

*IHSEDU COREAGRI SERVICES PRIVATE LIMITED*

*ANNUAL REPORT*

*2012-2013*

## **IHSEDU COREAGRI SERVICES PVT.LTD.**

"Akhandanand", 38 Marol Co-op Indl. Estate, Off.M.V.Road, Sakinaka, Andheri (East), Mumbai- 400 059.

Tel: 91-22-40271300 Fax: 40271399 email:jaol@vsnl.net

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### **NOTICE**

Notice is hereby given that the **FIFTH ANNUAL GENERAL MEETING** of IHSEDU COREAGRI SERVICES PRIVATE LIMITED will be held at the Registered Office of the Company at AKHANDANAND, 38, MAROL CO-OP IND. ESTATE, OFF M.V. ROAD, SAKINAKA, ANDHERI (EAST), MUMBAI - 400 059 on Thursday, **12th September, 2013 at 12.30 p.m.** to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2013, Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint Auditors for the current year to hold office from conclusion of this meeting until conclusion of the next Annual General Meeting and to fix their remuneration.

### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER.
2. The instrument appointing a proxy should be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.

### **REGISTERED OFFICE:**

AKHANDANAND,  
38, MAROL CO-OP IND. ESTATE,  
OPP. M.V. ROAD, SAKINAKA,  
ANDHERI (EAST)  
MUMBAI - 400 059

**By Order of the Board**

Sd/-  
**Vikram V. Udeshi**  
Director

**Date:** May 30, 2013

**Place:** Mumbai

## IHSEDU COREAGRI SERVICES PVT.LTD.

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(East), Mumbai- 400 059.

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### DIRECTORS' REPORT

To,  
The Shareholders,

Your Directors have pleasure in submitting their **FIFTH ANNUAL REPORT** together with the Audited Accounts of the Company for the period ended on 31st March, 2013.

#### 1. **FINANCIAL RESULTS:**

	(Amount in ₹)	
	Year Ended 31 <sup>st</sup> March, 2013	Year Ended 31 <sup>st</sup> March, 2012
Profit/Loss before Tax	(7,24,979)	27,71,581
Add: Balance Brought forward	33,93,599	15,72,698
Less: Provision for Tax	--	9,51,000
Add : Prior Period Adjustments	9,023	(320)
Balance carried to Balance Sheet	26,59,597	33,93,599

#### 2. **PERFORMANCE:**

During the year under review your Company has incurred a loss of Rs.7.25 lacs as against Profit of Rs.27.71 lacs in the previous year.

#### 3. **FIXED DEPOSITS:**

The Company has not accepted any Fixed Deposits during the year under review.

#### 4. **PARTICULARS OF EMPLOYEES:**

Particulars of employees as required under Section 217(2A) of the Companies Act, 1956 are Nil.

#### 5. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:**

Information required under Section 217(1) (e) of the Companies Act, 1956 read with the Company's (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988, and forming part of this Report is not required to be furnished.

During the period under report, the Company has not earned any foreign exchange nor has there been any outgo.

...2/-

## **IHSEDU COREAGRI SERVICES PVT.LTD.**

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### **6. AUDITORS:**

As the last Annual General Meeting of the Company M/S. M.D. PANDYA & ASSOCIATES, Chartered Accountants were appointed as the Statutory Auditors of the Company to hold the office till conclusion of the ensuing Annual General Meeting. They are eligible for re-appointment. The members are requested to appoint Auditors for the current year and that the Board of Directors of the Company shall fix remuneration of the Auditors in consultation with them.

### **7. DIRECTORS' RESPONSIBILITY STATEMENT:**

As required under Section 217 of the Companies Act, the Directors hereby confirm that:

- 1) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 2) the Directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March,2013, and loss of the Company for the said financial year
- 3) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities to the best of their knowledge and ability;
- 4) the Directors have prepared the annual accounts on a going concern basis.

### **8 INSURANCE:**

The properties and insurable interest of your Company like stocks etc. are properly insured.

**FOR AND ON BEHALF OF THE BOARD**

**PLACE:** Mumbai  
**DATED:** May 30,2013

Sd/-  
**ABHAY V. UDESHI**  
**CHAIRMAN**

**Partners:**

**M. D. Pandya**  
B. Com., F.C.A.

**A. D. Pandya**  
B. Com., F.C.A.

**Independent Auditor's Report**

**To the Members of IHSEDU COREAGRI SERVICES PRIVATE LIMITED**

We have audited the accompanying financial statements of **IHSEDU COREAGRI SERVICES PRIVATE LIMITED** which comprises of Balance Sheet as at 31st March, 2013 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### 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 Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003, (the Order) issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 (hereinafter to referred to as 'the Act') we give in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
2. As required by section 227(3) of the Act, we report that:
  - (i.) 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;
  - (ii.) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
  - (iii.) The Balance Sheet, Statement of Profit and Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account;
  - (iv.) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.

