



MANAGING DIRECTOR'S MESSAGE

Dear Members ,

I feel privileged to be able to place this balance sheet in the hands of our valued share holders. Despite the difficult external scenario, the company has done exceedingly well in terms of top line and bottom line growth during the last year and has emerged as the important fertilizer manufacturing company in the State. It is also recognized in the various States it operates in, for the excellence of its product and quality.

Being a responsible entrepreneur in agricultural Sector is not just about Stuff any kind of material, collecting money and making the balance sheet grows in figures and numbers.

Rather, it is about shouldering a much larger social responsibility wherein everyone's life earnings are at stake for a shelter of his dreams or a commercial base to flourish.

With its growing size and scale, strategic alliances have become necessary for Company. Your company is also constantly striving to move up the value chain by entering into higher value products and design innovations. We are planning suitable investments in terms of infrastructure, people, research and training.

I would also like to state that the management of your company is resolute in its belief that "Madhya Bharat" should figure in the pantheon of India's most respectable and admired companies. We would work on achieving this by the company's growth, its financial performance, its corporate governance, its contribution to the national exchequer, its social responsibility, its commitment to all stake-holders and through the fairness and transparency of all its dealings.

Our human capital and business resources are one of the best in the industry and we are consistently honoring our abilities to deal with the vagaries of the market and bring to you the most effective and qualitative products, We should be careful in looking at the welfare of every Staff members, worker and laborers because it is they who create our values by deliver their dedication towards work and job.

We should also not forget about our planet that has permitted us to live on it. Thus, our product should be environment friendly causing least burden on the natural resources.

Finally, your management will continuously strive to deliver the best returns possible to its share holders.

Sd/-

(Pankaj Ostwal)

Managing Director

GENERAL INFORMATION**Board of Directors**

Shri Pankaj Ostwal
Shri Amit Jain
Shri Arvind Kothari
Shri Sushil Kumar Surana

Company Secretary

Shri Nitin Mehta

Bankers**1. Indian Overseas Bank**

Old RTO Road, Gandhi Nagar,
Bhilwara (Raj.)

Registered & Corporate Office

5-O-1, Basement, R.C. Vyas Colony
Bhilwara (Raj.) 311001
Ph:- 01482-237104

Works

Unit-I : Village- Rajoua
Distt.- Sagar (M.P.)

Unit-II : Village: Sorai
Tehsil- Banda
Distt.- Sagar (M.P.)

Website address

www.mbapl.com

E-mail Address

info@mbapl.com

Statutory Auditors

M/s. Ashok Kanther & Associates
90, Indira Market,
Bhilwara (Raj.) 311 001
Ph. : 01482-227154

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MADHYA BHARAT AGRO PRODUCTS LIMITED

OSTWAL

FINANCIAL HIGHLIGHTS

(₹ In Lacs)

Particulars	2011-12	2010-11
Net Sales	4616.92	3965.68
Depreciation	41.12	30.83
Misc. Exp. W/off	13.47	4.10
Profit Before Tax	531.07	454.88
Profit After Tax	358.02	306.02
Financial Position		
Gross Fixed Assets	4145.42	2857.37
Net Fixed Assets	3897.30	2654.57
Non Current Investments	123.00	123.00
Other Non Current Assets	203.88	371.22
Current Assets	1589.62	1429.87
Total Assets	5813.80	4578.66
Equity Share capital	1105.81	1105.81
Reserves & Surplus	1123.74	774.92
Non Current Liabilities	927.97	1728.99
Current Liabilities	2656.28	968.94
Total Sources	5813.80	4578.66
Profit Before Tax Margin (%)	11.50	11.47
Profit After Tax Margin (%)	7.75	7.72

PROFIT BEFORE TAX

The Profit before tax for the FY 2011-12 was Rs. 531.07 lacs i.e. 11.50% of Net Sales as against Rs. 454.88/- lacs i.e.11.47% of Net Sales in FY 2010-11.

TAXATION

Your company's total tax liability for the year was Rs. 106.94 Lacs comprising of deferred tax liability of Rs. 66.11 lacs.

PROFIT AFTER TAX

The profit after tax was Rs. 358.02 lacs (7.75% of Net Sales) in current year as compared to Rs. 306.02 lacs (7.72% of Net Sales) in the previous year. The increase in profit is on account of improved EBITD.

EARNING BEFORE INTEREST, TAX & DEPRECIATION

Your Company achieved EBITD of Rs.742.40 lacs i.e. 16.08% of Net Sales. This was a marked improvement over the EBITD of the previous year of Rs. 607.80 lacs i.e 15.33% of Net Sales.

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 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. Sorai, Distt. Sagar. M.P.

The company has started its commercial production of Beneficiated Rock Phosphate (BRP) during the current financial Year 2011-12 and going for SSP, GSSP & SA project in the coming year.

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 fertilizers. A 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.



MADHYA BHARAT AGRO PRODUCTS LIMITED

OSTWAL

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, things and matters of whatsoever nature that may be incidental thereto, including but not limited to settling of any question, doubt or difficulty that may arise in regard to the issue, offer and allotment of the said shares, without being required to seek any further consent or approval of the members of the company to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution,"

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

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 1956, Foreign Exchange Management Act, 1999 (FEMA), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, the Master Circular on Foreign Investments in India dated 1st July, 2011 issued by the Reserve Bank of India (RBI) and other applicable rules, guidelines, regulations, Notifications, circulars and procedures, if any (including any amendments or re-enactments or renotification thereof for the time being in force) and subject to all applicable approvals, permissions and sanctions of the Ministries of Finance and Company Affairs, Government of India, the Foreign Investment Promotion Board, RBI and other authorities and such other conditions as may be prescribed by any of the said concerned authorities while granting such approvals, permissions and sanctions which may be agreed to, by the Board of Directors of the Company, consent of the Company be and is hereby accorded to increase the investment limits by SEBI registered Foreign Institutional Investors ("the FIIs") including their sub-accounts in the Equity Share Capital of the Company, either by direct investment or by purchase or otherwise by acquiring from the market under Portfolio Investment Scheme under FEMA on repatriation basis from 24% to 49% of the paid-up Share Capital of the Company."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution the Board of Directors or a Committee thereof be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper and expedient for the purpose of giving effect to this Resolution and for the matters connected therein or incidental thereto."

Registered Office:

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

By order of the Board of Directors

Sd/-
(Pankaj Ostwal)
Managing Director

Dated : 30-08-2012

Explanatory Statement: - Pursuant to section 173(2) of Companies Act, 1956.

Item No. 1

Mr. Paras Mal Surana was appointed Additional Director on Dated 30/08/2012, and he vacates the office. A notice from member along with necessary deposit has been received. All the directors and appointee themselves interested in the said resolution

Item No. 2

The management of the company has decided to raise the funds from the public to part finance the BRP project and seek the approval of members in the Annual General Meeting held on 20th September, 2010. The management is pleased to inform the members that the company had completed the BRP project and commenced commercial operation in the month of March, 2012. The management of the company is also in the process of expanding the operations of the company. With regard to the same, the management needs financial resources for setting up the new facilities and also for the Company's expansion. The management feels, keeping in view the long term funds requirement of the Company and also the advantages of listing of shares of the company in the stock exchanges to the members as well as the company, raising of the funds through further issue of shares by the route of an Initial Public Offering (IPO) is recommendable.

