

**AUDIT REPORT
&
BALANCE SHEET AS AT 31.03.2017
OF
KANPUR ORGANICS PRIVATE LIMITED
KANPUR**

AUDITORS :
MANEESH AVNEESH & CO.
CHARTERED ACCOUNTANTS
OFFICE NO. 310, 3RD FLOOR, KALPANA PLAZA,
BIRHANA ROAD, KANPUR.
Mobile : 9984169645

MANEESH AVNEESH & CO

CHARTERED ACCOUNTANTS

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Independent Auditor's Report

To the Members of

Kanpur Organics Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Kanpur Organics Private Limited** which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules madethereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are



appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at March 31, 2017, and its Profit/Loss and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it 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 aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.



disqualified as on 31st March 2017 from being appointed as a director in terms of sub section (2) of Section 164 of the Companies Act, 2013.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (iv) The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016 and these are in accordance with the books of accounts maintained by the company. Refer note 11 to the standalone financial statements.

For Maneesh Avneesh & co.
Chartered Accountants


(Avneesh Srivastava)
Partner

M.No: 402380
FRNo.008433C

Place : Kanpur
Date : 26.05.2017

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31,2017 :

- 1)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
 - (c) The title deeds of immovable properties are held in the name of the company.
- 2)
 - (a) The management has conducted the physical verification of inventory at reasonable intervals and in our opinion frequency of verification is reasonable.
 - b) There were no material discrepancies noticed on physical verification of the inventory as compared to books records.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable in the instant case.
- 6) As informed to us, the maintenance of Cost Records has been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company is not applicable in the instant case.



- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to Central Bank of India, Narsinghpur Branch, Madhya Pradesh from which the company has taken secured Term Loan of Rs 125000000/-. Further, the Company has not taken any loan from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For and on behalf of
MANEESH AVNEESH & CO
Chartered Accountants
FRN: 008433C


AVNEESH SRIVASTAVA
Partner
Membership number: 402380

Place: Kanpur
Date: 24.05.2017



"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of Kanpur Organics Private limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Kanpur Organics Private Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance note on Audit of Internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

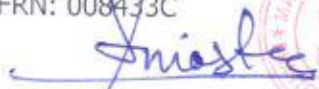
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For and on behalf of

MANEESH AVNEESH & CO

Chartered Accountants

FRN: 008433C



AVNEESH SRIVASTAVA

Partner

Membership number: 402380

Place: Kanpur

Date : 24.05.2017

KANPUR ORGANICS PRIVATE LIMITED
BALANCE SHEET AS ON 31.03.2017

		Amount (Rs.)	
Particulars	Note No	2016-17	2015-16
EQUITY & LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	1915000	1915000
(b) Reserve & Surplus	2	16240682	10937654
(c) Money Received against share warrants		0	0
(d) Minority Interest		0	0
(2) Share application money pending allotment		0	0
(3) Non- Current Liabilities			
(a) Long Term borrowings	3	4171500	20113500
(b) Deferred tax liabilities		0	0
(c) Other long term liabilities	3	0	0
(d) Long term provisions	4	0	0
(4) Current liabilities			
(a) Short term borrowings	3	4797643	5946464
(b) Trade payable	3	4959910	3237108
(c) Other current Liabilities	3	5683	10000
(d) Short Term provisions	4	1267250	1252946
TOTAL		33357668	43412672
II. ASSETS			
(1) Non Current Assets			
(a) Fixed Assets			
(i) Tangible assets	5	16269908	19533081
(ii) Intangible assets		0	0
(iii) Capital work in progress	5	0	0
(iv) Intangible assets under development		0	0
(b) Non- current investments	6	8259374	7637888
(c) Deferred Tax Assets (net)		381456	230514
(d) Long term loans & advances	11	0	0
(e) Other non-current assets	11	0	0
(2). Current assets			
(a) Current investment	7	0	0
(b) Inventories	8	1064215	2516292
(c) Trade Receivables	10	3497857	3190524
(d) Cash & cash equivalents	9	2062802	7113525
(e) Short term loans and advances	11	0	2185811
(f) Other current assets	11	1822056	1005037
TOTAL		33357668	43412672

Notes to Accounts

- Figures have been rounded off to the nearest rupee
"As per our report of even date attached".

