



MANAGING DIRECTOR'S MESSAGE

Dear Members ,

The last year 2012-13 was a challenging year globally and also for Indian Industries too. Irrespective of all odds your company has managed its affairs and performed quite satisfactory.

The company, this year used the BRP capacity as a captive consumption for manufacturing of its end product SSP, however the management also trying to obtain mining lease, so as to reduce its dependency for procurement of 'Raw Rock' from Madhya Pradesh State Mining Corporation Limited and quite hopeful to get some mining leases.

During the year under review, your company has achieved turnover of Rs. 4574.83 lacs. The net profit after tax for the current year stands at Rs. 357.67 lacs.

After successful completion of BRP project, your directors have further envisaged to set up infrastructure project as SSP having capacity of 180000 MT GSSP with capacity 180000 MT and Sulphuric Acid having 66000 MT for which company has acquired necessary land and financial tie-ups are going on.

I welcome all the stakeholders.

Our vision is to work towards a happier India by providing best quality fertilizers to the poor farmers of our nation and by developing self supporting communities in the area of our operations. We have an outstanding strategic advantage, association with 'Shriram' a great brand enduring values committed work force & a remarkable future ahead.

Sd/-

(Pankaj Ostwal)

Managing Director



COMPANY INFORMATION

MBAPL is one of the quality Single Super Phosphate (SSP) fertilizer manufacturers of India in private sector. Present installed capacity of SSP 60000 TPY (200 TPD) & BRP processing is 99000 TPY. Further putting up an infrastructure project comprising of SSP (licensed capacity is 180000 TPY), GSSP (licensed capacity is 180000 TPY) and Sulphuric Acid (licensed capacity is 66000 TPY) are underway at its new Third Unit (MBAPL-III) at vill. Sourai, Dist. Sagar, Madhya Pradesh.

The company is performing well in producing Beneficiated Rock Phosphate (BRP) and Single Super Phosphate (SSP) during the current financial Year 2012-13 and going for SSP, GSSP & Sulphuric Acid project in the coming years.

Commercial production of BRP is an important milestone in the fast growth history of company which is aimed to make its fertilizer unit self sufficient in terms of major raw material input. Production of rock phosphate concentrate is an important achievement for the company as India heavily depends on the imports which render this material quite vulnerable to large fluctuations in quality and prices.

Fertilizers generally consist of organic and inorganic fertilizers. Organic manures and some mined minerals have been used for many centuries as organic fertilizers, where as chemically - synthesized inorganic fertilizers were only extensively developed during the industrial revolution.

SSP (Single Super Phosphate)

Single Super phosphate is a fertilizer produced by treating Beneficiated Rock Phosphate with Sulphuric Acid. It is the carrier of phosphate (P_2O_5), the form of phosphorus usable by plant & is one of the world's most important fertilizer. SSP provides the cheapest source of sulphur to the soil also.

BRP (Beneficiated Rock Phosphate)

Phosphorite Phosphate rock or rock phosphate is a non- detrital Sedimentary rock which contains high amounts of phosphate bearing Minerals. Rock phosphate is mainly used for the production of single super phosphate & dia ammonium phosphate, which are mainly used as fertilizers. Phosphorus from rock phosphate is also used in animal feed supplements, food preservatives, anti Corrosion agents, cosmetics, fungicides, ceramics, water treatment and metallurgy.

FINANCIAL HIGHLIGHTS

Particulars	(₹ In Lacs)	
	2012-13	2011-12
Net Sales	4547.83	4616.92
Depreciation	177.92	41.12
Misc. Exp. W/off	13.48	13.47
Profit Before Tax	532.03	531.07
Profit After Tax	357.67	358.02
Financial Position		
Gross Fixed Assets	4449.47	4145.42
Net Fixed Assets	4018.62	3897.30
Non Current Investments	123.00	123.00
Other Non Current Assets	552.42	203.88
Current Assets	2589.23	1589.62
Total Assets	7283.27	5813.80
Equity Share capital	1105.81	1105.81
Reserves & Surplus	1471.20	1123.74
Non Current Liabilities	2833.31	927.97
Current Liabilities	1872.95	2656.28
Total Sources	7283.27	5813.80

Profit Before Tax Margin (%)	11.70	11.50
Profit After Tax Margin (%)	7.86	7.75

PROFIT BEFORE TAX

The Profit before tax for the FY 2012-13 was Rs. 532.03 lacs i.e. 11.70% of Net Sales as against Rs. 531.07 lacs i.e.11.50% of Net Sales in FY 2011-12.

TAXATION

Your company's total tax liability for the year was Rs. 106.55 lacs comprising of deferred tax liability of Rs. 67.81 lacs.

PROFIT AFTER TAX

The profit after tax was Rs. 357.67 lacs (7.86% of Net Sales) in current year as compared to Rs. 358.02 lacs (7.75% of Net Sales) in the previous year.

EARNING BEFORE INTEREST, TAX & DEPRECIATION

Your Company achieved EBITD of Rs.1193.44 lacs i.e. 26.24% of Net Sales. This was a remarkable improvement over the EBITD of the previous year of Rs. 742.40 lacs i.e 16.08% of Net Sales.



OSTWAL

MADHYA BHARAT AGRO PRODUCTS LIMITED

NOTICE

NOTICE is hereby given that the **16th Annual General Meeting** of the Members of Madhya Bharat Agro Products Limited will be held on **Monday, 16th day of September, 2013** at 11.00 AM at Registered Office situated **5-O-1, Basement, R. C. Vyas Colony, Bhilwara 311001 (Rajasthan)** to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Report of the Board of Directors, Profit and Loss Account for the financial year ended on 31st March 2013 and the Balance Sheet as at that date and the report of Auditors, thereon.
2. To appoint a Director in place of Sh. Shushil Kumar Surana, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

NOTES

- a. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member of the company. The proxies to be effective should be deposited duly stamped, completed and signed at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
- b. Members seeking any information or clarification are requested to send in written queries to the Company, in advance, before the date of the meeting.
- c. Members/Proxies should bring the Attendance Slip sent herewith, duly filled in, for attending the meeting.
- d. Members are requested to immediately inform their change in address quoting folio number(s) to the Company.
- e. Corporate members intending to send their authorized representative 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.

Registered Office:
5-O-1, Basement,
R.C. Vyas Colony,
Bhilwara - 311 001 (Rajasthan)

By Order of the Board of Directors
For **Madhya Bharat Agro Products Limited**

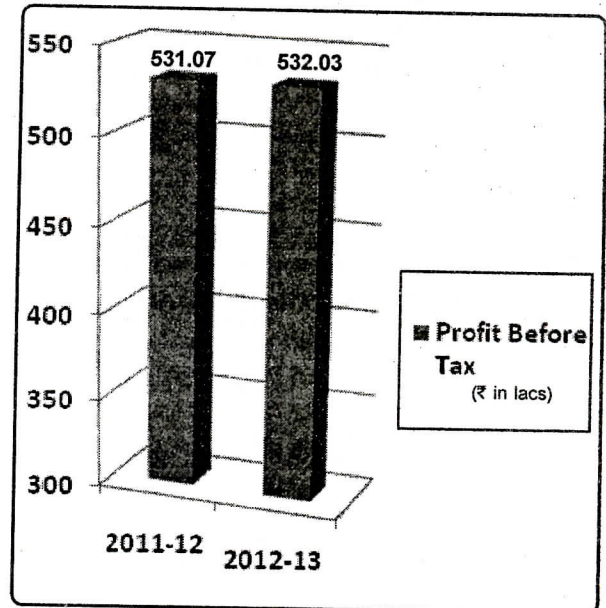
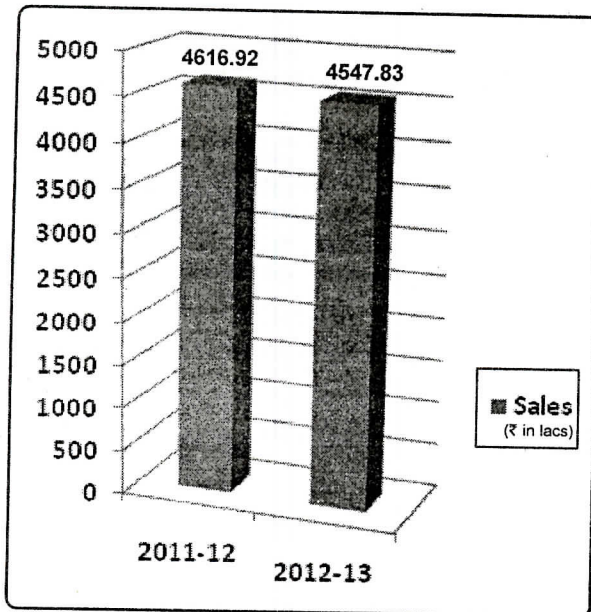
Sd/-
(Pankaj Ostwal)
Managing Director

