

ANNUAL REPORT

2012 – 2013

NATH SEEDS LIMITED

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COMPANY INFORMATION

BOARD OF DIRECTORS

Satish Kagliwal
Akash Kagliwal
Shrirang Agrawal
Radhesham Attal

CHIEF FINANCIAL OFFICER

Devinder Khurana

STATUTORY AUDITORS

Gutam N Associates
Chartered Accountants
2nd Floor, Shangrilla Complex,
C.B.S. Road,
Aurangabad-431005

REGISTERED OFFICE

Nath House,
Nath Road,
Aurangabad-431005

PLANT LOCATION

Nath Seeds Limited,
Nath House, Nath Road,
Aurangabad-431005
Tel +91-240-2376314 Fax +91-240-2376188

ADMINISTRATIVE OFFICE

1, Chateau Windsor,
86, Veer Nariman Road,
Churchgate,
Mumbai-400020

REGISTRAR & TRANSFER AGENTS

Big Share Services Private Limited,
E2/3, Ansa Industrial Estate,
Sak Vihar Road, Saki Naka,
Andheri (East), Mumbai-72
Tel +91-22-2847 0652, +91-22-4043 0200

NOTICE

Notice is hereby given that the ANNUAL GENERAL MEETING of NATH SEEDS LIMITED will be held at the Registered Office of the company at Nath House, Nath Road, Aurangabad-431005 on Saturday the 31st August, 2013 at 2 p.m., to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report and Audited Profit and Loss Account for the year ended 31st March, 2013 and the Balance Sheet as at that date.
2. To appoint Auditors of the company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their Remuneration and for the purpose, to consider and if thought it, to pass with or without modification the following resolution as ordinary resolution;

“Resolved That pursuant to the provisions of Section 224 and other applicable provisions, if any of the Companies Act, 1956, M/s Gautam Nandavat & Associates, Chartered Accountants, Aurangabad, the retiring Auditors be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and that the Board of Directors of the Company be and is hereby authorized to fix their remuneration for the said period.”

3. To appoint Mr. Shrirang Agrawal as Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.

By order of the Board of Directors

Date: 29th July, 2013
Registered Office: Nath House
Nath Road,
Aurangabad-431005

Krutika Apte
Company Secretary

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NOTES: 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

2. The Proxy Forms duly completed must reach the Registered Office of the company not less than forty Eight Hours before the commencement of the meeting.

3. Pursuant to Section 154 of the Companies Act 1956, The Register of Members and Share Transfer Books of the Company will be closed on 29th August 2013 and 30th August 2013.

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NOTES: ITEM NO 3

DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT

NAME OF DIRECTOR	Mr. Shrirang Agrawal
Date of Birth	16.02.1947
Date of Appointment	30.01.2008
Qualification	Bachelor of Commerce
Experience in special functional area	Industrialist with rich business experience
Chairman/ Director of other companies	<ol style="list-style-type: none">1. Agri-Tech (India) Limited2. Nath Bio-Technologies Limited3. Global Transgenes Limited4. Barkha Farms Private Limited5. Nath Pulp & Paper Mills Limited6. Mayo (India) Limited7. Wexford Trading Company Private Limited
Chairman/ Member of Committees of other Companies	<p>Nath Pulp & Paper Mills Limited</p> <ul style="list-style-type: none">- Audit Committee- Investor Grievance Committee <p>Agri-Tech (India) Limited</p> <ul style="list-style-type: none">- Audit Committee- Investor Grievance Committee <p>Mayo (India) Limited</p> <ul style="list-style-type: none">- Audit Committee
No of shares held in the Company	NIL

By order of the Board of Directors

Date: 29th July, 2013
Registered Office: Nath House
Nath Road,
Aurangabad-431005

Krutika Apte
Company Secretary

DIRECTORS' REPORT

Your Directors are pleased to present the Annual Report together with the Audited Accounts of your Company for the financial year ended 31st March 2013.

FINANCIAL RESULTS

(Rs in Lacs)

Sr. No	PARTICULARS	YEAR ENDED	
		31.03.2013	31.03.2012
1.	Sales	1240.25	2360.78
2.	Profit before Interest & Depreciation	31.19	115.45
3.	Interest	16.59	100.64
4.	Depreciation	6.48	3.41
5.	Profit Before Tax	8.12	11.40
6.	Tax Provision	0	0
7.	Profit After Tax	8.12	11.40
8.	Extra-Ordinary Items	0	0
9.	Profit carried to Balance Sheet	8.12	11.40

OVERALL PERFORMANCE AND OUTLOOK

The turnover of the Company during the financial year was Rs 1240.25 Lacs as against last year's 2360.78 Lacs. Your Company is in a transitional phase and is changing its business operations. This was the last year for hybrid Seeds Operations. Your Company is now planning to commence Infrastructure Development. The main objects of the Company have already been changed to incorporate the new business strategy through a postal ballot. We are now setting up new plans for Infrastructure Development and plan to commence new operations over the next few months.

MANAGEMENT REVIEW ANALYSIS

i. INDUSTRY STRUCTURE AND DEVELOPMENT

Agriculture remains a pivotal part of the Indian Economy despite the emergence of other sectors and decreasing GDP Share. The Agri-inputs industry produces products that provide essential support to modern agriculture. The Seed is one of the most crucial inputs in agricultural production. We continued to play a dominant role in the seed industry & the Company is now dealing in all types of Hybrid seeds. We have been in this business since inception and have made tremendous inroads in the seeds markets. The main stay of the company is cotton seed, for which we have already developed a Bt Seed, suitable for Indian Markets.

ii. OPPORTUNITIES AND THREATS

The company had been majoring on cotton seed over the last few years. However, we have now begun to concentrate on other crops, especially Paddy and then subsequently wheat thereby changing the product mix of the company. We have also been concentrating on Research & Development, with a focus to release new hybrid seeds every 2-3 years. With the growing seed industry, the company is all poised to reap rich dividends. The monsoon factor plays a very important role in the seed industry, basically because majority of the agrarian society of the nation is dependent on rains. This factor has played a significant role in the past and would continue to be a factor for future too.

iii. **SEGMENTATION OR PRODUCT-WISE PERFORMANCE**

Although the Company deals in research of various types of hybrid seeds, the seed as such is a single product, and hence is reported as one segment. However, we keep a track on the product performances and apart from Cotton; Paddy & Wheat have also been performing well.

iv. **OUTLOOK, RISK AND CONCERNS**

The main risk in the seed industry is erratic monsoon, which is beyond control. The Company feels that with the modernization in Irrigation systems, the seed industry would be able to face the situation better in future. There is an opportunity to accelerate growth in the farming sector which has remained stagnant for over past two decades. However, several other factors like floods, drought and macro economic factors like demand and supply of end products will have an impact on this industry.

v. **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

There is adequate internal control system in the company through internal audit and regular operational reviews.

vi. **DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT**

During the year a number of key HR initiatives were taken up to link business objectives with employee performance. The human resources of the Company are adequately motivated to work towards optimal performance. The industrial relations are also cordial.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Company has also implemented several best corporate governance practices as prevalent globally. The Report on Corporate Governance as stipulated under Clause 49 of Listing Agreement forms part of the Annual Report. The Requisite Certificate from the Auditors of the Company, Gautam N Associates, Chartered Accountants, Aurangabad confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to this report.