The Company proposes to complete an initial public offering (the "Issue") of the Equity Shares in accordance with applicable laws, regulations, policies and guidelines, including the SEBI (Issue of Capital and Disclosure Requirements) Regu-

NOTICE

Notice is hereby given that 15th Annual General Meeting of the Members of Madhya Bharat Agro Products Limited will be held on wednesday 26th day of September 2012 at 11.00 AM. at the Registered Office situated at 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 Audited Accounts for the period ended 31st March 2012 together with Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Sh. Arvind Kothari, Director liable to retire by rotation and being eligible offer himself for reappointment.
3. To appoint Auditors for the current year and fix their remuneration.

SPECIAL BUSINESS :

- (1) To consider and if thought fit to pass with or without modification the Following Resolution as an ordinary resolution: -
"Resolved that Mr. Paras Mal Surana appointed as an Additional Director on dated 30/08/2012 by directors and who vacant his office, be and is hereby appointed as Director of the company"
- (2) To Consider and if thought fit, to pass with or without modification, the following resolution as Special resolution:-

"RESOLVED THAT in super sedation at earlier resolution passed in the Annual General Meeting of the Company on 20.09.2010 and in accordance with the provisions of Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements to be entered with the Stock Exchanges and subject to the approval of the Government of India (GOI), Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI) and all other appropriate authorities, and such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include a duly authorized Committee thereof for the time being exercising the powers conferred by the Board), the consent of the Company be and is hereby accorded to the Board to offer/issue/allot and allot to the maximum extent of 11000000 equity shares of Rs. 10/- each at price to be decided per share (hereinafter referred to as "The Issue") out of the authorized share capital of the Company, to such person or persons, who may or may not be the shareholders/ Members of the Company, as the Board or a Committee thereof may at its sole discretion decide, including one or more of the members, promoters, employees, Non-resident Indians, Foreign Institutional Investors (FIIs), bodies corporate, companies, private or public or other entities, authorities and to such other persons in one or more combinations thereof, whether through public issue, rights issue, or otherwise, in the domestic or international markets, in one or more modes or combinations thereof and in one or more tranches, in consultation with advisors or such persons and on such terms and conditions including the number of shares to be issued, at price to be decided per share on such terms and conditions as may be finalized by the Board and that the Board may finalize all matters incidental thereto as it may in its absolute discretion think fit.

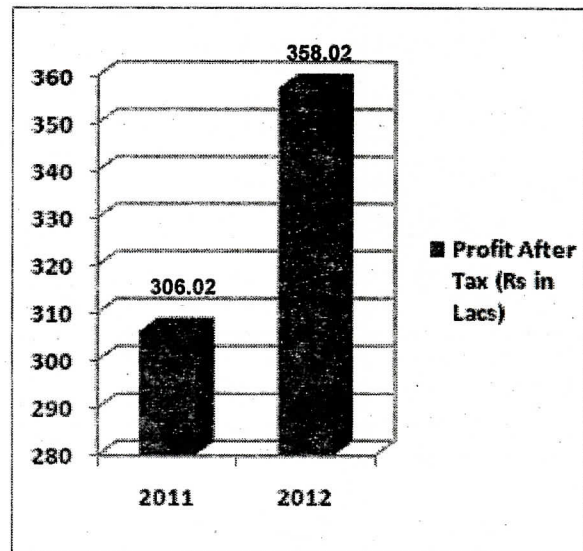
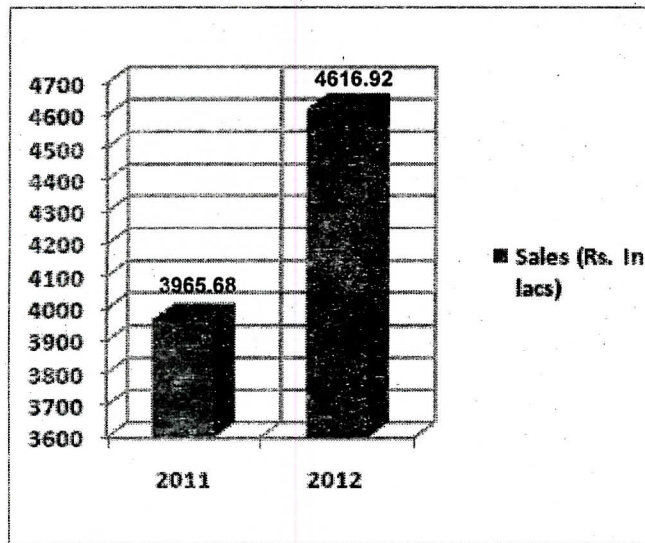
"RESOLVED FURTHER THAT such of these shares to be issued as are not subscribed may be disposed of by the Board/ Committee to such persons and in such manner and on such terms as the Board in its absolute discretion think most beneficial to the Company including offering or placing them with Banks/Financial Institutions/ Investment Institutions/Mutual Funds/Foreign Institutional Investors/Bodies Corporate/such other persons or otherwise as the Board may in its absolute discretion decide.

"RESOLVED FURTHER THAT the new equity shares so issued shall upon allotment have the same rights of voting as the equity shares and be treated for all other purposes pari passu with the existing equity shares of the Company and that the equity shares so allotted during the financial year shall be entitled to the dividend, if any, declared including other corporate benefits, if any, for the financial year in which the allotment has been made and subsequent years."

**MANAGEMENT'S DISCUSSION AND ANALYSIS -**

(₹ in Lacs)

	2011-12	2010-11
Turnover	4616.92	3965.68
Profit Before Taxation	531.07	454.88
Taxation/Deferred Tax	173.05	148.86
Profit /(Loss) after Tax	358.02	306.02
Add: Balance brought forward from Previous year	422.67	116.65
Profit transferred to Balance Sheet	780.69	422.67

**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.

lations, 2009, as amended (the "SEBI ICDR Regulations"). The Issue structure will be finalized at the absolute discretion of Board.

The approval of the shareholders of the Company in a general meeting is being sought to authorize the above mentioned Issue and all matters related thereto, in super sedation of earlier resolution passed by the members in the Annual General Meeting held on 20th September, 2010, as under the provisions of Section 81(1A) of the Act, the Board is permitted to issue and allot shares to any person other than to existing members of the Company on a rights basis, provided that the existing shareholders approve the same by way of a special resolution.

The resolution is recommended to the shareholders for passing as a special resolution authorizing the Board to decide on all relevant matters concerning the Issue, including but not limited to, the terms and conditions of the Issue, the number of the Equity Shares to be issued, the Issue price i.e., at par or at premium, the category or categories of investors to whom the offer, issue and allotment shall be made, and to finalize all matters incidental thereto as it may in its absolute discretion think fit.

None of the Directors of the Company are concerned or interested in this resolution except to the extent of the new shares that they may apply and be allotted to them in terms of this resolution.

Item No.3

The Reserve Bank of India had through its Master Circular No. 15/2011-12 dated 1st July, 2011 on Foreign Investments in India and A. P. (DIR Series) Circular No. 94 dated 19th March, 2012 permitted companies to increase the limit of investments by Foreign Institutional Investors (FIIs) up to their Sectoral caps or statutory limits, as applicable, by passing a resolution by its Board of Directors followed by a Special Resolution to that effects by its General Body. It has come to the notice of the Company that the above threshold limit has recently been marginally exceeded. The Board of Directors of the Company at its meeting held on 30th May, 2012, inter alia, proposed, subject to the approval of Members by way of a Special Resolution, to enhance the said FIIs Investment ceiling upto 49 % permitted by the Reserve Bank of India. The resolution set out in the accompanying Notice will enable the FIIs to acquire shares of the Company through authorized dealers within the revised ceiling under the Portfolio Investment Scheme. Hence, the Board of Directors recommends the Special Resolution set out in the Notice for your approval. None of the Directors may be deemed to be concerned or interested in this resolution only to the extent of their respective Shareholding in the Company to the same extent as that of every other member of the Company.