Dated : 25.05.2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

(₹ in Lacs)

	2012-13	2011-12
Turnover	4547.83	4616.92
Profit Before Taxation	532.03	531.07
Taxation/Deferred Tax	174.36	173.05
Profit /(Loss) after Tax	357.67	358.02
Add: Balance brought forward from Previous year	780.69	422.67
Profit transferred to Balance Sheet	1138.36	780.69



Forward- looking statements

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates'.

All statements that address expectations or projections about the future, including, but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results, are forward looking statements.

Forward looking statements are based on certain assumptions and expectations of future events. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements.

MBAPL continued to strengthen its balance sheet and significantly improve liquidity.



MADHYA BHARAT AGRO PRODUCTS LIMITED

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- The Committee reviews the system of dealing with and responding to correspondence from the investors' viz. - shareholders.
- There is no complain received by the committee, hence it was not placed before this Committee.
- There are no investor grievances pending for a period exceeding one month.
- There are no pending complaints as on 31st March 2013 at present.
- The Board had authorized Mr. Nitin Mehta, Company Secretary & Compliance officer to approve all routine transfers and transmissions of shares. Presently, transfers, transmissions etc. are affected within 12-15 days (as against the stipulated norm of 15 days).
- As on March 31st, 2013 there were no requests pending for transfer of shares.

6. GENERAL BODY MEETINGS

Details of location and time of holding the last three Annual General Meetings

Year	Location	Date & Time
13 th AGM 2009-2010	5-O-1, Basement, R.C. Vyas Colony Bhilwara - 311001 (Raj.)	20.09.2010 at 11.00 A.M.
14 th AGM 2010-2011	5-O-1, Basement, R.C. Vyas Colony Bhilwara - 311001 (Raj.)	20.09.2011 at 11.00 A.M.
15 th AGM 2011-2012	5-O-1, Basement, R.C. Vyas Colony Bhilwara - 311001 (Raj.)	26.09.2012 at 11.00 A.M.

7. DISCLOSURES

There have been no materially significant related party transactions with the Company's Promoters, Directors, Management, Subscribers or relatives, which may have potential conflict with the interests of the Company at large except as given in Note No. 26 of notes to accounts under heading related party disclosure.

The company has complied with the requirement of regulatory authorities on capital markets. There have been no instances of non-compliance by the Company on any matters related to the capital markets, nor have any penalty/strictures been imposed on the company by the stock exchange or SEBI or any other statutory authority on such matters, for the last three years.

8. PATTERN OF SHARE HOLDING AS ON MARCH 31, 2013

Category	No. of Shares held	% of Shareholding
PROMOTERS HOLDING		
(a) Indian Promoters	4577090	41.39
(b) Persons acting in Concerts	-	-
OTHERS		
Mutual Funds and UTI	-	-
Banks, Financial Institution, Insurance Companies (Central/ State Govt. Institutions/ Non Govt. Institutions)	-	-
Foreign Institutional Investors (FIIs)	-	-
Private Corporate Bodies	4951000	44.77
Indian Public	1530000	13.84
NRI's / OCBs	-	-
Trust	-	-
Clearing Members	-	-
Total	11058090	100.00

AUDITORS' REPORT ON CORPORATE GOVERNANCE

To
The Members,
Madhya Bharat Agro Products Limited,
Bhilwara-311001

We have examined the compliance of conditions of corporate governance by Madhya Bharat Agro Products Limited, for year ended 31st March 2013 as per clause 49 of the listing Agreement.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above-mentioned listing agreement.

We state that no investor grievance is pending for a period exceeding one month against the company as per records maintained by the shareholders grievance committee.

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

For M/s Ashok Kanther & Associates
Chartered Accountants
FRN 050014C

Place : Bhilwara (Rajasthan)
Date : 25.05.2013

Sd/-
CA. Ashok Kanther
(Proprietor)
M.No. - 043571

DECLARATION OF THE MANAGING DIRECTOR

I hereby declare that all Board Members and designated senior management have affirmed compliance with the code of conduct as laid down by the Board of Directors of the Company for the year ended 31st March, 2013.

Place: Bhilwara
Dated: 25.05.2013

Sd/-
(Pankaj Ostwal)
Managing Director

DIRECTORS' REPORT
For the year 2012-13

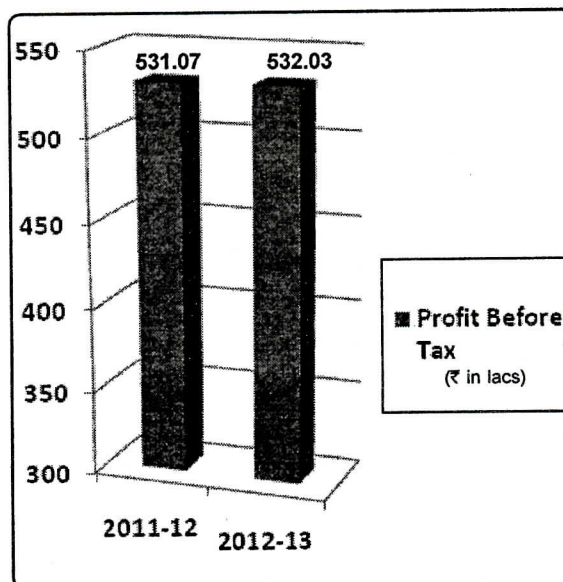
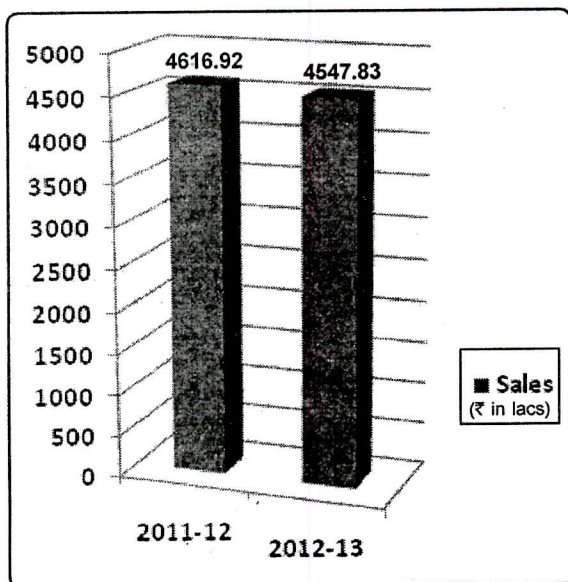
Dear Members,

Your Directors have pleasure in presenting the 16th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2013.

