>He holds bachelor's degree in science (M. Sc -Physics) from Agra University. He has experience of 39 years in Banking (Administration, Business growth &amp; Profitability). He has Worked as General Manager Head of the largest zone-Mumbai Metropolitan Zone having maximum business mix (Deposits/ Advances/profit/ recovery)</p>
Salary etc.	Nil	Nil	Nil	Nil
Directorships held in other Public companies (excluding Private Companies foreign companies and Section 25 companies)	<ol style="list-style-type: none"> <li>1. Shah Pulp and Paper Mills Limited</li> <li>2. Adani Power Limited</li> <li>3. Usher Eco Power Limited</li> <li>4. Adani Power Maharashtra Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Usher Eco Power Limited</li> <li>2. Usher Capitals Ltd.</li> <li>3. Usher Oils &amp; Foods Ltd.</li> <li>4. Shree Perfect-Tech Solutions Pvt. Ltd.</li> </ol>	Nil	Nil
Memberships/ Chairmanships of committees of other Public Limited companies	Shah Pulp and Paper Mills Ltd.	Nil	Nil	Nil
Equity Shares held	Nil	Nil	Nil	Nil

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## BOARD COMMITTEES

Presently the Board has Five Committees, Audit Committee, Investor Grievances Committee, Preferential Issue Allotment Committee, Finance Committee and Remuneration Committee.

### A. Audit Committee

#### Terms of reference

The Audit Committee functions according to its Charter that defines its composition, authority, responsibilities and reporting functions. The terms of reference of the Audit Committee are as follows:

The terms of reference of Audit Committee are as under:

1. To review the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. To Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. To Approval of payment to statutory auditors for any other services rendered by the statutory Auditors;
4. To Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to;
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub-section 2(AA) of Companies Act, 1956 and clause (c) of sub section 3 of section 134 of the Companies Act, 2013
  - ii. Changes, if any, in accounting policies and practices and reasons for the same
  - iii. Major accounting entries involving estimates based on the exercise of judgment by the management
  - iv. Significant adjustments made in the financial statements arising out of audit findings
  - v. Compliance with listing and other legal requirements relating to financial statements
  - vi. Disclosure of any related party transactions
  - vii. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, the performance of statutory and internal auditors adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit Department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### Composition and Attendance during the year

The Audit Committee of the Company is constituted in accordance with the provisions of Clause 49 of the Listing Agreement and the provisions of the Companies Act. All members of the Committee are financially literate, with Mr. Ajay Prakash Arora, Chairman of the Committee, having the relevant accounting and financial management expertise. The composition of the Audit Committee and the details of Meetings attended by the Directors during the year are given below:

Sr. No.	Name of the Members	Status at the committee	Nature of directorship	No. of Meeting attended
1.	Mr. Ajay Prakash Arora	Chairman	Independent	4
2.	Mr. Vijay Ranchan	Member	Independent	4
3.	Ms. Baljinder Kaur Mandal	Member	Independent	1

### Meetings of the Audit Committee held during FY 2013-14

During the year, four meetings of the Audit Committee were held: 29th Aug 2013, 14th November, 2013, 11th Feb 2014 and 14th May, 2014 Necessary quorum was present for all the meetings.

The Company Secretary and Compliance Officer acts as Secretary of the Committee. The Chairman of the Committee was present at the last Annual General Meeting held on 23rd December, 2013

### Subsidiary Companies

Independent Directors viz. Mr. Vijay Ranchan and Mr. Ajay Prakash Arora are the Directors on the boards of the non listed Indian Subsidiary Company Usher Eco Power Limited. The financial statements and the minutes of the board meetings of the subsidiary companies are considered at the meetings of the Board of Directors of the Company.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's Internal Control and Financial Reporting Process. The terms of reference of the Audit Committee are in accordance with all the items listed in Clause 49 of the Listing Agreement.

### B. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of the Company comprised of three members namely, Mr. Shri Prakash Arora as the Chairman Mr. Vijay Ranchan, Mr. Ajay Prakash Arora, as the members of the Committee.

Shareholder/Investor Grievance and Share Transfer Committee has been renamed as Stakeholders' Relationship Committee to comply with Section 178 of Companies Act 2013 and clause 49 of Listing Agreement.

#### a) Terms of reference:

- i) Investor relations and redressal of shareholders grievances in general and relating to non-receipt of dividends, interest, non- receipt of balance sheet etc.
- ii) Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.
- iii) To approve request received for transfer, transmission, demat etc. of securities of the Company.

The composition and terms of reference Stakeholders' Relationship Committee of the Company are in compliance with provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement.

Company Secretary acts as the Secretary of the Committee.

### Meeting held during the year and the Attendance thereat:

During the year one meeting of Shareholder Grievance Committee was held on 29th August, 2013.

The attendance of members of the Shareholder Grievance Committee Meetings is as follow:

Sr. No.	Name of Members	Status	No. of Meeting attended
1.	Mr. Shri Prakash Arora	Chairman	1
2	Mr. Ajay Prakash Arora	Member	1
3	Mr. Vijay Ranchan	Member	1

### C. Preferential Issue Allotment Committee

The Preferential Issue Allotment Committee of the Company comprised of two non-executive directors and one executive Director. During the year no meeting of the Preferential Issue Allotment Committee was held.

The Preferential Issue allotment Committee consists of following members.

Sr. No.	Name of Members	Status	Nature of Directorship
1	Mr. Vijay Ranchan	Chairman	Independent Director
2	Mr. Ajay Prakash Arora	Member	Independent Director
3	Mr. Vinod Kumar Chaturvedi	Member	Managing Director

No meeting of preferential issue Allotment Committee was held hence no sitting fees was paid for the same.

### D. Finance Committee

The Finance committee of the Company was reconstituted on 30th August, 2010 and comprised of following members. The finance committee comprising of following Directors in order to have convenience in expediting day to day matters relating to finance.

Sr. No.	Name of Member	Status
1.	Mr. Ajay Prakash Arora	Chairman
2.	Mr. Vinod Kumar Chaturvedi	Member
3.	Mr. Manoj Pathak	Member

Following are the terms of reference for the finance committee

(a) Borrow and raise such sums of money from time to time as may be required for the purpose of the company's business, subject to the condition that such borrowing shall not exceed Rs. 1,000 crores and

(b) Invest the surplus funds of the Company, subject to the provisions of section 372A of the Companies Act, 1956, in the purchase of shares, debentures, securities and stock certificates, etc. of any private or public limited company or in any securities floated by the Central Government or any State Government, however, to the condition that the funds so invested shall not exceed Rs. 250 crores.

(c) To open/close bank account and to authorize company's executives/ officers to operate bank account and to withdraw such authority from time to time.

(d) Give authority to any members of the committee to discuss the terms and conditions with the lenders, sign all documents including agreements, certificates, statements, undertakings, declarations, receipts, deeds, instruments and to do all such acts and things as may be necessary on behalf of the Company to give effect to the above resolution."

### **E. Nomination and Remuneration Committee:**

The Remuneration Committee of the Company comprised of three non-executive directors namely, Mr. Shri Prakash Arora as the Chairman Mr. Ajay Prakash Arora and Mr. Vijay Ranchan as the members of the Committee. All the members of the Committee are independent Directors.

Remuneration Committee has been renamed as Nomination and Remuneration Committee and its terms of reference were modified by the Board to comply with Section 178 of Companies Act 2013 and clause 49 of Listing Agreement.

During the year one meeting of Remuneration Committee was held on 29th August, 2014.

<b>Sr. No.</b>	<b>Name of the Member</b>	<b>Status at the committee</b>	<b>Nature of directorship</b>
1	Mr. Shri Prakash Arora	Chairman	Independent Director
2	Mr. Vijay Ranchan	Member	Independent Director
3	Mr. Ajay Prakash Arora	Member	Independent Director

#### **Terms of reference:**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. To recommend / review remuneration of the Managing Director(s) and Whole-time Director(s)/Executive Director(s) based on their performance and defined assessment criteria.
6. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

#### **c) Remuneration Policy:**

##### **Non-Executive Directors:**

The Non-Executive Independent Directors are paid remuneration by way of commission and sitting fees. In terms of shareholders' approval obtained at the Annual General Meeting held on 21st December, 2012, the commission can be paid at a rate not exceeding 1% per annum of net profit of the Company. During the year, the Company paid sitting fees of Rs. 20,000 per meeting to Independent Directors for attending meetings of the Board and Audit Committee Committees.

The details of sitting fees paid to Independent Directors during the financial year 2013-14 is as Under:

Name of Directors	Sitting Fees			
	Board Meeting	Audit Committee	Shareholders Committee	Remuneration Committee
Mr. Vijay Ranchan	80000	80000	-	7500
Mr. Ajay Prakash Arora	80000	80000	5000	7500
Mr. Shri Prakash Arora	80000	-	5000	7500
Mrs. Baljinder Kaur Mandal	20000	20000	-	-
Mr. Prem Chand Tiwari	80000	-	-	-

There were no other pecuniary relationships or transactions of Non-Executive Directors vis-a-vis the Company.

• **Executive Directors**

The Board of Directors in consultation with the Nomination and Remuneration Committee decides on the remuneration payable to the Managing Director / Executive Director as approved by the Board of Directors and approved by the members, within the ceilings prescribed under the Companies Act.

**Remuneration to Executive Director**

The terms of remuneration of executive directors has been fixed by board of directors and approved by shareholders. The particulars of remuneration of executive directors during the financial year 2013- 2014 are as under:

The details of remuneration paid/ payable to the Directors during the financial year 2013-14 are as under.

Rs. in Lacs

Name	Remuneration including Perquisite Commission	Sitting Fees	Total
Mr. Vinod Kumar Chaturvedi (Managing Director)	79.45	Nil	79.45
Manoj Pathak (Executive Director)	50.26	Nil	50.26

At present the Company does not have any Employee Stock Option Scheme (ESOS).

Details of shares held by Managing Director and Whole Time Director of the Company as on 30th June, 2014.

Sr. No.	Name	No of Shares
1	Mr. Vinod Kumar Chaturvedi	4692470
2	Manoj Pathak	3284060

## F. Corporate Social Responsibility Committee

Considering the requirements of the Companies Act, 2013, the Board of Directors of the Company in its meeting held on 28th August, 2014 constituted the Corporate Social Responsibility Committee.

### Composition of the Committee:

Sr. No	Name of Member	Designation
1.	Mr. Shri Prakash Arora	Chairman
2.	Mr. Vinod Kumar Chaturvedi	Member
3.	Mr. Manoj Pathak	Member

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of "Corporate Social Responsibility Policy", observe practices of Corporate Governance at all levels and to suggest remedial measures wherever necessary. The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

Terms of reference of the Committee, inter alia, includes the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made there under;
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the implementation of framework of CSR Policy.
- To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

## 2. General Body Meetings

Details of Annual General Meetings held during last three financial years:

Year	Date	Venue	Time	Summary of Special Business Conducted
2013	23.12.2013	Nand Kripa Banquet Hall, Four Bungalow Road, Main Market, Andheri (West), Mumbai-400 058	11.30	<ul style="list-style-type: none"><li>• Re-appointment of Dr. Vinod Kumar Chaturvedi- Managing Director</li><li>• Increase in borrowing limits from Rs. 1,000 Crores to Rs. 2,000 Crores</li><li>• Creation of Charges on the movable and immovable properties of the Company</li><li>• Increase in Authorized Share Capital of the Company and consequently alteration in Capital Clause of the Memorandum of Association of the Company:</li><li>• Amendment in Articles of Association of the Company</li></ul>

Year	Date	Venue	Time	Summary of Special Business Conducted
2012	21.12.2012	Nand Kripa Banquet Hall, Four Bungalow Road, Main Market, Andheri (West), Mumbai-400 058	11.00 a.m.	<ul style="list-style-type: none"> <li>1% commission to Non Executive Director with effect from 01.06.2011.</li> <li>Approval under section 81(1A) for further allotment of shares.</li> </ul>
2011	20.12.2011	Nand Kripa Banquet Hall, Four Bungalow Road, Main Market, Andheri (West), Mumbai-400 058	11.00 a.m.	Revision in remuneration of Mr. Vinod Kumar Chaturvedi and Mr. Manoj Pathak

### 3. Disclosures

- a) There was no such materially significant related party transaction(s) with its promoters, the directors or the management their relatives etc. that may have the potential conflict with the interest of the Company at large. The other related party transactions are given in the notes of accounts annexed to and forming the part of Balance sheet and Profit and Loss Account of the Company.
- b) Your Company has followed all relevant Accounting Standards while preparing the financial statement.
- c) The Company was not subject to any non-compliance and no penalties or strictures have been imposed by Stock Exchanges, SEBI or any other Statutory Authority, on any matters relating to Capital Market during the last three years.

### 4. Means of Communication

The quarterly, Half Yearly and Yearly results are published in English and Regional Newspapers. The financial results and investor update are displayed on the website of the company [www.usheragro.com](http://www.usheragro.com) shortly after its submission to the Stock Exchange. Management Discussion and Analysis Report has been included in this Annual Report and forms the part of this Annual Report being sent to the shareholders of the Company.

### 5. General Shareholder Information

#### a) Annual General Meeting

Day	Saturday
Date	20th December, 2014
Time	11.30 A.M
Venue	Nand Kripa Banquet Hall, Four Bungalow Road, Main Market, Andheri, (West), Mumbai-400 058



**Book Closure Period:**

From: Monday, 15th December, 2014 to Friday 19th December, 2014 (both days inclusive).

**b) Financial Year**

The Company has changed the financial year as per the requirement of the new Companies Act, 2013. The Financial year 2014-15 will be from 1st July, 2014 to 31st March, 2015. The financial results will be declared as per the following schedule.

Particulars	Tentative Schedule
<b>Quarterly Unaudited Results</b>	
September 30, 2014	On or before 14th November, 2013
December 31, 2014	On or before 14th February, 2015
March 31, 2015	On or before May 2015
<b>Annual Audited Results</b>	
Year ending 31 March, 2015	Within 60 days from 31 March, 2015

**c) Listing on Stock Exchange**

The Shares of the Company is Listed with Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE).

**Stock Code**

Bombay Stock Exchange Ltd. (BSE) P. J. Towers, Dalal Street, Mumbai 400 001	532765
National Stock Exchange of India Ltd (NSE) Exchange Plaza, Bandra- Kurla Complex, Bandra (East), Mumbai 400 051	On or before 14th November, 2013 USHERAGRO
ISIN for Depositories (NSDL and CDSL)	INE235G01011
Cin No.	LO1100MH1996PLC100380

**Listing fees**

Listing fees paid to Bombay stock exchange (BSE) and National Stock Exchange of India Limited (NSE) for the financial year 2014-15.

**Payment of depository Fees**

Annual Custody / Issuer fees for the year 2014-15 has been paid by the Company to Nation Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CDSL).

**Electronic connectivity:**

National Security Depository of Ltd. & Central Depository Services (India) Ltd.

#### d) Registration with SEBI SCORE

As per SEBI Circular No. CIR/OIAE/2/2011 dated June 3, 2011 the Company got registered with SEBI for redressing of Complaints of Shareholders by SEBI Complaints redress System (SCORE).

#### e) Registered office & corporate office

422, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai - 400 053 India

Tel. No.: +91 22 39381100, Fax No.: +91 22 39381123; Email: compliance@usheragro.com

Website: www.usheragro.com

#### f) Plant Location

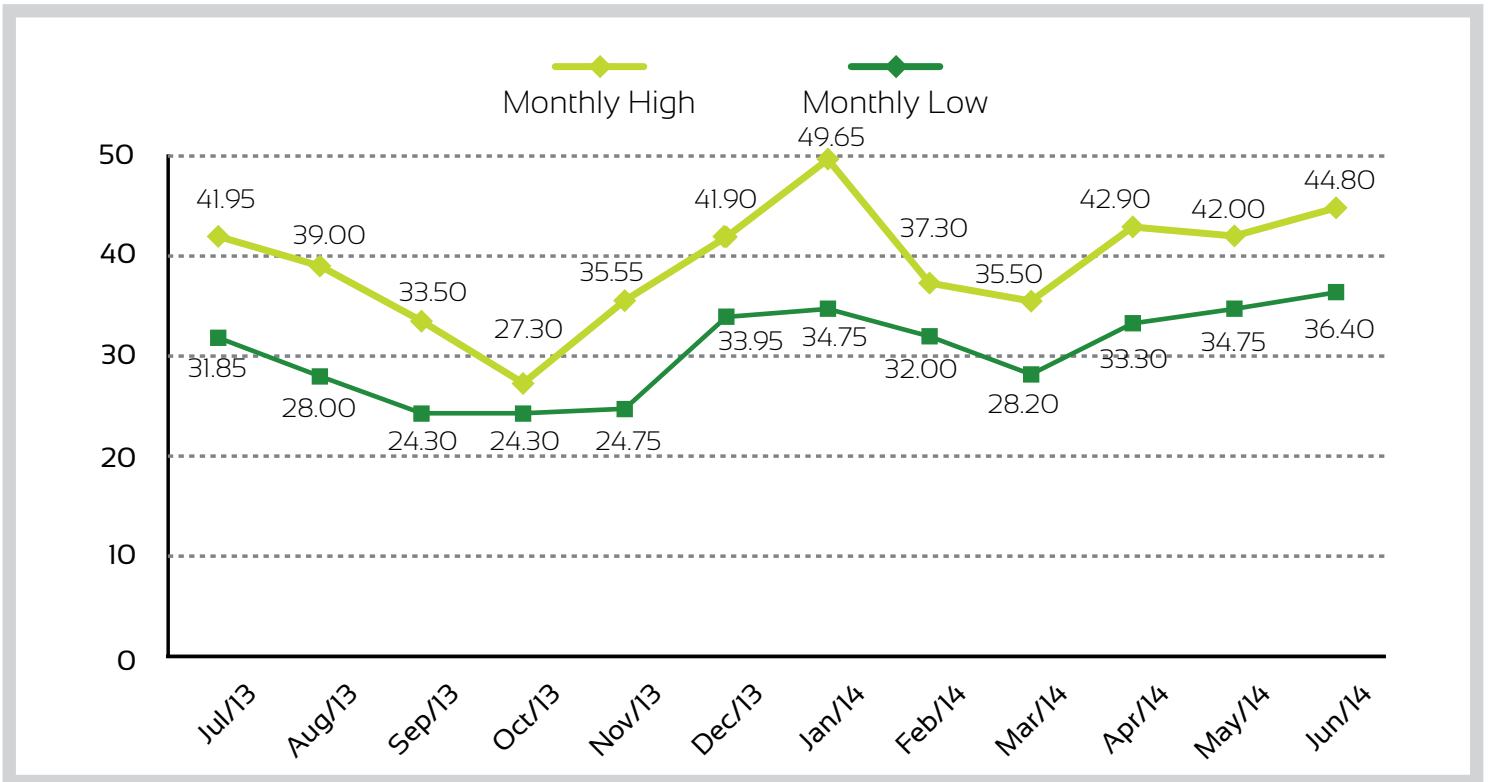
<b>Mathura:</b> 239, Maholi, Krishna Nagar Off Delhi-Agra Highway, (N-H II) Mathura, (Uttar Pradesh) - 281 004	<b>Buxar:</b> Plot no. 1898, Chaubeji hi Chhavani, Jalilpur Thana, Rajpur, Dist: Buxar (Bihar) - 801 144	<b>Chatta:</b> 158, Gohari, Delhi-Agra Highway, (N-H II), Chhata, Dist: Mathura (Uttar Pradesh) - 281 401 632-634, Duatana, Delhi-Agra Highway, (N-H II), Chhata, Dist: Mathura (Uttar Pradesh) - 281 401
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#### g) Market Price Data and Performance.

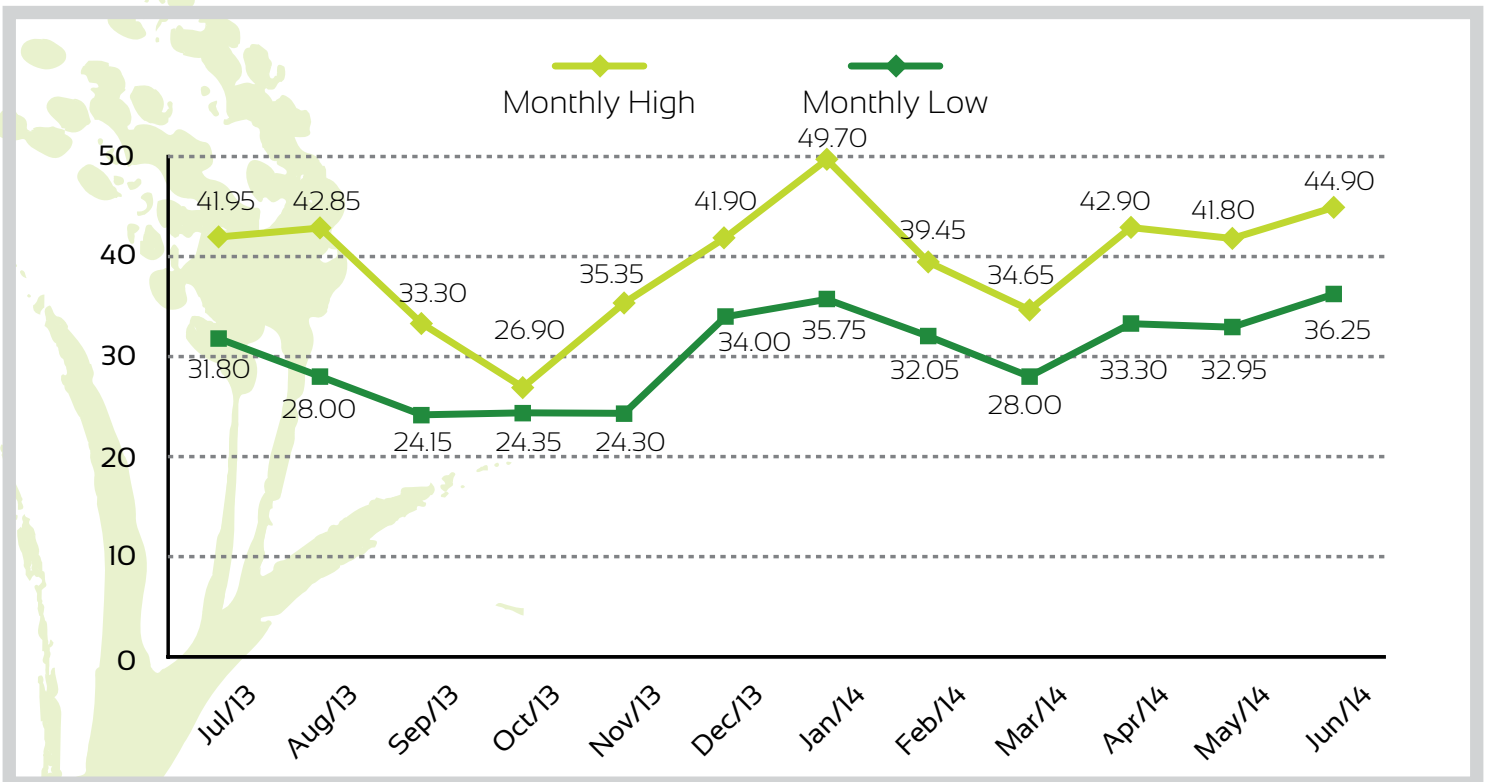
Monthly High and Low quotations of Shares traded at The National Stock Exchange of India Ltd. (NSE) and The Bombay Stock Exchange Ltd. (BSE) Share price data Monthly basis

Month	BSE		NSE	
Year	Monthly High Price	Monthly Low Price	Monthly High Price	Monthly Low Price
July, 2013	41.95	31.85	41.95	31.80
August, 2013	39.00	28.00	42.85	28.00
September, 2013	33.50	24.30	33.30	24.15
October, 2013	27.30	24.30	26.90	24.35
November, 2013	35.55	24.75	35.35	24.30
December, 2013	41.90	33.95	41.90	34.00
January, 2014	49.65	34.75	49.70	35.75
February, 2014	37.30	32.00	39.45	32.05
March, 2014	35.50	28.20	34.65	28.00
April, 2014	42.90	33.30	42.90	33.30
May, 2014	42.00	34.75	41.80	32.95
June, 2014	44.80	36.40	44.90	36.25

### BSE



### NSE



## h) Investors' correspondence may be addressed to:

<b>Usher Agro Limited</b> Mrs. Sarika S. Singh Company Secretary 422, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai - 400 053 Tel N: +91 22 39381100 Fax No : +91 2239381123 compliance@usheragro.com	<b>Registrar &amp; Transfer Agents:</b> Bigshare Services Pvt. Ltd. E2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East) Mumbai – 400 072. Tel: + Tel: +91-022-28470632/53 Fax: +91-022-28475207 Email: flavia@bigshareonline.com
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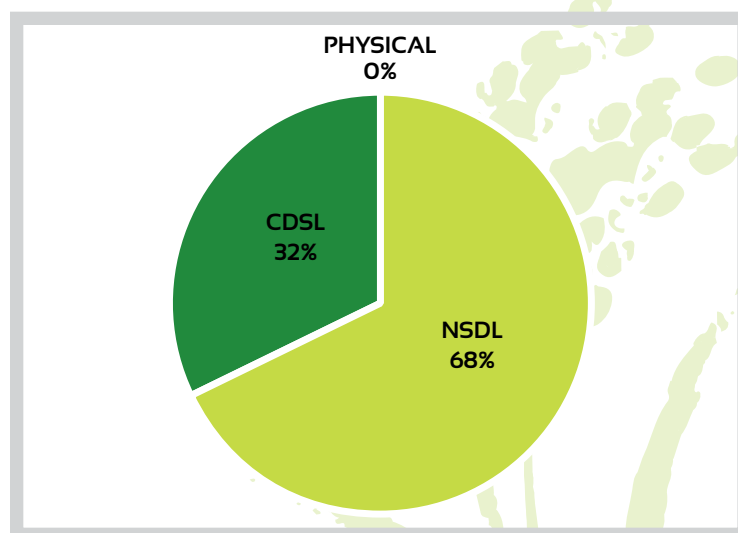
## i) Registrar and Share Transfer Agents

Name	BIGSHARES SERVICES PVT. LTD.
Contact Person	Ms. Flavia D Souza
Address	E2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East) Mumbai – 400 072
Telephone No.	Tel: + Tel: +91-022-28470632/53
Fax No.	Fax: +91-022-28475207
E mail	flavia@bigshareonline.com

## j) Dematerialization of shares and liquidity

The Company has established connectivity with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through the Registrar- Bigshare Services Pvt. Ltd. This has facilitated the shareholders to hold and trade their shares in 'electronic form'. Almost the entire share holding (99.98%) is held in dematerialized form with NSDL 26042850 Shares (68.43%), CDSL 12016074 Shares (31.57%) and 115 in physical form as on 30th June, 2014.