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of him and such proxy need not be a member of the Company. Proxies in order to be effective must be reached at the registered office of the Company, not less than forty-eight hours before the commencement of the meeting.
2. Members seeking any information or clarification are requested to send in written queries to the Company, in advance, before the date of the meeting.
3. Members/Proxies should bring the Attendance Slip sent herewith, duly filled in, for attending the meeting.
4. Members are requested to immediately inform their change in address quoting folio number(s) to the Company.

Registered Office:

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

Dated : 30-08-2012

By order of the Board of Directors

Sd/-
(Pankaj Ostwal)
Managing Director

**4. AUDIT COMMITTEE****a. Terms of reference**

The Audit Committee is to oversee the Company's financial reporting process and disclosure of its financial information, to recommend the appointment of Statutory Auditors and fixation of their fees, to review and discuss with the auditors about internal control systems, the scope of audit including the observations of the Auditors, adequacy of the internal audit system, major accounting policies, practices and entries, compliances with accounting standards and Listing Agreement entered into with the Stock Exchanges and other legal requirements concerning financial statements and related party transactions, if any, to review the Company's financial and risk management policies and discuss with the Internal Auditors any significant findings for follow-up thereon, to review the quarterly, half-yearly and annual financial statements before they are submitted to the Board of Directors. The Committee also meets the operating management personnel and reviews the operations, new initiatives and performance of the business units. Minutes of the Audit Committee Meetings are circulated to the Members of the Board, discussed and taken note of.

The terms of reference covers all aspects as stipulated in revised clause 49 of the listing agreement.

b. Constitution

The terms of reference covered all the aspects stipulated by the section 292 (A) of the Companies Act 1956, and the Clause 49 of the Listing Agreement. The Chairman of the Committee is Shri Arvind Kothari, an Independent Director and all members have adequate financial knowledge.

c. Composition

The composition of the Audit Committee as on 31st March, 2012 is as follows:

Shri Pankaj Ostwal	Managing Director
Shri Arvind Kothari	Independent Director
Shri Sushil Kumar Surana	Independent Director

d. Meetings and Attendance

The details of meetings held during the year, and the attendance thereat, are as follows:

Date of meetings - 4 meetings of the Committee of Board of the Company were held during the financial year 2011-12 on 10.05.2011, 05.09.2011, 03.12.2011 & 02.01.2012.

Attendance

Name of the Director	No. of meetings attended
Shri Pankaj Ostwal	All
Shri Arvind kothari	All
Shri Sushil Kumar Surana	All

- Mr. Nitin Mehta Company Secretary & Compliance officer is the Secretary to the Committee.
- All the members attend all the meetings of the Committee as invitee to represent the finance function. The Statutory Auditors of the company also attended the meetings. The Statutory Auditors of the company are invited to join Audit Committee meetings for discussions. The Audit Committee holds discussions with the Statutory Auditors and their report on the audit of the yearly accounts, the yearly audit plan, matters relating to compliance of accounting standards, their observations arising from the limited review report/annual audit of the Company's accounts and other related matters.

The Audit Committee during its two meetings reviewed with the management all issues, which are required to be reviewed, pursuant to the clause 49 of the listing agreement and provision of the Companies Act, 1956. The Audit Committee has also reviewed the observations of the internal and statutory auditors in relation to all areas of operations of the company as also the internal control systems. In addition, the committee has been examining all areas associated with the taxation matters (direct and indirect) and has reviewed the measures initiated by the company for mitigating the risks. The Audit Committee has also reviewed the actions taken by the company on various observations and queries of the auditors.

5. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

- The committee consist Shri Pankaj Ostwal, as the Managing Director, Shri Arvind Kothari and Shri Sushil Kumar Surana are the Professional Director.
- Mr. Nitin Mehta Company Secretary & Compliance officer is the Secretary to the Committee.

REPORT ON CORPORATE GOVERNANCE AND SOCIAL RESPONSIBILITIES

Corporate Governance Report

1. THE COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The company believes in and practices good Corporate Governance. The company continuously endeavors to improve on these aspects on an ongoing basis. For creation of wealth for shareholders on a sustainable and long term basis and to maximize total returns to shareholder, being the core of the mandate from shareholders, it is imperative for the Management to institutionalize a framework of Corporate Governance and Code of Practices as an enabling methodology to strengthen decision-making processes and organization-wide compliance with core values of ethical integrity and reliability while enhancing effective, harmonious and transparent functioning amongst the Board of Directors, its Committees and the Executive Management to meet challenges and to make the best of opportunities in the years ahead.

2. BOARD OF DIRECTORS

Composition: Presently there are 4 Directors on the Board of Company, comprising 1 Promoter and Executive Director, 1 Independent and Executive Director and 2 Independent and Non-Executive Directors. Composition of the Board of Directors of the Company as on 31st March 2012 was as under with details of other directorships and committee memberships: -

Name	Status	Meetings Attend		No. of other Directorship and Committee Memberships	
		Board	Last AGM	Directorship	Committee Memberships
Shri Pankaj Ostwal	Promoters Executive/Managing Director	15	Yes	1	2
Shri Amit Jain	Independent Executive/Whole-time Director	15	Yes	3	-
Shri Arvind Kothari	Independent Non Executive	7	No	1	2
Shri Sushil Kumar Surana	Independent Non Executive	7	No	2	2

Note 1: Other Directorships includes Private Limited Companies and Alternate Directorships.

Note 2: Only Audit Committee, Shareholders/Investors Grievance Committee are reckoned for committee membership purpose.

Note 3

a. The memberships of Company's Directors on the Audit Committee and Shareholders/Investors Grievance Committee is given below elsewhere in this report.

b. Attendance at Board meetings during the year and last Annual General Meeting.

7 meetings of the Board were held during the financial year 2011-12 on 12.05.2011, 27.05.2011, 30.06.2011, 28.09.2011, 05.12.2011, 03.01.2012 & 21.03.2012. The last Annual General Meeting was held on 20th September 2011.

3. CODE OF CONDUCT

Madhya Bharat Agro Products Limited has laid down a code of conduct for all Board Members and senior management of the Company. All Board Members and designated senior management personnel have affirmed compliance with this code of conduct. The code of conduct is displayed on the website of the Company www.mbapl.com. A declaration to this effect, signed by the Managing Director of the Company is attached at the end of this report.



OSTWAL

MADHYA BHARAT AGRO PRODUCTS LIMITED

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, 2012.

Place: Bhillwara
Dated: 30-07-2012

Sd/-
(Pankaj Ostwal)
Managing Director

- 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 2012 at present.
- The Board had authorized Shri 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 31, 2012 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
12th AGM-2008-2009	5-O-1, Basement, R.C. Vyas Colony Bhilwara - 311 001 (Raj.)	28.08.2009 at 11.00 A.M.
13th AGM-2009-2010	5-O-1, Basement, R.C. Vyas Colony Bhilwara - 311 001 (Raj.)	20.09.2010 at 11.00 A.M.
14th AGM-2010-2011	5-O-1, Basement, R.C. Vyas Colony Bhilwara - 311 001 (Raj.)	20.09.2011 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. 25 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, 2012

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

**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.

AUDITORS' REPORT ON CORPORATE GOVERNANCE

To

The Members

**Madhya Bharat Agro Products Limited,
Bhilwara-311 001**

We have examined the compliance of conditions of corporate governance by Madhya Bharat Agro Products Limited, for year ended 31 March 2012 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

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

Place : Bhilwara (Rajasthan)
Date : 30-07-2012



OSTWAL

MADHYA BHARAT AGRO PRODUCTS LIMITED

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 Infrastructure projects of the company are at initial stage. Company intends to utilize Rs. 20252 lakhs for the expansion of Plant.