FINANCIAL RESULTS:

(₹ in Lacs)

Particulars	2012-13	2011-12
Turnover	4547.83	4616.92
Profit Before Taxation	532.03	531.07
Taxation/Deferred Tax	174.36	173.05
Profit /(Loss) after Tax	357.67	358.02
Add: Balance brought forward from Previous year	780.69	422.67
Profit transferred to Balance Sheet	1138.36	780.69



OPERATING PERFORMANCE

During the year under review, your Company could perform well irrespective of recession period all over the world. Company achieved almost its targets. Your Company has achieved turnover of Rs 4547.83 lacs. The net profit after tax for the current year stands at Rs. 357.67 lacs as against Rs. 358.02 lacs in previous year.

The Board has not recommended any dividend for the year in view of future capex plans of the Company.

FUTURE PROSPECTS

Existing Business

The Company is engaged in the manufacturing of Beneficiated Rock Phosphate and Single Super Phosphate using rock phosphate are as one of the major raw material. Beneficiated Rock Phosphate is captively consume as indigenous raw material of Single Super Phosphate is used in large quantities for replenishing "P" (Phosphorus) in the soil which gets depleted steadily with each crop.

CORPORATE SOCIAL RESPONSIBILITY REPORT

No business can function in a vacuum. There is the society at large with which it engages in innumerable transactions; the more involved the engagement, the better its qualitative and quantitative effect on the business. Aware of this debt to society, a successful company like Madhya Bharat Agro Products Limited is committed to fulfilling its obligations: both as providers of outstanding products as well as sterling community initiatives. The Company is pioneer company in the industry and has contributed to economic and social development in the country.

1. Saving Foreign Exchange - Presently country imports nearly 70% rock phosphate to meet its demand. So production of BRP shall help save precious foreign exchange for the country.
2. Easy availability of fertilizers - In China consumption per hectare of Single Super Phosphate (SSP) is 3 times compared to India. So there is huge vacuum between fertilizer requirement and supply in India. Our industry is doing value addition in agric phosphoric mineral whereby it is converting low grade phosphate rock into high grade beneficiated rock phosphate. Beneficiated Rock Phosphate (BRP) is basic raw material for the manufacture of SSP and is helping to produce cost effective fertilizers improve availability of fertilizer to farmers and this serves the purpose of FOOD SECURITY MISSION OF THE WORLD.
3. Promotion of local small scale industries in area - Many small scale industries have flourished in nearby area to support the regular requirements of the industry which has in turn given large employment to the local people and thus improving the overall economy and social status of the people.
4. Infrastructure & Transportation - Investment in industry contributes and ensures comprehensive development of transportation and Infrastructure facility.
5. Social Welfare, Research & Development - We help the weaker and backward sections of the society, preserve and promote social and cultural values, conserve natural resources, provide assistance in the field of developmental research, science, technology etc.



MADHYA BHARAT AGRO PRODUCTS LIMITED

OSTWAL

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

ACKNOWLEDGEMENT

Your Directors wish to place on record their grateful appreciation for the co-operation and Financial assistance received from Indian Overseas Bank while sanctioning us Term Loan and working capital facility to the tune of Rs. 15.50 Crores for company's BRP Project, we also wish to take on record the co operation received from the M.P. State Mining Corporation Ltd., Rajasthan State Mines & Minerals Ltd., Shriram Fertilizers & Chemicals and other customers, suppliers, business associates and shareholders of the Company. The Directors also wish to place on record the appreciation to the team of executives, staff and workers, who have shown devotion and efficiency in performing their jobs.

On Behalf of the Board of Directors

Place : Bhilwara (Raj.)
Date : 25.05.2013

Sd/-
(Pankaj Ostwal)
Managing Director

Sd/-
(Paras Mal Surana)
Director

It may be pertinent to note that Govt. of India thankfully finalized the revised Nutrient Based Subsidy (NBS) Policy effective from 1st May, 2010 and this placed SSP industry at par with other complex Fertilizer. Moreover, the main objective of shifting from product-based subsidy (PBS) to nutrient-based subsidy (NBS) regime was to restore soil health by addressing the nutrient imbalances since sulphur has also been considered as one of the nutrients, which was neglected till now.

EXPANSION- INFRASTRUCTURE PROJECT

After successful completion project, of Mineral Beneficiation as BRP of processing capacity of 99000 MT, your directors have further envisaged to set up a separate Integrated State of art Unit III wherein intends to set up Infrastructure project as SSP having capacity of 180000, GSSP with capacity 180000 MT and Sulphuric Acid having 66000 MT. The Company has acquired necessary land for the said project and financial tie ups are going on.

AUDITOR'S & AUDITOR'S REPORT

M/s Ashok Kanther & Associates, Chartered Accountants, Bhilwara, Auditors of the Company retire at the ensuing Annual General Meeting and being eligible to offer themselves for re-appointment. The Board approved the recommendation of Audit Committee to re-appointment of Auditors and recommends to the Members for the same.

The Auditor's Report is self-explanatory and therefore, do not call for any further comments/clarifications.

COST AUDITORS

In pursuance of Section 233B of the Companies Act, 1956 the Central Government has ordered Cost Audit for Fertilizers products accordingly M/s K.C. Moondra & Associates, Cost Accountants of the company appointed for the year 2013-14. The Audit Committee recommends their appointment as Cost Auditors to the Board to conduct cost audit of the accounts maintained by the Company for the financial year 2013-14.

DIRECTORS

In accordance with provisions of Companies Act, 1956 and Company's Articles of Association, Shri Sushil Kumar Surana, Director of the Company, retire by rotation and being eligible, offers himself for re-appointment. The Board recommends their re-appointment.

Sh. Amit Jain Whole Time Director of the Company, resigned from the Board of Directors with effect from 30th September, 2012, after tenure of more than 5 years. The Board places on record its sincere appreciation for the contribution made by Sh. Amit Jain as Whole Time Director of the Company during the tenure of his directorship.

Sh. Paras Mal Surana appointed as Additional Independent Director of the Company with effect from 30th August 2012 to strengthen the Board and regularized in Annual General Meeting held on 26th September 2012.

DIVIDEND

Looking to the working capital needs and expansion project of business the Directors decided to retain the profit and hence do not propose any dividend and carried forward the net profit to next year.

DEPOSITS

The Company has not accepted any deposits covered under section 58A of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

During the year under review, no employees of the Company was in respect of remuneration in excess of the limits prescribed under 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOING

The information required under 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 is given in Annexure forming part of this report.

DIRECTORS RESPONSIBILITY STATEMENT

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

- That in the preparation of the Accounts for the Financial Year ended 31st March, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures.

INDEPENDENT AUDITORS' REPORT

To the Members of Madhya Bharat Agro Products Limited, Bhillwara

Report on the Financial Statements

We have audited the accompanying financial statements of **MADHYA BHARAT AGRO PRODUCTS LIMITED** which comprise the Balance Sheet as at **31st March, 2013** and the Statement of Profit and Loss and Cash Flow Statement for the year ended, 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. 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's Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

ANNEXURE TO THE DIRECTORS' REPORT

Information pursuant to 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 Director's Report for the year ended 31st March 2013.

CONSERVATION OF ENERGY:

- (a) The Company takes adequate steps for the conservation of energy at every stage of production and remains conscious about conserving energy resources.
- (b) The Company has made adequate investment on various measures for conservation of energy which has resulted in optimizing energy consumption and saving in cost.
- (c) The information pertaining to total energy consumption and energy generation per unit of production:

		2012-13	2011-12
1	Electricity:		
(a)	Purchase of Units		
	Amount in Lacs.	3533551	611359
	Rate / unit Rs.	241.73	42.68
		6.84	6.98
(b)	Own Generation		
	Through Diesel		
	Units generated	127462	32277
	Units per liter of oil	3.28	2.23
	Cost/unit (Rs.)	14.80	19.47
Energy Consumption per unit of production (Unit/MT)			
1.	Single Super Phosphate	13.11	13.34
2.	Beneficiated Rock Phosphate	99.13	65.20

TECHNOLOGY ABSORPTION

The Company has strengthened the infrastructure for R & D and carried out improvement in quality systems. This has resulted into consistency in achieving standard quality parameters as per GOI. The Company will continue to thrust on R & D activities of the Company.