### Dematerialized Position as of 30th June, 2014



## k) Share Transfer System

The Company has appointed Bigshare Services Pvt. Ltd. as the Registrar and Transfer Agent of the Company w.e.f 1st February, 2012.

The work related to share transfer in terms of both physical and electronic mode is being dealt at single point with Bigshare services Pvt. Ltd. After the completion of preliminary formalities of transfer/transmission by the Share Transfer Agent, the

approval of transfer of shares in the physical form is given by the share Transfer Committee.

The Share transfer committee, constituted specifically for this purpose, meets periodically as the need arise to approve the Share Transfer etc.

The Company has complied with the provisions of the requisite guidelines issued by the regulatory authorities in respect of the transfer of shares and other related matters.

Bigshare services Pvt. Ltd has been appointed as Registrar & Share Transfer Agent for processing, transfer, sub-division, consolidation, splitting of shares and for rendering depository services such as dematerialization and re-materialization of the Company's shares.

The share transfers, which are received in physical form, are processed and the share certificates returned within 15 days of lodgment, subject to the documents being valid and complete in all respect.

Shareholders/investors are requested to forward share transfer documents, dematerialization requests and other related correspondence directly to Investor Bigshare services Pvt. Ltd at the above address for speedy response.

#### **Unclaimed Shares lying in the Escrow Account**

In accordance with the provisions contained in clause 5A of the listing agreement with the Stock Exchanges, as amended by SEBI vide circular dated 16 December 2010, the Company was required to send 3 reminders at the registered addresses of the shareholders whose shares were lying "Undelivered/Unclaimed" with the Company, requesting for the correct particulars to dispatch such share certificates. If no response was received, the shares were required to be transferred to an "Unclaimed Share Suspense Account", which shall be maintained by the Company in an electronic form. As and when any shareholder approaches at a later date, the Company shall deliver the shares to him/her from the said account, after proper verification/identification. Further, voting rights on such shares are to remain frozen till the rightful owner claims the shares. Accordingly, during the previous year, the Company sent three reminders to these shareholders, followed by opening of the said suspense account with Axis Bank. After completing the necessary formalities, 2189 shares held by one shareholder were transferred to the said suspense account. The Company, acting as a trustee in respect of the unclaimed shares, follows the modalities for the operation of the said account in the manner set out in clause 5A of the listing agreement. The summary of this account for the year 2013-14 is as follows:

<b>Sr. No.</b>	<b>Particulars</b>	<b>No. of shareholders</b>	<b>Outstanding shares</b>
1.	Aggregate no. of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year i.e. 1st July 2013	1	2189
2.	No. of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year	Nil	Nil
3.	No. of shareholders to whom shares were transferred Unclaimed Suspense Account during the year	Nil	Nil
4.	Aggregate no. of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year i.e. 30TH June, 2014	1	2189

#### l) Distribution of Holding as on 30th June 2014

Sr. No.	Number of Shares	Number	% to Total	Share Amount (Rs.)	% to Total
1.	1 - 500	6316	76.1790	1,04,23,200	2.7387
2.	501 - 1,000	836	10.0832	71,10,810	1.8684
3.	1,001 - 2,000	469	5.6567	74,20,270	1.9497
4.	2,001 - 3,000	179	2.1590	46,22,260	1.2145
5.	3,001 - 4,000	86	1.0373	30,80,850	0.8095
6.	4,001 - 5,000	91	1.0976	43,39,000	1.1401
7.	5,001 - 10,000	135	1.6283	1,02,63,840	2.6968
8.	10,001 & above	179	2.1590	33,33,30,160	87.5824
	<b>Total</b>	<b>8291</b>	<b>100.00</b>	<b>38,05,90,390</b>	<b>100.00</b>

#### m) Share holding Pattern as on 30th June 2014

Sr. No.	Category of Shareholders	No. of Shareholders	Total No. of Shareholders	% of total Share holding
1.	Promoters and Promoter Group	6	12262370	32.22
2.	Foreign Institutional Investors	2	2844767	7.47
3.	Bodies Corporate	335	10106685	26.56
4.	Indian Public/ Other	7948	12845217	33.75
	<b>Total</b>	<b>8291</b>	<b>38059039</b>	<b>100.00</b>

#### DECLARATION

The Board members & senior management personnel have affirmed compliance with the code of conduct for the directors & senior management for the year ended 30th June, 2014.

For and on Behalf of the Board

Sd/-

**Vinod Kumar Chaturvedi**  
Managing Director

Place: Mumbai  
Date: 28th August, 2014

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## CEO Certification

Mr. Vinod Kumar Chaturvedi, Managing Director has certified to the Board that:

- (a) I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief:
  - (i) These statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
  
- (b) There is, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or volatile of the Company's code of conduct.
  
- (c) I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
  
- (d) I have indicated to the auditors and the Audit committee.
  - a. Significant changes in internal control during the year, if any;
  - b. Significant changes in accounting policies during the year, if any and that the same have been disclosed in the notes to the financial statement; and
  - c. Instance of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Place: Mumbai

Date: 28th August, 2014

*Sd/-*

**Vinod Kumar Chaturvedi**

Managing Director

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## Auditor's Certificate on Corporate Governance

To the Members of  
USHER AGRO LIMITED

We have examined the compliance of conditions of corporate governance by Usher Agro Limited for the year ended 30th June, 2014 as stipulated in clause 49 of the listing agreement of the said Company with the stock exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the management, we certify that the Company has complied with the conditions of corporate governance as stipulated in clause 49 of the above mentioned listing agreement.

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

**For Parekh Shah & Lodha  
Chartered Accountants  
Firm reg.: 107487W**

*Sd/-*

**Ashutosh Dwivedi**

(Partner)

M.No. : 410227

**For Ajmera Ajmera & Associates  
Chartered Accountants  
Firm Reg.: 123989W**

*Sd/-*

**Sandeep Ajmera**

(Partner)

M. No. : 048277

Place: Mumbai

Date: 28th August, 2014



# Independent Auditor's Report

To,  
The Members of  
Usher Agro Ltd.

## Report on the Financial Statements

We have audited the accompanying financial statements of M/s. **USHER AGRO LIMITED** ("the Company"), which comprise the Balance Sheet as at June 30, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information, *in accordance with the provision of General Circular 08/2014 dated 4th April, 2014 issued by the Ministry of Corporate Affairs, Government of India.*

## Management's Responsibilities for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 issued by the Ministry of Corporate Affairs of India in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. 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.

## Auditor 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. 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.

## 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 June 30, 2014;
- b) in the case of the Statement of Profit and Loss Account, of the profit for the year ended on that date;
- c) in the case of the Cash Flow statement, of the cash flows for the year ended on that date.

## Emphasis of Matter

### We draw attention to

- a) Note No. 47 to the financial statements which describes that the Balance of Debtors, Creditors, Loans & Advances and other parties are subject to confirmation and reconciliation, if any.

## Report on other Legal and Regulatory Requirement

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. As required by section 227(3) of the Companies Act, 1956, 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
  - 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.
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
  - e) On the basis of written representations received from the directors as on June 30, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on June 30, 2014, from being appointed as a director in terms of clause (g) of sub-section (l) of section 274 of the Companies Act, 1956.

**For Ajmera Ajmera & Associates**  
**Chartered Accountants**  
**Firm Reg.: 123989W**

*Sd/-*  
**Sandeep Ajmera**  
 (Partner)  
 M. No. : 048277

**For Parekh Shah & Lodha**  
**Chartered Accountants**  
**Firm reg.: 107487W**

*Sd/-*  
**Ashutosh Dwivedi**  
 (Partner)  
 M.No. : 410227

Place: Mumbai  
 Date: 28th August, 2014

## ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors Report of even date for the year ended 30th June, 2014]

### 1. In respect of its fixed assets:

- a) On the basis of the available information the Company has maintained records to show full particulars including quantitative details and situation of fixed assets although the same needs to be updated
- b) As explained to us, all the fixed assets are being physically verified by the management in a phased periodical manner under supervision of the internal auditors, which in our opinion needs to be further improved, considering the size of the Company and nature / multiple locations of its assets. As informed to us prima-facie no material discrepancies were noticed on such physical verification.
- c) In our opinion the Company has not disposed a substantial part of its fixed assets during the year and the 'Going Concern' status of the Company is not affected.

### 2. In respect of its inventories:

- a) The inventories have been physically verified by the management, under supervision of the internal auditors, during the financial year. In our opinion the frequency of verification is more or less reasonable but needs to be further improved, considering the size, nature of the business of the Company and multiple storage locations of the inventories.
- b) In our opinion, the procedures of physical verification of inventories followed by the management are more or less reasonable in relation to the size of the Company and the nature of its business but same needs to be strengthen further.
- c) The company has maintained proper records of inventory but the internal control systems and level of computerizations needs to be improved in this context considering to the size of the Company and the nature of its business. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.

3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
  - a. The company has granted Unsecured Loans (other than short term business advances) to one company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was Rs 1,484.64 lacs (P.Y. Rs. 2,193.04 lacs) and the year-end balance of loans granted to such party was Rs. 1,048.70 lacs (P.Y. Rs. 1,444.04 lacs).
  - b. In our opinion, the terms and conditions of such Loan is not, prima facie, prejudicial to the interest of the company, except that the company has not charged any interest on such loans, which is also in contravention to the Section 372A (3) of the Companies Act, 1956, where charging of interest is mandatory for such loans.
  - c. As informed to us, the part of loans were received as stipulated, during the year, thus there has been no default on receipt of the loans.
  - d. During the financial year, the Company has not taken any loans/ advances (other than short term business advances) from parties listed in the register maintained under section 301 of the Companies Act, 1956 (P.Y. Nil). Consequently the requirements of Clause (iii)(f) and (iii)(g) of Paragraph 4 of the order are not applicable.
4. There is an internal control procedure present in the company for the purchase of fixed assets, inventory and for the sale of goods and services, which needs to be reviewed and improved / strengthen considering the size of the company and its nature of business.
5. In respect of transactions covered under section 301 of the Companies Act, 1956.
  - a) Based on the audit procedures applied by us and according to the explanations provided by the management, we are of the opinion that there are transactions that need to be entered into a register in pursuance of Section 301 of the Companies Act, 1956 and have been so entered.

- b) According to the information and explanations given to us and based on the comments of internal auditors, the transactions made in pursuance of contracts or arrangements entered in the register in pursuance of Section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5 lacs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. In our opinion the present internal audit system of the company need to be strengthened to commensurate with the size of the Company and the nature of its business particularly in relation to internal control systems / procedures.
8. The company has appointed the Cost Auditors as required under Companies (Cost Audit Records) Rules, 2011 as prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956. Further the Cost Records required

to be maintained under Companies (Cost Accounts Records) Rules, 2011 have been maintained by the company during the year. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

#### 9. In respect of Statutory Dues:

- a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Wealth Tax, Sales Tax, Customs Duty, Excise Duty, Service Tax, Cess and any other statutory dues (excluding any interest, advance tax, penalties, etc, if any, the amount could not be quantified) with the appropriate authorities. According to the information made available to us, no undisputed arrears of statutory dues are outstanding as at 30th June, 2014 for more than six months from the date when they became payable.
- b) According to the information and explanations given to us and records examined by us, there are no dues of Sales Tax, Income Tax, Custom duty, Wealth tax, Service Tax, Excise duty and Cess that have not been deposited with the appropriate authorities on account of any dispute except the following:

Nature of Statute	Nature of dues	Period	Amount (Rs. in Lacs)	Forum where dispute is pending
Entry Tax	Entry Tax	A.Y. 2008-09	4.26	Addl. Commissioner (Commercial Tax), Mathura UP
Sales Tax	VAT & CST	A.Y. 2008-09	29.17	Appellate Tribunal, Agra
Sales Tax	VAT & CST	A.Y. 2009-10	0.21	Additional Commissioner Grade -II (Appeal) Mathura
Sales Tax	VAT & CST	A.Y. 2010-11	201.87	Addl. Commissioner (Commercial Tax), Mathura UP
Sales Tax	VAT	A.Y. 2012-13	2.15	Addl. Commissioner (Commercial Tax), Mathura UP
Indian Stamp Act	Stamp Duty	A.Y. 2012-13	452.00	Asst. Commissioner Stamps, Mathura

10. There are no accumulated losses of the Company as on 30th June, 2014. The company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company is generally regular in repayment of dues to a financial institution, bank or debenture holders, except for some instances of slight delays in the repayments of the principal/ interest were observed .
12. Based on our audit procedures and as per the information and explanations given by the management, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities during the financial year 2013-14.
13. The provisions of any special statutes applicable to the Chit Funds, Nidhi or Mutual Benefit Society are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of this clause are not applicable to the Company.
15. According to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions, except those mentioned in Note no. 38 of the financial statements.
16. The term loans raised by the company during the year have been applied for the purpose for which they were obtained according to the information and the explanations given to us and on the basis of the certificates issued by independent chartered accountants/ engineers on regular intervals.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we are of the opinion that there are no funds raised on short term basis that have been used for long term investment.
18. During the current financial year, the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. During the year under audit, the company has neither issued any debentures nor was any debenture outstanding at the year end.
20. The company has not raised any money by public issue during the year.
21. On the basis of our examination and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the current financial period.

**For Ajmera Ajmera & Associates**  
**Chartered Accountants**  
**Firm Reg.: 123989W**

*Sd/-*  
**Sandeep Ajmera**  
 (Partner)  
 M.No. : 048277

**For Parekh Shah & Lodha**  
**Chartered Accountants**  
**Firm reg.: 107487W**

*Sd/-*  
**Ashutosh Dwivedi**  
 (Partner)  
 M.No. : 410227

Place: Mumbai  
 Date: 28th August, 2014

## USHER AGRO LIMITED - STANDALONE BALANCE SHEET AS AT 30TH JUNE, 2014

Rs. in Lacs

	Particulars	Note	As at 30th June, 2014	As at 30th June, 2013
I	EQUITY AND LIABILITIES			
1	Shareholder's Fund			
a	Share Capital	3	3,805.90	3,805.90
b	Reserves and Surplus	4	34,581.73	27,887.07
			<b>38,387.63</b>	<b>31,692.97</b>
2	Non-Current Liabilities			
a	Long-Term Borrowings	5	19,775.59	18,376.46
b	Deferred Tax Liabilities (Net)	6	706.36	1,134.37
c	Other Long Term Liabilities	7	1,463.94	1.44
			<b>21,945.89</b>	<b>19,512.27</b>
3	Current Liabilities			
a	Short-Term Borrowings	8	52,969.33	42,522.43
b	Trade Payables	9	9,108.67	4,947.60
c	Other Current Liabilities	10	6,697.67	3,217.90
d	Short-Term Provisions	11	679.29	1,728.99
			<b>69,454.96</b>	<b>52,416.92</b>
	<b>TOTAL</b>		<b>1,29,788.49</b>	<b>1,03,622.16</b>
II	ASSETS			
1	Non-current Assets			
a	Fixed assets			
i.	Tangible Assets	12	35,937.12	13,827.02
ii.	Capital Work-In-Progress		3,001.87	14,067.02
			<b>38,938.99</b>	<b>27,894.04</b>
b	Non-Current Investments	13	1,725.36	1,725.36
c	Long-Term Loans And Advances	14	637.83	1,180.59
			<b>2,363.19</b>	<b>2,905.95</b>
2	Current Assets			
a	Inventories	15	56,687.64	40,920.80
b	Trade Receivables	16	26,490.98	23,984.68
c	Cash and Cash Equivalents	17	1,404.32	3,253.87
d	Short-Term Loans And Advances	18	1,555.25	1,525.36
e	Other Current Assets	19	2,348.12	3,137.46
			<b>88,486.31</b>	<b>72,822.17</b>
	<b>TOTAL</b>		<b>1,29,788.49</b>	<b>1,03,622.16</b>
	Notes to Balance Sheet and Statement of Profit & Loss	1-51		

As per our report of even date

**For Ajmera Ajmera & Associates**  
Chartered Accountants  
Firm Reg.: 123989W

Sd/-  
**Sandeep Ajmera**  
(Partner)  
M. No. : 048277

**For Parekh Shah & Lodha**  
Chartered Accountants  
Firm reg.: 107487W

Sd/-  
**Ashutosh Dwivedi**  
(Partner)  
M.No. : 410227

Sd/-  
**Sarika S. Singh**  
Company Secretary

Sd/-  
**V. K. Chaturvedi**  
Managing Director

**For and on behalf of the Board**  
Usher Agro Limited

Sd/-  
**Manoj Pathak**  
Wholetime Director

Date: 28th Aug, 2014  
Place : Mumbai

## USHER AGRO LIMITED - STANDALONE STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 30TH JUNE, 2014

Rs. in Lacs

	Particulars	Note	Year Ended 30th June, 2014	Year Ended 30th June, 2013
I	Revenue from Operations	20	1,22,282.01	94,933.89
II	Other Income	21	154.25	223.15
<b>III</b>	<b>Total Revenue (I + II)</b>		<b>1,22,436.26</b>	<b>95,157.04</b>
IV	Expenses:			
	Cost of Materials Consumed	22	99,165.11	79,052.11
	Changes in Inventories(Increase)/Decrease of Finished Goods	23	949.69	(1,803.10)
	Employee Benefits Expense	24	1,265.72	1,022.62
	Finance Costs	25	7,665.93	5,045.74
	Depreciation and Amortization Expense	26	2,059.06	1,501.79
	Other Expenses	27	4,819.18	3,814.70
	<b>Total expenses</b>		<b>1,15,924.69</b>	<b>88,633.86</b>
V	Profit before exceptional and extraordinary items and tax (III-IV)		6,511.56	6,523.18
VI	Exceptional items		-	-
<b>VII</b>	<b>Profit before extraordinary items and tax (V - VI)</b>		<b>6,511.56</b>	<b>6,523.18</b>
VIII	Extraordinary Items		195.11	-
IX	Profit before tax (VII- VIII)		6,706.68	6,523.18
X	Tax Expense:			
	(1) Current Tax		689.15	1,738.70
	(2) Deferred Tax		(428.01)	154.50
	(3) Short /( Excess )Provision for Income Tax for Earlier Years		(249.13)	93.90
<b>XI</b>	<b>Profit (Loss) for the period from continuing operations (IX-X)</b>		<b>6,694.66</b>	<b>4,536.08</b>
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
<b>XV</b>	<b>Profit (Loss) for the period (XI + XIV)</b>		<b>6,694.66</b>	<b>4,536.08</b>
XVI	Earnings per equity share: (In Rupees)			
	Basic		17.59	11.92
	Diluted		17.59	11.92
	Notes to Balance Sheet and Statement of Profit & Loss	1-51		
	Notes to Balance Sheet and Statement of Profit & Loss	1-51		

As per our report of even date

**For Ajmera Ajmera & Associates**  
Chartered Accountants  
Firm Reg.: 123989W

*Sd/-*  
**Sandeep Ajmera**  
(Partner)  
M. No. : 048277

Date: 28th Aug, 2014  
Place : Mumbai

**For Parekh Shah & Lodha**  
Chartered Accountants  
Firm reg.: 107487W

*Sd/-*  
**Ashutosh Dwivedi**  
(Partner)  
M.No. : 410227

*Sd/-*  
**Sarika S. Singh**  
Company Secretary

**For and on behalf of the Board**  
Usher Agro Limited

*Sd/-*  
**V. K. Chaturvedi**  
Managing Director

*Sd/-*  
**Manoj Pathak**  
Wholetime Director

## USHER AGRO LIMITED - STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2014

Rs. in Lacs

Particulars		As at 30th June, 2014	As at 30th June, 2013
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit/(Loss) before Tax	6,706.68	6,523.18
	Less: Other Income	(154.25)	(223.15)
	Less: Extraordinary Items	(195.11)	
	Add: Loss on sale of assets	1.20	3.24
	Add: Interest cost	7,665.93	5,045.74
	Add: Depreciation\Amortization	2,059.06	1,501.79
	<b>Operating Profit/(Loss) before working capital changes</b>	<b>16,083.50</b>	<b>12,850.80</b>
	Adjustments for movement in working capital:		
	Adjustment for Increase/ (Decrease) in operating Liabilities:		
	Trade Payables	4,161.07	1,636.78
	Short-Term Borrowings	10,446.90	8,915.14
	Other Current Liability	148.97	(120.76)
	Short term provision	27.57	3.86
	Adjustment for (Increase)/ Decrease in operating Assets:		
	Inventories	(15,766.84)	(9,212.03)
	Trade Receivables	(2,506.30)	(3,178.50)
	Short-term Loans & Advances	(29.89)	(459.85)
	Other Current Assets	789.34	(1,610.92)
	<b>Cash from / (Used in) Operating Activities</b>	<b>13,354.33</b>	<b>8,824.52</b>
	Add / (Less) : Direct Taxes		
	Other Income	35.67	59.89
	Tax Paid	(1,517.30)	(1,159.78)
	<b>Net Cash from / (Used in) Operating Activities (A)</b>	<b>11,872.70</b>	<b>7,724.63</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	(Purchase)/Sale of Fixed Assets (Including CWIP)	(11,447.61)	(9,776.03)
	Long Term Loan/Advances (include non current assets)	542.76	(1,091.93)
	Interest Income	118.58	163.26
	Investment	0.00	(22.71)
	<b>Cash from / (Used in) Investing Activities (B)</b>	<b>(10,786.24)</b>	<b>(10,727.41)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from Long Term Borrowings (net of Repayment)	4,599.46	6,533.45
	Interest Cost	(7,535.45)	(5,045.74)
	Proceeds from Issue of shares & Share Application Money	-	(0.06)
	Dividend Paid	-	(570.89)
	<b>Cash from / (Used in) Financing Activities (C)</b>	<b>(2,935.99)</b>	<b>916.76</b>
	<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents (A)+(B)+(C)</b>	<b>(1,849.53)</b>	<b>(2,086.01)</b>
	Cash & Cash equivalent as at beginning of the year	2,361.34	3,497.57
	Other Bank Balance as at beginning of the year	892.53	1,842.31
	Cash & Cash equivalent as at end of the year	355.82	2,361.34
	Other Bank Balance as at end of the year	1,048.52	892.53
	<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(1,849.53)</b>	<b>(2,086.01)</b>

**Additional information:**

1) Figures in brackets represent outflows.

