EXCEL CROP CARE LIMITED
ANNUAL REPORTS
OF
SUBSIDIARY COMPANIES
2010-11

EXCEL CROP CARE LIMITED
SUBSIDIARY COMPANIES
2010-11

C O N T E N T S

DIRECTORS' REPORT

TO THE MEMBERS,

Your Directors present the Fourth Annual Report and the Audited Statement of Accounts of the Company for the year ended 31st March, 2011.

1. FINANCIAL RESULTS AND OPERATIONS

During the year under review the Sales Turnover was ₹ 374.66 lacs as against ₹ 198.05 lacs in the previous year (during the previous year the business was operated for nine months from 1st July, 2009). The Company was able to build critical volume of vegetable hybrid seeds during the year. During the year the Company incurred a loss of ₹ 84.97 lacs (previous year loss: ₹ 54.77 lacs) after providing for depreciation and amortisation of intangible assets aggregating ₹ 20.40 lacs. The financial year 2010-11 witnessed production constraints because of insects attack and diseases and unfavourable climatic conditions.

In view of the losses no dividend is recommended.

Your Company has taken a farm on lease in Bangalore district for research and development activities. The Company has invested in developing research and development infrastructure in the farm and is making further investment commensurate with the requirements. These activities are expected to result in launch of own new varieties of hybrid seeds and improve profitability in the years to come. The Company's focus remains on vegetable seeds which have better profitability and give better market position.

The Company expects to achieve significantly higher sales turnover in the financial year 2011-12.

2. INCREASE IN SHARE CAPITAL AND ALLOTMENT OF SHARES

During the year under review your Company increased its paid up Share Capital from ₹ 20 lacs to ₹ 300 lacs by further issue and allotment of 28 lacs shares of ₹ 10/- each at par.

3. DIRECTORS

Mr. J. R. Naik, 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.

4. DIRECTORS' RESPONSIBILITY STATEMENT

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

(a) in the preparation of the annual accounts, 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 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 annual accounts on a going concern basis.

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

The information relating to research and development and 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.

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

Used – ₹ 20.37 lacs

Earned – Nil

6. AUDITORS

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.

For and on behalf of the Board of Directors

NINAD D. GUPTE
Chairman

Mumbai, 26th April, 2011.

ANNEXURE TO DIRECTORS' REPORT

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

RESEARCH AND DEVELOPMENT AND 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 set up a R&D farm and Centre in Bangalore District in Karnataka. The R&D focus of the Company is on development of new varieties of vegetable seeds.

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

   (a) Create and sustain market position.

   (b) Generate higher revenue.

   (c) Create brand value for the Company.

   (d) Timely introduction of new varieties of seeds.

   (e) Create better understanding of crops.

3. *Future Plan of Action:*

   Further strengthening of research and development infrastructure and development of newer varieties of vegetables seeds.

4. *Expenditure on R&D for the year 2010-11:*

		(₹ '000)
(a)	Capital	1928
(b)	Recurring	3549
(c)	Total	5477
(d)	Total R&D expenditure as a percentage of total turnover	14.62%

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION
Not Applicable.

For and on behalf of the Board of Directors

NINAD D. GUPTE
Chairman

Mumbai, 26th April, 2011.

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, 2010 to 31st March, 2011**. 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 17/05/2010, 24/09/2010, 02/11/2010 and 18/03/2011 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 31/03/2010 was held on 19/07/2010 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 not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company was not required to make 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) has delivered the certificates of securities on allotment in accordance with the provisions of the Act and there was no 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.
    (v) has complied with the requirements of Section 217 of the Act.

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 issued 28,00,000 Equity shares during the financial year and complied with the provisions of the Act.
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 31/03/2011 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 Extra-ordinary 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 : 26th April, 2011.

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, 2010 to 31st March, 2011.

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	23	192	Appointment of Shri Abhay Saraiya under Section 314(1-B)	09/04/2010	No	Yes
2	23	192	Authority to Board of Directors to borrow upto ₹ 2 crores under Section 293(1)(d)	27/07/2010	No	Yes
3	66	383A	Secretarial Compliance Certificate for the year 2009-10	05/08/2010	Yes	N.A.
4	32	303(2)	Change in designation of Shri Jagdish Ramanlal Naik and Shri Ninad D. Gupte from additional director to director w.e.f. 19/07/2010	10/08/2010	Yes	N.A.
5	23AC and 23 ACA	220	Balance Sheet as on 31/03/2010 and Profit and Loss Account for the year ended on that date.	11/08/2010	Yes	N.A.
6	20B	159	Annual Return as on 19/07/2010	23/08/2010	Yes	N.A
7	2	75(1)	Allotment of 28,00,000 Equity Shares each of ₹ 10/- at par	23/11/2010	Yes	N.A

AUDITORS' REPORT

To
The Members of Excel Genetics Limited

1. We have audited the attached Balance Sheet of Excel Genetics Limited ("the Company") as at 31st March, 2011 and also the Profit & Loss Account and Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above:
   (i) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
   (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   (iii) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
   (iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
   (v) On the basis of written representations received from the directors, as on 31st March, 2011 and taken on the record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
   (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
      (i) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
      (ii) in the case of Profit & Loss Account, of the loss of the Company for the year ended on that date; and
      (iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

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

per Santosh Aggarwal
Partner
Membership No. 093669

Place : Ahmedabad
Date : 26 April, 2011

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

Re: Excel Genetics Limited ('the Company')

(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 substantial disposal of fixed assets during the year.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during 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) (a) As informed, the Company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 and hence, requirements of clauses (iii)(b) to (d) of the Order are not applicable.

(b) As informed, the Company has not taken loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 and hence, requirements of clauses (iii)(f) and (g) of the Order are not applicable.

(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, no major weakness has been noticed in the internal control system in respect of these areas. The Company has not sold any services during the year.

(v) According to the information and explanations provided by the management, there are no contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under the above section.

(vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year and no order in this respect in case of the Company has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other tribunal.

(vii) The provisions relating to the internal audit are not applicable to the Company.

(viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.

(ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, wealth-tax, sales tax, customs duty, service tax and other material statutory dues applicable to it. As informed, the provisions relating to employees' state insurance, investor education and protection fund, excise duty are not applicable to the Company.

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, wealth-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, wealth tax, customs duty and cess which have not been deposited on account of any dispute.

(x) The Company has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty per cent or more of its net worth and whether it has incurred cash losses in such financial year and in the immediately preceding financial year.

(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 made preferential allotment of shares to a Company covered in the register maintained under section 301 of the Act. In our opinion the price at which shares have been issued is not prejudicial to the interest of the Company.

(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 course of our audit.

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

per Santosh Aggarwal
Partner
Membership No. 093669

Place : Ahmedabad
Date : 26 April, 2011

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	(₹)	As at 31st March, 2011 (₹)	As at 31st March, 2010 (₹)
SOURCES OF FUNDS				
1. SHAREHOLDERS' FUNDS:				
Share Capital	'A'		**30,000,000**	2,000,000
2. LOAN FUNDS:	'B'			
Secured Loans			**713,197**	—
Unsecured Loans			**—**	2,300,000
TOTAL			**30,713,197**	4,300,000
APPLICATION OF FUNDS				
1. FIXED ASSETS:	'C'			
(a) Gross Block		**2,468,875**		492,114
(b) *Less:* Accumulated Depreciation		**341,735**		99,231
(c) Net Block		**2,127,140**		392,883
(d) Capital Work-in-Progress		**392,845**		—
			2,519,985	392,883
2. INTANGIBLE ASSETS:	'D'			
(a) Gross Block		**10,201,736**		10,201,736
(b) *Less:* Accumulated Amortisation		**4,080,694**		2,040,347
(c) Net Block			**6,121,042**	8,161,389
3. INVESTMENTS	'E'		**6,072,559**	38,000
4. CURRENT ASSETS, LOANS AND ADVANCES:				
(a) Inventories	'F'	**8,842,123**		5,726,806
(b) Sundry Debtors	'G'	**1,313,236**		2,396,646
(c) Cash and Bank Balances	'H'	**1,491,217**		5,562,777
(d) Other Current Assets	'I'	**5,183**		1,923
(e) Loans and Advances	'J'	**671,344**		2,516,084
(A)		**12,323,103**		16,204,236
LESS: CURRENT LIABILITIES AND PROVISIONS:				
(a) Liabilities	'K'	**9,675,244**		26,303,983
(b) Provisions	'L'	**850,500**		366,100
(B)		**10,525,744**		26,670,083
NET CURRENT ASSETS/(LIABILITIES) (A - B)			**1,797,359**	(10,465,847)
5. MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)	'M'		**—**	468,734
6. PROFIT & LOSS ACCOUNT – DEBIT BALANCE			**14,202,252**	5,704,841
TOTAL			**30,713,197**	4,300,000
NOTES ON ACCOUNTS	'R'			

The schedules referred to above and notes to accounts form an integral part of the Balance Sheet.
As per our Report of even date.

For S.V. GHATALIA & ASSOCIATES
Firm Registration No. 103162W
Chartered Accountants.
per SANTOSH AGGARWAL
Partner
(Membership No.: 093669)

Place : Ahmedabad
Date : 26th April, 2011

NINAD D. GUPTE
Chairman
J. R. NAIK
Director

Mumbai,
26th April, 2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule	**Current Year (₹)**	Previous Year (₹)
INCOME			
Sale of Seeds		**37,466,285**	19,805,228
Other Income	'N'	**467,908**	1,923
		37,934,193	19,807,151
EXPENDITURE			
Consumption of Materials and Other Expenses	'O'	**42,567,270**	25,532,126
(Increase)/Decrease in Stocks	'P'	**1,269,517**	(2,629,908)
Depreciation		**242,504**	99,231
Amortisation of Intangible Assets		**2,040,347**	2,040,347
Interest	'Q'	**311,966**	242,061
		46,431,604	25,283,857
LOSS BEFORE TAXATION		**(8,497,411)**	(5,476,706)
Less: Provision for Taxation		**—**	—
LOSS AFTER TAXATION		**(8,497,411)**	(5,476,706)
Balance brought forward from Previous Year		**(5,704,841)**	(228,135)
LOSS CARRIED TO BALANCE SHEET		**(14,202,252)**	(5,704,841)
EARNING PER SHARE (Refer Note No. 6 in Schedule 'R')			
Basic and Diluted Earning Per Share		**(6.29)**	(41.05)
Face Value per Share of ₹ 10/- each			
NOTES ON ACCOUNTS	'R'		

The schedules referred to above and notes to accounts form an integral part of the Profit and Loss Account.

