

**KANAK KRISHI IMPLEMENTS  
PRIVATE LIMITED  
ANNUAL REPORT  
2012 – 2013**

# KANAK KRISHI IMPLIMENTS PRIVATE LIMITED

Regd. Office: Plot No. D - 29, Sector - I, Tala Nagari, Ramghat Road, Aligarh - 202001

## NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Third Annual General Meeting of the Members of the Company will be held on 30th day of September, 2013 at 12.30 P.M. at the Registered office of the Company at, D-29, Sector -1 Tala Nagari, Ramghat Road, Aligarh-202001 to transact the following business: -

### ORDINARY BUSINESS:

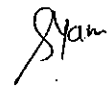
- 1 To receive, consider and adopt the Audited Balance Sheet as on 31<sup>st</sup> March 2013 and Profit & Loss Account for the year ended on that date together with the Directors' and Auditors' report thereon.
2. To appoint M/s Ravi Bhushan & Co. FRN (020618N) Chartered Accountants as Statutory Auditors the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the company and to fix their remuneration.

### SPECIAL BUSINESS:

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

"RESOLVED THAT in accordance to the provision of Section 257 and all other applicable provisions of the Companies Act, 1956, Mr. Shyam Seni be and is hereby appointed as Director of the Company, liable to retire by rotation."

By order of the Board of Directors

  
(Director)  
Shyam Seni

Place: Uttar Pradesh

Date: 31.08.2013

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY INSTRUMENT SHOULD BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING
2. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect to item No. 3 is annexed herewith.
3. Members are requested to notify any change in their addresses, at its Registered Office or to its Share Transfer Agents.
4. Members/Proxies should bring the attendance Slip, duly filled in, for attending the meeting.
5. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
7. Corporate members intended to send their authorised representatives to attend the meeting are requested to send to the company a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
8. Members are requested to intimate their Email IDs for correspondence and quicker response to their queries.

By order of the Board of Directors

*Shyam*  
(Director)  
Shyam Seni

Place: Uttar Pradesh

Date: 31.08.2013

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

**ITEM 3:**

Mr. Shyam Seni was appointed as additional directors by the Board of Directors in their meeting held on 10<sup>th</sup> October, 2012.

In terms of Section 260 of the Companies Act, 1956, he hold office upto the date of this Annual General Meeting of the Company. Pursuant to Section 257 of the Companies Act, 1956, the Company has received notice along with a deposit of Rs. 500/- from him offering their candidature for appointment as Directors, liable to retire by rotation.

The Board recommends this resolution for your approval. Mr. Shyam Seni is interested in this resolution to the extent of their appointment.

By order of the Board of Directors

*Shyam*  
(Director)  
Shyam Seni

Place: Uttar Pradesh

Date: 31.08.2013

# KANAK KRISHI IMPLIMENTS PRIVATE LIMITED

Regd. Office: Plot No. D – 29, Sector - I, Tala Nagari, Ramghat Road, Aligarh – 202001

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## DIRECTOR'S REPORT

Dear Members,

Your Directors take pleasure in presenting Annual Report of the company together with Audited Statement of Accounts for the financial year ended on March 31, 2013 and Auditors' Report thereon.

1. **Financial Results:** During the financial year under review, your company has made a profit of Rs 83,446.24/- after tax against a previous year profit of Rs. 19,362.52/-.
2. **Dividend:** Board of Directors has decided to plough back the profits back into the business and has decided not to pay any dividend for the year under review.
3. **Deposit:** The Company has neither invited nor accepted any public deposits during the financial period.
4. **Directors:** Mr. Shyam Seni was appointed as additional directors by the Board of Directors in their meeting held on 10<sup>th</sup> October, 2012.
5. **Conservation of energy, technology, absorption, foreign exchange earning & outgo**
  - a.) As regards to disclosure u/s 217(i)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rule, 1988, particulars relating to conservation of energy are not applicable to the company.
  - b.) Disclosure of information relating to Foreign Exchange earning & outgo as required under Rule 2(i) is Nil.
6. **Employee:** As required by the provision of section 217(2A) of the Companies ACT, 1956. Read with the Companies (particulars of employee) rules, 1975 as amended, no employee was in receipt of remuneration exceeding 60,00,000/- per annum or 5, 00,000/- per month for any part thereof.
7. **Auditors:** M/s Ravi Bhushan & Co., Chartered Accountants, (FRN 505754) New Delhi, retire at the conclusion of this Annual General Meeting. The Company has received notice from the expressing their willingness for re-appointment as the statutory auditors of the Company. The auditor forwarded their certificate stating that their re-appointment, if made will be within the limit specified in that behalf in Sub Section (1B) of section 224 of the Companies Act, 1956. The Board hereby recommends their appointment to the Shareholders of the Company.

8. **Director's Responsibility Statement:** The responsibility statement pursuant to Section 217 (2AA) of the Companies Act, 1956 as amended by Companies (Amendment) Act, 2000 are as under:

- i.) The said annual account has been prepared in compliance of all applicable accounting standards.
- ii) All accounting policies selected for preparing accounts has been consistently applied and wherever required, judgments and estimates are 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 in case of Profit and Loss accounts for that period.
- iii) Proper and sufficient care has been taken to maintain adequate accounting records as per the provisions of the said Act and also sufficient care has been taken for the safeguard of the assets of the Company including preventing and detecting frauds and other irregularities.
- iv) The said annual accounts have been prepared on a going concern concept basis.

9. **Acknowledgement:** The management acknowledges with gratitude, the cooperation extended by the company's staff and members and other outside agencies.