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in paragraph 1 of the Auditors Report of even date to the members of Madhya Bharat Agro Products Limited. for the year ended 31st March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals no material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanations given to us, no material fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and on the basis of our examination of the records, the Company is maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
(b) The Company has taken unsecured loans from three parties covered in the register maintained under section 301 of the Act. The maximum amount outstanding during the year is Rs. 2542.58 Lacs and at year ended balance is Rs. 1758.87 Lacs.
(c) In our opinion, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the company.
(d) In respect of loans taken, the principal amount is payable on demand in accordance with terms and conditions, and the payment of interest has been regular in accordance with such terms and conditions.
4. In our opinion, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
(b) As explained to us, transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The company has not accepted deposits from the Shareholders/directors and the directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Companies Act, 1956.
7. In our Opinion, Company has an internal audit system commensurate with its size and the nature of its business.
8. Maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

- 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 referred to in subsection (3C) of section 211 of the Companies Act, 1956.
- e) On the basis of written representations received from the directors as on 31st March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For M/s. Ashok Kanther & Associates
Chartered Accountants
FRN 050014C

Sd/-
CA. Ashok Kanther
(Proprietor)
M.No. 043571

Place : Bhilwara (Raj.)
Date : 25.05.2013

9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2013 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. The Company has not defaulted in repayment of dues to a financial institution, bank, There are no debenture holders of the company.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society.
14. According to the information and explanations given to us, the company has maintained proper records of the transactions & contracts in respect of investments held by the company with timely entries and they are held in its own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. According to the information and explanations given to us, the term loans raised during the year have been applied for the purpose for which they were raised..
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has not raised any money by public issue during the year.
20. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For M/s Ashok Kanther & Associates
Chartered Accountants
FRN 050014C

Sd/-
CA. Ashok Kanther
(Proprietor)
M.No. 043571

Place : Bhilwara (Raj.)
Date : 25.05.2013

BALANCE SHEET AS AT 31ST MARCH, 2013

(₹ in lacs)

Particulars		Note No.	As at 31 st March 2013	As at 31 st March 2012
I.	<u>EQUITY AND LIABILITIES</u>			
1	Shareholders' funds			
	(a) Share capital	2	1105.81	1105.81
	(b) Reserves and surplus	3	1471.20	1123.74
2	Non-current liabilities			
	(a) Long-term borrowings	4	2632.43	794.89
	(b) Deferred tax liabilities (Net)	5	200.88	133.08
3	Current liabilities			
	(a) Short-term borrowings	6	477.23	336.87
	(b) Trade payables	7	343.56	816.75
	(c) Other current liabilities	8	908.44	1384.54
	(d) Short-term provisions	9	143.72	118.12
	TOTAL		7283.27	5813.80
II.	<u>ASSETS</u>			
	Non-current assets			
1	(a) Fixed assets			
	(i) Tangible assets	10	3988.66	3897.18
	(ii) Intangible assets		0.00	0.00
	(iii) Capital work-in-progress		29.96	0.12
	(iv) Intangible assets under development		0.00	0.00
	(b) Non-current investments	11	123.00	123.00
	(c) Deferred tax Assets (Net)		0.00	0.00
	(d) Long-term loans and advances	12	518.19	156.17
	(e) Other non-current assets	13	34.23	47.71
2	Current assets			
	(a) Inventories	14	1879.93	730.03
	(b) Trade receivables	15	247.15	306.24
	(c) Cash and cash equivalents	16	156.24	132.56
	(d) Short-term loans and advances	17	305.91	420.79
	TOTAL		7283.27	5813.80

For M/s Ashok Kanther & Associates
Chartered Accountants
FRN 050014C

On Behalf of the Board of Directors

Sd/-
(Ashok Kanther)
Proprietor
M.No. 043571

Sd/-
(Nitin Mehta)
Company Secretary

Sd/-
(Paras Mal Surana)
Director

Sd/-
(Pankaj Ostwal)
Managing Director

Place : Bhilwara (Raj.)
Dated : 25.05.2013

MADHYA BHARAT AGRO PRODUCTS LIMITED



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

(₹ in lacs)

	Particulars	Note No.	For the year ended 31 st March 2013	For the year ended 31 st March 2012
I.	Revenue from operations	18	4547.83	4616.92
II.	Other income	19	28.35	18.06
III.	Total Revenue	(I + II)	4576.18	4634.98
IV.	Expenses:			
	Cost of materials consumed	20	3009.39	2852.71
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	21	-885.35	377.54
	Employee benefits expense	22	124.23	33.38
	Finance costs	23	483.49	170.21
	Depreciation and amortization expense	24	191.40	54.60
	Other expenses	25	1120.99	615.47
	Total expenses		4044.15	4103.91
V.	Profit before exceptional and extraordinary items and tax	(III - IV)	532.03	531.07
VI.	Exceptional items		0.00	0.00
VII.	Profit before extraordinary items and tax	(V - VI)	532.03	531.07
VIII.	Extraordinary Items		0.00	0.00
IX.	Profit before tax	(VII- VIII)	532.03	531.07
X.	Tax expense:			
	(1) Current tax		106.55	106.94
	(2) Deferred tax		67.81	66.11
	(3) Earlier Year's Tax		0.00	0.00
	Total Tax Expense		174.36	173.05
XI.	Profit (Loss) for the period from continuing operations	(IX-X)	357.67	358.02
XII.	Profit/(loss) from discontinuing operations		0.00	0.00
XIII.	Tax expense of discontinuing operations		0.00	0.00
XIV.	Profit/(loss) from Discontinuing operations (after tax)	(XII-XIII)	0.00	0.00
XV.	Profit (Loss) for the period	(XI-XIV)	357.67	358.02
XVI.	Earnings per equity share:			
	(1) Basic & Diluted		3.23	3.24

For M/s Ashok Kanther & Associates
Chartered Accountants
FRN 050014C

On Behalf of the Board of Directors

Sd/-
(Ashok Kanther)
Proprietor
M.No. 043571

Sd/-
(Nitin Mehta)
Company Secretary

Sd/-
(Paras Mal Surana)
Director

Sd/-
(Pankaj Ostwal)
Managing Director

Place : Bhilwara (Raj.)
Dated : 25.05.2013



MADHYA BHARAT AGRO PRODUCTS LIMITED

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

(₹ in lacs)

Particulars	For the year ended 31 st March 2013	For the year ended 31 st March 2012
A) Cash Flow From Operating Activities:		
Net profit before tax	532.0	531.1
Adjustments for:		
Depreciation and Amortisation	191.4	54.6
Interest Expenses	475.3	170.2
Interest Income	(10.7)	-10.4
Loss on Foreign Exchange Fluctuation	1.0	0.0
Loss / (Profit) on sale of Fixed Assets	1.3	2.5
Provisions Write off	(0.7)	
Operating profit before working capital change	1189.7	748.0
Adjustments for:		
Increase/(Decrease) in Trade payable	(474.2)	349.9
Increase/(Decrease) in Other Current Liability	(476.1)	1018.4
Increase/(Decrease) in Short Term Provisions	26.0	0.0
(Increase)/Decrease in Inventories	(1149.9)	88.3
(Increase)/Decrease in Trade Receivable	59.1	-293.0
(Increase)/Decrease in Short Term Loan and Advances	114.9	-192.6
Net changes in working capital	(1900.3)	971.0
Cash Generated from/(used in) operations	(710.5)	1719.0
Direct Taxes paid	106.3	105.3
Net cash from/(Used in) operating activities (A)	(816.8)	1613.7
B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(317.9)	-1202.7
Sale/Decrease of Fixed Assets	7.1	4.5
Interest Received	10.7	10.4
(Increase)/Decrease in Long term Loan and Advances	(362.0)	56.5
Net cash from investing activities (B)	(662.1)	-1131.3
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	-	0.0
Proceeds/(Repayment) of Long Term Borrowings	1837.5	-867.1
Proceeds/(Repayment) of short term borrowings	140.4	336.9
Interest paid	(475.3)	-170.2
Net cash from financing activities (C)	1502.6	-700.5
Net increase in cash and cash equivalents (A+B+C)	23.7	-218.0
Cash and cash equivalents as at (Opening Balance)	132.6	350.6
Cash and cash equivalents as at (Closing Balance)	156.2	132.6
Net Cash Flow During The Year	23.7	-218.0