2) Previous years figures have been restated where necessary.

As per our Report of even date

**For Ajmera Ajmera & Associates**  
Chartered Accountants  
Firm Reg.: 123989W

**For Parekh Shah & Lodha**  
Chartered Accountants  
Firm reg.: 107487W

**For and on behalf of the Board**  
Usher Agro Limited

Sd/-  
**Sandeep Ajmera**  
(Partner)  
M. No. : 048277

Sd/-  
**Ashutosh Dwivedi**  
(Partner)  
M.No. : 410227

Sd/-  
**Sarika S. Singh**  
Company Secretary

Sd/-  
**V. K. Chaturvedi**  
Managing Director

Sd/-  
**Manoj Pathak**  
Wholetime Director

Date: 28th Aug, 2014  
Place : Mumbai



## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED ON 30TH JUNE, 2014 CORPORATE OVERVIEW

Usher Agro Limited is engaged in the business of food processing, mainly basic food i.e. wheat, rice and pulses. The Company is having manufacturing facilities for rice, wheat & pulses milling. The company is also engaged in Bio Mass Power generation and Logistic, however the operations in these two segments are comparatively not significant and mainly for captive purpose only.

### SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of preparation

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy, if any, as discussed below in detail, are consistent with those used in the previous year.

#### (b) Use of estimates

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statement and the reported amount of revenues and expenses during the reporting period. Although these estimates are based upon management best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialize.

#### (c) Current–non-current classification

##### Assets

An asset is classified as current when it satisfies any of the following criteria:

It is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;

It is held primarily for the purpose of being traded;  
It is expected to be realised within 12 months after the reporting date; or  
It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

##### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

It is expected to be settled in the company's normal operating cycle;  
It is held primarily for the purpose of being traded;  
It is due to be settled within 12 months after the reporting date; or  
The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.  
Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

#### (d) Operating cycle

An operating cycle is the time between the acquisition of assets/materials for processing and their realization in Cash or cash equivalents. Where the normal operating cycle cannot be identified, it is assumed to have duration of twelve months

#### (e) Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost (including pre-operative and trial & run expenses) of bringing the asset to its working condition for its intended use.

Assets under installation or under construction as at the Balance Sheet date are shown as Capital work in progress.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets till the period, such assets are ready to be put to use, the qualifying assets is one that take substantial period of time to get ready for its intended use or sale. Other borrowing cost not attributable to the acquisition of any capital assets are recognized as expenses in the period in which they are incurred. The cost of acquisition is further adjusted for exchange difference relating to non current foreign currency borrowing attributable to the acquisition of depreciable assets.

### (f) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### (g) Depreciation

Depreciation is provided using the Straight Line Method as per the rates prescribed under schedule XIV of the Companies Act, 1956. Depreciation on addition/deletion to the assets during the year is provided on pro-rata basis.

### (h) Impairment

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 exceeds its recoverable amount. The recoverable amount is the greater of the asset's 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 asset over its remaining useful life.

### (i) Leases

Finance Lease Transaction:

Finance leases, which effectively transfer to the Company

substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Operating Lease Transaction :

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

### (j) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

### (k) Inventories

Raw materials, components, stores and spares Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on FIFO basis.

Work-in-progress and finished goods Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### **(l) 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.

#### Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer.

#### Income from Services

Revenues from Job work & stock processing of material are recognised as and when services are rendered.

#### Interest

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

### **(m) Deferred Revenue Expenditure**

Any expense which is the nature of Preliminary expenses, has write off in the year which they have incurred from/ against the Profit & Loss Account.

Any expenses related to public issue/QIP/any other capital raising issue has write off entire expenses in the year which they have incurred from/against the security premium account.

### **(n) Foreign currency translation**

#### (i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### (ii) Conversion

Foreign currency monetary items are reported using the closing rate at the end of the reporting period. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

#### (iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise. Exchange differences arising in respect of fixed assets acquired from outside India are capitalized as a part of fixed asset.

### **(o) Retirement and other employee benefits.**

Retirement benefits in the form of Provident Fund is a defined contribution scheme and contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Gratuity liability is defined benefit obligations and are provided for on the basis of an actuarial valuation made at the end of each financial year.

Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

### **(p) Income taxes**

Tax expense comprises of current tax and deferred tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognises unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case

may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

### **(q) Expenditure on new projects and substantial expansion**

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the Profit and Loss Account. Income earned during construction period is deducted from the total of the indirect expenditure.

All direct capital expenditure on expansion are capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its original standard of performance.

### **(r) Segment Reporting Policies**

Primary segment is identified based on the nature of products and services. Secondary segment is identified based on geography in which major operating division of the company operate.

For primary segment, the segment revenue, segment expenses, segment assets and segment liabilities have been identified to segment on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the group as a whole and are not allocable to segment on reasonable basis, have been included under 'Unallocated revenue/expenses/assets/liabilities'.

### **(s) Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The

weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares). 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 dilutive potential equity shares.

### **(t) Provisions and Contingent Liabilities**

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Liabilities whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent and disclosed by way of Notes on Accounts.

### **(u) Financial /Commodity Derivatives Transaction**

In respect of derivative contracts, premium paid, gain / losses on settlement and provision for losses for cash flow hedges are recognised in the Profit and Loss Account except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

### **(v) Government Grants**

Grants from the Government are recognized when there is reasonable assurance that the grant /subsidy will be received and all attaching conditions will be complied with. Government Grants related to specific fixed assets has been deducted from the gross value of the assets concerned in arriving at their book value.

Government Grants of the nature of the revenue are recognised on a systematic basis in the profit and loss account over the periods necessary to match them with related costs which they are intended to compensate. Such grants either be shown under 'other income' or deducted in reporting the related expenses.

## USHER AGRO LIMITED - NOTES TO BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS

Rs. in Lacs

Particulars	As at 30th June, 2014	As at 30th June, 2013
<b>SHARE CAPITAL</b>		
Authorised Share Capital 5,00,00,000 (P.Y. 4,00,00,000) Equity Shares of Rs. 10/- each	5,000.00	4,000.00
<b>TOTAL</b>	<b>5,000.00</b>	<b>4,000.00</b>
Issued, Subscribed and Paid up share capital 3,80,59,039 (P.Y.3,80,59,039) Equity Shares of Rs. 10/- each	3,805.90	3,805.90
<b>TOTAL</b>	<b>3,805.90</b>	<b>3,805.90</b>

a) A reconciliation of the number of shares outstanding at the beginning and at the end of the accounting year, is set out below:

Particulars	No. of Shares 2013 - 2014	No. of Shares 2012 - 2013
<b>Equity Shares</b>		
Equity shares at the beginning of the year	3,80,59,039	3,80,59,039
Add: shares issued during the year	-	-
<b>Equity shares at the end of the year</b>	<b>3,80,59,039</b>	<b>3,80,59,039</b>

b) The Company has only one class of equity shares having a par value of Rs. 10. The equity shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 1956 below:

c) There are nil number of shares ( P.Y. Nil) in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiary or associates of the holding company or the ultimate holding company in aggregate.

d) Shares in the company held by each shareholders holding more than 5% shares, as on 30.06.2014:

Name of the Shareholder	As on 30.06.2014		As on 30.06.2013	
	No. Of Shares	Percentage (%)	No. Of Shares	Percentage (%)
Mr. Vinod Kumar Chaturvedi	46,92,470	12.33%	47,16,470	12.39%
Mr. Manoj Pathak	32,84,060	8.63%	32,84,060	8.63%
Narayani Nivesh Nigam Pvt Limited	20,08,740	5.28%	20,54,752	5.40%
Hi Tech Housing Projects Pvt Ltd	-	-	49,51,893	13.01%
Elara India Opportunities Fund Limited	25,90,312	6.81%	25,90,312	6.81%
Parin Trading Private Limited	-	-	21,00,000	5.52%
Abhi Ambi Financial Services Limited	49,51,893	13.01%	-	-

e) There are nil number of shares ( Previous year Nil) reserved for issue under option and contracts /commitment for the sale of shares/disinvestment including the terms and amounts.

f) For the period of five years immediately preceding the date as at which the balance sheet is prepared

Particulars	No. of Equity Shares
Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash	Nil
Aggregate number and class of shares allotted as fully paid-up by way of bonus shares.	Nil
Aggregate number and class of shares bought back	Nil

g) During the year there are no securities issued/converted which are convertible into equity/preference shares. However On 15th December 2009 the company has issued 60,00,000 warrants on preferential basis to the promoters and others to raise Rs. 2,460 lacs through preferential allotment. out of which, 10,00,000 warrants and 50,00,000 warrants have been converted in to equity share in financial year 2009-10 and 2010-11 respectively.

h) There are no calls unpaid ( P.Y. Nil )including calls unpaid by Directors and Officers as on balance sheet date

Particulars	Rs. in Lacs	
	As at 30th June, 2014	As at 30th June, 2013
4 RESERVES AND SURPLUS		
General Reserve		
Opening balance	2,252.00	1,652.00
(+) Current Year Transfer	-	600.00
(-) Written Back in Current Year	-	-
Closing Balance	<b>2,252.00</b>	<b>2,252.00</b>
Securities Premium	11,546.21	11,546.21
Debt Redemption Reserve	11,546.21	11,546.21
Opening balance	1,000.00	500.00
Add:during the year	3,000.00	500.00
Closing Balance	4,000.00	1,000.00
Profit and Loss Account		
Opening balance	13,088.86	9,652.78
(+) Net Profit/(Net Loss) For the current year	6,694.66	4,536.08
(-) Debt Redemption Reserve	3,000.00	500.00
(-) Transfer to Reserves	-	600.00
Closing Balance	16,783.52	13,088.86
<b>TOTAL</b>	<b>34,581.73</b>	<b>27,887.07</b>

## USHER AGRO LIMITED - NOTES TO BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS

Rs. in Lacs

Particulars	As at 30th June, 2014	As at 30th June, 2013
<b>5 LONG-TERM BORROWINGS</b>		
Term Loans(Secured)		
i) From Banks		
In Foreign Currency <sup>1</sup>	8,844.07	10,418.15
In Rupees <sup>2</sup>	9,871.56	7,928.62
ii) From Financial Institutions		
In Rupees <sup>3</sup>	1,059.96	29.69
<b>TOTAL</b>	<b>19,775.59</b>	<b>18,376.46</b>

1. Foreign Currency borrowings are secured by way of first pari passu charge on the entire immovable and movable fixed assets of the company and second pari passu charge on the entire current assets of the company present and future created in favour of respective Banks/Trustees along with the personal guarantees of the Directors of the Company namely Dr. Vinod Kumar Chaturvedi and Mr. Manoj Pathak .

Loan From Banks	Repayment Schedule		
	No. of Installments	Frequency	Commencing from
Rabo Bank International Ltd	9	Half yearly	Dec, 2012
ICICI Bank Ltd.	11	Half yearly	Sept, 2014

2. Rupee Term Loan are secured by way of first pari passu charge on the entire immovable and movable fixed assets of the company and second pari passu charge on the entire current assets of the company, both present and future created in favour of respective Banks/Trustees along with the personal guarantees of the Directors of the company namely Mr. Vinod K. Chaturvedi and Mr. Manoj Pathak .

Loan From Banks	Repayment Schedule		
	No. of Installments	Frequency	Commencing from
Axis Bank Ltd	20	Quarterly	Sept, 2014
Dena Bank	20	Quarterly	Sept, 2014
EXIM Bank of India	20	Quarterly	Sept, 2014
ICICI Bank (Vehicle Loan) <sup>3</sup>	36	Monthly	Feb, 2014
IDBI Corporate Loan	18	Quarterly	March, 2015

<sup>3</sup> Equipment and Vehicle loans are secured against the respective equipment/vehicles financed through the said loans.

Rs. in Lacs

		As at 30th June, 2014	As at 30th June, 2013
6	DEFERRED TAX LIABILITIES (NET)		
	(In respect of the timing differences)		
	Deferred Tax Liability		
	On account of Depreciation	692.14	1,129.42
	On Account of Employee Benefits	14.22	4.95
	<b>TOTAL</b>	<b>706.36</b>	<b>1,134.37</b>
7	OTHER LONG-TERM LIABILITIES		
	Long term creditors for Capital Goods	1,386.66	-
	Other Non current liabilities	-	1.44
	Provision for Mark to Market(MTM) on Derivative Contract	77.29	-
	<b>TOTAL</b>	<b>1,463.94</b>	<b>1.44</b>
8	SHORT-TERM BORROWINGS		
	Secured Short Term Borrowings*		
	Loans Repayable on Demand- From Banks		
	In Foreign Currency	8,168.63	4,108.00
	In Rupees	43,990.83	37,578.91
	Unsecured Short Term Borrowings		
	Loans Repayable on Demand- From Other Parties	809.87	835.51
	<b>TOTAL</b>	<b>52,969.33</b>	<b>42,522.43</b>

\* Cash credit /working capital credit facilities are secured by way of first pari passu charge over the entire current assets and second pari passu charge over the entire Immovable and moveable fixed assets of the company, both present and future created in favour of respective banks/trustees along with personal guarantees of the Directors of the company namely Dr. Vinod K. Chaturvedi and Mr. Manoj Pathak.

Rs. in Lacs

		As at 30th June, 2014	As at 30th June, 2013
9	TRADE PAYABLES		
	Sundry Creditors- For Goods	8,485.77	4,456.87
	Sundry Creditors- For Expenses	622.90	490.73
	<b>TOTAL</b>	<b>9,108.67</b>	<b>4,947.60</b>

The Company has not received any information from "Suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amount unpaid as at year end together with interest paid/payable under the said Act have not been given.



Rs. in Lacs

	Particulars	As at 30th June, 2014	As at 30th June, 2013
10	OTHER CURRENT LIABILITIES		
	Current Maturities of Long-Term Debts	5,012.72	1,812.40
	Interest accrued but not due on Borrowings	250.93	105.21
	Unclaimed Dividends	10.68	10.68
	Deposits Payables	5.97	7.74
	Advance received from Customers	247.82	22.70
	Creditors for Capital Expenditure	449.48	527.26
	Other Liabilities including Statutory Liabilities	571.48	640.40
	Interest accrued and due on borrowings	76.26	91.51
	Advance received from related party		
	Usher Infra Logic Limited	72.33	-
	<b>TOTAL</b>	<b>6,697.67</b>	<b>3,217.90</b>
11	SHORT TERM PROVISIONS		
	Provision for employee benefits		
	Provision for Gratuity	41.83	14.56
	Contribution to PF	4.56	4.27
	ESIC	0.30	0.29
	Other Provisions		
	Income Tax	632.60	1,709.87
	<b>TOTAL</b>	<b>679.29</b>	<b>1,728.99</b>

**USHER AGRO LIMITED - SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 30.06.2014**  
**FIXED ASSETS**  
**NOTE 12**

	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	AS ON 01-Jul-13	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	TOTAL AS 30.06.2014	AS ON 01-Jul-13	CHARGED FOR THE YEAR	DEDUCTION FOR THE YEAR	AS ON 30.06.2014	AS ON 30.06.2014	AS ON 30.06.2013
LAND (Read with Note No 47)	1,456.12	-	73.73	1,382.39	-	-	-	-	1,382.39	1,456.12
OFFICE BUILDING	255.73	-	-	255.73	17.85	4.17	-	22.02	233.71	237.88
FACTORY BUILDING	3,214.01	2,465.42	-	5,679.42	459.90	155.77	-	615.67	5,063.75	2,780.99
BUILDING & GODOWNS	550.69	2,804.74	-	3,355.43	51.70	37.68	-	89.38	3,266.05	472.11
PLANT & MACHINERY	12,936.49	18,839.83	-	31,776.31	4,313.80	1,816.70	-	6,130.49	25,645.81	8,622.69
COMPUTER & PRINTER	54.35	27.16	-	81.52	33.76	11.13	-	44.89	36.63	20.59
TUBE WELL, WATER TANKS &	8.73	-	-	8.73	0.95	0.14	-	1.09	7.64	7.78
FURNITURE & FIXTURE	65.27	24.94	-	90.21	17.32	4.45	-	21.77	68.44	47.95
VEHICLE	113.49	69.88	8.58	174.79	48.67	15.12	4.91	58.89	115.91	64.82
OFFICE EQUIPMENT	59.25	5.66	-	64.91	9.36	3.01	-	12.37	52.54	49.88
LABORATORY & STORE EQUIPMENT	100.81	8.93	-	109.74	34.59	10.89	-	45.48	64.25	66.20
<b>TOTAL</b>	<b>18,814.93</b>	<b>24,246.55</b>	<b>82.30</b>	<b>42,979.20</b>	<b>4,987.91</b>	<b>2,059.07</b>	<b>4.91</b>	<b>7,042.06</b>	<b>35,937.12</b>	<b>13,827.02</b>
<b>PREVIOUS YEAR TOTAL</b>	<b>18,719.56</b>	<b>106.92</b>	<b>11.55</b>	<b>18,814.93</b>	<b>3,490.50</b>	<b>1,501.79</b>	<b>4.39</b>	<b>4,987.90</b>	<b>13,827.02</b>	<b>15,229.04</b>

Rs. in Lacs

	Particulars	As at 30th June, 2014	As at 30th June, 2013
13	NON-CURRENT INVESTMENTS		
	Trade Investments- Unquoted		
	In Subsidiary Company " Usher Eco Power Limited." (1,69,13,731(P.Y. 1,69,13,731) Equity Shares of Rs. 10 each fully paid )	1,691.37	1,691.37
	In Wholly owned Foreign Subsidiary Company 'Usher World Wide FZE,UAE' (1 No. (PY 1 No.) Equity shares of AED 150000 each fully paid)	22.71	22.71
	In Other related Party		
	Usher Infra Logic Limited (11,275 (PY 11,275) Equity Shares of Rs. 10 each fully paid up )	11.28	11.28
	<b>TOTAL</b>	<b>1,725.36</b>	<b>1,725.36</b>
	LONG-TERM LOANS AND ADVANCES		
14	(Unsecured, Considered Good)		
	Security Deposits	103.79	112.50
	Loans and Advance to related Parties		
	Usher Eco Power Ltd.	534.04	1,068.09
	<b>TOTAL</b>	<b>637.83</b>	<b>1,180.59</b>
	INVENTORIES		
15	(As valued and certified by the Management)		
	Raw Materials & work in process	46,541.68	29,825.15
	Finished goods	10,145.96	11,095.65
	<b>TOTAL</b>	<b>56,687.64</b>	<b>40,920.80</b>
	TRADE RECEIVABLES		
16	(Unsecured, Considered Good)		
	Trade receivables (outstanding for a period less than six months)	26,321.58	23,682.67
	Trade receivables (outstanding for a period exceeding six months)	169.40	302.01
	<b>TOTAL</b>	<b>26,490.98</b>	<b>23,984.68</b>

**Notes**

- Trade Receivables (outstanding for a period less than six months) includes Rs 452.79 lacs (P.Y. Rs. 702.40 lacs) receivable from the Subsidiary Company M/s Usher Eco Power Ltd.

- The Classification of Trade Receivables outstanding for a period less than six months and exceeding six months is based on the certification from the management, regarding the due date of payment, as per terms of transaction and/or in accordance with further mutual negotiation, formal as well informal with the individual parties concerned

Rs. in Lacs

	Particulars	As at 30th June, 2014	As at 30th June, 2013
17	CASH & BANK BALANCE		
	Cash & Cash Equivalents		
	Cash on hand	73.53	30.08
	Balance with Bank		
	Balance with Scheduled Banks - In Current Accounts	282.29	2,331.26
	Other Bank Balance		
	Fixed Deposits with Interest accrued*	-	
	With more than 12 months maturity	285.74	106.02
	With Less than 12 months maturity	752.09	775.82
	(* Includes FDs held as margin money/guarantee given)		
	Eamarked Balance - In Dividend Accounts	10.68	10.68
	<b>TOTAL</b>	<b>1,404.32</b>	<b>3,253.87</b>
18	SHORT-TERM LOANS AND ADVANCES		
	(Unsecured, Considered Good)		
	Business advances to related parties		
	Usher Eco Power Ltd.	915.36	972.32
	Narayani Nivesh Nigam Pvt Ltd.	12.29	42.30
	Vedika Finance Pvt Ltd	-	14.92
	Usher Capitals Ltd	3.00	2.39
	Usher World Wide FZE,UAE	10.32	10.22
	Usher Oils & Foods Ltd	67.42	(2.09)
	Other loans and advances		
	To related parties		
	Short Term Loan to Usher Eco Power Ltd.	514.66	375.95
	To Others		
	Advance Recoverable in Cash or in kind	32.20	109.36
	<b>TOTAL</b>	<b>1,555.25</b>	<b>1,525.36</b>
19	OTHER CURRENT ASSETS		
	Advance to Suppliers	1,323.26	1,248.74
	Pre Paid Expenses	216.08	39.12
	Staff Advance	56.37	92.50
	Balance with Revenue Authorities	445.88	143.13
	Advances for Capital Goods	306.53	1,613.97
	<b>TOTAL</b>	<b>2,348.12</b>	<b>3,137.46</b>

## USHER AGRO LIMITED - NOTES FORMING PART OF PROFIT & LOSS A/C FOR THE YEAR ENDED 30.06.2014

Rs. in Lacs

	Particulars	As at 30th June, 2014	As at 30th June, 2013
20	INCOME FROM OPERATIONS		
	Sale of Products-Domestic	1,12,233.37	83,308.86
	Sale of Products-Exports	9,894.97	11,454.93
	Other Operating Income	153.67	170.10
	<b>TOTAL</b>	<b>1,22,282.01</b>	<b>94,933.89</b>
21	OTHER INCOME		
	Interest Income	118.58	163.26
	Other Non-operating Income	35.67	59.89
	<b>TOTAL</b>	<b>154.25</b>	<b>223.15</b>
22	COST OF MATERIALS CONSUMED		
	Raw Materials consumed	99,165.11	79,052.11
	<b>TOTAL</b>	<b>99,165.11</b>	<b>79,052.11</b>
23	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
	Opening Stock of Finished Goods	11,095.65	9,292.55
	Less: Closing Stock of Finished Goods	10,145.96	11,095.65
	<b>TOTAL</b>	<b>949.69</b>	<b>(1,803.10)</b>
24	EMPLOYEE BENEFITS EXPENSE		
	Salaries and incentives	1,152.85	966.08
	Contributions to -		
	- Provident fund	28.48	21.61
	- ESIC	2.97	2.61
	-Staff Insurance premium	2.32	0.19
	Gratuity fund contributions	27.27	3.26
	Staff welfare expenses	51.83	28.87
	<b>TOTAL</b>	<b>1,265.72</b>	<b>1,022.62</b>

Rs. in Lacs

	Particulars	As at 30th June, 2014	As at 30th June, 2013
25	FINANCE COSTS		
	Bank Charges	463.77	217.18
	Bank Interest	7,193.30	4,824.18
	Other Interest	8.86	4.38
	<b>TOTAL</b>	<b>7,665.93</b>	<b>5,045.74</b>
26	DEPRECIATION AND AMORTIZATION EXPENSE		
	Depreciation	2,059.06	1,501.79
	<b>TOTAL</b>	<b>2,059.06</b>	<b>1,501.79</b>
27	OTHER EXPENSES		
	Power & Fuel	1,287.52	901.53
	Freight & Cartage	233.66	180.78
	Export Freight including Expenses	1,377.63	1,282.14
	Stores & Spares Consumed	66.45	46.41
	Travelling & Conveyance	84.48	72.99
	Printing & Stationery	21.41	19.91
	Directors Remuneration and Managerial Commission	185.65	130.21
	Provision for CSR Activity	38.86	27.61
	Director's Sitting Fee	5.58	6.28
	Postage ,Courier & Telephone	26.78	20.72
	Insurance	33.95	27.76
	Rent	14.80	17.24
	Warehousing Charges	430.01	392.60
	Repairs & Maintenance - Plant & Machinery	183.89	71.97
	Repairs & Maintenance - Building	19.10	6.23
	Running & Maintenance - Vehicle	44.33	41.72
	Repairs & Maintenance - Others	5.38	1.09
	Subscriptions & Membership	11.83	8.13
	Legal & Professional Fees	81.66	58.98

