

**EXCEL CROP CARE LIMITED
SUBSIDIARY COMPANIES
2012-13**

C O N T E N T S

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EXCEL GENETICS LIMITED

DIRECTORS' REPORT

TO THE MEMBERS,

Your Directors present the Sixth Annual Report and the Audited Financial Statements of the Company for the year ended 31st March, 2013.

1. FINANCIAL RESULTS AND OPERATIONS

During the year under review, the Sales Turnover was ₹ 931.05 lacs as against ₹ 514.80 lacs in the previous year. The Company earned profit before tax of ₹ 0.80 lacs (previous year loss: ₹ 90.58 lacs) after providing for depreciation and amortisation of intangible assets aggregating to ₹ 24.71 lacs.

The Company has not recommended any dividend in view of the accumulated losses.

Financial Year 2012-13 was a difficult year for the Indian seed industry owing to adverse impact of the changing climatic conditions.

Your Company continues to introduce new crops and hybrids for strengthening its product portfolio and overall market position. The Company continues to receive guidance and expertise in the areas of strategic relationship and overall business perspective. The Company's focus continues to remain on hybrid vegetables. At the same time the Company has also initiated introduction and development of important field crops such as paddy.

Through the above and other initiatives, the Company expects to make significant progress towards business growth and stability.

2. DIRECTORS

Mr. Paresh M. Saraiya, Director, retires by rotation at the ensuing Annual General Meeting of the Company and is eligible for re-appointment. The Board commends his re-appointment.

3. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm that:

- (a) in the preparation of the financial statements, the applicable accounting standards have been followed and that no material departures have been made from the same;
- (b) they have selected such accounting policies and applied them consistently and made judgements and estimates that 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 of the profit of the Company for the year under review;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; and
- (d) they have prepared the financial statements on a going concern basis.

4. OTHER INFORMATION

The Company has no employee specified in Section 217(2A) of the Companies Act, 1956.

The Company's business does not involve material energy consumption and hence it has no disclosure to be made in respect of conservation of energy.

The information relating to technology absorption under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is furnished in the Annexure to this Report.

Currently, the Company does not have any exports and also has no plans for significant exports in the near future.

EXCEL GENETICS LIMITED

The total foreign exchange used and earned by the Company during the year are as follows:

Used — ₹ 13.28 lacs

Earned — Nil

5. AUDITORS

Messrs S. V. Ghatalia & Associates LLP (formerly known as Messrs S. V. Ghatalia & Associates), whose term of office as the Auditors of the Company will expire at the conclusion of the ensuing Annual General Meeting of the Company and being eligible, have offered themselves for re-appointment as Auditors of the Company.

As regards the comments in clause (x) of the Annexure to the Auditors' Report, it may be noted that the Seed Industry normally has a long gestation period. The Company has initiated efforts to increase the product range through alliances and R&D efforts which would help in improving the profitability. In the financial year under review, the Company has achieved significant increase in sales turnover over the preceding year and made small profit as compared to sizable losses in preceding years. This trend is expected to continue in future.

For and on behalf of the Board of Directors

NINAD D. GUPTA
Chairman

Mumbai, 7th May, 2013.

EXCEL GENETICS LIMITED

ANNEXURE TO DIRECTORS' REPORT

Information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

(A) TECHNOLOGY ABSORPTION

Form 'B' for disclosure of particulars with respect to Technology Absorption.

RESEARCH & DEVELOPMENT (R&D)

1. *Specific areas in which R&D carried out by the Company:*

During the year under review, the Company continued planned research & development activities at the R&D Center in Junnsandra Village, Bangalore District, Karnataka. The R&D focus of the Company is on development of vegetable hybrid seeds.

2. *Benefits derived as a result of the above efforts:*

- (a) Create better understanding of crops.
- (b) Timely introduction of new and better hybrid seeds.

3. *Future Plan of Action:*

- (a) Strengthening R&D infrastructure
- (b) New hybrids will be taken up for research in line with market demand.
- (c) Acquisition /collection of newer lines of Germ Plasm for research.

4. Expenditure on R&D for the year 2012-13:

	(₹ '000)
(a) Capital	114
(b) Recurring	4459
(c) Total	4573
(d) Total R&D expenditure as a percentage of total turnover	4.91%

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Not applicable

For and on behalf of the Board of Directors

NINAD D. GUPTA
Chairman

Mumbai, 7th May, 2013.

EXCEL GENETICS LIMITED

Corporate Identity No. : U02412GJ2006PLC049495

Authorised Capital : ₹ 500,00,000/-

COMPLIANCE CERTIFICATE

To,
The Members
Excel Genetics Limited

I/We have examined the registers, records, books and papers of Excel Genetics Limited (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year from **1st April, 2012 to 31st March, 2013**. In my/our opinion and to the best of my/our information and according to the examinations carried out by me/us and explanations furnished to me/us by the Company, its officers and agents, I/we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government. Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a Public Limited Company, comments are not required.
4. The Board of Directors duly met 4 times on 10/05/2012, 17/07/2012, 05/11/2012 and 25/01/2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company was not required to close its Register of Members during the financial year.
6. The annual general meeting for the financial year ended on 31/03/2012 was held on 11/06/2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. During the financial year the Company has not advanced any loan to its directors and/or persons or firms or companies referred in the Section 295.
9. The Company has duly complied with the provision of Section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 during the financial year, the Company was not required to obtain any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company
 - (i) was not required to deliver the certificates of securities on lodgement thereof for transfer or any other purpose in accordance with the provisions of the Act as there was no allotment /transfer/ transmission of securities during the financial year;
 - (ii) was not required to deposit any amount in separate Bank Account as no dividend was declared during the financial year;
 - (iii) was not required to post warrant to any Member of the Company as no dividend was declared during the financial year;
 - (iv) was not required to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund; and
 - (v) has complied with the requirements of Section 217 of the Act.

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14. The Board of Directors of the Company is duly constituted. There was no appointment of additional director, alternate director and director to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director/Whole-time Director/Manager during financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares or securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company is not having preference shares/debentures and question of redemption of preference shares/debentures during the year does not arise.
22. There was no transaction necessitating the Company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The amount borrowed by the Company during the financial year ending 31/03/2013 is within the borrowing limits of the Company and that necessary resolution as per Section 293(1) (d) of the Act have been passed in duly convened Extraordinary General Meeting.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company for alleged offences under the Act and also the fines and penalties or any other punishment imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year under certification.
33. The Company has not constituted its own Provident Fund. Hence, the provision of Section 418 of Companies Act, 1956 is not applicable to the Company.

NIKUNJ N. RAVAL
Company Secretary
C. P.No.: 2333

Place : Ahmedabad,
Date : 7th May, 2013.

EXCEL GENETICS LIMITED

Annexure A

Registers as maintained by the Company

Statutory Register

1. Register of charges u/s 143 of the Act.
2. Register of Member u/s 150 and Index of Member u/s 151 of the Act.
3. Register and Returns u/s 163 of the Act.
4. Minutes Book of the Meetings of Board of Directors u/s 193 of the Act.
5. Minutes Book of the General Meetings of the members of the Company u/s 193 of the Act.
6. Books of Accounts u/s 209 of the Act.
7. Register of particulars of contracts in which Directors are interested u/s 301 of the Act.
8. Register of Directors, Managing Director, Manager and Secretary u/s 303 of the Act.
9. Register of Directors' Shareholdings u/s 307 of the Act.
10. Register of Transfers.

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the year from 1st April, 2012 to 31st March, 2013.

Sr. No.	Form No./ Return	Filed under Section	For	Date of filing (Receipt No.)	Whether filed within prescribed time	If delay in filing whether requisite additional fee paid
1	66	383A	Secretarial Compliance Certificate for the year 2011-12	03/07/2012 (P87911541)	Yes	N.A.
2	20B	159	Annual Return as on 11/06/2012	07/08/2012 (P88297189)	Yes	N.A.
3	23AC and 23ACA	220	Balance-sheet as on 31/03/2012 and Profit and Loss Account for the year ended on that date.	11/12/2012 (Q44168381)	Yes	N.A.

EXCEL GENETICS LIMITED

INDEPENDENT AUDITORS' REPORT

To

The Members of Excel Genetics Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Excel Genetics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and 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 a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the 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 for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

EXCEL GENETICS LIMITED

- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For S. V. GHATALIA & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No. 103162W

per Santosh Aggarwal
Partner
Membership No. 093669

Place : Ahmedabad
Date : 7 May, 2013

ANNEXURE TO THE AUDITORS' REPORT

(REFERRED TO IN OUR REPORT OF EVEN DATE TO THE MEMBERS OF EXCEL GENETICS LIMITED AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2013)

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - (c) There was no disposal of a substantial part of fixed assets during the year.
- (ii)
 - (a) The management has conducted physical verification of inventory at the end of the year.
 - (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on such physical verification.
- (iii) As informed, the Company has not granted or taken loans, secured or unsecured, from/to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 and hence, requirements of clauses 4 (iii) (a) to (g) of the order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any major weakness in the internal control system of the company in respect of these areas. The Company has not sold any services during the year.
- (v)
 - (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

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- (viii) To the best of our knowledge and as explained, the maintenance of costs records prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 are not applicable to the Company.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales tax, customs duty, service tax, cess and other material statutory dues applicable to it. The provisions relating to employees' state insurance, investor education and protection fund, excise duty, wealth-tax are not applicable to the Company.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, sales tax, customs duty, service tax, Cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - (c) According to the information and explanations given to us, there are no dues relating to income tax, customs duty and cess which have not been deposited on account of any dispute.
- (x) *The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has not incurred cash loss during the year. In the immediately preceding financial year, the Company had incurred cash loss.*
- (xi) According to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks. The Company has neither issued any debenture nor has it taken any loan from financial institution during the year.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society and therefore, the provisions of clause 4(xiii) of the Order are not applicable.
- (xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company does not have any term loans outstanding during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long term investment.
- (xviii) The Company has not made preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Act.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money through a public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S. V. GHATALIA & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration No. 103162W

per Santosh Aggarwal
Partner
Membership No. 093669

Place : Ahmedabad
Date : 7 May, 2013

EXCEL GENETICS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

	Notes	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
I. EQUITY AND LIABILITIES			
(1) SHAREHOLDERS' FUNDS			
(a) Share Capital	3	30,000,000	30,000,000
(b) Reserves and Surplus	4	(23,180,701)	(23,260,502)
		6,819,299	6,739,498
(2) NON-CURRENT LIABILITIES			
(a) Long-term borrowings	5	—	193,327
(b) Long-term provisions	6	1,182,000	1,291,490
		1,182,000	1,484,817
(3) CURRENT LIABILITIES			
(a) Short-term borrowings	7	11,557,294	6,789,866
(b) Trade payables	8	16,047,631	8,260,480
(c) Other current liabilities	9	5,594,789	5,982,915
(d) Short-term provisions	10	70,800	56,710
		33,270,514	21,089,971
TOTAL		41,271,813	29,314,286
II. ASSETS			
(1) NON-CURRENT ASSETS			
(a) Fixed assets			
(i) Tangible assets	11	1,891,161	2,256,034
(ii) Intangible assets	12	2,040,348	4,080,695
(iii) Capital work-in-progress	11	49,450	—
		3,980,959	6,336,729
(b) Non-current investments	13	38,000	38,000
(c) Long-term loans and advances	14	318,610	403,618
(d) Other non-current assets	15	12,531	8,718
		4,350,100	6,787,065
(2) CURRENT ASSETS			
(a) Inventories	16	15,411,630	13,826,517
(b) Trade receivables	17	18,986,427	4,317,426
(c) Cash and Bank Balance	18	1,366,063	1,828,087
(d) Short-term loans and advances	19	1,157,593	2,555,191
		36,921,713	22,527,221
TOTAL		41,271,813	29,314,286
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	2.1		

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date.

For S.V. GHATALIA & ASSOCIATES LLP

ICAI Firm Registration No. 103162W

Chartered Accountants.

Per SANTOSH AGGARWAL

Partner

(Membership No.: 093669)

Place : Ahmedabad

Date : 7th May, 2013

NINAD D. GUPTA

Chairman

J. R. NAIK

Director

Mumbai,

7th May, 2013

EXCEL GENETICS LIMITED

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

	Notes	Current Year (₹)	Previous Year (₹)
INCOME			
Revenue from operations (Net)	20	94,235,863	51,652,926
Other Income	21	168,270	233,013
TOTAL REVENUE		<u>94,404,133</u>	<u>51,885,939</u>
EXPENSES			
(a) Cost of Raw Materials Consumed	22	49,391,715	31,643,186
(b) Decrease/(Increase) in Inventories of Finished Goods	23	623,402	(3,776,545)
(c) Employee Benefit Expense	24	10,976,645	10,320,607
(d) Finance Costs	25	1,394,522	572,017
(e) Depreciation and Amortization	26	2,470,569	2,555,081
(f) Other Expenses	27	29,467,479	19,629,843
TOTAL EXPENSES		<u>94,324,332</u>	<u>60,944,189</u>
PROFIT/(LOSS) BEFORE TAXATION		79,801	(9,058,250)
LESS: PROVISION FOR TAXATION		—	—
PROFIT/(LOSS) FOR THE YEAR		<u>79,801</u>	<u>(9,058,250)</u>
EARNING PER EQUITY SHARE (Face Value of ₹ 10/- each)			
	33		
– Basic		0.03	(3.02)
– Diluted		0.03	(3.02)
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	2.1		

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date.

For S.V. GHATALIA & ASSOCIATES LLP

ICAI Firm Registration No. 103162W

Chartered Accountants.