As per our Report of even date.

For S.V. GHATALIA & ASSOCIATES
Firm Registration No. 103162W
Chartered Accountants.
per SANTOSH AGGARWAL
Partner
(Membership No.: 093669)

Place : Ahmedabad
Date : 26th April, 2011

NINAD D. GUPTE
Chairman
J. R. NAIK
Director

Mumbai,
26th April, 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

		For the year ended 31st March, 2011		For the year ended 31st March, 2010	
		(₹)	(₹)	(₹)	(₹)
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Loss before Taxation		**(8,497,411)**		(5,476,706)
	Adjustments for:				
	Depreciation	**242,504**		99,231	
	Amortisation of Intangible Assets	**2,040,347**		2,040,347	
	Bad Debts/Sundry Debit Balance Written off	**62,084**		—	
	Unspent Liabilities, Excess Provisions no longer required written back	**(351,964)**		—	
	Profit on sale of Investments	**(70,119)**		—	
	Preliminary Expenses written off	**468,734**		126,867	
	Provision for Gratuity	**75,400**		33,271	
	Provision for Employee Leave Benefits	**409,000**		204,280	
	Interest Income	**(3,260)**		(1,923)	
	Interest Expenses	**311,966**		242,061	
	Dividend Income on current investments	**(9,047)**	**3,175,645**	—	2,744,134
	Operating Profit before working capital changes		**(5,321,766)**		(2,732,572)
	Adjustments for:				
	Decrease/(Increase) in Sundry Debtors	**1,021,326**		(2,169,629)	
	Decrease/(Increase) in Inventories	**(3,115,317)**		(5,726,806)	
	Decrease/(Increase) in Loans and Advances	**1,844,740**		6,055,545	
	Increase/(Decrease) in Current Liabilities & Provisions	**(16,276,775)**	**(16,526,026)**	16,055,469	14,214,579
	Cash generated from/(used in) from Operations		**(21,847,792)**		11,482,007
	Direct taxes paid		**—**		—
	Net Cash from/(used in) Operating Activities (A)		**(21,847,792)**		11,482,007
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of fixed assets		**(2,369,606)**		(492,114)
	Purchase of Intangible Assets		**—**		(10,201,737)
	Preliminary Expenses		**—**		(537,500)
	Purchase of Investments		**(14,534,559)**		(38,000)
	Sale of Investments		**8,570,119**		—
	Dividend Received		**9,047**		—
	Net Cash used in Investing Activities (B)		**(8,324,999)**		(11,269,351)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Finance for Vehicles		**800,000**		2,000,000
	Proceeds from Share Capital Issued		**28,000,000**		1,500,000
	Repayment of borrowings		**(2,386,803)**		—
	Interest paid		**(311,966)**		(242,061)
	Net Cash from Financing Activities (C)		**26,101,231**		3,257,939
	Net increase in Cash and Cash Equivalents (A+B+C)		**(4,071,560)**		3,470,595
	Cash and Cash Equivalents at the beginning of the year		**5,562,777**		2,092,182
	Cash and Cash Equivalents at the end of the year		**1,491,217**		5,562,777
	Components of Cash and Cash Equivalents				
	Cash on hand		**—**		—
	With Banks in Current Accounts		**1,491,217**		5,562,777
	Cash & Cash Equivalents in Cash Flow Statement:		**1,491,217**		5,562,777

Note: Cash flow statement has been prepared under Indirect Method.

As per our Report of even date.
For S.V. GHATALIA & ASSOCIATES
Firm Registration No. 103162W
Chartered Accountants.
per SANTOSH AGGARWAL
Partner
(Membership No.: 093669)
Place : Ahmedabad
Date : 26th April, 2011

NINAD D. GUPTE
Chairman
J. R. NAIK
Director

Mumbai,
26th April, 2011

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 'A'		As at 31st March, 2011 (₹)	As at 31st March, 2010 (₹)
SHARE CAPITAL			
AUTHORISED:			
50,00,000 (Previous Year: 50,00,000) Equity Shares of ₹ 10/- each		**50,000,000**	50,000,000
		50,000,000	50,000,000
ISSUED, SUBSCRIBED AND PAID-UP:			
30,00,000 (Previous Year: 2,00,000) Equity Shares of ₹ 10/- each fully paid-up		**30,000,000**	2,000,000
	TOTAL	**30,000,000**	2,000,000

Note:

Of the above, **22,50,000** (Previous Year: 1,50,000) Equity Shares are held by Excel Crop Care Limited, the Holding Company.

SCHEDULE 'B'		As at 31st March, 2011 (₹)	As at 31st March, 2010 (₹)
LOAN FUNDS			
SECURED LOANS:			
From a Bank under Vehicle Finance Scheme		**713,197**	—
	TOTAL	**713,197**	—
Above loan is secured by an exclusive charge by way of hypothecation of the Vehicle purchased under the said scheme.			
UNSECURED LOANS:			
Short Term Loans			
From Excel Crop Care Limited, the Holding Company		—	2,000,000
From Directors		—	300,000
	TOTAL	—	2,300,000

SCHEDULE 'C'

FIXED ASSETS (₹)

		GROSS BLOCK (AT COST)				ACCUMULATED DEPRECIATION				NET BLOCK	
Sr. No.	Description of Assets	As at 1st April, 2010	Additions during the year	Deductions during the year	**As at 31st March, 2011**	As at 1st April, 2010	Deductions/ Adjustments	Provided during the year	**As at 31st March, 2011**	**As at 31st March, 2011**	As at 31st March, 2010
1	Leasehold Improvements	—	561,964	—	**561,964**	—	—	41,896	**41,896**	**520,068**	—
2	Plant and Machinery	171,454	280,584	—	**452,038**	23,219	—	41,338	**64,557**	**387,481**	148,235
3	Furniture, Fixtures & Office Equipments	61,446	96,585	—	**158,031**	25,633	—	41,906	**67,539**	**90,492**	35,813
4	Vehicles	259,214	1,037,628	—	**1,296,842**	50,379	—	117,364	**167,743**	**1,129,099**	208,835
	TOTAL	492,114	1,976,761	—	**2,468,875**	99,231	—	242,504	**341,735**	**2,127,140**	392,883
	Previous Year	—	492,114	—	**492,114**	—	—	99,231	**99,231**		
	Capital Work-in-Progress									392,845	—
									TOTAL	2,519,985	392,883

SCHEDULE 'D'

INTANGIBLE ASSETS (₹)

		GROSS AMOUNT				ACCUMULATED AMORTISATION				NET AMOUNT	
Sr. No.	Description of Intangible Assets	As at 1st April, 2010	Additions during the year	Deductions during the year	**As at 31st March, 2011**	As at 1st April, 2010	Deductions/ Adjustments	Provided during the year	**As at 31st March, 2011**	**As at 31st March, 2011**	As at 31st March, 2010
1	Germ Plasm	10,050,000	—	—	**10,050,000**	2,010,000	—	2,010,000	**4,020,000**	**6,030,000**	8,040,000
2	Computer Softwares	151,736	—	—	**151,736**	30,347	—	30,347	**60,694**	**91,042**	121,389
	TOTAL	10,201,736	—	—	**10,201,736**	2,040,347	—	2,040,347	**4,080,694**	**6,121,042**	8,161,389
	Previous Year	—	10,201,736	—	10,201,736	—	—	2,040,347	2,040,347		

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 'E' INVESTMENTS (OTHER THAN TRADE)	(No. of units)	Face Value (₹)	**As at 31st March, 2011 (₹)**	As at 31st March, 2010 (₹)
LONG-TERM : UNQUOTED (AT COST)				
IN GOVERNMENT SECURITIES				
National Saving Certificates		**38,000**	**38,000**	38,000
(Deposited with Government Authorities)		(38,000)		
CURRENT : UNQUOTED				
(At Cost or Fair Value whichever is lower)				
IN MUTUAL FUNDS :				
1. DSP Black Rock FMP – 3 Months – Series 30 – Growth	**152,992**	**10**	**1,529,920**	—
	(—)	(—)		
2. UTI Fixed Income Interval Fund – Half Yearly Plan I – Reg – Growth	**364,258**	**10**	**4,504,639**	—
	(—)	(—)		
TOTAL			**6,072,559**	38,000

During the year following investments in Mutual Fund have been purchased and sold:

Name of the Fund	(No. of units)	(Face Value) (₹)
1. LIC NOMURA MF Liquid Fund – Dividend	227,685	10
2. LIC NOMURA Liquid Fund – Growth	143,156	10
3. DSP Black Rock FMP-3 Month – Series 30 – Growth	150,000	10
4. UTI Fixed Income Interval Fund – Half Yearly Plan I – Reg – Growth	2,420	10

SCHEDULE 'F' INVENTORIES	**As at 31st March, 2011 (₹)**	As at 31st March, 2010 (₹)
(At cost or net realisable value, whichever is lower)		
1. Raw Materials	**6,845,887**	430,325
2. Packing Materials	**635,845**	2,629,908
3. Finished Goods	**1,360,391**	2,666,573
TOTAL	**8,842,123**	5,726,806

SCHEDULE 'G' SUNDRY DEBTORS	**As at 31st March, 2011 (₹)**	As at 31st March, 2010 (₹)
(Unsecured, Considered Good)		
1. Debts outstanding for a period exceeding six months	**41,589**	112,685
2. Other Debts	**1,271,647**	2,283,961
TOTAL	**1,313,236**	2,396,646

SCHEDULE 'H' CASH AND BANK BALANCES	**As at 31st March, 2011 (₹)**	As at 31st March, 2010 (₹)
1. Cash on hand	**—**	—
2. Bank Balances (With Scheduled Banks in Current Accounts)	**1,491,217**	5,562,777
TOTAL	**1,491,217**	5,562,777

SCHEDULE 'I' OTHER CURRENT ASSETS	**As at 31st March, 2011 (₹)**	As at 31st March, 2010 (₹)
Interest Accrued on National Saving Certificates	**5,183**	1,923
TOTAL	**5,183**	1,923

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE 'J' LOANS AND ADVANCES	**As at 31st March, 2011 (₹)**	As at 31st March, 2010 (₹)
(Unsecured, Considered Good)		
1. Advances recoverable in cash or in kind or for value to be received	**199,064**	2,459,454
2. Sundry Deposits	**450,650**	35,000
3. Tax Deduction at Source	**21,630**	21,630
TOTAL	**671,344**	2,516,084