DIVIDEND

Given the growth requirements of the business and the inadequacy of profits in the Company, the Directors have not recommended any dividend for the financial year 2012-13.

DEPOSITS

The Company has accepted Fixed Deposits as per section 58A of the Companies Act, 1956, and has strictly adhered to all the applicable laws and regulations including the Companies Act, 1956 read with Rules issued there under. The Company has complied with all the necessary requirements while accepting deposits. .

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION FOREIGN EXCHANGE EARNING & OUTGO:

In terms of rule 2 of The Companies (Disclosure of particulars in the report of Board of Directors Rules, 1988) the relevant particulars are given as under.

Conservation of Energy: The Company has taken necessary measure to achieve economy in consumption of energy.

Technology Absorption & Research and Development: The Company has employed state-of-the-art technology, wherever applicable.

Expenditure on R & D	NIL
Foreign Exchange Earning and Outgo: Earnings	NIL
Outgo	NIL

DIRECTORS

Mr. Shirang Agrawal, Director retires by rotation and being eligible offers himself for re-appointment. Pursuant to Clause 49 of the Listing Agreement, Details of Directors retiring by rotation is provided as part of the Notice of the ensuing Annual General Meeting.

COMPANY SECRETARY

Pursuant to the provisions of the Companies Act, 1956, your company has appointed Ms. Krutika Apte as a full time Company Secretary of the Company for ensuring the compliance of all necessary statutory requirements and procedures.

AUDITORS

M/s Gautam Nandavat Associates, Chartered Accountants, Aurangabad retire at the ensuing Annual General Meeting and being eligible, have expressed their willingness to continue, if so appointed. As required under the provisions of Section 224 of the Companies Act, 1956 your Company has obtained a written certificate from the Auditors proposed to be re-appointed to the effect that their re-appointment, if made would be in conformity with the limits specified in the said section. The Board hereby requests the members to reappoint M/s Gautam Nandavat Associates, Chartered Accountants, Aurangabad as the Auditors for the current year.

AUDITORS REPORT

The Auditors in their Report have made certain comments, regarding non charging of interest. The Management feels that since the investment is of strategic nature, no interest is to be charged.

PARTICULARS OF EMPLOYEES

As required by Section 217 (2 A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the information be treated as NIL, as no employee is drawing salary equals to or above the limits mentioned in the said Section and Rules.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of Companies Act, 1956, the Board of Directors hereby confirms that,

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.
- ii. It has in the selection of the accounting policies, consulted the Statutory Auditors and has applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company as at 31st March, 2013 and of the profits of the company for that period.
- iii. It has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities, to the best of its knowledge and ability. There are however, inherent limitations, which should be recognized while relying on any system of internal control and records.
- iv. It has prepared the annual accounts on a going concern basis.

INSURANCE

All the insurable interest of the company, including Inventories, Buildings, Machinery etc, is adequately insured.

ACKNOWLEDGEMENT

The employees of NATH SEEDS LIMITED continue to work with great dedication and commitment. The Board desires to place on record its appreciation to all the employees of the company during the year under review. The Board also acknowledges the support given by Banks, Financial Institutions and Government Authorities.

For and on behalf of the Board of Directors

29th July 2013

Registered Office:

Nath House,

Nath Road,

Aurangabad-431005

Whole Time Director

Satish Kagliwal

Director

Aakash Kagliwal

CORPORATE GOVERNANCE REPORT

The detailed report on Corporate Governance as per the format prescribed by SEBI and incorporated in clause 49 of the Listing Agreement is listed below:

MANDATORY REQUIREMENTS

1. Company's Philosophy

The Company's philosophy on Corporate Governance envisages the attainment of high level transparency and accountability in the functioning of the Company and the conduct of its business internally and externally, including its interaction with employees, shareholders, creditors, consumers and institutional and other lenders and places due emphasis on regulatory compliance.

Traditional views of governance as a regulatory and compliance requirement have given a way for adoption of governance as an integral part of the Company. Several initiatives have been taken for maintaining the highest standards which include efficient shareholders' communications, observance of Secretarial Standards issued by the Institute of Company Secretaries of India, Best Governance Practices.

The Company will continue its journey in raising the standards in Corporate Governance and will also review its systems and procedures constantly to keep pace with the changing economic environment.

2. The Board of Directors

Composition and Status of Directors

The composition of the Board of Directors and also the number of other Board of Directors or Board Committees of which he/she is a Member/Chairman are as under: -

Name of the Director	Category	No of Public Directorships	Committee Membership	Committee Chairmanship
Mr. Satish Kagliwal	Promoter Executive	6	2	-
Mr. Akash Kagliwal	Promoter Executive	10	6	-
Mr. Radhesham Attal	Independent Non-Executive	3	2	2
Mr. Shrirang Agrawal	Independent Non Executive	6	6	2

The present strength of the Board of Directors is 4.

Attendance of Directors at the Board Meeting

During the year ended 31st March 2013, Five Board of Directors Meetings were held on 30th April 2012, 31st July 2012, 4th August 2012, 10th October 2012, 24th January 2013 The interval between two meetings did not exceed four months. The attendance of each Director at Board of Directors Meetings is as under;

Name of Director	No. of Board Meetings
Mr. Satish Kagliwal	5
Mr. Akash Kagliwal	5
Mr. Radhasham Attal	5
Mr. Shrirang Agrawal	5

All significant information had been place before the Board.

3. Code of Conduct

The company has formulated and adopted a code of business conduct and ethics to guide our transactions with our colleagues, communities, customers, governments, investors, regulators and society. Requisite Annual Affirmations of compliance with the respective code have been made by the directors and the management of the company.

4. Committees of the Board

A. AUDIT COMMITTEE

(i) Broad Terms of Reference

The terms of reference of the Audit Committee include:

- To review the Company's financial reporting process and its financial statements.
- To review the accounting and financial policies and practices.
- To review the efficacy of the internal control mechanism and monitor risk management policies adopted by the Company and ensure compliance with regulatory guidelines.
- To review reports furnished by the internal and statutory auditors and ensure that suitable follow-up action is taken.
- To examine accountancy, taxation and disclosure aspects of all significant transactions.

The terms of reference of this Committee are wide enough covering the matters specified under the Listing Agreement.