For M/s Ashok Kanther & Associates
Chartered Accountants
FRN 050014C

On Behalf of the Board of Directors

Sd/-
(Ashok Kanther)
Proprietor
M.No. 043571

Sd/-
(Nitin Mehta)
Company Secretary

Sd/-
(Paras Mal Surana)
Director

Sd/-
(Pankaj Ostwal)
Managing Director

Place : Bhilwara (Raj.)
Date : 25.05.2013

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**1. ACCOUNTING POLICIES****BASIS OF ACCOUNTING:**

The Financial Statements of the Company have been prepared in accordance with the requirements of the Companies Act, 1956, including the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India, as per the historical cost convention, going concern concept and on the accrual system of accounting.

FIXED ASSETS:

The Fixed Assets are stated at revalued figures based on registered valuers report.

No amortization is provided in the accounts in respect of leasehold land in view of long-term tenure, which is akin to ownership.

INVENTORIES:

Inventories are valued as:

a)	Raw Materials	:	At lower of cost or net realisable value
b)	Finished Goods	:	At lower of cost or net realisable value
c)	Stores & spares part	:	At cost price

Cost of inventories comprise of all cost of purchase. Cost of conversion and other cost incurred in bringing them to their respective present location and condition.

BORROWING COST:

Borrowing cost that is attributable to the acquisition of qualifying assets is capitalized as a part of cost of such assets. All other borrowing costs are charged to revenue.

DEPRECIATION:

Depreciation on fixed assets is provided on Straight-Line Method under triple shift basis in accordance with the Schedule XIV to the Companies Act, 1956. In respect of additions to fixed assets, depreciation is provided on pro-rata basis from the date the assets have been put to use.

INCOME RECOGNITION:

Revenue in respect of purchases/sale of product and scraps is recognized at the point of receipt/dispatch from parties at/ from factory.

Income and expenditures are recognized on accrual basis. However, since it is not possible to ascertain with reasonable accuracy, the quantum of accrual in respect of discount receivable/payable from/to parties, the same continue to be accounted for as and when received/settled.

Company has imported rock phosphate under high sea sale agreement which will finally settle after Balance Sheet date based on foreign exchange currency rate, on Balance Sheet same gain or loss is not certain and amount could not be estimated.

PRICE CONCESSION FROM GOVERNMENT:

The price concession from Government on sale of single super phosphate is recognized at the point of sale at the prevailing rates announced by the Government of India. Any shortfall in actual receipt or deduction made by the Government is written off as an expense in the year in which the same is determined. The Company treats the price concession as part of the sale proceeds

BENEFITS TO WORKMEN:

Contributions to employee benefits plan in the form of Provident Fund and Gratuity are charged to the profit & Loss Account of the year when the contributions are due, as per the provisions of the respective statutes.

The company has taken group gratuity policy with Life Insurance Corporation of India (LIC) for future payment of gratuity. The gratuity liability is determined on the basis of an actuarial valuation performed by LIC.

TAXES ON INCOME:

Provision for current tax is determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax expenses or benefits are recognized for timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted as on the balance sheet date.

AMORTIZATION:

Preliminary expenditure is amortized over a period of five years.



MADHYA BHARAT AGRO PRODUCTS LIMITED

OSTWAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

CONTINGENT LIABILITIES:

In the opinion of Board of Directors of the Company there is no contingent Liabilities as on 31st March 2013. except FDR pledge with central excise department.

2. SHARE CAPITAL

(₹ in lacs)

<u>SHARE CAPITAL</u>	As at 31 st March 2013		As at 31 st March 2012	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs.10/- each	22000000	2200.00	22000000	2200.00
Issued				
Equity Shares of Rs. 10/- each	11058090	1105.81	11058090	1105.81
Subscribed & Paid up				
Equity Shares of Rs 10/- each fully paid	11058090	1105.81	11058090	1105.81
Subscribed but not fully Paid up				
Equity Shares of Rs 10/- each not fully paid up	-	-	-	-
Total	11058090	1105.81	11058090	1105.81

i) A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

(₹ in lacs)

<u>Particulars</u>	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the period	11058090	1105.81
Shares Issued during the period	-	-
Shares bought back during the period	-	-
Shares outstanding at the end of the period	11058090	1105.81

ii) Details of shares held by shareholders holding more than 5% shares of the company.

<u>Name of Shareholder</u>	As at 31 st March 2013		As at 31 st March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sh. Pankaj Ostwal	1195130	10.81%	1195130	10.81%
Smt. Ekta Jain	661840	5.99%	661840	5.99%
Smt. Shashi Jain and Smt. Amita Mehta (Partners Radhay Traders)	1030000	9.31%	1030000	9.31%
Paneri Textiles Pvt. Ltd.	1015500	9.18%	1015500	9.18%
Seasons Agro Chem India Pvt. Ltd.	2310800	20.90%	2310800	20.90%
Chunri Prints Pvt. Ltd.	1089500	9.85%	1089500	9.85%
Vesta Tex Pvt. Ltd.	1000000	9.04%	1000000	9.04%
Suswani Textiles Pvt. Ltd.	1000000	9.04%	1000000	9.04%
Visualize Tradecom Pvt. Ltd.	846000	7.65%	846000	7.65%

iii) The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

iv) 2983460 equity shares of Rs. 10/- each fully paid up were allotted and issued as bonus shares by capitalisation of reserves in 2009-2010.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

v) Disclosure pursuant to Note no. 6(A)(i) of Part-I of schedule VI to the companies Act, 1956

<u>Particulars</u>	Years				
	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
Equity Shares:					
Fully paid up pursuant to contract(s)					
Fully paid up by way of bonus shares	-	-	-	2983460	-
Shares Bought back	-	-	-	-	-

3. RESERVES & SURPLUS

(₹ in lacs)

<u>Reserves & Surplus</u>	As at 31 st March 2013	As at 31 st March 2012
i) Revaluation Reserves		
Opening Balance	251.34	260.54
(+) Addition during the year	-	-
(-) Deduction during the year	1.01	-
(-) Depreciation charged on revaluation	9.20	9.20
Closing Balance	241.13	251.34
ii) Surplus		
Opening Balance	780.69	422.67
(+) Net Profit/(Net Loss) For the current year	357.67	358.02
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Bonus issue	-	-
(-) Transfer to Reserves	-	-
Closing Balance	1,138.36	780.69
iii) Share premium		
Opening Balance	91.71	91.71
(+) Current Year addition	-	-
(-) Bonus issue	-	-
Closing Balance	91.71	91.71
Total	1,471.20	1,123.74

4. LONG TERM BORROWING

(₹ in lacs)

<u>Long Term Borrowing</u>	As at 31 st March 2013	As at 31 st March 2012
Secured		
(a) Term Loan From Indian Overseas Bank	633.55	791.65
(b) Vehicle Loan From State Bank of Bikaner & Jaipur	-	3.24
	633.55	794.89
Unsecured		
(a) From Group Companies	1758.88	-
(b) From Other Companies	240.00	-
	1,998.88	-
Total	2,632.43	794.89

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013
(a) Term Loan

- i) **Nature of Security** – The term loans from Indian Overseas Bank are secured by way of 1st charge in the form of mortgage of assets of the company's immovable properties at unit II (present and future) at village Sorai, Tehsil Banda, Distt Sagar, (MP) owned by the company. Charge on the residual value of the assets of M/s Ostwal Phoschem (India) Limited, a group company.
- ii) **Terms of repayment** – The Term loans to be repaid in 24 quarterly installments of Rs.41.67 Lacs. Interest is to be serviced separately as and when debited to the account on actual basis every month.