M. D. Pandya & Associates  
Chartered Accountants  
107 B, Anand Nagar, Forjet Street, Mumbai 400 036

- (v.) On the basis of written representations received from the directors, as on 31st March, 2013, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi.) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **M D PANDYA & ASSOCIATES**  
**Chartered Accountants**  
**Reg. No. 107325 W**

Sd/-

**M. D. PANDYA**

**Partner**

Membership no. 33184

MUMBAI

DATED: May 30, 2013

**Partners:**

**M. D. Pandya**  
B. Com., F.C.A.  
**A. D. Pandya**  
B. Com., F.C.A.

REFERRED TO IN PARAGRAPH 3 OF OUR AUDITOR REPORT OF EVEN DATE

- i a The company does not hold any fixed asset. In view of the above clauses 4 (i) (a), (b) and (c) of the Companies (Auditors Report) order 2003 are not applicable.
  
- ii a Physical verification of inventory has been made at reasonable intervals.
  
- ii b In our opinion and according to the information and explanations given to us, the procedure for physical verification of stock followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  
- ii c On basis of our examination of the inventory records of the Company, we are of the opinion that the Company is maintaining proper records of its inventory. There was no discrepancy noticed on verification between the physical stocks and the book records.
  
- iii a The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore provisions of sub clauses (a), (b), (c) and (d) of Paragraph 4(iii) of the Order are not applicable.
  
- iii b The Company has taken unsecured interest free advance from its holding company. The maximum amount involved during the year was Rs. 1,00,00,000/- ( last year Rs 1,00,00,000/-) and the year-end balance of this advance taken was Rs. 1,00,00,000/- ( last year Rs. 1,00,00,000/-).
  
- iii c Other terms and conditions of advance taken by the company taken are not prima facie prejudicial to the interest of the company.
  
- iii d We have been informed that the advances received are repayable on demand.



M. D. Pandya & Associates  
Chartered Accountants  
107 B, Anand Nagar, Forjet Street, Mumbai 400 036

- iv. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventory. There were no sales during the year. During the course of audit no major weakness has been noticed in these internal controls.
- v a In our opinion and according to the information and explanation given to us, there were no transactions which needs to be entered into the register maintained in pursuant of section 301 of the Act have been so entered. In view of the above clause 4 (v) (b) of the Companies (Auditors Report) order 2003 is not applicable.
- vi In our opinion and according to the information and explanation given to us, the provisions of Section 58A and 58AA of the Act and the Company (Acceptance of Deposits) Rules 1975 with regard to the deposit accepted from the public are not applicable to the company.
- vii In our opinion, the company has an adequate Internal Audit system commensurate with its size and nature of its business.
- viii The provisions of clause 4 (viii) of the Companies (Auditors Report) order 2003 are not applicable to the Company.
- ix a The Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other statutory dues with the appropriate authorities wherever applicable.
- ix b According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, service tax customs duty, excise duty and cess were in arrears, as at 31st March, 2013 for a period of more than six months from the date they became payable.
- x The Company has no accumulated losses at the end of the financial year. The Company has incurred cash losses during the financial year covered by our report although it had not incurred cash losses for the immediately preceding financial year.

- xi According to information and explanation given to us, the Company has not defaulted in repayment of dues to the financial institution or bank.
- xii According to information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii The Company is not a chit fund or nidhi / mutual benefit fund / society, therefore the provisions of clause 4 (xiii) of the Companies (Auditors Report) order 2003 are not applicable to the Company.
- xiv According to information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investments; therefore the provisions of clause 4 (xiv) of the Companies (Auditors Report) order 2003 are not applicable to the Company.
- xv According to information and explanation given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions. In view of the above clause 4 (xv) of the Companies (Auditors Report) order 2003 is not applicable.
- xvi The Company has not taken any term loans and therefore clause (xvi) of para 4 of the Order is not applicable.
- xvii According to information and explanation given to us, and on overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii The Company has not made preferential allotment of shares to parties and companies covered in register under Section 301 of the Act.
- xix The Company has not issued any debentures during the year.