For and on behalf of the Board

Kanak Krishi Implements Private Limited

  
GORAV GUPTA        
PRAMOD KUMAR YADAV

Director

Director

Place: Uttar Pradesh

Date: 31.08.2013



## INDEPENDENT AUDITOR'S REPORT

To,  
**THE MEMBERS**  
**KANAK KRISHI IMPLEMENTS PRIVATE LIMITED**

### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **KANAK KRISHI IMPLEMENTS PRIVATE LIMITED** ("the Company). Which comprise the balance sheet as at 31st March 2013, the statement of profit and loss and the cash flow statement for the year then 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 true and fair view of the financial position, financial performance and cash flows of the company in accordance with accounting standard referred to in sub section(3G) of section 211 of companies Act 1956 ("the Act"). This responsibility includes the design, implementation and maintenances of internal control relevant to the preparation and presentation of 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 accountant 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 statement 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 statement 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 the 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 explanation 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 balance sheet , the state of affairs of the company as at March 31, 2013,
- (b) the case of statement of profit and loss of the profit for the year ended on that date, and
- (c) In the case of the cash flow statement, of the cash flows of the company 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 the 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 the audit.
  - (b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books.
  - (c) The balance sheet, the statement of profit and loss and the 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 the cash flow statement comply with the accounting standards referred to in sub-section (3C) of section 211 of companies act 1956.





- (e) On the basis of written representation 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 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 RAVI BHUSAN & CO.  
CHARTERED ACCOUNTANTS**



**RAVI BHUSHAN PRASAD  
MEMBERSHIP NO.: 505754  
FIRM REGD.NO.: 020618N**

**Place: Haryana**

**Date: 31.08.2013**

# **KANAK KRISHI IMPLEMENTS PRIVATE LIMITED**

## **(ANNEXURE TO THE AUDITOR'S REPORT)**

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
  
(b) According to the information and explanations given to us, the company has formulated a regular programme of verification by which all the assets of company shall be verified in a phased manner, which in my opinion, is reasonable having regard to the size of the company and nature of its assets. To the best of my knowledge, no material misstatement is noticed on verification conducted during the year as compared with the book records.  
  
(c) There was no disposal during the year of fixed assets.
2. (a) The company does not have any Inventories during the year, therefore clauses (b) and (c) are not applicable.
3. The company has not taken/granted any loans secured or unsecured from companies, firms or other parties listed in the register maintained u/s 301 of the companies act 1956 in terms of subsection (6) of the section 370 of the companies act, 1956 the provisions of the section are not applicable to a company on or after the commencement of the companies (amendment) act, 1999.
4. In respect of loans & advances, the company in the nature of advances given by the company, the parties are generally re-paying the principal amount as stipulated and have also been regular in paying of interest where applicable.
5. In our opinion and according to the information and explanation given to us, there is adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sales of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
6. Based on the audit procedures applied by us and according to the information and explanation provided by the management, we are of the opinion that there are no transactions that need to be entered into the registers management under section 301 of the Companies Act, 1956.



7. The company has not accepted any deposit from the public. Therefore the provisions of Section 58A, & 58AA of the Companies Act, 1956, and the Rules framed there under do not apply.
8. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
9. To the best of our knowledge and according to the information given to us, the Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 for the company.
10. (a) According to the books and records as produced and examined by us in accordance with generally accepted auditing practices in India and also based on management representations the provident funds Act and employees state insurance Act is not applicable to the company, undisputed statutory dues in respect of income tax and other material statutory dues have generally been regularly deposited by the company during the year with the appropriate authorities in India.  
  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth-tax, sales tax, customs and excise duty were outstanding , as at 31<sup>st</sup> March, 2013 for a period of more than six months from the date they become payable.  
  
(c) According to the records of the company, there are no dues of sales tax, income tax, customs tax/ wealth tax, excise duty/ cess which have not been deposited on account of any dispute.
11. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures & other similar securities.
12. According to the information and explanation given to us the company has not given any guarantee for loan taken by other from banks or financial institutions.
13. According the information and explanation given to us and as shown by the records examined by us there were no dues payable to financial institutions or banks.
14. The company has not taken any term loan during the year.



15. In our opinion, the company is not a chit fund or a nidhi, mutual benefit fund or society therefore the provision of clause 4 (xiii) of the companies (Auditor's report) Order 2003 are not applicable to the company.
16. Based on the information and explanation given to us and on an overall examination of the books of accounts as on 31.03.2013, we report that no funds raised on short term basis have used for long- term investments by the company and vice versa.
17. Based on the audit procedure performed and the information and explanation given to us by the management we report that the company has not made any preferential allotment of shares during the year.
18. The company has no outstanding debentures during the period under audit.
19. As per the information and explanation given to us and on the basis of examination of records, no material fraud on or by the company was noticed or reported during the year.

**FOR RAVI BHUSAN & CO.  
CHARTERED ACCOUNTANTS**



**RAVI BHUSHAN PRASAD  
MEMBERSHIP NO.: 505754  
FIRM REGD.NO.: 020618N**

**Place: Haryana**

**Date: 31.08.2013**

# KANAK KRISHI IMPLEMENTS PRIVATE LIMITED

Balance Sheet as at 31st March, 2013

Amount in Rs.