(₹ in lacs)

Name of Banks	Date of maturity	No. of installments outstanding as on 31.03.2013	As at 31 st March 2013			As at 31 st March 2012		
			Total Outstanding	Current Maturities	Net Long Term Borrowings	Total Outstanding	Current Maturities	Net Long Term Borrowings
Indian Overseas Bank	1 - Dec. 2017		799.99	166.44	633.55	800.00	8.35	791.65
State Bank of Bikaner & Jaipur	1 Nov. 2015		-	-	-	5.56	2.32	3.24
Total			799.99	166.44	633.55	805.56	10.67	794.89

- iii) Secured loans are guaranteed by personal guarantee of Sh.Pankaj Ostwal, Managing Director.

5. DEFERRED TAX LIABILITIES

- i) The company has recognized a provision for deferred tax liability of Rs. 67.81 Lac, P.Y. Rs. 66.11 Lac in the Profit and Loss A/c. The balance of Deferred Tax liability as on 31.03.13 is Rs. 200.88 Lac (previous year Rs. 133.08 Lac) determined on account of timing differences in accordance with Accounting Standard-22 "Accounting for Taxes on Income" as under :-

(₹ in lacs)

<u>Deferred Tax Liabilities</u>	As at 31 st March 2013	As at 31 st March 2012
Deferred tax liabilities		
A. Deferred tax liabilities (depreciation on fixed assets)	268.41	188.95
B. Deferred tax assets (disallowances u/s 43B)	-	0.52
Deferred Tax Liability (A-B)	268.41	188.43
Less MAT Credit	67.53	55.35
Net Deferred Tax Liabilities	200.88	133.08

- ii) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

6. SHORT-TERM BORROWING

(₹ in lacs)

<u>Short Term Borrowing</u>	As at 31 st March 2013	As at 31 st March 2012
Secured		
(a) Other loans and advances		
Working Capital Loan from Indian Overseas Bank repayable on demand	477.23	336.87
Total	477.23	336.87

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

- i) **Nature of Security** – The advance shall be secured by 1st charge on Company's movable assets of Unit II including movable plant and machinery, machinery spares, tools and accessories, furniture, fixture, vehicles, and all other movable assets present and future, intangible, goodwill, uncalled capital, present and future.
- ii) **Terms of repayment** – The bank loan for working capital is repayable on demand and having interest rate 14.00% as on 31/03/2013
- iii) The bank loan for working capital is guaranteed by personal guarantee of Sh.Pankaj Ostwal, Managing Director.

7. TRADE PAYABLES

(₹ in lacs)

<u>Trade Payables</u>	As at 31 st March 2013	As at 31 st March 2012
Trade Payables	343.56	816.75
Total	343.56	816.75

There are no Micro, small and medium enterprises to whom the company owes dues, which are outstanding for more than 45 days as at 31st March, 2013. This information as required to be disclosed under the Micro-small and medium enterprises development Act,2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

8. OTHER CURRENT LIABILITIES

(₹ in lacs)

<u>Other Current Liabilities</u>	As at 31 st March 2013	As at 31 st March 2012
a) Current Maturities of Long Term Debt (Refer note no.4)	166.44	10.67
b) Others Payables		
i) Statutory dues including Provident Fund and Tax deducted at source etc.	97.22	7.58
ii) Liability Towards Staff & Workers	24.99	12.11
iii) Advances from Customer	598.36	1,346.87
iv) Other Liabilities	21.43	7.31
Total	908.44	1,384.54

9. SHORT-TERM PROVISION

(₹ in lacs)

<u>Short Term Provision</u>	As at 31 st March 2013	As at 31 st March 2012
Other (Specify nature)		
a) Provision for income tax	106.55	106.94
b) Provision for expenses	37.17	11.18
Total	143.72	118.12

10. FIXED ASSETS

- i) The Company has provided depreciation on fixed assets on straight line Method on Tripple Shift Basis in accordance with the provisions of Section 205 read with the Schedule XIV to the Companies Act, 1956. Depreciation on the additions to fixed assets during the year has been provided on pro-rata basis from the date when put to use.
- ii) Gross block and Net Block of fixed assets includes Rs. 278.93 Lacs (P.Y. Rs. 278.93 Lacs) and Rs. 251.34 Lacs (P.Y. Rs. 260.54 Lacs) respectively on account of revaluation of fixed assets carried out in past by the company. Depreciation of Rs. 9.20 Lacs (P.Y. Rs. 9.20 Lacs) has been charged to revaluation reserve.
- iii) Disposal from Gross Block represents sale of fixed assets.
- iv) Deduction in depreciation is on account of sale of fixed assets.



OSTWAL

MADHYA BHARAT AGRO PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

- v) No provision is required for impairment of assets according to AS-28 'Impairment of Assets' as the value in use as estimated by the management, is higher than the carrying amount of the assets as on Balance Sheet date. In order to arrive at the value in use, the company has reviewed the future earnings of the remaining useful life of all its cash generating units as at Balance Sheet date which has been discounted at the average long term lending rate of the Company.

(₹ in lacs)

Fixed Assets	Gross Block				Accumulated Depreciation					Net Block	
	As at 1 st April 2012	Additions	(Disposals)	As at 31 st March 2013	As at 1 st April 2012	for the year	for the year on Revaluation	On disposals	As at 31 st March 2013	Balance as at 31 st March 2013	Balance as at 31 st March 2012
a Tangible Assets											
Land & Site Development	138.46	-	-	138.46	-	-	-	-	-	138.46	138.46
Buildings-Factory	1,506.09	102.45	-	1,608.54	33.04	48.44	3.96	-	85.44	1,523.10	1,473.05
Building-Office	103.33	21.93	-	125.26	3.01	1.79	0.07	-	4.87	120.39	100.32
Plant and Machinery	1,989.52	90.23	4.26	2,075.49	165.05	101.67	4.52	1.54	269.70	1,805.79	1,824.47
Plant Electricals	322.55	19.48	-	342.03	26.00	16.90	0.60	-	43.50	298.53	296.55
Office Equipments	4.29	5.03	-	9.32	0.35	0.40	-	-	0.75	8.57	3.94
Furniture	8.05	21.28	-	29.33	2.15	0.80	-	-	2.95	26.38	5.90
Vehicles	53.11	25.33	9.59	68.85	14.26	5.81	-	2.86	17.21	51.64	38.85
Laboratory Quality Control equipments	11.43	-	-	11.43	1.25	0.49	0.05	-	1.79	9.64	10.18
Computers	8.34	2.32	-	10.66	3.00	1.60	-	-	4.60	6.06	5.34
Gas Cylinder	0.14	-	-	0.14	0.02	0.02	-	-	0.04	0.10	0.12
Total	4,145.31	288.05	13.85	4,419.51	248.13	177.92	9.20	4.40	430.85	3,988.66	3,897.18
b Intangible Assets	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-
c Capital Work In Progress										29.96	0.12
Total this year	4,145.31	288.05	13.85	4,419.51	248.13	177.92	9.20	4.40	430.85	4,018.62	3,897.30
Total previous year	1,023.94	3,133.37	12.00	4,145.31	202.80	41.12	9.20	4.99	248.13	3,897.30	2,654.57