For Maneesh Avneesh & co.
Chartered Accountants

(Avneesh Srivastava)
Partner
M.No: 402380
FRNo.008433C

For and on behalf of the Board

Raj Kumar Agarwal
DIRECTOR
DIN :- 06691235

Rahul Sachan
DIRECTOR
DIN :- 03405499

Place : Kanpur
Date : 24.05.2017

KANPUR ORGANICS PRIVATE LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH , 2017

Particulars	Note No.	Amount (Rs.)	
		2016-17	2015-16
I. Revenue from operations	12	38457483	36669681
II. Other Income	13	776462	639560
III.Total Revenue(I+II)		39233945	37309241
IV. EXPENSES:			
Cost of material consumed		11038079	9585756
Purchase of Stock- in-Trade	14A	0	0
Changes in inventories of finished goods, work in progress and stock-in- Trade	14B	377057	(605012)
Employee benefit expense	15	494020	1679424
Financial Cost	16	874425	536498
Depreciation and amortization expense	5	3263172	3741753
Other Expenses	17	16832048	16849783
IV.Total Expenses		32878801	31788202
V. Profit before exceptional and extraordinary items and tax	(III-IV)	6355144	5521039
VI.Exceptional Items		0	0
VII. Profit before extraordinary items and tax	(V-VI)	6355144	5521039
VIII. Extraordinary Items		0	0
IX. Profit before tax	(VII-VIII)	6355144	5521039
X. Tax Expense:			
(1) Current Tax		1250000	1052000
(2) Deferred Tax		(150942)	(279339)
XI. Profit(Loss) from the period continuing operations	(IX-X)	5256086	4748378
XII. Profit/(Loss) from discontinuing operations		0	0
XIII. Tax expense of discontinuing operations		0	0
XIV. Profit/(Loss) from discontinuing operations	(XII-XIII)	0	0
XV. Profit/(loss) for the period	(XI+ XIV)	5256086	4748378
XVI. Share of results of Associates		0	0
XVII. Minority Interest		0	0
XVIII. Profit/(loss) for the period	(XV+XVI+XVII)	5256086	4748378
XIX. Earning per equity share:			
(1) Basic		27.45	24.80
(2) Diluted		27.45	24.80

Notes to Accounts

1. Figures have been rounded of to the nearest rupee
 "As per our report of even date attached".

For Maneesh Avneesh & co.
 Chartered Accountants

(Avneesh Srivastava)
 Partner
 M.No: 402380
 FRNo.008433C

For and on behalf of the Board

Raj Kumar Agarwal
 Raj Kumar Agarwal
 DIRECTOR
 DIN :- 06691235

Rahul Sachan
 Rahul Sachan
 DIRECTOR
 DIN :- 03405499

Place : Kanpur
 Date : 24.05.2017

KANPUR ORGANICS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31 MARCH, 2017

PARTICULARS	2016-17 AMOUNT (Rs)	2015-16 AMOUNT (Rs)
A. Cash flows from operating activities		
Profit before taxation	6355144	5521039
Adjustments for:		
Depreciation	3263172	3741753
Investment income	0	0
Finance cost	874425	536498
Preliminary exp w/o	0	0
Profit / (Loss) on the sale of property, plant & equipment	0	0
Operating Profit/(Loss) before working capital changes	10492741	9799290
Working capital changes:		
Adjustment for (increase)/ decrease in operating assets:		
Inventories	1452077	-1112192
Trade receivables	-307333	-3190524
Short-term loans and advances	2185811	1228313
Long-term loans and advances	0	46811
Other current assets	-817019	-1005037
Other non-current assets	0	0
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	1722802	1319768
Other current liabilities	-4317	10000
Other long-term liabilities	0	-24000
Short-term provisions	14304	1076000
Long-term provisions	0	0
Cash generated from operations	14739066	8148429
Income taxes paid	-1203058	-1052000
Net cash from operating activities (A)	13536008	7096429
B. Cash flow from investing activities		
Capital expenditure on fixed assets,	0	-2986400
Purchase of long-term investments	-621486	-516528
Proceeds from sale of long-term investments	0	0
Net cash flow from / (used in) investing activities (B)	-621486	-3502928
C. Cash flow from financing activities		
Proceeds from long-term borrowings	-15942000	2836000
Proceeds from other short-term borrowings	-1148821	-1026077
Finance cost	-874425	-536498
Cash flow from extraordinary items	0	0
Net cash flow from / (used in) financing activities (C)	-17965246	1273425