| Particulars  | Note No | As at 31.03.2013     | As at 31.03.2012     |
|--|---------|----------------------|----------------------|
| <b>I. EQUITY AND LIABILITIES</b>                     |         |                      |                      |
| <b>(1) Shareholder's Funds</b>                       |         |                      |                      |
| (a) Share Capital                                    | 1       | 41,200,000.00        | 400,000.00           |
| (b) Reserves and Surplus                             | 2       | 794,880.76           | 711,434.52           |
| (c) Money received against share warrants            |         | -                    | -                    |
| <b>(2) Share application money pending allotment</b> |         |                      |                      |
| (a) Share Application Maoney                         |         | -                    | 23,000,000.00        |
| <b>(3) Non-Current Liabilities</b>                   |         |                      |                      |
| (a) Long-term borrowings                             | 3       | -                    | -                    |
| (b) Deferred tax liabilities (Net)                   | 4       | 3,484.00             | -                    |
| (c) Other Long term liabilities                      | 5       | -                    | -                    |
| (d) Long term provisions                             | 6       | -                    | -                    |
| <b>(4) Current Liabilities</b>                       |         |                      |                      |
| (a) Short-term borrowings                            | 7       | -                    | -                    |
| (b) Trade payables                                   | 8       | -                    | -                    |
| (c) Other current liabilities                        | 9       | 1,243,169.00         | 304,725.00           |
| (d) Short-term provisions                            | 10      | 41,000.00            | 40,500.00            |
|  |         | 42,488.00            | 8,658.00             |
| <b>Total</b>   |         | <b>43,325,021.76</b> | <b>24,465,317.52</b> |
| <b>II. Assets</b>                                    |         |                      |                      |
| <b>(1) Non-current assets</b>                        |         |                      |                      |
| <b>(a) Fixed assets</b>                              |         |                      |                      |
| (i) Tangible assets                                  | 11      | 74,861.09            | -                    |
| (ii) Intangible assets                               |         | -                    | -                    |
| (iii) Capital work-in-progress                       |         | -                    | -                    |
| (iv) Intangible assets under development             |         | -                    | -                    |
| (b) Non-current investments                          | 12      | 8,750,000.00         | -                    |
| (c) Deferred tax assets (net)                        | 13      | -                    | -                    |
| (d) Long term loans and advances                     | 14      | 12,661,925.00        | 10,000,000.00        |
| (e) Other non-current assets                         | 15      | -                    | -                    |
| <b>(2) Current assets</b>                            |         |                      |                      |
| (a) Current investments                              | 16      | 3,473,700.00         | -                    |
| (b) Inventories                                      | 17      | -                    | -                    |
| (c) Trade receivables                                | 18      | 2,052,565.00         | 636,865.00           |
| (d) Cash and cash equivalents                        | 19      | 249,233.67           | 2,141,453.52         |
| (e) Short-term loans and advances                    | 20      | 16,044,311.00        | 11,659,361.00        |
| (f) Other current assets                             | 21      | 18,426.00            | 27,638.00            |
| <b>Total</b>   |         | <b>43,325,021.76</b> | <b>24,465,317.52</b> |

**NOTES TO ACCOUNTS**

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Notes referred to above and notes attached there to form an integral part of Balance Sheet

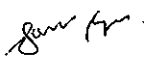
As per our report of even date attached.


For Ravi Bhushan & Co.  
Chartered Accountants

(CA Ravi B.P Gupta)  
Partner  
Firm Reg.No.: 020618N  
M.No.: 505754

Date : 31.08.2013  
Place : Uttar Pradesh

FOR AND ON BEHALF OF THE BOARD OF DIRECTOR  
KANAK KRISHI IMPLEMENTS PRIVATE LIMITED

  
GORAV GUPTA  
(Director)  
DIN: 03257233

  
PRAMOD KUMAR YADAV  
(Director)  
DIN: 03353650

# KANAK KRISHI IMPLEMENTS PRIVATE LIMITED

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

| Particulars   | Note No    | Amount in Rs.       |                     |
|---|------------|---------------------|---------------------|
|   |            | As at 31.03.2013    | As at 31.03.2012    |
| I. Revenue from operations  |            | 5,608,942.00        | 1,445,910.00        |
| II. Other Income  | 22         | -                   | -                   |
| III. Total Revenue (I + II)   |            | <b>5,608,942.00</b> | <b>1,445,910.00</b> |
| <b>IV. Expenses:</b>  |            |                     |                     |
| Cost of materials consumed  | 23         | 4,968,600.00        | 1,107,422.00        |
| Purchase of Stock-in-Trade  |            |                     |                     |
| Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 24         | -                   | -                   |
| Employee benefit expense  | 25         | 305,433.00          | 163,550.00          |
| Financial costs   | 26         | -                   | -                   |
| Depreciation and Amortization Expense   | 27         | 31,250.91           | 9,212.00            |
| Other expenses  | 28         | 182,897.85          | 137,705.48          |
| Total Expenses  |            | <b>5,488,181.76</b> | <b>1,417,889.48</b> |
| <b>V. Profit before exceptional and extraordinary items and tax.</b>          | (III - IV) | <b>120,760.24</b>   | <b>28,020.52</b>    |
| VI. Exceptional Items   |            | -                   | -                   |
| VII. Profit before extraordinary items and tax (V - VI)                       |            | 120,760.24          | 28,020.52           |
| VIII. Extraordinary Items   |            | -                   | -                   |
| <b>IX. Profit before tax (VII - VIII)</b>                                     |            | <b>120,760.24</b>   | <b>28,020.52</b>    |
| <b>X. Tax expense:</b>  |            |                     |                     |
| (1) Current tax   |            | 33,830.00           | 8,658.00            |
| (2) Deferred tax  |            | 3,484.00            | -                   |
| (3) Income tax Adjustment   |            | -                   | -                   |
| (4) Deferred tax Adjustment   |            | -                   | -                   |
| <b>XI. Profit(Loss) from the operations.</b>                                  | (IX-X)     | <b>83,446.24</b>    | <b>19,362.52</b>    |
| <b>DISCONTINUING OPERATION</b>  |            |                     |                     |
| XII. Profit(Loss) from discontinuing operations (before tax)                  |            | -                   | -                   |
| XIII. Tax expense of discounting operations                                   |            | -                   | -                   |
| XIV. Profit(Loss) balance transferred to Balance Sheet. (XII - XIII)          |            | -                   | -                   |
| <b>XV. Profit(Loss) for the period (XI + XIV)</b>                             |            | <b>83,446.24</b>    | <b>19,362.52</b>    |
| <b>XVI. Earning per equity share:</b>   |            |                     |                     |
| (1) Basic   |            | 0.02                | 0.48                |
| (2) Diluted   |            | 0.02                | 0.48                |

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement

As per our report of even date attached.