Rs. in Lacs

Particulars	As at 30th June, 2014	As at 30th June, 2013
Loss/(Gain) on Foreign Exchange Fluctuation	86.79	144.47
Office & Misc Expenses	101.44	54.41
Quality Control Expenses	24.62	13.06
Rebate & Discount	96.53	49.71
Loss on Sales of Car	1.20	3.24
Filing fees /R.O.C fee	7.57	5.28
Handling Charges	64.99	21.85
Brokerage & Commission	184.78	164.35
Advertisement & Business Promotion	15.21	38.41
Audit fees	5.79	5.62
Provision for Mark to Market(MTM) on Derivative Contract	77.29	-
<b>TOTAL</b>	<b>4,819.18</b>	<b>3,814.70</b>

## 28 Earning Per Share (EPS)

(Rs. In Lacs except EPS face value and nos. of shares)

Particulars	2013-14	2012-13
i) Net Profit after tax as per profit and loss account	6,694.66	4,536.08
ii) Net Profit attributable to equity share holders	6,694.66	4,536.08
iii) Net Profit before exceptional and extraordinary items and Taxes	6,511.56	6,523.18
iv) Weighted Average number of equity shares used as denominator for calculation of Basic EPS	3,80,59,039	3,80,59,039
v) Weighted Average number of equity shares used as denominator for calculation of Diluted EPS*	3,80,59,039	3,80,59,039
vi) Basic and Diluted EPS		
- Basic	17.59	11.92
- Diluted	17.59	11.92
vii) Face Values per equity share	10	10

## 29 Capital Work in Progress

(Rs. In Lacs)

Particulars	30.06.2014	30.06.2013
Civil work of Construction & Land Development	835.09	6,256.89
Plant & Machinery under installation	1,844.98	5,758.56
Preoperative Expenses related to assets under construction	321.80	2,051.57
<b>TOTAL</b>	<b>3,001.87</b>	<b>14,067.02</b>

## 30 Benefits to Employees :

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee Benefits as defined in the Accounting Standard are given below :

## (i) Defined Contribution Plan:

Contribution to Defined Contribution Plan, recognized as expenses for the year are as under :

Particulars	Rs. in Lacs	
	30.06.2014	30.06.2013
Employer's contribution to Provident Fund, ESIC and Group Insurance	33.76	24.41

## (ii) Changes in the present value of the defined benefit obligation are as follows:

Particulars	Rs. in Lacs	
	30.06.2014	30.06.2013
Opening defined benefit obligation	21.11	17.37
Interest cost	1.69	1.39
Current service cost	17.18	9.48
Transfer out (*)	(0.07)	-
Transfer in (**)	0.78	-
Past Service Cost (Non Vested Benefits)	-	-
Past Service Cost (Vested Benefits)	-	-
Benefit paid	-	-
Actuarial (gain)/losses on obligation	8.14	(7.13)
Closing defined benefit obligation	48.83	21.11

(\*) One employee was transferred from Usher Agro Ltd to Usher Eco Power Ltd

(\*\*) Ten employees were transferred from Usher Eco Power Ltd to Usher Agro Ltd

## (iii) Changes in the fair value of plan assets are as follows:

Particulars	Rs. in Lacs	
	30.06.2014	30.06.2013
Opening fair value of plan assets	6.55	6.07
Adjusted in opening balance	-	-
EXPECTED RETURN	0.44	0.61
Contributions by employer	-	-
Benefits paid	-	-
Actuarial gains / (losses)	-	(0.12)
Closing fair value of plan assets	6.99	6.55



(iv) Fair value of plan assets:

Rs. in Lacs

Particulars	30.06.2014	30.06.2013
Fair value of plan assets at the beginning of period	6.55	6.07
Adjusted in opening balance	-	-
Actual Return of plan assets	0.44	0.49
Contributions	-	-
Benefits paid	-	-
Fair value of the plan assets at the end of period	6.99	6.55
Funded status (including unrecognized past service cost)	(41.83)	(14.56)
Excess of actual over estimated return on plan assets	-	(0.12)

(v) Experience History

Rs. in Lacs

Particulars	30.06.2014	30.06.2013
(Gain)/Loss on obligation due to change in Assumption	17.01	(4.03)
Experience (Gain)/ Loss on obligation	(8.87)	(3.10)
Actuarial Gain/(Loss) on plan assets	-	(0.12)

(vi) Actuarial gain/(loss) recognized

Rs. in Lacs

Particulars	30.06.2014	30.06.2013
Actuarial gain/(loss) for the period (Obligation)	(8.14)	7.13
Actuarial gain/(loss) for the period – (Plan Assets)	-	(0.12)
Total gain/(loss) for the period	(8.14)	7.01
Actuarial gain/(loss) recognized for the period	(8.14)	7.01
Unrecognized Actuarial gain/(loss) at end of period	-	-

(vii) Past Service cost recognised

Rs. in Lacs

Particulars	30.06.2014	30.06.2013
Past service Cost – (non vested benefits)	-	-
Past Service Cost – (vested benefits)	-	-
Average remaining future service till vesting of the benefit	-	-
Recognized Past service Cost – (non vested benefits)	-	-
Recognized Past Service Cost – (vested benefits)	-	-
Unrecognized Past Service Cost – non vested benefits	-	-

(viii) The amount recognised in the Balance Sheet

Rs. in Lacs

Particulars	30.06.2014	30.06.2013
Present value of obligation at the end of the year	48.83	21.11
Fair value of plan assets at the end of the year	6.99	6.55
Funded status	(41.83)	(14.56)
Excess of actual or estimated	-	-
Unrecognized actuarial gains / (loss)	-	-
Unrecognized Past Service cost - Non Vested Benefit	-	-
Net assets/(liabilities) recognized in the Balance Sheet	(41.83)	(14.56)

(ix) Expenses recognized in the Profit &amp; Loss account

Rs. in Lacs

Particulars	30.06.2014	30.06.2013
Current service cost	17.18	9.48
Interest cost on benefit obligation	1.69	1.39
Expected return on plan assets	(0.44)	(0.61)
Net actuarial( gain) / loss recognized in the year	8.14	(7.01)
Past service cost- Non Vested Benefits	-	-
Past Service cost -Vested Benefits	-	-
Expenses recognized in the Profit & Loss A/c	26.56	3.26

(x) Details of Provision for gratuity

Rs. in Lacs

Particulars	30.06.2014	30.06.2013
Net liability at the beginning of the year	14.56	11.31
Transfer in (**)	0.78	-
Transfer out (*)	(0.07)	-
Adjusted in opening balance	-	-
Expenses recognized during the year	26.56	3.26
Net Expenses recognized during the year	27.27	3.26
Contribution paid during the year	-	-
Net liability at the end of the year	41.83	14.56

(xi) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	Rs. in Lacs	
	30.06.2014	30.06.2013
Mortality table	IALM (1994-96) Ult.	LIC (1994-96) Ult.
Interest/Discount rate	8.00%	8.00%
Expected rate of return on plan assets	6.75%	10.00%
Increase in Compensation cost	10.00%	7.00%
Employee turnover	5.00%	18.00%
Expected average remaining service	13.51 Yrs	4.37 Yrs

### 31 SEGMENT INFORMATION

#### Business Segments :

The Company is operating in three different business segments i.e. food processing, Bio-mass power generation and logistic. However, considering their size, volume of operations the same are not qualified into the reporting criteria of Business segments as described in the accounting Standard (AS) 17 as Segment Reporting, issued by the Institute of Chartered Accountants of India (ICAI). Hence no disclosure is required to be made under AS-17 as Segment Reporting.

#### Geographical Segments :

The Company is carrying on its operational activities in the domestic market i.e. India as well as in overseas market i.e. an export hence geographical segment i.e domestic and overseas has identified as secondary segment and the details of segment results as per AS 17 issued by ICAI are as under :-

#### Information about Secondary Segments

Particulars	Rs. in Lacs	
	For the year ended 30th June, 2014	For the year ended 30th June, 2013
Revenue By Geographical Market		
India	1,12,387.04	83,478.96
Outside India	9,894.97	11,454.93
<b>TOTAL</b>	<b>1,22,282.00</b>	<b>94,933.89</b>
Addition To Fixed Assets And Intangible Assets (Include Capital work in progress)		
India	12,910.10	9,776.03
Outside India	-	-
<b>TOTAL</b>	<b>12,910.10</b>	<b>9,776.03</b>
Carrying Amount Of Fixed Assets		
India	38,938.99	27,894.04
Outside India	-	-
<b>TOTAL</b>	<b>38,938.99</b>	<b>27,894.04</b>

Notes:-

The geographical segments considered for disclosure are as follows :

Sales within India includes Sales to Customers located within India

Sales Out side India includes Sales to customers located outside India including merchant exporters.

The carrying amount of segment assets in India and Outside India is based on geographical location of the respective assets.

### 32 AUDITORS REMUNERATION IS AS UNDER:

Rs. in Lacs

Particulars	2013-2014	2012-2013
Audit Fees	3.50	3.50
Tax Audit Fees	1.65	1.50
Service Tax	0.64	0.62
<b>TOTAL</b>	<b>5.79</b>	<b>5.62</b>

### 33 EXPENDITURE/REVENUE IN FOREIGN CURRENCY

Earnings in foreign currency (Cash/Accrual basis)

Rs. 4944.43 lac

Export Sales on FOB Basis\*

(P.Y. Rs. 7,982.83 lac )

\* Export sales exclude sales to merchant exporter

Rs. 1,534.30 lac

Value of imports calculated on CIF basis

(P.Y. Rs. 27.22 lac)

Capital goods

Rs. in Lacs

Particulars	2013-2014	2012-2013
Finance Charges	743.71	385.73
Commission	32.88	51.01
Travelling Expenses	7.20	2.41
Professional Fees & Subscription Charges	0.09	0.77
<b>TOTAL</b>	<b>783.89</b>	<b>439.92</b>

## 34 Net dividend remitted in foreign currency

(All are in Rs. In Lacs except nos.)

Particulars	2013-2014	2012-2013
Number of Non-resident shareholders	N.A.	95
Number of Equity Shares held by them	N.A.	50,68,970
Amount of dividend paid (Gross), TDS Rs. Nil (P.Y.Nil)	NIL	76.03
Year to which dividend relates	N.A.	2011-12

## 35 Provisions and Contingencies

Rs. in Lacs

Contingent Liabilities not provided for	2013-2014	2012-2013
Letter of Credit issued by the Bankers of the Company in favour of suppliers ( Fixed deposits in the form of margin money including interest thereon of Rs. 434.64 lacs (P.Y. Rs. 228.85 lac) have been kept with respective bankers for the said letter of credit)	2,316.56	1,961.61
Letter of Credit issued by the Bankers of the Company for import of capital goods*. (Fixed deposits in the form of margin money including interest thereon of Rs. Nil (P.Y. Rs. Nil) have been kept with respective bankers for the said letter of credit) * Converted on the foreign exchange conversion rate prevailing on the date of Balance Sheet.	1,452.40	1,188.78
Bank guarantees issued by the bankers of the Company for EPCG License (Fixed deposits of Rs. 33.71 lac (P.Y. Rs. 25.25 lac) have been kept with respective Banks for the said bank guarantees)	25.25	25.25
VAT & CST Liability in respect of A.Y. 2008-09 for which company has filed appeal with Appellate Tribunal, Agra	29.17	29.17
Entry Tax Liability in respect of A.Y. 2008-09 for which company has gone into appeal with the appropriate authority	4.26	4.26
VAT & CST Liability in respect of A.Y. 2009-10 for which the company had filed application for rectification of order u/s 31 of UP VAT Acts. 2008, the application was accepted by the department and has remanded back the case to assessing authority as a fresh case.	-	239.54
VAT Liability in respect of A.Y. 2009-10 for which company has filed appeal with Additional Commissioner Grade -II (Appeal) Mathura.	0.21	0.21
VAT & CST Liability in respect of A.Y. 2010-11 for which company has gone into the appeal with the appropriate authority	201.87	201.87
VAT Liability in respect of A.Y. 2012-13 for which company has gone into the appeal with the appropriate authority	2.15	2.15

Rs. in Lacs

Contingent Liabilities not provided for	2013-2014	2012-2013
Stamp Duty Liability pursuant to letter by Stamp Authority, Mathura, dt 13.02.2012, dt 22.02.2012 & dt 09.12.2011 (The management has taken expert legal opinion on the said stamp duty matter and based on that opinion, the total liability in the subject matter may not exceed to Rs. 12.00 lacs and the matter has already been taken up with the appropriate authorities.)	452.00	452.00

Note: The Company has given Corporate Guarantee for Foreign Currency Loan (ECB) of USD 132.50 Lacs (equivalent to Rs. 7963.25 Lacs) (P.Y. USD 132.50 Lacs (equivalent to Rs. 7,910.18 Lacs)) taken by its Subsidiary Company i.e. Usher Eco Power Ltd from Axis Bank Limited. This guarantee was given for the intervening period till the stabilisation of commercial power generation by the said subsidiary company and is due for withdrawal.

### 36 Derivative Instruments and Unhedged Foreign Currency Exposure

Derivative Instruments:

The Company uses commodities / forward contracts to hedge its risk associated with fluctuation in prices of food grain / commodities/currency.

The company does not use forward contract for speculative purposes.

In the forward contract entered by the Company, where the counter party is a recognised commodities exchange. The hedging / forward contracts mature generally between one to six months. The company considers the risk of non-performance by the counter party as negligible.

Outstanding short term commodities forward contracts entered into by the Company at the year end are Rs. Nil (P.Y.Nil)

Particulars of Outstanding Interest rate swaps to hedge against fluctuations in interest rate change as at the Balance Sheet date:

As at	No. of Contracts	Amount (In USD)	Amount (Rs. in Lacs)
30-Jun-14	3	1,71,10,306.00	10,283.29
30-Jun-13	3	1,80,50,155.50	10,775.85

Particulars	Amount
Creditors for Capital Goods	Rs. 1,386.66 lac, (JPY 187,187,000; GBP 270,000) (P.Y. Nil)
Foreign Currency Loan	Rs. 11,187.82 lac, (USD 1,86,15,341.73) {P.Y. Rs. 10,963.33 Lac, (USD 18,364,189.36)}
Foreign Debtors	Rs. 189.10 lac, (USD 314,646.30) {(P.Y. Rs. 442.69 Lac (USD 741,897.77)}

Particulars	Amount
Interest Accrued but Not Due on ECB	Rs. 103.04 lac, (USD 169,690.09) {(P.Y. Rs. 100.31 Lac (USD 168,027))}
Interest Accrued and Due on PCFC	Rs. 3.56 Lacs, (USD 5,929.33) (P.Y. Rs. 4.64 Lacs (USD 7780))
Advance from Customers	Rs. 237.97 lac (USD 395,958.88) {P.Y. Rs. 4.48 lac, (USD 7500)}
Advance to Subsidiary	Rs. 10.32 Lacs, (AED 63,090) {P.Y. Rs. 10.22 Lac, (AED 63,090)}
Investment in Foreign Subsidiary Company	Rs. 24.54 lac, (AED 1,50,000) {P.Y. Rs. 24.31 lac, (AED 1,50,000)}

\* Converted at the foreign exchange conversion rate prevailing on the date of Balance Sheet.

### 37 Leases

In case of assets taken on lease

Finance Lease :

There are no finance lease transactions in the reporting period hence no disclosure is required to be made under AS 19 – Accounting for Leases, issued by the ICAI

Operating Lease :

(i) Office premises, godowns and warehouses are obtained on operating lease basis during the financial year in relation of business. The lease terms are normally for 11 months and renewable at the option of the Company. There are no restrictions imposed in lease arrangements. There are no subleases.

Particulars	Operating Lease (Rs. in Lacs)	
	2013-14	2012-13
Lease payments for the year	444.81	409.84
Minimum Lease Payments :		
Not later than one year	55.82	83.15
Later than one year but not later than five years	19.16	7.85
Later than five years	-	-

(ii) The Company has given office premises on operating lease basis for a period of less than one year.

Particulars	Operating Lease (Rs. in Lacs)	
	2013-14	2012-13
Lease payments for the year	7.41	9.79
Minimum Lease Payments :		
Not later than one year	7.65	2.50
Later than one year but not later than five years	-	0.45
Later than five years	-	-

## 38 Impairment of assets

As on the Balance Sheet date the carrying amounts of the assets net of accumulated depreciation is not less than the recoverable amount of those assets. Hence, in the opinion of the management, there is no provision for impairment loss on the assets of the Company is required to be made under Accounting Standard-28 (Impairment of Assets) issued by the ICAI.

## 39 Related Parties

<b>Names of related parties</b>	
Names of related parties where control exists irrespective of whether transactions have occurred or not	Usher Eco Power Limited. (Subsidiary Company)  Usher World Wide FZE (Wholly Owned Foreign Subsidiary Company from 4th July, 2012)
Names of other related parties with whom transactions have taken place during the year Key Management Personnel	Mr. V. K. Chaturvedi (Managing Director) Mr. Manoj Pathak (Whole Time Director)
Relatives of key management personnel	Mrs. Samta Chaturvedi, (wife of Managing Director Mr. V. K. Chaturvedi) Mrs. Shimla Pathak, (wife of Whole Time Director Mr. Manoj Pathak)
Enterprises owned or significantly influenced by key management personnel or their relatives	Usher Capitals Limited. Vedika Finance Pvt. Limited Usher Oils & Foods Limited. Usher Infra Logic Limited. Narayani Nivesh Nigam Private Limited



## USHER AGRO LIMITED - RELATED PARTY TRANSACTION FOR THE YEAR 2013-14

Rs. in Lacs

Particulars	Subsidiary		Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Relatives of Key Management Personnel (Spouse, son, daughter, brother, sister, father, mother who may influence or be influenced by such personnel in his dealings with the Company)		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	June-14	June-13	June-14	June-13	June-14	June-13	June-14	June-13	June-14	June-13
<b>Employee Benefits for Key Management Personnel*</b>										
Mr. V. K. Chaturvedi			79.45	68.20					79.45	68.20
Mr. Manoj Pathak			50.26	42.76					50.26	42.76
<b>Share Application Money paid**</b>										
Usher World Wide,FZE	-	22.71								22.71
Shares Allotment										
Usher World Wide,FZE	-	22.71								22.71
<b>Loan/Business Advances Taken/repayment</b>										
Usher Eco Power Ltd.	2,190.50	1,389.86							2,190.50	1,389.86
Narayani Nivesh Nigam Pvt. Ltd.							94.58	50.00	94.58	50.00
Vedika Finance Private Ltd.							15.03		15.03	
Usher Infra Logic Ltd.							182.05	675.46	182.05	675.46
<b>Loan/Business Advances Given/ repaid</b>										
Usher Eco Power Ltd.	1,420.91	2,347.43							1,420.91	2,347.43
Narayani Nivesh Nigam Pvt. Ltd.							15.60	53.50	15.60	53.50
Usher Oils & Foods Ltd.							-	67.05		67.05
Vedika Finance Private Ltd.							-	13.80		13.80
Usher Infra Logic Ltd.							60.48	543.13	60.48	543.13
<b>Rent Income (Truck/office/Godown)</b>										
Usher Oils & Foods Ltd.							62.13	134.52	62.13	134.52
Usher Infra Logic Ltd.							53.59	22.18	53.59	22.18
<b>Proceeds of Rental Income</b>										
Usher Oils & Foods Ltd.							8.66	96.31	8.66	96.31
Usher Infra Logic Ltd.							4.65	1.997	4.65	2.00
<b>Rent Expenses (Trucks/Office)</b>										
Usher Infra Logic Ltd.							219.46	166.18	219.46	166.18

## USHER AGRO LIMITED - RELATED PARTY TRANSACTION FOR THE YEAR 2013-14

Rs. in Lacs

Particulars	Subsidiary		Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Relatives of Key Management Personnel (Spouse, son, daughter, brother, sister, father, mother who may influence or be influenced by such personnel in his dealings with the Company)		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	June-14	June-13	June-14	June-13	June-14	June-13	June-14	June-13	June-14	June-13
Mrs. Shimla Pathak				-			1.80	3.00	1.80	3.00
Narayani Nivesh Nigam Pvt. Ltd.							4.80	4.80	4.80	4.80
<b>Payment of Rent (Trucks/office)</b>										
Mrs. Shimla Pathak				-			4.59	0.35	4.59	0.35
Usher Infra Logic Ltd.							219.22	154.96	219.22	154.96
Narayani Nivesh Nigam Pvt. Ltd.							0.48		0.48	
<b>Sale of goods</b>										
Usher Eco Power Ltd.	1,753.84	583.38							1,753.84	583.38
<b>Proceeds of sale of Goods</b>										
Usher Eco Power Ltd.	1,097.50								1,097.50	-
<b>Purchase of Steam /Electricity</b>										
Usher Eco Power Ltd.	713.48	410.73							713.48	410.73
Incurring by related party on our Behalf										
Usher Eco Power Ltd.	-	1.54							-	1.54
Usher Infra Logic Ltd.							10.16		10.16	
Narayani Nivesh Nigam Pvt. Ltd.							2.79	2.25	2.79	2.25
<b>Repayment to related party of expenses reimbursement</b>										
Usher Eco Power Ltd.		47.28								47.28
Narayani Nivesh Nigam Pvt. Ltd.								4.97		4.97
Incurring for related party										
Usher Eco Power Ltd.	49.96	-							49.96	-
Usher Infra Logic Ltd.							145.45	16.61	145.45	16.61
Usher Oils & Foods Ltd.							26.27	11.19	26.27	11.19
Usher Capitals Ltd.							0.62	0.13	0.62	0.13
Vedika Finance Private Ltd.							0.12		0.12	
Narayani Nivesh Nigam Pvt. Ltd.							6.06		6.06	

## USHER AGRO LIMITED - RELATED PARTY TRANSACTION FOR THE YEAR 2013-14

Rs. in Lacs

Particulars	Subsidiary		Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Relatives of Key Management Personnel (Spouse, son, daughter, brother, sister, father, mother who may influence or be influenced by such personnel in his dealings with the Company)		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	June-14	June-13	June-14	June-13	June-14	June-13	June-14	June-13	June-14	June-13
	Usher World Wide FZE									
Repaid by the related party										
Usher Eco Power Ltd.	48.25								48.25	-
Usher Oils & Foods Ltd.							15.75			15.75
Usher Infra Logic Ltd.							130.80		130.80	-
Corporate Guarantee Given										
Usher Eco Power Ltd.	7,963.25	7,910.18							7,963.25	7,910.18
<b>Outstanding amount of Corporate Guarantee</b>										
Usher Eco Power Ltd.	6,701.13	6,717.04							6,701.13	6,717.04
<b>Advance against supply</b>										
Usher Eco Power Ltd.	123.15	872.90							123.15	872.90
<b>Balances Outstanding at the year end (Dr/(Cr))*</b>										
Mr. V. K. Chaturvedi			(5.86)	(4.47)					(5.86)	(4.47)
Mr. Manoj Pathak			(1.03)	(1.68)					(1.03)	(1.68)
Mrs. Shimla Pathak							0.15	(2.65)	0.15	(2.65)
Vedika Finance Private Ltd.							14.92	-	14.92	
Usher Eco Power Ltd.	2,416.86	3,120.03						-	2,416.86	3,120.03
Usher Infra Logic Ltd.							(72.42)	-	(72.42)	-
Narayani Nivesh Nigam Pvt. Ltd.							12.29	42.30	12.29	42.30
Usher Capitals Ltd.							3.00	2.39	3.00	2.39
Usher Oils & Foods Ltd.							67.42	(2.09)	67.42	(2.09)
Usher World Wide FZE	10.32	10.22							10.32	10.22
<b>Total Balance outstanding.</b>	<b>2,427.18</b>	<b>3,130.26</b>	<b>(6.89)</b>	<b>(6.15)</b>			<b>10.45</b>	<b>54.87</b>	<b>2,437.48</b>	<b>3,178.98</b>

## 40 Raw Material Consumed

Rs. in Lacs

Particulars	2013-2014	2012-2013
Paddy & Dehusked Raw Rice	85,700.71	70,112.63
Wheat	10,065.93	8,220.30
Bajra	-	98.00
Barley	-	76.58
Packing Material	1,089.04	544.61
Pulses-Raw	2,309.44	-
<b>TOTAL</b>	<b>99,165.11</b>	<b>79,052.12</b>

## 41 Purchase of Raw Material

Rs. in Lacs

Particulars	2013-2014	2012-2013
Paddy & Dehusked Raw Rice	101,472.92	74,490.30
Wheat	10,779.66	11,305.58
Bajra	-	98.00
Barley	-	76.58
Packing Material	1,164.62	490.59
Pulses-Raw	2,464.44	-
<b>TOTAL</b>	<b>115,881.64</b>	<b>86,461.05</b>

## 42 Value of Sales, Closing and Opening Inventory

Rs. in Lacs

Particulars	2013-2014	2012-2013
OPENING STOCK OF FINISHED GOODS AND BY PRODUCTS		
Rice	10,096.24	6,634.08
Wheat Products	234.05	165.30
Husk	470.97	743.68
Bran	217.80	1,749.49
Barley	76.58	
<b>TOTAL</b>	<b>11,095.65</b>	<b>9,292.55</b>

Rs. in Lacs

Particulars	2013-2014	2012-2013
SALES		
Rice	1,01,305.06	77,342.64
Wheat Product	12,651.85	10,642.85
Bajra	-	130.06
Bran	4,320.27	4,965.08
Husk	1,768.31	1,683.16
Barley	100.59	-
Toor Daal Finished	1,877.49	-
Chuni	104.77	-
<b>TOTAL</b>	<b>1,22,128.34</b>	<b>94,763.79</b>
CLOSING STOCKS		
Finished Rice	8,837.36	10,096.24
Wheat Product	347.92	234.05
Husk	15.00	470.97
Barley	-	76.58
Bran	219.09	217.80
Toor Daal Finished	685.60	-
Chuni	40.98	-
<b>TOTAL</b>	<b>10,145.96</b>	<b>11,095.64</b>

## 43 Capital Commitments

Rs. in Lacs

Particulars	2013-2014	2012-2013
Estimated amount of contracts remaining to be executed on capital account and not provided for.	548.21	4,753.99
<b>TOTAL</b>	<b>548.21</b>	<b>4,753.99</b>

## 44 Provision for Taxation

Provision for current tax has been made as per provisions of the Income Tax Act, 1961, after considering deduction/exemptions, if any, available to the Company under the said Act. Further, the provision for current tax and deferred tax has been made up to 31st March, 2014, financial year ending as per the said Act.