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 recommends their appointment.

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

DIRECTORS:

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

In view of future plans of company, the present boards strength will be enhanced & more experienced directors will be inducted on the board. The members approval will be sought for the appointment of new directors in immediate near future.

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, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- 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, 2012 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. 11.50 Corers 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 : 30-07-2012

Sd/-
(Pankaj Ostwal)
Managing Director

Sd/-
(Amit Jain)
Director

DIRECTORS' REPORT
For the year 2011-12

Dear Members,

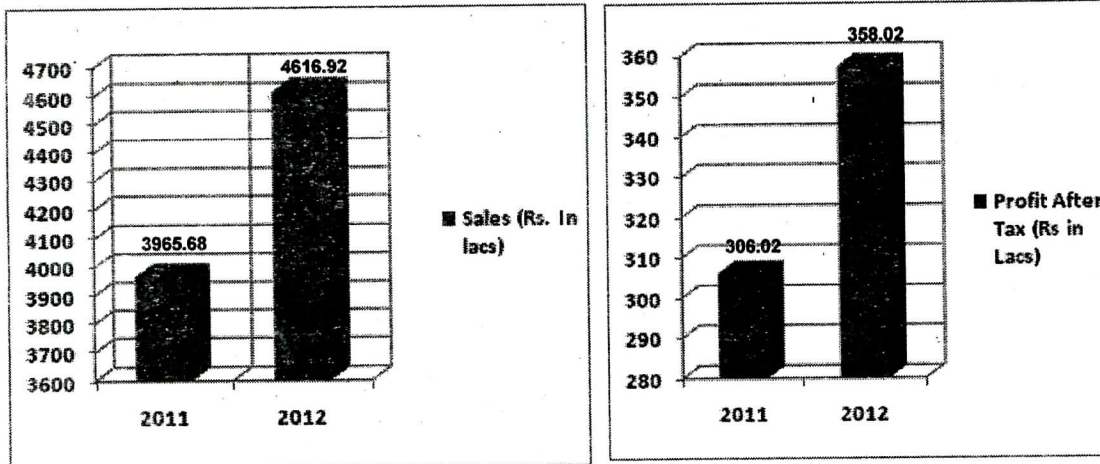
Your Directors have pleasure in presenting the 15th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2012.

FINANCIAL RESULTS:

(₹ in Lacs)

Particulars	2011-12	2010-11
Turnover	4616.92	3965.68
Profit Before Taxation	531.07	454.88
Taxation/Deferred Tax	173.05	148.86
Profit /(Loss) after Tax	358.02	306.02
Add: Balance brought forward from Previous year	422.67	116.65
Profit transferred to Balance Sheet	780.69	422.67

OPERATING PERFORMANCE :



During the year under review, your Company has achieved turnover of Rs 4616.92 lacs as against Rs. 3965.68 lacs in previous year which has increased by 16.42%. The net profit after tax for the current year stands at Rs. 358.02 lacs as against Rs. 306.02 lacs in previous year which has increased by 16.99%.

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 ore 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.

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 success full completion project, of Mineral Beneficiation as BRP of capacity of 99000 MT, your directors have further

AUDITORS' REPORT

To
The Members,
Madhya Bharat Agro Products Limited,
Bhilwara

1. We have audited the attached Balance Sheet of **MADHYA BHARAT AGRO PRODUCTS LIMITED** as at **31st March, 2012** and also the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with the auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examination on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the Accounting Principles used and significant estimates made by management as well as evaluating the overall presentation of the financial statements. We believe that our audit provides us a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Sub-Section (4A) of the Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, 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;
 - (iii) The Balance Sheet and Profit & Loss Account, dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report, comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (v) On the basis of the written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as director in terms of clause (g) of Sub-section (1) of Section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with notes thereto and statement on Significant Accounting Policies give, in the prescribed manner, the information required by the Companies Act, 1956 and also give respectively true and fair view in conformity with the Accounting Principles generally accepted in India:
 - (i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2012 and
 - (ii) In the case of Profit & Loss Account of the Profit for the year ended on that date.

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

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

Place : Bhilwara (Raj.)
Date : :30.07.2012

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 2012.

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:

		2011-12	2010-11
1	Electricity:		
(a)	Purchase of Units	611359	549175
	Amount in Rs.	4268713.6	3421586
	Rate / unit Rs.	6.98	6.23
(b)	Own Generation		Nil
	Through Diesel		
	Units generated	32277	70937
	Units per liter of oil	2.23	2.30
	Cost/unit (Rs.)	19.47	17.40
Energy Consumption per unit of production (Unit/MT)			
1.	Single Super Phosphate	13.34	12.11
2.	Beneficiated Rock Phosphate	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
[Referred to in paragraph (3) of our report of even date]

1. In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b. As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
 - c. In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
 - a. As explained to us, the management at regular intervals during the year has physically verified inventories.
 - 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 size of the Company and nature of its business.
 - c. The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records, and they have been properly dealt with, in the books of account.
3. In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firm or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
 - a. The Company has not granted loans/advances to Companies, Firms or other parties covered in the register maintained under section 301 of the Companies Act 1956 which was duly recorded.
 - b. The Company has taken unsecured loan in the form of deposits which is not prima facie prejudicial to the interest of the Company. The Company has taken loans from the companies which are not under the same management as defined under section 370(1B) of the Companies Act, 1956.
 - c. In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions are not prima facie prejudicial to the interest of the company.
 - d. In respect of loans or advances granted by the company to others, the loan or advances are interest free and repayable on demand. In respect of loans taken by the Company, the interest payments and the principal amount is payable on demand.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for purchase of inventory, fixed assets and sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5. In respect of contracts or arrangements entered in the Register maintained in pursuance of section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - a. The Particulars of contracts or arrangements referred to section 301 that were needed to be entered in the Register maintained under the said section have been so entered.
 - b. Where each of such transaction is in excess of Rs. 5 lakhs in respect of any party, the transactions have been made at prices which are *prima facie* reasonable having regard to the prevailing market prices at the relevant time except in respect of certain purchases for which comparable quotations are not available and in respect of which are unable to comment.
6. The Company has not accepted any deposits from the public during the year within the meaning of section 58-A, 58AA or other relevant provision of the Companies Act, 1956 and rules framed there under, except inter-corporate, members, promoters in the form of unsecured, which are exempted deposits.
7. The Company has its internal control system. In our opinion, its internal control procedures involve reasonable internal checking of financial and other records, which is considered to be adequate in the circumstances and needs to be strengthened for its internal audit.