For Ravi Bhushan & Co  
Chartered Accountants

(CA Ravi B.P. Gupta)  
Partner  
Firm Reg.No.: 020618N  
M.No.: 505754

Date : 31.08.2013  
Place : Uttar Pradesh

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
KANAK KRISHI IMPLEMENTS PRIVATE LIMITED

  
GORAV GUPTA  
(Director)  
DIN: 03257233

  
PRAMOD KUMAR YADAV  
(Director)  
DIN: 03353650

**KANAK KRISHI IMPLEMENTS PRIVATE LIMITED**

**Cash Flow Statement**

| For the Year Ending 31-Mar-2013   |  | Amounts<br>Rs.  | Amounts<br>Rs.  |
|---|--|-----------------|-----------------|
|   |  | 31.03.13        | 31.03.12        |
| <b>(A) CASH FLOW FROM OPERATING ACTIVITIES:-</b>  |  |                 |                 |
| 1. Net profit before tax  |  | 120,760.24      | 28,020.52       |
| 2. <b>Adjustment for:</b>   |  |                 |                 |
| Add: Depreciation & Amortisation Expenses   |  | 31,250.91       | 9,212.00        |
| Operating Profit before Working capital changes   |  | 152,011.15      | 37,232.52       |
| 3. <b>Working Capital Changes:</b>  |  |                 |                 |
| Decrease (Increase) in Trade & Other Receivables  |  | (1,415,700.00)  | 15,946.00       |
| Decrease (Increase) in Inventories  |  | -               | -               |
| Decrease (Increase) in Short Term Provision   |  | -               | -               |
| Decrease (Increase) in Other Current Assets   |  | -               | -               |
| Increase (Decrease) in Trade & Other Payables   |  | 938,444.00      | 175,000.00      |
| Increase (Decrease) in Other Current Liabilities  |  | -               | 40,500.00       |
| Increase (Decrease) in Other Liabilities  |  | 500.00          | -               |
| Net Changes in Working Capital  |  | (476,756.00)    | 231,446.00      |
| <b>Cash Generated from Operations</b>   |  | (324,744.85)    | 268,678.52      |
| Adjustment of Taxes   |  | -               | -               |
| Net Cash Flow from Operating Activities (A)   |  | (324,744.85)    | 268,678.52      |
| <b>(B.) CASH FLOW FROM INVESTING ACTIVITIES :</b>   |  |                 |                 |
| Purchase of Fixed Assets  |  | (96,900.00)     | -               |
| (Increase) Decrease in Other Non Current Assets   |  | -               | -               |
| (Increase) Decrease in Long Term Loans & Advances   |  | (2,661,925.00)  | (10,000,000.00) |
| (Increase) Decrease in Short Terms Loans & Advances   |  | (4,384,950.00)  | (9,875,000.00)  |
| Decrease (Increase) in Current Investments  |  | (3,473,700.00)  | -               |
| Decrease (Increase) in Non Current Investments  |  | (8,750,000.00)  | -               |
| Net Cash Flow from Investing Activities (B)   |  | (19,367,475.00) | (19,875,000.00) |
| <b>(C.) CASH FLOW FROM FINANCING ACTIVITIES :</b>   |  |                 |                 |
| Issue of share capital  |  | -               | -               |
| Increase in Short Terms Borrowings  |  | -               | -               |
| Preliminary Expenses incurred   |  | -               | -               |
| Proceeds from/(Refund) Share Application Money  |  | 17,800,000.00   | 21,550,000.00   |
| Net Cash Flow from Financing Activities (C)   |  | 17,800,000.00   | 21,550,000.00   |
| Net Increase / (Decrease) in Cash & Cash Equivalents (A-B+C)  |  | (1,892,219.85)  | 1,943,678.52    |
| Cash and cash equivalents at the beginning of the year / Period   |  | 2,141,453.52    | 197,775.00      |
| Cash and cash equivalents at the end of the year/ Period  |  | 249,233.67      | 2,141,453.52    |
| * Note: The above Cash Flow Statement has been prepared under "indirect Method" as set out in the Accounting Standard (AS) - 3 on Cash Flow Statements" issued by the Institute of Chartered of Accountants of India. |  |                 |                 |

As per our report of even date

For Ravi Bhushan & Co.  
Chartered Accountants

(CA Ravi B. Gupta)  
Partner  
Firm Reg.No.: 020618N  
M. No. 505754

For KANAK KRISHI IMPLEMENTS PRIVATE LIMITED

*Gorav Gupta*  
GORAV GUPTA  
(Director)  
DIN: 03257233

*Pramod Kumar Yadav*  
PRAMOD KUMAR YADAV  
(Director)  
DIN: 03353650

Place : Uttar Pradesh

Date:- 31.08.2013

# KANAK KRISHI IMPLEMENTS PRIVATE LIMITED

## Notes Forming Part of the Balance Sheet

### Note : 1 Share Capital

| Sr. No | Particulars   | As at 31.03.2013     | As at 31.03.2012  |
|--------|---|----------------------|-------------------|
| 1      | <b>AUTHORIZED CAPITAL</b>   |                      |                   |
|        | 1,25,50,000 Equity Shares (PY 50,000 Equity Shares) of Rs. 10/- each. | 125,500,000.00       | 500,000.00        |
| 2      | <b>ISSUED</b>   |                      |                   |
|        | 41,20,000 Equity Shares (PY 40,000 Equity Share) of Rs. 10/- each.    | 41,200,000.00        | 400,000.00        |
| 3      | <b>SUBSCRIBED &amp; PAID UP CAPITAL</b>                               |                      |                   |
|        | 41,20,000 Equity Shares (PY 40,000 Equity Share) of Rs. 10/- each.    | 41,200,000.00        | 400,000.00        |
|        | <b>Total</b>  | <b>41,200,000.00</b> | <b>400,000.00</b> |

| Sr. No | Particulars                 | As at 31.03.2013 | As at 31.03.2012     |
|--------|-----------------------------|------------------|----------------------|
| (2)    | (a) Share Application Money | -                | 23,000,000.00        |
|        | <b>Total</b>                | -                | <b>23,000,000.00</b> |

| Sr. No | Particulars                               | As at 31.03.2013 | As at 31.03.2012 |
|--------|---|------------------|------------------|
| (3)    | <b>Reconciliation of Nos. Of Shares</b>   |                  |                  |
|        | Number of Equity Shares at the beginning  | 40,000           | 40,000           |
|        | Add:- Number of Shares Issued             | 4,080,000        | -                |
|        | <b>Number of Equity Shares at the end</b> | <b>4,120,000</b> | <b>40,000</b>    |