(ii) Composition

The Audit Committee constitutes of three Directors namely Mr. Radhesham Attal, Chairman Mr. Akash Kagliwal, Committee Member & Mr. Shrirang Agrawal, Committee Member. During the year ended 31st March 2013, four audit committee meetings were held on 30th April 2012, 31st July 2012, 10th October 2012, and 24th January 2013. The constitution of the Audit Committee and attendance of the members of the meetings was as under;

Name of Director	Status	No. of Meetings attended
Mr. Radhesham Attal	Chairman, Independent, Non-Executive	4
Mr. Akash Kagliwal	Member, Promoter, Executive	4
Mr. Shrirang Agrawal	Member, Independent, Non-Executive	4

B. SHARE TRANSFER APPROVAL COMMITTEE & SHAREHOLDERS INVESTOR GRIEVANCES COMMITTEE.

(i) Broad Terms of Reference

The Shareholders Investor Grievances & Share Transfer Approval Committee comprising of three directors has been constituted with the necessary powers to carry out Share transfers, dematerialization/re-materialization of shares as well as handling shareholders/investor grievances. In short, the terms of reference of the Committee include, redressal of shareholders and investors complaints, regarding transfer and transmission of shares, dematerialization of shares and issue of duplicate share certificates, non-receipt of Balance Sheet etc. The Committee also oversees the performance of the Registrar and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services.

(ii) Composition

The Committee comprises of 3 Directors namely Mr. Radhesham Attal, Chairman Mr. Shrirang Agrawal, Committee Member and Mr. Akash Kagliwal, Committee Member. The Committee met four times during the year and attendance of the members at the meetings was as under:

Name of Director	Status	No. of Meetings attended
Mr. Radhesham Attal	Chairman, Independent, Non-Executive	4
Mr. Akash Kagliwal	Member, Promoter, Executive	4
Mr. Shrirang Agrawal	Member, Independent, Non-Executive	4

(iii) Details of Shareholders' complaints

The company during the year received 12 complaints. There were NIL complaints pending disposal as on 31st March 2013.

(iv) Compliance Officer

Ms. Krutika Apte is the Compliance officer of the Company for complying with requirements of SEBI Regulations and the Listing Agreements of the Stock Exchanges in India.

(v) Company Secretary

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the directors and senior management for effective decision making at the meetings. The Company Secretary is primarily responsible to ensure compliance with the applicable statutory requirements and is the interface between the management and regulatory authorities for governance matters. Ms. Krutika Apte has been employed as the Company Secretary of the Company.

5. Details of General Body Meetings

The location and time where last three Annual General Meetings of the Company were held as under:-

Financial Year	Place	Date	Time
2011-2012	Nath House, Nath Road, Aurangabad (MAH) 431005	01 st September 2012	4.00 PM
2010-2011	Nath House, Nath Road, Aurangabad (MAH) 431005	30 th September 2011	4.00 PM
2009-2010	Nath House, Nath Road, Aurangabad (MAH) 431005	30 th September 2010	4.00 PM

No special resolution was put through postal ballot at the last Annual General Meeting.

6. Means of communication

(a) Quarterly Results: The Board of Directors of the Company approved and took on record & communicated the Unaudited Results of the Company to the Stock Exchanges and displayed the same on the Company's website www.nathseeds.com.

(b) News Releases, Presentations: Official news, Releases are displayed on the Company's website www.nathseeds.com.

(c) Annual Report: The Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto.

(d) Designated E-mail-id: The Company has designated the following Email-id exclusively for investors:
investor@nathseeds.com

7. Disclosures

- No transaction of material nature has been entered into by the Company with directors or management and their relatives, etc. that may have a potential conflict with the interest of the Company.
- There are some financial & operating transactions with its Promoters & Directors & associate concerns which are not conflicting Company's interest. The details of such transactions have been shown in Note No.32 forming part of the financial statement for the year ended 31st March, 2013.
- Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any other statutory authority on any matter related to capital markets, during the last three years : Nil
- The Company has not established any mechanism as referred under Whistle Blower policy.
- Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause: The Company has complied with all mandatory requirements. No non-mandatory requirements were adopted.

8. Shareholders information

a. Registered Office

Nath Seeds Limited
Nath House
Nath Road, Aurangabad
Maharashtra, 431 005

b. Annual General Meeting

Location	Nath Seeds Limited Nath House, Nath Road Aurangabad, 431005
Date & Time	Saturday, 31st August 2013, 2.00 PM

c. Date of Book Closure

The register of share holders of the Company will remain closed on 29th August 2013 & 30th August 2013.

d. Financial Calendar

- Financial Reporting for the Quarter Ending 30th June 2013 by July 2013.
- Financial Reporting for the Quarter Ending 30th September 2013 by October 2013.
- Financial Reporting for the Quarter Ending 31st December 2013 by January 2014.
- Financial Reporting for the Quarter Ending 31st March 2014 by April 2014.
- Annual General Meeting for the Year ending 31st March 2014 by September 2014.

e. Listing on Stock Exchanges and ISIN No.

The Company's shares are listed at the Stock Exchange, Mumbai, National Stock Exchange of India Limited, Mumbai and the Stock Exchange Ahmadabad, under ISIN No. ISIN-INE778A01021, by National Securities Depository Limited and Central Depository Services (India) Limited. The shares of the company fall under the category of compulsory delivery in dematerialized mode by all category of investors.

f. Listing Fee Status

Bombay Stock Exchange	Paid for the year 2013-2014
National Stock Exchange	Paid for the year 2013-2014
Ahmadabad Stock Exchange	Paid for the year 2013-2014

g. Stock Code

Stock Exchange	Trade Symbol
Bombay Stock Exchange	NATHSE
National Stock Exchange	NATHSEED
Ahmedabad Stock Exchange	NATHSEEDS

h. Stock Market Data

Month	High Price	Low Price
Jan-12	9.98	7.4
Feb-12	9.69	7.9
Mar-12	8.5	6.07
Apr-12	8.34	6.48
May-12	8.1	6.06
Jun-12	7.94	6.62
Jul-12	8.1	5.97
Aug-12	6.69	5.1
Sep-12	10.23	5.11
Oct-12	9.52	6.89
Nov-12	8.22	6.63
Dec-12	8.4	6.6
Jan-13	7.25	5.93
Feb-13	6.09	4.42
Mar-13	5.27	3.6
Apr-13	5.25	3.75
May-13	4.35	3.77

i. Registry and Transfer activity

As per the SEBI guidelines, the Registry and Share transfer activity is being handled by M/s Big Share Services Private Limited, INR 00001385. The Share Transfer requests received in physical form are normally registered within 30 days from the date of receipt.