SCHEDULE 'K' LIABILITIES	**As at 31st March, 2011 (₹)**	As at 31st March, 2010 (₹)
1. Amount due to Holding Company, Excel Crop Care Limited	**178,401**	16,390,072
2. Sundry Creditors – Other than Micro and Small Enterprises [Refer Note No. 3 of Schedule 'R']	**6,316,061**	1,691,231
3. Other Liabilities	**154,811**	271,449
4. Advances From Customers	**1,174,506**	4,099,766
5. Security Deposits	**1,851,465**	3,851,465
TOTAL	**9,675,244**	26,303,983

SCHEDULE 'L' PROVISIONS	**As at 31st March, 2011 (₹)**	As at 31st March, 2010 (₹)
1. Provision for Gratuity (Refer Note No. 7 in Schedule 'R')	**144,200**	68,800
2. Provision for Employee Leave Benefits	**706,300**	297,300
TOTAL	**850,500**	366,100

SCHEDULE 'M' MISCELLANEOUS EXPENDITURE	**As at 31st March, 2011 (₹)**	As at 31st March, 2010 (₹)
(To the extent not written off or adjusted)		
Preliminary Expenses	**—**	468,734
TOTAL	**—**	468,734

SCHEDULE 'N' OTHER INCOME	**Current Year (₹)**	Previous Year (₹)
1. Interest Income from Long-Term Investments (Other than Trade) (Gross)	**3,260**	1,923
2. Income from Current Investments (Other than Trade) (Gross):		
(a) Dividend	**9,047**	—
(b) Profit on Sale of Investments	**70,119**	—
3. Unspent Liabilities, Excess Provisions no longer required written back	**351,964**	—
4. Miscellaneous Income	**33,518**	—
TOTAL	**467,908**	1,923

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'O'	Current Year (₹)	Current Year (₹)	Previous Year (₹)
PRODUCTION AND OTHER EXPENSES			
1. RAW MATERIALS CONSUMED :			
Opening Stock	**2,666,573**		—
Add : Purchases	**24,087,742**		13,807,546
	26,754,315		13,807,546
Less : Closing Stock	**6,845,887**		2,666,573
		19,908,428	11,140,973
2. PACKING MATERIALS CONSUMED		**905,839**	629,451
3. PURCHASES OF TRADED GOODS		–	2,926,548
4. PERSONNEL EXPENSES:			
(a) Salaries, Wages, Bonus and Other Benefits	**7,072,192**		3,169,214
(b) Contribution to Provident Fund and Other Funds	**231,142**		91,139
(c) Gratuity (Refer Note No. 7 in Schedule 'R')	**75,400**		33,271
(d) Employees' Leave Benefits	**409,000**		204,280
		7,787,734	3,497,904
5. OPERATING AND OTHER EXPENSES :			
(a) Electricity Expenses	**66,576**		6,334
(b) Repairs and Maintenance – Others	**300,511**		2,483
(c) Insurance Charges	**112,270**		57,635
(d) Rent	**1,038,498**		260,116
(e) Rates & Taxes	**35,425**		2,400
(f) Cash Discounts, Special Discounts, etc.	**3,022,201**		1,114,228
(g) C&F Service Charges	**1,350,936**		838,577
(h) Processing Expenses	**1,327,076**		353,795
(i) Legal & Professional Expenses	**321,204**		781,085
(j) Selling and Distribution Expenses	**1,571,680**		814,164
(k) Travelling and Conveyance	**2,627,407**		1,891,430
(l) Preliminary Expenses written off	**468,734**		126,867
(m) Sundry Debit Balance written off	**62,084**		—
(n) Auditors' Remuneration (Refer Note No. 5.1 in Schedule 'R')	**220,645**		30,000
(o) Other Expenses	**1,006,626**		704,614
		13,531,873	6,983,728
6. FREIGHT AND FORWARDING CHARGES		**433,396**	353,522
TOTAL		**42,567,270**	25,532,126

SCHEDULE 'P'	Current Year (₹)	Previous Year (₹)
(INCREASE)/DECREASE IN STOCKS		
(a) Closing Stocks : Finished Goods	**1,360,391**	2,629,908
(b) *Less:* Opening Stock : Finished Goods	**2,629,908**	—
TOTAL	**1,269,517**	(2,629,908)

SCHEDULE 'Q'	Current Year (₹)	Previous Year (₹)
INTEREST		
1. On Loan from Holding Company	**156,821**	162,658
2. On fixed Loan from Bank	**15,597**	—
3. Others	**139,548**	79,403
TOTAL	**311,966**	242,061

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'R'

NOTES ON ACCOUNTS

1. NATURE OF OPERATIONS:

Excel Genetics Limited is engaged in the business of production, procurement and distribution of seeds.

2 SIGNIFICANT ACCOUNTING POLICIES:

(a) Basis of Preparation:

The financial statements 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 except change in accounting policy as stated in Note No. (b) below.

(b) Change in Accounting Policy:

During the year, the Company has changed its accounting policy of writing off preliminary expenses over a period of five years to recognising such expenses to profit and loss account as and when incurred. Had the Company continued the earlier policy, the loss for the year would have been lower by ₹ 341,687 and Preliminary expenses (to the extent not written off) would correspondingly have been higher by similar amount.

(c) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

(d) Fixed Assets:

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which 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.

(e) Depreciation:

(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.

(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/deletions from the Fixed Assets, on pro-rata basis with reference to the date of addition/deletion of the assets except for assets costing ₹ 5,000 or less which have been fully depreciated.

(f) Impairment:

(i) The carrying amounts of assets are reviewed for impairment at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized 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 flows 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.

(iii) A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

(g) Intangible Assets and Amortisation:

(i) Intangible assets are stated at aquistion cost less accumulated amortisation.

(ii) Amortisation:

Germ Plasm and Computer Softwares are amortised on a straight line basis over a period of five years.

(h) 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 recognized as an expense in the Profit and Loss Account on a straight-line basis over the lease term.

(i) Investments:

Investments that are readily realisable and intended to be held for not more than a 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 investment 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 the investments.

(j) Inventories:

Inventories are valued at lower of cost and net realizable 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.

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'R' — *(Cont'd.)*

NOTES ON ACCOUNTS

(k) 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 the significant risks and rewards of ownership of the goods have passed to the buyer.

Interest

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

(l) Foreign currency translations:

(i) 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 the foreign currency at the date of the transaction.

(ii) Conversion:

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

(iii) Exchange Differences:

Exchange differences arising on the settlement of monetary items or on reporting monetary items of 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.

(m) Retirement and other employee benefits:

(i) Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account 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) Short term absences are provided on the basis of estimates. 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 recognised immediately to the profit and loss account and are not deferred.

(n) Tax Expense:

Tax expense 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 and Wealth Tax Act, 1957.

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 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.

(o) Earning Per Share:

Basic earnings per share are 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 earnings 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 effects of all dilutive potential equity shares.

(p) 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 estimates.

(q) 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 months or less.

(r) Segment Reporting:

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

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'R' — *(Cont'd.)*

NOTES ON ACCOUNTS

		As at 31st March, 2011 (₹)	As at 31st March, 2010 (₹)
3.	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.		
4.	Break up of Deferred Tax Assets: In accordance with Accounting Standard 22, "Accounting for Taxes on Income", the Company has accounted for Deferred Tax Liability during the year as on 31st March, 2011. Following are the major Components of Deferred Tax :		
	(a) Deferred Tax Liability:		
	Difference between Income Tax and Book Depreciation	**87,633**	166,340
		87,633	166,340
	(b) Deferred Tax Assets:		
	(i) Unabsorbed Business Losses	**4,060,342**	1,749,029
	(ii) Items covered u/s 43B of Income Tax Act	**149,680**	73,404
	(iii) Others	**17,953**	8,976
	Total	**4,227,975**	1,831,409
	Deferred Tax Assets (Net)	**4,140,342**	1,665,069
	(c) As a matter of prudence, deferred tax assets are recognised only to the extent of Deferred Tax Liability provided in the Books of Account. Hence, as at 31st March, 2011 Deferred Tax Assets in the Books of Accounts are nil.		
		Current Year (₹)	Previous Year (₹)
5.	Supplementary Statutory Information:		
5.1	Auditors' Remuneration :		
	As an Auditor:		
	(i) Audit fees (Including Service Tax)	**165,495**	20,000
	(ii) Tax audit fees (Including Service Tax)	**55,150**	10,000
		220,645	30,000
5.2	Licensed Capacity, Installed Capacity: Since Company is engaged in Production of Seeds which does not involve mechanical activities, the Installed Capacity is not applicable	**Not Applicable**	Not Applicable
5.3	Production (in Kgs.)		
		Current Year	Previous Year
	Product:		
	Seeds	**440,460**	332,073

5.4 Details of Turnover & Stock of Finished Goods – Seeds:

	Particulars	Current Year KGS	Current Year Amount (₹)	Previous Year KGS	Previous Year Amount (₹)
1.	Turnover	**439,242**	**37,466,285**	321,877	13,837,017
2.	Opening Stock	**10,196**	**2,629,908**	—	—
3.	Closing Stock	**9,009**	**1,360,391**	10,196	2,629,908

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'R' — *(Cont'd.)*

NOTES ON ACCOUNTS

5.5 Details of Trading Goods – Seeds:

PARTICULARS	Current Year		Previous Year	
	Quantity (Kgs.)	**Amount (₹)**	Quantity (Kgs.)	Amount (₹)
1. Purchases	—	—	12,771	2,926,548
2. Turnover	—	—	12,771	5,968,211

5.6 Raw Materials Consumed:

	Current Year		Previous Year	
	Quantity (kgs.)	**Amount (₹)**	Quantity (kgs.)	Amount (₹)
Raw Seeds	**442,315**	**19,908,428**	336,366	11,140,973

5.7 Consumption of Raw Materials:

	Current Year		Previous Year	
	(₹)	**Percentage**	(₹)	Percentage
Imported	**648,137**	**3.26**	—	—-
Indigenous	**19,260,291**	**96.74**	11,140,973	100.00
	19,908,428	**100.00**	11,140,973	100.00

	Current Year (₹)	Previous Year (₹)
5.8 Value of Imports on C.I.F. basis		
Raw Materials	**2,036,819**	—
5.9 Expenditure in Foreign Currency (on accrual basis):		
Travelling Expenses	**23,578**	41,356

	Current Year (₹)	Previous Year (₹)
6. Earning Per Share:		
(1) Loss after Taxation:	**(8,497,411)**	(5,476,706)
Loss attributable to Equity Shareholders (A)	**(8,497,411)**	(5,476,706)
	Nos.	Nos.
(2) Weighted average number of Equity Shares outstanding (B)	**1,350,685**	133,425
	(₹)	(₹)
(3) Earning Per Share: (A)/(B)	**(6.29)**	(41.05)
(4) Nominal Value of Equity Share	**10.00**	10.00

7. Details of Employee Benefits – Gratuity:

I. Defined Benefit Plans:

The Company has a defined benefit 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.