### Note : 2 Reserve & Surplus

| Sr. No | Particulars                                 | As at 31.03.2013  | As at 31.03.2012  |
|--------|---|-------------------|-------------------|
| 1      | Security Premium                            | 900,000.00        | 900,000.00        |
| 2      | <b>Surplus (Profit &amp; Loss Account):</b> |                   |                   |
|        | Opening Profit & Loss A/c                   | (188,565.48)      | (207,928.00)      |
|        | Current Year Profit & Loss A/C              | 83,446.24         | 19,362.52         |
|        |   | (105,119.24)      | (188,565.48)      |
|        | <b>Total</b>                                | <b>794,880.76</b> | <b>711,434.52</b> |

### Note : 3 Long Term Borrowings

| Sr. No | Particulars                                      | As at 31.03.2013 | As at 31.03.2012 |
|--------|--|------------------|------------------|
| 1      | Bonds / Debentures                               | -                | -                |
| 2      | <b>Term Loan</b>                                 |                  |                  |
|        | - From Bank                                      | -                | -                |
|        | - From Other Parties                             | -                | -                |
| 3      | Deferred Payment Liabilities                     | -                | -                |
| 4      | Deposit  | -                | -                |
| 5      | Loans & Advances From Related Parties            | -                | -                |
| 6      | Long Term Maturities of Finance lease obligation | -                | -                |
| 7      | Loans From Directors                             | -                | -                |
| 8      | <b>Other Loans</b>                               | -                | -                |
|        | <b>Total</b>                                     | -                | -                |





# KANAK KRISHI IMPLEMENTS PRIVATE LIMITED

## Notes Forming Part of the Balance Sheet

### Note : 4 Defferred Tax Liabilities (Net)

| Sr. No | Particulars             | As at 31.03.2013 | As at 31.03.2012 |
|--------|-------------------------|------------------|------------------|
| 1      | Defferred Tax Liability | 3,484.00         | -                |
|        | <b>Total</b>            | <b>3,484.00</b>  | <b>-</b>         |

### Note : 5 Other Long Term Liabilities

| Sr. No | Particulars     | As at 31.03.2013 | As at 31.03.2012 |
|--------|-----------------|------------------|------------------|
| 1      | Trade Creditors | -                | -                |
| 2      | Others          | -                | -                |
|        | <b>Total</b>    | <b>-</b>         | <b>-</b>         |

### Note : 6 Long Term Provisions

| Sr. No | Particulars                       | As at 31.03.2013 | As at 31.03.2012 |
|--------|-----------------------------------|------------------|------------------|
| 1      | Provision from Employment Benefit | -                | -                |
| 2      | Other                             | -                | -                |
|        | <b>Total</b>                      | <b>-</b>         | <b>-</b>         |

### Note : 7 Short Term Borrowings

| Sr. No | Particulars                           | As at 31.03.2013 | As at 31.03.2012 |
|--------|---------------------------------------|------------------|------------------|
| 1      | <u>Loan Repayable on Demand</u>       |                  |                  |
|        | - From Bank                           | -                | -                |
|        | - From Other Parties                  | -                | -                |
| 2      | Loans & Advances From Related Parties | -                | -                |
| 3      | Deposits                              | -                | -                |
| 4      | Others                                | -                | -                |
|        | <b>Total</b>                          | <b>-</b>         | <b>-</b>         |

### Note : 8 Trades Payable

| Sr. No | Particulars    | As at 31.03.2013    | As at 31.03.2012  |
|--------|----------------|---------------------|-------------------|
| 1      | Other Payables | 1,243,169.00        | 304,725.00        |
|        | <b>Total</b>   | <b>1,243,169.00</b> | <b>304,725.00</b> |

### Note : 9 Other Current Liabilities

| Sr. No | Particulars        | As at 31.03.2013 | As at 31.03.2012 |
|--------|--------------------|------------------|------------------|
| 1      | Audit Fees Payable | 11,000.00        | 5,500.00         |
| 2      | Salary Payable     | 30,000.00        | -                |
| 3      | Expenses Payable   | -                | 35,000.00        |
|        | <b>Total</b>       | <b>41,000.00</b> | <b>40,500.00</b> |

### Note : 10 Short Term Provisions

| Sr. No | Particulars                             | As at 31.03.2013 | As at 31.03.2012 |
|--------|---|------------------|------------------|
| 1      | <u>Provision From Employees Benefit</u> | -                | -                |
| 2      | <u>Others</u>                           |                  |                  |
|        | Provision For Income Tax                | 42,488.00        | 8,658.00         |
|        | <b>Total</b>                            | <b>42,488.00</b> | <b>8,658.00</b>  |