Net increase / (decrease) in Cash and cash equivalents (A+B+C) **-5050724** **4866926**

Cash and cash equivalents at beginning of period **7113526** **2246600**

Cash and cash equivalents at end of period **2062802** **7113526**

Note 1: Cash and cash equivalents consist of cash on hand and balances with banks.

Cash	89386	2147925
Balance with banks	1973416	1965600
Cheques in hand	0	0
Total	2062802	4113525

2. The above statement has been prepared under the indirect method as set out in Accounting Standard 3, Cash Flow Statement.

3. Figures have been rounded off to the nearest rupee

"As per our report of even date

For Maneesh Avneesh & co.
Chartered Accountants

(Avneesh Srivastava)
Partner
M No. 402380
FRNo. 008433C

For and on behalf of the Board

Raj Kumar Agarwal

Raj Kumar Agarwal
DIRECTOR
DIN : 6691235

Rahul Sachan

Rahul Sachan
DIRECTOR
DIN : 3405499

Place : Kanpur
Date : 24.05.2017

DEPRECIATION CHART AS PER COMPANIES ACT
FOR THE FINANCIAL YEAR-2016-17

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	01.04.16	ADDITION	SALE/ADJ.	Total	01.04.16	During the Yr.	31.03.17	31.03.16
A) Intangibles:	0	0	0	0	0	0	0	0
B) Tangibles								
Building	4079380	0	0	4079380	433969	346314	3299097	3645411
Plant & Machinery	21410671	0	0	21410671	5941995	2799831	12668845	15468676
Tractor	355000	0	0	355000	44347	97017	213636	310653
Trolley	160000	0	0	160000	52678	19425	87897	107322
Furniture & Fixture	10240	0	0	10240	9222	585	433	1018
TOTAL	26015291	0	0	26015291	6482211	3263172	16269908	19533080
Total (Previous Year)	23028891	8030500	5044100	26015291	2740458	3741753	19533080	20288433



Notes Forming part of the Financial Statements

Note 1 :- Share Capital

Particulars	2016-17	2015-16
Authorized Shares 250000 (50000)Nos. Equity Shares of Rs.10/- each	2500000	2500000
	2500000	2500000
Issued ,Subscribed & Fully Paid 191500 Equity Shares of Rs.10/- each	1915000	1915000
Total Issued ,Subscribed & Fully Paid	1915000	1915000

Share Capital Schedule (No. of shares Outstanding)	31 Mar 17		31 Mar 16	
Particulars	No's	Amount	No's	Amount
Opening number of Shares Outstanding	191500	1915000	191500	1915000
Add: Allotment During the Year	0	0	0	0
Less: buyback during the year	0	0	0	0
outstanding shares at the end of the year	191500	1915000	191500	1915000

Detail of Shareholders Holding more than 5 percent Shares

Name of the Shareholders	No. Of Equity Shares	% Shareholding
Raghuvansh Agrofarms Ltd.	181500	94.78%

Detail of Share held by Holding Company

Name of the Shareholders	No. Of Equity shares	% Shareholding
Raghuvansh Agrofarms Ltd. (Holding Company)	181500	94.78%