45 The Balances of Debtors, Creditors, Loans & Advances and other parties are subject to confirmation and reconciliation, if any.

46 In the opinion of the Board, the Assets (other than fixed assets & non-current investments) are approximately of the value stated if realized in the ordinary course of business and the provisions of all known liabilities are adequate.

#### 47 Foreign Exchange Fluctuation

The Company has opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standard) Amendment Rules 2009 relating to Accounting Standard 11(AS-11) notified by Government of India on 31st March, 2009. Accordingly the effect of exchange differences on foreign currency loans of the company is accounted by addition or deduction to the cost of the assets so far it relates to the depreciable capital assets. The total amount of foreign exchange fluctuation profit/ (loss) of Rs. 75.00 lac (P.Y. (859.22) lac) has been reduced/added from CWIP/pre-operative expenses account/ fixed assets during the year.

#### 48 Extraordinary Item

During the year 2013-14, National Highway Authority of India (NHAI) has acquired 0.611 hectare land of the Company located at Chatta (Mathura) for widening the National Highway- 2. The said land parcels were acquired by the company during the FY 2010-2011.

The Company has received compensation of Rs. 268.84 lac on 4th December 2013 and recognised profit of Rs. 195.11 lac, as an extraordinary item in the Statement of Profit and Loss for the said compulsory acquisition of land by NHAI.

49 The Company has not provided income tax on the capital gain arising on the compulsory acquisition (as referred in Note No. 47), as it intends to claim deduction of the capital gain under Section 54D of the Income Tax Act, 1961 by investing the amount of capital gain in new land and building for industrial purposes.

50 The Financial Statements, comprising the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement have been prepared in accordance with the provision of General Circular 08/2014 dated 4th April, 2014 of the Ministry of Corporate Affairs.

51 Previous Year figures has been regrouped/ reclassified, wherever necessary to correspond with the current years classification/ disclosure

**For Ajmera Ajmera & Associates**  
Chartered Accountants  
Firm Reg.: 123989W

Sd/-

**Sandeep Ajmera**

(Partner)

M. No. : 048277

**For Parekh Shah & Lodha**  
Chartered Accountants  
Firm reg.: 107487W

Sd/-

**Ashutosh Dwivedi**

(Partner)

M.No. : 410227

Sd/-

**Sarika S. Singh**

Company Secretary

Sd/-

**V. K. Chaturvedi**

Managing Director

Sd/-

**Manoj Pathak**

Wholesale Director

**For and on behalf of the Board**  
**Usher Agro Limited**

Date: 28th Aug, 2014

Place : Mumbai

# Independent Auditor's Report

To The Members of  
Usher Agro Ltd.

## Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **USHER AGRO LIMITED** (the "Company"), its subsidiary **USHER ECO POWER LIMITED** and wholly owned Foreign Subsidiary **USHER WORLDWIDE FZE** (the Company and its subsidiaries constitute the "Group") as at June 30, 2014, which comprise the consolidated Balance Sheet as at June 30, 2014, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement, for the year then ended, and a summary of significant accounting policies and other explanatory information, in accordance with the provision of General Circular 08/2014 dated 4th April, 2014 issued by the Ministry of Corporate Affairs, Government of India..

## Management's Responsibilities for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated 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 notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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 consolidated financial statements.

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

As stated in the Other Matters paragraph below, our opinion, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries, jointly controlled entities and associates not audited by us, is based solely on the reports of such other auditors.

## Basis for Qualified opinion

1. M/s Usher Eco Power Limited has incurred expenses Rs. 170.53 lacs from financial year 2008-09 till the year ended March 31, 2014 in connection with its initial Public Offering (IPO). As explained in Note No.52 of the financial statements, the Company has dropped the IPO. However, such expenditure has not been written off in the Statement of Profit and Loss and has been included under other Current Assets for adjustment against the securities premium that will be received upon the issue of shares in future. This is not in compliance with the provision of Section 78 of the Companies Act, 1956.

Had the Company written off the Pre IPO Expenses in the Statement of Profit and Loss Account, the loss for the year would have been higher by ₹17053.43 thousands and other Current Assets would have been lower by an equivalent amount.

### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the separate audit reports on the financial statements/financial information of the subsidiaries and the unaudited financial statements/financial information of the subsidiaries, referred to below in the Other Matters paragraph except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at June 30, 2014;
- b) in the case of the consolidated Statement of Profit and Loss, of the profit of the group for the year ended on that date;
- c) in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Place: Mumbai  
Date: 28th August, 2014

### Emphasis of Matter

We draw attention to:

#### M/s. Usher Agro Limited

- a) Note No.47 to the financial statements which describes that Balance of Debtors, Creditors, Loans & Advances and other parties are subject to confirmation and reconciliation.

### Other Matter

We did not audit the financial statements/financial information of any of the subsidiaries, whose financial statements/financial information reflect total assets of Rs. 13,412.65 lacs as at March 31, 2014 (P.Y. Rs. 13,088.45 lacs), total revenues of Rs. 2,981.33 lacs (P.Y. Rs. 1,447.21 lacs) and net cash flows amounting to Rs. 76.53 lacs (P.Y. Rs. 73.86 lacs) for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditors, whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

**For Ajmera Ajmera & Associates**  
**Chartered Accountants**  
**Firm Reg.: 123989W**

*Sd/-*  
**Sandeep Ajmera**  
(Partner)  
M. No. : 048277

**For Parekh Shah & Lodha**  
**Chartered Accountants**  
**Firm reg.: 107487W**

*Sd/-*  
**Ashutosh Dwivedi**  
(Partner)  
M.No. : 410227



## USHER AGRO LIMITED - CONSOLIDATED BALANCE SHEET AS AT 30TH JUNE 2014

Rs. in Lacs

	Particulars	Note	As at 30th June, 2014	As at 30th June, 2013
I	EQUITY AND LIABILITIES			
1	Shareholder's Fund			
a	Share Capital	3	3,805.90	3,805.90
b	Reserves and Surplus	4	33,809.05	27,526.98
			<b>37,614.95</b>	<b>31,332.88</b>
2	Share Application Money		-	-
2	Minority Interest		433.48	570.88
3	Non-Current Liabilities			
a	Long-Term Borrowings	5	25,829.42	24,279.29
b	Deferred Tax Liabilities (Net)	6	971.87	1,402.58
c	Other Long Term Liabilities	7	1,386.66	1.44
d	Long-Term Provisions	8	124.33	87.99
			<b>28,312.28</b>	<b>25,771.30</b>
4	Current Liabilities			
a	Short-Term Borrowings	9	54,069.90	42,522.42
b	Trade Payables	10	9,354.18	5,270.61
c	Other Current Liabilities	11	8,527.48	5,114.48
d	Short-Term Provisions	12	679.80	1,730.88
			<b>72,631.36</b>	<b>54,638.40</b>
	<b>TOTAL</b>		<b>1,38,992.07</b>	<b>1,12,313.46</b>
II	ASSETS			
1	Non-current Assets			
a	Fixed assets	13		
	i. Tangible Assets		47,140.71	24,744.80
	ii. Intangible Assets		123.03	8.82
	iii Goodwill		43.88	43.88
	ii. Capital Work-In-Progress	31	3,022.74	14,081.63
			<b>50,330.36</b>	<b>38,879.13</b>
b	Non-Current Investments	14	11.28	11.28
c	Long-Term Loans And Advances	15	103.79	112.50
d	Other Non Current Assets	16	538.39	292.03
			<b>653.46</b>	<b>415.81</b>
2	Current Assets			
a	Inventories	17	57,512.57	41,299.80
b	Trade Receivables	18	26,258.90	24,461.98
c	Cash and Cash Equivalents	19	1,305.94	3,371.60
d	Short-Term Loans And Advances	20	360.50	331.68
e	Other Current Assets	21	2,570.34	3,553.46
			<b>88,008.24</b>	<b>73,018.52</b>
	<b>TOTAL</b>		<b>1,38,992.07</b>	<b>1,12,313.46</b>
	Notes to Balance Sheet and Statement of profit and loss	1-56		

As per our report of even date  
**For Ajmera Ajmera & Associates**  
Chartered Accountants  
Firm Reg.: 123989W

Sd/-  
**Sandeep Ajmera**  
(Partner)  
M. No. : 048277

**For Parekh Shah & Lodha**  
Chartered Accountants  
Firm reg.: 107487W

Sd/-  
**Ashutosh Dwivedi**  
(Partner)  
M.No. : 410227

**For and on behalf of the Board**  
Usher Agro Limited

Sd/-  
**Sarika S. Singh**  
Company Secretary

Sd/-  
**V. K. Chaturvedi**  
Managing Director

Sd/-  
**Manoj Pathak**  
Wholetime Director

Date: 28th Aug, 2014  
Place : Mumbai

## USHER AGRO LIMITED - CONSOLIDATED STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 30TH JUNE, 2014

Rs. in Lacs

	Particulars	Note	Year Ended 30th June, 2014	Year Ended 30th June, 2013
I	Revenue from Operations	22	122,644.14	95,803.09
II	Other Income	23	172.86	225.33
<b>III</b>	<b>Total Revenue (I + II)</b>		<b>1,22,817.00</b>	<b>96,028.42</b>
IV	Expenses:			
	Cost of Materials Consumed	24	99,232.01	79,800.65
	Changes in Inventories(Increase)/Decrease of Finished Goods	25	949.69	(1,803.10)
	Employee Benefits Expense	26	1,382.31	1,083.68
	Finance Costs	27	8,342.95	5,223.77
	Depreciation and Amortization Expense	28	2,427.30	1,646.10
	Other Expenses	29	4,630.58	3,783.48
	<b>Total expenses</b>		<b>1,16,964.84</b>	<b>89,734.57</b>
V	Profit before exceptional and extraordinary items and tax (III-IV)		5,852.16	6,293.86
VI	Exceptional items		-	-
VII	Profit before extraordinary items and tax (V - VI)		5,852.16	6,293.86
VIII	Extraordinary Items		300.97	-
IX	Profit before tax (VII- VIII)		6,153.13	6,293.86
X	Tax Expense:			
	(1) Current Tax		689.15	1,738.70
	(2) Deferred Tax		(430.71)	422.71
	(3) Short /( Excess )Provision for Income Tax for Earlier Years		(249.13)	93.90
XI	Profit (Loss) for the period from continuing operations (IX-X)		6,143.81	4,038.55
XII	Minority Interest		(137.40)	(148.56)
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV	Profit (Loss) for the period (XI + XIV)		6,281.22	4,187.11
XVI	Earnings per equity share:			
	Basic		16.50	11.00
	Diluted		16.50	11.00
	Notes to Balance Sheet and Statement of profit and loss	1-56		

As per our report of even date

**For Ajmera Ajmera & Associates**  
Chartered Accountants  
Firm Reg.: 123989W

Sd/-  
**Sandeep Ajmera**  
(Partner)  
M. No. : 048277

**For Parekh Shah & Lodha**  
Chartered Accountants  
Firm reg.: 107487W

Sd/-  
**Ashutosh Dwivedi**  
(Partner)  
M.No. : 410227

Sd/-  
**Sarika S. Singh**  
Company Secretary

Sd/-  
**V. K. Chaturvedi**  
Managing Director

**For and on behalf of the Board**  
Usher Agro Limited

Sd/-  
**Manoj Pathak**  
Wholetime Director

Date: 28th Aug, 2014  
Place : Mumbai

## USHER AGRO LIMITED - CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2014

Rs. in Lacs

Particulars	As at 30th June, 2014	As at 30th June, 2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Tax	6,153.13	6,293.86
Less: Other Income	(172.86)	(225.33)
Less: Provision for MTM on Derivative Contract	-	86.22
Add: Loss on sale of assets	(291.78)	3.24
Add: Interest cost	8,342.95	5,223.77
Add: Depreciation\Amortization	2,427.30	1,646.09
<b>Operating Profit/(Loss) before working capital changes</b>	<b>16,458.74</b>	<b>13,027.84</b>
Add: Exchange Fluctuation Loss		
Adjustments for movement in working capital:		
Adjustment for Increase/( Decrease) in operating Liabilities		
Trade Payables	4,083.57	1,859.65
Short-Term Borrowings	11,547.48	8,915.14
Other Current Liability	(17.10)	(268.85)
Short term provision	26.19	5.08
Long term provision	34.90	1.26
Adjustment for (Increase)/ Decrease in operating Assets		
Inventories	(16,212.77)	(9,549.42)
Trade receivables	(1,796.92)	(3,750.00)
Short-term Loans & Advances	(12.86)	311.17
Other Current Assets	983.12	(1,527.60)
<b>Cash from / (Used in) Operating Activities</b>	<b>15,094.35</b>	<b>9,024.29</b>
Add / (Less) : Direct Taxes		
Other Income	49.55	60.82
Tax Paid	(1,533.25)	(1,159.76)
<b>Net Cash from / (Used in) Operating Activities (A)</b>	<b>13,610.65</b>	<b>7,925.34</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Purchase)/Sale of Fixed Assets (Including CWIP)	(13,586.76)	(11,349.80)
Long Term Loan/Advances (include non current assets)	(237.65)	(23.84)
Interest Income	123.31	164.51
Investment	0.85	(0.83)
<b>Cash from / (Used in) Investing Activities (B)</b>	<b>(12,313.60)</b>	<b>(11,209.94)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	4,775.00	7,002.31
Finance Cost	(8,159.55)	(5,157.66)
Proceeds from Issue of Shares & Share Application Money	-	(0.06)
Dividend Paid	-	(570.89)
<b>Cash from / (Used in) Financing Activities (C)</b>	<b>(3,384.55)</b>	<b>1,273.70</b>
<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents (A)+(B)+(C)</b>	<b>(2,087.49)</b>	<b>(2,010.89)</b>
Cash & Cash equivalent as at beginning of the year	2,456.87	3,525.23
Other Bank Balance as at beginning of the year	914.73	1,857.26
Cash & Cash equivalent as at end of the year	448.40	2,456.87
Other Bank Balance as at end of the year	835.70	914.73
<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(2,087.49)</b>	<b>(2,010.89)</b>

Additional information:

1) Figures in brackets represent outflows.

2) Previous years figures have been restated where necessary.

As per our attached report of even date

For Ajmera Ajmera & Associates  
Chartered Accountants

Firm Reg.: 123989W

Sd/-

Sandeep Ajmera

(Partner)

M. No. : 048277

For Parekh Shah & Lodha  
Chartered Accountants

Firm reg.: 107487W

Sd/-

Ashutosh Dwivedi

(Partner)

M.No. : 410227

Sd/-

Sarika S. Singh

Company Secretary

Sd/-

V. K. Chaturvedi

Managing Director

Sd/-

Manoj Pathak

Wholetime Director

For and on behalf of the Board  
Usher Agro Limited

Date: 28th Aug, 2014

Place : Mumbai

## CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

### 1. CORPORATE OVERVIEW

Usher Agro Limited is engaged in the business of food processing, mainly basic food i.e. wheat, rice, pulses and power generation from biomass. The Group is having manufacturing facilities for wheat, rice, pulses milling and rick husk based 16 MW power plant.

### 2.1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of preparation

The Consolidated financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The Consolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and except for the changes in accounting policy, if any, as discussed below in detail, are consistent with those used in the previous year.

#### (b) Current–non-current classification

##### Assets

An asset is classified as current when it satisfies any of the following criteria:

It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;  
It is held primarily for the purpose of being traded;  
It is expected to be realized within 12 months after the reporting date; or  
It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

##### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

It is expected to be settled in the company's normal operating cycle;  
It is held primarily for the purpose of being traded;  
It is due to be settled within 12 months after the reporting date; or

The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

#### (c) Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost (including pre-operative and trial & run expenses) of bringing the asset to its working condition for its intended use.

Assets under installation or under construction as at the Balance Sheet date are shown as Capital work in progress.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets till the period, such assets are ready to be put to use, the qualifying assets is one that take substantial period of time to get ready for its intended use or sale. Other borrowing cost not attributable to the acquisition of any capital assets are recognized as expenses in the period in which they are incurred. The cost of acquisition is further adjusted for exchange difference relating to long term foreign currency borrowing attributable to the acquisition of depreciable assets.

#### (d) Depreciation

Depreciation is provided using the Straight Line Method as per the rates prescribed under schedule XIV of the Companies Act, 1956. Depreciation on addition/deletion to the assets during the year is provided on pro-rata basis.

Depreciation on the Fixed Assets pertaining to Electricity business (UEPL) are provided on Straight Line Method, as per the rates and in the manners prescribed as per the Uttar Pradesh Electricity Regulatory Commission (UPERC).

### (e) Impairment

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 exceeds its recoverable amount. The recoverable amount is the greater of the asset's 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 asset over its remaining useful life.

### (f) Leases

Finance Lease Transaction:

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Operating Lease Transaction :

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

### (g) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-

term investments. Current investments are carried 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 value is made to recognise a decline other than temporary in the value of the investments.

### (h) Inventories

Raw materials, components, stores and spares Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on FIFO basis.

Cost of Inventory of Fuel at UEPL is determined on Weighted Average basis.

Work-in-progress and finished goods Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### (i) 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.

Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer.

Income from Services

Revenues from Job work & stock processing of material are recognised as and when services are rendered.

Interest

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

### (j) Deferred Revenue Expenditure

Any expense which is the nature of Preliminary expenses, has write off in the year which they have incurred from/ against the Profit & Loss Account.

Any expenses related to public issue/QIP/any other capital raising issue has write off entire expenses in the year which they have incurred from/against the security premium account.

### **(k) Foreign currency translation**

#### **(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### **(ii) Conversion**

Foreign currency monetary items are reported using the closing rate at the end of the reporting period. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

#### **(iii) Exchange Differences**

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise. Exchange differences arising in respect of fixed assets acquired from outside India are capitalized as a part of fixed asset. In case of consolidation of financial figures of those subsidiaries companies, which have different accounting period, the books are consolidated on the basis of the figures as on the date of the account closing of that subsidiary company.

### **(l) Retirement and other employee benefits**

Retirement benefit in the form of Provident Fund is a defined contribution scheme and contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Gratuity liability is defined benefit obligations and is provided for, on the basis of an actuarial valuation made at the end of each financial year.

Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

### **(m) Income taxes**

Tax expense comprises of current tax and deferred tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

### **(n) Expenditure on new projects and substantial expansion**

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the Profit and Loss Account. Income earned during construction period is deducted from the total of the indirect expenditure.

All direct capital expenditure on expansion are capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its original standard of performance.

### (o) Segment Reporting Policies

Primary segment is identified based on the nature of products and services. Secondary segment is identified based on geography in which major operating division of the company operate.

For primary segment, the segment revenue, segment expenses, segment assets and segment liabilities have been identified to segment on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the group as a whole and are not allocable to segment on reasonable basis, have been included under 'Unallocated revenue/expenses/assets/liabilities'.

### (p) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares). 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 dilutive potential equity shares.

### (q) Provisions and Contingent Liabilities

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Liabilities whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent and disclosed by way of Notes on Accounts.

### (r) Financial Commodity Derivatives Transaction

In respect of derivative contracts, premium paid, gain / losses on settlement and provision for losses for cash flow hedges are recognised in the Profit and Loss Account except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

### (s) Use of estimates

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statement and the reported amount of revenues and expenses during the reporting period. Although these estimates are based upon management best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialize.

### (t) Government Grants

Grants from the Government are recognized when there is reasonable assurance that the grant /subsidy will be received and all attaching conditions will be complied with. Government Grants related to specific fixed assets has been deducted from the gross value of the assets concerned in arriving at their book value.

Government Grants of the nature of the revenue are recognised on a systematic basis in the profit and loss account over the periods necessary to match them with related costs which they are intended to compensate. Such grants either be shown under 'other income' or deducted in reporting the related expenses.

### (u) Principal of Consolidation

The consolidated financial information incorporates the results of the parent and its subsidiary companies. The control is normally evidenced when the company is able to govern another company's financial and operating policies so has to benefit from its activities or where the company owns, either directly or indirectly, the majority of another company's equity voting rights unless in exceptional circumstances it can be demonstrated that ownership does not constitute control.

Particulars of subsidiary are given below:-

Name of the Company	Country of incorporation	Date of becoming subsidiary	% of voting power held on 30th June, 2013	% of voting power held on 30th June, 2012	Financial year ending on
Usher Eco Power Ltd.	India	22nd August, 2010	69.49%	69.49%	31st March
Usher Worldwide FZE	UAE	4th July, 2012	100.00%	-----	31st March

### (v) Goodwill

Goodwill arising out of consolidation of financial statements of Subsidiaries and joint Ventures is not amortised. However the same is tested for impairment at each Balance Sheet Date.

## 2.2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statements comprise of the financial statement of Usher Agro Limited (UAL) and its subsidiary companies Usher Eco power limited (UEPL) and Usher Worldwide FZE (UWW)

Reference in these notes to the 'company' shall mean to include UAL and its subsidiaries viz. UEPL and UWW consolidated in these financial statements unless otherwise stated.

i) The consolidated financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The consolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company. The financial statement of the company and its subsidiary companies have been considered on a line by line basis by adding together the value like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profit or loss.

ii) The consolidated financial statement have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the UAL and UEPL separate financial statements.

The difference between the cost of investment in the subsidiary over the net assets at the time of acquisition of share in the subsidiaries is recognised in the financial statements as goodwill, which is not being amortized, or Capital reserve as the case may be.

iii) Minority interest's share of net profit of consolidated financial statements for the year is identified and adjusted the income of the group in order to arrive at the net income attributable to share holder of the company.

Minority interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company's shareholders.

iv) In case of foreign subsidiaries being non-integral operations, revenue items are consolidated at the average rates prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the "Foreign Currency Translation Reserve".

v) There has been no change in the holding Company's interest in the subsidiary between the end of financial year of the subsidiary and the end of the holding company financial year.

There has been no material changes which have occurred between the end of the financial year of subsidiary companies and that of the holding company's financial year.