11. NON-CURRENT INVESTMENT

(₹ in lacs)

Name of Investment	As at 31 st March 2013	As at 31 st March 2012
Fully paid up Equity Share of Krishana Phoschem Ltd.	123.00	123.00
Total	123.00	123.00

12. LONG TERM LOANS AND ADVANCES

(₹ in lacs)

Long Term Loans and Advances	As at 31 st March 2013	As at 31 st March 2012
a. Capital Advances		
Unsecured, considered good	-	-
Total	-	-
b. Security Deposit		
Unsecured, considered good	37.92	34.28
Total	37.92	34.28

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

c.	Other Loan & advances		
	VAT Credit	480.27	121.89
	Total	480.27	121.89
	Total	518.19	156.17

13. OTHER NON-CURRENT ASSETS

(₹ in lacs)

<u>Other non-current assets</u>		As at 31 st March 2013	As at 31 st March 2012
a.	Preliminary expenses	34.23	47.71
	Total	34.23	47.71

14. INVENTORIES

(₹ in lacs)

<u>Inventories</u>		As at 31 st March 2013	As at 31 st March 2012
a.	Raw materials	691.42	575.16
b.	Finished Goods	881.24	118.53
c.	Finished Goods WIP	125.27	2.63
d.	Stores & spares	125.58	33.71
e.	Other Consumables	56.42	-
	Total	1,879.93	730.03

The major components of inventory in case of raw material are rock-phosphate, sulphuric acid & HDPE bags and BRP at SSP unit as Finished Goods WIP, Single Super Phosphate (SSP) and Beneficiated Rock Phosphate in case of finished goods.

15. TRADE RECEIVABLES

(₹ in lacs)

<u>Trade Receivables</u>		As at 31 st March 2013	As at 31 st March 2012
Unsecured, considered good			
a.	Trade receivables outstanding for a period less than six months from the date they are due for payment	247.15	306.24
b.	Trade receivables outstanding for a period exceeding six months from the date they are due for payment	-	-
	Total	247.15	306.24

16. CASH AND CASH EQUIVALENT

(₹ in lacs)

<u>Cash And Cash Equivalent</u>		As at 31 st March 2013	As at 31 st March 2012
a)	Balance With Bank	107.10	19.10
b)	Cash in hand	13.80	5.49
c)	Fixed Deposit with Bank	35.34	107.97
	Total	156.24	132.56

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

17. SHORT TERM LOANS AND ADVANCES

(₹ in lacs)

<u>Short Term Loans and Advances</u>		As at 31 st March 2013	As at 31 st March 2012
	Other loans & Advances (Unsecured considered good unless otherwise stated)		
i)	Advance Taxes	108.78	93.46
ii)	Prepaid expenses	5.61	5.97
iii)	Loans to employees	1.56	1.34
iv)	Advances to suppliers	24.47	43.96
v)	VAT Credit	46.83	276.06
vi)	Other loans & Advances	118.66	-
	Total	305.91	420.79

18. REVENUE

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
Sale of products	4,579.08	4,616.92
Less Excise Duty	(31.25)	-
Total	4,547.83	4,616.92

19. OTHER INCOME

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
a. Interest income	10.68	10.42
b. Other non-operating income	17.67	7.64
Total	28.35	18.06

20. COST OF RAW MATERIAL CONSUMED

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
Opening Stock	575.15	280.18
Add: Purchases	3,182.08	3,147.68
Less: Closing Stock	747.84	575.15
Total	3,009.39	2,852.71

DETAILS OF RAW MATERIAL CONSUMED

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013		For the year ended 31 st March 2012	
	Qty. (MT)	Amount	Qty. (MT)	Amount
a. Rock phosphate consumed	53503.00	545.79	27331.24	2,042.63
b. Beneficiated Rock Phosphate	19100.617	1,177.34	-	-
c. Sulphuric acid consumed	19296.494	851.53	16,312.77	692.22
d. HDPE bags consumed (Nos.)	1100710	150.89	1,016,585	115.43
e. Others	-	283.86	-	2.43
Total		3,009.41		2,852.71

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

21. CHANGES IN INVENTORY OF FINISHED GOODS

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
Stock at the beginning of the year (A)	118.53	498.70
Stock at the end of the year (B)	881.24	118.53
(Increase)/Decrease in stocks (A-B)	(762.71)	380.17
WIP Stock at the beginning of the year (A)	2.63	-
WIP Stock at the end of the year (B)	125.27	2.63
(Increase)/Decrease in stocks (A-B)	(122.64)	(2.63)
Total (Increase)/Decrease in stocks	(885.35)	377.54

22. EMPLOYEE BENEFIT EXPENSES

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
a. Salaries & Incentives	105.87	25.33
b. Contribution to Provident Fund & ESI	7.10	3.67
c. Gratuity Fund contribution	3.45	3.40
d. Staff welfare expenses	7.81	0.98
Total	124.23	33.38

23. FINANCE COSTS

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
Interest Expenses	475.29	168.98
Other Bank Charges	8.20	1.23
Total	483.49	170.21

24. DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
Current year depreciation	187.12	50.32
less: Charged from Revaluation Reserve	9.20	9.20
Total	177.92	41.12
Preliminary Exp Write off	13.48	13.48
Total	191.40	54.60

25. OTHER EXPENSES

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
A. Manufacturing Expenses		
Consumption of Stores & Spares parts	183.24	62.68
Power & Fuel	260.58	48.97
Repairs & Maintenance to Plant & Machinery	3.52	3.36

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	Other manufacturing expenses	306.21	123.33
	Total (A)	753.55	238.34
B.	Administration Expenses		
	Insurance	9.79	5.97
	Repairs to buildings	6.17	3.37
	Directors' Remuneration	25.32	15.18
	Auditors' Remuneration	0.71	0.71
	Miscellaneous Expenditure	76.97	33.62
	Total (B)	118.96	58.85
C.	Selling & Distribution Expenses		
	Freight & Transport	234.12	244.69
	Advertisement & Business promotion	6.22	7.95
	Others	8.14	65.64
	Total (C)	248.48	318.28
	Total	1,120.99	615.47

26. RELATED PARTY TRANSACTIONS

- a) Key Managerial persons & their relatives
- i) Mr. Pankaj Ostwal
ii) Mr. Amit Jain (till 30.08.12)
- b) Enterprises over which Key Management Personnel exercises significant influence
- i) Krishana Phoschem Limited
ii) Seasons Agro Chem India Pvt. Ltd.
iii) Ostwal Phoschem (India) Ltd.
iv) Nirmala Realinfrastructure Pvt. Ltd.
- c) Transactions with the related parties

<u>Particulars</u>	<u>For the year ended 31st March 2013</u>	<u>For the year ended 31st March 2012</u>
Directors remunerations	25.32	15.18
Purchases of goods	467.60	1,511.54
Sale of goods	0.17	68.30
Loan and advances taken	3,458.50	31.50
Loan and advances repayment	3,205.01	730.58
Advance taken against sales	-	1,346.87
Interest Paid	176.84	-

27. EMPLOYMENT BENEFIT PLANS

The Company has complied with Accounting Standard 15 (Revised 2005) and the required disclosure are given here under:

(a) Defined Benefit Plans:

(₹ in lacs)

<u>Particulars</u>	<u>For the year ended 31st March 2013</u>	<u>For the year ended 31st March 2012</u>
i) Reconciliation of opening and closing balances of defined benefit obligation		
a) At the beginning of the year	7.31	4.31
b) Current Service Cost	2.42	1.65
c) Interest Cost	0.57	0.34
d) Actuarial (Gain) Loss	0.34	0.82
e) Benefits paid	0.00	0