M. D. Pandya & Associates  
Chartered Accountants  
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- xx The Company has not raised any money through a public issue during the year.
- xxi Based on the audit procedures performed and information and explanation given to us, we report that no fraud on or by the Company has been noticed or report during the course of our audit.

**For M D PANDYA & ASSOCIATES**  
**Chartered Accountants**  
**Reg. No. 107325 W**

Sd/-

**M. D. PANDYA**

**Partner**

Membership no. 33184

MUMBAI

DATED: May 30,2013

**IHSEDU COREAGRI SERVICES PRIVATE LIMITED**

**Balance Sheet as at 31st March, 2013**

<b>Amounts in Rupees (Rs)</b>		
	<b>As At 31ST MARCH, 2013</b>	<b>As At 31ST MARCH, 2012</b>
<b>I. EQUITY AND LIABILITIES</b>		
<b>(1) Shareholder's Funds</b>		
(a) Share Capital	500,000	500,000
(b) Reserves and Surplus	2,659,597	3,393,599
<b>(3) Current Liabilities</b>		
(a) Trade payables	16,854	193,008
(b) Other current liabilities	10,068,825	-
(c) Short-term provisions	-	951,000
<b>Total</b>	<b>13,245,276</b>	<b>5,037,607</b>
<b>II. Assets</b>		
<b>(1) Current assets</b>		
(a) Inventories	12,675,234	523,050
(b) Trade receivables	-	5,740
(c) Cash and Bank Balances	294,674	1,369,768
(d) Short-term loans and advances	275,367	3,139,049
<b>Total</b>	<b>13,245,276</b>	<b>5,037,607</b>

As per our Report of even date attached

FOR M.D.PANDYA & ASSOCIATES  
Chartered Accountant  
Registration No. 107325W

Sd/-

(M.D. PANDYA)  
Partner

Sd/-

Chairman

Sd/-

DIRECTOR

MUMBAI  
DATED: May 30, 2013

**IHSEDU COREAGRI SERVICES PRIVATE LIMITED**

**Balance Sheet as at 31st March, 2013**

Amounts in Rupees (Rs)		
	As At 31ST MARCH, 2013	As At 31ST MARCH, 2012
<b>I. EQUITY AND LIABILITIES</b>		
<b>(1) Shareholder's Funds</b>		
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As per our Report of even date attached

FOR M.D.PANDYA & ASSOCIATES  
Chartered Accountant  
Registration No. 107325W

Sd/-

(M.D. PANDYA)  
Partner

MUMBAI  
DATED: May 30, 2013

Sd/-

Chairman

Sd/-

DIRECTOR

**IHSEDU COREAGRI SERVICES PRIVATE LIMITED**

**Profit and Loss statement for the year ended 31st March, 2013**

<b>Amounts in Rupees (Rs)</b>		
<b>Particulars</b>	<b>For the Year ended 31st March 2013</b>	<b>For the year ended 31st March 2012</b>
I. Revenue from operations		
Sales	7,109,910	490,742,873
Increase/decrease in stock	12,152,184	523,050
<b>II. Total Revenue</b>	<b>19,262,094</b>	<b>491,265,923</b>
<i>II. Expenses:</i>		
Purchases	18,626,429	469,765,940
Financial Cost	-	17,258,541
Other expenses	1,360,644	1,469,861
<b>III. Total Expenses</b>	<b>19,987,073</b>	<b>488,494,342</b>
IV. Profit Before Tax	(724,979)	2,771,581
V. Tax expense:		
(1) Current tax	-	951,000
(3) Prior period adjustments	9,023	(320)
VI. Profit for the year	(734,002)	1,820,901
VII. Earning per equity share:		
(1) Basic	(14.68)	36.42
(2) Diluted	(14.50)	36.42

As per our Report of even date attached

FOR M.D.PANDYA & ASSOCIATES  
Chartered Accountant  
Registration No. 107325W

Sd/-

(M.D. PANDYA)  
Partner

Sd/-

Chairman

Sd/-

DIRECTOR

MUMBAI

DATED: May 30, 2013

**NOTES ON ACCOUNTS:****BALANCE SHEET AND PROFIT & LOSS A/C AS ON 31ST MARCH** Amounts in Rupees (Rs)**NOTE 1 - SHARE CAPITAL**