Note 2:- Reserve & surplus

	Particulars	2016-17	2015-16
(a)	Securities Premium		
	As per last Balance sheet	5765000	5765000
	Add: received during the year	0	0
	less: utilised during the year	0	0
		5765000	5765000
(b)	General Reserve		
	As per last Balance Sheet	0	0
	Add: Any other adjustments	0	0
	less: Any other adjustments	0	0
		0	0
(c)	Foreign Currency Translation Reserve	0	0
(d)	Surplus in the statement of Profit & Loss Account		
	As per last Balance Sheet	5172654	424276
	Add : Profit for the year	5256086	4748378
	Less : Income tax paid	0	0
	Less : Appropriations	-46942	0
	Proposed Dividend	0	0
	Tax on dividend	0	0
	Transfer to general reserve	0	0
	Net surplus in the statement of profit and loss account	10475682	5172654
	Total Reserve & Surplus	16240682	10937654



Note 3

Liabilities	Current		Non-Current	
	2016-17	2015-16	2016-17	2015-16
a) Borrowings				
Secured				
i. Loans				
-From banks;	4797643	5946464	0	0
-From other parties	0	0	4171500	20113500
ii. Loans and advances from related Parties				
Raghuvansh Agrofarm Ltd.	0	0	0	0
iii. Deposits	0	0	0	0
Unsecured				
Other Loans and advances	0	0	0	0
	4797643	5946464	4171500	20113500
b) Trade payables	4959910	3237108	0	0
c) Other Liabilities	0	0	0	0
Unpaid Dividends	0	0	0	0
Other Payables	5683	10000	0	0
	5683	10000	0	0

Note 4

Provisions	Current		Non-Current	
	2016-17	2015-16	2016-17	2015-16
Audit Fees Payable	17250	36000	0	0
- Provision for Taxation	1250000	1216946	0	0
	1267250	1252946	0	0



Note 6

Non Current Investments	2015-16	2014-15
<i>a) Investment Property</i>	0	0
<i>b) Investments in Equity Instruments</i>	0	0
Quoted Investments		
Other unquoted investments	0	0
<i>C) FDR with banks</i>	8259374	7637888
	8259374	7637888

Aggregate amount of quoted investment(Market Value)	0	0
Aggregate amount of Unquoted investment	0	0
Value of Investment Property	0	0

Note 7

Current Investments	2015-16	2014-15
<i>a) Investment Property</i>	0	0
<i>b).Other investments</i>	0	0
<i>c) Investments in Equity Instruments</i>		
Quoted Investments	0	0
Other unquoted investments	0	0
	0	0

Aggregate amount of quoted investment(Market Value)	0.00	0.00
Aggregate amount of Unquoted investment	0.00	0.00



Note 8

Inventories	Current		Non- Current	
	2016-17	2015-16	2016-17	2015-16
a) Raw Materials	836260	1911280	0	0
b) Work- in progress	118935	501750	0	0
c) Finished goods	109020	103262	0	0
d) Stock in trade	0	0	0	0
e) Stores & Spares	0	0	0	0
f) Loose Tools	0	0	0	0
TOTAL	1064215	2516292	0	0

Note 9

Cash & Cash Equivalents	Current		Non- Current	
	2016-17	2015-16	2016-17	2015-16
a) Balances with Banks				
On current accounts	54316	46500	0	0
On Margin Money	0	0	0	0
On unpaid dividend account	0	0	0	0
On Account of Subsidy Received	1919100	1919100	0	0
Deposits with banks maturity less than 12 months	0	0	0	0
	1973416	1965600	0	0
b) Cheques, drafts on hands	0	0	0	0
c) Cash on Hand	89386	5147925	0	0
	2062802	7113525	0	0



Note 10

Trade Receivable	Current		Non- Current	
	2016-17	2015-16	2016-17	2015-16
Unsecured considered good	0	0	0	0
Outstanding exceeding six months	0	0	0	0
Others	3497857	0	0	3190524
	0	0	0	0
Less: Provision for doubtful debts	0	0	0	0
TOTAL	3497857	0	0	3190524

Note 11

Loans & Advances	Current		Non-current	
	2016-17	2015-16	2016-17	2015-16
a) Loans & Advances to Related parties	0	0	0	0
b) Other Advances				
Advances, secured considered good	0	0	0	0
Advances, unsecured considered good				
Advance Lease Rent	0	0	0	0
Hans Metal Ltd	0	0	0	0
others	0	2185811	0	0
Less: Provision for doubtful advance	0	0	0	0
	0	2185811	0	0
Advance income Tax	1822056	1005037	0	0
Advance Indirect Taxes	0	0	0	0
Others	0	0	0	0
Commision Receivable	0	0	0	0
Capital Advances	0	0	0	0
Deposits secured, considered goods	0	0	0	0
Deposits unsecured, considered good	0	0	0	0
TOTAL	1822056	1005037	0	0