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

	f) Defined Benefits Obligation at year end	10.25	7.12
ii)	Reconciliation of opening and closing balances of fair value of plan assets		
	a) At beginning of the year	10.2	6.34
	b) Expected Return on plan assets	1.06	0.71
	c) Actuarial Gain / (Loss)	0.00	0
	d) Employer Contributions	3.15	3.15
	e) Benefits paid	0.00	0
	f) Fair Value of the plan assets at the year end	14.2	10.2
iii)	Reconciliation of fair value of obligation and Assets		
	a) Present value of obligation as at year end	10.25	7.12
	b) Fair value of plan assets as at year end	14.2	10.2
	c) Amount recognized in Balance Sheet (a-b)	3.95	-3.08
iv)	Expense recognized during the year		
	a) Current Service Cost	2.42	1.65
	b) Interest Cost	0.57	0.34
	c) Expected return on plan assets	-1.06	-0.71
	d) Actuarial (gain) / loss	0.35	0.82
	e) Net Cost (a+b+c+d)	2.28	2.1
v)	Investment Details of Plan Assets		
	Name of retirement benefit	Name of Trust	Policy No.
	Gratuity	The Trustee Madhya Bharat Agro Products, Bhilwara Employees Group Gratuity Trust	G.G. TRU 325348
			Investment with LIC of India
vi)	There are no amount included in the fair value of plan assets for		
	i) Company's own financial instruments.		
	ii) Property occupied by or other assets used by the Company.		
vii)	Principal Actuarial Assumptions at the Balance Sheet date		
		31st March 2013	31st March 2012
	i) Discount Rate	8% per annum	8% per annum
	ii) Expected Rate of return on plan assets	8% per annum	8% per annum
	iii) Future Salary Increase	8% per annum	8% per annum
viii)	The overall expected rate of return on assets is assumed based on the market prices prevailing on that date over the accounting period. The Company is having approved gratuity trust and leave encashment policy, which is having insurer Managed Fund.		
ix)	Experience Adjustment:		
	Gratuity	As at 31st March 2013	As at 31st March 2012
	Defined Benefits Obligation	10.25	7.13
	Plan assets	14.2	10.2
	Surplus/(deficit)	3.95	3.07
	Experience adjustment on plan Liabilities (loss)/ gain	0.34	0.68
	Experience adjustment on plan Assets (loss)/ gain	0.00	0.00
(b)	Defined Contribution Plans:		
	Amount recognized as an expense and also included in the Note no. 21		
		31st March 2013	31st March 2012
i)	Employers Contribution to Provident Fund	7.10	3.67

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013
28. EARNING PER SHARE

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
Net profit available to equity shareholders (₹ in lacs)	357.67	358.02
Weighted average number of equity shares outstanding during the year (Nos.)	11,058,090	11,058,090
Basic and Diluted Earnings (₹ per Share)	3.23	3.24

29. PAYMENT TO AUDITOR

<u>Particulars</u>	For the year ended 31 st March 2013	For the year ended 31 st March 2012
To Statutory Auditor	0.60	0.60
To Cost Auditor	0.11	0.11
Total	0.71	0.71

30. IMPORTED & INDIGENOUS RAW MATERIAL, COMPONENTS AND SPARE PARTS CONSUMED

All raw material are indigenous except partly raw material (rock phosphate) imported through high sea agreement basis, components and spare parts consumed by the company are indigenous.

QUANTITATIVE DETAIL OF RAW MATERIAL

S.No.	<u>Particulars</u>	Rock Phosphate (MT)		Sulphuric Acid	Bags
		Unit I	Unit II	(MT)	(Nos)
1	Opening Stock	2606.053	34358.690	538.575	46,215
2	Opening Stock in transit	284.370	-	166.270	-
3	Purchased during the year	14569.460	56,066.620	19,109.603	1,076,075
4	Consumption during the year	13997.293	53,503.430	19,296.494	1,100,710
5	Sales during the year			-	-
6	Yield of finished product (MT) during the year	13997.293	53503.430	19,296.494	
7	Closing Stock -				
	In transit		-	282.463	-
	at Factory	3,462.590	36,921.880	235.491	21,580
8	Percent of yield	100%	100%	100%	

31. QUANTITATIVE DETAIL OF FINISHED GOODS

S.No.	<u>Particulars</u>	SSP (MT)
		Unit I
1	Opening Stock	1,683.229
2	Qty Manufactured during the year	55,788.125
3	Sales during the year	47,868.450
4	Closing Stock at the end of the year	9,602.854
5	Shortage/destroyed	0.050

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

S.No.	Particulars	BRP (MT)
		Unit II
1	Opening Stock	902.050
2	Qty Manufactured during the year (53503.430(Rock)- 23953.183(Tail))	29550.220
3	Transfer to Unit-I during the year	21,040.075
4	Sales during the year	4,424.090
5	Closing Stock at the end of the year	4,988.105
6	Shortage/Destroyed	-

32. QUANTITATIVE DETAIL OF FINISHED GOODS WIP

S.No.	Particulars	Inter Unit BRP (MT)
		Unit I
1	Opening Stock	43.950
2	Received from Unit-II during the year	21,040.075
3	Consumed during the year	19,100.617
4	Closing Stock at the end of the year	1,983.408
5	Shortage/destroyed	-

Signatures to Notes 1 to 32

For M/s Ashok Kanther & Associates
Chartered Accountants
FRN 050014C

On Behalf of the Board of Directors

Sd/-
(Ashok Kanther)
Proprietor
M.No. 043571

Sd/-
(Nitin Mehta)
Company Secretary

Sd/-
(Paras Mal Surana)
Director

Sd/-
(Pankaj Ostwal)
Managing Director

Place : Bhilwara (Raj.)
Dated : 25.05.2013



MADHYA BHARAT AGRO PRODUCTS LIMITED

MADHYA BHARAT AGRO PRODUCTS LIMITED

Regd. Office : 5-O-1, Basement, R.C. Vyas Colony, Bhilwara (Raj.) 311001

ATTENDANCE SLIP

(To be filled and hand over at the entrance)

16th Annual General Meeting at the Regd. Office: 5-0-1, Basement, R.C. Vyas Colony, Bhilwara (Raj.) 311 001 on Monday, 16th day of September, 2013 at 11.00 A.M.

Name of Member	Ledger Folio No./Client ID	No. of shares held

Name of the proxy (to be filled in if proxy attends instead of the member)

I/We hereby record my/our presence at the 16th Annual General Meeting of the Company held on Monday, 16th day of September, 2013 at the Regd. Office : 5-O-1, Basement, R.C. Vyas Colony, Bhilwara (Raj.) 311001

Member's/Proxy's Signature
(To be signed at the time of handing over this slip)



MADHYA BHARAT AGRO PRODUCTS LIMITED
Regd. Office : 5-O-1, Basement, R.C. Vyas Colony, Bhilwara (Raj.) 311001

PROXY FORM

I/We _____ of _____ being a member/members of Madhya Bharat Agro Products Limited hereby appointed _____ of _____ failing him _____ of _____ as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 16th Annual General Meeting of the Company, to be held on Monday, the 16th September, 2013 at 11.00 A.M. at the Regd. Office : 5-O-1, Basement, R.C. Vyas Colony, Bhilwara (Raj.) 311001 and at any adjournment thereof.

AS WITNESS my/our hand/hands this _____ day of _____ 2013.

Signed by the said _____

Affix
Re.1/-
Revenue
Stamp

NOTE: - The proxy form must be deposited at the Registered Office of the company
5-O-1, Basement, R.C. Vyas Colony, Bhilwara (Raj.) 311001
not less than 48 hours before the time for holding the meeting.