Per SANTOSH AGGARWAL

Partner

(Membership No.: 093669)

Place : Ahmedabad

Date : 7th May, 2013

NINAD D. GUPTA

Chairman

J. R. NAIK

Director

Mumbai,

7th May, 2013

EXCEL GENETICS LIMITED

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

	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
	(₹)	(₹)	(₹)	(₹)
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) before Taxation		79,801		(9,058,250)
Non-Cash Adjustments:				
Depreciation on Fixed Assets - Tangible Assets	430,222		514,734	
Amortisation of Fixed Assets - Intangible Assets	2,040,347		2,040,347	
Unspent Liabilities, Excess Provisions no longer required written back	(164,457)		—	
Profit on sale of Current Investments	—		(229,478)	
Interest Income	(3,813)		(3,535)	
Interest Expenses	1,394,522	3,696,821	572,017	2,894,085
Operating Profit before Working Capital changes		<u>3,776,622</u>		<u>(6,164,165)</u>
Movement in Working Capital:				
Increase/(Decrease) in Trade Payables	7,951,608		1,766,018	
Increase/(Decrease) in Short-Term Provisions	14,090		(211,490)	
Increase/(Decrease) in Long-Term Provisions	(109,490)		709,190	
Increase/(Decrease) in Other Current Liabilities	(388,126)		2,555,128	
Decrease/(Increase) in Trade Receivables	(14,669,001)		(3,004,190)	
Decrease/(Increase) in Inventories	(1,585,113)		(4,984,394)	
Decrease/(Increase) in Long-Term Loans and Advances	250,458		75,658	
Decrease/(Increase) in Short-Term Loans and Advances	1,232,148	(7,303,426)	(2,363,123)	(5,457,203)
Cash used in Operating activities		<u>(3,526,804)</u>		<u>(11,621,368)</u>
Direct taxes paid		—		—
Net Cash Flow used in Operating Activities (A)		<u>(3,526,804)</u>		<u>(11,621,368)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets		(217,049)		(250,783)
Proceed from Sale of Fixed Assets		102,250		—
Proceed from Sale/Maturity of current investments		—		6,264,037
Net Cash used in Investing Activities (B)		<u>(114,799)</u>		<u>6,013,254</u>
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceed from Short-term borrowings		4,767,428		6,789,866
Repayment of Long-term borrowings		(193,327)		(272,865)
Interest paid		(1,394,522)		(572,017)
Net Cash from Financing Activities (C)		<u>3,179,579</u>		<u>5,944,984</u>
Net increase in Cash and Cash Equivalents (A+B+C)		<u>(462,024)</u>		<u>336,870</u>
Cash and Cash Equivalents at the beginning of the year		1,828,087		1,491,217
Cash and Cash Equivalents at the end of the year		<u>1,366,063</u>		<u>1,828,087</u>
Components of Cash and Cash Equivalents				
Cash on hand		—		—
With Banks in Current Accounts		1,366,063		1,828,087
Cash & Cash Equivalents in Cash Flow Statement		<u>1,366,063</u>		<u>1,828,087</u>

As per our Report of even date.
For S.V. GHATALIA & ASSOCIATES LLP
ICAI Firm Registration No. 103162W
Chartered Accountants.
Per SANTOSH AGGARWAL
Partner
(Membership No.: 093669)
Place : Ahmedabad
Date : 7th May, 2013

NINAD D. GUPTA
Chairman
J. R. NAIK
Director

Mumbai,
7th May, 2013

EXCEL GENETICS LIMITED

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

1. CORPORATE INFORMATION:

Excel Genetics Limited is subsidiary of Excel Crop Care Limited and is engaged in the business of Production, Procurement, Processing and Distribution of seeds.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The financial statement have been prepared to comply in all material respects with the Notified Accounting Standards by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The Accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(a) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumption that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statement and the result of operation during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(b) Revenue Recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods:

Revenue is recognised when significant risk and rewards of ownership of the goods have passed to the buyer.

Interest:

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and rate applicable.

(c) Fixed Assets and Intangible 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 cost relating to acquisition of fixed assets which takes 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.

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible Assets are carried at acquisition cost less accumulated amortization and accumulated impairments losses, if any.

(d) Depreciation and Amortisation:

(i) In respect of Plant and Machinery, on straight line basis in accordance with Section 205(2)(b) of the Companies Act, 1956, at the rates specified in Schedule XIV to the Companies Act, 1956.

(ii) Leasehold improvements are depreciated on straight line basis over the lease period of 5 to 10 years.

(iii) In respect of all other fixed Assets, on written down value basis in accordance with Section 205(2)(a) of the Companies Act, 1956 at the rates specified in Schedule XIV to the Companies Act, 1956.

(iv) In respect of additions to/deletion from the Fixed Assets, it is on pro-rata basis with reference to the date of addition/deletion of the assets except for assets costing ₹ 5000/- or less which have been fully depreciated.

(v) Intangible Assets are amortised on a straight line basis over the estimated useful economic life. Accordingly Germ Plasm and Computer Softwares are amortised on a straight line basis over a period of five years.

(e) Impairment:

(i) The carrying amount of assets are reviewed for impairments at each balance sheet date if there is any indication of impairments based on the internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flow are discounted to their present value at the weighted average cost of capital.

(ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(f) Leased Assets:

Leases where the Lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognised as an expense in the Profit and Loss Account on a straight-line basis over the lease term.

(g) Government Grants and Subsidies:

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them and (ii) the grant/subsidy will be received.

When the grant or subsidy is related to revenue, it is netted off with the related costs, which they are intended to compensate, in the statement of Profit and Loss. Where the grant is related to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset.

(h) Investments:

Investments that are readily realisable and intended to be held for not more than year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investments basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of investments.

(i) Inventories:

Raw Materials and Packing Materials:

Valued at lower of cost and net realisable value. However, materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a First In, First Out (FIFO) basis.

EXCEL GENETICS LIMITED

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

Finished Goods:

Valued at lower of cost and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

(j) Foreign currency translations:

(a) Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and foreign currency at the date of the transaction.

(b) Conversion:

Foreign currency monetary items are reported using the closing exchange rate on the Balance Sheet date.

(c) Exchange Differences:

Exchange Difference arising on the settlement of monetary items or on reporting monetary items of the company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

(k) Retirements and other Employee benefits:

(i) Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Profit and Loss Accounts of the year when the contribution to the fund is due. There are no obligations other than the contribution payable to the Provident Fund Authority.

(ii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

(iii) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefits. Short-term absences are provided on the basis of estimates. The Company treats accumulated leave expected to be carried forward beyond 12 months, as Long-term employee benefits. Long-term absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method made at the end of each financial year.

(iv) Actuarial gains/losses are recognized immediately to the profit and loss accounts are not deferred.

(l) Tax Expenses:

Tax expenses comprises of current and deferred tax. Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

The deferred tax is measured based on the tax rates and tax laws enacted or substantively enacted at the balance sheet date. Deferred Tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In a situation where the Company has unabsorbed depreciation and carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidences that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(m) Earning Per Share:

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

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

(n) Cash and Cash Equivalents:

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three month or less.

(o) Segment Reporting:

The Company's operating businesses are organised and managed separately accordingly to the nature of products and services with each segment representing a strategic business unit that offer different product and serves different markets. The analysis of geographical segment is based on the areas in which major operating division of the Company operate.

(p) Provision:

A provision is recognised when an enterprise has present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(q) Additional Information under Broad Heads:

The Company has only one class of products viz. 'Seeds'. Therefore the information pursuant to the provision of paragraph 5(ii) and 5 (iii) of Part II of Schedule VI to the Companies Act, 1956 is not given.

(r) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and items of income or expenses associated with investing or financing cash flows.

EXCEL GENETICS LIMITED

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

	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
3. SHARE CAPITAL		
AUTHORISED:		
50,00,000 (Previous Year: 50,00,000) Equity Shares of ₹ 10/- each	50,00,000	50,00,000
	<u>50,00,000</u>	<u>50,00,000</u>
ISSUED, SUBSCRIBED AND PAID-UP:		
30,00,000 (Previous Year: 30,00,000) Equity Shares of ₹ 10/- each fully paid-up	30,00,000	30,00,000
TOTAL	<u>30,00,000</u>	<u>30,00,000</u>
a. Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting period	As at 31st March, 2013 No. of Shares	As at 31st March, 2012 No. of Shares
At the beginning of the year	3,000,000	3,000,000
Outstanding at the end of the year	<u>3,000,000</u>	<u>3,000,000</u>
b. Term/Rights attached to equity shares		
The Company has only one class of equity shares having a par value of ₹ 10/- per equity share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
c. Shares held by the Holding Company	As at 31st March, 2013 No. of Shares	As at 31st March, 2012 No. of Shares
Out of equity shares issued by the Company, shares held by its holding company is as below:		
Excel Crop Care Limited	2,250,000	2,250,000
d. Detail of shareholders holding more than 5% shares in the Company	As at 31st March, 2013 No. of Shares (% of Holding)	As at 31st March, 2012 No. of Shares (% of Holding)
Excel Crop Care Limited, the Holding Company	2,250,000 (75%)	2,250,000 (75%)
Harvest Agribusiness Private Limited	700,000 (23.33%)	700,000 (23.33%)
4. RESERVES AND SURPLUS	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
DEFICIT IN THE STATEMENT OF PROFIT & LOSS		
Balance as per last Financial Statements	(23,260,502)	(14,202,252)
Net Profit/(Loss) for the year	79,801	(9,058,250)
TOTAL	<u>(23,180,701)</u>	<u>(23,260,502)</u>

EXCEL GENETICS LIMITED

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

	As at 31st March, 2013	As at 31st March, 2012	As at 31st March, 2013	As at 31st March, 2012
	(₹)	(₹)	(₹)	(₹)
5. LONG-TERM BORROWING				
	Non-current		Current	
i. From a Bank under Vehicle Finance Scheme (Secured)	—	193,327	193,327	272,865
ii. Amount disclosed under 'Other Current Liabilities' (Refer Note 9)	—	—	(193,327)	(272,865)
TOTAL	—	193,327	—	—
<p>Vehicle Loan was taken from a bank and carries interest of 10% p.a.. The loan is secured by an exclusive charge by hypothecation of the vehicle purchased against the loan. Loan is repayable in monthly installment for a period of 36 months from the date of borrowing.</p>				
6. PROVISIONS				
	Long-Term		Short-Term	
Provision for Employees Benefits				
i. Provision for Gratuity (Refer Note No. 34)	369,400	242,500	10,300	15,400
ii. Provision for Employees Leave Benefits	812,600	1,048,990	60,500	41,310
Amount disclosed under Short term Provisions for employee benefits (Refer Note No. 10)	—	—	(70,800)	(56,710)
TOTAL	1,182,000	1,291,490	—	—
7. SHORT-TERM BORROWINGS				
From a Bank under Overdraft Facilities (Secured)			As at 31st March, 2013	As at 31st March, 2012
			(₹)	(₹)
TOTAL			11,557,294	6,789,866
			11,557,294	6,789,866
<p>The Overdraft Facility from the Bank is repayable on demand and carries interest @ 12% p.a. The loan is secured against hypothecation of Inventory & trade receivables and is further secured by the corporate guarantee of Excel Crop Care Limited, the Holding Company.</p>				
8. TRADE PAYABLES				
i. Trade Payables – Other than Micro and Small Enterprises (Refer Note 28)			As at 31st March, 2013	As at 31st March, 2012
			(₹)	(₹)
ii. Amount due to Holding Company, Excel Crop Care Limited			15,939,763	8,260,480
TOTAL			107,868	—
			16,047,631	8,260,480
9. OTHER CURRENT LIABILITIES				
i. Current maturities of Long-Term borrowing (Refer note 5)			As at 31st March, 2013	As at 31st March, 2012
			(₹)	(₹)
ii. Others			193,327	272,865
a. Security Deposit received from Customers			2,501,465	2,176,465
b. Other Liabilities – Statutory dues			266,212	259,797
c. Advances from Customers			2,633,785	3,273,788
TOTAL			5,594,789	5,982,915
10. SHORT-TERM PROVISIONS				
Short-term portion of Provision for Employees Benefits (Refer Note 6)			As at 31st March, 2013	As at 31st March, 2012
			(₹)	(₹)
TOTAL			70,800	56,710
			70,800	56,710

EXCEL GENETICS LIMITED

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

11. FIXED ASSETS – TANGIBLE ASSETS (Amount in ₹)											
Sr. No.	Description of Assets	GROSS BLOCK (AT COST)				ACCUMULATED DEPRECIATION				NET BLOCK	
		As at 1st April, 2012	Additions during the year	Deductions during the year	As at 31st March, 2013	As at 1st April, 2012	Deductions/ Adjustments	Provided during the year	As at 31st March, 2013	As at 31st March, 2013	As at 31st March, 2012
1	Leasehold Improvements	561,964	—	—	561,964	154,289	—	112,393	266,682	295,282	407,675
2	Plant and Machinery	988,488	129,355	—	1,117,843	139,034	—	74,210	213,244	904,599	849,454
3	Furniture & Fixtures	237,959	13,638	—	251,597	86,012	—	41,140	127,152	124,445	151,947
4	Office Equipments	27,250	24,606	—	51,856	17,067	—	3,086	20,153	31,703	10,183
5	Vehicles	1,296,842	—	259,213	1,037,629	460,067	156,963	199,393	502,497	535,132	836,775
	TOTAL	3,112,503	167,599	259,213	3,020,889	856,469	156,963	430,222	1,129,728	1,891,161	2,256,034
	Previous Year	2,468,875	643,628	—	3,112,503	341,735	—	514,734	856,469	—	—
	Capital Work-in-Progress									49,450	—
	TOTAL									1,940,611	2,256,034

12. FIXED ASSETS – INTANGIBLE ASSETS (Amount in ₹)											
Sr. No.	Description of Intangible Assets	GROSS BLOCK (AT COST)				ACCUMULATED AMORTISATION				NET AMOUNT	
		As at 1st April, 2012	Additions during the year	Deductions during the year	As at 31st March, 2013	As at 1st April, 2012	Deductions/ Adjustments	Provided during the year	As at 31st March, 2013	As at 31st March, 2013	As at 31st March, 2012
i	Germ Plasm	10,050,000	—	—	10,050,000	6,030,000	—	2,010,000	8,040,000	2,010,000	4,020,000
ii	Computer Softwares	151,736	—	—	151,736	91,041	—	30,347	121,388	30,348	60,695
	TOTAL	10,201,736	—	—	10,201,736	6,121,041	—	2,040,347	8,161,388	2,040,348	4,080,695
	Previous Year	10,201,736	—	—	10,201,736	4,080,694	—	2,040,347	6,121,041	4,080,695	—

13. NON-CURRENT INVESTMENTS			As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
UNQUOTED (AT COST) IN GOVERNMENT SECURITIES			Non-current	
	National Saving Certificates (Deposited with Government Authorities)		38,000	38,000
	TOTAL		38,000	38,000

14. LONG-TERM LOANS AND ADVANCES		As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
UNSECURED – CONSIDERED GOOD		Non-current		Current	
i.	Sundry Deposits	318,610	403,618	60,008	25,008
ii.	Tax Deduction at Source	—	—	21,630	21,630
	Amount disclosed under Short term loans and advances (Refer Note 19)	—	—	(81,638)	(46,638)
	TOTAL	318,610	403,618	—	—

15. OTHER NON-CURRENT ASSETS		As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
Interest accrued on National Saving Certificates		Non-current	
		12,531	8,718
	TOTAL	12,531	8,718