j. **Distribution of Share Holding as on 31st March 2013**

1	5000	25622	84.68403	31226180	21.79686
5001	10000	2661	8.79495	17827680	12.44428
10001	20000	1104	3.648863	15214200	10.61999
20001	30000	372	1.229508	9418430	6.574361
30001	40000	122	0.403226	4252420	2.968323
40001	50000	95	0.313987	4297230	2.999602
50001	100000	171	0.565177	11594080	8.093034
100001	9999999	109	0.360259	49429780	34.50355

k. **Share Holding Pattern as on 31st March 2013**

Category	No. of Shares	% of Capital
Indian Promoters	4963591	34.65
Persons acting in Concert	0	0
Sub Total	4963591	34.65
Non Promoter Holding		
Mutual Funds	4408	0.03
Banks/Financial Institutions	106448	0.74
Foreign Institutional Investors	1450	0.01
Clearing Agents	15820	
Sub Total	128126	1.09
Others		
Private Corporate Bodies	1455920	10.26
Indian Public	7698571	53.4
NRI/OCB	79792	0.61
Sub Total	9234283	64.26
Total	14326000	100.00

*The total paid up capital is INR 1,50,782,360 including INR 143260000 equity shares and INR 7522360 preference shares. The difference of INR 3360 is due to trifurcation post de-merger

l. **Plant Location**

Nath Seeds Limited,
Nath House, Nath Road,
Aurangabad – 431 005
Phone No.: (0240) 2376314-17 Fax No. : (0240) 2376188
Email: mail@khurana.co.in

m. Investor Correspondence

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address and any other query relating to the shares of the Company, please write to;

Big Share Services Pvt. Ltd,
E2/3, Ansa Industrial Estate
Saki Via Road, Saki Naka,
Andheri (East), Mumbai – 72

For any query on Annual Report please write to;

Ms. Krutika Apte
Company Secretary
Nath Seeds Limited,
Nath House, Nath Road,
Aurangabad-431005
Email: investor@nathseeds.com

For an on behalf of the Board of Directors

Aurangabad
Dated: 29th July 2013

Whole Time Director
Satish Kagliwal

**AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF
CORPORATE GOVERNANCE**

To,
The Members of
Nath Seeds Limited
Aurangabad

We have examined the compliance of conditions of corporate governance by Nath Seeds Limited for the year ended on 31st March 2013, as stipulated in Clause 49 of the Listing Agreements of the said Company with stock exchanges in India.

The Compliance of conditions of the Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanation given to us, we certify that the company has generally complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

On the basis of the representation received from Registrar and Share Transfer agent and as per the records maintained by the Company which are presented to the Share Transfer Approval Committee, we state that no Investor grievances are pending for a period exceeding one month as on 31st March 2013.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Gautam N. Associates
Chartered Accountants

Gautam Nandawat
Partner

Place: Aurangabad
Dated: 29th July 2013

**CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)
CERTIFICATION**

To the Board of Directors of Nath Seeds Limited

Dear Sirs,

SUB: CEO/CFO Certificate

(Issued in accordance with the provisions of Clause 49 of the Listing Agreement)

We Satish Kagliwal, Whole Time Director and Devinder Khurana, Vice President Finance of Nath Seeds Limited, to the best of our knowledge and belief, certify that:

We have reviewed the financial statements, read with cash flow statement of Nath Seeds Limited for the year ended March 31, 2013 and that to the best of our knowledge and belief, we state that:

- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) These statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company if any, and the steps taken or proposed to be taken for rectifying these deficiencies.

We have indicated to the auditors and the Audit committee;

- (i) That there are no significant changes in internal control over the financial reporting during the year;
- (ii) significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
- (iii) That there are no frauds of which we have become aware and the involvement therein, if any of the management or an employee.

For an on behalf of the Board of Directors

Aurangabad
Dated: 29th July, 2013

Whole Time Director
Satish Kagliwal

Vice President (Finance)
Devinder Khurana

DECLARATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT

In accordance with Sub Clause I (D) of Clause 49 of the Listing Agreement with the Stock Exchanges, I Satish Kagliwal, Whole Time Director of the Company hereby confirm that the Board members and the senior management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial Year ended 31st March, 2013.

For an on behalf of the Board of Directors

Aurangabad
Dated: 29th July 2013

Whole Time Director
Satish Kagliwal

INDEPENDENT AUDITOR'S REPORT

**To the Members of
Nath Seeds Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of **Nath Seeds Limited** (“the Company”), which comprise the Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 (“the Act”). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

- a) *In terms of Note No – 15(a), Interest Rs.50,41,048 (Previous Year Rs. 45,14,057) has not been charged for the current year on loans and business advances given to associate companies.*

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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

Emphasis of Matter

We draw attention to

- a) Note No 25 to the financial statements which describes that Creditors, Unsecured Loans, certain current account balances with banks, Deposits, Loans and Advances are subject to confirmation and reconciliation.
- b) Note no 23(c) to the financial statements, which describes the demand of penalty amounting to Rs. 17,50,13,562 in respect of income tax assessment completed for assessment year 2001-02 and 2003-04 (net of advances of Rs. 20,00,000) which is being contested by the Company.
- c) Note no 3(a) to the financial statements which describes about the redemption of Preference Shares.

Our opinion is not qualified in respect of above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required under provisions of section 227(3) of the Companies Act, 1956, we report that:

a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

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

c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act;

e. on the basis of written representations received from the directors as on 31st March, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For Gautam N Associates
Chartered Accountants
FR Number – 103117W

Sd/-

(Gautam Nandawat)
Partner
Membership No 032742

Place: Aurangabad
Date: 29th May 2013

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in Para 1 of report on "Other Legal And Regulatory Requirements" of our report to the Members of Nath Seeds Limited for the year ended 31st March, 2013.

- i) a) The Company has maintained proper records, showing full particulars including quantitative details and situation of its fixed assets.
- b) As explained to us, some of the fixed assets have been physically verified by the management during the year according to the phased program of verification, which in our opinion is reasonable having regard to the size of the Company and nature of its fixed assets. As explained, no material discrepancy was noticed on such verification.
- c) The Company has not disposed off any substantial part of its fixed assets during the year.
- ii) a) The physical verification of the inventory has been carried out at reasonable intervals by the management.
- b) The procedures of physical verification of inventories 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. The discrepancies found on physical verification have been properly dealt with in the accounts.
- iii) a) The Company has taken unsecured loans from one companies covered in the register maintained under section 301 of the Act. The maximum balance of the above parties was Rs 1,82,26,615 and the year-end balance was Rs Nil. The Company has given advances to three companies covered in the register maintained under section 301 of the Act. The maximum balance of the above parties was Rs. 5,60,46,057 and the year-end balance was Rs Nil.
- b) In our opinion, the rate of interest, wherever applicable, and other terms and conditions on which the loan have been taken from / granted to companies, listed in the register maintained under section 301 of the Act, are, prima facie not prejudicial to the interest of the company for the reasons stated in Note No. 15(a).
- c) The company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest, wherever applicable.
- d) There are no overdue amounts of loans taken from or granted to companies, firms or other parties listed in the register maintained under section 301 of the Act.
- iv) In our opinion and according to the information and explanations given to us, internal control procedures are commensurate with the size of the Company and nature of its

business with regard to production and sale of inventory. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.