	<b>2012-2013</b>		<b>2011-2012</b>	
	No. Of Shares	Amount (Rs)	No. Of Shares	Amount (Rs)
<b>Authorized :</b>				
Equity Shares of Rs.10/- each	50,000	500,000	50,000	500,000
<b>Total</b>	<u>50,000</u>	<u>500,000</u>	<u>50,000</u>	<u>500,000</u>
<b>Issued , subscribed and paid-up:</b>				
Equity Shares of Rs.10/- each	<u>50,000</u>	<u>500,000</u>	<u>50,000</u>	<u>500,000</u>
1.1. Reconciliation of number of shares outstanding at the beginning and at the end of the year				
Opening Balance	50,000	500,000	50,000	500,000
Closing Balance	<u>50,000</u>	<u>500,000</u>	<u>50,000</u>	<u>500,000</u>

**1.2. Details of equity shares held by the holding company and the ultimate holding Company**

	<b>2012-2013</b>		<b>2011-2012</b>	
	No. Of Shares	Amount (Rs)	No. Of Shares	Amount (Rs)
<b>Ultimate Holding Company</b>				
Jayant Finvest Limited	-	-	-	-
<b>Holding Company</b>				
Jayant Agro Organics Limited	<u>50,000</u>	<u>500,000</u>	<u>50,000</u>	<u>500,000</u>

1.3 The company was incorporated in year 2008. Since then, no shares have been issued by capitalization of reserve as bonus shares or for consideration other than cash.

1.4 The company has a single class of equity shares. Accordingly all equity shares rank rights, equally with regard to voting rights, dividends and shares in the Company's residual assets.

**NOTE 2- RESERVES AND SURPLUS**

	<b>2012-13</b>	<b>2011-12</b>
	<b>Amount(Rs)</b>	<b>Amount (Rs)</b>
<b>Profit &amp; Loss Account</b>		
Opening balance	3,393,599	1,572,698
Add : Surplus for the year	(734,002)	1,820,901
Closing Balance	<u>2,659,597</u>	<u>3,393,599</u>

**NOTE 3- TRADE PAYABLES**

Creditors for expenses	16,854	193,008
<b>Total</b>	<u>16,854</u>	<u>193,008</u>

**NOTE 4- OTHER CURRENT LIABILITIES**

Advance from Holding Company	10,000,000	-
Advance from Customers	68,825	-
	<u>10,068,825</u>	<u>-</u>

**NOTE 5- SHORT TERM PROVISIONS**

Provision for Taxation	-	951,000
<b>Total</b>	<u>-</u>	<u>951,000</u>

**NOTE 6- INVENTORIES**

(At Lower of cost and net realizable value)

Traded Goods	12,675,234	523,050
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**NOTE 7-TRADE RECEIVABLES**

Outstanding for a period less than six months from the date they became due for payment.

Secured Considered Good.	-	5,740
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**NOTE 8-CASH AND CASH EQUIVAL Amount(Rs) Amount (Rs)**

Bank Balance with Scheduled Bank	294,674	1,369,768
	<u>294,674</u>	<u>1,369,768</u>

**NOTE 9 - SHORT-TERM LOANS AND ADVANCES**

Rent Deposit	-	3,000,000
Other advances	275,367	139,049
	<u>275,367</u>	<u>3,139,049</u>

**NOTE 10: SALES**

Sales of Castor Seed	7,109,910	490,604,826
Others	-	138,047
	<u>7,109,910</u>	<u>490,742,873</u>

**NOTE 11- INCREASE/DECREASE IN STOCK**

Opening Stock	523,050	-
Closing Stock	12,675,234	523,050
<b>INCREASE/DECREASE IN STOCK</b>	<u>12,152,184</u>	<u>523,050</u>

**NOTE 12 - PURCHASES**

Purchases of Castor Seed	18,123,446	469,429,940
Others	502,983	336,000
	<u>18,626,429</u>	<u>469,765,940</u>

**NOTE 13-FINANCIAL COST**

Interest	-	17,258,541
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**NOTE 14-OTHER EXPENSES**

Insurance	-	499,021
Analysis & Testing Charges	-	480,456
Packing Expenses	39,458	-
Miscellaneous Expenses	1,298,714	447,374
<b>Payment to Auditors:</b>		
-Audit Fees	16,854	16,854
-Tax Audit Fees	5,618	-
Preliminary expenses written off	-	26,156
	<b>1,360,644</b>	<b>1,469,861</b>

**NOTE 15 :****1) SIGNIFICANT ACCOUNTING POLICIES :**

**A. BASIS OF ACCOUNTING :** The financial statements are prepared under historical cost convention, on accrual basis of accounting and under the going concern assumption, in accordance with the generally accepted accounting principles in India and comply with the Accounting Standards.

**B. USE OF ESTIMATES :** The preparation of financial statements required management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual results and estimates are recognized in the period.

**C. INVENTORIES:**

- (a) Inventories are valued at lower of cost and net realizable value.
- (b) Cost is determined on First in First out basis

**D. CASH FLOW STATEMENT:**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flow. The cash flows from operating, investing activities of the Company are segregated.

**E. PROVISIONS AND CONTINGENT LIABILITIES:**

The company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources is remote, no provision or disclosure is made.

**F. BORROWING COSTS:**

Borrowing costs that are directly attributable to the acquisition of qualifying asset are capitalized for the period until the asset is ready for its intended use. A qualifying asset that necessarily takes substantial period of time to get ready for use.

**G. REVENUE RECOGNITION:**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Turnover includes sale of goods, services, scrap, export incentives and are net of sales tax/ Value Added Tax and Excise duty.

**H. ACCOUNTING OF CLAIMS:**

- (a) Claims receivable are accounted at the time when such income has been earned by the company depending on the certainty of receipts. Claims payable if any, are accounted at the time of acceptance.
- (b) Claims raised by Government Authorities regarding taxes and duties, which are disputed by the Company, are accounted based on the merits of each claim.
- (c) Central Sales Tax claims and duty drawback claims which are accounted on accrual basis.

**I. SUNDRY DEBTORS:**

Sundry debtors are stated after writing off debts which are not recoverable. Adequate provision is made for debts if considered doubtful.

**J. EMPLOYEE BENEFITS****Defined Contribution Plan**

- (a) Retirement Benefits in the Provident Fund and Family Pension Fund, which are defined contribution schemes, are charged to the Profit and Loss account of the year when contributions accrue.
- (b) Annual contribution towards Gratuity Liability is funded with the Life Insurance Corporation of India in accordance with their Gratuity scheme and is absorbed in the Accounts.
- (c) Entitlements to annual leave and sick leave are recognized when they accrue to the employees. Sick leave can only be availed when annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulation of leave.

**K. TAXES ON INCOME****Current Tax**

Current Tax is determined as the amount of tax payable in respect of taxable income for the year.

**Deferred Taxation**

Deferred tax reflects the tax effects of timing differences between accounting income and the taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rate that

**L. EARNING PER SHARE (EPS):**

A basic earning per share is computed by dividing the net profit after tax by the average number of equity shares outstanding during the period. Diluted earning per share is computed by dividing the net profit after tax by the weighted average number of shares.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any shares splits and bonus shares issues, including for changes prior to the financial statements by the Board.

**NOTE 16: RELATED PARTY DISCLOSURES:**

(As identified by the Management)

Related party disclosures as required by Accounting Standard 18, "Related Party Disclosures", issued by the Institute of Chartered Accountants of India are given below:-

**a) List of related parties****i) Ultimate Holding Company:**

Jayant Finvest Limited.

**ii) Holding Company:**

Jayant Agro-Organics Ltd.

**iii) Fellow Subsidiary:**

Ihsedu Agrochem Private Ltd.

Ihsedu Itoh Green Chemicals Marketing Private Ltd.

**iv) Enterprises controlled by directors/ relatives:**

Gokulmani Agricom Limited.

Enlite Chemical Industries Limited.

Kalyan Implex Pvt. Ltd.

Varun Leasing & Finance Pvt. Ltd.

**v) Associates Company:**  
Itoh Oil Chemicals Co Ltd.

**vi) Key Management Personnel:**

Mr. Abhay V. Udeshi	Director
Mr. Vikram V. Udeshi	Director
Mr. Mulraj G. Udeshi	Director

**b) Details relating to parties referred to in items above:**

Particulars	Holding Company	Fellow Subsidiary	Key Management Personnel
Purchases	- (-)	- (459,657,040)	- (-)
Sales	- (490,019,653)	- (-)	- (-)
<b>Closing Balance</b>	10,000,000	-	-
Credit Balance	- (-)	- (-)	- (-)

Note: The above information has been reckoned on the basis of information available with the Company. Figures in brackets are in respect of the Previous Year.

**Note 17: Expenses in Foreign Currency** NIL  
(NIL)

**Note 18: Earning in Foreign Exchange** NIL  
(NIL)

As per our Report of even date attached  
For M. D. Pandya & Associates.  
Chartered Accountants.  
Registration No. 107325W

Sd/-  
( M.D.Pandya)  
Partner

Sd/-  
Chairman

Sd/-  
Director

Place : Mumbai.  
Dated : May 30,2013