EXCEL GENETICS LIMITED

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

<p>16. INVENTORIES</p> <p>(At cost or net realisable value, whichever is lower)</p> <p>i. Raw Materials</p> <p>ii. Packing Materials</p> <p>iii. Finished Goods</p> <p style="text-align: right;">TOTAL</p>	<p>As at 31st March, 2013 (₹)</p> <p>9,859,039</p> <p>1,039,057</p> <p>4,513,534</p> <hr style="border: 0.5px solid black;"/> <p>15,411,630</p> <hr style="border: 0.5px solid black;"/>	<p>As at 31st March, 2012 (₹)</p> <p>7,904,361</p> <p>785,220</p> <p>5,136,936</p> <hr style="border: 0.5px solid black;"/> <p>13,826,517</p> <hr style="border: 0.5px solid black;"/>
<p>17. TRADE RECEIVABLES</p> <p>(Unsecured, Considered Good)</p> <p>i. Trade Receivables overdue for a period exceeding six months</p> <p>ii. Other Trade Receivables</p> <p style="text-align: right;">TOTAL</p>	<p>As at 31st March, 2013 (₹)</p> <p>189,588</p> <p>18,796,839</p> <hr style="border: 0.5px solid black;"/> <p>18,986,427</p> <hr style="border: 0.5px solid black;"/>	<p>As at 31st March, 2012 (₹)</p> <p>35,667</p> <p>4,281,759</p> <hr style="border: 0.5px solid black;"/> <p>4,317,426</p> <hr style="border: 0.5px solid black;"/>
<p>18. CASH AND BANK BALANCE</p> <p>i. Cash on hand</p> <p>ii. Bank Balance (With Scheduled Bank in Current Accounts)</p> <p style="text-align: right;">TOTAL</p>	<p>As at 31st March, 2013 (₹)</p> <p>—</p> <p>1,366,063</p> <hr style="border: 0.5px solid black;"/> <p>1,366,063</p> <hr style="border: 0.5px solid black;"/>	<p>As at 31st March, 2012 (₹)</p> <p>—</p> <p>1,828,087</p> <hr style="border: 0.5px solid black;"/> <p>1,828,087</p> <hr style="border: 0.5px solid black;"/>
<p>19. SHORT-TERM LOANS AND ADVANCES</p> <p>UNSECURED – CONSIDERED GOOD</p> <p>Current portion of Loan & Advances (Refer Note 14)</p> <p>Advance recoverable in Cash or in Kind or for value to be received</p> <p style="text-align: right;">TOTAL</p>	<p>As at 31st March, 2013 (₹)</p> <p>81,638</p> <p>1,075,955</p> <hr style="border: 0.5px solid black;"/> <p>1,157,593</p> <hr style="border: 0.5px solid black;"/>	<p>As at 31st March, 2012 (₹)</p> <p>46,638</p> <p>2,508,553</p> <hr style="border: 0.5px solid black;"/> <p>2,555,191</p> <hr style="border: 0.5px solid black;"/>

EXCEL GENETICS LIMITED

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

	Current Year (₹)	Previous Year (₹)
20. REVENUE FROM OPERATIONS		
i. Sale of Finished Goods - Seeds (Gross)	93,104,503	51,479,602
ii. Other Operating Revenue - Scrap Sales	1,131,360	173,324
TOTAL	<u>94,235,863</u>	<u>51,652,926</u>
21. OTHER INCOME		
i. Interest Income from Long-Term Investments (Other than Trade) (Gross)	3,813	3,535
ii. Profit on sales of current Investments (Other than Trade)	—	229,478
iii. Unspent Liabilities, excess provision no longer required written back	164,457	—
TOTAL	<u>168,270</u>	<u>233,013</u>
22. COST OF RAW MATERIALS CONSUMED – RAW SEEDS		
Opening Stock	7,904,361	6,845,887
Add: Purchases	51,346,393	32,701,660
	<u>59,250,754</u>	<u>39,547,547</u>
Less: Closing Stock	9,859,039	7,904,361
TOTAL	<u>49,391,715</u>	<u>31,643,186</u>
23. DECREASE/(INCREASE) IN INVENTORIES		
Closing Stock: Finished Goods	4,513,534	5,136,936
Less: Opening Stock: Finished Goods	5,136,936	1,360,391
NET DECREASE/(INCREASE) IN INVENTORIES	<u>623,402</u>	<u>(3,776,545)</u>
24. EMPLOYEE BENEFIT EXPENSE		
i. Salary, Wages, Bonus and other Benefits	10,186,458	9,461,716
ii. Contribution to Provident Fund and Other Funds	415,587	361,191
iii. Gratuity (Refer Note no. 34)	121,800	113,700
iv. Employees' Leave Benefits	252,800	384,000
TOTAL	<u>10,976,645</u>	<u>10,320,607</u>

EXCEL GENETICS LIMITED

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

	Current Year (₹)	Previous Year (₹)
25. FINANCE COSTS		
i. Interest	1,229,072	516,868
ii. Loan Processing Charges	165,450	55,149
TOTAL	<u>1,394,522</u>	<u>572,017</u>
26. DEPRECIATION AND AMORTIZATION EXPENSES		
i. Depreciation of Tangible Assets	430,222	514,734
ii. Amortisation of Intangible Assets	2,040,347	2,040,347
TOTAL	<u>2,470,569</u>	<u>2,555,081</u>
27. OTHER EXPENSES		
i. Rent	1,469,437	1,262,394
ii. Cash Discounts, Special Discounts etc.	7,301,085	3,652,695
iii. Freight & Forwarding Expenses	1,819,505	1,341,763
iv. Processing Expenses	1,279,411	983,836
v. Carrying & Forwarding Agent's Service Charges	1,554,254	1,376,970
vi. Legal & Professional Expenses	3,614,836	2,166,998
vii. Sales Promotional Expenses	3,737,093	2,171,165
viii. Travelling & Conveyance	4,584,414	3,349,437
ix. Repair & Maintenance – Others	89,130	36,133
x. Electricity Expenses	57,764	89,021
xi. Insurance Charges	211,521	125,156
xii. Rates & Taxes	7,400	55,500
xiii. Auditors' Remuneration (Refer Note no. 30)	337,080	231,712
xiv. Other Expenses	1,077,976	1,286,753
TOTAL A	<u>27,140,906</u>	<u>18,129,533</u>
xv. COST OF PACKING MATERIAL CONSUMED		
Opening Stock	785,220	635,845
Add: Purchases	2,580,410	1,649,685
	<u>3,365,630</u>	<u>2,285,530</u>
Less: Closing Stock	1,039,057	785,220
TOTAL B	<u>2,326,573</u>	<u>1,500,310</u>
TOTAL (A + B)	<u>29,467,479</u>	<u>19,629,843</u>

EXCEL GENETICS LIMITED

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

28. DETAIL OF DUES TO MICRO AND SMALL ENTERPRISES: Based on the information available with the Company, no amount is due to any supplier who is registered as micro & small enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006". No interest is due or payable or paid or accrued and remaining unpaid to such supplier.			
29. BREAK-UP OF DEFERRED TAX ASSETS: In accordance with Accounting Standard 22, "Accounting for Taxes on Income", following are the major Components of Deferred Tax: Deferred Tax Assets: (i) Unabsorbed Business Losses (ii) Difference between Income Tax and Book Depreciation (iii) Items covered u/s 43B of Income Tax Act (iv) Others <div style="text-align: right;">TOTAL</div> Deferred Tax Assets (Net) As a matter of prudence, deferred tax assets (DTA) are not recognised and accordingly, as at 31st March, 2013 DTA is nil in books of accounts.	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)	
	6,007,220	6,651,488	
	404,946	47,581	
	115,751	153,789	
	11,969	14,961	
	6,539,886	6,867,819	
	6,539,886	6,867,819	
30. AUDITORS' REMUNERATION: As an Auditor: (i) Audit fees (Including Service Tax) (ii) Tax audit and other audit fees (Including Service Tax) (iii) Out of Pocket Expenses			
	252,810	168,540	
	84,270	56,180	
	—	6,992	
	337,080	231,712	
31. CONSUMPTION OF RAW MATERIALS:			
	Current Year	Previous Year	
	(₹) Percentage	(₹)	Percentage
Imported	1,419,261 2.87	2,605,256	8.23
Indigenous	47,972,454 97.13	29,037,930	91.77
	49,391,715 100.00	31,643,186	100.00
32. FOREIGN CURRENCY TRANSACTIONS:			
	Current Year	Previous Year	
	(₹)	(₹)	
Value of Import on C.I.F. basis: Raw Materials	1,327,899	1,540,208	
Expenditure in Foreign Currency (on accrual basis): Travelling Expenses	—	22,750	
33. EARNING PER SHARE:			
	Current Year	Previous Year	
	(₹)	(₹)	
Earning Per Share: (1) Profit/(Loss) after Taxation	79,801	(9,058,250)	
Profit/(Loss) attributable to Equity Shareholders (A)	79,801	(9,058,250)	
	Nos.	Nos.	
(2) Weighted average number of Equity Shares outstanding (B)	3,000,000	3,000,000	
	(₹)	(₹)	
(3) Basic & diluted Earning Per Share: (A)/(B)	0.03	(3.02)	
(4) Nominal Value of Equity Share	10.00	10.00	
34. DETAILS OF EMPLOYEE BENEFITS: Defined Benefits Plans (Gratuity): The Company has defined benefits gratuity plan. Every employee who has completed five years or more of service gets gratuity on retirement at 15 days of last drawn salary for each completed year of service. If an employee completes more than 25 years of service then instead of 15 days he/she will get gratuity on retirement at 22 days of last drawn salary. The aforesaid liability is provided for on the basis of an actuarial valuation made at the end of the financial year. The scheme is not funded.			

EXCEL GENETICS LIMITED

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

<p>(i) The amounts recognised in the statement of Profit and Loss are as follows:</p>		
Particulars	Current Year (₹)	Previous Year (₹)
Current Service cost	123,897	104,554
Interest cost on benefit obligation	21,922	12,259
Net actuarial (gain)/loss recognised during the year	(24,019)	(3,113)
Amount included under the head personnel expenses in Note No. '25' Employees Benefits Expenses	121,800	113,700
<p>(ii) The amounts recognised in the Balance Sheet are as follows:</p>	As at 31st March, 2013	As at 31st March, 2012
	Defined Benefit Plan (₹)	Defined Benefit Plan (₹)
Liability included under the head Provision for Gratuity, in Note No. '6' Long-Term Provisions	379,700	257,900
<p>(iii) Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:</p>	As at 31st March, 2013 (₹)	As at 31st March, 2012 (₹)
Defined benefit obligation opening balance	257,900	144,200
Interest cost	21,922	12,259
Current service cost	123,897	104,554
Benefits paid	—	—
Actuarial (gains)/loss on obligation	(24,019)	(3,113)
Closing defined benefit obligation	379,700	257,900
<p>(iv) The principal actuarial assumptions at the Balance Sheet date are as follows:</p>	Current Year	Previous Year
Discount rate	8.20%	8.50%
Expected rate of salary increase	6.00%	6.00%
Mortality table	LIC (1994-1996)	LIC (1994-1996)
	Ultimate	Ultimate
Proportion of employees opting for early retirement	1% to 5%	1% to 5%
Notes:		
<p>(i) The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.</p>	Current Year (₹)	Previous Year (₹)
(ii) Experience adjustments on plan liabilities	(40,611)	(3,113)
(iii) Experience adjustments on plan assets	—	—
Defined Contribution Plans:		
<p>(i) Provident Fund is a defined contribution scheme established under the State Plan.</p>	Current Year (₹)	Previous Year (₹)
(ii) Defined Contribution Plan		
Current service cost included under the head Personnel Expenses in Note No. 25		
Provident Fund and Family Pension Fund	415,587	361,191

EXCEL GENETICS LIMITED

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

35. RELATED PARTY DISCLOSURE:

(a) Relationships:

Holding Company – Excel Crop Care Limited

Key Management Personnel:

- (i) Virendra P. Rathod, Chief Executive Officer (up to 31st August 2012)
- (ii) Abhay S. Saraiya, Vice President (Marketing)

(b) Aggregated Related Party Disclosure as at and for the year ended 31st March, 2013.

(₹)

	Holding Company		Key Management Personnel		Total	
	Transaction Value	Balance Outstanding as on 31.03.2013	Transaction Value	Balance Outstanding as on 31.03.2013	Transaction Value	Balance Outstanding as on 31.03.2012
(i) EXPENSES						
Interest on Loan						
Excel Crop Care Limited	—	—	—	—	—	—
	(199,810)	(—)	(—)	(—)	(199,810)	(—)
Rent						
Excel Crop Care Limited	107,868	107,868	—	—	107,868	107,868
	(105,888)	(—)	(—)	(—)	(105,888)	(—)
(ii) LOAN TAKEN						
Excel Crop Care Limited	—	—	—	—	—	—
	(3,000,000)	(—)	(—)	(—)	(3,000,000)	(—)
LOAN REPAID						
Excel Crop Care Limited	—	—	—	—	—	—
	(3,000,000)	(—)	(—)	(—)	(3,000,000)	(—)
(iii) REMUNERATION						
Virendra Rathod	—	—	1,837,375	—	1,837,375	—
	(—)	(—)	(2,210,408)	(—)	(2,210,408)	(—)
Abhay Saraiya	—	—	1,418,792	—	1,418,792	—
	(—)	(—)	(864,960)	(—)	(864,960)	(—)

(a) During the year, the Company has availed overdraft facility from a bank, which is outstanding at year end for ₹ 11,557,294/-. Such facility is secured by corporate guarantee of Excel Crop Care Limited, the Holding Company of ₹ 2 Crores.

(b) Figures in brackets relate to the Previous Year.

36. SEGMENT INFORMATION:

Primary Business Segment : The Company has only one business segment viz. Seed Business.

Secondary Business Segment : Information in respect of geographical segment is not given as the Company operates in single geographical segment.