- v) a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Act, have been so entered.
- b) In our opinion, the transactions for sale of services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act and aggregating during the year to Rs. 5,00,000 or more could not be compared as the similar services have not been provided to other parties and as explained by the management these services are being specialized in nature could not be compared with similar services provided by other parties. There were no transactions for purchase of goods and sale of material with the party during the year.
- vi) Deposits accepted from the public are within the limits prescribed under section 58A and 58AA of the Act and Rules framed there under, *subject to certain procedural formalities*.
- vii) In our opinion, the Company's internal audit system needs to be strengthened by expanding the scope and coverage.
- viii) The Central Government has not prescribed for maintenance of cost records under Section 209(1)(d) of the Act, for the products of the Company.
- ix) a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including, professional tax, provident fund, sales tax, wealth-tax, cess and other statutory dues applicable to it. The outstanding balance as at balance sheet date for Income Tax (TDS) is Rs. 11,627.
- b) According to the information and explanations given to us, there are no dues of Wealth Tax, Sales Tax, Custom Duty, cess, etc. as at 31st March 2013, which have not been deposited on account of any dispute *except demand of penalty under Income Tax, 1961*. Refer Note no 23(c).
- x) The accumulated losses of the company are more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by our audit as well as immediate preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the company has defaulted in repayment of dues to Maharashtra State Financial Corporation, a financial institution, for an amount of Rs 4,12,60,082 since last 10 years.
- xii) In our opinion, the company has not granted any 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.

- xiv) In our opinion, the company is not dealing or trading in shares, securities, debenture and other investments.
- xv) As per the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the financial year.
- xvi) As per the information and explanations given to us, the company has not obtained any term loan 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 generally no funds raised on short-term basis have been used for long-term investment and vice versa.
- xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares during the year to parties and companies covered in the register maintained under section 301 of the Act.
- xix) According to the information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures.
- xx) The company has not raised any money by public issues during the year.
- xxi) During the course of our examination of the books of accounts carried out in accordance with generally accepted accounting practices in India, we have neither come across any incidence of fraud during the year on or by the company nor have we been informed of any such case by the management.

For Gautam N Associates
Chartered Accountants
Firm Registration No 103117W

Sd/-

(Gautam Nandawat)
Partner
M No 32742

Place: Aurangabad
Dated: 29th May 2013

NATH SEEDS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2013

Amount in Rs

	NOTE NO	As at 31st March 2013	As at 31st March 2012
I. EQUITY AND LIABILITIES			
(1) Shareholders Funds			
a) Share Capital	3	150782360	150782360
b) Reserves & Surplus	4	31029717	30217380
c) Money Received against share warrant		0	0
		181812077	180999740
(2) Share Application money pending allotment			
		0	0
(3) Non current Liabilities			
a) Long Term Borrowings	5	0	6989405
b) Deferred Tax Liabilities		0	0
c) Other Long Term Liabilities		0	0
d) Long Term Provisions		0	0
		0	6989405
(4) Current Liabilities			
a) Short Term Borrowings	6	41260082	107070093
b) Trade Payables	7	64775484	33348315
c) Other Current Liabilities	8	12751	55300010
d) Short Term Provisions		0	0
		106048316	195718417
TOTAL		287860393	383707563
II. ASSETS			
(1) Non Current Assets			
a) Fixed Assets			
i) Tangible Assets	9	264146295	264794683
ii) Intangible Assets		0	0
iii) Capital Work In Progress		0	21400
iv) Intangible assets under development		0	0
		264146295	264816083
b) Non Current Investments	10	4783525	4783525
c) Deferred Tax Assets (Net)		0	0
d) Long Term Loans and Advances	11	3400000	0
e) Other Non Current Assets		0	0
		8183525	4783525
(2) Current Assets			
a) Current Investments		0	0
b) Inventories	12	0	20178806
c) Trade Receivables	13	4008334	0
d) Cash and Cash Equivalents	14	124463	7179356
e) Short Term Loans and Advances	15	8469260	85843443
f) Other Current Assets	16	2928517	906350
		15530574	114107955
TOTAL		287860394	383707563
CASH FLOW STATEMENT			
NOTES FORMING PART OF THE FINANCIAL STATEMENTS			
As per our report attached For Gautam N Associates Firm Registration No 103117W Chartered Accountants		For and on behalf of Board of Directors	
Sd/-	Sd/-	Sd/-	Sd/-
(Gautam Nandawat) Partner M No 32742	Satish Kagliwal Managing Director	Akash Kagliwal Director	Krutika Apte Company Secretary
Place: Aurangabad Dated: 29th May 2013			

NATH SEEDS LIMITED

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

Amount in Rs

PARTICULARS	NOTE NO.	For the period ended on 31st March 2013	For the period ended on 31st March 2012
REVENUE			
Revenue from operations	17	124025330	236078058
Other Income	18	229576	1900039
		124254906	237978097
EXPENDITURE			
Purchase of Stock in Trade		0	0
Production Expenses	19	99318844	223088308
Change in Inventories	20	20178806	472129
Employees Benefits Expenses		0	0
Finance Costs	21	1659238	10064291
Depreciation and Amortisation	10	648388	341257
Other Expenses	22	1637292	2872519
		123442569	236838504
Profit before exceptional, extraordinary items and tax		812337	1139592
Extra-Ordinary Items and Prior period expenses		0	0
Profit before Tax		812337	1139592
Tax Expenses			
Income Tax		0	0
Profit/(Loss) for the period for the continuing operations		812337	1139592
Basic and Diluted Earnings per Share		(1.63)	(1.51)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS			
As per our report attached For Gautam N Associates Firm Registration No 103117W Chartered Accountants		For and on behalf of Board of Directors	
Sd/-	Sd/-	Sd/-	Sd/-
(Gautam Nandawat) Partner M No 32742	Satish Kagliwal Managing Director	Akash Kagliwal Director	Krutika Apte Company Secretary
Place: Aurangabad Dated:29th May 2013			