## 2.3 GOODWILL

Goodwill represents the difference between the Group's share in the net worth of subsidiaries and the cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

### USHER AGRO LIMITED - CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2014

Rs. in Lacs

Particulars	As at	As at
	30th June, 2014	30th June, 2013
3 SHARE CAPITAL		
Authorised Share Capital		
5,00,00,000 (Prev. Year 4,00,00,000) Equity Shares of Rs. 10/- each	5,000.00	4,000.00
<b>TOTAL</b>	<b>5,000.00</b>	<b>4,000.00</b>
ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL		
3,80,59,039 (P.Y.3,80,59,039) Equity Shares of Rs. 10/- each	3,805.90	3,805.90
ECO SHARES CAPITAL		
Equity Share Application Money Pending Allotment	-	-
<b>TOTAL</b>	<b>3,805.90</b>	<b>3,805.90</b>

a) A reconciliation of the number of shares outstanding at the beginning and at the end of the accounting year, is set out below:

Rs. in Lacs

Particulars	2013-2014	2012-13
	No. of shares	No. of shares
EQUITY SHARES		
Equity shares at the beginning of the year	3,80,59,039	3,80,59,039
Add: shares issued during the year	-	-
<b>Equity shares at the end of the year</b>	<b>3,80,59,039</b>	<b>3,80,59,039</b>

b) The Company has only one class of equity shares having a par value of Rs. 10. The equity shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 1956.

c) There are nil number of shares ( Previous year Nil) in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiary or associates of the holding company or the ultimate holding company in aggregate.

d) Shares in the company held by each shareholders holding more than 5% shares, as on 30.06.2014:

Name of the Shareholder	As on 30.06.2014		As on 30.06.2013	
	No. Of Shares	Percentage (%)	No. Of Shares	Percentage (%)
Dr. Vinod Chaturvedi	46,92,470	12.33%	47,16,470	12.39%
Mr. Manoj Pathak	32,84,060	8.63%	32,84,060	8.63%
Narayani Nivesh Nigam Pvt Limited	20,08,740	5.28%	20,54,752	5.40%
Hi Tech Housing Projects Pvt Ltd	-	0.00%	49,51,893	13.01%
Elara India Opportunities Fund Limited	25,90,312	0.07 %	25,90,312	0.07 %
Parin Trading Private Limited	-	0.00%	21,00,000	5.52%
Abhi Ambi Financial Services Limited	49,51,893	13.01%	-	0.00%

e) There are nil number of shares ( Previous year Nil) reserved for issue under option and contracts /commitment for the sale of shares/disinvestment including the terms and amounts.

f) For the period of five years immediately preceding the date as at which the balance sheet is prepared

Particulars	No. of Equity Shares
Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash	Nil
Aggregate number and class of shares allotted as fully paid-up by way of bonus shares	Nil
Aggregate number and class of shares bought back	Nil

g) During the year there are no securities issued/converted which are convertible into equity/preference shares. However On 15th December 2009 the company has issued 60,00,000 warrants on preferential basis to the promoters and others to raise Rs. 2,460 lacs through preferential allotment. out of which, 10 Lacs warrants and 50 Lacs warrants have been converted in to equity share in financial year 2009-10 and 2010-11 respectively.

h) There are no calls unpaid ( Previous year No )including calls unpaid by Directors and Officers as on balance sheet date

Rs. in Lacs

		As at 30th June, 2014	As at 30th June, 2013
4	<b>RESERVES AND SURPLUS</b>		
	General Reserve		
	Opening balance	2,252.00	1,652.00
	(+) Current Year Transfer	-	600.00
	(-) Written Back in Current Year		-
	<b>Closing Balance</b>	<b>2,252.00</b>	<b>2,252.00</b>
	Securities Premium	11,546.21	11,546.21
	Add:Received during the year	-	-
		11,546.21	11,546.21
	Less: Public Issue Expenses Write Off	-	-
	Less: QIP Expenses Write Off	-	-
		11,546.21	11,546.21
	Foreign Currency Translation Reserve	0.02	(0.83)
	Debt Redemption Reserve		
	Opening balance	1,000.00	500.00
	Add: during the year	3,000.00	500.00
	Closing Balance	4,000.00	1,000.00
	Profit and Loss Account		
	Opening balance	12,729.60	9,641.11
	(+) Net Profit/(Net Loss) For the current year	6,281.22	4,187.11
	(-) Debt Redemption Reserve	3,000.00	500.00
	(+) Attributable to Pre Profit		1.38
	(-) Transfer to Reserves	-	600.00
	<b>Closing Balance</b>	<b>16,010.82</b>	<b>12,729.60</b>
	<b>TOTAL</b>	<b>33,809.05</b>	<b>27,526.98</b>

Consolidated Notes forming part of the Financial Statement

Rs. in Lacs

		As at 30th June, 2014	As at 30th June, 2013
	<b>LONG-TERM BORROWINGS</b>		
	Term Loans(Secured)		
	i) From Banks		
	In Foreign Currency 1 & 4	14,162.90	16,319.36

Rs. in Lacs

Particulars	As at 30th June, 2014	As at 30th June, 2013
IN RUPEES <sup>2</sup>	9,871.56	7,928.62
ii) From Financial Institutions		
In Rupees 3 & 5	1,794.96	31.31
<b>TOTAL</b>	<b>25,829.42</b>	<b>24,279.29</b>

1. Foreign Currency borrowings are secured by way of first pari passu charge on the entire immovable and movable fixed assets of the company and second pari passu charge on the entire current assets of the company present and future created in favour of respective Banks/Trustees along with the personal guarantees of the Directors of the Company namely Dr. Vinod K. Chaturvedi and Mr. Manoj Pathak .

Loan From Banks	Repayment Schedule		
	No. of Installments	Frequency	Commencing from
RABO BANK INTERNATIONAL LTD	9	Half yearly	Dec, 2012
ICICI Bank Ltd.	11	Half yearly	Sept, 2014

2. Rupee Term Loan are secured by way of first pari passu charge on the entire immovable and movable assets of the company and second pari passu charge on the entire current assets of the company, both present and future created in favour of respective Banks/Trustees along with the personal guarantees of the Directors of the company namely Dr. Vinod K. Chaturvedi and Mr. Manoj Pathak .

Loan From Banks	Repayment Schedule		
	No. of Installments	Frequency	Commencing from
AXIS BANK LTD	20	Quarterly	Sept, 2014
Dena Bank	20	Quarterly	Sept, 2014
EXIM Bank of India	20	Quarterly	Sept, 2014
ICICI Bank (Vehicle Loan) <sup>3</sup>	36	Monthly	Feb, 2014
IDBI Corporate Loan	18	Quarterly	March, 2015

3. Equipment and Vehicle loans are secured against the respective equipment / vehicles financed through the said loans.

For Subsidiaries

4. The ECB facility provided by Axis Bank is secured by first charge on the entire fixed assets of UEPL and exclusive charge on Debt service reserve account (DSRA), Corporate guarantee by Usher Agro Ltd. and personal guarantee of Mr. V.K. Chaturvedi & Mr. Manoj Chaturvedi (Directors of the Company). The ECB facility is repayable in 24 unequal quarterly instalments, commencing from the first quarter of the financial year 2012-13. The rate of interest is Six months LIBOR+5%.

The interest on ECB for the month of February 2014 due on 28th February 2014 of Rs. 29.22 lac is paid on 28th May 2014, and interest on ECB of Rs. 32.32 lac and principal instalment on ECB of Rs. 180.30 lac, due on 31st March, 2014 is paid on 27th June, 2014.

5. First exclusive charge on the Debt Service Reserve Account to be created by borrower UEPL in favour of Reliance Capital Limited (RCL), first exclusive charge on Escrow Account where all the cash flows from the sale of the steam shall be deposited, Second Pari Passu charge on entire immovable and movable fixed assets of the company (Present and Future) and personal guarantee of Dr. V.K. Chaturvedi and Mr. Manoj Chaturvedi (Directors of the Company). The term loan shall be repayable in 32 structured quarterly instalments starting from 1st July 2014 and ending on 1st April 2022. The rate of interest is RCL Prime Lending Rate minus 3.5% per annum.

Rs. in Lacs

		As at 30th June, 2014	As at 30th June, 2013
6	<b>DEFERRED TAX LIABILITIES(NET)</b>		
	(In respect of the timing differences)		
	Deferred Tax Liability		
	On account of Depreciation	1,357.83	1,530.51
	On Account of Employee Benefit	14.22	4.95
	Deferred Tax Assets		
	On account of Unabsorbed Depreciation	256.06	105.88
	On account of Business Loss	143.59	27.01
	On Account of Employee Benefit	0.53	-
	<b>Closing Balance</b>	<b>971.87</b>	<b>1,402.58</b>
7	<b>OTHER NON CURRENT LIABILITIES</b>		
	Long term creditors for Capital Goods	1,386.66	-
	Other non current liabilities	-	1.44
	<b>TOTAL</b>	<b>1,386.66</b>	<b>1.44</b>
8	<b>LONG TERM PROVISIONS</b>		
	Provision for employee benefits		
	Provision for Gratuity	-	-
	Provision for Leave Encashment	1.20	1.77
	Provision for Mark to Market(MTM) on Derivative Contract	123.13	86.22
	<b>TOTAL</b>	<b>124.33</b>	<b>87.99</b>
9	<b>SHORT-TERM BORROWINGS</b>		
	(Loans Repayable on Demand)		

Rs. in Lacs

<b>Particulars</b>	<b>As at 30th June, 2014</b>	<b>As at 30th June, 2013</b>
Secured Borrowings from Banks*		
In Foreign Currency	8,168.63	4,108.00
In Rupees	43,990.83	37,578.91
Unsecured Borrowings from others		
i) Loan From Related Party	0.57	
ii) From Others	1,909.87	835.51
<b>TOTAL</b>	<b>54,069.90</b>	<b>42,522.42</b>

\* Cash credit /working capital credit facilities are secured by way of first pari passu charge over the entire current assets and second pari passu charge over the entire Immovable and moveable assets of the company, both present and future created in favour of respective banks/trustees along with personal guarantees of the Directors of the company namely Dr. Vinod K. Chaturvedi and Mr. Manoj Pathak.

Rs. in Lacs

<b>Particulars</b>	<b>As at 30th June, 2014</b>	<b>As at 30th June, 2013</b>
10 TRADE PAYABLES		
For Goods	8,731.28	4,779.88
For Others	622.90	490.73
<b>TOTAL</b>	<b>9,354.18</b>	<b>5,270.61</b>

Consolidated Notes forming part of the Financial Statement

<b>Particulars</b>	<b>As at 30th June, 2014</b>	<b>As at 30th June, 2013</b>
11 OTHER CURRENT LIABILITIES		
Current Maturities of Long-Term Debts	6,391.68	3,166.81
Interest accrued but not due on Borrowings	270.99	105.26
Unclaimed Dividends	10.68	10.68
Deposits Payables	5.97	7.74
Advance from Customers	247.82	22.70
Creditors for Capital Expenditure	746.83	922.21
Other Liabilities including Statutory Liabilities	620.77	670.91
Interest Accrued and due on borrowings	138.58	120.91
Retention from Contractors	-	88.15
Book Overdraft	21.83	-
Advance received from related party		
Usher Infra Logic Limited	72.33	-

Rs. in Lacs

Particulars		As at 30th June, 2014	As at 30th June, 2013
	Usher Agro Limited	-	(0.89)
	<b>TOTAL</b>	<b>8,527.48</b>	<b>5,114.48</b>
12	SHORT TERM PROVISIONS		
	Provision for employee benefits		
	Contribution to PF	4.56	4.27
	Provision for gratuity	42.26	16.40
	Provision for Leave Encashment	0.08	0.05
	ESIC	0.30	0.29
	Other Provisions		
	Income Tax(Net of Advance tax & TDS)	632.60	1,709.87
	<b>TOTAL</b>	<b>679.80</b>	<b>1,730.88</b>

**USHER AGRO LIMITED - NOTES FORMING PART OF THE BALANCE SHEET AS AT 30.06.2014**  
**NOTE-13**  
**CONSOLIDATED FIXED ASSETS**

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	AS ON 01-Jul-13	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	TOTAL AS 30.06.2014	AS ON 01-Jul-13	CHARGED FOR THE YEAR	DEDUCTION FOR THE YEAR	AS ON 30.06.2014	AS ON 30.06.2014	AS ON 30.06.2013
LAND	2,042.87	-	122.75	1,920.12	-	-	-	-	1,920.12	2,042.87
OFFICE BUILDING	255.73	-	-	255.73	17.85	4.17	-	22.02	233.71	237.88
FACTORY BUILDING	4,880.46	2,492.62	-	7,373.08	476.55	198.27	-	674.83	6,698.25	4,403.90
BUILDING & GODOWNS	523.81	2,804.74	-	3,328.55	51.70	37.68	-	89.38	3,239.17	472.11
PLANT & MACHINERY	20,372.74	19,553.86	47.61	39,878.99	4,418.03	2,083.45	0.31	6,501.17	33,377.82	15,954.71
ELECTRICAL INSTALLATION	-	-	-	-	-	-	-	-	-	-
COMPUTER & PRINTER	59.27	27.16	-	86.43	35.26	11.42	-	46.68	39.74	24.00
TUBE WELL, WATER TANKS &	8.73	-	-	8.73	0.95	0.14	-	1.09	7.64	7.78
PIPIINGS	-	-	-	-	-	-	-	-	-	-
FURNITURE & FIXTURE	74.88	27.70	0.14	102.44	17.84	5.11	0.00	22.94	79.50	57.04
VEHICLE	132.23	69.88	8.58	193.53	53.26	18.50	4.91	66.85	126.68	-
OFFICE EQUIPMENT	61.15	6.88	-	68.03	9.57	3.18	-	12.75	55.28	51.58
LABORATORY & STORE EQUIPMENT	100.80	8.93	-	109.73	34.59	10.89	-	45.48	64.24	66.21
SWITCH YARD	815.89	-	-	815.89	11.59	29.37	-	40.96	774.93	804.30
DISTRIBUTION LINES	551.29	-	-	551.29	7.83	19.85	-	27.68	523.61	543.46
<b>TOTAL</b>	<b>29,879.84</b>	<b>24,991.77</b>	<b>179.07</b>	<b>54,692.54</b>	<b>5,135.01</b>	<b>2,422.04</b>	<b>5.22</b>	<b>7,551.83</b>	<b>47,140.71</b>	<b>24,744.80</b>
<b>PREVIOUS YEAR TOTAL</b>	<b>18,029.44</b>	<b>1,342.11</b>	<b>39.26</b>	<b>19,332.28</b>	<b>2,030.75</b>	<b>1,469.67</b>	<b>6.38</b>	<b>3,493.34</b>	<b>15,838.94</b>	<b>15,998.69</b>



Rs. in Lacs

	Particulars	As at 30th June, 2014	As at 30th June, 2013
14	NON-CURRENT INVESTMENTS		
	Trade Investments		
	In related Party		
	Usher Infra Logic Limited	11.28	11.28
	(11,275 (PY 11275) Equity Shares of Rs. 10 each fully paid up )		
	<b>TOTAL</b>	<b>11.28</b>	<b>11.28</b>
15	LONG-TERM LOANS AND ADVANCES		
	(Unsecured, Considered Good)		
	Security Deposits	103.79	112.50
	<b>TOTAL</b>	<b>103.79</b>	<b>112.50</b>
16	OTHER NON CURRENT ASSETS		
	Up-front Fee(Unamortized)	242.65	292.03
	Fixed Deposits having maturity more than twelve months	295.74	-
	<b>TOTAL</b>	<b>538.39</b>	<b>292.03</b>
17	INVENTORIES		
	(As valued and certified by the Management)		
	Raw Materials & work in process	46,541.68	29,647.22
	Fuel	888.43	362.04
	Stores, spares and consumables	29.39	19.86
	Finished goods	10,145.96	11,270.68
	<b>TOTAL</b>	<b>57,605.46</b>	<b>41,299.80</b>
18	TRADE RECEIVABLES		
	(Unsecured, Considered Good)		
	Trade receivables (outstanding for a period less than six months)	25,739.74	23,349.64
	Trade receivables (outstanding for a period exceeding six months)	519.16	1,112.34
	<b>TOTAL</b>	<b>26,258.90</b>	<b>24,461.98</b>
19	CASH & BANK BALANCE		
	Cash & Cash Equivalents		
	Cash on hand	85.20	49.23

Rs. in Lacs

Particulars	As at 30th June, 2014	As at 30th June, 2013
Balance with Bank		
Balance with Scheduled Banks - In Current Accounts	363.20	2,407.63
Other Bank Balance		
Fixed Deposits (includes held as margin money/guarantee given)	846.86	904.05
Eamarked Balance - In Dividend Accounts	10.68	10.68
<b>TOTAL</b>	<b>1,305.94</b>	<b>3,371.60</b>

Consolidated Notes forming part of the Financial Statement

Rs. in Lacs

Particulars	As at 30th June, 2014	As at 30th June, 2013
20 SHORT-TERM LOANS AND ADVANCES		
(Unsecured, Considered Good)		
Business advances to related parties		
Usher Eco Power Ltd.*	110.25	35.58
Usher Oils & Foods Ltd.	-	-
Narayani Nivesh Nigam Pvt Ltd.	12.29	42.30
Vedika Finance Pvt Ltd	-	14.92
Usher Capitals Ltd	3.00	2.39
Usher Oils & Foods Ltd	67.42	(2.09)
(* due to difference in the balance sheet date of the subsidiaries and holding companies)		
Other loans and advances		
Unutilized Banked Power	55.23	35.69
Advance Recoverable in Cash	32.20	109.36
Advance for Expenses	0.24	1.03
Advance to Staff	56.37	92.50
Advance Income tax	15.96	-
Advance to vendors	7.54	-
<b>TOTAL</b>	<b>360.50</b>	<b>331.68</b>
21 OTHER CURRENT ASSETS		
Pre Paid Expenses	218.92	39.79
Balance with Revenue Authorities	445.88	143.13

Rs. in Lacs

Particulars	As at 30th June, 2014	As at 30th June, 2013
Pre IPO Expenses	170.53	170.53
Up-front Fees (Unamortized)	68.50	66.11
Capital Advances	306.53	1,614.31
Advance to Suppliers	1,323.26	1,250.08
Others advances	36.71	269.51
<b>TOTAL</b>	<b>2,570.34</b>	<b>3,553.46</b>

**USHER AGRO LIMITED**  
**NOTES FORMING PART OF PROFIT & LOSS A/C FOR THE YEAR ENDED 30.06.2014**

Rs. in Lacs

Particulars	Year Ended 30th June, 2014	Year Ended 30th June, 2013
22 INCOME FROM OPERATIONS		
Sale of Products-Domestic	1,12,594.26	84,178.06
Sale of Products-Exports	9,894.97	11,454.93
Other Operating Income	154.91	170.10
<b>TOTAL</b>	<b>1,22,644.14</b>	<b>95,803.09</b>
23 OTHER INCOME		
Interest Income	123.31	164.51
Other Non-operating Income	49.55	60.82
Gain on Mark to Mark(MTM) on Derivative Contract	-	
<b>TOTAL</b>	<b>172.86</b>	<b>225.33</b>
24 COST OF MATERIALS CONSUMED		
Raw Materials consumed	99,120.36	79,733.79
Cost of Electricity Purchased	111.65	66.86
<b>TOTAL</b>	<b>99,232.01</b>	<b>79,800.65</b>
25 CHANGES IN INVENTORIES OF FINISHED GOODS		
Opening Stock of Finished Goods	11,095.65	9,292.55
Less: Closing Stock of Finished Goods	10,145.96	11,095.65
<b>TOTAL</b>	<b>949.69</b>	<b>(1,803.10)</b>

Rs. in Lacs

	Particulars	Year Ended 30th June, 2014	Year Ended 30th June, 2013
26	EMPLOYEE BENEFITS EXPENSE		
	Salaries and incentives	1,267.30	1,024.02
	Contributions to -		
	- Provident fund	30.57	22.70
	Gratuity fund contributions	26.57	4.06
	Contribution to Staff Insurance premium	2.32	0.19
	ESIC	2.97	2.61
	Staff welfare expenses	52.59	30.10
	<b>TOTAL</b>	<b>1,382.31</b>	<b>1,083.68</b>
27	FINANCE COSTS		
	Bank Charges	464.25	217.19
	Bank Interest	7,600.17	4,975.24
	Other Interest	278.55	31.33
	<b>TOTAL</b>	<b>8,342.95</b>	<b>5,223.77</b>

Consolidated Notes forming part of the Financial Statement

Rs. in Lacs

	Particulars	As at 30th June, 2014	As at 30th June, 2013
28	DEPRECIATION AND AMORTIZATION EXPENSE		
	Depreciation	2,059.06	1,501.79
	Depreciation-UEPL	368.25	144.30
	<b>TOTAL</b>	<b>2,427.30</b>	<b>1,646.10</b>
29	OTHER EXPENSES		
	Power & Fuel	574.04	567.44
	Freight & Cartage	233.66	180.78
	Export Freight including Expenses	1,377.63	1,282.14
	Stores & Spares Consumed	125.09	76.48
	Travelling & Conveyance	91.41	76.72
	Printing & Stationery	21.41	19.91
	Directors Remuneration and Managerial Commission	185.65	131.75

Rs. in Lacs

Particulars	As at 30th June, 2014	As at 30th June, 2013
Provision for CSR Activity	38.86	27.61
Provision for Mark to Market(MTM) on Derivative Contract	36.91	86.22
Director's Sitting Fee	5.58	6.28
Postage, Courier & Telephone	26.78	20.72
Insurance	43.32	29.22
Rent	24.59	23.44
Warehousing Charges	430.02	392.60
Repairs & Maintenance - Plant & Machinery	503.60	173.51
Repairs & Maintenance - Building	19.14	6.23
Running & Maintenance - Vehicle	45.74	43.30
Repairs & Maintenance - Others	5.38	1.09
Subscriptions & Membership	11.83	8.13
Legal & Professional Fees	99.16	64.34
Loss/(Gain) on Foreign Exchange Fluctuation	90.43	145.84
Office & Misc Expenses	142.15	70.23
Commercial General Trading License SAIF Zone	-	2.15
Quality Control Expenses	24.62	13.06
Rebate & Discount	96.53	49.71
Loss on Assets	9.19	3.24
Filing fees /R.O.C fee	7.57	5.28
Handling Charges	64.99	21.85
Loading & Unloading charges	61.94	13.86
Brokerage & Commission	184.78	164.35
Advertisement & Business Promotion	15.21	42.11
Audit fees	6.34	6.12
CDM Registration expenses	3.34	12.59
Equipment Hire Charges	23.68	15.18
<b>TOTAL</b>	<b>4,630.58</b>	<b>3,783.48</b>

## 30 Earning Per Share (EPS)

(Rs. In Lacs except EPS face value and nos. of shares)

Particulars	2013-14	2012-13
i) Net Profit after tax as per profit and loss account	6,281.22	4,187.11
ii) Net Profit attributable to equity share holders	6,281.22	4,187.11
iii) Net Profit before exceptional and extraordinary items and Taxes	5,852.16	4,187.11
iv) Weighted Average number of equity shares used as denominator for calculation of Basic EPS	3,80,59,039	3,80,59,039
v) Weighted Average number of equity shares used as denominator for calculation of Diluted EPS*	3,80,59,039	3,80,59,039
vi) Basic and Diluted EPS		
- Basic	16.50	11.00
- Diluted	16.50	11.00
vii) Face Values per equity share	10.00	10.00

## 31 Capital Work in Progress

Rs. In Lacs

Particulars	2013-14	2012-13
CAPITAL WORK IN PROGRESS		
Usher Agro Limited		
Civil work of Construction & Land Development	835.09	6,256.87
Plant & Machinery under Installation	1,844.94	5,758.56
Preoperative Expenses related to assets under construction	321.80	2,051.57
Usher Eco Power Limited		
Pre Operative Expenses for 18MW	14.63	14.63
Pre Operative Expenses for Silica	6.28	-
<b>Total</b>	<b>3,022.74</b>	<b>14,081.63</b>

## 32 Benefits to Employees :

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below :

## A. Gratuity

## (i) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized as expenses for the year are as under :

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
EMPLOYER'S CONTRIBUTION TO PROVIDENT FUND, ESIC AND GROUP INSURANCE	35.86	25.50

(ii) Changes in the present value of the deferred benefit obligation are as follows:

Particulars	Rs. In Lacs	
	30.06.2014	30.06.2013
Opening defined benefit obligation	25.16	20.03
Interest cost	2.01	1.60
Current service cost	18.45	11.87
Past Service cost(Non Vested Benefits)	-	-
Past Service cost (Vested Benefits)	-	-
Benefit paid	-	-
Actuarial (gain)/losses on obligation	5.99	(8.35)
Closing defined benefit obligation	51.61	25.16

(iii) Changes in the fair value of plan assets are as follows:

Particulars	Rs. In Lacs	
	30.06.2014	30.06.2013
Opening fair value of plan assets	8.76	8.11
Adjusted in opening balance	-	-
Expected return	0.66	0.77
Contributions by employer	-	-
Benefits paid	-	-
Actuarial gains / (losses)	(0.07)	(0.12)
Closing fair value of plan assets	9.35	8.75

(iv) Fair value of plan assets:

Particulars	Rs. In Lacs	
	30.06.2014	30.06.2013
Fair value of plan assets at the beginning of period	8.76	8.11
Adjusted in opening balance	-	-
Actual Return of plan assets	0.59	0.65
Contributions	-	-
Benefits paid	-	-
Fair value of the plan assets at the end of period	9.35	8.76
Funded status (including unrecognized past service cost)	(42.27)	(16.40)
Excess of actual over estimated return on plan assets	(0.07)	(0.12)

## (v) Experience History

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
(Gain)/Loss on obligation due to change in Assumption	16.09	(3.72)
Experience (Gain)/ Loss on obligation	(10.10)	(4.63)
Actuarial Gain/(Loss) on plan assets	(0.07)	(0.12)

## (vi) Actuarial gain/(loss) recognized

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Actuarial gain/(loss) for the period – obligation	(5.99)	8.35
Actuarial gain/(loss) for the period – plan assets	(0.07)	(0.12)
Total gain/(loss) for the period	(6.06)	8.22
Actuarial gain/(loss) recognized for the period	(6.06)	8.22
Unrecognized Actuarial gain/(loss) at end of period	-	-

## (vii) Past Service cost recognised

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Past service Cost – (non vested benefits)	-	-
Past Service Cost – (vested benefits)	-	-
Average remaining future service till vesting of the benefit	-	-
Recognized Past service Cost – (non vested benefits)	-	-
Recognized Past Service Cost – (vested benefits)	-	-
Unrecognized Past Service Cost – non vested benefits	-	-

## (viii) The amount recognised in the Balance Sheet

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Present value of obligation at the end of the year	51.61	25.16
Fair value of plan assets at the end of the year	9.35	8.75
Funded status	(42.27)	(16.40)
Excess of actual or estimated	-	-
Unrecognized actuarial gains / (loss)	-	-
Unrecognized Past Service cost Non Vested Benefit	-	-
Net assets/(liabilities) recognized in the Balance Sheet	(42.27)	(16.40)



(ix) Expenses recognized in the Profit &amp; Loss account

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Current service cost	18.45	11.87
Interest cost on benefit obligation	2.01	1.60
Expected return on plan assets	(0.66)	(0.77)
Net actuarial( gain) / loss recognized in the year	6.06	(8.22)
Past service cost- Non Vested Benefits	-	-
Past Service cost -Vested Benefits	-	-
Expenses recognized in the Profit & Loss A/c	25.86	4.48

Balance sheet

(x) Details of Provision for gratuity

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Net liability at the beginning of the year	16.40	11.93
Adjusted in opening balance	-	-
Expenses recognized during the year	25.86	4.48
Net Expenses recognized during the year	25.86	
Contribution paid during the year	-	-
Net liability at the end of the year	42.27	16.40

B. Leave Encashment

(i) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized as expenses for the year are as under :

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Employer's contribution to Provident Fund, ESIC and Group Insurance	-	-

(ii) Changes in present value of obligation

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Opening Balance of Present Value of Obligation	181.92	53.77
Liability on transfer in / (out) of Employees (Net)	(44.49)	-
Interest Cost	92.47	4.30

Rs. In Lacs

<b>Particulars</b>	<b>30.06.2014</b>	<b>30.06.2013</b>
Current Service Cost	14.56	185.30
Benefits Paid	-	-
Actuarial (Gain) / Loss	(116.67)	(61.45)
Closing Balance of Present Value of Obligation	127.79	181.92

(iii) Changes in Fair Value of plan assets

Rs. In Lacs

<b>Particulars</b>	<b>30.06.2014</b>	<b>30.06.2013</b>
Opening Balance of Present Value of Plan Assets	-	-
Expected return on Plan assets	-	-
Contributions	-	-
Benefits Paid	-	-
Actuarial Gain / (Loss) on Plan assets	-	-
Closing Balance of Fair Value of Plan Assets	-	-
Plan assets transfer / pending transfer	-	-
Closing Balance of Fair Value of Plan Assets net of pending transfer	-	-

(iv) Percentage of each category of Plan assets to total fair value of Plan assets

Rs. In Lacs

<b>Particulars</b>	<b>30.06.2014</b>	<b>30.06.2013</b>
Administered by Life Insurance Corporation of India	N.A	N.A

(v) Reconciliation of Present Value of Defined Present Obligations and the Fair Value of Assets

Rs. In Lacs

<b>Particulars</b>	<b>30.06.2014</b>	<b>30.06.2013</b>
Closing Balance of Present Value of Obligation	127.79	181.92
Closing Balance of Fair Value of Plan Assets net of pending transfers	-	-
Asset / (Liability) recognized in the Balance Sheet	127.79	(181.92)

(vi) Amounts recognised in the Balance Sheet

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Closing Balance of Present Value of Obligation	181.92	181.92
Closing Balance of Fair Value of Plan Assets net of pending transfers	-	-
Net Assets/ (Liability) recognized in the Balance Sheet	181.92	(181.92)

(vii) Expenses recognised in the statement of Profit and Loss

Rs. In Lacs

Particulars	30.06.2014	30.06.2013
Current Service Cost	14.56	185.30
Interest Cost	92.47	4.30
Expected Return on Plan Assets	-	-
Net Actuarial (Gain) / Loss	(116.67)	(61.45)
Expenses recognized in the statement of Profit and Loss	(9.64)	128.16

## 33 Segment Information

Business Segments :

The Company is operating in three different business segments i.e. food processing, Bio-mass power generation and logistic. However, considering the size and volume of operations, there are only two reporting segments, i.e. Food Processing (including logistic operations) and Bio Mass Power Generation (except the captive power plant in the parent company) as Business Segments as described in the Accounting Standard (AS) 17 as Segment Reporting, issued by the Institute of Chartered Accountants of India (ICAI). The Required Disclosures are as follows:

Information about Primary Segments

Rs. In Lacs

Particulars	Food Processing For the year ended 30th June, 2014	Power Generation For the year ended 30th June, 2014	Food Processing For the year ended 30th June, 2013	Power Generation For the year ended 30th June, 2013
External revenue from Operations	1,20,528.16	2,208.86	94,692.16	1,110.93
Inter segment revenue	1,753.84	713.48	238.82	334.10
Other income	154.25	58.99	223.15	2.18
Segment revenue	1,22,436.25	2,981.33	95,154.13	1,447.21
Segment results after tax- Gross	6,694.64	(450.35)	4,536.08	(485.65)
Segment Assets- Gross	1,29,788.49	13,398.51	1,03,624.25	13,065.68
Segment Liabilities- Gross	91,323.58	11,977.87	71,931.28	11,194.70
Capital Expenditure- Gross	12,910.05	870.99	9,779.93	1,573.80
Segment Depreciation	2059.06	368.25	1,501.79	144.30

## Geographical Segments :

The Company is carrying on its operational activities in the domestic market i.e. India as well as in overseas market i.e. an export hence geographical segment i.e domestic and overseas has identified as secondary segment and the details of segment results as per AS 17 issued by ICAI are as under :

## Information about Secondary Segments

Particulars	Rs. In Lacs	
	For the year ended 30th June, 2014	For the year ended 30th June, 2013
Revenue By Geographical Market		
India	1,12,749.17	84,348.16
Outside India	9,894.97	11,454.93
<b>Total</b>	<b>1,22,644.14</b>	<b>95,803.09</b>
Addition To Fixed Assets And Intangible Assets (Include Capital work in progress)		
India	14,052.37	11,353.73
Outside India	-	-
<b>Total</b>	<b>14,052.37</b>	<b>11,353.73</b>
Carrying Amount Of Fixed Assets		
India	50,330.36	38,879.13
Outside India	-	-
<b>Total</b>	<b>50,330.36</b>	<b>38,879.13</b>

## Notes:-

The geographical segments considered for disclosure are as follows :

Sales within India includes Sales to Customers located within India

Sales Out side India includes Sales to customers located outside India including merchant exporters.

The carrying amount of segment fixed assets in India and Outside India is based on geographical location of the respective assets.

## 34 Auditors Remuneration is as under:

Particulars	Rs. In Lacs	
	2013-14	2012-13
Audit Fees	7.50	7.50
For Other Services	-	2.95
Tax Audit Fees	2.65	2.50
Service Tax	1.25	1.60
Reimbursement of Expenses	0.23	-
<b>Total</b>	<b>11.63</b>	<b>14.55</b>

- 35 Usher Eco Power Ltd. (UEPL) started its commercial operations from Nov 7, 2012, therefore the current years figures in the Financial Statements, to that extent, are not comparable with that of previous years.

Expenditure/Revenue in Foreign Currency

Earnings in foreign currency (Cash/Accrual basis)

Export Sales on FOB Basis\*

Rs. 4281.12 lac  
(P.Y. Rs. 7982.83 lac)

**Rs. In Lacs**

<b>Expenditure in foreign currency (Cash/Accrual basis)</b>	<b>2013-14</b>	<b>2012-13</b>
Professional Fee & Subscription Charges	0.09	0.77
Travelling Expenses	8.85	2.41
Finance Cost	1,150.58	790.39
CDM Registration Expenses	-	8.95
Commission	32.88	51.01
<b>TOTAL</b>	<b>1,192.41</b>	<b>853.52</b>

\* Export sales exclude sales to merchant exporter

Value of imports calculated on CIF basis

Capital goods

Rs. 1,534.30 lac  
(P.Y. Rs. 27.22 lac)

- 36 Net dividend remitted in foreign currency

**(All are in Rs. In Lacs except nos.)**

<b>Particulars</b>	<b>2013-14</b>	<b>2012-13</b>
Number of Non-resident shareholders	N.A.	95
Number of Equity Shares held by them	N.A.	50,68,970
Amount of dividend paid (Gross), TDS Rs. Nil (P.Y.Nil)	NIL	76.03
Year to which dividend relates	N.A.	2011-12

- 37 Provisions and Contingencies

**Rs. In Lacs**

<b>Contingent Liabilities not provided for</b>	<b>2013-14</b>	<b>2012-13</b>
Letter of Credit issued by the Bankers of the Company in favour of suppliers ( Fixed deposits in the form of margin money including interest thereon of Rs.434.64 lacs (P.Y. Rs. 228.85 lac) have been kept with respective bankers for the said letter of credit)	2,316.56	1,961.61

Rs. In Lacs

Contingent Liabilities not provided for	2013-14	2012-13
Letter of Credit issued by the Bankers of the Company for import of capital goods*. (Fixed deposits in the form of margin money including interest thereon of Rs. Nil (P.Y. Rs. Nil) have been kept with respective bankers for the said letter of credit) * Converted on the foreign exchange conversion rate prevailing on the date of Balance Sheet.	1,452.40	1,188.78
Bank guarantees issued by the bankers of the Company for EPCG License (Fixed deposits of Rs. 33.71 lac (P.Y. Rs. 25.25 lac) have been kept with respective Banks for the said bank guarantees)	25.25	25.25
VAT & CST Liability in respect of A.Y. 2008-09 for which company has filed appeal with Appellate Tribunal, Agra	29.17	29.17
Entry Tax Liability in respect of A.Y. 2008-09 for which company has gone into appeal with the appropriate authority	4.26	4.26
VAT & CST Liability in respect of A.Y. 2009-10 for which the company had filed application for rectification of order u/s 31 of UP VAT Acts. 2008, the application was accepted by the department and has remanded back the case to assessing authority as a fresh case.	-	239.54
VAT Liability in respect of A.Y. 2009-10 for which company has filed appeal with Additional Commissioner Grade -II (Appeal) Mathura.	0.21	0.21
VAT & CST Liability in respect of A.Y. 2010-11 for which company has gone into the appeal with the appropriate authority	201.87	201.87
VAT Liability in respect of A.Y. 2012-13 for which company has gone into the appeal with the appropriate authority	2.15	2.15
Stamp Duty Liability pursuant to letter by Stamp Authority, Mathura, dt 13.02.2012, dt 22.02.2012 & dt 09.12.2011 (The management has taken expert legal opinion on the said stamp duty matter and based on that opinion, the total liability in the subject matter may not exceed to Rs. 12.00 lacs and the matter has already been taken up with the appropriate authorities.)	452.00	452.00

### 38 Derivative Instruments and Unhedged Foreign Currency Exposure

#### Derivative Instruments:

The Company uses commodities / forward contracts to hedge its risk associated with fluctuation in prices of food grain / commodities/currency.

The company does not use forward contract for speculative purposes.

In the forward contract entered by the Company, where the counter party is a recognised commodities exchange. The hedging / forward contracts mature generally between one to six months. The company considers the risk of non-performance by the counter party as negligible.

Outstanding short term commodities forward contracts entered into by the Company at the year end are Rs. Nil .(P.Y.Nil)

Particulars of Outstanding Interest rate swaps to hedge against fluctuations in interest rate change as at the Balance Sheet date

As at	No. of Contracts	Amount (In USD)	Amount (Rs. In Lacs)
30-Jun-14	4	2,79,60,306.00	16,804.14
30-Jun-13	4	1,91,35,155.50	16,677.05

Pursuant to the clarification issued by the Institute of Chartered Accountants of India on March 29, 2008 on accounting of derivatives, the Company has for the year ended March 31, 2014 recognised unrealized gain/(loss) of Rs. 40.38 lac (March 31, 2013 - (Rs. 86.22 lac)) towards mark to market of the interest rate swap.

The provision for mark to market losses of the interest rate swap as on March 31, 2014 amounts to Rs. 45.85 lac. (March 31, 2013- Rs. 86.22 lac).

Particulars of Unhedged foreign currency exposure as at the Balance Sheet date

Particulars	Amount
Creditors for Capital Goods	Rs. 1,386.66 lac, (JPY 187,187,000; GBP 270,000) (P.Y. Nil)
Foreign Currency Loan	Rs. 18,099.32 lac, (USD 3,01,15,341.73) {P.Y. Rs. 11,635.03 lac, (USD 19,599,189.36)}
Foreign Debtors	Rs. 189.10 lac, (USD 314,646.30) {(P.Y. Rs. 442.69 Lac (USD 741,897.77))}
Interest Accrued but Not Due on ECB	Rs. 163.52 lac, (USD 272,083.09) {(P.Y. Rs. 129.87 lac (USD 222,390.5))}
Interest Accrued and Due on PCFC	Rs. 3.56 Lacs, (USD 5,929.33) (P.Y. Rs. 4.64 Lacs (USD 7780))
Advance from Customers	Rs. 237.97 lac (USD 395,958.88) {P.Y. Rs. 4.48 lac, (USD 7500)}

\* Converted at the foreign exchange conversion rate prevailing on the date of Balance Sheet.

### 39 Leases

In case of assets taken on lease

Finance Lease :

There are no finance lease transactions in the reporting period hence no disclosure is required to be made under AS 19 – Accounting for Leases, issued by the ICAI

## Operating Lease :

(i) Office premises, godowns and warehouses are obtained on operating lease basis during the financial year in relation of business. The lease terms are normally for 11 months and renewable at the option of the Company. There are no restrictions imposed in lease arrangements. There are no subleases.

Particulars	Operating Lease (Rs. in Lacs)	
	2013-14	2012-13
Debited to Statement of Profit & Loss Account	454.61	416.03
Debited to Pre-operative Expenses under Capital Work in Progress	-	3.51
Minimum Lease Payments :		
Not later than one year	55.82	83.15
Later than one year but not later than five years	19.16	7.85
Later than five years	-	-

(ii) The Company has given office premises on operating lease basis for a period of less than one year.

Particulars	Operating Lease (Rs. in Lacs)	
	2013-14	2012-13
Lease payments for the year	7.41	9.79
Minimum Lease Payments :		
Not later than one year	7.65	2.50
Later than one year but not later than five years	-	0.45
Later than five years	-	-

## 40 Related Parties- consolidated

Names of other related parties with whom transactions have taken place during the year

List of related parties	
1) Key Management Personnel	Dr. V. K. Chaturvedi (Managing Director) Mr. Manoj Pathak (Whole Time Director)
2) Relatives of key management personnel	Mrs. Samta Chaturvedi, (wife of Managing Director Dr. V. K. Chaturvedi) Mrs. Shimla Pathak, (wife of Whole Time Director Mr. Manoj Pathak) Shreyash Chaturvedi (son of Managing Director Dr. V. K. Chaturvedi)
3) Enterprises owned or significantly influenced by key management personnel or their relatives (With whom transactions have taken place during the year)	Usher Capitals Limited Vedika Finance Pvt. Limited Usher Oils & Foods Limited Usher Infra Logic Limited



Rs. in Lacs

Particulars	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Relatives of Key Management Personnel (Spouse, son, daughter, brother, sister, father, mother who may influence or be influenced by such personnel in his dealings with the Company)		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	JUNE-14	JUNE-13	JUNE-14	JUNE-13	JUNE-14	JUNE-13	JUNE-14	JUNE-13
<b>Employee Benefits for Key Management Personnel</b>								
Mr. V. K. Chaturvedi	115.45	104.20					115.45	104.20
Mr. Manoj Pathak	65.46	59.23					65.46	59.23
<b>Loan/Business Advances Taken/ repaid by</b>								
Narayani Nivesh Nigam Pvt. Ltd.					94.58	50.00	94.58	50.00
Vedika Finance Private Ltd.					15.03	-	15.03	-
Usher Infra Logic Ltd.					182.05	675.46	182.05	675.46
<b>Loan/Business Advances Given/ repaid to</b>								
Narayani Nivesh Nigam Pvt. Ltd.					15.60	53.50	15.60	53.50
Usher Oils & Foods Ltd.					-	67.05	-	67.05
Vedika Finance Private Ltd.					-	13.80	-	13.80
Usher Infra Logic Ltd.					60.48	543.13	60.48	543.13
<b>Rent Income (Truck/office)</b>								
Usher Infra Logic Ltd.					53.59	22.18	53.59	22.18
Usher Oils & Foods Ltd.					62.13	134.52	62.13	134.52
<b>Proceeds of Rental Income</b>								
Usher Oils & Foods Ltd.					8.66	96.31	8.66	96.31
Usher Infra Logic Ltd.					4.65	2.00	4.65	2.00
<b>Rent Expenses (Trucks/Office)</b>								
Usher Infra Logic Ltd.					236.94	166.18	236.94	166.18
Narayani Nivesh Nigam Pvt. Ltd.					7.36	7.11	7.36	7.11
Mrs. Shimla Pathak			1.80	3.00			1.80	3.00
Usher Oils & Foods Ltd.					4.80	4.80	4.80	4.80
<b>Payment of Rent (Truck/Office)</b>								
Usher Infra Logic Ltd.					219.22	154.96	219.22	154.96
Mrs. Shimla Pathak			4.59	0.35			4.59	0.35
Narayani Nivesh Nigam Pvt. Ltd.					0.48	-	0.48	-

40  
Contd.

Rs. in Lacs

Particulars	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Relatives of Key Management Personnel (Spouse, son, daughter, brother, sister, father, mother who may influence or be influenced by such personnel in his dealings with the Company)		Enterprises owned or significantly influenced by key management personnel or their relatives		Total	
	JUNE-14	JUNE-13	JUNE-14	JUNE-13	JUNE-14	JUNE-13	JUNE-14	JUNE-13
<b>Consumables Purchased</b>								
Usher Infra Logic Limited					6.60	-	6.60	-
<b>Expenses Incurred by related party on our Behalf</b>								
Usher Infra Logic Ltd.					10.16	-	10.16	-
Narayani Nivesh Nigam Pvt. Ltd.					2.79	2.25	2.79	2.25
<b>Reimbursement of expenses to related party</b>								
Narayani Nivesh Nigam Pvt. Ltd.					-	4.97	-	4.97
<b>Expenses Incurred for related party</b>								
Usher Infra Logic Ltd.					145.45	16.61	145.45	16.61
Usher Oils & Foods Ltd.					26.27	11.19	26.27	11.19
Usher Capitals Ltd.					0.62	0.13	0.62	0.13
Vedika Finance Private Ltd.					0.12		0.12	-
Narayani Nivesh Nigam Pvt. Ltd.					6.06		6.06	-
<b>Reimburse by the related party</b>								
Usher Oils & Foods Ltd.						15.75	-	15.75
Usher Infra Logic Ltd.					130.80	-	130.80	-
<b>Balances Outstanding at the year end, Debit/(credit)*</b>								
Mr. V. K. Chaturvedi	(24.15)	(4.47)					(24.15)	(4.47)
Mr. Manoj Pathak	(1.03)	(1.68)					(1.03)	(1.68)
Mrs. Shimla Pathak		-	0.15	(2.65)			0.15	(2.65)
Vedika Finance Private Ltd.					-	14.92	-	14.92
Usher Infra Logic Ltd.					(72.42)	-	(72.42)	-
Narayani Nivesh Nigam Pvt. Ltd.					18.51	42.30	18.51	42.30
Usher Capitals Ltd.					3.00	2.39	3.00	2.39
Usher Oils & Foods Ltd.					75.38	(2.09)	75.38	(2.09)

\*Excluding investment in shares and application money

## 41 Impairment of assets

As on the Balance Sheet date the carrying amounts of the assets net of accumulated depreciation is not less than the recoverable amount of those assets. Hence, in the opinion of the management, there is no provision for impairment loss on the assets of the Company is required to be made under Accounting Standard-28 (Impairment of Assets) issued by the ICAI.

42 Raw Material Consumed  
Holding Company

Rs. in Lacs

Particulars	2013-2014	2012-2013
Paddy & Dehusked Raw Rice	85,700.71	70,112.63
Wheat	10,065.93	8,220.30
Packing Material	1,089.04	544.61
Bajra	-	98.00
Barley	-	76.58
Pulses-Raw	2,309.44	-
Bagasse	169.97	66.95
<b>Total</b>	<b>99,335.08</b>	<b>79,119.07</b>

## Subsidiary Company

Rs. in Lacs

Particulars	2013-2014	2012-2013
Fuel	1,365.04	684.86
<b>Total</b>	<b>1,365.04</b>	<b>684.86</b>

43 Purchase of Raw Material  
Holding Company

Rs. in Lacs

Particulars	2013-2014	2012-2013
Paddy & Dehusked Raw Rice	101,472.92	74,490.30
Wheat	10,779.66	11,305.58
Bajra	-	98.00
Barley	-	76.58
Pulses-Raw	2,464.44	-
Packing Material	1,164.62	490.59
<b>Total</b>	<b>115,881.64</b>	<b>86,461.05</b>

## Subsidiary Company

Rs. in Lacs

Particulars	2013-2014	2012-2013
Fuel	288.24	1,072.59
Total	288.24	1,072.59

44 Value of Sales, Closing and Opening Inventory  
Holding Company

Rs. in Lacs

Particulars	2013-2014	2012-2013
<b>Opening Stock of Finished Goods and By Products</b>		
Rice	10,096.24	6,634.08
Wheat Products	234.05	165.30
Husk	470.97	743.68
Bran	217.80	1,749.49
Barley	76.58	-
<b>Total</b>	<b>11,095.65</b>	<b>9,292.55</b>
Sales		
Rice	1,01,305.06	77,342.64
Wheat Product	12,651.85	10,642.85
Bajra	-	130.06
Bran	4,320.27	4,965.08
Husk	14.47	1,683.16
Barley	100.59	-
Toor Daal Finished	1,877.49	-
Chuni	104.77	-
<b>Total</b>	<b>1,20,374.49</b>	<b>94,763.79</b>
<b>Closing Stocks</b>		
Finished Rice	8,837.36	10,096.24
Wheat Product	347.92	234.05
Husk	15.00	470.97
Barley	-	76.58
Bran	219.09	217.80
Toor Daal Finished	685.60	-
Chuni	40.98	-
<b>Total</b>	<b>10,145.96</b>	<b>11,095.65</b>

## Subsidiary Company

Rs. in Lacs

Particulars	2013-2014	2012-2013
Opening Stock of Finished Goods and By Products		
Fuel	362.04	41.61
<b>Total</b>	<b>362.04</b>	<b>41.61</b>
Sales		
Electricity	2,702.93	1,362.60
<b>Total</b>	<b>2,702.93</b>	<b>1,362.60</b>
Closing Stocks		
Fuel	888.43	362.04
<b>Total</b>	<b>888.43</b>	<b>362.04</b>

## 45 Capital Commitments

Rs. in Lacs

Particulars	2013-2014	2012-2013
Estimated amount of contracts remaining to be executed on capital account and not provided for.	615.50	4,814.71
<b>Total</b>	<b>615.50</b>	<b>4,814.71</b>

## 46 Provision for Taxation

Provision for current tax has been made as per provisions of the Income Tax Act, 1961, after considering deduction/exemptions, if any, available to the Company under the said Act. Further the provision for current tax has been made up to 31st March, 2013, financial year ending as per the said Act.