8. We have broadly reviewed the Books of Account maintained by the Company, pursuant to the rules made by the Central Government for maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the said records, with a view to determine their accuracy or completeness.
9. In respect of statutory dues:
 - a. According to the information and explanations given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employees' State Insurance, Income Tax, Sales-tax, Custom duty, Excise duty, Service Tax and Cess and other material statutory dues as may be applicable to it.
 - b. According to the information and explanations given to us, no undisputed amounts of statutory dues was in arrears as at 31st March, 2012 for a period of more than six months from the date it became payable.
 - c. According to the information and explanations given to us, there are no disputed dues outstanding of Income tax, wealth tax, Sales Tax, service tax excise duty & cess and any other statutory dues on account of any dispute.
10. The Company does not have accumulated losses of previous years. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks. We have further to inform that the company has not issued any debenture.
12. In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or nidhi/mutual benefit fund/ society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) order, 2003 is not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investment. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. According to the information and explanations given to us, company has given corporate guarantee for loans taken by others from the banks or financial institutions and the terms & conditions on which such guarantee was given are not *prima facie* prejudicial to the interest of the company.
16. In our opinion and according to the information & explanation given to us, there is term loan and CC Limit taken from Indian Overseas Bank which has been applied for the purpose for which they were raised.
17. According to the information and explanation given to us and on an overall examination of the Balance Sheet of the company, we report that funds raised on short term basis amounting to Rs. twelve crore have been used during the year for long term investment.
18. During the year, the Company has not made allotment of equity shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. No reporting under Para 4(xix) and (XX) of the Companies (Auditor's Report) Order, 2003 is required as no debenture were issued during year under review. Likewise, the company made no public issue during the year.
20. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

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

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

Place : Bhilwara (Raj.)
Date : 30.07.2012

MADHYA BHARAT AGRO PRODUCTS LIMITED



PART I : BALANCE SHEET AS AT 31ST MARCH, 2012

(₹ in lacs)

	Particulars	Note	As at 31 st March 2012	As at 31 st March 2011
I.	EQUITY AND LIABILITIES			
1	Shareholder's funds			
	(a) Share capital	2	1105.81	1105.81
	(b) Reserves and surplus	3	1123.74	774.92
2	Share application money pending allotment		0.00	0.00
3	Non-current liabilities			
	(a) Long-term borrowings	4	794.89	1662.02
	(b) Deferred tax liabilities (Net)	5	133.08	66.97
	(c) Other Long term liabilities		0.00	0.00
	(d) Long-term provisions		0.00	0.00
4	Current liabilities			
	(a) Short-term borrowings	6	336.87	0.00
	(b) Trade payables	7	816.75	466.86
	(c) Other current liabilities	8	1395.72	377.28
	(d) Short-term provisions	9	106.94	124.80
	TOTAL		5813.80	4578.66
II.	ASSETS			
	Non-current assets			
1	(a) Fixed assets			
	(i) Tangible assets	10	3897.18	821.14
	(ii) Intangible assets		0.00	0.00
	(iii) Capital work-in-progress		0.12	1833.43
	(iv) Intangible assets under development		0.00	0.00
	(b) Non-current investments	11A	123.00	123.00
	(c) Deferred tax assets (net)		0.00	0.00
	(d) Long-term loans and advances	11	156.17	251.09
	(e) Other non-current assets	12	47.71	120.13
2	Current assets			
	(a) Current investments		0.00	0.00
	(b) Inventories	13	730.03	818.30
	(c) Trade receivables	14	306.24	13.29
	(d) Cash and cash equivalents	15	132.56	350.57
	(e) Short-term loans and advances	16	420.79	247.71
	(f) Other current assets		0.00	0.00
	TOTAL		5813.80	4578.66

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/-
(Pankaj Ostwal)
Managing Director

Sd/-
(Amit Jain)
Director

Sd/-
(Nitin Mehta)
Company Secretary

Place : Bhilwara (Raj.)
Date : 30.07.2012

**MADHYA BHARAT AGRO PRODUCTS LIMITED**

OSTWAL

PART II : STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012 (₹ in lacs)

Particulars		Note	For the year ended 31 st March 2012	For the year ended 31 st March 2011
I.	Revenue from operations	17	4616.92	3965.68
II.	Other income	18	18.06	32.20
III.	Total revenue (I + II)		4634.98	3997.88
IV.	Expenses:			
	1. Cost of materials consumed	19	2852.71	2534.01
	2. Changes in inventories of finished goods work-in-progress and stock-in-trade	20	377.54	305.87
	3. Employee benefits expense	21	33.38	40.21
	4. Finance costs	22	170.21	122.09
	5. Depreciation and amortization expense	23	41.12	30.83
	6. Other expenses	24	628.95	509.99
	Total expenses		4103.91	3543.00
V.	Profit before exceptional and extraordinary items and tax	(III-IV)	531.07	454.88
VI.	Exceptional items		0.00	0.00
VII.	Profit before extraordinary items and tax	(V - VI)	531.07	454.88
VIII.	Extraordinary Items		0.00	0.00
IX.	Profit before tax	(VII- VIII)	531.07	454.88
X	Tax expenses:			
	1. Current tax		106.94	124.80
	2. Deferred tax		66.11	24.06
XI	Profit (Loss) for the period from continuing operations	(IX-X)	358.02	306.02
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)	358.02	306.02
XVI	Earnings per equity share (basic and diluted)		3.24	2.77

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/-
(Pankaj Ostwal)
Managing Director

Sd/-
(Amit Jain)
Director

Sd/-
(Nitin Mehta)
Company Secretary

Place : Bhilwara (Raj.)
Date : 30.07.2012

MADHYA BHARAT AGRO PRODUCTS LIMITED



CASH FLOW STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

(₹ in lacs)

Particulars	For the year ended 31 st March 2012	For the year Ended 31 st March 2011
A) Cash Flow From Operating Activities:		
Net profit before tax	531.07	454.88
Adjustments for:		
Depreciation & Amortisation Exp.	41.12	30.83
Preliminary Exp. W/off	13.47	4.10
Interest Expenses	170.21	122.09
Interest Income	(0.48)	(0.44)
Foreign Exchange Fluctuation	0.00	0.00
Loss / (Profit) on sale of Fixed Assets	2.51	(0.52)
Operating profit before working capital change	<u>757.90</u>	<u>610.94</u>
Adjustments for:		
Increase/(Decrease) in Trade payable	349.89	81.96
Increase/(Decrease) in Other Current Liability	1018.44	(292.58)
(Increase)/Decrease in Inventories	88.27	317.01
(Increase)/Decrease in Trade Receivable	(292.95)	6.28
(Increase)/Decrease in Short term borrowings	336.87	(23.49)
(Increase)/Decrease in Short term Loan and Advances	(192.61)	289.61
Cash Generated from operations	<u>2065.81</u>	<u>989.73</u>
Direct Taxes paid	(105.27)	(112.15)
Net cash from operating activities (A)	<u>1960.54</u>	<u>877.58</u>
B) Cash flow from investing activities:		
Purchase of Fixed Assets	(1202.71)	(1968.51)
Sale/Decrease of Fixed Assets	4.50	0.73
Interest Received	0.48	0.44
(Increase)/Decrease in Long Term Loan & advances	56.52	(238.63)
Net cash from investing activities (B)	<u>(1141.21)</u>	<u>(2205.97)</u>
C) Cash flow from financing activities		
Proceeds from issuance of Share Capital	0.00	101.90
Proceeds/ (Repayment) of Long term & short term borrowings	(867.13)	1542.94
Dividends paid (with tax)	0.00	0.00
Interest paid	(170.21)	(122.09)
Net cash from financing activities (C)	<u>(1037.34)</u>	<u>1522.75</u>
Net increase in cash and cash equivalents (A+B+C)	<u>(218.01)</u>	<u>194.36</u>
Cash and cash equivalents as at(Opening Balance)	350.57	156.21
Cash and cash equivalents as at(Closing Balance)	132.56	350.57
Net Cash flow during the year	<u>(218.01)</u>	<u>194.36</u>

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/-
(Pankaj Ostwal)
Managing Director

Sd/-
(Amit Jain)
Director

Sd/-
(Nitin Mehta)
Company Secretary

Place : Bhilwara (Raj.)
Date : 30.07.2012

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012****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 valuer report. In respect of major projects involving construction / fabrication, related pre-operational expenses form part of the value of the assets, which are allocated on the respective assets in the year of commencement of the project. An expense capitalized also includes applicable borrowing cost.