Nath Seeds Limited	
NOTE NO 1	
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2013	
	2012-2013
	Rs
A) CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit before Tax & Extra Ordinary items	8,12,337
Adjustment for :	
Depreciation	6,48,388
Interest Paid / Financial Charges	16,59,238
Expenses Written Off	0
Less : Interest Received	0
Operating Profit before working capital changes	31,19,963
Adjustment for :	
(Increase) / Decrease in Trade Receivables	-40,08,334
(Increase) / Decrease in Inventories	2,01,78,806
(Increase) / Decrease in Other Current Assets	-20,22,167
(Increase) / Decrease in Short Term Loans & Advances	7,73,74,183
(Increase) / Decrease in Long Term Loans & Advances	-34,00,000
Increase / (Decrease) in Trade Payable	3,14,27,169
Increase / (Decrease) in Other Current Liability	-5,52,87,259
Increase / (Decrease) in Short Term Provisions	0
Cash Generated from operation before Tax & Extra Ordinary item	6,73,82,361
Income Tax	0
Extra Ordinary Items	0
Net Cash Flow from Operating Activities - (A)	6,73,82,361
B) CASH FLOW FROM INVESTING ACTIVITIES	
Sale of fixed assets	0
Purchase of Fixed Assets	21,400
Interest Received	0
(Increase) / Decrease in Non Current Investments	0
Net Cash Flow from Investing Activities - (B)	21,400
C) CASH FLOW FROM FINANCING ACTIVITIES	
Interest Paid / Financial Charges	-16,59,238
(Increase) / Decrease in Deferred Tax Assets	0
Increase / (Decrease) in Long Term Borrowings	-69,89,405
Increase / (Decrease) in Short Term Borrowings	-6,58,10,011
Proceeds from share capital/share application	0
Increase / (Decrease) in Long Term Provisions	0
Net Cash Flow From Financing Activities - (C)	-7,44,58,654
Net increase/Decrease in cash & cash equivalent (A+B+C)	-70,54,893
Opening Cash and Cash Equivalent	71,79,356
CLOSING CASH & CASH EQUIVALENT	1,24,463

NATH SEEDS LIMITED

NOTE NO -2

SIGNIFICANT ACCOUNTING POLICIES:

A) GENERAL

The Financial Statements are prepared on the basis of historical cost convention, on the accounting principles of a going concern and in accordance with the applicable accounting standards. All the expenses and income to the extent considered payable and receivable, respectively, unless specifically stated to be otherwise, are accounted for on accrual basis.

B) FIXED ASSETS:

Fixed Assets are stated at cost including freight, duties, taxes and all incidental expenses related thereto.

C) CAPITAL WORK-IN-PROGRESS

Expenditure related to and incurred during the implementation of the projects is included under Capital Work-in-Progress and the same will be capitalised under the appropriate heads on completion of the projects.

D) DEPRECIATION / AMORTIZATION

Depreciation on Fixed Assets is provided for on written down value method at the rates specified in Schedule XIV to the Companies Act 1956 (hereinafter referred to as the "Act").

E) INVENTORIES:

The inventories are valued at lower of cost and net realizable value. Cost is assigned on weighted average basis. Obsolete, defective and unserviceable stocks are provided for.

F) BORROWING COST

Borrowing cost directly attributable to acquisition, construction, production of qualifying assets are capitalised as a part of the cost of such assets up to the date of completion. Other borrowing costs are charged to Statement of Profit and Loss.

G) TAXATION

i) Provision for Current Tax is made and retained in the accounts on the basis of estimated tax liability as per applicable provisions of Income Tax Act 1961.

ii) Deferred tax for timing difference between tax profit and book profit is accounted for using the tax rates and laws as have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets are recognized to the extent there is reasonable certainty that these assets can be realized in future and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

NOTE -- 3
SHARE CAPITAL

Amount in Rs

PARTICULARS	As at 31st March 2013	As at 31st March 2012
AUTHORIZED :		
2,47,00,000 Equity Shares of Rs.10 each	247,000,000	247,000,000
1,30,000 16% Cumulative Redeemable Preference Shares of Rs.100 each	13,000,000	13,000,000
	260,000,000	260,000,000
ISSUED, SUBSCRIBED AND PAID UP :		
Equity Shares		
Opening Balance of 1,43,26,336 of Rs. 10 each fully paid up	143,263,360	143,263,360
Add: Issued, allotted during the year	-	-
Closing Balance of 1,43,26,336 of Rs. 10 each fully paid up	143,263,360	143,263,360
Preference Shares		
Opening Balance of 75190 16% Cumulative Redeemable Preference Shares of Rs.100 each.	7,519,000	7,519,000
Add: Issued, allotted during the year		
Closing Balance of 75190 16% Cumulative Redeemable Preference Shares of Rs.100 each	7,519,000	7,519,000
	150,782,360	150,782,360

(a) Preference shares of Rs. 58,00,000 and Rs. 17,19,000 were redeemable at par in three equal installments at the end of 3rd, 4th and 5th year from the date of allotment viz 16.01.1996 and 22.05.1996 respectively.

(b) The redemption of preference shares could not be made and no dividend was declared resulting in entitlement of voting power to the preference share holders.

List of shareholders having 5% or more shares in the Company

	No of shares	No of shares
Equity Shares		
1) Nath Royal Ltd	2851340	2851340
	2851340	2851340
Preference Shares		
1) The New India Assurance Company Ltd	23135	23135
2) The United Insurance Company Ltd	17352	17352
3) The Oriental Insurance Company Ltd	17352	17352
4) The General Insurance Company Ltd	17351	17351
	75190	75190

NOTE -- 4

RESERVES & SURPLUS

Amount in Rs

PARTICULARS	As at 31st March 2013	As at 31st March 2012
Capital Reserve		
Securities Premium	251982269	251982269
Capital Reserve	3495348	3495348
Revaluation Reserve	256137775	256137775
	511615392	511615392
Statement of Profit & Loss		
Opening Balance	-481398012	-482537604
Profit (+) / Loss (-) for the year	812337	1139592
Closing Balance	-480585675	-481398012
	31029717	30217380

NOTE -- 5**LONG TERM BORROWINGS**

Amount in Rs

PARTICULARS	As at 31st March 2013	As at 31st March 2012
SECURED		
From Jankalyan Sahakari Bank Ltd (Secured by equitable mortgage of the company's immovable properties situated at gut No 64(2) (Part) Village Ithkeda, Aurangabad and secured by hypothecation of stock, book debts and Jointly & severally guaranteed by two directors of the Company)	-	2,955,432
From Jankalyan Sahakari Bank Ltd (Secured by lien of FDRs)	-	4,033,973
	0	6989405

NOTE -- 6**SHORT TERM BORROWINGS**

Amount in Rs

PARTICULARS	As at 31st March 2013	As at 31st March 2012
SECURED		
From Jankalyan Sahakari Bank Ltd (Repayable on demand) (Secured by equitable mortgage of the company's immovable properties situated at gut No 64(2) (Part) Village Ithkeda, Aurangabad and secured by hypothecation of stock, book debts and Jointly & severally guaranteed by two directors of the Company)	-	52,437,266
	-	52,437,266
UNSECURED LOANS		
b) From Bodies Corporate (Repayable on demand)	-	10,307,937
c) Fixed Deposits (Repayable upon term of deposit)	-	3,064,808
d) From a Financial Institution	41,260,082	41,260,082
	41,260,082	54,632,827
	41,260,082	107,070,093

NOTE NO - 7**TRADE PAYABLES**

Amount in Rs

PARTICULARS	As at 31st March 2013	As at 31st March 2012
Sundry Creditors	64656937	33239880
Sundry Creditors for others service providers	118547	108435
	64775484	33348315

There are no over dues to vendors under the Micro, Small and Medium Enterprises Development Act, 2006.