Note 12

Revenue from Operations	2016-17	2015-16
a) Other operating revenue	38457483	36669681
	38457483	36669681

Note 13

Other Income	2016-17	2015-16
a) Commission & Discount	85922	0
b) Interest	690540	639560
c) Balance w/o	0	0
	776462	639560

Note 14 A**Cost Of Material Consumed**

Particulars	2016-17	2015-16
Opening Stock	1911280	1404100
Add- Purchase During the Year	9963059	10092936
Less:-Closing Stock	836260	1911280
	11038079	9585756

Note 14 B

Changes in inventory of Stock in trade	2016-17	2015-16
At the beginning of the year Stock in trade	605012	0
At the end of the year Stock in trade	227955	605012
	377057	-605012

Note 15

Employee benefit expenses	2016-17	2015-16
a) Salaries & wages	420000	1524000
b) Staff welfare	74020	155424
	494020	1679424

Note 16

Finance Cost	2016-17	2015-16
a) Interest Expense	847441	536498
b) Bank Charges & other finance cost	26984	0
c) Net gain/loss on foreign currency transaction	0	0
	874425	536498



Note 17

Other Expenses	2016-17	2015-16
a) Rent	215000	240000
b) Miscellaneous expenses	234972	7625
c) Auditors Remuneration	17250	12000
d) Round off	0	19
e) Freight & cartage	9848991	7719030
f) Printing and stationery	0	2161
g) Repair and maintenance	4000	29984
h) Telephone expenses	23726	38783
i) Power & Fuel	357699	764330
j) Advertisement Expenses	488851	2346436
k) Professional & Legal Expenses	7200	47800
l) Membership Fees	0	107000
m) Travelling Expenses	245000	1203346
n) JCB Hire Charges	283750	405000
o) Manure Proccessing Charges	5058798	3620125
p) Packing Material Expenses	0	306144
q) VAT paid	46811	0
	16832048	16849783

Auditors Remuneration is as Under:

Particulars	2016-17	2015-16
Audit fees	12000	12000
Tax Audit fees	0	0
Certificate & Tax Services	0	0
Reimbursement of Exp	0	0
Total	12000	12000



M/s KANPUR ORGANICS PRIVATE LIMITED

(Annexed to and forming part of the Balance Sheet for the year ended 31.03.2017)

Notes No: - 18 NOTES ON ACCOUNTS

ACCOUNTING POLICIES

1. ACCOUNTING CONVENTION:-

THE FINANCIAL STATEMENTS ARE PREPARED UNDER THE HISTORICAL COST OF CONVENTION & REVENUE AND EXPENSES ARE ACCOUNTED FOR ON THEIR ACCRUAL WITH NECESSARY PROVISION FOR KNOWN LIABILITIES AND LOSSES.

2. LAST YEARS FIGURES HAVE BEEN GROUPED & REGROUPED HAS BEEN PROVIDED WHEREVER FOUND NECESSARY.

3. IN THE OPINION OF THE DIRECTORS AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF THE VALUE ON THE REALISATION OF LOANS, ADVANCES AND CURRENT ASSETS IN THE ORDINARY COURSE OF BUSINESS WILL NOT BE LESS THAN THE AMOUNT AT WHICH THEY ARE STATED IN THE BALANCE SHEET.

4. DETAILS OF THE PAYMENTS TO THE AUDITORS ARE AS FOLLOWS:

A.	TAX AUDIT FEES	Rs. 6000
	STATUTORY AUDIT FEES	Rs. 11250
		<u>Rs.17250</u>
B.	IN ANY OTHER CAPACITY (TAXATION & OTHER MATTERS)	Rs. NIL

5. CONTINGENT LIABILITIES: DURING THE FINANCIAL YEAR COVERED UNDER AUDIT NO CONTINGENT LIABILITIES EXISTED.

6. THE COMPANY HAS ACCEPTED UNSECURED LOAN AS AGGREGATE OF Rs. 41,71,500/- OUTSTANDING AS ON 31.03.2017 (PREVIOUS YEAR 2015-16 Rs. 2,01,13,500/-) DUE FROM THE HOLDING COMPANY RAGHUVANSH AGROFARMS LIMITED.

7. DURING THE YEAR UNDER AUDIT COMPANY HAS PAID REMUNERATION OF THE DIRECTOR AMOUNTING TO Rs. NIL.

8. DISCLOSURE OF SHARE CAPITAL:-

<u>S.NO.</u>	<u>PARTICULARS</u>	<u>NO. OF SHARES</u>	<u>NOMINAL VALUE</u>	<u>TOTALVALUE</u>
1.	AUTHORISED CAPITAL	250000	10/-EACH	2500000/-
2.	ISSUED CAPITAL	191500	10/-EACH	1915000/-
3.	SUBSCRIBED AND FULLY PAID UP	191500	10/-EACH	1915000/-



9. OUT OF THE TOTAL NO. OF SHARES 10000 SHARE HOLDERS HAVING SHARE MORE THAN 5% OF THE SHARE HOLDING ARE AS UNDER:-

S. No.	NAME OF THE SHAREHOLDERS	NO. OF SHARES	IN %
1	RAGHUVANSH AGROFARMS LIMITED	181500	94.78%

10. ACCOUNTING FOR TAXES ON INCOME AS-22: DURING THE YEAR THE AUDITEE COMPANY HAS RECOGNISED DEFERRED TAX ASSETS/LIABILITIES AS PER FOLLOWING:

F.Y	DEP AS PER IT ACT	DEP AS PER CO's Act	DIFFERENCE	PRELIMINARY EXP DISALLOWED	TIMING DIFFERENCE	DEFERRED TAX	DTA (DTL)
2007-08	1024	1853	829	0	829	256	256
2008-09	922	1518	596	0	596	184	440
2009-10	829	1243	414	0	414	128	568
2010-11	747	1018	271	0	271	84	652
2011-12	672	834	162	0	162	50	702
2012-13	605	683	78	0	78	24	726
2013-14	544	559	15	43471	43486	13437	14164
2014-15	2924873	2732749	-192124	-11722	-203846	-62988	-48825
2015-16	3126956	3741753	614797	0	614797	189972	141147
2016-17	2458655	3263172	804517	0	804517	240309	381456

11. Note-Details of Specified Bank Notes (SBN) held and transacted during the period 08.11.2016 to 31.12.2016

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in Hand as 08.11.2016	90,00,000	6,73,276	96,73,276
(+) Withdrawal from Banks	0	84,000	84,000
(+) Permitted Receipts	0	1,38,000	1,38,000
(-) Permitted Payments	0	5,87,579	5,87,579
(-) Amount Deposited in Banks	90,00,000	0	90,00,000
Closing Cash in Hand as on 31.12.2016	0	3,07,697	3,07,697

12. RELATED PARTY DISCLOSURES AS-18: DURING THE YEAR UNDER REPORT COMPANY HAS NOT ENTERED INTO ANY TRANSACTION OF PURCHASE/SALE WITH RELATED PARTY. HOWEVER THE FOLLOWING EQUITY SHARES ARE HELD BY RAGHUVANSH AGROFARM LIMITED (RELATED PARTY AS PER AS-18).



S. No.	NAME OF THE SHAREHOLDERS	NO. OF SHARES	IN %
1	RAGHUVANSH AGROFARMS LIMITED	181500	94.78%

For Maneesh Avneesh & Co.
CHARTERED ACCOUNTANTS


(Avneesh Srivastava)
Partner
M.No.: 402380

PLACE: KANPUR
DATE: 24.05.2017.



FOR KANPUR ORGANICS PRIVATE LIMITED


Raj Kumar Agarwal
(Director)
DIN: 06691235


Rahul Sachan
(Director)
DIN: 03405499