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'R' — *(Cont'd.)*

NOTES ON ACCOUNTS

(a) The amounts recognised in the statement of Profit and Loss Account are as follows:

	Current Year (₹)	Previous Year (₹)
Current Service cost	**80,962**	35,406
Interest cost on benefit obligation	**5,679**	2,198
Net actuarial (gain)/loss recognised during the year	**(11,241)**	(4,333)
Amount included under the head Personnel Expenses in Schedule 'O' Production and Other Expenses	**75,400**	33,271

(b) The amounts recognised in the Balance Sheet are as follows:

	As at 31st March, 2011 Defined Benefit Plan (₹)	As at 31st March, 2010 Defined Benefit Plan (₹)
Liability included under the head Provision for Gratuity, in Schedule 'L' Provisions	**144,200**	68,800

(c) Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

	As at 31st March, 2011 (₹)	As at 31st March, 2010 (₹)
Defined benefit obligation opening balance/acquired during the year	**68,800**	35,529
Interest cost	**5,679**	2,198
Current service cost	**80,962**	35,406
Benefits paid	**—**	—
Actuarial (gains)/loss on obligation	**(11,241)**	(4,333)
Closing defined benefit obligation	**144,200**	68,800

	Current Year	Previous Year
The principal actuarial assumptions at the Balance Sheet date.		
Discount rate	**8.50%**	8.25%
Expected rate of return on plan assets	**0.00%**	0.00%
Expected rate of salary increase	**6.00%**	6.00%
Mortality table	**LIC (1994-1996) Ultimate**	LIC (1994-1996) Ultimate
Proportion of employees opting for early retirement	**1% to 5%**	1% to 5%

Notes:

(i) The estimates 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.

	Current Year (₹)	Previous Year (₹)
(ii) Experience adjustments on plan liabilities	**(5,829)**	—
(iii) Experience adjustments on plan assets	**—**	—

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'R' — *(Cont'd.)*

NOTES ON ACCOUNTS

II. Defined Contribution Plans:

(i) Provident Fund is a defined contribution scheme established under a State Plan.

	Current Year (₹)	Previous Year (₹)
(ii) Defined Contribution Plan		
Current service cost included under the head Personnel Expenses in Schedule 'O' Production and Other Expenses.		
Provident Fund and Family Pension Fund	**231,142**	91,139

8. Related Party Disclosures:

(A) **Relationships:**

(1) **Holding Company:**

Excel Crop Care Limited

(2) **Key Management Personnel:**

Virendra P. Rathod, Chief Executive Officer

Abhay S. Saraiya, Vice President (Marketing)

(3) **Enterprise controlled or influenced by Key Management Personnel & their relatives:**

Harvest Agribusiness (P) Limited

(B) **Aggregated Related Party Disclosures as at and for the year ended 31st March, 2011.** (₹)

	Holding Company		Key Management Personnel		Enterprises controlled by Key Management Personnel or their relatives		Total	
	Transaction Value	Balance Outstanding as on 31.03.2011	Transaction Value	Balance Outstanding as on 31.03.2011	Transaction Value	Balance Outstanding as on 31.03.2011	Transaction Value	Balance Outstanding as on 31.03.2011
1. **EXPENSES**								
Consideration for Acquisition of Seeds Business								
Excel Crop Care Limited	— (5,513,396)	— (—)	— (—)	— (—)	— (—)	— (—)	— (5,513,396)	— (—)
Purchase of Goods								
Excel Crop Care Limited	— (2,430,769)	— (—)	— (—)	— (—)	— (—)	— (—)	— (2,430,769)	— (—)
Interest on Loan								
Excel Crop Care Limited	**125,457** (162,658)	— (—)	— (—)	— (—)	— (—)	— (—)	**125,457** (162,658)	— (—)
Rent								
Excel Crop Care Limited	**105,888** (79,416)	— (—)	— (—)	— (—)	— (—)	— (—)	**105,888** (79,416)	— (—)
Legal & Professional Expenses								
Abhay Saraiya	— (—)	— (—)	— (425,323)	— (—)	— (—)	— (—)	— (425,323)	— (—)
Others								
Excel Crop Care Limited	— (236,370)	— (—)	— (—)	— (—)	— (—)	— (—)	— (236,370)	— (—)

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'R' — *(Cont'd.)*

NOTES ON ACCOUNTS

(B) **Aggregated Related Party Disclosures as at and for the year ended 31st March, 2011 (Contd.)** (₹)

	Holding Company		Key Management Personnel		Enterprises controlled by Key Management Personnel or their relatives		Total	
	Transaction Value	Balance Outstanding as on 31.03.2011	Transaction Value	Balance Outstanding as on 31.03.2011	Transaction Value	Balance Outstanding as on 31.03.2011	Transaction Value	Balance Outstanding as on 31.03.2011
2. **SUBSCRIPTION TO EQUITY SHARE CAPITAL**								
Excel Crop Care	**21,000,000**	—	—	—	—	—	**21,000,000**	—
Limited	(1,500,000)	(—)	(—)	(—)	(—)	(—)	(1,500,000)	(—)
Harvest Agribusiness (P) Limited	—	—	—	—	**7,000,000**	—	**7,000,000**	—
	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)
3. **LOAN TAKEN**								
Excel Crop Care	—	—	—	—	—	—	—	—
Limited	(2,000,000)	(2,000,000)	(—)	(—)	(—)	(—)	(2,000,000)	(2,000,000)
LOAN REPAID								
Excel Crop Care	**2,000,000**	—	—	—	—	—	**2,000,000**	—
Limited	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)
4. **OUTSTANDING AS AT THE BALANCE SHEET DATE**								
Excel Crop Care Limited – Credit	—	**178,401**	—	—	—	—	—	**178,401**
	(—)	(18,390,072)	(—)	(—)	(—)	(—)	(—)	(18,390,072)
5. **REMUNERATION**								
Virendra P. Rathod	—	—	**2,123,896**	—	—	—	**2,123,896**	—
	(—)	(—)	(991,112)	(—)	(—)	(—)	(991,112)	(—)
Abhay S. Saraiya	—	—	**801,000**	—	—	—	**801,000**	—
	(—)	(—)	(156,934)	(—)	(—)	(—)	(156,934)	(—)

(Figures in brackets relate to the Previous Year).

9. **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 i.e. India.

10. **Operating Leases:**

Guest House and other assets are obtained on operating leases for 5-10 years. None of the operating leases are renewable. There are no restrictions imposed by Lease agreements/arrangements. There are no sub-leases.

	Current Year (₹)	Previous Year (₹)
(i) Lease payment for the year	**902,322**	—
(ii) Minimum Lease payment as at 31st March		
(a) Not later than one year	**381,826**	—
(b) Later than one year but not later than five years	**1,394,616**	—
(c) Later than five years	**—**	—

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'R' — *(Cont'd.)*

NOTES ON ACCOUNTS

11. **Research & Development Expenses:**
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:

		Current Year (₹)	Previous Year (₹)
(a)	Salary, Wages and Other Benefits	**1,838,464**	—
(b)	Electricity Expenses	**39,910**	—
(c)	Repairs and Maintenance – Others	**295,826**	—
(d)	Insurance Charges	**1,003**	—
(e)	Rent	**351,810**	—
(f)	Processing Expenses	**516,140**	—
(g)	Travelling and Conveyance	**355,140**	—
(h)	Other Expenses	**151,106**	—
		3,549,399	—

12. The previous year's figures have been regrouped/rearranged, wherever considered necessary to confirm to this year's classification. Further, the figures of previous year were audited by a firm of Chartered Accountants other than S.V. Ghatalia & Associates.

As per our Report of even date.
For S.V. GHATALIA & ASSOCIATES
Firm Registration No. 103162W
Chartered Accountants.
per SANTOSH AGGARWAL
Partner
(Membership No.: 093669)

Place : Ahmedabad
Date : 26th April, 2011

NINAD D. GUPTE
Chairman
J. R. NAIK
Director

Mumbai,
26th April, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I.	Registration Details:	
	(a) Registration No.:	49495
	(b) State Code:	04
	(c) Balance Sheet Date:	31/3/2011
II.	Capital Raised during the year:	**(₹ in Thousands)**
	Public Issue	—
	Rights Issue	—
	Bonus Issue	—
	Private Placement	28,000
III.	Position of Mobilisation and Deployment of Funds:	**(₹ in Thousands)**
	(a) Total Liabilities	30,713
	(b) Total Assets	30,713
	(c) Sources of Funds:	
	(i) Paid-up Capital	30,000
	(ii) Reserves and Surplus	—
	(iii) Secured Loans	713
	(iv) Unsecured Loans	—
	(d) Application of Funds:	
	(i) Net Fixed Assets	2,520
	(ii) Intangible Assets	6,121
	(iii) Investments	6,073
	(iv) Net Current Assets	1,797
	(v) Deferred Tax Assets	—
	(vi) Miscellaneous Expenditure	—
	(vii) Accumulated Losses	14,202
IV.	Performance of the Company:	
	(a) Turnover	37,934
	(b) Total Expenditure	46,432
	(c) Loss Before Tax	8,497
	(d) Loss After Tax	8,497
	(e) Earning Per Share (₹)	(6.29)
	(f) Dividend Rate %	NIL
V.	Generic Names of Three Principal Products:	
	ITC Code	Name of the product
	(i) 12.09.9190	CHILLY SEEDS
	(ii) 12.09.9190	GOURD SEEDS
	(iii) 10.01.9010	WHEAT SEEDS

NINAD D. GUPTE
Chairman

J. R. NAIK
Director

Mumbai,
26th April, 2011

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Fifth Annual Report and Audited Statement of Accounts for the year ended 31st March, 2011.