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 realizable value |
| b) | Finished Goods | : | at lower of cost or net realizable 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 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 and government claim, the same continue to be accounted for as and when received/settled.

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 & Pre-operative expenditure is amortized over a period of five years.

CONTINGENT LIABILITIES:

- a) Fixed Deposit of Rs 38.95 Lac has been pledge with Central Excise Dept. (PY Rs. 28.18 Lac). FDR of Rs. 65 Lacs (previous year 61.07 Lacs) is pledge as a collateral security against advance given by the bank to Krishana Phoschem Ltd., a group company for that no guarantee commission has been charged.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

- b) Bank Guarantee of Rs. 3 Lac (previous Year Rs. 3 Lac).
 c) RSMM has issued demand note on account of increase in royalty amounting to Rs. 32.95 Lacs in FY 2008-09 (relating to previous year) i.e. from retrospective effect, against which our company approached to Hon'ble High Court of Rajasthan at Jodhpur and obtained stay order and last favorable verdict in favor of our company against which said RSMM Ltd. has approached to Hon'ble Supreme Court, case is sub-judice.

2. SHARE CAPITAL

(₹ in lacs)

<u>SHARE CAPITAL</u>	As at 31 st March 2012		As at 31 st March 2011	
	Number	Amount	Number	Amount
Authorized				
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	0.00	0.00	0.00	0.00
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

<u>Particulars</u>	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the year	11058090	110580900
Shares Issued during the year	0.00	0.00
Shares bought back during the year	0.00	0.00
Shares outstanding at the end of the year	11058090	110580900

- ii) Detail of Shares held by Shareholders holding more than 5% shares of the company

<u>Name of Shareholder</u>	As at 31 st March 2012		As at 31 st March 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sh. Pankaj Ji Ostwal	1195130	10.81%	1195130	10.81%
Smt. Ekta Jain		5.99%	661840	5.99%
Smt. Shashi Jain & Smt. Amita Mehta (Partner 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%
Chunari 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%

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

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.

3. RESERVES & SURPLUS

(₹ in lacs)

<u>Reserves & Surplus</u>	As at 31 st March 2012	As at 31 st March 2011
i). Revaluation Reserve		
Opening Balance	260.54	269.74
(+) Current Year Transfer	0.00	0.00
(-) Written Back in Current Year	(9.20)	(9.20)
Closing Balance	251.34	260.54
ii). Surplus		
Opening balance	422.67	116.65
(+) Net Profit/(Net Loss) For the current year	358.02	306.02
(+) Transfer from Reserves	0.00	0.00
(-) Proposed Dividends	0.00	0.00
(-) Interim Dividends	0.00	0.00
(-) Bonus issue	0.00	0.00
(-) Transfer to Reserves	0.00	0.00
Closing Balance	780.69	422.67
iii) Share Premium		
Opening Balance	91.71	0.00
(+) Current Year addition	0.00	91.71
(-) Bonus issue	0.00	0.00
Closing Balance	91.71	91.71
Total	1123.74	774.92

4. LONG TERM BORROWING

(₹ in lacs)

<u>Long Term Borrowings</u>	As at 31 st March 2012	As at 31 st March 2011
Secured		
(a) Term loans		
From: Indian Overseas Bank	791.65	958.33
(b) Vehicle Loan	3.24	4.61
From: State Bank of Bikaner & Jaipur		
	794.89	962.94
Unsecured		
(a) From Members & Relative	0.00	10.10
(b) From group Companies & Directors	0.00	688.98
	0.00	699.08
Total	794.89	1662.02

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

(a) Term Loan

- i) **Nature of Security** - The term loans from Indian Overseas Bank is secured by 1st charge in form of mortgage of all the immovable properties i.e. land & factory building and equitable mortgage on movable properties i.e. plant and machinery, machinery spares, tools and accessories, furniture & fixtures, vehicle and all other movable assets (existing & future) of the Unit II at Vill Sorai, Teh Banda, Distt. Sagar, M.P. And charge on assets as well as corporate guarantee of group co. M/s Tedco Granite Ltd.
- ii) **Terms of repayment** - Term loans from Indian Overseas Bank are repayable in quarterly installments and having floating interest rates ranging from 13% to 14.75 % and having maturity period up to 6 years.
- iii) Secured loans are guaranteed by personal guarantee of Managing Director.

(b) Vehicle Loan

- i) **Nature of Security** - The vehicle loan from The State Bank of Bikaner & Jaipur is secured on vehicle on which above loan has taken.
- ii) **Term of Repayment** - The vehicle loan from The State Bank of Bikaner & Jaipur is payable in monthly installment of Rs. 18000/- per month and having floating interest rates ranging from 14% to 14.25 % and having maturity period up to 7 years.

(₹ in lacs)

Name of Banks	Date of maturity	No. of installments outstanding as on 31.03.2012	As at 31 st March 2012			As at 31 st March 2011		
			Total outstanding	Current Maturities	Net Long Term Borrowings	Total outstanding	Current Maturities	Net Long Term Borrowings
Indian Overseas Bank	Dec.2017	23	800.00	8.35	791.65	1000.00	41.67	958.33
State Bank of Bikaner & Jaipur	Nov.2015	31	5.56	2.32	3.24	6.77	2.16	4.61
Total			805.56	10.67	794.89	1006.77	43.83	962.94

5. DEFERRED TAX LIABILITIES

The company has recognized a provision for deferred tax liabilities of Rs. 66.11 Lacs {P.Y. Rs. 24.06 Lacs i.e. deferred Tax liability} 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 2012	As at 31 st March 2011
Deferred Tax Liability		
A. Deferred Tax Liability (Depreciation on fixed assets)	188.95	66.97
B. Deferred Tax Assets (disallowed u/s 43B)	(0.52)	0.00
Net Deferred Tax Liability (A-B)	188.43	66.97
Less MAT Credit	(55.35)	0.00
Net Deferred Tax Liability	133.08	66.97

- i) Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.

**MADHYA BHARAT AGRO PRODUCTS LIMITED**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012**6. SHORT-TERM BORROWINGS**

(₹ in lacs)

<u>Short Term Borrowings</u>	As at 31 st March 2012	As at 31 st March 2011
Secured		
(a) Other loans and advances		
Working Capital Loan from Indian Overseas Bank repayable on demand	336.87	0.00
Total	336.87	0.00

- i) **Nature of Security** - The bank loan for working capital is secured against hypothecation of company's stock & Debts i.e. raw material, stock in process, finished goods, store & spares, book debts, receivables including goods in transit along with document proof title to goods such as MTRs/RRs/bills of lading etc. **Terms of repayment** - The bank loan for working capital is repayable on demand and having interest rate 14.50% as on 31st March, 2012.
- ii) The bank loan for working capital is guaranteed by personal guarantee of Managing Director.