EXCEL GENETICS LIMITED

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

<p>37. OPERATING LEASES:</p> <p>Premises and farm land are obtained on operating leases for 1-5 years. None of the operating leases are renewable. There are no restrictions imposed by Lease agreement/arrangements. There are no sub-leases.</p>																																	
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 60%;">Particulars</th> <th style="text-align: right; width: 20%;">Current Year (₹)</th> <th style="text-align: right; width: 20%;">Previous Year (₹)</th> </tr> </thead> <tbody> <tr> <td>(i) Lease payment for the year</td> <td style="text-align: right;">1,469,437</td> <td style="text-align: right;">1,106,916</td> </tr> <tr> <td>(ii) Minimum Lease payment as at 31st March</td> <td></td> <td></td> </tr> <tr> <td> (a) Not later than one year</td> <td style="text-align: right;">367,697</td> <td style="text-align: right;">361,618</td> </tr> <tr> <td> (b) Later than one year but not later than five years</td> <td style="text-align: right;">374,083</td> <td style="text-align: right;">772,999</td> </tr> <tr> <td> (c) Later than five years</td> <td style="text-align: right;">—</td> <td style="text-align: right;">—</td> </tr> </tbody> </table>	Particulars	Current Year (₹)	Previous Year (₹)	(i) Lease payment for the year	1,469,437	1,106,916	(ii) Minimum Lease payment as at 31st March			(a) Not later than one year	367,697	361,618	(b) Later than one year but not later than five years	374,083	772,999	(c) Later than five years	—	—															
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<p>38. RESEARCH & DEVELOPMENT EXPENSES:</p> <p>As per Management, the aggregate amount of revenue expenditure incurred on research & development is shown in the respective head of account. The break-up of the amount is as under:</p>	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 60%;">Particulars</th> <th style="text-align: right; width: 20%;">Current Year (₹)</th> <th style="text-align: right; width: 20%;">Previous Year (₹)</th> </tr> </thead> <tbody> <tr> <td>(a) Salary, Wages and Other Benefits</td> <td style="text-align: right;">2,380,875</td> <td style="text-align: right;">2,481,954</td> </tr> <tr> <td>(b) Electricity Expenses</td> <td style="text-align: right;">10,826</td> <td style="text-align: right;">42,844</td> </tr> <tr> <td>(c) Repairs and Maintenance – Others</td> <td style="text-align: right;">49,001</td> <td style="text-align: right;">16,722</td> </tr> <tr> <td>(d) Insurance Charges</td> <td style="text-align: right;">20,585</td> <td style="text-align: right;">7,579</td> </tr> <tr> <td>(e) Rent</td> <td style="text-align: right;">361,632</td> <td style="text-align: right;">355,818</td> </tr> <tr> <td>(f) Processing Expenses</td> <td style="text-align: right;">915,621</td> <td style="text-align: right;">695,908</td> </tr> <tr> <td>(g) Travelling and Conveyance</td> <td style="text-align: right;">200,016</td> <td style="text-align: right;">280,676</td> </tr> <tr> <td>(h) Other Expenses</td> <td style="text-align: right;">520,926</td> <td style="text-align: right;">417,781</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>4,459,482</u></td> <td style="text-align: right;"><u>4,299,282</u></td> </tr> </tbody> </table>	Particulars	Current Year (₹)	Previous Year (₹)	(a) Salary, Wages and Other Benefits	2,380,875	2,481,954	(b) Electricity Expenses	10,826	42,844	(c) Repairs and Maintenance – Others	49,001	16,722	(d) Insurance Charges	20,585	7,579	(e) Rent	361,632	355,818	(f) Processing Expenses	915,621	695,908	(g) Travelling and Conveyance	200,016	280,676	(h) Other Expenses	520,926	417,781		<u>4,459,482</u>	<u>4,299,282</u>		
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	<u>4,459,482</u>	<u>4,299,282</u>																															
<p>39. PREVIOUS YEAR FIGURES:</p> <p>Previous Year's figures have been regrouped/rearranged, whenever necessary to conform to this year's classification.</p>																																	
<p>As per our Report of even date. For S.V. GHATALIA & ASSOCIATES LLP ICAI Firm Registration No. 103162W Chartered Accountants. Per SANTOSH AGGARWAL Partner (Membership No.: 093669)</p> <p>Place : Ahmedabad Date : 7th May, 2013</p>	<p style="text-align: right;">NINAD D. GUPTA Chairman J. R. NAIK Director</p> <p style="text-align: right;">Mumbai, 7th May, 2013</p>																																

ECCL INVESTMENTS AND FINANCE LIMITED

DIRECTORS' REPORT

TO THE MEMBERS,

Your Directors have pleasure in presenting the Seventh Annual Report and the Audited Financial Statements of the Company for the year ended 31st March, 2013.

1. FINANCIAL RESULTS

During the year under review, the Company incurred a loss of ₹ 3,474/- as it did not have any commercial activities – this explains the Auditors' comments in clause (x) of the Annexure to their Report. The accumulated losses at the end of the year are ₹ 1,78,974/-. Owing to the losses, no dividend is recommended.

2. DIRECTORS

Mr. J. R. Naik retires by rotation at the ensuing Annual General Meeting of the Company and is eligible for re-appointment. The Board commends his re-appointment.

3. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm that:

- (a) in the preparation of the financial statements, the applicable accounting standards have been followed and that no material departures have been made from the same;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that 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 of the loss of the Company for the year under review;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; and
- (d) they have prepared the financial statements on a going concern basis.

4. OTHER INFORMATION

The Company has no employee specified in Section 217(2A) of the Companies Act, 1956. The provisions of Section 217(1)(e) of the Companies Act, 1956, are not applicable to the Company as the Company has not carried on any commercial activity during the year.

5. AUDITORS

At the Extra Ordinary General Meeting of the Company held on 8th October, 2012, Messrs Diwan Gosalia & Associates, Chartered Accountants (Firm Registration Number:111881W) were appointed as the Auditors of the Company to fill up the casual vacancy caused by the resignation by Messrs. S. R. Batliboi & Co.

Messrs Diwan Gosalia & Associates whose term of office as the Auditors of the Company will expire at the conclusion of the ensuing Annual General Meeting of the Company and being eligible, have offered themselves for re-appointment as Auditors of the Company.

Your Directors wish to place on record their appreciation of the co-operation received from Messrs. S. R. Batliboi & Co. during their tenure as Auditors.

For and on behalf of the Board of Directors

A. C. SHROFF
Chairman

Mumbai,
17th May, 2013.

ECCL INVESTMENTS AND FINANCE LIMITED

INDEPENDENT AUDITORS' REPORT

To
The Members of ECCL Investments and Finance Limited

Report on the Financial Statements

We have audited the accompanying financial statements of ECCL Investments and Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and 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 a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

Opinion

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

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

Report on Other Legal and Regulatory Requirements

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

ECCL INVESTMENTS AND FINANCE LIMITED

- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For DIWAN GOSALIA & ASSOCIATES

Firm registration number: 111881W

Chartered Accountants

Per HITESH DIWAN

Partner

Membership No.: 035079

Place: Mumbai

Date: 17th May, 2013.

ECCL INVESTMENTS AND FINANCE LIMITED

Annexure referred to in paragraph 3 of our report of even date

Re: ECCL Investments and Finance Limited ('the Company')

- (i) The Company does not have any fixed assets. Accordingly, provisions of clauses 4(i)(a), 4(i)(b) and 4(i)(c) of the Order in respect of maintenance of fixed assets register, physical verification of fixed assets and if a substantial part of the fixed assets have been disposed off during the year and whether it has affected the going concern are not applicable to the Company.
- (ii) The Company did not have any inventory during the year. Accordingly, provisions of clauses 4(ii)(a), 4(ii)(b) of the Order in respect of physical verification of inventory, procedure of physical verification followed by the Company and maintenance of proper records of inventory are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted or taken any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clause 4(iii)(a) to 4(iii)(g) of the Order are not applicable to the Company and hence not commented upon.
- (iv) There were no transactions for purchases of inventory and fixed assets and the sale of goods and services during the year and hence, the question of reporting on the adequacy of the internal control system with regards to the purchase or sale of the aforesaid items does not arise. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in internal control system of the Company in respect of these areas.
- (v) According to the information and explanations provided by the management, we are of the opinion that there are no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Act. Accordingly, clause 4(v) (b) of the Order is not applicable.
- (vi) The Company has not accepted any deposits from the public.
- (vii) The provisions relating to internal audit are not applicable to the Company.
- (viii) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 4(viii) of the Order are not applicable to the Company.
- (ix)
 - (a) Undisputed statutory dues including income-tax, and other material statutory dues have generally been regularly deposited with the appropriate authorities. The provisions relating to provident fund, employee's state insurance, investor education and protection fund, wealth-tax, custom duty, sales-tax, service tax, excise duty and cess are not applicable to the Company.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - (c) According to the information and explanation given to us there are no dues of income-tax, which have not been deposited on account of any dispute.
- (x) The Company's accumulated losses at the end of the financial year are less than fifty per cent of its net worth *but it has incurred cash losses in the current and immediately preceding financial year.*
- (xi) The Company has not taken any loan from a financial institution, bank or debenture holders. Accordingly, provisions of clause 4(xi) of the Order, in respect of default in repayment of dues to a financial institution, bank or debenture holders are not applicable to the Company.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

ECCL INVESTMENTS AND FINANCE LIMITED

- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company did not have any term loans outstanding during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Act.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money through public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For DIWAN GOSALIA & ASSOCIATES
Firm registration number: 111881W
Chartered Accountants

Per HITESH DIWAN
Partner
Membership No.: 035079

Place: Mumbai
Date: 17th May, 2013.

ECCL INVESTMENTS AND FINANCE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

	Notes	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS:			
Share Capital	3	500,000	500,000
Reserves and Surplus	4	(178,974)	(175,500)
		321,026	324,500
CURRENT LIABILITIES			
Short-term Borrowings	5	—	160,370
Other Current Liabilities	6	14,045	14,045
		14,045	174,415
TOTAL		335,071	498,915
ASSETS			
CURRENT ASSETS			
Cash and Bank Balances	7	321,690	394,028
Short-term Loans and Advances	8	9,735	5,660
Other Current Assets	9	3,646	99,227
		335,071	498,915
TOTAL		335,071	498,915
Summary of significant Accounting Policies	2.1		
<p>The accompanying notes are an integral part of the financial statements. As per our report of even date.</p> <p>For Diwan Gosalia & Associates Firm Registration Number : 111881W <i>Chartered Accountants.</i></p> <p>PER HITESH DIWAN <i>Partner</i> Membership No : 035079</p> <p><i>Mumbai,</i> <i>17th May, 2013</i></p>			
<p>A. C. SHROFF <i>Chairman</i></p> <p>PRAKASH K. SHROFF <i>Director</i></p> <p>J. R. NAIK <i>Director</i></p> <p><i>Mumbai,</i> <i>17th May, 2013</i></p>			

ECCL INVESTMENTS AND FINANCE LIMITED

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

	Notes	For the year ended 31st March, 2013 ₹	For the year ended 31st March, 2012 ₹
INCOME			
Other Income	10	20,927	35,728
Total Revenue		20,927	35,728
EXPENSES			
Other expenses	11	24,401	31,700
Total		24,401	31,700
Profit/(Loss) before tax		(3,474)	4,028
Tax expenses			
Current tax		—	11,100
Loss for the year		(3,474)	(7,072)
Earnings per equity share [nominal value of share ₹ 10/- (Previous Year: ₹ 10/-)]			
Basic and Diluted (in ₹) computed on the basis of loss for the year	12	(0.07)	(0.14)
Face value per share		10.00	10.00
Summary of significant Accounting Policies	2.1		
<p>The accompanying notes are an integral part of the financial statements. As per our report of even date.</p> <p>For Diwan Gosalia & Associates Firm Registration Number : 111881W Chartered Accountants.</p> <p>PER HITESH DIWAN Partner Membership No : 035079</p> <p>Mumbai, 17th May, 2013</p>			
<p>A. C. SHROFF Chairman</p> <p>PRAKASH K. SHROFF Director</p> <p>J. R. NAIK Director</p> <p>Mumbai, 17th May, 2013</p>			

ECCL INVESTMENTS AND FINANCE LIMITED

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

	For the year ended 31st March, 2013 (₹)	For the year ended 31st March, 2012 (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax	(3,474)	4,028
Adjustments for:		
Sundry Balance written off	452	—
Operating Profit before working capital changes	(3,022)	4,028
Adjustments for:		
Decrease/(Increase) in Current and Non-current Loans and Advances	93,601	(35,728)
Increase/(Decrease) in Current and Non-current Provisions & Liabilities	—	258
Cash generated from Operations	90,579	(31,442)
Direct taxes paid (Net)	2,095	10,940
Net cash from/(used in) Operating Activities (A)	88,484	(42,382)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Fixed Deposit (with maturity more than three months)	105,820	—
Adjustments for Sundry Balance Written off	(452)	—
Net cash from Investing Activities (B)	105,368	—
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	(160,370)	80,000
Net cash from/(used in) Financing Activities (C)	(160,370)	80,000
Net increase in cash and cash equivalents [A+ B+C]	33,482	37,618
Cash and cash equivalents at the beginning of the year	38,208	590
Cash and cash equivalents at the end of the year	71,690	38,208
Total Cash & Cash Equivalents (as per note 7)		
Balances with banks:		
In current accounts	71,690	38,208
Summary of significant Accounting Policies	2.1	
<p>As per our report of even date.</p> <p>For Diwan Gosalia & Associates Firm Registration Number : 111881W Chartered Accountants.</p> <p>PER HITESH DIWAN Partner Membership No : 035079</p> <p>Mumbai, 17th May, 2013</p>		
<p>A. C. SHROFF Chairman</p> <p>PRAKASH K. SHROFF Director</p> <p>J. R. NAIK Director</p> <p>Mumbai, 17th May, 2013</p>		

ECCL INVESTMENTS AND FINANCE LIMITED

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

1 CORPORATE INFORMATION

ECCL Investments and Finance Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is established with the object of carrying on the business of Core Investment Company and financing activities. It has, however, not yet commenced commercial activities.

2 BASIS OF PREPARATION

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) 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 revenue, expenses, assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(b) Revenue recognition:

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(c) Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(d) Tax Expense:

Income-tax expense comprises of current tax and deferred tax charge or credit.

Current Income-tax is measured at the amount expected to be paid to the tax authority in accordance with the Income-tax Act, 1961, enacted in India. Deferred Income-tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing difference of earlier years.

Deferred tax is measured based on the tax rate and the tax laws enacted or substantively enacted at the Balance Sheet date. The deferred tax charge or credit is recognised using current tax rates. Deferred Tax asset is recognised only if there is sufficient evidence that future taxable income will be available.