# KONAK KRISHI IMPLEMENTS PRIVATE LIMITED

## Notes Forming Part of the Balance Sheet

### Note : 11 Fixed Assets

| Sr. No | Particulars                                | Rate   | Gross Block            |                          |                           | Depreciation           |                        |                          | Net Block                 |                        |                      |
|--------|--|--------|------------------------|--------------------------|---------------------------|------------------------|------------------------|--------------------------|---------------------------|------------------------|----------------------|
|        |  |        | Value as on 01.04.2012 | Addition during the year | Deduction during the year | Value as on 31.03.2013 | Value as on 01.04.2012 | Addition during the year | Deduction during the year | Value as on 31.03.2013 | WDV as on 31.03.2012 |
| I      | <b>Tangible Assets</b>                     |        |                        |                          |                           |                        |                        |                          |                           |                        |                      |
|        | Computer                                   | 40.00% | -                      | 45,300.00                | -                         | 45,300.00              | -                      | 16,610.00                | 16,610.00                 | 28,690.00              | -                    |
|        | Furnitures & Fixtures                      | 10.00% | -                      | 32,100.00                | -                         | 32,100.00              | -                      | 2,942.50                 | 2,942.50                  | 29,157.50              | -                    |
|        | Mobile                                     | 13.91% | -                      | 19,500.00                | -                         | 19,500.00              | -                      | 2,486.41                 | 2,486.41                  | 17,013.59              | -                    |
| II     | <b>Intangible Assets</b>                   |        |                        | <b>96,900.00</b>         | -                         | <b>96,900.00</b>       | -                      | <b>22,038.91</b>         | <b>22,038.91</b>          | <b>74,861.09</b>       | -                    |
| III    | <b>Capital Work-in-progress</b>            |        |                        |                          |                           |                        |                        |                          |                           |                        |                      |
| IV     | <b>Intangible Assets Under Development</b> |        |                        |                          |                           |                        |                        |                          |                           |                        |                      |
|        | <b>Total [A + B + C + D]</b>               |        |                        | <b>96,900.00</b>         |                           | <b>96,900.00</b>       |                        | <b>22,038.91</b>         | <b>22,038.91</b>          | <b>74,861.09</b>       |                      |
|        | (Current Year)                             |        |                        |                          |                           |                        |                        |                          |                           |                        |                      |
|        | (Previous Year)                            |        |                        |                          |                           |                        |                        |                          |                           |                        |                      |



## KANAK KRISHI IMPLEMENTS PRIVATE LIMITED

### Notes Forming Part of the Balance Sheet

#### Note : 12 Non Current Investment

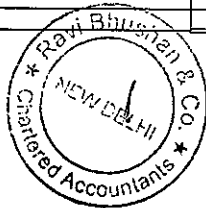
| Sr. No | Particulars                                   | As at 31.03.2013    | As at 31.03.2012 |
|--------|---|---------------------|------------------|
| 1      | Investment in Property                        | -                   | -                |
| 2      | Investment in Equity Instrument               | -                   | -                |
| 3      | Other Investment<br>Investments (Non-Current) | 8,750,000.00        | -                |
| 4      | Investment in Mutual Fund                     | -                   | -                |
| 5      | Investment in Partnership Firm                | -                   | -                |
|        | <b>Total</b>                                  | <b>8,750,000.00</b> | <b>-</b>         |

#### Note : 13 Deferred Tax Assets (Net)

| Sr. No | Particulars  | As at 31.03.2013 | As at 31.03.2012 |
|--------|--------------|------------------|------------------|
| 1      | Deffred Tax  | -                | -                |
|        | <b>Total</b> | <b>-</b>         | <b>-</b>         |

#### Note : 14 Long Term Loans and Advances

| Sr. No | Particulars                                    | As at 31.03.2013     | As at 31.03.2012     |
|--------|--|----------------------|----------------------|
| I)     | <u>Capital Assets</u>                          |                      |                      |
|        | a) Secured, Considered Good :                  | -                    | -                    |
|        | b) Unsecured, Considered Good :                | -                    | -                    |
|        | c) Doubtful                                    | -                    | -                    |
| II)    | <u>Security Deposit</u>                        |                      |                      |
|        | a) Secured, Considered Good :                  | -                    | -                    |
|        | b) Unsecured, Considered Good :                | -                    | -                    |
|        | c) Doubtful                                    | -                    | -                    |
| III)   | <u>Loans &amp; Advances to related parties</u> | -                    | -                    |
| IV)    | <u>Other Loans &amp; Advances</u>              | 12,661,925.00        | 10,000,000.00        |
|        | <b>Total</b>                                   | <b>12,661,925.00</b> | <b>10,000,000.00</b> |



# KANAK KRISHI IMPLEMENTS PRIVATE LIMITED

## Notes Forming Part of the Balance Sheet

### Note : 15 Other Non Current Assets

| Sr. No | Particulars                     | As at 31.03.2013 | As at 31.03.2012 |
|--------|---------------------------------|------------------|------------------|
| 1      | Long Term Trade Receivables     |                  |                  |
|        | a) Secured, Considered Good :   | -                | -                |
|        | b) Unsecured, Considered Good : | -                | -                |
|        | c) Doubtful                     | -                | -                |
| 2      | Others                          | -                | -                |
|        | <b>Total</b>                    | -                | -                |

### Note :16 Current Investment

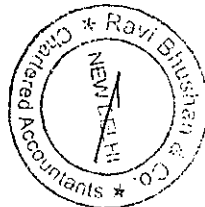
| Sr. No | Particulars                      | As at 31.03.2013    | As at 31.03.2012 |
|--------|----------------------------------|---------------------|------------------|
| 1      | Investment in Equity             | -                   | -                |
| 2      | Investment in Preference Shares  | -                   | -                |
| 3      | Investment in Govt Securities    | -                   | -                |
| 4      | Investment in debentures & Bonds | -                   | -                |
| 5      | Investment in Mutual Fund        | -                   | -                |
| 6      | Investment in Partnership Firm   | -                   | -                |
| 7      | Others                           | 3,473,700.00        | -                |
|        | <b>Total</b>                     | <b>3,473,700.00</b> | -                |

### Note : 17 Inventories

| Sr. No | Particulars                | As at 31.03.2013 | As at 31.03.2012 |
|--------|----------------------------|------------------|------------------|
| 1      | Raw Material               | -                | -                |
| 2      | Work-in-Progress           | -                | -                |
| 3      | Finished Goods             | -                | -                |
| 4      | Stock-in-Trade             | -                | -                |
| 5      | Stores & Spares            | -                | -                |
| 6      | Loose Tools                | -                | -                |
| 7      | Other (Specify the nature) | -                | -                |
| 8      | Goods-in-transit           | -                | -                |
|        | <b>Total</b>               | -                | -                |