47 The Balances of Debtors, Creditors, Loans & Advances and other parties are subject to confirmation and reconciliation.

48 In the opinion of the Board the Assets (other than fixed assets & non current investments) are approximately of the value stated if realized in the ordinary course of business and the provisions of all known liabilities are adequate.

## 49 Foreign Exchange Fluctuation

The Company has opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standard) Amendment Rules 2009 relating to Accounting Standard 11(AS-11) notified by Government of India on 31st March, 2009. Accordingly the effect of exchange differences on foreign currency loans of the company is accounted by addition or deduction to the cost of the assets so far it relates to the depreciable capital assets. The total amount of foreign exchange fluctuation profit/ (Loss) of Rs. (632.24) Lacs (P.Y. (1273.76) lacs) has been reduced/added from CWIP/pre-operative expenses account.

## 50 Extraordinary Item

During the year 2013-14, National Highway Authority of India (NHAI) has acquired 0.963 hectare land of the Company located at Chatta (Mathura) for widening the National Highway- 2.

The Company has received compensation of Rs. 423.72 lac during the year and recognised profit of Rs. 300.97 lac, as an extraordinary item in the Statement of Profit and Loss for the said compulsory acquisition of land by NHAI.

- 51 The Company has not provided income tax on the capital gain arising on the compulsory acquisition (as referred in Note No 49), as it intends to claim deduction of the capital gain under Section 54D of the Income Tax Act, 1961 by investing the amount of capital gain in new land and building for industrial purposes.
- 52 Usher Eco Power Ltd. (UEPL) proposed to raise finance through an Initial Public Offering (IPO) to fund its proposed 18MW husk based co-generation power plant. However, due to the prevailing capital market conditions, the Company has not gone ahead with the IPO.
- The Company has incurred expenses aggregating Rs. 170.53 Lacs (PY Rs. 170.53 Lacs ) from the financial year 2008-09 till year ended March 31, 2014. in connection with the IPO. The Company is now evaluating other options of raising capital and it intends to adjust the such Pre IPO expenses with the Securities Premium amount expected to be received on such capital. Hence, till such time the amount of Pre IPO Expenses is shown as Other Current Assets.
- 53 Usher Eco Power Ltd. (UEPL) has registered itself with UNFCCC for CDM benefits. The Company has incurred Rs. 31.78 Lacs during the year on operation and maintenance cost of Emission Reduction Equipment.
- 54 Information relating to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below.

Particulars	2013-2014	2012-2013
Principal amount due to suppliers under MSMED Act,2006	2.36	6.19
Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	1.50	0.10
Payment made to suppliers( other than Section 16) beyond the appointed day/due date	4.19	3.60
Interest paid to suppliers under MSMED Act (Section No. 16)	-	-
Interest due and payable towards suppliers under MSMED Act for payments already made.	0.29	0.39
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	1.80	0.49
Amount of further interest remaining due and payable in succeeding years	0.34	0.32

- 55 The Financial Statements, comprising the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement have been prepared in accordance with the provision of General Circular 08/2014 dated 4th April, 2014 of the Ministry of Corporate Affairs.
- 56 Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year. Figures in bracket indicate previous year's figures.

As per our report of even date

**For Ajmera Ajmera & Associates**  
Chartered Accountants  
Firm Reg.: 123989W

*Sd/-*  
**Sandeep Ajmera**  
(Partner)  
M. No. : 048277

**For Parekh Shah & Lodha**  
Chartered Accountants  
Firm reg.: 107487W

*Sd/-*  
**Ashutosh Dwivedi**  
(Partner)  
M.No. : 410227

*Sd/-*  
**Sarika S. Singh**  
Company Secretary

*Sd/-*  
**V. K. Chaturvedi**  
Managing Director

**For and on behalf of the Board**  
Usher Agro Limited

*Sd/-*  
**Manoj Pathak**  
Wholetime Director

Date: 28th Aug, 2014  
Place : Mumbai

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956**  
**Relating to subsidiary Company Rs. In Lacs except as stated**

Sr. No.	Particulars	M/s Usher Eco Power Ltd	M/s Usher World Wide, FZE, UAE
1	Financial Year of Subsidiary Company ended on	31/03/2014	31/03/2014
2	Shares of subsidiary Company held on above date and extent of holding		
	a) Equity Shares	1,69,13,731	1,50,000
	b) Extent of Holding	69.49%	100.00%
3	The net aggregate amount of Subsidiary profit/(loss) so far as it is concerned with the members of the Usher Agro Limited		
	i. Not dealt with in the holding company's accounts		
	a) For the financial year of the subsidiary	(312.95)	(10.53)
	b) Since it became the holding company's subsidiary	(391.27)	(19.49)
	ii. Dealt with in the holding company's accounts		
	a) For the financial year of the subsidiary	Nil	Nil
	b) Since it became the holding company's subsidiary	Nil	Nil
4	Material Changes, if any between the end of the financial of the subsidiary company and that of the Holding Company		
	i) Increase in Fixed Assets by Usher Eco Power Ltd :	1.87	-
	Additions in Capital Work In Progress	Nil	-
5	Additional information on Subsidiary Company		
	Share Capital including Share Application Money	2,434.05	22.71
	Reserve and Surplus (net of debit balance of Profit & Loss Account)	(1,013.42)	(32.18)
	Total Assets (Fixed Assets plus Current Assets)	13,398.50	0.80
	Total Liability (Debts plus Current Liabilities & Provisions)	11,977.88	10.89
	Details of Investment (net of investment in Subsidiary Company)	Nil	Nil
	Turnover	2,922.34	-
	Profit/(Loss) Before Taxation	(453.05)	(10.53)
	Provision For Taxation	2.70	Nil
	Profit/(Loss) After Tax	(450.35)	(10.53)
	Proposed Dividend (including Corp. Dividend Tax)	Nil	Nil

As per our report of even date

**For Ajmera Ajmera & Associates**  
**Chartered Accountants**  
**Firm Reg.: 123989W**

Sd/-  
**Sandeep Ajmera**  
(Partner)  
M. No. : 048277

**For Parekh Shah & Lodha**  
**Chartered Accountants**  
**Firm reg.: 107487W**

Sd/-  
**Ashutosh Dwivedi**  
(Partner)  
M.No. : 410227

Sd/-  
**Sarika S. Singh**  
Company Secretary

Sd/-  
**V. K. Chaturvedi**  
Managing Director

**For and on behalf of the Board**  
**Usher Agro Limited**

Sd/-  
**Manoj Pathak**  
Wholetime Director

Date: 28th Aug, 2014  
Place : Mumbai

# Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT THE EIGHTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF USHER AGRO LIMITED WILL BE HELD ON SATURDAY, THE 20TH DAY OF DECEMBER, 2014 AT 11.00 A.M. AT NANDKRIPA BANQUET HALL, FOUR BUNGALOW ROAD, MAIN MARKET, ANDHERI, (WEST), MUMBAI-400 058 TO TRANSACT THE FOLLOWING BUSINESS:

## ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet as at 30th June, 2014 and the Statement of Profit and Loss account for the year ended 30th June, 2014 and the Directors' and Auditors' Reports thereon.
2. To appoint Statutory Auditor and to fix their remuneration and in this connection, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. V.S. Kankariya and Co., (Firm Registration No. 104719W), Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, and in this regard the Board of Directors/Committees of the Board be and are hereby authorized to decide and finalize the terms and conditions of their appointment and to fix their remuneration".

## SPECIAL BUSINESS:

### 3. APPOINTMENT OF MR. VIJAY RANCHAN AS AN INDEPENDENT DIRECTOR

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 149, 152, Schedule IV and other applicable provisions, if any of the Companies Act, 2013 ('the Act') and the Rules made there under, as amended from time to time, Mr. Vijay Ranchan (DIN 01602023), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company, with effect from 20th December, 2014 up to 19th December, 2019, not liable to retire by rotation."

### 4. APPOINTMENT OF MR. AJAY PRAKASH ARORA AS AN INDEPENDENT DIRECTOR

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 149, 152, Schedule IV and other applicable provisions, if any of the Companies Act, 2013 ('the Act') and the Rules made there under, as amended from time to time, Mr. Ajay Prakash Arora (DIN 01055020) a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company, with effect from 20th December, 2014 up to 19th December, 2019, not liable to retire by rotation."



5. APPOINTMENT OF MR. SHRI PRAKASH ARORA AS AN INDEPENDENT DIRECTOR

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 149, 152, Schedule IV and other applicable provisions, if any of the Companies Act, 2013 (‘the Act’) and the Rules made there under, as amended from time to time, Mr. Shri Prakash Arora (DIN 01872519) a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company, with effect from 20th December, 2014 up to 19th December, 2019, not liable to retire by rotation.”

6. APPOINTMENT OF MR. PREM CHAND TIWARI AS AN INDEPENDENT DIRECTOR

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 149, 152, Schedule IV and other applicable provisions, if any of the Companies Act, 2013 (‘the Act’) and the Rules made there under, as amended from time to time, Mr. Prem Chand Tiwari (DIN 05182634) a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company, with effect from 20th December, 2014 up to 19th December, 2019, not liable to retire by rotation.”

7. TO RE-APPOINT MR. MANOJ PATHAK (DIN: 00616061) AS A WHOLE-TIME DIRECTOR

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Manoj Pathak (DIN: 00616061) as a Whole-time Director of the Company, for a period of 5 (Five) years with effect from 1st December, 2014 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Human Resources, Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Manoj Pathak, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any Statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. TO APPROVE BORROWING LIMITS OF THE COMPANY

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

“RESOLVED THAT in supersession of the Resolution No.6 passed at the Annual General Meeting of the Company held on 23rd December, 2013 and pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the

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Companies Act, 2013, as amended from time to time, and the applicable Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company ('the Board') to borrow any sum or sums of money, from time to time, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) may exceed, at any time, the aggregate of the paid-up share capital of the Company and its free reserves, provided that the total amount so borrowed by the Board shall not at any time exceed 2000 Crores (Rupees Two Thousand crores only).

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such moneys are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to a Committee constituted by the Board and/or any member of such Committee with power to the said Committee to sub-delegate its powers to any of its members.

#### 9. CREATION OF CHARGE ON THE ASSETS OF THE COMPANY

To Consider, and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the Resolution No.7 passed at the Annual General Meeting of the Company held on 23rd December, 2013 and pursuant to the provisions of Section 180 (l) (a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby given to the Board of Directors of the Company ('the Board') to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations, if any, created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, in favour of Banks, Financial Institutions, Insurance Companies, other lending/ investing agencies or bodies/ trustees for holders of debentures/ bonds which may be issued to or subscribed to by all or any of the Banks, Financial Institutions, Insurance Companies, other lending/ investing agencies or any other person(s)/ bodies corporate by way of private placement or otherwise (hereinafter collectively referred to as 'Lenders'), provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said loans, for which such charges, mortgages or hypothecations are created, shall not, at any time exceed the limit of Rs. 2000 Crores (Rupees Two Thousand Crores only).

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to a Committee constituted by the Board and/ or any member of such Committee with power to the said Committee to sub-delegate its powers to any of its members."

For and on behalf of Board

Sd/-

**Vinod Kumar Chaturvedi**

Managing Director

Place: Mumbai

Date: 28th August, 2014

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Notes:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, share holding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
8. The Register of Members and Share Transfer Books of the Company will remain closed from 15th December 2014 to 19th December 2014 (both days inclusive).
9. Under Section 205A of the erstwhile Companies Act, 1956, read with Rule 3 of the Investor Education and Protection fund (Uploading of information regarding unpaid and unclaimed amounts lying with the companies) Rules, 2012 the amount of unpaid or unclaimed amounts for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred Rs. 144,210/- unclaimed share application money pertaining to the IPO made in October, 2006 to the Investor Education and Protection Fund of the Central Government.
10. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Big Share, for consolidation into a single folio.
11. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

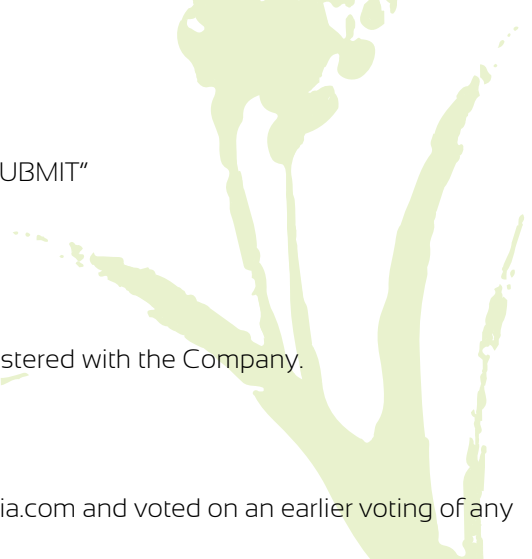
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12. As per the provisions of the Companies Act, 2013 facility for making nomination is available for the Members in respect of the shares held by them. Nomination forms can be obtained from the Company's Share Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
  13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Bigshare Services Pvt. Ltd.
  14. In terms of section 101 and 136 of the Companies Act, 2013 read together with the Rules made there under, the listed companies may send the notice of annual general meeting and the annual report, including Financial statements, Board Report, etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their e-mail ids with their respective depository participants or with the share transfer agent of the Company.
  15. The company has designated an exclusive e-mail ID viz. usherinvestors@usheragro.com to enable investors to register their complaints/ grievances, if any.
  16. In compliance with provisions of the Companies Act 2013, the company is also offering the e-VOTING FACILITY to the members to enable them to cast their votes electronically. E-voting facility would remain open only from 14.12.2014 to 16.12.2014 (both days inclusive).

MRS. PALAK DESAI, PRACTICING COMPANY SECRETARY, 31-E, Laxmi Industrial Estate, New Link Road, Andheri West, Mumbai - 400 058 (COP No. 7426) has been appointed as Scrutinizer for scrutinizing e-voting system in a fair and transparent manner and to give her report thereon.

#### E-VOTING INSTRUCTIONS

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - (ii) Click on "Shareholders" tab.
  - (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
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(vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the serial number (refer serial no. printed on the name and address sticker/Postal Ballot Form) in the PAN field.</li><li>In case the serial number is less than 8 digits enter the applicable number of O's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.</li></ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"><li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li></ul>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

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- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian ,if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 14.12.2014 at 10.00 A.M. and ends on 16.12.2014 at 06.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 14.11.2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

Place: Mumbai  
Date: 28th August, 2014

For and on behalf of Board

Sd/-

**Vinod Kumar Chaturvedi**  
Managing Director

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## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 8 of the accompanying Notice dated August, 2014.

### Item 2

The retiring statutory auditors, namely, M/s. Parekh Shah and Lodha (Firm Registration No. 107487W), Chartered Accountants and M/s. Ajmera Ajmera & Associates (Firm Registration No. 123989W), Chartered Accountants, have expressed their unwillingness to be re-appointed and that a special notice in terms of provisions of Section 115 of the Companies Act, 2013 ("the Act") read with Section 140 of the Act has also been received from the members of the company for the appointment of new statutory auditors M/s. V.S. Kankariya and Co., (Firm Registration No. 104719W) Chartered Accountants in place of the retiring statutory auditors M/s. Parekh Shah and Lodha, Chartered Accountants and M/s. Ajmera Ajmera & Associates, Chartered Accountants.

The company has forthwith communicated to the retiring auditors of the special notice. Pursuant to the provisions of section 139 and 141 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 a written consent towards such appointment has been obtained from M/s. V.S. Kankariya and Co., Chartered Accountants along with a written certificate to the effect that their appointment if made will be within the limits prescribed under Section 139 of the Companies Act, 2013 and that they are not disqualified for appointment under section 141 of the Act.

Your directors recommend the resolution for your approval.

None of the Directors is concerned or interested in this resolution.

### Item 3 to 6

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. Vijay Ranchan, Mr. Ajay Prakash Arora, Mr. Shri Prakash Arora and Mr. Prem Chand Tiwari as Independent Directors at various times, in compliance with the requirements of the clause.

Pursuant to the provisions of Section 149 of the Act, which came in to effect from 1 April, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors, who are not liable to retire by rotation.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, the above independent directors being eligible and seeking appointment, are proposed to be appointed as an Independent Directors for a term of five years. The Company has received notices in writing from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Mr. Vijay Ranchan, Mr. Ajay Prakash Arora, Mr. Shri Prakash Arora and Mr. Prem Chand Tiwari for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from the above Independent Directors (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that they meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

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The resolution seeks the approval of members for the appointment of above non-executive directors as Independent Directors of the pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made there under. They are not liable to retire by rotation.

In the opinion of the Board of Directors, the above Independent Directors fulfils the conditions specified in the Act and the Rules made thereunder and they are independent of the Management. A copy of the draft letter for the appointment of Mr. Vijay Ranchan, Mr. Ajay Prakash Arora, Mr. Shri Prakash Arora and Mr. Prem Chand Tiwari as Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM. The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of above Independent Director.

No director, key managerial personnel or their relatives, of Mr. Vijay Ranchan, Mr. Ajay Prakash Arora, Mr. Shri Prakash Arora and Mr. Prem Chand Tiwari, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item no. 3 to 6 for the approval of the members.

## Item 7

The Board of Directors of the Company in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force, by passing a resolution at its meeting held on 28th August, 2014 on the recommendation made by remuneration committee at its meeting held on the same day, re-appointed Mr. Manoj Pathak as the Whole Time Director of the company for a further period of 5 years effective 1st December, 2014 subject to your approval on the terms and conditions, including minimum remuneration, as detailed hereafter.

### 1. REMUNERATION:

Salary shall not exceed Rs. 32,15,400/- per annum with annual increments being determined and recommended by the Remuneration Committee and to be approved by the Board of Directors on a year-to-year basis.

### 2. COMMISSION:

Commission will be paid on annual basis @ 0.56% of the total Profit as per the calculation of the provision of the section 198 of the Companies Act, 2013 excluding salary.

### 3. PERQUISITES:

In addition to Salary as above, the Whole Time Director shall be entitled to perquisites like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, as permissible under law together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, repairs and other allowances, medical reimbursement, club fees and leave travel concession for self and his family, personal accident insurance and such other perquisites as are payable in accordance with the rules of the Company or as may be agreed to by the Remuneration Committee or Board of Directors. However, such perquisites will be subject to a ceiling of 100% of the salary.

The above perquisites shall be evaluated as per the Income tax Rules wherever applicable. In the absence of such rules,



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perquisites will be evaluated at actual costs.

Where in any financial year during the currency of the tenure of the Whole Time Director, the Company has made no profits or its profits are inadequate, the Company shall pay to the Whole Time Director, the above Salary and perquisites as Minimum Remuneration subject to the ceiling limits prescribed in Schedule XIII of the Companies Act, 1956.

#### 4. SITTING FEES

The Whole Time Director shall not be entitled for sitting fees.

#### 5. The Whole Time Director shall be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration specified herein above :

- a. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
- b. Gratuity payable at the rate not exceeding half a month's Salary for each completed year of service.
- c. Earned privilege leave at the rate of one month's leave for every eleven months of service. The Whole Time Director shall be entitled to encash leave at the end of his tenure as Whole Time Director.
- d. Provision for Car and Telephone communication facilities at the residence of the Whole Time Director shall not be treated as perquisites.

#### 6. Other terms:

- a. The appointment of the Whole Time Director may be terminated by either side by giving six months notice in writing.
- b. The Whole Time Director shall unless prevented by ill health, throughout the said term devote his attention and ability to the business of the Company and shall perform such duties and exercise such power as shall from time to time be assigned to or vested in him by the Board of Directors, and shall comply with the orders, directions and regulations from time to time of the Board of Directors of the Company and shall well and faithfully serve the Company and use his utmost endeavour to promote the interest thereof. The Board commends the approval by the members for the revision in the remuneration payable to him.

### Item 8

Under the erstwhile Section 293 (1) (d) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose.

Under the provisions of Section 180 (1) (c) of the Companies Act, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Further, as per a clarification issued by the Ministry of Corporate Affairs, the Ordinary Resolution earlier passed under Section 293 (1) (d) of the Companies Act, 1956 will remain valid for a period of one year from the date of notification of Section 180 of the Companies Act, 2013, i.e. up to 11th September, 2014. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up share capital and free reserves of the Company. The borrowing limit

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of Rs. 2000 Crores under the earlier resolution passed by the shareholders at the Annual General Meeting of the Company held on 23rd December, 2013 remains unchanged. The Board commends the Resolution at Item No.8 of the Notice for approval of the shareholders by a Special Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.8 of the Notice.

## Item 9

Under the erstwhile Section 293 (l) (a) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business). Under the provisions of Section 180 (l) (a) of the Companies Act, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Further, as per a clarification issued by the Ministry of Corporate Affairs, the Ordinary Resolution earlier passed under Section 293 (l) (a) of the Companies Act, 1956 will remain valid for a period of one year from the date of notification of Section 180 of the Companies Act, 2013, i.e. up to 11th September, 2014. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

As the documents to be executed between the Company and the lenders/ trustees for the holders of debentures/ bonds may contain the power to take over the management of the Company in certain events, it is necessary to obtain Members' approval under Section 180 (l) (a) of the Companies Act, 2013, by way of a Special Resolution. The existing limit of 2000 Crores under the earlier resolution passed by the shareholders at the Annual General Meeting of the Company held on 23rd December, 2013 remains unchanged. The Board commends the Resolution at Item No.9 of the Notice for approval of the shareholders by a Special Resolution. None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.9 of the Notice.

### IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with the Company's Share Transfer Agent, Bigshare Services Pvt. Ltd. Email: [flavia@bigshareonline.com](mailto:flavia@bigshareonline.com)





Regd. Office: 422, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai- 400 053.

## ATTENDANCE SLIP

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 18th ANNUAL GENERAL MEETING of the Company at Nand Kripa Banquet Hall, Four Bungalow Road, Main Market, Andheri (West), Mumbai - 400 058, at 11.00 a.m. on Saturday, 20th December, 2014.

Folio No. .... /DP ID No.\* ..... & Client ID No. ....

\* Applicable for members holding shares in electronic form.

Full name of Member/Proxy (In block capitals)	Signature
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NOTE: Shareholder/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

TEAR HERE



Regd. Office: 422, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai- 400 053.

## PROXY FORM

I/We.....of..... in the district of ..... being a member of the above named Company, hereby appoint..... of.....in the district of ..... or failing him ..... of ..... in the district ..... as my/our Proxy to attend and vote for me/us and on my/our behalf at the, 18th ANNUAL GENERAL MEETING of the Company, to be held on Saturday, the 20th December, 2014 at 11.00 a.m. and at any adjournment thereof

Signed this ..... Day of ..... 2014 Folio No. .... /DP ID No.\* ..... & Client ID

\* Applicable for members holding shares in electronic form

Affix  
Revenue  
Stamp

.....  
Signature

No. of Shares

This form is to be used @ in favour/@against the resolution. Unless otherwise instructed, the proxy will act as he thinks fit.

@ Strike out whichever is not desired.

NOTES: (i) The proxy form must be returned so as to reach the Registered Office of the Company 422, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai- 400 053 not less than FORTY-EIGHT HOURS before the time for holding the aforesaid meeting. (ii) Those members who have multiple folios with different joint holders may use copies of this Attendance Slip/Proxy form.













### **REGISTERED OFFICE**

422, Laxmi Plaza, Laxmi Industrial Estate  
New Link Road Andheri (West)  
Mumbai - 400 053  
Tel: 022 -39381100  
Fax: 022 -39381123  
Email: [compliance@usheragro.com](mailto:compliance@usheragro.com)  
Website: [www.usheragro.com](http://www.usheragro.com)

### **Marketing Office**

405, Pearl Best Heights-II  
Netaji Subhash Place, Pritampura  
New Delhi - 110 034

### **PLANT LOCATION**

#### **Chhata:**

- 1) 158, Gohari, Delhi-Agra Highway, (N-H II)  
Chhata, Dist: Mathura (Uttar Pradesh) - 281 401
- 2) 632-634, Duatana, Delhi-Agra Highway, (N-H II)  
Chhata, Dist: Mathura (Uttar Pradesh) - 281 401

#### **Mathura:**

239, Maholi, Krishna Nagar  
Off Delhi-Agra Highway, (N-H II)  
Mathura, (Uttar Pradesh) - 281 004

#### **Buxar:**

Plot no. 1898, Chaubeji ki Chhavani,  
Jalilpur Thana, Rajpur  
Dist: Buxar (Bihar) - 801 144