(e) Provisions:

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

ECCL INVESTMENTS AND FINANCE LIMITED

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

<p>3. SHARE CAPITAL</p> <p style="text-align: right;">As at 31st March, 2013</p> <p style="text-align: right;">₹</p> <p>AUTHORISED SHARES:</p> <p>5,00,000 (Previous Year: 5,00,000) Equity Shares of ₹ 10/- each</p> <p>ISSUED, SUBSCRIBED AND FULLY PAID-UP SHARES:</p> <p>50,000 (Previous Year: 50,000) Equity Shares of ₹ 10/- each</p> <p>(a) There is no change in the Share Capital during the current and preceding year.</p> <p>(b) The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share carries one vote and is entitled to dividend that may be declared by the Board of Directors, which is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.</p> <p>(c) Shares held by Holding Company and details of shareholders holding more than 5% shares in the Company:</p> <p>Out of equity shares issued by the Company, shares held by its Holding Company are as below:</p>	<p style="text-align: center;">As at 31st March, 2013</p> <p style="text-align: center;">₹</p> <p style="text-align: center;">5,00,000</p> <p style="text-align: center;">50,000</p> <hr style="width: 100%;"/>	<p style="text-align: center;">As at 31st March, 2012</p> <p style="text-align: center;">₹</p> <p style="text-align: center;">5,00,000</p> <p style="text-align: center;">50,000</p> <hr style="width: 100%;"/>																			
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="text-align: left;">Name of the shareholder</th> <th colspan="2" style="text-align: center;">As at 31st March, 2013</th> <th colspan="2" style="text-align: center;">As at 31st March, 2012</th> </tr> <tr> <th style="text-align: center;">No. of Shares</th> <th style="text-align: center;">% holding in the class</th> <th style="text-align: center;">No. of Shares</th> <th style="text-align: center;">% holding in the class</th> </tr> </thead> <tbody> <tr> <td>Excel Crop Care Limited, the Holding Company</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>50,000 (Previous Year: 50,000) equity shares of ₹ 10/- each fully paid</td> <td style="text-align: center;">50,000</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">50,000</td> <td style="text-align: center;">100%</td> </tr> </tbody> </table>			Name of the shareholder	As at 31st March, 2013		As at 31st March, 2012		No. of Shares	% holding in the class	No. of Shares	% holding in the class	Excel Crop Care Limited, the Holding Company					50,000 (Previous Year: 50,000) equity shares of ₹ 10/- each fully paid	50,000	100%	50,000	100%
Name of the shareholder	As at 31st March, 2013			As at 31st March, 2012																	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class																	
Excel Crop Care Limited, the Holding Company																					
50,000 (Previous Year: 50,000) equity shares of ₹ 10/- each fully paid	50,000	100%	50,000	100%																	
<p>4. RESERVES AND SURPLUS</p> <p>Deficit in the statement of profit and loss</p> <p>Balance as per last financial statements</p> <p>Add: Loss for the year</p> <p>Net deficit in the statement of profit and loss</p>	<p style="text-align: center;">As at 31st March, 2013</p> <p style="text-align: center;">₹</p> <p style="text-align: center;">(175,500)</p> <p style="text-align: center;">(3,474)</p> <hr style="width: 100%;"/> <p style="text-align: center;">(178,974)</p> <hr style="width: 100%;"/>	<p style="text-align: center;">As at 31st March, 2012</p> <p style="text-align: center;">₹</p> <p style="text-align: center;">(168,428)</p> <p style="text-align: center;">(7,072)</p> <hr style="width: 100%;"/> <p style="text-align: center;">(175,500)</p> <hr style="width: 100%;"/>																			
<p>5. SHORT-TERM BORROWINGS</p> <p>Unsecured</p> <p>From Excel Crop Care Limited, the Holding Company</p>	<p style="text-align: center;">As at 31st March, 2013</p> <p style="text-align: center;">₹</p> <p style="text-align: center;">—</p> <hr style="width: 100%;"/>	<p style="text-align: center;">As at 31st March, 2012</p> <p style="text-align: center;">₹</p> <p style="text-align: center;">160,370</p> <hr style="width: 100%;"/>																			
<p>6. OTHER CURRENT LIABILITIES</p> <p>Audit Fees Payable</p>	<p style="text-align: center;">As at 31st March, 2013</p> <p style="text-align: center;">₹</p> <p style="text-align: center;">14,045</p> <hr style="width: 100%;"/>	<p style="text-align: center;">As at 31st March, 2012</p> <p style="text-align: center;">₹</p> <p style="text-align: center;">14,045</p> <hr style="width: 100%;"/>																			

ECCL INVESTMENTS AND FINANCE LIMITED

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

7. CASH AND BANK BALANCES	Current	
	As at 31st March, 2013	As at 31st March, 2012
	₹	₹
Cash and cash equivalents		
Balances with banks:		
In current accounts	71,690	38,208
Other bank balances		
Deposits with original maturity of more than 12 months	250,000	355,820
	<u>321,690</u>	<u>394,028</u>
8. LOANS AND ADVANCES	Short-term	
	As at 31st March, 2013	As at 31st March, 2012
	₹	₹
Advance income tax [net of provision for tax ₹ Nil (Previous Year: ₹ 11,100/-)]	7,755	5,660
Prepaid Expenses	1,980	—
	<u>9,735</u>	<u>5,660</u>
9. OTHER ASSETS	Current	
	As at 31st March, 2013	As at 31st March, 2012
	₹	₹
Others		
Interest Receivable	3,646	99,227
10. OTHER INCOME	For the year ended 31st March, 2013	For the year ended 31st March, 2012
	₹	₹
Interest income on Bank deposits	20,927	35,728
11. OTHER EXPENSES	For the year ended 31st March, 2013	For the year ended 31st March, 2012
	₹	₹
Rates and Taxes	2,500	2,500
Payment to Auditor - Audit Fees	14,045	14,045
Legal and Professional Fees	4,214	9,927
Sundry Balance Written off	452	—
Miscellaneous Expenses	3,190	5,228
	<u>24,401</u>	<u>31,700</u>

ECCL INVESTMENTS AND FINANCE LIMITED

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

<p>12. EARNINGS PER SHARE (EPS)</p>	<p>For the year ended 31st March, 2013 ₹</p>	<p>For the year ended 31st March, 2012 ₹</p>
<p>Loss after tax as per statement of profit and loss (A)</p>	<p>(3,474)</p>	<p>(7,072)</p>
<p>Weighted average number of equity shares outstanding (B)</p>	<p>50,000 ₹</p>	<p>50,000 ₹</p>
<p>Earnings per share: (A)/(B) [Basic and Diluted]</p>	<p>(0.07)</p>	<p>(0.14)</p>
<p>Face value of equity share</p>	<p>10.00</p>	<p>10.00</p>
<p>13. Related Party disclosures as required by Accounting Standard (AS) - 18 "Related Party Disclosures", notified by the Companies (Accounting Standard) Rules, 2006, are given below:</p> <p>(a) Relationships: Holding Company: Excel Crop Care Limited</p> <p>(b) The following transactions were carried out with the related parties in the ordinary course of business:</p>		
<p>Nature of Transactions</p>	<p>Current Year ₹ Holding Company</p>	<p>Previous Year ₹ Holding Company</p>
<p>(1) Finance : Loan taken</p>	<p>—</p>	<p>80,000</p>
<p>(2) Outstanding at the Balance Sheet Date : Loan taken (The said loan is interest free and repayable on demand. Also refer Note below)</p>	<p>—</p>	<p>160,370</p>
	<p>Current Year ₹ Amount Outstanding at the year end</p>	<p>Previous Year ₹ Amount Outstanding at the year end</p>
<p>Loan Taken: Excel Crop Care Limited</p>	<p>— 160,370</p>	<p>160,370 160,370</p>
<p>14. The Directors have waived the sitting fees for meetings attended by them during the year.</p> <p>15. Based on the information available with the Company, there are no suppliers who are registered as micro or small enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006", as at 31st March, 2013.</p> <p>16. Segment Reporting On applying the definition under 'Accounting Standard 17' for business segment and geographical segment; the Company has not identified more than one 'business segment' or 'geographical segment'.</p> <p>17. Previous year figures Previous year's figures have been regrouped/rearranged, wherever necessary to conform to this year's classification.</p>		
<p>As per our Report of even date.</p> <p>For Diwan Gosalia & Associates Firm Registration Number : 111881W Chartered Accountants.</p> <p>PER HITESH DIWAN Partner Membership No : 035079</p> <p>Mumbai, 17th May, 2013</p>		
<p>A. C. SHROFF Chairman</p> <p>PRAKASH K. SHROFF Director</p> <p>J. R. NAIK Director</p> <p>Mumbai, 17th May, 2013</p>		

EXCEL CROP CARE (AFRICA) LIMITED

REPORT OF THE DIRECTORS

FOR THE PERIOD ENDED 31 MARCH 2013

The directors present their report together with the audited financial statements for the year ended 31 March 2013, which disclose the state of affairs of the Company as at 31 March 2013 and the results of operation for the year ended on that date.

1. INCORPORATION AND NATURE OF BUSINESS

The Company was incorporated on 15 June 2010. The main activities of the company are principally to sell agricultural chemicals. The company obtained all the licences and permissions to start and carry on business in Tanzania. The company has commenced its business operations in the financial year 2011-2012.

2. DIRECTORS

The directors of the Company at the date of this report who, except as otherwise stated, served throughout the year are:

Name of Director	Category	Nationality
1. Mukul Chandra Asher (Chairman)	Non-Executive	Indian
2. Dipesh Kantisen Shroff	Non-Executive	Indian
3. Srinivasan Krishnan	Non-Executive	Indian
4. Ravi Sursinh Bhatia	Non-Executive	Indian

3. CORPORATE GOVERNANCE

The Board of Directors consists of four Directors. The Board takes overall responsibility for the Company, including responsibility for identifying key risk areas, considering and monitoring investment decisions, considering material financial matters, and reviewing the performance of management business plans and budgets. The Board is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative, and for compliance with sound corporate governance principles.

The Board delegates the day to day management of the business to Regional Manager. The Regional Manager is invited to attend board meetings and facilitates the effective control of all the Company's operational activities, acting as a medium of communication and coordination between all the various business units.

The Company is committed to the principles of effective corporate governance. The directors also recognise the importance of integrity, transparency and accountability.

4. SHAREHOLDERS

The shareholders of the Company as at 31 March, 2013 were:

Name of the Shareholder	Number of Shares held	Nominal value TShs
Excel Crop Care Limited (India)	1,699	169,900,000
Excel Crop Care (Australia) Pty Ltd. (Australia)	1	100,000
Total	1,700	170,000,000

5. PERFORMANCE FOR THE YEAR

The Company's financial performance for the year is set out on Page 7 of these financial statements.

6. DIVIDENDS

The directors have not proposed or declared any dividend to shareholder during the year.

7. SOLVENCY

The state of affairs of the Company as at 31 December 2013 is set out on page 6 of these financial statements.

The directors consider the Company to be solvent within the meaning ascribed by the Companies Act 2002. No matters have come to the attention of the directors to indicate that the Company will not remain a going concern for the next 12 months from the date of this report.

EXCEL CROP CARE (AFRICA) LIMITED

The holding company and other related companies will provide the necessary financial support to enable the Company to continue its future operations. The Board of Directors confirms that applicable accounting standards have been followed and are of opinion that the Company will be a going concern in years ahead. Accordingly, the financial statements have been prepared on a going concern basis.

8. EMPLOYEES WELFARE

(i) Management and employee relationship

The relationship between management and employees of the Company during the year was good and cordial.

(ii) Medical facilities

The Company meets the medical expenses for each employee and his/her immediate family members.

9. RELATED PARTY TRANSACTIONS

Details of transactions with related parties are disclosed in Note 20 to these financial statements.

10. DISABLED PERSONS

The Company's policy is to continue with engagement of employees who become disabled while in the services of the Company.

11. STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Tanzanian Companies Act, 2002 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the operating results of the Company for that year. It also requires the directors to ensure the Company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. They are also responsible for safeguarding the assets of the Company.

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the provisions of the Tanzanian Companies Act. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and in the manner required by the Companies Act, 2002. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its operating results. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the Company will not remain a going concern for at least the next twelve months from the date of this statement. In addition, the directors confirm the shareholders' commitment to continue providing the financial support that may be required to enable the Company continue operating and meet its obligations as they fall due. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

12. AUDITORS

The auditors MEKONSULT have expressed their willingness to continue in office and are eligible for reappointment. A resolution proposing the re-appointment as auditor of the Company for the year 2013/2014 will be put to the Annual General Meeting.

By Order of the Board

Dipesh K. Shroff
Director

K. Srinivasan
Director

Ravi S. Bhatia
Director

14th May, 2013

EXCEL CROP CARE (AFRICA) LIMITED

AUDITORS' REPORT

To

The Members of Excel Crop Care (Africa) Limited

We have audited the accounting financial statements of Excel Crop Care (Africa) Limited which comprise the statement of financial position as at 31 March 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the Tanzanian Companies Act, 2002. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 judgments, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements presents fairly, in all material respects, the financial position of Excel Crop Care (Africa) Limited as at 31 March 2013, and of its financial performance and cash flows for the period then ended in accordance with the International Financial Reporting Standards and complies with the Companies Act, 2002.

Elinisaidie K. Msuri

Partner
MEKONSULT
Certified Public Accountants

Dar es Salaam

14 May, 2013

EXCEL CROP CARE (AFRICA) LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2013

	NOTES	2013 TShs	2012 TShs
ASSETS			
Non-current assets			
Property, Plant & Equipment	5	16,500,000	—
Advances & Prepayments Bonds		12,198,000	—
Deferred tax assets	6	1,350,103	—
		30,048,103	—
Current assets			
Inventory	7	1,200,000	1,800,000
Trade and other receivables	8	2,359,071,645	657,069,894
Prepaid Tax	9	12,192,411	(2,253,647)
Cash and bank balances	10	405,380,278	356,241,632
		2,777,844,334	1,012,857,879
Total assets		2,807,892,437	1,012,857,879
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	11	170,000,000	170,000,000
Retained earnings		187,076,753	53,112,751
Shareholders' interests		357,076,753	223,112,751
Current liabilities			
Trade and other payables	12	2,450,815,684	789,745,128
		2,450,815,684	789,745,128
Total equity and liabilities		2,807,892,437	1,012,857,879

The financial statements have been approved for issue by the Board of Directors on 14th May, 2013

Dipesh K. Shroff
K. Srinivasan
Ravi S. Bhatia
Directors

14th May, 2013

The notes on pages 10 to 17 form an integral part of the financial statements.
Report of the Auditors – Page 5

EXCEL CROP CARE (AFRICA) LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2013

	NOTES	2013 TShs	2012 TShs
Revenue		6,683,999,811	3,189,385,043
Cost of sales	13	(5,962,798,803)	(3,011,331,017)
Gross profit		721,201,008	178,054,026
Other income	14	(56,499,662)	146,186,857
		664,701,346	324,240,883
Operating Costs			
Staff costs	15	(143,185,125)	(97,265,395)
Administration Expenses	16	(264,498,275)	(104,690,571)
Other expenses	17	—	(4,331,237)
		(407,683,400)	(206,287,203)
Profit/(Loss) before finance costs		257,017,946	117,953,680
Finance costs	18	(63,692,991)	(17,793,128)
Profit before taxation		193,324,955	100,160,552
Provision for taxation	19	(57,997,486)	(30,048,165)
Profit for the year after taxation		135,327,469	70,112,387
The notes on pages 10 to 17 form an integral part of the financial statements. Report of the Auditors – Page 5			

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2013

	Share Capital TShs	Retained Earnings TShs	Total TShs
Balance at 1 April 2011	170,000,000	(16,999,636)	153,000,364
Profit for the year	—	70,112,387	70,112,387
Balance at 31 March 2012	170,000,000	53,112,751	223,112,751
Balance at 1 April 2012	170,000,000	53,112,751	223,112,751
Profit for the year	—	135,327,469	135,327,469
Net effect of prior year adjustments	—	(1,363,467)	(1,363,467)
Balance at 31 March 2013	170,000,000	187,076,753	357,076,753

The notes on pages 10 to 17 form an integral part of the financial statements.
Report of the Auditors – Page 5

EXCEL CROP CARE (AFRICA) LIMITED

STATEMENT OF CASH FLOWS FOR YEAR ENDED 31 MARCH 2013

	NOTES	2013 TShs	2012 TShs
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		193,324,955	100,160,552
Adjustments for:			
Prior year adjustments		(1,363,467)	—
Depreciation		7,500,000	—
Operating gain before working capital		199,461,488	100,160,552
Changes in working capital:			
— Increase in trade and other receivables		(1,702,001,751)	(657,069,894)
— Increase in trade and other payables		1,661,070,556	781,888,650
— Increase in Inventory		600,000	(1,800,000)
Cash generated in operations		159,130,293	223,179,308
Income tax paid		(73,793,647)	(19,908,960)
Net cash generated from operations		85,336,646	203,270,348
Cash flows from investing activities			
Purchase of Motor vehicle/Bond		(36,198,000)	—
Net cash used in investing activities		(36,198,000)	—
Increase in cash and cash equivalents		49,138,646	203,270,348
Cash and Cash equivalent at beginning of the year		356,241,632	152,971,284
Cash and Cash equivalent at end of the year		405,380,278	356,241,632

The notes on pages 10 to 17 form an integral part of the financial statements.

Report of the Auditors- Page 5

EXCEL CROP CARE (AFRICA) LIMITED

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

1. GENERAL INFORMATION

Excel Crop Care (Africa) Limited is a limited liability company incorporated and domiciled in the United Republic of Tanzania.

These financial statements will be submitted for consideration and approval at the forthcoming Annual Meeting of shareholders of the company.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

(a) Basis of preparation

The financial statements of Excel Crop Care (Africa) Limited comply with the Tanzanian Companies Act 2002 and have been prepared in accordance with International Financial Reporting Standards (IFRS). Where necessary, comparative figures have been amended to confirm with changes in presentation in the current year. The financial statements are prepared under the historical cost convention.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

(b) Financial instruments

Financial assets and financial liabilities are recognised on the company's balance sheet when the company has become a party to the contractual provisions of the instrument. The accounting policies in respect of the main financial instruments are set out below:

(i) Cash and cash equivalents

Cash and cash equivalents comprise, balances with banks, cash on hand, demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

(ii) Trade debtors and other receivables

Trade debtors and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade debtors and other receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of provision is recognised in the income statement.

Bad debts are written off after all steps to recover them have failed.

(iii) Financial liabilities and trade payables

Financial liabilities are recognised initially at fair value, net of transaction costs incurred. Financial liabilities are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the financial liability using the effective interest method.

Trade payables are initially measured at cost, which is the fair value of the amount payable in future, and are subsequently measured at amortised cost, using the effective interest rate method.

(iv) Fair values

Except where stated elsewhere, the carrying amounts of the financial instruments approximate their fair values because they carry market rates of interest.

(c) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of the company are measured using Tanzanian Shillings, the currency of the primary economic environment in which the entity operates ("functional currency").

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. They are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

(d) Deferred income taxes

Income tax expense is the aggregate of the charge to the income statement in respect of current income tax and deferred income tax. Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with Tanzania Income Tax Act 2004.

Deferred income tax is provided in full using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Under this method the company is required to make provision for deferred income taxes on the revaluation of certain non-current assets and, in relation to an acquisition, on the difference between the fair values of the net assets acquired and their tax base.

The principal temporary differences arise from depreciation on property, plant and equipment, and tax losses carried forward.

EXCEL CROP CARE (AFRICA) LIMITED

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

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred income tax is determined using tax rates (and laws) that have been enacted or subsequently enacted to the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is recognised as income tax benefit or expense in the year in which it arises.

(e) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Where the contract outcome can not be measured reliably, revenue is recognized only to the extent of the expenses incurred that are recoverable.

(f) Provisions

Provisions are recognised when the company has a present or constructive obligation as a result of past events; it is probable that an outflow of resources, that can be reliably estimated, will be required to settle the obligation.

(g) Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party making financial or operational decisions.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profits will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax asset that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(ii) Assets useful lives

The useful lives of plant and equipment have been estimated to be in line with the rate at which they are depreciated.

(iii) Provision for impairment of trade receivables

Provision for impairment of trade receivables have been estimated based on the probability of future recoverability of these receivables.

4. FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities comprise inter-company and trade payables. The main purpose of these financial liabilities is to raise finance for the operations of the Company. The Company has various financial assets such as trade receivables and cash and cash equivalents which arise directly from its operations.

The Company's activities expose it to a variety of financial risks, including:

- market risk - foreign currency risk;
- liquidity risk; and
- credit risk.

A description of the significant risk factors is given below together with the risk management policies applicable.

(i) Market risk - foreign currency risk

The Company operates wholly in Tanzania and its assets and liabilities are reported in Tanzanian Shillings. The Company receives significant part of its revenue in Euro and US Dollar currencies and also pays part of its expenses in foreign currency. It is exposed to foreign exchange risk arising from currency exposures primarily with respect to US Dollars and Euros.

Exposure to foreign currency risk is not hedged but the Company maintains bank accounts in Tanzanian Shillings, US Dollars and Euros to which payments obligations are designated.

(ii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and availability of funding through an adequate amount of committed credit facilities.

The Company minimises liquidity risks by maintaining adequate current assets that cover all current liabilities.

(iii) Credit risk

Potential concentration of credit risk consists partially of trade debtors. Trade debtors are presented net of provision for impairment. Accordingly, the Company has no significant credit risk which has not been adequately provided for. The Company maintains proper credit vetting and credit controls and the terms of sales on credit are with customers who have proven credit worthiness.

EXCEL CROP CARE (AFRICA) LIMITED

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

Details	Motor Vehicle TShs	Total TShs
5. PROPERTY, PLANT & EQUIPMENT		
Cost		
At 1st April, 2012	—	—
Additions:	24,000,000	24,000,000
At 31st March, 2013	24,000,000	24,000,000
Depreciation		
At 1st April, 2012	—	—
Charge for the year	7,500,000	7,500,000
At 31st March, 2013	7,500,000	7,500,000
Net book value		
At 31st March, 2013	16,500,000	16,500,000
At 31st March, 2012	—	—
	2013	2012
	TShs	TShs
6. DEFERRED TAX ASSET		
Balance brought forward	—	7,285,558
Credit /(charge) for the year ended 2013	1,350,103	(7,285,558)
Closing balance	1,350,103	—
Deferred tax asset arises from:		
Unrealised exchange loss	4,500,343	—
Total giving rise to deferred tax asset	4,500,343	—
Deferred tax assets thereon at 30%	1,350,103	—
7. INVENTORY		
Closing Stocks	1,200,000	1,800,000
	1,200,000	1,800,000
8. TRADE AND OTHER RECEIVABLES		
Sundry debtors	2,357,879,145	657,069,894
Prepayments	1,192,500	—
	2,359,071,645	657,069,894

EXCEL CROP CARE (AFRICA) LIMITED

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

	2013 TShs	2012 TShs
9. PREPAID TAX		
Balance at 1 April	(2,253,647)	600,000
Payment made during the year	73,793,647	19,908,960
Charge to Income Statement	(59,347,589)	(22,762,607)
Balance at 31st March,2013	<u>12,192,411</u>	<u>(2,253,647)</u>
10. CASH AND BANK BALANCES		
Cash in hand	1,570,989	665,550
Bank balances	403,809,289	355,576,082
	<u>405,380,278</u>	<u>356,241,632</u>
11. SHARE CAPITAL		
Authorised, Issued and fully paid 1,700 ordinary shares of TShs 100,000 each	<u>170,000,000</u>	<u>170,000,000</u>
12. TRADE AND OTHER PAYABLES		
Sundry Creditors	2,406,518,292	789,745,128
Accruals	44,297,392	—
	<u>2,450,815,684</u>	<u>789,745,128</u>
13. COST OF SALES		
Opening stock	1,800,000	—
Purchases	5,917,031,548	2,950,182,437
Clearing & Forwarding Charges	9,827,123	62,948,580
Environmental Protection Expenses -Direct	35,340,132	—
Closing stocks	(1,200,000)	(1,800,000)
	<u>5,962,798,803</u>	<u>3,011,331,017</u>
14. OTHER INCOME		
Insurance Claim Received	—	86,636,286
Exchange difference USD - TSH	(6,288,291)	25,198,886
Exchange difference Euro - Dollar	2,407,416	34,351,685
Exchange difference Euro - TShs	(619,469)	—
Realised loss Dollar - TShs	(33,937,518)	—
Realised gain Euro - TShs	1,415,138	—
Realised loss USD - Euro	(19,484,940)	—
Round Off	8,002	—
	<u>(56,499,662)</u>	<u>146,186,857</u>

EXCEL CROP CARE (AFRICA) LIMITED

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

	2013 TShs	2012 TShs
15. STAFF COSTS		
Salaries and wages	109,440,000	84,547,900
PPF Contribution	10,944,000	7,666,500
Skills & Development	547,200	5,050,995
Staff LTA	6,828,300	—
Staff Medical	1,185,625	—
School Fees	4,713,000	—
Driver's Salary	7,119,000	—
Other Allowance	2,408,000	—
	143,185,125	97,265,395
16. ADMINISTRATION EXPENSES		
Travelling Expenses	9,923,531	16,387,690
Office Expenses	—	12,473,230
Warehouse Rent	—	14,400,000
Office Rent	34,023,600	24,816,800
Insurance	565,334	3,660,750
Professional Fees	21,168,335	32,952,101
Bio efficacy trial fee	2,000,000	—
Staff welfare	1,640,154	—
Management Service Charges	6,720,000	—
Transport Charges	15,104,000	—
Repair and Maintenance	1,962,205	—
Clearing & Forwarding charges	363,802	—
Courier, Internet, Phone and Postal Charges	4,428,513	—
Printing & Stationery	1,333,195	—
City Service Levy	29,620,155	—
Motor Vehicle Running Expenses	3,357,964	—
Newspaper and Periodicals	351,300	—
Registration and licence fees	5,764,000	—
Accommodation Charges	4,227,483	—
Electricity Expense	2,417,011	—
Depreciation	7,500,000	—
Promotional Expenses	112,027,693	—
	264,498,275	104,690,571

EXCEL CROP CARE (AFRICA) LIMITED

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

	2013 TShs	2012 TShs
17. OTHER EXPENSES		
Loss of stock	—	4,331,237
	<u>—</u>	<u>4,331,237</u>
18. FINANCE COSTS		
Bank charges	63,692,991	17,793,128
	<u>63,692,991</u>	<u>17,793,128</u>
19. PROVISION FOR TAXATION		
Current income tax	59,347,589	22,762,607
Deferred tax charge	(1,350,103)	7,285,558
	<u>57,997,486</u>	<u>30,048,165</u>
Tax Rate Reconciliation	%	%
Standard rate of Income tax	30	30
Effective tax rate	30	30
20. RELATED PARTY TRANSACTIONS		
The following were the related party transactions in year ended 31 March 2013:		
Goods purchases from related parties		
	2013 TShs	2012 TShs
Purchase from Excel Crop Care Limited (India)	5,510,012,560	2,753,109,937
Purchase from Excel Crop Care (Europe) NV	—	107,222,400
	<u>5,510,012,560</u>	<u>2,860,332,337</u>
Key management personnel's remuneration		
The remuneration paid to key management personnel is stated in note 15 to the financial statements.		

EXCEL CROP CARE (AUSTRALIA) PTY LIMITED
ABN 87 068 044 831

DIRECTORS' REPORT

Your directors present their report on the Company for the financial year ended 31 March 2013.

Directors

The names of the directors in office at any time or since the end of the year are:

ASHWIN C. SHROFF

DIPESH K. SHROFF

JAGDISH R. NAIK

RODNEY C. GROSVENOR

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activities of the Company during the financial year were importing and trading of chemical products.

There was no trading activity during the year.

Operating Results

The loss of the company for the financial year after providing for income tax amounted to \$58,673 (2012: loss of \$29,824).

Review of Operations

A review of the operations of the Company during the financial year and the results of those operations show that during the year, the Company continued to engage in its principal activities, the results of which are disclosed in the attached financial statements. However, there was no revenue due to no trading activity during the year.

Dividends Paid or Recommended

No dividends were paid or declared since the start of the financial year. No recommendation for dividends has been made.

Options

No options over issued shares or interests in the Company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affect or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Indemnification of Officers or Auditors

The Company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Company or of a related body corporate:

- Indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer or auditor, including costs and expenses in successfully defending legal proceedings; or
- Paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer or auditor for the costs or expenses to defend legal proceedings.

EXCEL CROP CARE (AUSTRALIA) PTY LIMITED
ABN 87 068 044 831

Future Developments

The likely developments in the operations of the Company and the expected results of operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

Environmental Issues

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Court Proceedings

No person has applied for leave of Court to bring proceedings on behalf of the Company or Intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act, 2001* is set out on page 21.