1. FINANCIAL RESULTS

The Company did not have any commercial activities during the year under review. During the year under review, the Company incurred a loss of ₹ 86,841/- (after writing off the entire balance amount of Preliminary Expenses amounting to ₹ 86,381/- and after providing for income tax). The accumulated losses at the end of the year are ₹ 1,68,428/-.

2. RECOGNITION OF THE COMPANY AS CORE INVESTMENT COMPANY

The Reserve Bank of India (RBI) issued Notifications on 5th January, 2011 laying down new regulatory framework for Core Investment Companies i.e., non-banking financial companies who confine their investments, lending and financing activities to the group companies and who do not carry on any other financial activity.

The Company was incorporated to function as a Core Investment Company. However, it could not secure recognition as Core Investment Company from the Reserve Bank of India. In view of the new regulatory framework for Core Investment Company, the Company proposes to alter its Object Clause and incorporate new main objects clause in line with the activities permitted to be pursued by Core Investment Companies under the new regulatory norms. The accompanying notice of the Annual General Meeting contains a special resolution for alteration of the Object Clause of the Company.

3. DIRECTORS

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

4. DIRECTORS' RESPONSIBILITY STATEMENT

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

(i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;

(ii) 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 loss of the Company for the year under review;

(iii) 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

(iv) they have prepared the annual accounts on a going concern basis.

5. 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.

6. AUDITORS

Messrs S. R. Batliboi & Co. whose term of office as the Auditors of the Company will expire at the conclusion of the ensuing Annual General Meeting of the Company, being eligible, have offered themselves for re-appointment as Auditors of the Company.

For and on behalf of the Board of Directors

A. C. SHROFF
Chairman

Mumbai,
20th May, 2011.

AUDITORS' REPORT

To
The Members of ECCL Investments and Finance Limited

1. We have audited the attached Balance Sheet of ECCL Investments and Finance Limited ('the Company') as at 31 March 2011 and also the Profit and Loss account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 ('the Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:

   i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

   ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;

   iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act;

   v. On the basis of the written representations received from the directors, as on 31 March 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;

   vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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 31 March 2011;

      (b) in the case of the profit and loss account, of the loss for the year ended on that date; and

      (c) in the case of cash flow statement, of the cash flows for the year ended on that date.

For S .R. BATLIBOI & CO.
Firm registration number: 301003E
Chartered Accountants

per VIJAY MANIAR
Partner
Membership No.: 36738

Place: Mumbai
Date: 20 May 2011

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) and 4(ii)(c) 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) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. Hence clauses 4(iii)(b), 4(iii)(c) and 4(iii)(d) of the Order are not applicable to the Company.

(b) As informed, the Company has not taken any loans from parties covered in the register maintained under section 301 of the Act. Hence clauses 4(iii)(f) and 4(iii)(g) of the Order are not applicable to the Company.

(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, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

(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 Act that need to be entered into the register maintained under section 301 have been so entered.

(b) None of the transactions made in pursuance of such contracts or arrangements exceed the value of Rupees five lakhs in respect of any one such party in the financial year.

(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 Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for the products of the Company.

(ix) (a) Undisputed statutory dues including income-tax and other material statutory dues applicable to it, have generally been regularly deposited with the appropriate authorities. As per the records of the Company and according to the information and explanations given to us there are no dues of provident fund, employee's state insurance, investor education and protection fund, wealth-tax, custom duty, sales-tax, service tax, excise duty and cess applicable to the Company.

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441 A of the Act, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.

(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 has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty per cent or more of its net worth and whether it has incurred cash losses in such financial year and in the 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.

(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 S. R. BATLIBOI & CO.
Firm registration number: 301003E
Chartered Accountants

per VIJAY MANIAR
Partner
Membership No.: 36738

Place: Mumbai
Date: 20 May 2011

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	(₹)	**As at 31st March, 2011 (₹)**	As at 31st March, 2010 (₹)
SOURCES OF FUNDS				
1. SHAREHOLDERS' FUNDS:				
Share Capital	'A'		**500,000**	500,000
2. LOAN FUNDS:				
Unsecured Loans	'B'		**80,370**	47,570
TOTAL			**580,370**	547,570
APPLICATION OF FUNDS				
1. CURRENT ASSETS, LOANS AND ADVANCES:				
(a) Cash and Bank Balances	'C'	**356,410**		360,656
(b) Other Current Assets	'D'	**63,499**		30,618
(c) Loans and Advances	'E'	**5,820**		—
		425,729		391,274
Less: CURRENT LIABILITIES AND PROVISIONS:				
(a) Current Liabilities	'F'	**13,787**		11,582
(b) Provisions	'G'	—		90
		13,787		11,672
NET CURRENT ASSETS			**411,942**	379,602
2. MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	'H'		—	86,381
3. PROFIT AND LOSS ACCOUNT			**168,428**	81,587
TOTAL			**580,370**	547,570
NOTES TO ACCOUNTS	'I'			

The schedules referred to above and notes to accounts form an integral part of the Balance Sheet.
As per our Report of even date.

For S. R. BATLIBOI & CO.
Firm Registration Number: 301003E
Chartered Accountants.

per VIJAY MANIAR
Partner
Membership No.: 36738

Mumbai,
20th May, 2011

A. C. SHROFF
Chairman

PRAKASH K. SHROFF
Director

J. R. NAIK
Director

Mumbai,
20th May, 2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule	**Current Year (₹)**	Previous Year (₹)
INCOME			
Interest on Fixed Deposit (Gross) [Tax deducted at source: ₹ **3,290** (Previous Year: ₹ 3,040)]		**32,881**	30,303
		32,881	30,303
EXPENDITURE			
Audit fees		**13,787**	11,030
Legal and Professional expenses		**3,309**	4,810
Rates and taxes		**2,500**	6,300
Preliminary Expenses written off		**86,381**	14,397
Miscellaneous expenses		**3,545**	599
		109,522	37,136
PROFIT/(LOSS) FOR THE YEAR		**(76,641)**	(6,833)
Less: Provision for taxation – Current Tax		**10,200**	9,400
LOSS AFTER TAXATION		**(86,841)**	(16,233)
Balance brought forward from Previous Year		**(81,587)**	(65,354)
LOSS CARRIED TO BALANCE SHEET		**(168,428)**	(81,587)
		(₹)	(₹)
EARNINGS PER SHARE (Refer Note No. 3 in Schedule 'I')			
Basic and Diluted Earnings Per Share		**(1.74)**	(0.32)
Face Value Per Share		**10.00**	10.00
NOTES TO ACCOUNTS	'I'		

The schedule referred to above and notes to accounts form an integral part of the Profit and Loss Account.
As per our Report of even date.

For S. R. BATLIBOI & CO.
Firm Registration Number: 301003E
Chartered Accountants.

per VIJAY MANIAR
Partner
Membership No.: 36738

Mumbai,
20th May, 2011

A. C. SHROFF
Chairman

PRAKASH K. SHROFF
Director

J. R. NAIK
Director

Mumbai,
20th May, 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

			For the year ended 31st March, 2011		For the year ended 31st March, 2010	
			(₹)	(₹)	(₹)	(₹)
A.	**CASH FLOW FROM OPERATING ACTIVITIES**					
	Net Profit/(Loss) before Tax and Extraordinary Items			**(76,641)**		(6,833)
	Adjustments for :					
	Interest received on fixed deposits		**(32,881)**		(30,303)	
	Preliminary Expenses written off		**86,381**	**53,500**	14,397	(15,906)
	Operating Profit/(Loss) before working capital changes			**(23,141)**		(22,739)
	Adjustments for :					
	Increase/(Decrease) in Current Liabilities			**2,205**		6,067
	Cash generated from/(used in) Operations			**(20,936)**		(16,672)
	Direct taxes paid (Net)			**16,110**		6,090
	Net cash from/(used in) Operating Activities	(A)		**(37,046)**		(22,762)
B.	**CASH FLOW FROM FINANCING ACTIVITIES**					
	Proceeds from borrowings			**32,800**		13,050
	Net cash from/(use in) Financing Activities	(B)		**32,800**		13,050
	Net decrease in cash and cash equivalents	[A+ B]		**(4,246)**		(9,712)
	Cash and cash equivalents at the beginning of the year			**4,835**		14,547
	Cash and cash equivalents at the end of the year			**589**		4,835
	Components of Cash and Cash equivalents					
	With banks :					
	a) in Current Account			**590**		4,836
	b) in Fixed Deposit Account			**355,820**		355,820
	Cash & Bank Balances as per Schedule 'C'			**356,410**		360,656
	Less: Fixed Deposit not considered as cash equivalents			**355,820**		355,820
	Cash and cash equivalents at the end of the year			**590**		4,836

As per our Report of even date.

For S. R. BATLIBOI & CO.
Firm Registration Number: 301003E
Chartered Accountants.

per VIJAY MANIAR
Partner
Membership No.: 36738

Mumbai,
20th May, 2011

A. C. SHROFF
Chairman

PRAKASH K. SHROFF
Director

J. R. NAIK
Director

Mumbai,
20th May, 2011

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31st March, 2011 (₹)	As at 31st March, 2010 (₹)
SCHEDULE 'A'		
SHARE CAPITAL		
AUTHORISED:		
5,00,000 (Previous Year: 5,00,000) Equity Shares of ₹ 10/- each	**5,000,000**	5,000,000
	5,000,000	5,000,000
ISSUED, SUBSCRIBED AND PAID-UP:		
50,000 (Previous Year: 50,000) Equity Shares of ₹ 10/- each, fully paid-up (The entire equity share capital is held by the Holding Company, Excel Crop Care Limited and its nominees.)	**500,000**	500,000
TOTAL	**500,000**	500,000
SCHEDULE 'B'		
UNSECURED LOANS		
From Excel Crop Care Limited, the Holding Company [Repayable within one year ₹ **80,370** (Previous Year: ₹ 47,570)]	**80,370**	47,570
TOTAL	**80,370**	47,570
SCHEDULE 'C'		
CASH AND BANK BALANCES		
Bank Balance with a Scheduled Bank:		
In Current Account	**590**	4,836
In Fixed Deposit Account	**355,820**	355,820
TOTAL	**356,410**	360,656
SCHEDULE 'D'		
OTHER CURRENT ASSETS		
Interest Receivable	**63,499**	30,618
TOTAL	**63,499**	30,618
SCHEDULE 'E'		
LOANS AND ADVANCES		
Unsecured and considered good		
Income Tax [Net of provision for tax ₹ **29,000** (Previous Year: Nil)]	**5,820**	—
TOTAL	**5,820**	—
SCHEDULE 'F'		
CURRENT LIABILITIES		
Sundry Creditors (Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises) (Refer Note No. 7 in Schedule 'I')	**13,787**	11,582
TOTAL	**13,787**	11,582
SCHEDULE 'G'		
PROVISIONS		
Provision for Taxation [Net of Advance tax ₹ **34,820** (Previous Year: ₹ 27,510)]	**—**	90
TOTAL	**—**	90

SCHEDULES FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'H'	**As at 31st March, 2011 (₹)**	As at 31st March, 2010 (₹)
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		
Preliminary Expenses	—	86,381
TOTAL	—	86,381

SCHEDULE 'I'

NOTES TO ACCOUNTS

1. NATURE OF OPERATIONS:

ECCL Investments and Finance Limited is established with the object of carrying on the business of Investment Company and financing activities. It has, however, not commenced commercial activities.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

(a) 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 except change in accounting policy as stated in note no. 2(d).