7. TRADE PAYABLES

(₹ in lacs)

<u>Trade Payable</u>	As at 31 st March 2012	As at 31 st March 2011
(a) Trade Payables	816.75	466.86
Total	816.75	466.86

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, 2012. 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 2012	As at 31 st March 2011
(a) Current Maturities of Long-Term Debt (Refer Note no. 4)	10.67	43.83
(b) Statutory dues including Provident Fund and Tax deducted at Source etc.	8.09	22.70
(c) Liability Towards Staff & Worker	12.11	8.70
(d) Advance from Costumer	1346.87	291.01
(e) Other Liabilities	17.98	11.04
Total	1395.72	377.28

9. SHORT-TERM PROVISIONS

(₹ in lacs)

<u>Short Term Provisions</u>	As at 31 st March 2012	As at 31 st March 2011
Others (Specify nature)		
Provision for Taxation	106.94	124.80
Total	106.94	124.80

10. FIXED ASSETS

- i) The Company has provided depreciation on fixed assets on straight line Method on Triple 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.

MADHYA BHARAT AGRO PRODUCTS LIMITED



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Fixed Assets	Gross Block			Accumulated Depreciation					Net Block	
	Up to 31 st March 2011	Additions/ (Disposals)	Up to 31 st March 2012	Up to 31 st March 2011	Depreciation charge for the year	Adjustment due to revaluation	On disposals	Up to 31 st March 2012	Balance as at 31 st March 2012	Balance as at 1 st April 2011
Tangible Assets										
Land & Site Development	98.97	39.49	138.46	0	0	0	0	0	138.46	98.97
Factory Building	219.21	1286.88	1506.09	25.35	3.74	3.95	0.00	33.04	1473.05	193.86
Plant & Machinery	555.67	1432.06	1987.73	133.78	26.12	4.50	0.00	164.40	1823.33	421.89
Office Building	19.82	83.51	103.33	2.68	0.26	0.07	0.00	3.01	100.32	17.14
Plant Electricals	47.74	274.81	322.55	23.36	2.04	0.60	0.00	26.0	296.55	24.38
OE-Office Equipments	2.74	1.55	4.29	0.19	0.16	0.00	0.00	0.35	3.94	2.55
Tools & Spares	1.79	0.00	1.79	0.55	0.07	0.03	0.00	0.65	1.14	1.24
Furniture & Fixtures	5.48	2.57	8.05	1.67	0.48	0.00	0.00	2.15	5.90	3.81
Vehicles	51.64	1.47	53.11	9.30	4.96	0.00	0.00	14.26	38.85	42.34
Commercial Vehicles	12.00	-12.00	0.00	3.04	1.95	0.00	4.99	0.00	0.00	8.96
Quality Control Laboratory	3.74	7.69	11.43	1.07	0.13	0.05	0.00	1.25	10.18	2.67
Computers	5.14	3.20	8.34	1.81	1.19	0.00	0.00	3.00	5.34	3.33
Gas Cylinder	0.00	0.14	0.14	0.00	0.02	0.00	0.00	0.02	0.12	0.00
Total	1023.94	3121.37	4145.31	202.80	41.12	9.20	4.99	248.13	3897.18	821.14
Intangible Assets									0.00	0.00
Capital Work In Progress									0.12	1833.43
Total	1023.94	3121.37	4145.31	202.80	41.12	9.20	4.99	248.13	3897.30	2654.57

- ii) Gross block and Net Block of fixed assets includes Rs. 278.93 Lac (P.Y. Rs. 278.93 Lac) and Rs. 260.54 Lac (P.Y. Rs. 269.74 Lac) respectively on account of revaluation of fixed assets carried out in past by the company. Depreciation of Rs. 9.20 Lac (P.Y. Rs. 9.20 Lac) has been charged to revaluation reserve.
- iii) Deduction in depreciation is on account of sale of fixed assets.
- iv) 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.

11A. NON-CURRENT INVESTMENT

(₹ in lacs)

Name of Investment	As at 31 st March 2012	As at 31 st March 2011
Fully paid up Equity Share of Krishana Phoschem Ltd.	123.00	123.00
Total	123.00	123.00

11. LONG-TERM LOANS AND ADVANCES

(₹ in lacs)

Other non-current assets	As at 31 st March 2012	As at 31 st March 2011
a. Capital Advances		
Unsecured, considered good	0.00	0.00
Total	0.00	0.00

**MADHYA BHARAT AGRO PRODUCTS LIMITED**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

b. Security Deposits		
Unsecured, considered good	34.28	38.25
Total	34.28	38.25
c. Other Loans & Advances		
Vat Credit	121.89	212.84
Total	121.89	212.84
Total	156.17	251.09

12. OTHER NON-CURRENT ASSETS

(₹ in lacs)

<u>Other non-current assets</u>	As at 31 st March 2012	As at 31 st March 2011
a. Preliminary Exp.	47.71	22.79
b. Pre operative	0.00	97.34
Total	47.71	120.13

13. INVENTORIES

(₹ in lacs)

<u>Inventories</u>	As at 31 st March 2012	As at 31 st March 2011
a. Raw Materials	575.16	280.18
b. Finished goods & WIP	121.16	490.62
c. Stores and spares	33.71	39.41
d. Trading Goods	0.00	8.09
Total	730.03	818.30

The major components of inventory in the case of Raw Material are Rock Phosphate, Sulphuric Acid and Bags. Finished Goods and WIP comprises Single Super Phosphate and Beneficiated Rock Phosphate.

14. TRADE RECEIVABLES

(₹ in lacs)

<u>Trade Receivables</u>	As at 31 st March 2012	As at 31 st March 2011
Unsecured, considered good		
Trade receivables outstanding for a period less than six months from the date they are due for payment	306.24	3.97
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	0.00	9.32
Total	306.24	13.29

15. CASH AND CASH EQUIVALENT

(₹ in lacs)

<u>Cash and cash equivalents</u>	As at 31 st March 2012	As at 31 st March 2011
a. Balances with banks	19.10	145.89
b. Cash on hand	5.49	2.61
c. Fixed Deposit with Bank	107.97	202.07
Total	132.56	350.57

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

16. SHORT-TERM LOANS AND ADVANCES

(₹ in lacs)

<u>Short-term loans and advances</u>	As at 31 st March 2012	As at 31 st March 2011
Advance Taxes	93.46	112.99
Prepaid Expenses	5.97	3.68
Loans to employees	1.34	0.60
Advances to suppliers	43.96	61.13
VAT Credit	276.06	69.31
Total	420.79	247.71

Short term loans and advances includes Rs. Nil (Previous year Rs. Nil) receivables from Directors/ officers/ Companies and firms under same management.

17. REVENUE

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2012	For the year ended 31 st March 2011
Sale of products	4616.92	3965.68
Total	4616.92	3965.68

18. OTHER INCOME

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2012	For the year ended 31 st March 2011
Interest Income	10.42	15.53
Other non-operating income	7.64	16.67
Total	18.06	32.20

19. COST OF RAW MATERIAL CONSUMED

(₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2012	For the year ended 31 st March 2011
Opening Stock	280.18	308.26
Add Purchases	3147.68	2507.93
Less : Closing Stock	(575.15)	(280.18)
Total	2852.71	2534.01

DETAIL OF RAW MATERIALS CONSUMED

(₹ in lacs)

<u>Particulars</u>	2011-2012		2010-2011	
	Quantity	Amount	Quantity	Amount
i) Low-Grade Rock Phosphate (MT)	27331.24	2042.63	27311.49	1862.34
ii) Sulphuric Acid (MT)	16312.77	692.22	17237.26	575.05
iii) Bags (Nos)	1016585	115.43	925320	96.62
iv) Other Consumables	0.00	2.43	0.00	0.00
Total		2852.71		2534.01