Signed in accordance with a resolution of the Board of Directors:

DIPESH K. SHROFF
Director

RODNEY C. GROSVENOR
Director

Dated this 16th day of May, 2013

DIRECTORS' DECLARATION

The directors have determined that the Company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the Company declare that:

1. The financial statements and notes as set out in page 7 to 20 are in accordance with the *Corporations Act, 2001* and:
 - (a) comply with Accounting Standards; and
 - (b) give a true and fair view of the Company financial position as at 31 March, 2013 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

DIPESH K. SHROFF
Director

RODNEY C. GROSVENOR
Director

Dated this 16th day of May, 2013

EXCEL CROP CARE (AUSTRALIA) PTY LIMITED

ABN 87 068 044 831

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EXCEL CROP CARE (AUSTRALIA) PTY LIMITED

Report on the Special Purpose Financial Statements

I have audited the accompanying financial statements, being special purpose financial statements of Excel Crop Care (Australia) Pty Ltd which comprise the statement of financial position as at 31 March 2013, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of the financial statements that give a true and fair view and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial statements, are appropriate to meet the requirements of the *Corporations Act, 2001* and are appropriate to meet the needs of the member. The directors' responsibility also includes designing, implementing and maintaining internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

The special purpose financial statements have been prepared for distribution to the member for the purpose of fulfilling the director's financial reporting requirements under the *Corporations Act, 2001*. I disclaim any assumption of responsibility for any reliance on this report or on the financial statements to which it relates to any person other than the member, or for any purpose other than that for which was prepared.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of the *Corporations Act, 2001*. I confirm that the independence declaration required by the *Corporations Act, 2001*, provided to the directors of Excel Crop Care (Australia) Pty Ltd. set out on page 21, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In my opinion, the financial statements of Excel Crop Care (Australia) Pty Ltd. are in accordance with the *Corporations Act, 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 31 March, 2013 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001.

P N MARKOULLI,
Registered Company Auditor: 159374.

Dated this 17th day of May, 2013.
Suite 206/13A Montgomery Street Kogarah NSW 2217

EXCEL CROP CARE (AUSTRALIA) PTY LIMITED
ABN 87 068 044 831

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST MARCH, 2013

	NOTE	2013 A \$	2012 A \$
Revenue	2	—	—
Cost of Sales	3	—	—
Gross Profit		—	—
Foreign Exchange gain/(loss)		(86)	300
Other Expenses		(39,079)	(42,905)
Profit/(Loss) before Income Tax		(39,165)	(42,605)
Income Tax (expense)/revenue	4	(19,508)	12,781
Profit/(Loss) for the year		(58,673)	(29,824)
Other comprehensive income		—	—
Total comprehensive income for the year		—	—
Total comprehensive income/(expense) attributable to the member		(58,673)	(29,824)

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH, 2013

	NOTE	2013 A \$	2012 A \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	91,690	130,852
Other current assets	6	665	667
TOTAL CURRENT ASSETS		92,355	131,519
NON-CURRENT ASSETS			
Financial Assets	7	1,135	1,135
Deferred Tax Assets	8	—	19,509
TOTAL NON-CURRENT ASSETS		1,135	20,644
TOTAL ASSETS		93,490	152,163
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	9	12,315	12,315
TOTAL CURRENT LIABILITIES		12,315	12,315
TOTAL LIABILITIES		12,315	12,315
NET ASSETS		81,175	139,848
EQUITY			
Issued capital	10	25,000	25,000
Retained earnings		56,175	114,848
TOTAL EQUITY		81,175	139,848

EXCEL CROP CARE (AUSTRALIA) PTY LIMITED
ABN 87 068 044 831

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2013

	NOTE	2013 A \$	2012 A \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		—	—
Payments to suppliers and employees		(39,076)	(42,667)
Exchange gain/(loss)		(86)	300
Income Tax (paid)/received		—	—
Net cash provided by operating activities	11	(39,162)	(42,367)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments		—	—
Net cash used in investing activities		—	—
Net (decrease)/increase in cash & cash equivalents		(39,162)	(42,367)
Cash and cash equivalents at beginning of financial year		130,852	173,219
Cash and cash equivalents at end of financial year	5	91,690	130,852

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2013

	NOTE	Share Capital Ordinary Shares A \$	Retained Earnings (Accumulated Losses) A \$	Total A \$
EQUITY				
Balance as at 1 April 2011	10	25,000	144,672	169,672
Total comprehensive income for the year		—	(29,824)	(29,824)
Balance as at 31 March 2012		25,000	114,848	139,848
Balance as at 1 April 2012	10	25,000	114,848	139,848
Total comprehensive income for the year		—	(58,673)	(58,673)
Balance as at 31 March 2013		25,000	56,175	81,175

EXCEL CROP CARE (AUSTRALIA) PTY LIMITED

ABN 87 068 044 831

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

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report covers Excel Crop Care (Australia) Pty Ltd. Excel Crop Care (Australia) Pty Ltd. is a Company limited by shares and domiciled in Australia.

Reporting Basis and Conventions

The directors have prepared the financial statements on the basis that the Company is a non-reporting entity because there are no users who are dependent on its special purpose financial statements, these financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Corporations Act, 2001*.

The financial statements have been prepared in accordance with the mandatory Accounting Standards applicable to entities reporting to the Australian Securities and Investments Commission under the *Corporations Act, 2001* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of the member. Such accounting policies are consistent with the previous year unless stated otherwise.

The financial statements have been prepared on accrual basis and are based on historical costs unless otherwise stated in the notes. The material accounting policies that have been adopted in the preparation of these statements are as follows:

Accounting Policies

(a) Income tax

The income tax expense (revenue) for the year comprises current income tax expense (Income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

As at 31 March 2013, the directors decided to de-recognise the entire deferred tax asset of \$31,257 due to no foreseeable sales revenue will be derived in near term. Nevertheless, the deferred tax asset will be recognised again when future sales are derived.

(b) Foreign Currency Transactions and Balances

Foreign currency transactions during the period are converted to Australian currency at the rates of exchange applicable at the dates of the transactions. Amounts receivable and payable in foreign currencies at balance date are converted to the rates of exchange ruling at that date.

The gains and losses from conversion of assets and liabilities, whether realised or unrealised, are included in profit from ordinary activities as they arise. The assets and liabilities of overseas controlled entities, which are self-sustaining, are translated at year-end rates and operating results are translated at rates ruling at the end of each month. Gains and losses arising on translation are taken directly to the statements of comprehensive income.

(c) Cash and cash equivalents

For the purposes of the Cash Flow Statement, cash includes cash on hand, at banks and on deposit.

(d) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

EXCEL CROP CARE (AUSTRALIA) PTY LIMITED
ABN 87 068 044 831

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

NOTE 1 — STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES — (Contd.)

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as: (i) the amount at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and (iv) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The Company does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit or loss

Financial assets are classified as 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

(e) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

(f) Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by Accounting Standards or as a result to changes in accounting policy.

(g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of the GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the financial statements of the financial position.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(h) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key Estimates

Impairment

The Company assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the Company that may be indicative of impairment triggers.

EXCEL CROP CARE (AUSTRALIA) PTY LIMITED

ABN 87 068 044 831

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

NOTE 1 — STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES — (Contd.)

(i) Adoption of new and revised accounting standards

The significant impact(s) arising from the adoption of standards during the reporting period are shown below:

(j) New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided against early adoption of these Standards. The following table summarises those future requirements, and their impact on the Company:

Standard Name	Effective date for entity	Requirements	Impact
AASB 1053	30 June, 2014	This Standard allows certain entities to reduce disclosures.	Excel Crop Care (Australia) Pty Ltd is not able to apply this Standard or the impact of this Standard has not yet been determined as the entity has a choice on whether to apply

(k) Segment Reporting

The Company operates in Australia, but it is controlled by a foreign public company domiciled in India. The principal activity of the Company is the import and distribution of chemical products around Australia.

The Financial Report is authorised for issue on 9th May, 2013 by the Board of directors.

	2013 A\$	2012 A\$
NOTE 2 — REVENUE AND OTHER INCOME		
Sales revenue:		
— Sale of Goods	—	—
Total revenue	<u>—</u>	<u>—</u>
NOTE 3 — PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
Profit/(Loss) from ordinary activities before income tax expense has been determined after:		
Expenses		
Cost of Sales	—	—
Remuneration of Auditor		
Audit or Review	5,000	5,000
Net foreign exchange gains/(losses)	(86)	300
NOTE 4 — INCOME TAX EXPENSE		
(a) Income tax recognised in profit or loss		
Tax expense comprises:		
Current year tax expense	(31,257)	—
Deferred tax	11,749	12,781
Total income tax expense	<u>(19,508)</u>	<u>12,781</u>
(b) The prima facie tax payable on profit/(loss) from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Profit/(loss) from continuing operation	(39,165)	(42,605)
Income tax expense calculated at 30%	11,749	12,781
Reversal of total deferred tax assets	(31,257)	—
Income tax expense attributable to profit/(loss) from continuing operation	<u>(19,508)</u>	<u>12,781</u>
NOTE 5 — CASH AND CASH EQUIVALENTS		
Cash at Bank	1,590	40,666
Excel (Aust) USD Account	90,100	90,186
	<u>91,690</u>	<u>130,852</u>

EXCEL CROP CARE (AUSTRALIA) PTY LIMITED
ABN 87 068 044 831

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

	2013 A\$	2012 A\$
NOTE 6 — OTHER CURRENT ASSETS		
Current		
GST Receivable	665	667
	<u>665</u>	<u>667</u>
NOTE 7 — FINANCIAL ASSETS		
Non-Current		
Shares in related companies – at cost	1,135	1,135
	<u>1,135</u>	<u>1,135</u>
NOTE 8 — TAX		
Assets		
Non-Current		
Deferred Tax Asset	—	19,509
	<u>—</u>	<u>19,509</u>
NOTE 9 — TRADE AND OTHER PAYABLES		
Current		
Trade Payables	12,315	12,315
	<u>12,315</u>	<u>12,315</u>
NOTE 10 — ISSUED CAPITAL		
25,000 (2012: 25,000) Fully paid ordinary shares		
Fully Paid Ordinary Shares		
Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number shares held. Ordinary shares are entitled to one vote when a poll is called	<u>25,000</u>	<u>25,000</u>
NOTE 11 — CASH FLOW INFORMATION		
Reconciliation of Cash Flow from Operations with Profit/(Loss) after Income Tax		
Profit after Income tax	(58,673)	(29,824)
Add/(Less) Non cash flows in profit:		
– Unrealised foreign exchange gain/(loss)	(9,456)	(9,370)
Changes in assets and liabilities		
– (Increase)/Decrease in receivables	—	238
– (Increase)/Decrease in deferred tax payables	19,508	(12,781)
– Increase/(Decrease) in payables	9,459	9,370
Net cash provided by operating activities	<u>(39,162)</u>	<u>(42,367)</u>

EXCEL CROP CARE (AUSTRALIA) PTY LIMITED

ABN 87 068 044 831

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

NOTE 12 — RELATED PARTIES

Directors

The names of each person holding the position of Director of Excel Crop Care (Australia) Pty Limited during the financial year are as follows:-

Ashwin C. Shroff
Dipesh K. Shroff
Jagdish R. Naik
Rodney C. Grosvenor

The Company is a wholly owned subsidiary of Excel Crop Care Limited in India.

The Company imports chemical products from Excel Crop Care Limited.

Rod Grosvenor, a director of the Company is a principal of Grosvenor Business Advisers Chartered Accountants. Grosvenor Business Advisers Chartered Accountants provided accounting services to Excel Crop Care (Australia) Pty Limited during the year which amounted to \$25,500. (2012: \$25,500)

	2013 A\$	2012 A\$
NOTE 13 — AUDITORS' REMUNERATION		
Fees received and/or receivable for:		
Audit fees	5,000	5,000
	<u>5,000</u>	<u>5,000</u>
The Auditor received no other benefits.		
NOTE 14 — KEY MANAGEMENT PERSONNEL COMPENSATION		
Total Compensation – Directors fees	4,000	4,000
	<u>4,000</u>	<u>4,000</u>

NOTE 15 — ECONOMIC DEPENDENCY

The Company usually has one customer and one supplier. However, there was no trading activity for the year ended 31 March, 2013.

NOTE 16 — FINANCIAL RISK MANAGEMENT

Specific Financial Risk Exposure and Management

Foreign exchange rate risk

The Company's exposure to foreign exchange rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in foreign exchange rates on a continuous basis. The Company has to pay its future supplier in USD and therefore it maintains a bank account in US dollars. Nevertheless, the cash and cash equivalents are deposited with well reputable bank in Australia.

NOTE 17 — COMPANY DETAILS

The registered office and principal place of business of the Company is:
Level 2, 333 George Street, Sydney NSW 2000.

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF EXCEL CROP CARE (AUSTRALIA) PTY LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 31 March, 2013 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act, 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

P. N. MARKOULLI,
Registered Company Auditor: 159374.

Dated this 16th day of May, 2013.
Suite 206/13A Montgomery Street Kogarah NSW 2217

Liability limited by a scheme approved under Professional Standards Legislation

EXCEL CROP CARE (EUROPE) N. V.

ANNUAL REPORT OF THE BOARD OF DIRECTORS AT THE ORDINARY GENERAL MEETING

Dear Shareholders,

We have the honour of reporting the activities of the Company and our policy during the past financial year, ended March 31, 2013, in accordance with the Companies Code.

Comments on the annual accounts

These comments are based on the balance sheet after appropriation and are consequently valid under reservation of approval of the proposed appropriation by the ordinary general meeting.

The draft of the annual accounts has been drawn up in accordance with the provisions of the Royal Decree of 30 January, 2001 concerning the implementation of the Companies Code, and more in particular book II, title I, concerning the annual accounts of companies and in accordance with the special legal and regulatory provisions applying to the Company.

Comments on the activities

During the past financial year, the Company realised a loss of 28.063,54 EUR, compared to a profit for an amount of 3.639,77 EUR at the end of the previous financial year.

The Company realised a turnover of 3.580.928,89 EUR during the past financial year and other operating income amounting to 31.948,80 and closes the financial year with a balance sheet total of 3.215.499,12 EUR.

After taking into account the operating charges amounting to 3.611.072,90 EUR, the operating profit amounts to 1.804,79 EUR.

The financial income and the financial charges respectively amount to 75.262,81 EUR and 105.131,14 EUR, so the final loss of the financial year amounts to 28.063,54 EUR.

Comments on the annual accounts (in EUR)

The annual accounts reflect the following situation:

Balance Sheet total	3.215.499,12
Turnover	3.580.928,89
Profit to be appropriated	1.538.570,75
Loss for the period available for appropriation	28.063,54
Profit of the previous financial year brought forward	1.566.634,29
Profit to be carried forward	1.538.570,75

Appropriation of the results

We propose the following appropriation of the results (in *units EUR*):

Profit to be appropriated:	1.538.570,75
Composed of:	
— Loss for the period available for appropriation	28.063,54
— Profit brought forward	1.566.634,29
Profit to be carried forward	1.538.570,75

Main risks and uncertainties

Except for the ordinary business risks, the board of directors holds the opinion that there are no specific risks or uncertainties.

Conflict of interests of a patrimonial nature of a director

We report that during the financial year, no transactions or decisions have occurred which fall within the scope of article 523 of the Companies Code.

EXCEL CROP CARE (EUROPE) N. V.

Important events during the financial year

During the financial year ending on March 31, 2013, no special events have occurred that may significantly influence the results or the financial situation of the Company.

Important events after the closing of the financial year

Since the closing of the financial year ending on March 31, 2013, no special events have occurred that may significantly influence the results or the financial situation of the Company.

Information about the circumstances that could have a considerable impact on the development of the Company

We do not expect any circumstances that could have a considerable impact on the evolution of our Company.

Research and development

In the field of research and development, no activities have been carried out during the past financial year.

Capital increases and issue of convertible bonds and warrants decided on by the Board of Directors during the financial year

No capital increases have taken place during the financial year, nor were there any convertible bonds or warrants issued by means of a decision of the Board of Directors.

Branches

The Company does not have any branch offices.

Acquisition of own shares

Not applicable.

Financial instruments

The Company does not use any financial instruments that could be important for the evaluation of its assets, liabilities, financial situation or its results.

Conclusion

We request your approval of the annual accounts and to release these to us for the execution of the mandate carried out during the past financial year.

Finally, we would like to thank those who dedicated themselves to the functioning of the Company during the past financial year.

For the Board of Directors, April 19, 2013.

Prakash Keshavji Shroff *Managing Director*

Dipesh Kantisen Shroff
Jagdish Ramanlal Naik
Raghunathan Hariharan
Usha Ashwin Shroff

} *Directors*

**STATUTORY AUDITOR'S REPORT FOR THE YEAR
ENDED MARCH 31, 2013
TO THE SHAREHOLDERS' MEETING OF THE COMPANY**

To the Shareholders,

As required by law and the Company's articles of association, we are pleased to report to you on the audit assignment which you have entrusted to us.

We have examined the financial statements of Excel Crop Care (Europe) NV for the year ended March 31, 2013 which show total assets of 3.215.499,12 EUR and an income statement resulting in a loss for the year of 28.063,54 EUR. We have also performed those specific additional audit procedures required by the Companies Code.

The Board of Directors of the Company is responsible for the preparation of the financial statements and the directors' report in accordance with the legal and regulatory requirements applicable in Belgium, and for the assessment of the information that should be included in the directors' report.

We conducted our audit in accordance with the standards of the "Institute des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren".

Unqualified audit opinion on the financial statements

The audit standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement taking into account the legal and regulatory requirements applicable to financial statements in Belgium.

In accordance with these standards we have taken into account the administrative and accounting organization of your Company as well as its internal control processes. The responsible officers of the Company have replied clearly to all our requests for explanations and information. We have examined, on a test basis, the evidence supporting the amounts included in the financial statements. We have assessed the accounting policies used, the significant accounting estimates made by the Company and the presentation of the financial statements, taken as a whole. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, taking account of the applicable legal and regulatory requirements, the financial statements give a fair and true view of the Company's assets, liabilities, and financial position as of March 31, 2013, and of the results of its operations for the year then ended, and the information given in the notes to the financial statements is adequate.

Additional attestations

We supplement our report with the following attestations which do not change the scope of our audit opinion on the financial statements:

- The directors' report contains the information required by the Companies Code and is consistent with the financial statements. However, we are not in a position to render an opinion as to whether the description of the major risks and uncertainties that the Company is facing included in the directors' report is complete.
- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained and the financial statements have been prepared in accordance with the legal and regulatory requirements applicable in Belgium.
- No transactions have been undertaken or decisions taken in violation of the Company's Articles or the Companies Code such as we would be obliged to report to you. The appropriation of the results proposed to the General Meeting is in accordance with the requirements of the law and the Company's Articles.

Zandhoven, May 13, 2013

The Statutory Auditor,
MERTENS, DEWAELE, ACHTEN & C^o
Certified Public Accountants BV ufo BVBA
Represented by DIRK ACHTEN

EXCEL CROP CARE (EUROPE) N. V.

BALANCE SHEET AS AT 31ST MARCH, 2013

BALANCE SHEET AFTER APPROPRIATION	Discl.	Codes	31-03-2013 €	31-03-2012 €
1. BALANCE SHEET				
ASSETS				
FIXED ASSETS		20/28	3.300,00	3.300,00
I. Formation expenses	5.1	20	—	—
II. Intangible fixed assets	5.2	21	—	—
III. Tangible fixed assets	5.3	22/27	—	—
A. Land and buildings		22	—	—
B. Plant, machinery and equipment		23	—	—
C. Furniture and vehicles		24	—	—
D. Leasing and similar rights		25	—	—
E. Other tangible fixed assets		26	—	—
F. Assets under construction and advance payments		27	—	—
IV. Financial fixed assets	5.4/5.5.1	28	3.300,00	3.300,00
A. Affiliated enterprises	5.14	280/1	—	—
1. Participating interests		280	—	—
2. Amounts receivable		281	—	—
B. Other enterprises linked by participating interests	5.14	282/3	—	—
1. Participating interests		282	—	—
2. Amounts receivable		283	—	—
C. Other financial assets		284/8	3.300,00	3.300,00
1. Shares		284	—	—
2. Amounts receivable and cash guarantees		285/8	3.300,00	3.300,00
CURRENT ASSETS		29/58	3.212.199,12	2.859.560,08
V. Amounts receivable after more than one year		29	—	—
A. Trade debtors		290	—	—
B. Other amounts receivable		291	—	—
VI. Stocks and contracts in progress		3	263.455,71	214.218,33
A. Stocks		30/36	263.455,71	214.218,33
1. Raw materials and consumables		30/31	—	—
2. Work in progress		32	—	—
3. Finished goods		33	—	—
4. Goods purchased for resale		34	263.455,71	214.218,33
5. Immovable property intended for sale		35	—	—
6. Advance payments		36	—	—
B. Contracts in progress		37	—	—
VII. Amounts receivable within one year		40/41	2.272.472,77	982.611,89
A. Trade debtors		40	2.261.605,00	972.597,43
B. Other amounts receivable		41	10.867,77	10.014,46
VIII. Current Investments	5.5.1/5.6	50/53	—	1.138.000,00
A. Own shares		50	—	—
B. Other investments		51/53	—	1.138.000,00
IX. Cash at bank and in hand		54/58	672.820,64	511.872,08
X. Deferred charges and accrued income	5.6	490/1	3.450,00	12.857,78
TOTAL ASSETS		20/58	3.215.499,12	2.862.860,08

EXCEL CROP CARE (EUROPE) N. V.

BALANCE SHEET AS AT 31ST MARCH, 2013 (Cont'd.)

	Discl.	Codes	31-03-2013 €	31-03-2012 €
EQUITY AND LIABILITIES				
EQUITY (+)/(-)		10/15	1.607.870,75	1.635.934,29
I. Capital	5.7	10	63.000,00	63.000,00
A. Issued capital		100	63.000,00	63.000,00
B. Uncalled capital		101	—	—
II. Share premium account		11	—	—
III. Revaluation surpluses		12	—	—
IV. Reserves		13	6.300,00	6.300,00
A. Legal reserve		130	6.300,00	6.300,00
B. Reserves not available		131	—	—
1. In respect of own shares held		1310	—	—
2. Other		1311	—	—
C. Untaxed reserves		132	—	—
D. Available reserves		133	—	—
V. Accumulated profits/(losses) (+)/(-)		14	1.538.570,75	1.566.634,29
VI. Investment grants		15	—	—
Advance to associates on the sharing out of the assets		19	—	—
PROVISIONS AND DEFERRED TAXES		16	—	—
VII. A. Provisions for liabilities and charges		160/5	—	—
1. Pensions and similar obligations		160	—	—
2. Taxation		161	—	—
3. Major repairs and maintenance		162	—	—
4. Other liabilities and charges	5.8	163/5	—	—
B. Deferred Taxes		168	—	—
AMOUNTS PAYABLE		17/49	1.607.628,37	1.226.925,79
VIII. Amounts payable after more than one year	5.9	17	—	—
A. Financial debts		170/4	—	—
1. Subordinated loans		170	—	—
2. Unsubordinated debentures		171	—	—
3. Leasing and other similar obligations		172	—	—
4. Credit institutions		173	—	—
5. Other loans		174	—	—
B. Trade debts		175	—	—
1. Suppliers		1750	—	—
2. Bills of exchange payable		1751	—	—
C. Advances received on contracts in progress		176	—	—
D. Other amounts payable		178/9	—	—
IX. Amounts payable within one year		42/48	1.509.178,88	1.173.813,67
A. Current portion of amounts payable after more than one year falling due within one year	5.9	42	—	—
B. Financial debts		43	—	—
1. Credit institutions		430/8	—	—
2. Other loans		439	—	—
C. Trade debts		44	1.494.178,88	1.158.813,67
1. Suppliers		440/4	1.494.178,88	1.158.813,67
2. Bills of exchange payable		441	—	—
D. Advances received on contracts in progress		46	—	—
E. Taxes, remuneration and social security	5.9	45	15.000,00	15.000,00
1. Taxes		450/3	15.000,00	15.000,00
2. Remuneration and social security		454/9	—	—
F. Other amounts payable		47/48	—	—
X. Accruals and deferred income	5.9	492/3	98.449,49	53.112,12
TOTAL LIABILITIES		10/49	3.215.499,12	2.862.860,08

EXCEL CROP CARE (EUROPE) N. V.

INCOME STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	Discl.	Codes	31-03-2013 €	31-03-2012 €
2. INCOME STATEMENT				
I. Operating Income		70/74	3.612.877,69	2.738.130,49
A. Turnover	5.10	70	3.580.928,89	2.737.779,37
B. Stocks of finished goods and work and contracts in progress: increase/(decrease) (+)/(-)		71	—	—
C. Own work capitalised		72	—	—
D. Other operating income	5.10	74	31.948,80	351,12
II. Operating charges (+)/(-)		60/64	3.611.072,90	2.735.973,80
A. Raw materials, consumables		60	3.421.464,04	2.542.814,47
1. Purchases		600/8	3.469.337,13	2.447.912,41
2. Stocks: decrease/(increase) (+)/(-)		609	-47.873,09	94.902,06
B. Services and other goods		61	189.491,86	191.962,83
C. Remuneration, social security costs and pensions (+)/(-)	5.10	62	—	—
Depreciation of and other amounts written off formation expenses, intangible and tangible fixed assets		630	—	—
Amounts written off stocks, contracts in progress and trade debtors: Appropriations (write-backs) (+)/(-)		631/4	-1.100,00	—
Provisions for liability and charges: Appropriations (uses and write-backs) (+)/(-)	5.10	635/7	—	—
Other operating charges	5.10	640/8	1.217,00	1.196,50
Operating charges carried to assets as restructuring costs (-)		649	—	—
III. Operating Profit/(Loss) (+)/(-)		9901	1.804,79	2.156,69
IV. Financial income		75	75.262,81	105.322,39
A. Income from financial fixed assets		750	—	—
B. Income from current assets		751	1.909,02	22.169,72
C. Other financial income	5.11	752/9	73.353,79	83.152,67
V. Financial charges (+)/(-)	5.11	65	105.131,14	103.839,31
A. Debt charges		650	—	58,16
B. Amounts written off current assets except stocks, contracts in progress and trade debtors: appropriations (write-backs) (+)/(-)		651	—	—
C. Other financial charges (+)/(-)		652/9	105.131,14	103.781,15
VI. Gain/(Loss) on ordinary activities before taxes (+)/(-)		9902	-28.063,54	3.639,77
VII. Extraordinary Income		76	—	—
A. Write-back of depreciation and of amounts written off intangible and tangible fixed assets		760	—	—
B. Write-back of amounts written down financial fixed assets		761	—	—
C. Write-back of provisions for extraordinary liabilities and charges		762	—	—
D. Capital gain on disposal of fixed assets		763	—	—
E. Other extraordinary income	5.11	764/9	—	—

EXCEL CROP CARE (EUROPE) N. V.

INCOME STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013 (Cont'd.)

	Discl.	Codes	31-03-2013	31-03-2012
			€	€
VIII. Extraordinary Charges (+)/(-)		66	—	—
A. Extraordinary depreciation of and extraordinary amounts written off formation expenses, intangible and tangible fixed assets		660	—	—
B. Amounts written off financial fixed assets		661	—	—
C. Provisions for extraordinary liabilities and charges: appropriations (uses) (+)/(-)		662	—	—
D. Capital Losses on disposal of fixed assets		663	—	—
E. Other extraordinary charges	5.11	664/8	—	—
F. Extraordinary charges carried to assets as restructuring costs (-)		669	—	—
IX. Gain/(Loss) for the period before taxes (+)/(-)		9903	-28.063,54	3.639,77
Transfer from deferred taxes		780	—	—
Transfer to deferred taxes		680	—	—
X. Income taxes (+)/(-)	5.12	67/77	—	—
Income taxes		670/3	—	—
Adjustment of income taxes and write-back of tax provisions		77	—	—
XI. Gain/(Loss) of the period (+)/(-)		9904	-28.063,54	3.639,77
XII. Transfer from untaxed reserves		789	—	—
Transfer to untaxed reserves		689	—	—
XIII. Gain/(Loss) of the period available for appropriation (+)/(-)		9905	-28.063,54	3.639,77

APPROPRIATION ACCOUNT				
		Codes	31-03-2013	31-03-2012
			€	€
A. Profit/(Loss) to be appropriated (+)/(-)		9906	1.538.570,75	1.566.634,29
1. Gain/(Loss) of the period available for appropriation (+)/(-)		(9905)	-28.063,54	3.639,77
2. Profit/(Loss) brought forward (+)/(-)		14P	1.566.634,29	1.562.994,52
B. Withdrawals from capital and reserves		791/2	—	—
1. From capital and share premium account		791	—	—
2. From reserves		792	—	—
C. Transfer to capital and reserves		691/2	—	—
1. To capital and share premium account		691	—	—
2. To legal reserve		6920	—	—
3. To other reserves		6921	—	—
D. Profit/(Loss) to be carried forward (+)/(-)		(14)	1.538.570,75	1.566.634,29
E. Owners' contribution in respect of losses		794	—	—
F. Profit to be distributed		694/6	—	—
1. Dividends		694	—	—
2. Directors' or managers' entitlements		695	—	—
3. Other beneficiaries		696	—	—