### Note : 18 Trade Receivables

| Sr. No | Particulars                          | As at 31.03.2013    | As at 31.03.2012  |
|--------|--------------------------------------|---------------------|-------------------|
| 1      | Outstanding for more than six months |                     |                   |
|        | a) Secured, Considered Good :        | -                   | -                 |
|        | b) Unsecured, Considered Good :      | 327,811.00          | 477,811.00        |
|        | c) Doubtful                          | -                   | -                 |
| 2      | Others                               |                     |                   |
|        | a) Secured, Considered Good :        | -                   | -                 |
|        | b) Unsecured, Considered Good :      | 1,724,754.00        | 159,054.00        |
|        | c) Doubtful                          | -                   | -                 |
|        | <b>Total</b>                         | <b>2,052,565.00</b> | <b>636,865.00</b> |



# KANAK KRISHI IMPLEMENTS PRIVATE LIMITED

## Notes Forming Part of the Balance Sheet

### Note : 19 Cash & Cash Equivalent

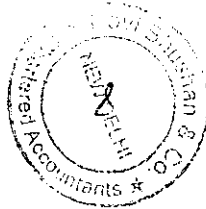
| Sr. No | Particulars         | As at 31.03.2013  | As at 31.03.2012    |
|--------|---------------------|-------------------|---------------------|
| 1      | Cash & Bank Balance | 249,233.67        | 2,141,453.52        |
|        | <b>Total</b>        | <b>249,233.67</b> | <b>2,141,453.52</b> |

### Note :20 Short Terms Loans and Advances

| Sr. No | Particulars                           | As at 31.03.2013     | As at 31.03.2012     |
|--------|---------------------------------------|----------------------|----------------------|
| 1      | Loans & Advances from related parties |                      |                      |
|        | a) Secured, Considered Good :         | -                    | -                    |
|        | b) Unsecured, Considered Good :       | -                    | -                    |
|        | c) Doubtful                           | -                    | -                    |
| 2      | Others                                |                      |                      |
|        | Loans & Advances                      | 16,044,311.00        | 11,659,361.00        |
|        | <b>Total</b>                          | <b>16,044,311.00</b> | <b>11,659,361.00</b> |

### Note : 21 Other Current Assets

| Sr. No | Particulars          | As at 31.03.2013 | As at 31.03.2012 |
|--------|----------------------|------------------|------------------|
| 1      | Advance Income Tax   | -                | -                |
| 2      | TDS                  | -                | -                |
| 3      | Preliminary Expenses | 18,426.00        | 27,638.00        |
|        | <b>Total</b>         | <b>18,426.00</b> | <b>27,638.00</b> |



# KANAK KRISHI IMPLEMENTS PRIVATE LIMITED

## Notes Forming Part of the Profit & Loss Statement

### Note : 22 Other Income

| Sr. No | Particulars            | As at 31.03.2013 | As at 31.03.2012 |
|--------|------------------------|------------------|------------------|
|        | <b>INCOME (OTHERS)</b> |                  |                  |
|        | Income Others          | -                | -                |
|        | Interest Received      | -                | -                |
|        | <b>Total</b>           | <b>-</b>         | <b>-</b>         |

### Note : 23 Cost of Material Consumed

| Sr. No | Particulars       | As at 31.03.2013    | As at 31.03.2012    |
|--------|-------------------|---------------------|---------------------|
| 1      | Purchases         | 4,927,050.00        | 1,075,000.00        |
| 2      | Freight & Cartage | 41,550.00           | 32,422.00           |
|        | <b>Total</b>      | <b>4,968,600.00</b> | <b>1,107,422.00</b> |

### Note : 24 Change in Inventories

| Sr. No | Particulars   | As at 31.03.2013 | As at 31.03.2012 |
|--------|---------------|------------------|------------------|
| 1      | Closing Stock | -                | -                |
| 2      | Opening Stock | -                | -                |
|        | <b>Total</b>  | <b>-</b>         | <b>-</b>         |

### Note : 25 Employment Benefit Expenses

| Sr. No | Particulars              | As at 31.03.2013  | As at 31.03.2012  |
|--------|--------------------------|-------------------|-------------------|
| 1      | Remuneration to Director | -                 | -                 |
| 2      | Salary                   | 280,000.00        | 144,000.00        |
| 3      | Staff Welfare            | 25,433.00         | 19,550.00         |
|        | <b>Total</b>             | <b>305,433.00</b> | <b>163,550.00</b> |



# KANAK KRISHI IMPLEMENTS PRIVATE LIMITED

## Notes Forming Part of the Profit & Loss Statement

### Note :26 Financial Cost

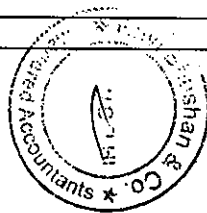
| Sr. No | Particulars  | As at 31.03.2013 | As at 31.03.2012 |
|--------|--------------|------------------|------------------|
| 1      | Bank Charges | -                | -                |
|        | <b>Total</b> | <b>-</b>         | <b>-</b>         |

### Note : 27 Depreciation & Amortised Cost

| Sr. No | Particulars              | As at 31.03.2013 | As at 31.03.2012 |
|--------|--------------------------|------------------|------------------|
| 1      | Depreciation             | 22,038.91        | -                |
| 2      | Preliminary Expenses W/O | 9,212.00         | 9,212.00         |
|        | <b>Total</b>             | <b>31,250.91</b> | <b>9,212.00</b>  |