**MADHYA BHARAT AGRO PRODUCTS LIMITED**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012**20. CHANGES IN INVENTORY OF FINISHED GOODS, WORK IN PROGRESS & TRADING GOODS** (₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2012	For the year ended 31 st March 2011
Stock at the beginning of the year(A)	(498.70)	(804.57)
Stock at the end of the year (B)	121.16	498.70
(Increase) / Decrease in Stocks (B-A)	(377.54)	(305.87)

21. EMPLOYEE BENEFITS EXPENSE (₹ in lacs)

<u>Employee Benefits Expense</u>	For the year ended 31 st March 2012	For the year ended 31 st March 2011
(a) Salaries and incentives	25.33	30.69
(b) Contributions to Provident fund & ESI	3.67	3.62
(c) Gratuity fund contributions	3.40	3.40
(d) Staff welfare expenses	0.98	2.50
Total	33.38	40.21

22. FINANCE COSTS (₹ in lacs)

<u>Particulars</u>	For the year ended 31 st March 2012	For the year ended 31 st March 2011
Interest expense	168.98	121.34
Other borrowing costs	1.23	0.75
Total	170.21	122.09

23. DEPRECIATION AND AMORTISATION EXPENSE (₹ in lacs)

<u>Depreciation and amortization expense</u>	For the year ended 31 st March 2012	For the year ended 31 st March 2011
Current Year Depreciation	50.32	40.03
Add(Less) : Revaluations	(9.20)	(9.20)
Total	41.12	30.83

24. OTHER EXPENSES (₹ in lacs)

<u>Expenditure incurred on items</u>	For the year ended 31 st March 2012	For the year ended 31 st March 2011
A. MANUFACTURING		
Stores & Spare Parts Consumed	62.68	48.25
Power & Fuel	48.97	34.22
Repairs, Maintenance to Plant & Machinery	3.36	7.46
Other Manufacturing Expenses	123.33	54.90
Total (A)	238.34	144.83
B. ADMINISTRATIVE		
Rent Expenses	0.00	0.22
Rates & Taxes	0.00	0.00
Insurance	5.97	2.99



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

Repairs to Building	3.37	1.64
Director Remuneration	15.18	10.44
Audit Fees (Statutory Audit Fees .60Lacs & Cost Audit Fees .11Lacs)	0.71	0.40
Miscellaneous expenses	47.10	33.09
Total (B)	72.33	48.78
C. SELLING		
Business Promotion & Advertisement Expenses	7.95	5.88
Others	310.33	310.50
Total (C)	318.28	316.38
Total (A+B+C)	628.95	509.99

25. RELATED PARTY TRANSACTIONS

- a) Key management personnel and their relatives -
- i) Mr. Pankaj Ostwal
 - ii) Mr. Amit Jain
- b) Enterprises over which Key Management Personnel exercises significant influence -
- i) Krishana Phoschem Limited
 - ii) Seasons Agro Chem India Pvt. Ltd.
 - iii) Tedco Granite Limited
 - iv) Nirmala Realinfrastructure Pvt. Ltd.
 - v) Seasons International Pvt. Ltd.

Transactions with the related parties -

(₹ in lacs)

<u>Particular</u>	For the year ended 31 st March 2012	For the year ended 31 st March 2011
Directors remunerations	15.18	10.44
Purchases of goods	1511.54	1110.89
Testing Charges	0.00	8.75
Sale of goods	68.30	0.32
Loan & Advances Repayment	730.58	2176.35
Loan & Advances Taken	31.50	3046.76
Advance Taken Against Sales	1346.87	0.00

26. 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>		Ast at 31 st March 2012	Ast at 31 st March 2011
i)	Reconciliation of opening and closing balances of defined benefit obligation		
	a) At the beginning of the year	4.31	1.42
	b) Current Service Cost	1.65	1.06
	c) Interest Cost	0.34	0.11
	d) Actuarial (Gain) Loss	0.82	1.72
	e) Benefits paid	0.00	0.00
	f) Defined Benefits Obligation at year end	7.13	4.31



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MADHYA BHARAT AGRO PRODUCTS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012**

ii)	Reconciliation of opening and closing balances of fair value of plan assets		
a)	At beginning of the year		
b)	Expected Return on plan assets	6.34	2.69
c)	Actuarial Gain / (Loss)	0.71	0.39
d)	Employer Contributions	0.00	0.00
e)	Benefits paid	3.15	3.26
f)	Fair Value of the plan assets at the year end	0.00	0.00
		10.20	6.34
iii)	Reconciliation of fair value of obligation and Assets		
a)	Present value of obligation as at year end	7.13	4.31
b)	Fair value of plan assets as at year end	10.20	6.34
c)	Amount recognized in Balance Sheet (a-b)	(3.07)	(2.03)
iv)	Expense recognized during the year:		
a)	Current Service Cost	1.65	1.06
b)	Interest Cost	0.34	0.11
c)	Expected return on plan assets	(0.71)	(0.39)
d)	Actuarial (gain) / loss	0.82	1.72
e)	Net Cost (a+b+c+d)	2.10	2.49
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		
		As at 31st March 2012	As at 31st March 2011
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 2012	As at 31st March 2011
	Defined Benefits Obligation	7.13	4.31
	Plan assets	10.20	6.34
	Surplus/(deficit)	3.07	2.03
	Experience adjustment on plan Liabilities (loss)/ gain	0.68	(0.29)
	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

	For the year ended 31st March 2012	For the year ended 31st March 2011
i) Employers Contribution to Provident Fund	3.67	3.62

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012**27. EARNING PER SHARE**

(₹ in lacs)

Particulars	For the year ended 31st March 2012	For the year ended 31st March 2011
Net profit available to equity shareholders	358.02	306.02
Weighted average number of equity shares outstanding during the year (Nos.)	11058090	11058090
Basic and Diluted Earnings (₹ per Share)	3.24	2.77
Adjusted Earnings (₹ per Share) due to Bonus issue in the year 2011-12	3.24	2.77

28. FOREIGN CURRENCY EXPOSURE -

During the year company have no foreign currency exposure hence expenditures in foreign currency, earnings in foreign currency, CIF value of imports are Rs. NIL (Previous year - Rs. NIL).

29. IMPORTED & INDIGENOUS RAW MATERIAL, COMPONENTS AND SPARE PARTS CONSUMED - All raw material, components and spare parts consumed by the company are indigenous.**30. PREVIOUS YEAR FIGURES**

The financial statements for the year ended March 31, 2011 had been prepared as per the applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

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/-
(Pankaj Ostwal)
Managing Director

Sd/-
(Amit Jain)
Director

Sd/-
(Nitin Mehta)
Company Secretary

Place : Bhilwara (Raj.)
Date : 30.07.2012



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)

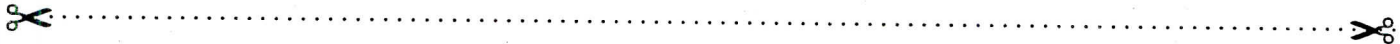
15th Annual General Meeting at the Regd. Office : 5-O-1, Basement, R.C. Vyas Colony, Bhilwara (Raj.) 311001 on Wednesday, 26th day of September, 2012 at 11.00 A.M.

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 15th Annual General Meeting of the Company held on Wednesday, 26th September, 2012 at the Regd. Office at : 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 15th Annual General Meeting of the Company, to be held on Wednesday, the 26th September, 2012 at 11.00 A.M. at the Regd. Office at : 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 _____ 2012.

Signed by the said _____

Affix
Re.1/-
Revenue
Stamp

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