(b) Use of estimates:
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

(c) Revenue recognition:
Interest

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

(d) Amortisation:
During the year, the Company has changed its accounting policy of writing off preliminary expenses over a period of ten years to recognising such expenses to profit and loss account as and when incurred. Had the Company continued the earlier policy, the loss for the year would have been lower by ₹ 71,984 and Preliminary expenses (to the extent not written off) would correspondingly have been higher by similar amount.

(e) 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.

(f) 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.

(g) 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.

SCHEDULE FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

SCHEDULE 'I' (*Cont'd.*)
NOTES TO ACCOUNTS

3. Earnings Per Share:

	Current Year (₹)	Previous Year (₹)
(1) Loss after tax:	**(86,841)**	(16,233)
Profit/(Loss) attributable to Equity Shareholders (A)	**(86,841)**	(16,233)
(2) Weighted average number of Equity Shares outstanding (B)	**50,000**	50,000
(3) Earning per Share (A)/(B)	**(1.74)**	(0.32)
(4) Nominal Value of Equity Share	**10.00**	10.00

4. Auditors' Remuneration:

	Current Year (₹)	Previous Year (₹)
Audit fees	**13,787**	11,030

5. Related Party disclosures as required by Accounting Standard (AS)-18 "Related Party Disclosures", notified by the Companies (Accounting Standards) Rules, 2006 are given below :

(a) Relationships:

Holding Company:
Excel Crop Care Limited

(b) The following transactions were carried out with the related parties in the ordinary course of business:

Nature of Transactions	**Current Year (₹) Holding Company**	Previous Year (₹) Holding Company
1. Finance		
Loan Taken	**32,800**	13,050
2. Outstanding at the Balance Sheet Date		
Loan Taken (The said loan is interest free and repayable on demand. Also refer Note below)	**80,370**	47,570

	Current Year (₹)		Previous Year (₹)	
	Amount Outstanding at the year end	**Maximum amount outstanding during the year**	Amount Outstanding at the year end	Maximum amount outstanding during the year
Note : Loans and advances in the nature of loans				
Holding Company				
Loan Taken :				
Excel Crop Care Limited	**80,370**	**80,370**	47,570	47,570

6. The Directors have waived the sitting fees for meetings attended by them during the year.
7. 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, 2011.
8. The requirements of paragraph 3, 4A, 4C and 4D of part II of Schedule VI to the Companies Act, 1956 other than those shown above are not applicable and hence information thereof is not given.
9. 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'.
10. Previous year's figures have been regrouped/rearranged, wherever necessary to conform to this year's classification.

As per our Report of even date.
For S. R. BATLIBOI & CO.
Firm Registration Number: 301003E
Chartered Accountants.

per VIJAY MANIAR
Partner
Membership No.: 36738

Mumbai,
20th May, 2011

A. C. SHROFF
Chairman

PRAKASH K. SHROFF
Director

J. R. NAIK
Director

Mumbai,
20th May, 2011

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I.	Registration Details:		
	(a)	Registration No.	U65993MH2006PLC164038
	(b)	State Code	11
	(c)	Balance Sheet Date	31st March, 2011
			(₹ in Thousands)
II.	Capital Raised during the year:		
	(a)	Public Issue	NIL
	(b)	Rights Issue	NIL
	(c)	Bonus Issue	NIL
	(d)	Private Placement	NIL
			(₹ in Thousands)
III.	Position of Mobilisation and Deployment of Funds:		
	(a)	Total Liabilities	580
	(b)	Total Assets	580
	(c)	Sources of Funds:	
		(i) Paid-up Capital	500
		(ii) Reserves and Surplus	NIL
		(iii) Secured Loans	NIL
		(iv) Unsecured Loans	80
		(v) Deferred Tax Liabilities	NIL
	(d)	Application of Funds:	
		(i) Net Fixed Assets	NIL
		(ii) Investments	NIL
		(iii) Net Current Assets	412
		(iv) Miscellaneous Expenditure	NIL
		(v) Accumulated Losses	168
			(₹ in Thousands)
IV.	Performance of the Company:		
	(a)	Turnover (Gross Receipts)	33
	(b)	Total Expenditure	110
	(c)	Profit/(Loss) Before Tax	(77)
	(d)	Profit/(Loss) After Tax	(87)
	(e)	Earning Per Share (₹)	(1.74)
	(f)	Dividend Rate %	NIL

V. Generic Names of Three Principal Products/Services of Company:
The Company has no commercial activities.

A. C. SHROFF
Chairman

PRAKASH K. SHROFF
Director

J. R. NAIK
Director

Mumbai,
20th May, 2011

DIRECTORS' REPORT

Your directors present their report on the Company for the financial year ended 31 March, 2011.

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.

No significant changes in the nature of these activities occurred during the year.

Operating Results

The loss of the Company for the financial year after providing for income tax amounted to A$13,607 (2009: profit of A$15,166).

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. There was a decrease in revenue due to severely adverse foreign exchange movements and decrease in frequency of trading.

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.

Future Developments

The likely developments in the operations of the Company and the expected results of those 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 22.

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

DIPESH K. SHROFF
Director

RODNEY C. GROSVENOR
Director

Dated this 6th day of May, 2011

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 on pages 7 to 21 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's financial position as at 31 March, 2011 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 6th day of May, 2011

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

Report on the Special Purpose Financial Statements

I have audited the accompanying financial statements, being special purpose financial statements of Excel Industries (Australia) Pty Ltd. which comprise the statement of financial position as at 31 March, 2011, 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 judgement, 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 directors' 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 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 Industries (Australia) Pty Ltd., set out on page 22, 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 Industries (Australia) Pty Limited 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, 2011 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 11th day of May, 2011.
309A Homer Street, Earlwood, NSW, 2206

EXCEL INDUSTRIES (AUSTRALIA) PTY LIMITED

ABN 87 086 044 831

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST MARCH, 2011

	NOTE	**2011 A$**	2010 A$
Revenue	2	**221,597**	501,815
Cost of Sales	3	**(170,459)**	(390,833)
Gross Profit		**51,138**	110,982
Foreign Exchange gain/(loss)		**(26,250)**	(39,082)
Other Expenses		**(44,207)**	(38,258)
Profit/(loss) before Income Tax		**(19,319)**	33,642
Income Tax (Expense)/Revenue	4	**5,712**	(18,476)
Profit/(Loss) for the year		**(13,607)**	15,166
Other comprehensive Income		**—**	—
Total comprehensive Income for the year		**—**	—
Total comprehensive income/(expense) attributable to the member		**(13,607)**	15,166

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH, 2011

	NOTE	**2011 A$**	2010 A$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	5	**173,219**	187,262
Trade and other receivables	7	**—**	71,086
Other current assets	6	**905**	1,165
TOTAL CURRENT ASSETS		**174,124**	259,513
NON-CURRENT ASSETS			
Financial Assets	8	**1,135**	1,058
Deferred Tax Assets	9	**6,728**	1,016
TOTAL NON-CURRENT ASSETS		**7,863**	2,074
TOTAL ASSETS		**181,987**	261,587
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	10	**12,315**	67,773
Current tax Liabilities	9	**—**	10,535
TOTAL CURRENT LIABILITIES		**12,315**	78,308
TOTAL LIABILITIES		**12,315**	78,308
NET ASSETS		**169,672**	183,279
EQUITY			
Issued capital	11	**25,000**	25,000
Retained earnings		**144,672**	158,279
TOTAL EQUITY		**169,672**	183,279

The accompanying notes form part of these financial statements.

EXCEL INDUSTRIES (AUSTRALIA) PTY LIMITED

ABN 87 086 044 831

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2011

	NOTE	**2011 A$**	2010 A$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		**292,683**	640,100
Payments to suppliers and employees		**(269,864)**	(532,466)
Exchange gain/(loss)		**(26,250)**	(39,082)
Income Tax (paid)/received		**(10,535)**	—
Net cash provided by operating activities	12	**(13,966)**	68,552
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments		**(77)**	—
Net cash used in investing activities		**(77)**	—
Net (decrease)/increase in cash & cash equivalents		**(14,043)**	68,552
Cash and cash equivalents at beginning of financial year		**187,262**	118,710
Cash and cash equivalents at end of financial year	5	**173,219**	187,262

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2011

	NOTE	**Share Capital Ordinary Shares A$**	**Retained Earnings (Accumulated Losses) A$**	**Total A$**
EQUITY				
Balance as at 1 April 2009	11	25,000	143,113	168,113
Total comprehensive income for the year		—	15,166	15,166
Balance as at 31 March 2010		25,000	158,279	183,279
Balance as at 1 April 2010	11	25,000	158,279	183,279
Total comprehensive income for the year		—	(13,607)	(13,607)
Balance as at 31 March 2011		25,000	144,672	169,672

The Statement of Changes in Equity is to be read in conjunction with the attached notes to the financial statements.

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report covers Excel Industries (Australia) Pty Ltd. Excel Industries (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 *Corporation 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 cost 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

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.

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.