NOTE -- 8**OTHER CURRENT LIABILITIES**

Amount in Rs

PARTICULARS	As at 31st March 2013	As at 31st March 2012
Bank Overdraft	0	4219908
Credit balance in Debtors a/c (an Associate Company)	0	51029416
FBT Payable	0	41094
TDS Payable	12751	9592
	12751	55300010

NOTE -- 10**LONG TERM LOANS AND ADVANCES**

PARTICULARS	As at 31st March 2013	As at 31st March 2012
Capital advances for Land Purchase	3400000	0
	3400000	0

NOTE -- 11**NON CURRENT INVESTMENTS**

PARTICULARS	As at 31st March 2013	As at 31st March 2012
Unquoted; non-trade, at cost		
a) In Government Securities		
National Savings Certificates (Face Value Rs.54,000 deposited with Govt Dept)	49275	49275
b) In Equity Shares: Fully Paid)		
1000 Equity shares of The Saraswat Co-op. Bank Ltd. of Rs. 10 each, fully paid	10000	10000
1000 Equity Shares of The Janta Sahakari Bank Ltd of Rs. 100 each, fully paid	100000	100000
250 Equity Shares of Deogiri Nagari Sahakari Bank Ltd. of Rs. 25 each, fully paid	6250	6250
3440 Equity Shares of The Peoples Co-op. Bank Ltd. of Rs. 25 each, fully paid	86000	86000
45,320 (previous year 41,822) Equity Shares of Jankalyan Sahkari Bank Ltd of Rs. 100 each	4532000	4532000
	4783525	4783525

NATH SEEDS LIMITED

NOTE -- 9 FIXED ASSETS

Amount in Rs.

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 01.04.12	Additions During the Year	Deletions During the Year	As at 31.03.13	Upto 01.04.12	For the Year	Upto 31.03.13	As at 31.03.13	As at 31.03.12
TANGIBLE ASSETS									
Land	258310800		0	258310800	0		0	258310800	258310800
Corporate Building	16423000		0	16423000	9939117	648388	10587505	5835495	6483883
	274733800	0	0	274733800	9939117	648388	10587505	264146295	264794683
	274733800	0	0	274733800	9597860	341257	9939117	264794683	

Note : The Company has revalued the land admeasuring 8.65 acres situated at gut no 64/2, 63,62/3, Itkheda Paithan Road, Aurangabad. The corresponding value of Rs. 25,61,37,775 representing such upward revision has been shown as revaluation reserve under the head "Reserves & Surplus".

NOTE -- 12
INVENTORIES

Amount in Rs

PARTICULARS	As at 31st March 2013	As at 31st March 2012
(As taken, valued and certified by the management)		
Seeds	0	20178806
	0	20178806

The inventories are valued at lower of cost and net realizable value. Cost is assigned on weighted average basis

NOTE -- 13
TRADE RECEIVABLE

PARTICULARS	As at 31st March 2013	As at 31st March 2012
i) Secured: Considered Good	-	-
ii) Unsecured: Considered Good		
Due for a period of less than six months	4,008,334	-
Due for a period of more than six months	-	-
	4,008,334	-

NOTE -- 14
CASH AND CASH EQUIVALENTS

Amount in Rs

PARTICULARS	As at 31st March 2013	As at 31st March 2012
Cash in hand	2759	2097
Balances with Banks	121704	133087
In Fixed Deposit (Pledged with Jankalyan Sahakari Bank Ltd)	0	7044172
	124463	7179356

NOTE -- 15
SHORT TERM LOANS AND ADVANCES

Amount in Rs

PARTICULARS	As at 31st March 2013	As at 31st March 2012
(Unsecured, Considered good)		
Growers (Advance for Seed Purchase)	0	45231911
Prepaid Expenses	16869	20423
Advances to an Associates Company	0	39794888
Advances to Staff	0	300000
Advances paid to Creditors	8309891	353721
Advance against 16% Redeemable Pref Shares	142500	142500
	8469260	85843443

(a) Interest (calculated on month end balance) amounting to Rs. 50,41,048 (Previous Year Rs. 45,14,057) has not been charged for the year on loans and business advances given to an associates company as considered appropriate by the management, interalia, considering week financial position of these companies and the long term business exigencies/ purposes. However, the loans and advances given to related parties have been received during the year.

NOTE -- 16**OTHER CURRENT ASSETS**

Amount in Rs

PARTICULARS	As at 31st March 2013	As at 31st March 2012
TDS Receivable	552780	530613
Advance paid for Income Tax (Refer Note No 23(c))	2000000	0
Security Deposit with others	375737	375737
	2928517	906350

NOTE -- 17**REVENUE FROM OPERATIONS**

Amount in Rs

PARTICULARS	For the period ended on 31st March 2013	For the period ended on 31st March 2012
Sale of Failed Seeds	5613736	0
Production incentive	1108350	16630027
	6722086	16630027
Reimbursement of Expenses Received (Refer also Note No 27)		
Land preparation charges	26020723	21149906
Fertiliser	15601764	48741325
Labour Charges	30754213	74948293
Lease Rental	29779484	43003800
Other Farming Expenses	15147060	31604707
	117303244	219448031
	124025330	236078058

NOTE -- 18**OTHER INCOME**

Amount in Rs

PARTICULARS	For the period ended on 31st March 2013	For the period ended on 31st March 2012
Dividend on long term Investments	12000	21900
G. O. T charges	112650	178725
Germination charges	24425	51175
Sale of Gunny Bags	0	84154
Interest earned	77640	1553955
Processing & Ginning Charges	158	9761
Misc. Income	2702	368
	229576	1900039

NOTE -19

Amount in Rs

PARTICULARS	For the period ended on 31st March 2013	For the period ended on 31st March 2012
PRODUCTION EXPENSES		
Production of Foundation Seeds	2,948,634	4,278,889
Production of Field Crop Seeds	96,370,210	218,809,419
	99,318,844	223,088,308

NOTE -- 20**CHANGE IN INVENTORIES**

Amount in Rs

PARTICULARS	For the period ended on 31st March 2013	For the period ended on 31st March 2012
Opening stock of Seeds	20178806	20650935
	20178806	20650935
Closing stock of Seeds	0	20178806
	0	20178806
Increase / (Decrease) in inventory	(20,178,806)	(472,129)

NOTE -- 21
FINANCE COSTS

Amount in Rs

PARTICULARS	For the period ended on 31st March 2013	For the period ended on 31st March 2012
Interest Expenses	1644046	9719881
Bank Charges	15192	344410
	1659238	10064291

NOTE -- 22
OTHER EXPENSES

Amount in Rs

PARTICULARS	For the period ended on 31st March 2013	For the period ended on 31st March 2012
Rates and Taxes	759874	44921
Purchase of Packing Material	0	120147
Hammali & Cartage	0	800
Insurance	35791	103501
Legal & Professional charges	523542	480504
Power and Fuel	14100	0
Traveling and Conveyance	7500	134
Auditors' Remuneration		
Statutory Audit	67416	56180
Tax Audit	16854	16854
Repairs & Maintenance	90588	1530
Sundry Debit balance w/off	2381	1999989
Brokerage and Commission	12980	5670
Misc Expenses	106266	42289
	1637292	2872519

NATH SEEDS LIMITED

NOTE 23

Contingent Liabilities not provided for in respect of

Particulars		Current Year (Rs)	Previous Year (Rs.)
a)	Arrears of Dividend on Cumulative Redeemable preference shares (including Corporate Dividend Tax)	2,41,59,383	2,27,61,150
b)	Amount of interest liability / penalty / liquidated damages, if any on delayed / non-payment of certain creditors / loans (secured or unsecured) / statutory dues.	Amount Unascertainable	Amount Unascertainable
c)	Amount of penalty in respect of assessment completed for assesment year 2001-02 and 2003-04 earlier year. (net of advances of Rs. 20,00,000) which is being constested by the Company.	17,50,13,562	Nil

NOTE 24

In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value stated, if realised in the ordinary course of the business.