### Note : 28 Other Expenses

| Sr. No | Particulars  | As at 31.03.2013  | As at 31.03.2012  |
|--------|--|-------------------|-------------------|
| 1      | <b><u>Administrative Expenses:</u></b>             |                   |                   |
|        | Audit Fees   | 5,500.00          | 5,500.00          |
|        | Bank Charges                                       | 9,806.85          | 358.48            |
|        | Festival Expenses                                  | 7,622.00          | 4,567.00          |
|        | General Exps                                       | 15,644.00         | 19,453.00         |
|        | Legal & Professional Charges                       | 15,465.00         | 16,522.00         |
|        | Rent   | 54,000.00         | 54,000.00         |
|        | Telephone Exps                                     | 9,433.00          | 8,911.00          |
|        | Printing and Stationary                            | 6,211.00          | 7,411.00          |
|        | Travelling Expenses                                | 10,250.00         | 9,750.00          |
|        | Conveyance   | 7,866.00          | 11,233.00         |
|        | Office Expenses                                    | 15,500.00         | -                 |
|        | Businbess Promotions Exp.                          | 25,600.00         | -                 |
| 2      | <b><u>Direct Expenses:</u></b>                     |                   |                   |
|        | Inward Freight & Cartage                           | -                 | -                 |
|        | Job Processing Charges                             | -                 | -                 |
| 3      | <b><u>Selling &amp; Distribution Expenses:</u></b> |                   |                   |
|        | Forwarding Expenses Outward                        | -                 | -                 |
|        | Packing Expenses                                   | -                 | -                 |
|        | Sample Expenses                                    | -                 | -                 |
|        | <b>Total [ A + B ]</b>                             | <b>182,897.85</b> | <b>137,705.48</b> |



# KANAK KRISHI IMPLEMENTS PRIVATE LIMITED

## Notes Forming Part of the Balance Sheet

### Note : 29 SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS

#### A- SIGNIFICANT ACCOUNTING POLICIES

##### 1 Basis of Accounting

The financial statements are prepared under the historical cost convention on the concept of a going concern, in accordance with the Generally Accepted Accounting Principles and mandatory Accounting Standards as notified under the Companies (Accounting Standards) Rules, 2006 and as per the provisions and presentational requirements of the Companies Act, 1956.

##### 2 Changes in Accounting policies

The accounting policies adopted are consistent with those of previous financial year. The management assures that there has been no change in accounting policies as compared to that of previous year which would have any significant effect on these financials.

##### 3 Recognition of Income

Export Sales represents invoiced Value of goods Sold. Other Income is recognised and accounted for on accrual basis unless otherwise stated.

##### 4 Tangible Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

##### 5 Taxes on Income

Current tax is determined and provided for on the amount of taxable income at the applicable rates for the relevant financial year. Deferred Tax Assets and Liabilities (DTA/ DTL) are recognised, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. The DTA is recognised only to the extent that there is reasonable certainty of sufficient future profits against which such DTA can be

##### 6 Contingent Liability

The contingent liabilities, if any, are disclosed in the Notes to Accounts. Provision is made in the accounts, if it becomes probable that there will be outflow of resources for settling the obligation.

##### 7 Events occurring after the balance sheet date

Adjustments to assets and liabilities are made for events occurring after the balance sheet date to provide additional information materially affecting the determination of the amounts of assets or liabilities relating to conditions existing at the balance sheet date.

##### 8 Earnings Per Share

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

##### 9 Use of estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting year. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

##### 10 Foreign Currency Transaction

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Monetary items denominated in foreign currencies at the year end are translated at the rate ruling at the year end rate.





# KANAK KRISHI IMPLEMENTS PRIVATE LIMITED

## B- NOTES TO THE ACCOUNTS

1) The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

2) Reconciliation of Nos. Of Shares

|  | 2012-13   | 2011-12 |
|--|-----------|---------|
| Number of Equity Shares at the beginning | 40,000    | 40,000  |
| Add:- Number of Shares Issued            | 4,080,000 | -       |
| Number of Equity Shares at the end       | 4,120,000 | 40,000  |

3) Below are the name of the shareholders holding more than 5% of Shares of the company

| 2012-13 |                |                      |              |
|---------|----------------|----------------------|--------------|
| Name    | Class of Share | No. of Share Holding | % of Holding |
| (i)     |                |                      |              |

4) All the investments made by the company are valued at Cost .

5) Managerial Remuneration: Nil

6) The inventories of the company are valued as per cost price and market price which ever is less.

7) Deferred tax arising on account of timing difference and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are recognised unless there is virtual certainty with respect to the reversal of the same in future years.

8) The revised Schedule VI as notified under the companies Act, 1956, has become applicable to the company for the presentation of its financial statements for the year ending March 31, 2013. The adoption of the revised Schedule VI requirements has significantly modified the presentation and disclosures which have been complied with in these financial statements Previous year figures have been reclassified in accordance with current year requirements.

9) All schedules annexed to and form integral part of the Balance Sheet and Profit & Loss Account.

10) Minimum Alternative Tax (MAT) is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

11) Value of Import on CIF Basis Nil

12) Earnings in Foreign Exchange (FOB Value) Nil

13) Expenditure in Foreign Currency Nil

14) The Company has no employee to whom the provisions of section 217 (2A) of the Companies Act, 1956 are applicable.

15) Earning Per Share:


| Particulars  | As at 31.03.2013 |
|--|------------------|
| Net profit after tax available for Equity Shareholders (Rs.) (A) | 83446.24         |
| Weighted Avg. Number Equity Shares outstanding (Nos.) (B)        | 4120000          |
| Dilutive potential Equity Shares (Nos.)                          | 0                |
| Dilutive shares outstanding (Nos.) (C)                           | 4120000          |
| Nominal value per Equity Shares (Rs./ Share)                     | 10               |
| Basic Earnings per share (Rs./ Share) (A) / (B)                  | 0.02             |
| Diluted Earnings per share (Rs./ Share) (A) / (C)                | 0.02             |

As per our report of even date attached.

For: Ravi Bhushan & Co.  
Chartered Accountants  
(CA Ravi B.P Gupta)  
Partners  
Firm Reg. No.: 020618N  
M.No.: 505754

KANAK KRISHI IMPLEMENTS PRIVATE LIMITED

  
GORAV GUPTA  
(Director)  
DIN: 03257233

  
PRAMOD KUMAR YADAV  
(Director)  
DIN: 03353650

Date : 31.08.2013  
Place : Uttar Pradesh