Inventories

Inventories are measured at the lower of cost and net realisable value. Inventories are supplied to the company by its parent company in India at normal "arm's length rates" inclusive of shipping costs and on-sold to the sole customer of the company in Australia at "mark-up" rates. The Company only orders inventories from its parent whenever there is an order from its sole customer in Australia. The company does not hold or carry any inventories other than the inventories shipped from India and in transit for direct shipment to the customer in Australia. All risks for the inventories in transit and on-route to an Australian port are with the parent entity that supplies the inventories.

Cash and cash equivalents

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

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.

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 at '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.

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.

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.

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.

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.

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 and which the Company has decided not to early adopt. A discussion of those future requirements and their impact on the Company is as follows:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2011

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

AASB 9: Financial Instruments and AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards are applicable retrospectively and amend the classification and measurement of financial assets. The company has not yet determined any potential impact on the financial statements.

The changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument; and
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows.

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 6th May 2011 by the Board of directors.

	2011 A$	2010 A$
NOTE 2 — REVENUE AND OTHER INCOME		
Sales revenue		
Sale of Goods	**221,597**	501,815
TOTAL REVENUE	**221,597**	501,815
NOTE 3 — PROFIT/(LOSS) FROM ORDINARY ACTIVITIES		
Profit/(Loss) from ordinary activities before income tax expense has been determined after:		
Expenses		
Cost of Sales	**170,459**	390,833
Remuneration of Auditor		
Audit or Review	**5,000**	5,000
Net foreign exchange losses	**(26,250)**	(39,082)
NOTE 4 — INCOME TAX EXPENSE		
(a) Income tax recognised in profit or loss		
Tax expense comprises:		
Current year tax expense	**—**	(10,535)
Deferred tax	**5,712**	(7,941)
Total income tax expense	**5,712**	(18,476)
(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 from continuing operation	**(19,319)**	33,642
Income tax expense calculated at 30%	**5,795**	(10,093)
Non-deductible expenses	**83**	20
Other non allowable items	**—**	(8,403)
Income tax expense attributable to profit/(loss) from continuing operation	**5,712**	(18,476)
NOTE 5 — CASH AND CASH EQUIVALENTS		
Cash at Bank	**9,977**	35,290
Excel (Aust) USD Account	**163,242**	151,972
	173,219	187,262

EXCEL INDUSTRIES (AUSTRALIA) PTY LIMITED

ABN 87 086 044 831

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2011

	2011 A$	2010 A$
NOTE 6 — OTHER CURRENT ASSETS		
Current		
GST Receivable	**905**	1,165
	905	1,165
NOTE 7 — TRADE AND OTHER RECEIVABLES		
Trade receivables	—	71,086
	—	71,086
NOTE 8 — FINANCIAL ASSETS		
Non-Current		
Shares in related companies – at cost	**1,135**	1,058
	1,135	1,058
NOTE 9 — TAX		
Assets		
Non-Current		
Deferred Tax Asset	**6,728**	1,016
Liabilities		
Current		
Income Tax	—	10,535
NOTE 10 — TRADE AND OTHER PAYABLES		
Current		
Trade Payables	**12,315**	13,092
Trade Payables (Parent Entity)	—	54,681
	12,315	67,773
NOTE 11 — ISSUED CAPITAL		
25,000 (2010: 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 of shares held. Ordinary shares are entitled to one vote when a poll is called	**25,000**	25,000
NOTE 12 — CASH FLOW INFORMATION		
Reconciliation of Cash Flow from Operations with Profit/(Loss) after Income Tax		
Profit after Income tax	**(13,607)**	15,166
Add/(Less) Non cash flows in profit:		
– Unrealised foreign exchange (gain)/loss	**(8,286)**	(1,615)
Changes in assets and liabilities		
– (Increase)/Decrease in receivables	**71,346**	137,785
– (Increase)/Decrease in inventories	—	159,772
– (Increase)/Decrease in deferred tax payables	**(5,712)**	7,941
– Increase/(Decrease) in payables	**(57,707)**	(250,497)
Net cash provided by operating activities	**(13,966)**	68,552

	2011 A$	2010 A$

NOTE 13 — RELATED PARTIES

Directors

The names of each person holding the position of Director of Excel Industries (Australia) Pty Ltd. 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 Industries (Australia) Pty Ltd. during the year, which amounted to A$ 25,500 (2010: A$ 25,500).

NOTE 14 — AUDITORS' REMUNERATION

Fees received and/or receivable for:	**2011 A$**	2010 A$
Audit fees	**5,000**	5,000
	5,000	5,000

The Auditor received no other benefits.

NOTE 15 — KEY MANAGEMENT PERSONNEL COMPENSATION

	2011 A$	2010 A$
Total Compensation – Directors fees	**4,000**	4,000
	4,000	4,000

NOTE 16 — ECONOMIC DEPENDENCY

The Company had predominantly one customer and one supplier during the financial year ended 31 March 2011.

NOTE 17 — 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 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 18 — 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 INDUSTRIES (AUSTRALIA) PTY LTD

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2011 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 11th day of May, 2011.
309A Homer Street, Earlwood, NSW, 2206

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, 2011, 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 realized a loss of 44.522,87 EUR, compared to a loss for an amount of 207.154,94 EUR at the end of the previous financial year.

The company realized a turnover of 2.174.780,40 EUR during the past financial year, and other operating income of 230,06 EUR and closes the financial year with a balance sheet total of 2.544.844,88 EUR.

The total operating income amounts to 2.175.010,46 EUR. After taking into account the operating charges amounting to 2.228.083,00 EUR, the operating loss amounts to 53.072,54 EUR.

The financial income and the financial charges respectively amount to 84.282,41 EUR and 75.732,74 EUR, so the final loss amounts to 44.522,87 EUR.

Comments on the annual accounts (in EUR)

The annual accounts reflect the following situation:

Balance Sheet total	2.544.844,88
Turnover	2.174.780,40
Profit to be appropriated	1.562.994,52
Loss for the period available for appropriation	44.522,87
Profit of the previous financial year brought forward	1.607.517,39
Profit to be carried forward	1.562.994,52

Appropriation of the results

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

Profit to be appropriated:		1.562.994,52
Composed of:		
— Loss for the period available for appropriation	44.522,87	
— Profit brought forward	1.607.517,39	
Profit to be carried forward		1.562.994,52

Justification of the Application of the Valuation Rules in the Assumption of Continuity

In accordance with article 96, 6° of the Companies Code, the annual report has to include a justification of the application of the valuation rules in the assumption of continuity. The continuity is not endangered, as the company has sufficient cash in order to guarantee the continuity of the company.

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.

Important events during the financial year

During the financial year ending on March 31, 2011, 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, 2011, no special events have occurred that may significantly influence the results or the financial situation of the company. In the margin, we inform you that the company will modify her corporate name on short term in "Excel Crop Care (Europe) N.V.".

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.

Additional activities of the statutory auditor

The fees of the statutory auditor and the companies with which he has a professional relationship, for the performance of additional services are included in the comments to the annual accounts as provided for by article 134 of the Companies Code.

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 14, 2011

Prakash Keshavji Shroff	*Managing Director*
Dipesh Kantisen Shroff Jagdish Ramanlal Naik Hariharan Raghunathan	*Directors*

STATUTORY AUDITOR'S REPORT FOR THE YEAR ENDED MARCH 31, 2011 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 Industries (Europe) N.V. for the year ended March 31, 2011 which show total assets of Euro 2.544.844,88 and an income statement resulting in a loss for the year of Euro 44.522,87. 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 organisation 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, 2011, 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.
- On April 18, 2011 the Articles of Association were changed before a public notary, in conformity with the Company Law in force; the name of the company was changed in 'Excel Crop Care (Europe)'.
- 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, April 22, 2011

The Statutory Auditor,

MERTENS, DEWAELE, ACHTEN & C°
Certified Public Accountants BV ufo BVBA
Represented by DIRK ACHTEN

EXCEL INDUSTRIES (EUROPE) N. V.

BALANCE SHEET AS AT 31ST MARCH, 2011

BALANCE SHEET AFTER APPROPRIATION	Discl.	Codes	31-03-2011 €	31-03-2010 €
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	**2.541.544,88**	2.159.408,52
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	**293.110,04**	358.095,35
A. Stocks		30/36	**293.110,04**	358.095,35
1. Raw materials and consumables		30/31	—	—
2. Work in progress		32	—	—
3. Finished goods		33	—	—
4. Goods purchased for resale		34	**293.110,04**	358.095,35
5. Immovable property intended for sale		35	—	—
6. Advance payments		36	—	—
B. Contracts in progress		37	—	—
VII. Amounts receivable within one year		40/41	**906.404,89**	320.637,19
A. Trade debtors		40	**883.070,64**	306.198,65
B. Other amounts receivable		41	**23.334,25**	14.438,54
VIII. Current Investments	5.5.1/5.6	50/53	**1.100.000,00**	**1.100.000,00**
A. Own shares		50	—	—
B. Other investments		51/53	**1.100.000,00**	**1.100.000,00**
IX. Cash at bank and in hand		54/58	**230.460,37**	366.823,84
X. Deferred charges and accrued income	5.6	490/1	**11.569,58**	13.852,14
TOTAL ASSETS		20/58	**2.544.844,88**	2.162.708,52

BALANCE SHEET AS AT 31ST MARCH, 2011 *(Cont'd.)*

	Discl.	Codes	**31-03-2011 €**	31-03-2010 €
EQUITY AND LIABILITIES				
EQUITY (+)/(–)		10/15	**1.632.294,52**	1.676.817,39
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	**1.562.994,52**	1.607.517,39
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 liabilties and charges	5.8	163/5	—	—
B. **Deferred Taxes**		168	—	—
AMOUNTS PAYABLE		17/49	**912.550,36**	485.891,13
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	**898.994,36**	445.955,26
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	**883.994,36**	430.955,26
1. Suppliers		440/4	**883.994,36**	430.955,26
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	**13.556,00**	39.935,87
TOTAL LIABILITIES		10/49	**2.544.844,88**	2.162.708,52

INCOME STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

			Discl.	Codes	**31-03-2011** €	31-03-2010 €
2.	**INCOME STATEMENT**					
I.	**Operating Income**			70/74	**2.175.010,46**	1.169.766,06
	A.	Turnover	5.10	70	**2.174.780,40**	1.149.766,06
	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	**230,06**	20.000,00
II.	**Operating charges (+)/(–)**			60/64	**2.228.083,00**	1.387.480,30
	A.	Raw materials, consumables		60	**2.073.990,94**	1.044.371,28
		1. Purchases		600/8	**1.867.148,26**	961.367,41
		2. Stocks: decrease/(increase) (+)/(–)		609	**206.842,68**	83.003,87
	B.	Services and other goods		61	**296.931,02**	199.274,92
	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	**–152.641,60**	142.641,60
		Provisions for liability and charges: Appropriations (uses and write-backs) (+)/(–)	5.10	635/7	—	—
		Other operating charges	5.10	640/8	**9.802,64**	1.192,50
		Operating charges carried to assets as restructuring costs (–)		649	—	—
III.	**Operating Profit/(Loss) (+)/(–)**			9901	**–53.072,54**	–217.714,24
IV.	**Financial income**			75	**84.282,41**	54.531,81
	A.	Income from financial fixed assets		750	—	—
	B.	Income from current assets		751	**15.091,85**	9.043,88
	C.	Other financial income	5.11	752/9	**69.190,56**	45.487,93
V.	**Financial charges (+)/(–)**		5.11	65	**75.732,74**	46.135,66
	A.	Debt charges		650	**12,50**	100,41
	B.	Amounts written off current assets except stocks, contracts in progress and trade debtors: appropriations (write-backs) (+)/(–)		651	—	—
	C.	Other financial charges (+)/(–)		652/9	**75.720,24**	46.035,25
VI.	**Gain/(loss) on ordinary activities before taxes (+)/(–)**			9902	**–44.522,87**	–209.318,09
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 on 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	—	—

INCOME STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011 *(Cont'd.)*

		Discl.	Codes	**31-03-2011** €	31-03-2010 €
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	**–44.522,87**	**–209.318,09**
	Transfer from deferred taxes		780	**—**	—
	Transfer to deferred taxes		680	**—**	—
X.	**Income taxes (+)/(–)**	5.12	67/77	**—**	–2.163,15
	Income taxes		670/3	**—**	—
	Adjustment of income taxes and write-back of tax provisions		77	**—**	2.163,15
XI.	**Gain/(Loss) of the period (+)/(–)**		9904	**–44.522,87**	–207.154,94
XII.	**Transfer from untaxed reserves**		789	**—**	—
	Transfer to untaxed reserves		689	**—**	—
XIII.	**Gain/(Loss) of the period available for appropriation (+)/(–)**		9905	**–44.522,87**	–207.154,94

APPROPRIATION ACCOUNT

		Codes	**31-03-2011** €	31-03-2010 €
A.	**Profit/(Loss) to be appropriated (+)/(–)**	9906	**1.562.994,52**	1.607.517,39
	1. Gain/(Loss) of the period available for appropriation (+)/(–)	(9905)	**–44.522,87**	–207.154,94
	2. Profit/(Loss) brought forward (+)/(–)	14P	**1.607.517,39**	1.814.672,33
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 the legal reserve	6920	**—**	—
	3. To other reserves	6921	**—**	—
D.	**Profit/(Loss) to be carried forward (+)/(–)**	(14)	**1.562.994,52**	1.607.517,39
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	**—**	—

REPORT OF THE DIRECTORS

FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2011

The directors are pleased to submit their report to the shareholders together with the audited financial statements for the period ended 31 March 2011.

1. STATE OF AFFAIRS AND REVIEW OF ACTIVITIES

The Statement of comprehensive income for the period is set out on page 7. The main activities of the Company are principally to sell agricultural chemicals. The Company is incorporated on 15 June 2010. The Company has obtained all the licences and permissions to start and carry on business in Tanzania. The Company is expected to commence its business operations in the current financial year 2011-12.

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. SHAREHOLDERS

The shareholders of the Company as at 31 March 2011 were:

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

4. SOLVENCY

The state of affairs of the Company as at 31 March 2011 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.

The holding company and other related companies will provide the necessary financial support to enable the Company to continue its future operations. The directors 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.

5. DISABLED PERSONS

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

6. EMPLOYEES WELFARE

(i) Management and employee relationship

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

(ii) Medical facilities

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

7. CORPORATE GOVERNANCE

The directors believe that high standards of corporate governance directly influence the organisation's stakeholders and investor confidence and the directors recognise the importance of integrity, transparency and responsibility.

8. AUDITORS

The auditors, MEKONSULT are being recommended to continue in office. A resolution concerning their re-appointment will be proposed at the next Annual General Meeting.

By Order of the Board

Dipesh K. Shroff
Director

18 April, 2011

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2011

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 judgments 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.

K. Srinivasan
Ravi S. Bhatia
Directors

18 April, 2011

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 2011, 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 judgements, 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 present fairly, in all material respects, the financial position of Excel Crop Care (Africa) Limited as at 31 March 2011, and of its financial performance and cash flows for the period then ended in accordance with the International Financial Reporting Standards and comply with the Companies Act, 2002.

Elinisaidie K. Msuri
Partner
MEKONSULT
Certified Public Accountants

Dar es Salaam
18 April, 2011

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2011

	NOTES	**2011 TShs**	2010 TShs
ASSETS			
Non-current assets			
Plant and equipment		**—**	—
Intangible asset		**—**	—
Deferred tax assets	5	**7,285,558**	—
		7,285,558	—
Current assets			
Bank balances	6	**152,971,284**	—
Prepaid Tax		**600,000**	—
		153,571,284	—
Total assets		**160,856,842**	—
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	7	**170,000,000**	—
Accumulated losses		**(16,999,636)**	—
		153,000,364	—
Current liabilities			
Accruals	8	**7,856,478**	—
		7,856,478	—
Total equity and liabilities		**160,856,842**	—

The financial statements have been approved for issue by the Board of Directors on 18 April, 2011

K. Srinivasan
Ravi S. Bhatia
Directors

18 April, 2011

The notes on pages 10 to 16 form an integral part of the financial statements.
Report of the Auditors – Page 5

STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2011

	NOTES	**2011 TShs**	2010 TShs
Revenue		**—**	—
Cost of sales		**—**	—
Gross profit		**—**	—
Other income		**—**	—
		—	—
Administration expenses			
Incorporation Expenses	9	**(11,145,150)**	—
Other expenses	10	**(10,173,600)**	—
		(21,318,750)	—
Loss before finance costs		**(21,318,750)**	—
Finance costs	11	**(2,966,444)**	—
Loss before tax		**(24,285,194)**	—
Taxation	12	**7,285,558**	—
Net Loss		**(16,999,636)**	—

The notes on pages 10 to 16 form an integral part of the financial statements.

Report of the Auditors – Page 5

STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2011

	Share Capital TShs	**Retained Earnings TShs**	**Total TShs**
Balance at 1 July 2010	**—**	**—**	**—**
Share capital paid	**170,000,000**	**—**	**170,000,000**
Loss for the period	**—**	**(16,999,636)**	**(16,999,636)**
Balance at 31 March 2011	**170,000,000**	**(16,999,636)**	**153,000,364**

The notes on pages 10 to 16 form an integral part of the financial statements.

Report of the Auditors – Page 5

STATEMENT OF CASH FLOWS FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2011

	NOTES	**2011 TShs**	2010 TShs
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss for the period before taxation		**(24,285,194)**	—
Adjustments for:			
Loss on Exchange difference		**—**	—
Operating loss before working capital		**(24,285,194)**	—
Changes in working capital:			
Increase in accruals		**7,856,478**	—
Cash absorbed in operations		**(16,428,716)**	—
Income tax paid		**(600,000)**	—
Net cash absorbed in operations		**(17,028,716)**	—
Cash generated from investment activities			
Share capital		**170,000,000**	—
Net movement in cash and cash equivalents		**152,971,284**	—
Cash and cash equivalents at beginning of period		**—**	—
Cash and cash equivalents at 31 March	6	**152,971,284**	—

The notes on pages 10 to 16 form an integral part of the financial statements.

Report of the Auditors – Page 5

NOTES TO THE FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2011

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 conform 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.

(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 comprises, 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 and 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.

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2011

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 recognised 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 cannot be measured reliably, revenue is recognised 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 judgements 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 part of its revenue in foreign currency and also pays part of its overheads in foreign currency. It is exposed to foreign exchange risk arising from currency exposures primarily with respect to US Dollars.

Exposure to foreign currency risk is not hedged but the Company maintains bank accounts in Tanzanian Shillings and US Dollars 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2011

		2011 TShs	2010 TShs
5.	**DEFERRED TAX ASSETS**		
	Credit for the year 2011	**7,285,558**	—
	Closing balance	**7,285,558**	—
	Deferred tax arises from:		
	Tax loss for the year 2011	**24,285,194**	—
	Deferred tax asset thereon at 30%	**7,285,558**	—
6.	**BANK BALANCES AND CASH**		
	Funds in Trust	**863,250**	—
	Bank balances	**152,108,034**	—
		152,971,284	—
7.	**SHARE CAPITAL**		
	Authorised, Issued and fully paid		
	1,700 Ordinary Shares of TShs 100,000 each	**170,000,000**	—
8.	**ACCRUALS**		
	Secretarial Services	**2,827,370**	—
	Professional fees	**1,419,700**	—
	Provisional Audit fees	**3,609,408**	—
		7,856,478	—
9.	**INCORPORATION EXPENSES**		
	Fee for Incorporation of the Company	**2,100,000**	—
	Fee for TIN Registration	**700,000**	—
	Processing TPRI Licence	**250,000**	—
	TPRI Licence	**350,000**	—
	Inspection at Warehouse	**200,000**	—
	Processing Approval	**200,000**	—
	Processing Final Approval	**138,200**	—
	Fee for Business Licence	**980,000**	—
	Wholesale Permit expenses	**262,500**	—
	Import Permit expenses	**5,964,450**	—
		11,145,150	—
10.	**OTHER EXPENSES**		
	Stamp Duty/WH tax	**2,160,000**	—
	Processing Resident permit for Mr Sampath Kumar	**700,000**	—
	Secretarial Services	**2,632,000**	—
	Professional Fees – Accounting Services	**1,321,600**	—
	Provisional Audit fees	**3,360,000**	—
		10,173,600	—
11.	**FINANCE COSTS**		
	Bank charges	**797,156**	—
	Loss on Exchange differences	**2,169,288**	—
		2,966,444	—
12.	**TAXATION**		
	Current income tax	**—**	—
	Deferred tax	**(7,285,558)**	—
		(7,285,558)	—
	Tax Rate	**%**	%
	Standard rate of Income tax	**30**	30
	Effective tax rate	**30**	30