NOTE 25

The accounts including detailed transactions of Creditors, Debtors, Unsecured Loans, Deposits, Loans and Advances are subject to confirmations and reconciliations. The difference as may be noticed on reconciliation will be accounted for on completion thereof. In the opinion of the management, the ultimate difference will not be material.

NOTE 26

No provision for the Income Tax and Minimum Alternate Tax for the year has been considered necessary in view of the unabsorbed depreciation and carried forward losses.

NOTE 27

In view of the carried forward unabsorbed depreciation, the management has, as the matter of prudence, not recognized deferred tax assets during the year.

NOTE 28

Related parties disclosure as per Accounting Standard - 18:

a) List of related parties

i) Associates:-

- 1 Agri Tech (India) Ltd.
- 2 Global Transgenetics Ltd
- 3 Nath Bio-Genes Ltd.
- 4 Nath Biotechnologies Ltd

ii) Key Management Personnel:-

Mr. Satish Kagliwal (Whole time Director)

b) Transactions carried out with related parties as referred to in (a) above, in the ordinary course of the business:

Sr No	List of related parties	Transaction	Current year Rs.	Previous year Rs.
1	Agri Tech (India) Ltd.	Transfer (Debit to Party Account)	0	1323446
2	Global Transgenetics Ltd	Transfer (Debit to Party Account)	0	5300000
3	Nath Bio-Genes Ltd.	Transfer (Credit to account)	0	0
		Transfer (Debit to account)	132116683	
		Amount Received	0	257748021
		Reimbursement of expenses	117303244	219448031
		Production Incentive received	1108350	16630027
4	Nath Biotech Ltd	Transfer (Debit to Party Account)	1637213	14017731
		Transfer (Credit to Party Account)	40123253	316514
		Unsecured Loan recovered	0	3850000

c) Outstanding balance of related parties as on 31st March, 2013

Sr No	List of related parties	Current year Rs.	Dr / Cr	Previous year Rs.	Dr / Cr
1	Nath Bio-Genes Ltd.	0	Cr	38448979	Cr
2	Nath Biotech Ltd	0		38486040	Dr

Notes:

- 1 Related party relationship is identified by the Company and relied upon by the Auditors.
- 2 No amounts in respect of related parties have been written off during the year. Also, no accounts have been provided for as doubtful debts.

NOTE 29	Current year	Previous year
	Rs	Rs
CIF value of Imports: –	NIL	NIL
FOB value of export	NIL	NIL
Expenditure in Foreign Currency: -	NIL	NIL
Earning in Foreign Currency:-	NIL	NIL

NOTE 30
The following calculation of earning per share basic and diluted in terms of Accounting Standard - 20 on Earning Per Share issued by the Institute of Chartered Accountants of India.

	Current Year	Previous Year
	Rs.	Rs.
Net Profit (loss) as per Profit & Loss Account	8,12,337	11,39,592
Less :- Dividend on Preference Shares including dividend distribution tax	2,41,59,383	2,27,61,150
Numerator: Profit Available for equity share holders	-2,33,47,047	-2,16,21,558
Denominator: Number of Equity shares outstanding (nos)	1,43,26,336	1,43,26,336
Denominator for Diluted equity share holder	1,43,26,336	1,43,26,336
Basic Earnings per share is arrived at by dividing Numerator by Denominator	-1.63	-1.51
Diluted Earnings per share is arrived at by dividing Numerator for diluted equity share holder by	-1.63	-1.51
The nominal value per equity share is Rupees	10	10

NOTE 31
Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year's presentation.

Sd/-
Satish Kagliwal
Managing Director

Sd/-
Akash Kagliwal
Director

Sd/-
Krutika Apte
Company Secretary

Place : Aurangabad
Date : 29th May 2013

FORM B

1.	Name of the company	Nath Seeds Limited
2.	Annual financial statements for the year ended	31 st March 2013
3.	Type of Audit qualification	Qualified Opinion
4.	Frequency of qualification	Appeared for the first time
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	Interest has not been charged for the current year on loans and business advances given to associate companies (page no 22) and the management feels that since the investment is of strategic nature, hence no interest is charged.(page no 8)
	Additional comments from the board/audit committee chair:	N.A.
5.	To be signed by- <ul style="list-style-type: none"> • Whole Time Director • CFO • Auditor of the company • Audit Committee Chairman 	Sd/- Sd/- Sd/- Sd/-

NATH SEEDS LIMITED

Registered Office: Nath House, Nath Road, Aurangabad – 431 005

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting venue)
ANNUAL GENERAL MEETING - Saturday, August 31, 2013

Reg. Folio No. /DP ID & Client ID No.: _____ No. of shares held: _____

Name of the attending member (in block letters)

Name of proxy (in block letters, to be filled in by the proxy attending instead of the member)

I hereby record my presence at the Annual General Meeting of the Company at Nath House, Nath Road, Aurangabad – 431 005 on Saturday, August 31, 2013 at 2.00 p.m.

Member's / Proxy's Signature

Notes:

- 1) Interested joint members may obtain attendance slips from the Registered Office of the Company.
- 2) Members/joint members/proxies are requested to bring this slip with them. Duplicate slips will not be issued at the entrance of the Auditorium.
- 3) The proxy form must be deposited so as to reach the Registered Office of the Company not less than FORTY-EIGHTHOURS before the time of the Annual General Meeting.

..... TEAR HERE.

NATH SEEDS LIMITED

Registered Office: Nath House, Nath Road, Aurangabad – 431 005

PROXY FORM

Reg. Folio No. /DP ID & Client ID No.: _____ No. of shares held: _____

I/We _____ of _____ being a member/members of the above-named Company hereby appoint _____ of _____ or failing him/her _____ of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at Nath House, Nath Road, Aurangabad – 431 005 on Saturday, August 31, 2013 at 2.00 p.m.

Signature:

Affix RS.1/- Revenue Stamp

Date: