



DHANUKA KHETI KI NAI TAKNEEK



FOR EVERY FARMER'S PROSPERITY



ANNUAL REPORT 2012-13



ACHIEVING NEW HEIGHTS



Dhanuka Agritech Limited



DHANUKA KHETI KI NAI TAKNEEK



FOR EVERY FARMER'S PROSPERITY



LUSTRE

Use Lustre - Be Happy



**New Dawn of
Happiness**

NOW

Extra Duration of Control for
Greener & Healthier Crop!!



Dhanuka Agritech Limited
AN ISO 9001:2008 COMPANY





New Landmark

Dhanuka Signs

MR. AMITABH BACHCHAN

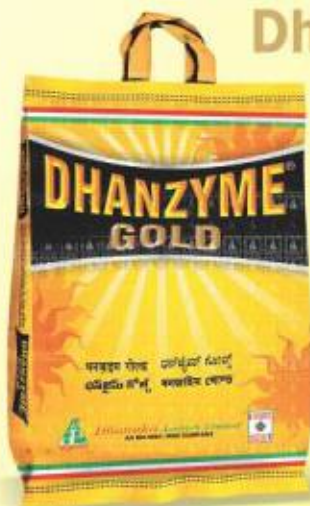


Dhanuka signs Mega Cine star and Legendary personality Shri Amitabh Bachchan for promoting our programs and events so that the message goes to every nook and corner of the country



Marketing Initiatives in 2012-13

New Products Launched



Dhanzyme Gold Gr

DHANZYME® GOLD GR is granulated Organic Manure extracted from natural Seaweeds. It provides basic building blocks for various active protein molecules in the living organisms which can be easily utilized by plant cells. It is also safe for the environment.

LUSTRE

LUSTRE is our Navratna Product- Broad Spectrum and Systemic Fungicide. It controls diseases both as prophylactic (before appearance of disease) and Curative (after appearance of disease). It has been introduced exclusively by Dhanuka for the first time in India for simultaneous control of Sheath Blight, Blast, Leaf Spot and discoloration in Paddy with excellent phytotonic effect giving more yield and more returns to the farmer. It has been registered in collaboration with DuPont.



Fuzi Super

Fuzi Super is our Lifeline product. Its technical was originally invented by Kumiai, Japan & registered and sold in over 51 countries. It is a broad-spectrum systemic and selective herbicide for rice and is one of the world's best post emergence rice herbicides for the control of all types of weeds.



FLUID

Fluid is our Lifeline Product. Its technical was invented by researchers from Nihon Nohyaku, Japan & Bayer, Germany and has excellent result against a broad spectrum of lepidopterous insect pests of paddy, pulses & vegetables & has outstanding larvicidal action. Additionally, it is also growth enhancer for the plant height & yield.



ONESTAR

ONESTAR is our Lifeline Product. It is a broad-spectrum fungicide ideally suited for use in IPM programs. Its technical was discovered and developed by ICI (Imperial Chemical Industries), now re-named as Syngenta. It is registered in about 100 countries and is used on more than 120 crops.



MAXYLD

Dhanuka's new product Maxyld is a highly effective plant growth enhancer. It acts synergistically with plant metabolism and maximizes yield by stimulating and improving hormonal and enzymatic activities in the plant. It is very effective in paddy, sugarcane, cotton, groundnut, fruits and vegetables.



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Company Profile

Board of Directors

Mr. Ram Gopal Agarwal
Chairman

Mr. Mahendra Kumar Dhanuka
Managing Director

Mr. Arun Kumar Dhanuka
Executive Director

Mr. Rahul Dhanuka
Executive Director

Mr. Mridul Dhanuka
Executive Director

Mr. Sachin Bhartiya
Non-Executive Director

Mr. Subhash Lakhota
Non-Executive Director

Mr. Indresh Narain
Non-Executive Director

Mr. Shrikrishna Khetan
Non-Executive Director

Mr. Subash Chander Gupta
Non-Executive Director

Mr. Priya Brat
Non-Executive Director

Mr. Vinod Jain
Non-Executive Director

Ms. Shubha Singh
Company Secretary & Compliance Officer

Management Team

Mr. C. M. Gupta
President - Procurement

Mr. G. D. Gupta
President - General Administration

Mr. K. B. Kejariwal
President

Dr. O. P. Singh
President - R & D

Mr. P. K. Kanodia
President

Mr. R. K. Kanodia
President

Mr. V. K. Bansal
President - Chief Financial Officer

Mr. Harsh Dhanuka
Senior General Manager - Marketing

Mr. Harish Mehta
Senior General Manager

Mr. Kamal Kumar
Senior General Manager - Recruitment & Training

Mr. Rajesh Sahni
Senior General Manager - Legal

Mr. Vijay Kumar
Senior General Manager - Quality Control

Mr. Y.K. Goel
Senior General Manager - Production

Mr. Anand Mohan Mathur
General Manager

Mr. Ashok Mahajan
General Manager

Mr. H.M. Rawal
General Manager - Marketing

Mr. M. N. Rao
Business Manager

Dr. P. C. Rai
General Manager - Marketing

Mr. Partha Sen Gupta
General Manager

Corporate Information

Registered Office

"Dhanuka House"

861-862, Joshi Road,
Karol Bagh, New Delhi- 110005
Phone Nos. : (011) 23518981/82/64656800/1/2
E-mail : investors@dhanuka.com, headoffice@dhanuka.com
Visit us at : www.dhanuka.com

Corporate Office

14th Floor, Building 5A, Cyber City,
DLF Phase III, Gurgaon - 122002, Haryana
Phone Nos. : (0124) 3838500
Fax No. : (0124) 3838888
E-mail : headoffice@dhanuka.com
Visit us at : www.dhanuka.com

Annual General Meeting

Date : 12th Day of August, 2013
Time : 11:00 AM
Venue : Shri Purushottam Hindi Bhawan,
11, Vishnu Digamber Marg
(Rouse Avenue), New Delhi - 110002

Registrars and Transfer Agents

M/s Abhipra Capital Limited

Ground Floor, Abhipra Complex, Dilkush Industrial Area,
A-387, G.T. Karnal Road, Azadpur, Delhi-33
Phone Nos. : (011) 42390708/783
Email : info@abhipra.com, rtat@abhipra.com
Website : www.abhipra.com

Statutory Auditors

M/s. Dinesh Mehta & Co.

Chartered Accountants
21, Daya Nand Road,
Darya Ganj, New Delhi-110002

Cost Auditors

M/s. S. Chander & Associates

Cost Accountants
212, 2nd Floor, Sarai Pipal Thala,
G.T. Karnal Road, Azadpur, Delhi-110033

Bankers

State Bank of India
The Hongkong & Shanghai Banking Corporation Limited
HDFC Bank Limited

Listing

Bombay Stock Exchange Limited
National Stock Exchange of India Limited



NOTICE TO THE MEMBERS

Notice is hereby given that the **28th Annual General Meeting** of the Company will be held at **Shri Purushottam Hindi Bhawan, 11, Vishnu Digambar Marg (Rouse Avenue), New Delhi- 110002 on Monday, the 12th day of August, 2013 at 11:00 A.M.** to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Balance Sheet of the Company as at 31st March, 2013 and the Standalone and Consolidated Profit and Loss Account for the Financial Year ended on that date together with the Reports of the Auditors and Directors thereon;
2. To declare Final Dividend for the Financial Year ended on 31st March, 2013;
3. To appoint a Director in place of Shri Arun Kumar Dhanuka, who retires by rotation and being eligible, offers himself for re-appointment;
4. To appoint a Director in place of Shri Mridul Dhanuka, who retires by rotation and being eligible, offers himself for re-appointment;
5. To appoint a Director in place of Shri Sachin Kumar Bhartiya, who retires by rotation and being eligible, offers himself for re-appointment;
6. To appoint a Director in place of Shri Subash Chander Gupta, who retires by rotation and being eligible, offers himself for re-appointment;
7. To appoint Statutory 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. The retiring Statutory Auditors, M/s Dinesh Mehta & Co., Chartered Accountants, being eligible, offer themselves for re-appointment.

SPECIAL BUSINESS:

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

"Resolved That pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 ("the Act"), including any Statutory modification or re-enactment thereof and subject to such other approvals, as may be necessary, consent of the Members of the Company be and is hereby accorded for the re-appointment of Shri Arun Kumar Dhanuka as Whole-time Director of the Company, for a period of 5 years from 1st August, 2013 to 31st July, 2018 (both days inclusive) in the salary range of Rs.4,00,000 - Rs.75,000- Rs.7,00,000 p.m. with the authority granted to the Board of Directors, at the recommendation of the Remuneration Committee, to revise the salary every year by Rs.75,000 p.m., subject to the ceiling of Rs.7,00,000 p.m., in

accordance with the terms and conditions, as set out in the Draft Agreement submitted at this Meeting and initialed by the Company Secretary for the purpose of identification, which Agreement has been approved by the Board of Directors of the Company in their Meeting held on 18th May, 2013, and the material terms and conditions of which are mentioned in the Explanatory Statement which shall be deemed to form part hereof."

"Resolved Further That the Board of Directors of the Company be and is hereby authorised to make any alterations, variations and modifications in the terms of appointment of Shri Arun Kumar Dhanuka as Whole-time Director of the Company, including an increase in remuneration from time to time, as the Board may, in its absolute discretion deem fit, at the recommendation of the Remuneration Committee, subject to the same not exceeding the limits specified under Schedule XIII of the Companies Act, 1956 or any Statutory modification(s) or re-enactment thereof."

"Resolved Further That the Board of Directors be and is hereby authorized to do all such acts, deeds and things as it deems necessary or expedient to give effect to this Resolution."

BY ORDER OF THE BOARD
FOR DHANUKA AGRITECH LIMITED

Sd/-
Shubha Singh
Company Secretary

Place: Gurgaon
Date : 18th May, 2013

Regd. Office: 'DHANUKA HOUSE',
861-862, Joshi Road,
Karol Bagh, New Delhi - 110005

Corporate Office: 14th Floor, Building No.5A,
Cyber City, DLF Phase - III,
Gurgaon - 122002, Haryana

NOTES:

1. A Member entitled to attend and vote at the Meeting is also entitled to appoint a Proxy to attend and vote on a poll instead of himself and such Proxy need not be a Member of the Company. Proxies in order to be effective must be received by the Company at its Registered Office / Corporate Office at least 48 hours before the time fixed for the Meeting.
2. The Register of Members and the Share Transfer Books will remain closed from **8th August, 2013 to 12th August, 2013** (both days inclusive).



3. Payment of Final Dividend @ 65% (Rs1.30 per Equity Share of Rs.2/- each) for the Financial Year ended on 31st March, 2013, as recommended by the Board, if approved at this Annual General Meeting, will be made only to those Members whose names are registered in the Register of Members of the Company as on 12th August, 2013 being the date of book closure or to their mandates, as the case may be. In respect of Shares in electronic form, the Final Dividend will be paid on the basis of beneficial ownership as on 8th August, 2013 as per details furnished by the National Securities Depository Ltd. (NSDL) and Central Depositories Services (India) Ltd. (CDSL) for this purpose. An Interim Dividend @75% i.e. Rs. 1.50 per Equity Share of Rs.2/- each was paid during the FY 2012-13 to the Shareholder in the month of February.
4. Members are requested to notify any change in their address to their Depositories Participants (DPs) in respect of Shares held in electronic form and to the Transfer Agents of the Company in respect of Shares held in physical form.
5. Members holding Shares in electronic form may please note that their Bank details as furnished by the respective Depositories to the Company will be printed on their Final Dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for deletion or change in such bank details. Further, instructions if any, already given by them in respect of Shares held in physical form will not be automatically applicable to the Final Dividend paid on Shares in electronic form. Members may, therefore, give instructions regarding bank accounts in which they wish to receive Final Dividend, directly to their Depositories Participants.
6. Shareholders/Proxies are requested to produce at the entrance the attached Admission Slip, duly completed and signed in accordance with the specimen signatures registered with the Company, for admission to the Meeting hall.
7. Documents referred to in this Notice including the Memorandum and Articles of Association of the Company, will be available for inspection by the Members at the Registered Office of the Company from 11.00 A.M. to 1.00 P.M. on all working days prior to the date of the Annual General Meeting and will also be available for inspection at the Meeting.
8. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.
9. Members are requested to bring their copy of the Annual Report, as no copy will be distributed at the venue of the Annual General Meeting.
10. Members desirous of getting any information about the Accounts under reference and operations of the Company are required to address their query to the Company Secretary so that the same may reach her at least seven days before the date of the Meeting to enable the Management to keep the information ready.
11. In view of the provisions of Section 205A of the Companies Act, 1956, unclaimed / unpaid Final Dividend for the Financial Year 2005-06 shall be transferred to Investor Education and Protection Fund (IEPF) in the month of October, 2013. Members, who have not yet encashed their Final Dividend warrant (s) for the Financial Year ended 31st March, 2006 or any subsequent Financial Year(s), are requested to lodge their claims with the Company. No claims shall lie against the Company or the Fund once the unclaimed Dividend is transferred to IEPF. Further, unclaimed / unpaid Interim Dividend for the FY 2005-06, has already been transferred to IEPF.
12. Green Initiatives in Corporate Governance: The Ministry of Corporate Affairs, vide its Circular No. 17/2012, has clarified that a Company would have complied with Section 53 of the Companies Act, if the service of documents has been made through electronic mode provided that the Company has obtained e-mail addresses of its Members for sending the notice/documents through e-mail by giving an advance opportunity to every Shareholder to register his e-mail address and changes therein from time to time with the Company. It also provides that where any Member has not registered his e-mail address with the Company, the service of document etc. will be effected by other modes of service as provided under Section 53 of the Companies Act, 1956. Members are requested to update their e-mail ids with their Depository Participant and accord their consent for receiving documents through electronic mode.
13. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Item no. 8 of the Notice (in respect of Special Business to be transacted at the Meeting) is annexed hereto.

Brief resume of Directors being recommended for re-appointment in Item numbers 3, 4, 5 and 6:

ITEM No. 3

Shri Arun Kumar Dhanuka

Shri Arun Kumar Dhanuka, aged 56 years, is a Commerce Graduate from Delhi University, 1978 batch. On completion of his graduation, he started looking after Gurgaon Factory Operations. With his innovative ideas, able leadership and utmost sincerity, he took the Company to new heights of success.

Shri Arun Kumar Dhanuka is also a Director in Dhanuka Laboratories Limited, Growth Advertising and Marketing Pvt. Ltd. and Duke Impex Pvt. Ltd.

ITEM No. 4

Shri Mridul Dhanuka

Shri Mridul Dhanuka, aged 32 years, is a B.Tech in Chemical Engineering & M.B.A. from NITIE, Mumbai. He joined the Company in 2007. He has served the Company by introducing new products and production of new molecules with his technical expertise, which resulted in enlarging the product base of Dhanuka. He has successfully implemented cost optimisation measures and smoothened the production, procurement and logistic processes and established quality control in the Company.

He is a Director on the Boards of Dhanuka Laboratories Ltd., Dhanuka Infotech Pvt. Ltd., Otsuka Chemicals India Pvt. Ltd., M.D. Buildtech Pvt. Ltd. and Dhanuka Agri-Solutions Pvt. Limited

ITEM No. 5

Shri Sachin Kumar Bhartiya

Shri Sachin Kumar Bhartiya, aged 35 years, is a Bachelor of Commerce from University of Kolkatta and a Chartered Accountant. He has expertise in lending and advisory from origination, evaluation and underwriting of transactions across industry verticals. He has worked with Infrastructure Leasing & Financial Services, GE Capital (India), Industrial Development Bank of India. In a career spanning over a decade, he has originated and executed a number of transactions both as a lender and advisor for debt and equity.

He is also a Director in Shaily Engineering Plastics Ltd., Unibic Biscuits India Pvt. Limited, Light House Advisors (India) Pvt. Ltd, Bombay Central Holding and Trading Co Pvt. Ltd, Suraksha Diagnostic Pvt Ltd and Oreo Capital Advisors Pvt. Ltd.

ITEM No. 6

Shri Subash Chander Gupta

Shri Subash Chander Gupta, aged 60 years, has a rich and multi-faceted experience of more than 35 years, which has added value to the Company's decision-making. He is an industrialist and running business of manufacturing shoes.

He is also a Director on Boards of M/s Footwear (Klick) India Pvt. Ltd, M/s SCG Industries Pvt. Ltd. and M/s Hector Enterprises Private Limited.

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

The following explanatory statement sets out all the material facts, relevant to the items of the Special Business contained in the Notice.

ITEM No. 8

Shri Arun Kumar Dhanuka has been over-seeing the operations of the Company's Gurgaon plant. His last re-appointment as Whole-time Director of the Company was approved by the Members in the 23rd Annual General

Meeting of the Company held on 4th September, 2008, for a period of five years from 1st August, 2008 to 31st July, 2013.

As per the provisions of Sections 198, 269, 309 read with Schedule XIII of the Companies Act, 1956, Shri Arun Kumar Dhanuka is eligible to be re-appointed as the Whole-time Director of the Company. Since his term as Whole-time Director gets over on 31st July, 2013, the Members are requested to consider and approve the Ordinary Resolution for re-appointing him as the Whole-time Director of the Company for a further period of five Years from 1st August, 2013 to 31st July, 2018. His brief resume is already provided in Item no.3 of Explanatory Statement.

The Board of Directors, at the recommendation of the Remuneration Committee in their Meeting held on 18th May, 2013 has, subject to Shareholders' approval, re-appointed Shri Arun Kumar Dhanuka as Whole Time Director of the Company for a period of five years from 1st August, 2013 to 31st July, 2018 (both days inclusive) as per the terms and conditions set out in the Draft Agreement as placed before the Shareholders for their approval. The Board, at the recommendation of the Remuneration Committee, subject to Members' approval, has fixed his salary at Rs.4,00,000 p.m. and commission at 1.5% of the Net profits of the Company computed under Sections 349 and 350 of the Companies Act, 1956. Board has approved his salary range of Rs.4,00,000 - Rs.75,000 - Rs.7,00,000 p.m. i.e. there will be an annual increase of Rs.75,000 p.m. in his salary with recommendation of Remuneration Committee and approval by Board of Directors. The material terms and conditions proposed in the said Draft Agreement are mentioned herein below for consideration of Members:

- A. Salary:** Rs.4,00,000 (Rupees Four Lacs only) per month in the salary range of Rs.4,00,000 - Rs.75,000 - Rs.7,00,000 p.m. with the authority granted to the Board of Directors, at the recommendation of the Remuneration Committee, to revise the salary every year by Rs.75,000 p.m., subject to the ceiling of Rs.7,00,000 p.m.
- B. Commission:** 1.5% of the Net profits of the Company computed under Sections 349 and 350 of the Companies Act, 1956.
- C. Perquisites:**

Category 'A':

- i) Reimbursement of medical expenses for self and family, actually incurred, subject to the limit that the total cost to the Company will not exceed one month's salary in a year or three months' salary in a block of three years excluding perquisites and subject to the scheme framed by the Company;
- ii) Leave travel concession for self and family not exceeding Rs.75,000 once in a year. The perquisite will be taxed in accordance with the provisions of the Income-Tax Rules;



- iii) Membership fee of not more than two clubs provided no life Membership fee or admission fee will be paid by the Company;
- iv) Personal accident insurance, subject to the condition that the Annual premium will not exceed Rs.4,000 per annum.

Category 'B':

- i) Company's contribution towards Provident Fund subject to the ceiling of 12% of the salary;
- ii) Company's contribution towards Pension/ Superannuation Fund, such contribution together with contribution to the Provident Fund will not exceed 27% of the salary as laid down in the Income-Tax Rules, 1962; and
- iii) Gratuity payable in accordance with an approved Gratuity Fund, which will not exceed one half month's salary for each completed year of service or part thereof in excess of six months, subject to a ceiling of Rs.10,00,000 or as laid down in the Income Tax Rules, 1962, whichever is lower.

Category 'C':

- i) Provision of car for official and personal use; and
- ii) Provision of telephone at residence for official and personal use.

MINIMUM REMUNERATION:

Notwithstanding anything to the contrary contained herein, where in any Financial Year, during the currency of tenure of Shri Arun Kumar Dhanuka as Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites, as may be approved by the Board, at the recommendation of the Remuneration Committee of the Board of Directors, but subject to the limits prescribed in Schedule XIII to the Companies Act, 1956.

The copy of the draft Agreement referred to in the Resolution is available for inspection to the Members at the Registered Office of the Company on any working day during business hours and will also be available for inspection throughout the continuance of the Annual General Meeting.

Except Shri Arun Kumar Dhanuka Whole time Director himself, no other Director is concerned or interested in the aforesaid Resolution.

This shall also be treated as an abstract of the terms of the Contract/Agreement as to the nature of concern or interest of the Directors pursuant to Section 302 of the Companies Act, 1956.

The aforesaid terms & conditions governing remuneration of Shri Arun Kumar Dhanuka fall within the parameters as prescribed in Schedule XIII to the Companies Act, 1956 as amended upto date; hence approval of Shareholders is only required and no approval of the Central Government is necessary in this case.

BY ORDER OF THE BOARD
For **DHANUKA AGRITECH LIMITED**
Sd/-

Shubha Singh
Company Secretary

Place : Gurgaon

Date : 18th May, 2013

Regd. Office: 'DHANUKA HOUSE',
861-862, Joshi Road,
Karol Bagh, New Delhi - 110005

Corporate Office: 14th Floor, Building No. 5A,
Cyber City, DLF Phase-III,
Gurgaon - 122002, Haryana

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present before you the 28th Annual Report on the business and operations of the Company along with the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2013.

We are happy to inform that Shri Amitabh Bachchan, Super-Star of Indian Cinema, having pan India appeal will be endorsing your Company, as its Brand Ambassador. This will further boost the Company's image and stimulate the marketing efforts.

FINANCIAL HIGHLIGHTS

(Rs. in lakhs)

Particulars	For the FY ended 31.03.2013	For the FY ended 31.03.2012
Gross Turnover	64,640.05	57,616.15
Profit Before Depreciation & Taxation (PBDT)	8,531.84	7,455.01
Deductions:		
Depreciation	454.17	451.77
Provision for Taxation	1,632.83	1,290.21
Profit After Tax (PAT)	6,444.84	5,713.03
Additions:		
Balance of Profit & Loss Account of Previous Year	14,910.93	11,051.85
Amount available for Appropriations	21,355.77	16,764.88
Appropriations:		
• Transfer to General Reserve	645.00	575.00
• Final Dividend (Proposed)	650.25	1,100.43
• Interim Dividend (Paid)	750.24	-
• Dividend Tax	227.26	178.52
• Surplus carried to Balance Sheet	19,083.02	14,910.93
Total	21,355.77	16,764.88

BUSINESS OPERATIONS

The Financial Year 2012-13 was quite challenging for Agri-input Industry due to scanty monsoon. The Kharif season had a delayed monsoon that impacted sowings and Rabi season reported fewer incidences of pests that impacted the demand outlook.

In spite of this, your Company achieved a Gross Turnover of Rs.64,640.05 lakhs, an increase of 12.19 % over last year's Gross Turnover of Rs.57,616.15 lakhs. The Net Sales of the Company grew by 10.04% from Rs.52,918.71 lakhs in FY 2011-12 to Rs.58,230.56 lakhs in FY 2012-13. You will be happy to note the Company was able to fully pass on the impact of excise duty hike of 2% in the last year.

EBITDA grew by 11.01% from Rs.8,003.84 lakhs in FY 2011-12 to Rs.8,884.56 lakhs in FY 2012-13. Further, PAT grew by

12.81% from Rs.5,713.03 lakhs in FY 2011-12 to Rs. 6,444.84 lakhs in FY 2012-13.

Despite a challenging FY 2012-13, your Company managed to overcome hurdles and delivered a moderate growth during the year. This was possible due to the Company's continuous endeavour to assess the customers' need to develop new and innovative products which delivered better value to its customers and better expense management.

Your Company has further strengthened its Balance Sheet and has become debt-free due to its strong performance in the recent years. Additionally, the Net Worth now stands at a healthy Rs.26,276.86 lakhs.

It is a matter of pride that your Company's Udhampur unit has



recently been awarded the prestigious **OHSAS 18001:2007** certificate for Occupational Health and Safety Management by M/s Intertek Moody Co.

We are delighted that your Company has bagged a place in the prestigious '**Inc. India 500 - India's Fastest Growing Mid-Sized Companies**' list for the second consecutive year. The Magazine is the Indian edition of Inc., the leading US magazine that focuses on entrepreneurship and growth.

DIVIDEND

Your Company paid 75% Interim Dividend i.e. Rs.1.50 per Equity Share having Face value of Rs.2/- each during the Financial Year 2012-13. The total outgo on this account amounted to Rs.872.01 lakhs (including Rs.121.77 Lakhs of Corporate Dividend Tax). The Interim Dividend was paid to the Shareholders whose names appeared in the Register of Members on Record date, i.e. 19th February, 2013 and entire amount of the said Dividend was paid within Statutory time lines stipulated by the Companies Act, 1956.

Your Directors are pleased to recommend 65% Final Dividend i.e. Rs.1.30 per Equity Share of Rs.2/- each for the Financial Year ended 31st March, 2013. Final Dividend, if approved by the Members at ensuing Annual General Meeting, will absorb Rs.650.25 lakhs and tax on Dividend will absorb Rs.105.49 lakhs.

The total amount of Dividend (including Interim Dividend paid) for the Financial Year ended 31st March, 2013 will be Rs.1,400.54 lakhs. Dividend distribution tax paid / payable by the Company for the year will amount to Rs. 227.26 lakhs.

TRANSFER TO RESERVES

Your Company proposes to transfer Rs.645 lakhs to the General Reserve.

ISSUED AND PAID-UP SHARE CAPITAL

As on 31st March, 2013, the Issued and Paid-Up Share Capital of the Company was Rs.1,000.39 lakhs comprising 5,00,19,500 Equity Shares of Rs. 2/- each fully paid-up.

FUTURE PROSPECTS

We continue to introduce new products with International and Domestic tie-ups and in-house R&D. Our product development philosophy is to launch innovative products in a timely manner to upgrade them rapidly with technological advancements. We then use data and user feedback to decide if and how to invest further in those products.

Six such products are in pipeline, out of which two products are expected to be launched in each of the next three financial years.

The forecast by the Meteorological Departments of India, USA, Japan and Korea is that current year's seasonal rainfall is most likely to be normal. Therefore, it is a positive sign for the Agro-chemical Industry with the expectation of more area under crops and with normal rainfall, the farmers are likely to ensure increased plant protection coverage. The Company is, therefore, expecting good prospects for the Agro-chemical Industry during FY 2013-14.

MEASURES FOR ENERGY CONSERVATION, R&D AND TECHNOLOGY ABSORPTION AND DETAILS OF FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as required u/s 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure 'A' forming part of this Report.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Shri Arun Kumar Dhanuka, Shri Mridul Dhanuka, Shri Subash Chander Gupta and Shri Sachin Kumar Bhartiya will retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Further, the tenure of Shri Arun Kumar Dhanuka as Whole-time Director of the Company is getting over on 31st July, 2013 and being eligible, he has offered himself for re-appointment as the Whole-time Director of the Company. Your Board has recommended his re-appointment for a further period of 5 years.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. That in preparation of the Standalone and Consolidated Annual Accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures.
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of Profit or Loss of the Company for that period.
3. That the Directors have taken proper and sufficient care in the maintenance of adequate accounting records in accordance with provisions of this Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; and
4. That the Directors have prepared the Standalone and Consolidated Annual Accounts on going - Concern basis.

CORPORATE GOVERNANCE

Your Company maintains highest level of transparency, accountability and good management practices through the adoption and monitoring of corporate strategies, goals and procedures to comply with its legal and ethical responsibilities.

As required by clause 49 of the Listing Agreement, a separate Report on Corporate Governance forms part of the Annual Report. A Report from the Statutory Auditors of the Company regarding compliance with conditions of Corporate Governance forms a part of this Report.

MANAGEMENT'S DISCUSSION & ANALYSIS

The Management's Discussion and Analysis is given separately and forms part of this Annual Report.

INSIDER TRADING REGULATIONS

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, the Code of Conduct for prevention of Insider Trading and the Code for Corporate Disclosures are in force.

DISCLOSURES UNDER SECTION 217 OF THE COMPANIES ACT, 1956

Except as disclosed elsewhere in the Report, there have been no material changes and commitments, which can affect the financial position of the Company between the end of the financial year till the date of this Report.

SHARES UNDER COMPULSORY DEMATERIALIZATION

The Equity Shares of your Company are included in the list of specified scrips where delivery of Shares in dematerialized (demat) form is compulsory if the same are traded on a Stock Exchange, which is linked to a Depository. As on 31st March, 2013, 97.95% Equity Shares were held in demat form.

STATUTORY AUDITORS

M/s Dinesh Mehta & Co., Chartered Accountants, having Registered Office at 21, Daya Nand Road, Darya Ganj, New Delhi-110002, were appointed as Statutory Auditors of the Company to hold office until the conclusion of the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. The Board recommends their re-appointment.

COST AUDITORS

The Board of Directors, in pursuance of the order issued by the Central Government under Section 233B of the Companies Act, 1956, have appointed M/s S. Chander & Associates, Cost Accountants, having their Registered Office at 212, 2nd Floor, Sarai Pipal Thala, G.T. Karnal Road, Adarsh Nagar, Delhi-110033, as Cost Auditors of the Company to conduct Audit of the Cost Accounts maintained by the Company in respect of its Agro-chemicals Business for the Financial Year 2013-14. The Cost Audit Report for the Financial Year 2012-13, was filed on 23rd January, 2013 with ROC, for which the due date of filing was 28th February, 2013.

STATUS OF LISTING FEES

Your Company has been regularly paying listing fees to the BSE & NSE, Mumbai where its Equity Shares are listed.

PARTICULARS OF EMPLOYEES

In accordance with the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, amended vide MCA Notification dated 31st March, 2012, the following are the details of employees drawing remuneration exceeding Rs.5 lakhs per month or Rs.60 lakhs per annum.

Name & Age	Designation/ Nature of Duties	Remuneration p.a. (Rs. in lakhs)	Qualification	Experience (Years)	Date of Joining	Previous Employment & Designation	Percentage Shareholding in Dhanuka Agritech Ltd.	Relation to any Director or Manager
Shri R.G. Agarwal (64 years)	Chairman	192.93	B.Com (Hons)	43	Since incorporation	Own Business	2.83%	Brother of Shri M.K.Dhanuka, Father of Shri Rahul Dhanuka
Shri M.K. Dhanuka (59 years)	Managing Director	192.61	B.Com (Hons)	37	Since incorporation	Own Business	1.51%	Brother of Shri R.G.Agarwal, Father of Shri Mridul Dhanuka
Shri A. K. Dhanuka (56 Years)	Director (Works) Gurgaon unit	176.77	B. Com	34	23.05.2007	Own Business	1.28%	No
Shri Rahul Dhanuka (38 years)	Director (Marketing)	174.53	B. Sc & M.B.A.	15	01.02.2002	Own Business	3.48%	Son of Shri R.G.Agarwal
Shri Mridul Dhanuka (32 years)	Whole-time Director	122.73	B. Tech. & M.B.A.	8	01.04.2005	Own Business	Nil	Son of Shri M.K. Dhanuka



ACKNOWLEDGEMENT

Your Directors take this opportunity to record their deep sense of gratitude for the valuable support and co-operation extended to the Company by the Central Insecticides Board, Directorates of Agriculture, Haryana, Gujarat and J&K other Government Agencies, its Bankers, Shareholders, Dealers, Distributors and the Farming Community who have reposed their trust and confidence in the Company.

Your Directors wish to place on record their appreciation for the continuing support by investors, for cordial industrial relations maintained by the workmen and also for devoted and dedicated efforts put in by the staff of the Company, for its continuous growth and success.

For and on behalf of the Board

Sd/-
R.G. Agarwal
Chairman

Place: Gurgaon

Date: 18th May, 2013

ANNEXURE 'A'

(A) CONSERVATION OF ENERGY

a&b) Wherever possible, energy conservation measures have been implemented. However, efforts to conserve and optimize the use of energy through improved operational methods and other means are being continued on an on-going basis.

- The energy consumption and the cost of production are kept under control.
- Wastage of energy has been minimized to a negligible level by switching off the electronic equipments as and when not in use.
- Requisite data in respect of energy conservation is given below:

I. Power and Fuel consumption:

Electricity (KWH)

S. No.	Particulars	2011-12	2010-11
a)	Purchased Units	11,19,787	10,57,398
	Total Amount (Rs. in lakhs)	69.33	59.47
	Rate per Unit (Rs.)	6.19	5.62
b)	Own Generation through Diesel (Generator) Units	94,104	1,52,700
	Unit/Lit of diesel oil	2.09	2.20
	Cost/Unit (Rs.) (Incl. overhead)	22.42	19.05

II. Consumption per unit of production:

Focused drives at all units contributed to sustain the energy consumption per unit of production, compared to that of the previous year. However, increase in cost was attributed to steep rise in fuel costs.

(B) RESEARCH & DEVELOPMENT

i) Specific areas in which Research & Development was carried out by the Company:

The R&D Division is engaged in evaluating new and current product formulations in different agro-eco regions. It plays a pivotal role in promotion and creating awareness about new products, dissemination of information to consumers for the right technical use, develops interface with State Agricultural Universities/ICAR and imparts training to farmers and dealers. The Division generates data on different parameters for Registration of new agro-chemicals and expansion of label claims.

Your Company has registered a new systemic fungicide, Lustre 37.5% SE which is the Company's first product to be registered u/s 9(3) of The Insecticides Act, 1968. This is a broad spectrum systemic fungicide for effective control of Rice Sheath Blight (*Rhizoctonia solani*) and showed promising control of other important rice diseases like Blast, Brown Leaf spot and Grain discolorations. Lustre also controls Tikka and Stem Rot diseases of Groundnut, Purple Blotch of Onion, Die-back, Powdery Mildew and Leaf spots of Chilli.

Your Company's R&D Team is regularly evaluating the new international agro-chemicals for their suitability in India. Dhanuka is generating data on bio-efficacy, residue, persistence, toxicology, etc. through different State/Central Agricultural Universities. Files for registration of six new special molecules from our esteemed foreign collaborators have been submitted to CIB&RC, Govt. of India.

Besides these, there were continuous efforts of up-gradation of the Research & Development team and our marketing staff. A large number of training, demonstrations, field meetings, 100% seed treatment campaigns, etc. were undertaken countrywide. We have a MoU with the Krishi Vigyan Kendra (KVK), Chomu (Rajasthan) for assessment of crop protection technology, demonstrations and training of Agri-Input Dealers and Farmers.

Under the Soil Health and Nutrition Project of the Central Government, your Company operates Mobile Soil Testing Van since 2011 in Alwar district of Rajasthan in PPP with the Government of Rajasthan. The van is equipped with necessary instrumentation facility for on-the-spot soil and water testing and issue of farm advisories.

As the Agri-input dealers play a vital role and are first hand source of agriculture technology to farmers, your Company has entered into a MoU with the Anand Agricultural University, Anand (Gujarat) and has started One-Year Certificate Course on "**Diploma in agricultural extension services for input dealers**" and extends it financial support. The valedictory programme was organized on 22nd April, 2013 at Anand Agricultural University, Anand. Mr. R. G. Agarwal, Chairman of your Company presided over the function. Dr. A. M. Shekh, Vice Chancellor of Anand Agricultural University and Dr. A. R. Pathak, Vice Chancellor of Navsari Agricultural

University, Navsari graced the occasion with their presence. University Scientists, Deans of various faculties, Govt. officials of line departments and about 150 dealers also attended the function.



Your Company has also entered in Public-Private Partnership with Swami Keshwanand Rajasthan Agricultural University, Bikaner for a Diploma in Agri-Business Management, with a provision to absorb those completing the programme successfully in Dhanuka Group.

The R&D team puts up field exhibitions, publishes technical and popular literature regularly. Recently, a Bulletin in English, Telugu, Gujarati, and Hindi on 'Dhanuka Plant Protection Guide' was published for wider use by the Company's Distributors, Dealers and Dhanuka Doctors for providing credible information to the farmers about various plant protection aspects.

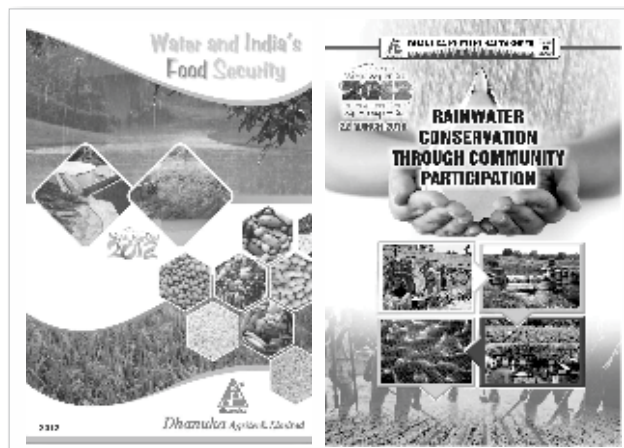
ii) Benefits Derived as a Result of R&D Activities:

The introduction of new highly versatile molecule- Lustre 37.5% SE will not only enhance the corporate image, but also generate profitable revenue by strengthening our presence in rice, chilli and other cash crops.

In addition to plant protection, there was special focus on rain water conservation - *Khet Ka Pani Khet Mein* and *Gaon Ka Pani Gaon Mein* and Promoting Integrated Crop Management through *Dhanuka Kheti Ki Nai Takneek*.

As the water availability is becoming scarce day-by-day, your Company organises World Water Day every year on 22nd March and undertakes programmes, publicity campaigns, poster competition and publication of popular literature for

creating mass awareness. Recently, the Company has published and widely circulated two booklets and posters on water conservation, on a national scale. Painting competition was organised to bring action oriented awareness, for the Company's employees' and channel partners' children, across the Country.



Such National and State level Public-Private Partnership programmes enhance the Corporate image of your Company. Already several programmes have been carried out in partnership with the State Agricultural Universities and KVK in the country, leading to significant increase in sale of Dhanuka products.

iii) Future Plan of Action:

The R&D Division is continuously exploring newer opportunities of collaboration and undertaking studies for label expansion on new crops/insect pests and diseases and also for registration of new molecules of our foreign collaborators-both existing and new.

a)	Capital	Nil
b)	Recurring (Rs. in lakhs)	145.39
c)	Total (Rs. in lakhs)	145.39
d)	Total R&D expenditure as a percentage of total turnover	0.25%

(C) Technology Absorption, Adaptation and Innovation

Through a rich legacy of our partnership with internationally acclaimed Companies, there has been profound transformation and innovation in Technology which will result in introduction by your Company of several new generation molecules soon.

Our laboratory in Gurgaon has been accredited by NABL, which is a matter of pride. Apart from this, our R&D centre is recognized by the Department of Science & Technology, Ministry of Chemicals, Govt. of India. The Company's Udhampur Unit received re-certification for ISO 9001:2008 for Quality Management and ISO 14000:2004 for Environmental Management. The OHSAS 18001:2007 certification awarded to the Company's Udhampur unit demonstrates the



Company's commitment to its employees, employees' families and other stakeholders regarding the health, safety and wellness of each person that may be exposed to the health and safety risks associated with the activities and operations of the Company. Further, it helps reduce accidents, disruptions and their associated costs, thereby increasing productivity.

(D) Foreign Exchange Earnings And Outgo

Particulars	Currency	Value	Equivalent in INR (Rs. in Lacs)
TRANSACTIONS (OUTGO)			
Raw Materials Imports (CIF)	USD	1,33,63,576	7,301.75
Management Consultancy	USD	3,24,703	179.33
Purchase of Machinery	GBP	21,000	17.64
Purchase of Books	USD	1,500	0.82
Reimbursement of R&D Expenses	USD	33,962	17.98
Expense of Subsidiary Company	USD	1,900	1.03
Foreign Travelling Expenses	EURO	10,730	7.51
	USD	24,566	13.04
	CNY	2,000	0.18
	YEN	6,55,700	2.48
	Dhiram	21,858	0.27
			7,526.06
TRANSACTIONS (EARNINGS)			
Export Sale Remittance	USD	47,700	25.67
Reimbursement of Advertisement Expenses	USD	1,10,000	60.17
50% Reimbursement of Data Generation	USD	35,850	20.08
Product (Omite) Target Incentive	USD	2,17,800	117.50
			223.41

For and on behalf of the Board

Sd/-

R.G. Agarwal

Chairman

Place: Gurgaon

Dated: 18th May, 2013

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report is a part of the Directors' Report. It aims to elucidate developments in the business environment, performance of the Company and future outlook.

Your Company's Business

Your Company is engaged in the business of the manufacturing and marketing Agro-chemical products, termed as 'Pesticides'. These are substances or mixture of substances intended for preventing, destroying, repelling or mitigating any pest attacks on the crop. There are three different categories of Agro-chemicals:

- **Insecticides:** These are Agro-chemicals used against insects' attacks
- **Herbicides:** Also commonly known as weed killers, are used to kill unwanted plants
- **Fungicide:** Chemical compounds or biological organisms used to kill or inhibit fungi or fungal spores

Conceptually, Agro-chemical business is divided in two parts - 'Technical' manufacturing and 'Formulation' manufacturing.

- 'Technical' or 'Active Ingredients' manufacturers: These are essentially the manufacturers of raw materials for making Agro-chemicals, very similar to API manufacturers in Pharmaceutical Industry. This is quite asset intensive business and requires significant capital expenditure and serves mostly B2B segment.
- 'Formulation' manufacturers: These are manufacturers of final product from technical grade pesticides (the usable form of pesticides). This is quite an asset light model and serves mostly B2C segment.

The share of Herbicides (48%), Fungicides (22%) and Insecticides (24%) in the world is quite different from India, where the use is dominated by Insecticides (64%) followed by Herbicides (20%), Fungicides (16%) due to tropical nature and historically higher prevalence of insects. However, with increasing importance of weeding through chemicals (owing to rising labor costs), Herbicides represent the fastest growing segment in India.

Globally, the Agro-chemical Industry is dominated by MNCs such as Syngenta, Bayer, Monsanto, BASF, Dow and Dupont accounting for nearly 75% (by value) of the over USD 42 billion Industry. These Companies are the principal innovators in the Industry, and they invest heavily in R&D with the aim of reaping the rewards in the form of patent protection.

Domestic Agro-chemical Industry is expected to have a bright future due to favorable macro factors namely:

- increasing minimum support price (minimum price of agri-commodities set by Government of India),
- lower current penetration of Agro-chemicals in India,

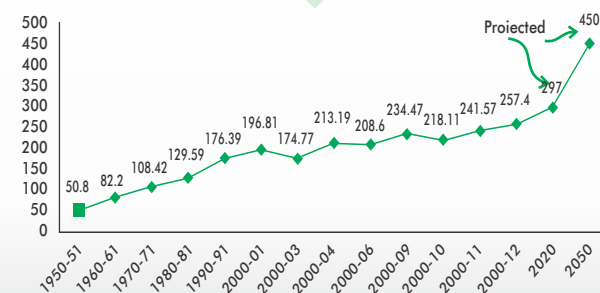
- MNREGA led labour shortage leading to increased herbicide usage.

INDIAN AGRICULTURE SCENARIO

Foodgrains Production - An All-Time High

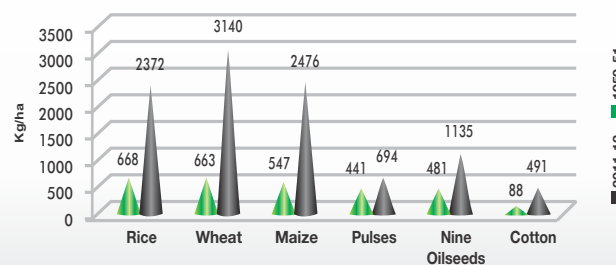
The Country has achieved five-fold increase in foodgrains production from mere 50.8 million tonnes in 1950-51 to an all time record production of 257.4 million tonnes in 2011-12 (source: Agril. Stat. at a Glance-2012). However, the food security and sustainability concerns have become much more severe today due to many challenges like fast rising population, diminishing arable land, rising cost of inputs, limited technology reach, increasing losses caused by insect pests and weeds and so on.

Foodgrains Production over the years & projection



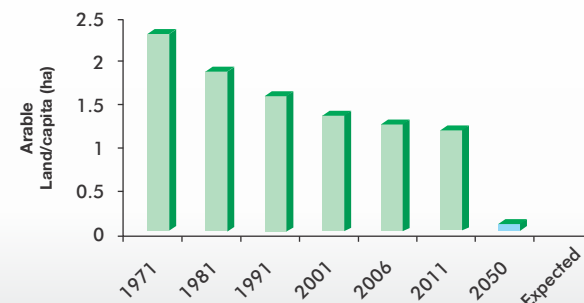
Source : Agril. Stat. at a Glance - 2012

Productivity Increase Over Time



(Source : Agri Stat at a Glance - 2012)

Arable Land



Source: www.infochangeindia.org/agricultureibp.jsp



Population Growth & Rising Food Demand

It is estimated that the demand of different food items viz. foodgrains, pulses, fruits and vegetables in 2020-21 is likely to be 277, 25, 124 and 189 million tonnes respectively.

Demand & Supply (million tonnes) Projections

Item	Production (2011-12*)	Estimated Demand	
		2016-17**	2020-21**
Foodgrains	257.40	257	277
Pulses	17.21	22	25
Fruits	75.30	97	124
Vegetables	150.59	161	189

* Agril. Stat. at a Glance-2012,

** Mishra, J.P., Advisor (Agriculture), Planning Commission, Presentation in Nat. Conf. for Kharif Campaign-2013, on 6 March 2013

Increased Agro-chemicals use - Grain saved is grain produced

Despite a huge land mass under agriculture (~ 48%), our Country's overall crop productivity is far below several other countries. Though India is holding first rank in total production of Pulses and Jute & Jute like fibers; second in Wheat, Paddy, Groundnut (in shell), Vegetables, Fruits, Potatoes, Cotton, Sugarcane ; yet the per hectare yields are relatively low (Source: Agril. Stat. at a Glance-2012). Over the years, the farmers are now adopting improved agriculture technology and farm inputs, which lead to sustained crop production increases. However, much more still needs to be done.

On an average, it is estimated that 10% to 30% loss in yield is due to insect pests, diseases and weeds. Obviously the extent of loss may vary depending upon the season and extent of pests (reply by Union Minister of Agriculture to an unstarred question no.62 in Rajya Sabha on 2 March 2007). As per the estimate based on MSP of selected crops in 2008, this was to the tune of Rs.2.5 lakh crore per annum (Agarwal, 2010) and with the escalation in MSP, it is likely to be around Rs.3 lakh crore now. Therefore, the use of Agro-chemicals offers a viable solution to enhance yields and reduce crop losses.

Wide scope for enhancing Agro-chemical use

Agro-chemical consumption in India is very low when compared to the world. India's per capita consumption of Agro-chemicals is 0.5 kg/ha vis- a- vis 11 kg/ha in Japan, 6.6 kg/ha in Republic of Korea, 2.25 kg/ha in USA and 1.3 kg/ha in Pakistan. Further, the Agro-chemical use in India is only concentrated in a few States and crops.

Some of the reasons for low Agro-chemicals consumption were lack of transfer of technology support, perceived to be costly in comparison to other agri-inputs, lack of incentive (subsidy) from the Government as on Tractors and Fertilizers, poor market reach for agri produce etc. However all this is changing in favour of Indian agriculture and Indian farmer.

Indian Crop Protection Industry

Drivers & Challenges

- Largely dependent on monsoon, as out of 141.36 million hectare of net sown area, only 44.7% is net irrigated area (Source: Report-State of Indian Agriculture-2011-12, <http://agricoop.nic.in>).
- Of the estimated total Rs.200 billion domestic Agro-chemical market, ~47% of the production is exported. India has become preferred outsourcing destination for global Agro-chemical multinationals to carry out contract manufacturing for them.
- While globally, Herbicides, Fungicides and Insecticides sales is 48%, 26% and 23%, in India share of Herbicides and Fungicides is around 17% each and of Insecticides 65% (Source: <http://fao.org/docrep/010/ag123e/AG123E08htm>). However, due to non-availability of farm labour and rising farm wages, as well as launch of 100% seed treatment campaign by the Ministry of Agriculture, the sale of Herbicides and Fungicides is likely to increase in near future.
- Indian Agro-chemicals market is dominated by generic molecules with ~90% products being off-patent (Source: Agricultural Inputs *Plough, plant & grow!*, Phillip Capital (India), Pvt. Ltd, 12 November 2012).
- Crop protection sector will assume far more significance if the Country has to meet the food demand of its rising population and address concerns for food and nutritional security.
- The market for unbranded spurious Agro-chemicals is very big.
- Agro-chemical use is more discretionary in comparison to fertilizers.

Positive Growth Signs during 2013-14

As per the report of Dr C. Rangarajan, Chairman of Prime Minister's Economic Advisory Panel, the growth phase has bottomed out and the economy can pick up from 5% (in 2012-13) to 6.4 % (in 2013-14) and India has a potential to grow at 8% (News Item-The Tribune, 25 April 2013). Further, the forecast by the India Meteorological Department, Government of India is that season's rainfall is most likely to be normal (Press Release on 26th April, 2013-www.imd.gov.in). Therefore, it is a positive sign for the Agro-chemical Industry as there will be more area under crops and with the normal rainfall, the farmers are likely to ensure appropriate plant protection coverage for increased income.

Agro-chemical Industry Initiatives

The Agro-chemical Industry is organizing National and International Conferences in Public-Private Partnership and through their marketing networks training farmers and Agri-Input Dealers about judicious and safe use of Agro-chemicals. The Government of India is also launching several programmes, including 100% seed treatment campaign,

increasing foodgrains production, special focus on enhancing production of fruits and vegetables. The National Food Security Mission, National Horticulture Mission, Bringing Green Revolution in Eastern India and such other programmes are likely to increase the demand for Agro-chemicals. The Rashtriya Krishi Vikas Yojna is having a provision for giving subsidy to farmers for appropriate plant protection measures.

The Government policy for Minimum Support Price (MSP) and Fair & Remunerative Price (FRP) as in sugarcane is a good incentive for saving crop losses due to pests to have assured economic return. The MSP and FRP have been increased year after year.

MSP & FRP for Different Crops over the Years as on 26th December, 2012

Crop	MSP/FRP (Rs/q)				
	2008-09	2009-10	2010-11	2011-12	2012-13
Paddy (common)	900	1000	1000	1080	1250
Maize	840	840	880	980	1175
Cotton (medium staple)	2500	2500	2500	2800	3800
Soybean (yellow)	1390	1390	1440	1690	2240
Wheat	1080	1100	1170	1285	1350
Gram	1730	1760	2100	2800	3000
Mustard/Rape seed	1830	1830	1850	2500	3000
Sugarcane	81.18	129.84	139.12	145	170

Source: Agril. Stat. at a Glance-2012

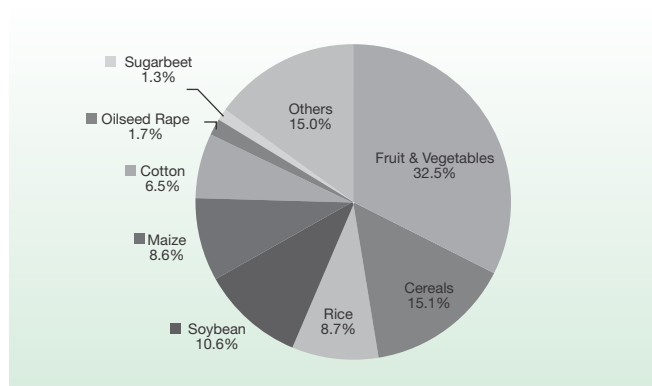
Global Agrochem Sales by category (US \$ million)

Category	Sales (US \$ million)
Herbicides	21,865
Insecticides	12,782
Fungicides	13,017
Others	2,271
Total	49,935

Source: AGROW, No.660, 20th March, 2013

Further, the maximum Agro-chemical sale at the Global level was for fruits & vegetables (32.5%), followed by cereals (15.1%), soybean (10.6%), maize (8.6%) and cotton (6.5%) (Source: AGROW, No.660, March 2013).

Global Agrochemical total Sale by Crop in 2012



The rising global demand for nutritious and high quality food and the shrinking arable land for agriculture is expected to drive the Agro-chemical consumption. As the global market is matured and is consolidating through series of acquisitions, the Agro-chemical Industry is forecast to witness a good growth and reach an estimated value of US\$ 68 billion in 2017 with a CAGR of 5.5% (Source: **Agricultural Inputs Plough, plant & grow!, Phillip Capital (India) Pvt. Ltd.**-12th November 2012. A forecast by the European Commission shows a 'relatively positive outlook' for EU arable crops between 2013 and 2022 (Source: AGROW, No.657, 6th Feb. 2013, p.8).

Concluding Remarks

There is a favourable outlook for the Indian Agro-chemical Industry and a good scope of growth for providing food and nutritional security to the citizens of this Country.

DHANUKA'S OVERALL PERFORMANCE

Rainfall during 2012-13: The Indian agriculture continues to be heavily dependent on rainfall and south west monsoon (June to September), comprising 3/4th of the total rainfall substantially affecting the productivity of agriculture.

During 2012, south-west monsoon rain over the Country as a whole though was only 8% less than the Long Period Average (Economic Survey 2012-13, <http://indiabudget.nic.in>), yet its distribution was skewed. Out of 670 Districts, only 58% districts had normal/excess rainfall (Indian Meteorological Department- cf. Economic Survey 2012-13, Ministry of Finance, Government of India, p.175).

Despite a challenging year in FY 2012-13, your Company has managed to overcome hurdles and achieved a moderate growth during the year. This was possible due to the Company's continuous endeavour to assess the customers' needs and launch new and innovative products which delivered better value to its customers.

The Company has further strengthened its Balance Sheet and has become debt-free due to its strong performance in the recent years.

We believe that building a trusted, highly-recognized brand begins with providing high-quality products that make a notable difference in people's lives. Marketing is responsible for generating revenue through marketing campaigns, as well as providing thought leadership to marketing officers through Industry insight, market research and analysis. **Your Company's Marketing Team has taken many initiatives to strengthen the Brand image, including signing Shri Amitabh Bachchan as Brand Ambassador.**

Your Company has a strong pan-India distribution network and during the year, has made efforts to increase it further. Company is reaching more than 7,500 distributors / dealers and ultimately reaches over 10 million farmers. **Your Company's marketing network is one of the best in India** and our ability to penetrate even the interiors of villages has given us a distinct edge over competition.



During the FY 2012-13, your Company has launched four new products - Fluid, Fuzi Super, Lustre, Dhanzyme Gold granules. All the products were well received by the market. Your Company launched Lustre in India in December, 2012. This molecule has been introduced in India for the first time. It is a very versatile Fungicide. Your Company expects to sell sizeable volumes of this product.

Your Company currently has production facilities at Gurgaon, Sanand and Udhampur, with cumulative capacity of over 35,900 tonnes of solids/granules and over 11,000 KL of liquids. Your Company is currently planning capacity expansion at Gurgaon and Udhampur units, involving capex outlay to the tune of Rs.7 crores.

Your Company has bought 10 acres of land at Keshwana in Rajasthan for setting up a new manufacturing unit of International standards with maximum automation. The expected capex is to the tune of Rs.45-50 crores. The unit is expected to be operational by 2014 and will triple the existing manufacturing capacity.

Your Company has been allotted approx.1,50,000 sq.mtr. Industrial plot in Dahej, which is a Chemical zone in Gujarat, for future expansion.

This would help your Company to achieve its objective of robust growth.

A team of Scientists and experts works on quality improvement in existing products, counseling to farming community, training of Dhanuka Doctors, live demonstration for safe and judicious use of Agro-chemicals, field trials, conducting seminars and training, coordinating with various research institutions and universities and data analysis.

Your Company has a full fledged in-house R&D Centre duly recognized by the Ministry of Science & Technology, Government of India. A team of a large number of eminent scientists has been engaged by your Company to look after various R&D activities for new product registration.

SEGMENT-WISE PERFORMANCE

Your Company, being an Agro-chemical formulation Company, derives a major chunk of its income from the sale of Agro-chemicals only. The following table shows the Segment-wise Gross Revenue received by the Company:

Segment	Amount (Rs. in lakhs)	% Share
Agro-chemicals	64,377.21	99.59%
Wind Mill	121.71	0.19%
Seed	104.31	0.16%
Misc. Sales	36.82	0.06%
Total :	64,640.05	100.00%

KEY OPPORTUNITIES, CHALLENGES AND THREATS

The future of the Agro-chemical Industry lies with Companies that can provide solutions for the entire gamut of the food supply chain management by integrating crop production with

protection. Understanding the end-user needs and working more strongly on the backward and forward integration is the need of the hour. Further, procuring major inputs at competitive prices, setting up efficient distribution services and adopting international practices relating to crop management will enable Indian Companies to carve a niche for themselves. As per the results of an All India level independent study (2005) carried out by the National Sample Survey Organization (NSSO) of the Government of India, only 24% of the farmers get information on crop protection at the All India level. The situation has not changed much over the years. Thus, there is need for facilitating easy availability of improved technology from multiple sources at the door-step of the farmers.

Since the present day agriculture is highly knowledge driven, there is a need for continuous technology backstopping along with availability of quality inputs. As the State Extension Services are not in a position to meet the farmers' demands, the Ministry of Agriculture has been advocating multi-agency dispensation of agricultural extension services, working in a participatory mode; Public-Private and Private-Private, has thus become a buzz word to accelerate transfer of technology and in turn, high adoption of improved technology, for enhanced income per unit of area.

RISKS AND CONCERNS

Agriculture sector in India is primarily rain-dependant. Hence, the Agro-chemicals Industry in turn, also depends on monsoon. Agro-chemical Industry has various risks and challenges and its growth depends on good monsoon across the Country. Intense competition and cheaper imports from China pose threat to the domestic Agro-chemical Companies. Multinational corporations are also building their presence in India and selling their products to end customers.

Changes in regulations for the Agro-chemical Industry, adverse crop conditions due to unpredictable weather, slow innovation in the domestic Agro-chemical Industry and subsistence level of farming are some of the risks faced by the Agro-chemical Industry in India.

Further, Agro-chemical Companies have to comply with strict pollution laws to run the plant. Such Companies have to ensure minimum generation of wastes and pollution and their disposal with due concern to safeguard the environment.

Imports of technicals and raw materials are exposed to the risk of foreign exchange rate fluctuations. This can also impact the revenues in future.

INTERNAL CONTROL SYSTEM

Your Company has an adequate Internal Audit Control System commensurate with the size and nature of its business. The Management continuously reviews the Internal Control System and procedures to ensure orderly and efficient conduct of business, to safeguard properties of the Company and compliance with policies and statutes. The Company's ERP control mechanism has further strengthened the overall control on the business.

The Audit Committee of the Board of Directors approves the internal audit plan and internal audits are conducted at regular intervals across various locations and accordingly, audit

observations and follow-up actions are discussed with the Management of the Company as well as the Audit Committee.

HUMAN RESOURCES

All the employees of your Company are covered under various schemes including the Group Insurance Scheme, the premium of which is borne by the Company. The Company has various incentive schemes for its marketing staff. Chairman's Trophy is awarded to the best performing branch and employee every year. Besides, a Star Performer Award is given every month in every branch to the staff member who achieves highest sales volume with highest collection during the month. In addition, Dhanuka organizes employees' get-togethers on auspicious occasions.

SUMMING-UP

The outlook for the Agro-chemicals Industry is very positive as the Country is now focusing not only on achieving higher foodgrain production but also on preventing the colossal losses caused by insects, pests and diseases. The 100% seed treatment campaign launched by the Government of India focused on ensuring that every seed is treated, has generated a huge demand for Agro-chemicals. As the labour for manual weeding operations is getting scarce, there is a vast scope for introduction of crop specific Herbicides.

Climate change is likely to bring about changes in pests' species, distribution and life histories and preponderance of

evidence indicates that there will be an overall increase in the number of out-breaks of wider variety of insects and pathogens. Therefore, based on continuous R&D support, there will be vast scope for introduction of new eco-friendly molecules in the coming years. The government is also coming up with pro-active policies for speedy introduction of newer eco-friendly molecules. Dhanuka Group is in communication with the policy makers for creating an enabling climate, wherein opportunities to introduce innovation and technological improvements for working together are brought in so that the income of the farming community increases and there is a long term food security and sustainability.

CAUTIONARY STATEMENT

The projections made in this report may be forward-looking statements within the meaning of applicable laws and regulations. Actual results may differ from those expressed in this report due to the influence of external and internal factors that are beyond the control of the Company such as demand, supply, climatic conditions, economic conditions, political scenario, Government regulations and policies, taxation, natural calamities and other conditions. All these conditions cumulatively can make a significant impact on the Company's performance. Owing to this, certain statements made in this Report pertaining to the projections, outlook, expectations, estimates etc. may differ from actuals.



REPORT ON CORPORATE GOVERNANCE

(As per Clause 49 entered into with Stock Exchanges)

Corporate Governance is about commitment to values and ethical business conduct. A sound Corporate Governance process consists of a combination of business practices, which result in enhancement of Shareholder's value and enable the Company to fulfill its obligations to employees, customers, suppliers and other stakeholders with integrity, equity, transparency, fairness, disclosure, accountability and commitment. This includes its corporate and other structures, its culture, policies and the manner in which it deals with various stakeholders. Accordingly, timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the company is an important part of corporate governance.

(1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance across the Industry. It recognizes that the Board is accountable to all stakeholders for good governance and considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creating and safeguarding their wealth. The philosophy of the Company in relation to Corporate Governance is to ensure transparency and accountability in all its operations, make appropriate disclosures and simultaneously, enhance Shareholder value without in any way compromising in compliance with laws and regulations.

Composition and Category of Directors as on 31st March, 2013, their attendance at the Board Meetings held during the FY 2012-13 and at the last Annual General Meeting are given as under:

S. No.	Name of the Director	Category	No. of Board Meetings attended	Attendance at last AGM
1.	Shri Ram Gopal Agarwal (Chairman)	Executive (Promoter) Non- Independent	4	Present
2.	Shri M. K. Dhanuka (Managing Director)	Executive (Promoter) Non- Independent	4	Present
3.	Shri Arun Kumar Dhanuka	Executive (Promoter) Non- Independent	4	Present
4.	Shri Rahul Dhanuka	Executive (Promoter) Non- Independent	4	Present
5.	Shri Mridul Dhanuka	Executive (Promoter) Non-Independent	2	Present
6.	Shri Priya Brat	Non- Executive Independent	4	Present
7.	Shri Vinod Jain	Non- Executive Independent	1	Absent
8.	Shri Shri Krishna Khetan	Non- Executive Independent	4	Present
9.	Shri Indresh Narain	Non- Executive Independent	4	Absent
10.	Shri Subhash Lakhotia	Non- Executive Independent	1	Present
11.	Shri Sachin Bhartiya	Non- Executive Non-Independent	3	Present
12.	Shri Subash Chander Gupta	Non- Executive Independent	3	Absent

Your Company is in compliance with the requirements of the revised guidelines on Corporate Governance stipulated under Clause 49 of the Listing Agreements with the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

Your Company has been assigned "4/5" Fundamental grade and "4/5" Valuation grade, denoting Superior fundamentals, by CRISIL Equities.

(2) THE BOARD OF DIRECTORS

Over the years, the Board has developed Corporate Governance guidelines to help fulfill their corporate responsibility towards the stakeholders. The Policy of the Company is to have an appropriate mix of Executive and Independent Directors to maintain the independence of the Board and to separate its functions of governance and Management. The strength of the Board, at the end of the Financial Year, was twelve, represented by five Executive and seven Non-Executive Directors as on 31st March, 2013. The Company has an Executive Chairman. Half of the Board comprises of Independent Directors, i.e. there are 6 Independent Directors on Board. The size and composition of the Board conforms to the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges. Every year, the Independent Directors of the Company place a certificate of their independence before the Board as per Clause 49 of the Listing Agreement.

BOARD PROCEDURE AND FUNCTIONING:

The Board meets at least once every quarter to review the Quarterly Results and to take decisions on matters pertaining to Company's working. Whenever necessary, additional meetings are held. In case of business exigencies, Resolutions are passed by circulation.

All Board/Committee Members are given notice of the meetings well in advance. The meetings are governed by structured Agenda. The Agenda along with the explanatory notes is also circulated in advance. The Board/Committee Members have access to Company information. The information generally provided to the Directors includes:

- Quarterly, Half Yearly and Annual Financial Results and Analysis of Financial Data.
- Minutes of the Annual General Meetings / Extraordinary General Meetings / Board Meetings / Meetings of Audit and other Committees of the Board.
- Statutory Compliance Report of the laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any.
- Minutes of the Board Meetings, Annual General Meetings of Subsidiary Companies and significant transactions, if any.
- Notice of Interest of Directors and Related Party Transactions.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in the Financial obligations to or by the Company or substantial non-payment for goods sold to or by the Company.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Any significant development in Human Resources/ Industrial Relations front.
- Sale / purchase of investments, assets, etc. of material nature, which is not in normal course of business.
- Risk Identification and Mitigation measures including Foreign Exchange exposure.
- Non-compliance of any regulatory, statutory, listing requirements or Shareholder service such as non-payment of Dividend, delay in share transfer, etc.

Independent Directors are regularly updated on performance of each product segment of the Company, business strategy and new initiatives being taken/proposed to be taken by the Company. We created more opportunities for the Board to discuss strategic issues, both formally and informally. The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct is

available on the website of the Company.

DIRECTORS' RESPONSIBILITIES:

- a. The principal responsibility of the Board Members is to oversee the Management of the Company and in doing so, serve the best interest of the Company and its Stakeholders. This responsibility shall include:
 - Reviewing and approving fundamental Operating, Financial and other Corporate plans, Strategies and Objectives.
 - Evaluate whether the Corporate resources are being used for appropriate business purposes;
 - Establishing a Corporate environment that promotes timely and effective action (including robust and appropriate controls and processes), fiscal responsibility, high ethical standards and compliance with all applicable laws and regulations.
 - Evaluating the performance of the Company periodically.
 - To attend the Board, Committee and Shareholders Meetings.
- b. In discharging their fiduciary duties of care and loyalty, the Directors are expected to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its Stakeholders and to exercise prudence at all times.
- c. The Directors also have an obligation to remain informed about the Company and its business, including the principal operational and financial objectives, strategies and plans of the Company, relative standing of the Company vis-a-vis its competitors, factors that determine the Company's success, Results of operations and Financial condition of the Company.
- d. The Directors are responsible for determining that effective systems are in place for periodic and timely reporting to the Board on important matters concerning the Company including the following:
 - Current business and financial performance, degree of achievement of approved objectives and the need to address forward-planning issues.
 - Compliance programs to assure the Company's compliance with laws and Corporate policies.
 - Material litigation and regulatory matters

DIRECTORSHIPS:

In compliance with Clause 49 of the Listing Agreement with the Stock Exchanges, none of the Directors on our Board hold Directorships of more than 15 Public Limited



Companies (including Dhanuka Agritech Limited) or is a member of more than 10 Board Committees (Committees being Audit Committee and Shareholders'/ Investors' Grievance Redressal Committee) or Chairman of more than 5 Board Committees as on 31st March, 2013, as can be seen from the following table:

S.No.	Name of the Director	Directorship in Public Limited Companies	Membership (including Chairmanship) in Audit Committee and Shareholders'/ Investors' Grievance Redressal Committee	Committee Chairmanship of Audit Committee and Shareholders'/ Investors' Grievance Redressal Committee
1	Shri Ram Gopal Agarwal	1	0	0
2	Shri Mahendra Kumar Dhanuka	2	1	0
3	Shri Rahul Dhanuka	2	0	0
4	Shri Arun Kumar Dhanuka	2	0	0
5	Shri Mridul Dhanuka	2	0	0
6	Shri Priya Brat	4	6	2
7	Shri Vinod Jain	1	1	0
8	Shri Shrikrishna Khetan	2	1	0
9	Shri Indresh Narain	3	2	2
10	Shri Subhash Lakhotia	2	1	0
11	Shri Sachin Bhartiya	2	1	0
12	Shri Subash Chander Gupta	1	1	0

All the Directors inform the Company about any changes in their Directorship or Committee membership and the same is disclosed to the Board in the next meeting.

BOARD MEETINGS HELD DURING FY 2012-13:

During the year, Four Board Meetings were held and the time gap between any of the two Meetings was not more than four months. The Board Meetings were held on 23rd May, 2012, 13th August, 2012, 7th November, 2012 and 13th February, 2013.

RE-APPOINTMENT OF DIRECTORS RETIRING BY ROTATION:

The following are the Directors who are retiring by rotation and are eligible for re-appointment at the forthcoming AGM. Their brief resume, nature of their expertise in specific functional areas, their Directorships and their Membership of the Board Committees are furnished hereunder:

1. Shri Arun Kumar Dhanuka, Executive Director:

Shri Arun Kumar Dhanuka, aged 56 years, is a Commerce Graduate from University of Delhi, 1978 batch. On completion of his graduation, he started looking after the Company's Gurgaon factory operations. With his able leadership and tireless efforts, he took the Company to new heights of success.

Shri Arun Kumar Dhanuka is also a Director in Dhanuka Laboratories Limited, Growth Advertising and Marketing Pvt. Ltd. and Duke Impex Pvt. Ltd.

2. Shri Mridul Dhanuka, Executive Director:

Shri Mridul Dhanuka, aged 32 years, is a B.Tech in Chemical Engineering and M.B.A. from NITIE, Mumbai. He joined the Company in 2007, with his technical and managerial expertise. He has served the Company by

introducing new products and production of new molecules with his technical expertise, which resulted in enlarging the product base of Dhanuka. He successfully implemented cost optimisation measures and helped to smoothen the production, procurement and logistic processes. Shri Mridul Dhanuka, in a short duration, streamlined the processes, systems and procedures in place and established quality control in the Company.

He is a Director on the Boards of Dhanuka Laboratories Ltd., Dhanuka Infotech Pvt. Ltd., Otsuka Chemicals India Pvt. Ltd., M.D. Buildtech Pvt. Ltd. and Dhanuka Agri-Solutions Pvt. Limited

3. Shri Sachin Kumar Bhartiya, Non- Executive, Non-Independent Director:

Shri Sachin Kumar Bhartiya, aged 35 years, is a Bachelor of Commerce from University of Kolkata and a Chartered Accountant. He has expertise in lending and advisory from origination, evaluation and underwriting of transactions across industry verticals. He has worked with Infrastructure Leasing and Financial Services, GE Capital (India) and Industrial Development Bank of India. In a career spanning over a decade, he has originated and executed a number of transactions both as a lender and advisor for debt and equity.

He is also a Director in Shaily Engineering Plastics Ltd., Unibic Biscuits India Pvt. Limited, Light House Advisors (India) Pvt. Ltd, Bombay Central Holding and Trading Co. Pvt. Ltd, Suraksha Diagnostic Pvt. Ltd. and Oreo Capital Advisors Pvt. Ltd.

4. Shri Subash Chander Gupta, Non- Executive, Independent Director:

Shri Subash Chander Gupta, aged 60 years, has a rich and multi-faceted experience of more than 35 years, which has added value to the Company's decision-making. He is an industrialist and is running Shoe Manufacturing Business.

He is also a Director on Boards of M/s Footwear (Klick) India Pvt. Ltd., M/s SCG Industries Pvt. Ltd. and Hector Enterprises Private Limited.

(3) BOARD COMMITTEES

The Board Committees play a crucial role in the Governance structure of the Company and have been assigned specific areas /activities which need closer review. They are set up under the formal approval of the Board, to carry out their clearly defined roles. The Board delegates them the necessary powers and supervises their working. Currently, the Board has Audit Committee, Remuneration Committee, Shareholders'/Investors' Grievance Redressal Committee and Banking and Finance Committee.

A) Audit Committee

Keeping in view the requirements of Section 292A of the Companies Act, 1956 as well as Clause 49 of the Listing Agreement, the Board decides the membership and terms of reference of various Committees. Their recommendations are submitted to the Board for approval. The Board has an Audit Committee with four Directors. All the Members of the Audit Committee are financially literate and Shri Priya Brat, Chairman of the Committee, has expertise in finance. The composition of the Audit Committee and the details of meetings attended by the Directors are given below:

Details of Composition, category and number of meetings attended by the Directors are as follows:

S.No.	Name of the Director	Category	No. of Meetings Attended during FY 2012-13
1	Shri Priya Brat, Chairman	Independent (Non-Executive)	4
2	Shri Vinod Jain, Member	Independent (Non-Executive)	1
3	Shri Shrikishna Khetan, Member	Independent (Non-Executive)	4
4	Shri Sachin Bhartiya, Member	Non-Independent (Non-Executive)	3

During the Financial Year 2012-13, four Audit Committee Meetings were held on 23rd May, 2012, 13th August, 2012, 7th November, 2012 and 13th February, 2013 and gap between two meetings did not exceed four months.

The Chairman of the Audit Committee, Shri Priya Brat was present at the last Annual General Meeting of the Company. The Statutory Auditors, Internal Auditors, Chief Financial Officer are invited to attend the Audit Committee Meetings and the Company Secretary acts as the Secretary of the Committee.

B) Remuneration Committee:

The Remuneration of the Directors and their relatives, if any, is recommended by the Remuneration Committee which comprises of Independent Directors in terms of Schedule XIII of the Companies Act, 1956 and Clause 49 of the Listing Agreement with the Stock Exchanges. The recommendations of the Remuneration Committee are submitted to the Board for its approval, subject to the consent of the Shareholders, where necessary.

Details of Composition, category and number of meetings attended by the Directors are as follows:

S.No.	Name of the Director	Category	No. of Meetings Attended during FY 2012-13
1	Shri Priya Brat, Chairman	Independent (Non-Executive)	1
2	Shri Shrikishna Khetan, Member	Independent (Non-Executive)	1
3	Shri Subhash Lakhotia, Member	Independent (Non-Executive)	0
4	Shri Sachin Bhartiya, Member	Non-Independent (Non-Executive)	0

During the financial year 2012-13, Remuneration Committee Meeting was held on 23rd day of May, 2012.

Details of remuneration to the Directors : The Remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Remuneration policy is in consonance with the existing industry practice. The Executive Directors are appointed for a period of five years on the terms and conditions contained in the respective agreements approved by the Shareholders in the General Meeting. The Executive Directors are not paid any sitting fees for any Board/Committee Meetings attended by them.



The bifurcation of the remuneration paid to the Executive Directors of the Company is as follows: (Rs. in Lakhs)

S.No.	Name of Director	Salary and Allowances	P.F.	Superannuation	Commission	Total
1	Shri R.G.Agarwal, Chairman	53.00	6.36	-	133.57	192.93
2	Shri Mahendra Kumar Dhanuka, Managing Director	52.00	6.24	0.80	133.57	192.61
3	Shri A.K.Dhanuka, Director (Works)	37.50	4.50	1.20	133.57	176.77
4	Shri Rahul Dhanuka, Director (Marketing)	35.50	4.26	1.20	133.57	174.53
5	Shri Mridul Dhanuka, Director (Operations)	29.00	3.48	1.20	89.05	122.73
	Total	207.00	24.84	4.40	623.33	859.57

Non-Executive Directors:

The Company pays only sitting fees to Non- Executive Directors for attending Board/ Committee Meetings. The sitting fees is paid to the Non-Executive Directors at Rs.10,000/ per meeting with effect from 1.6.2012. None of the Non-Executive Directors hold any Equity Shares of the Company.

C) Shareholders'/Investors' Grievance Redressal Committee:

Composition, category and number of meetings attended by the Directors are as follows:

S.No.	Name of the Director	Category	No. of Meetings Attended during FY 2012-13
1	Shri Indresh Narain, Chairman	Independent (Non-Executive)	4
2	Shri Subhash Lakhota, Member	Independent (Non-Executive)	1
3	Shri M. K. Dhanuka, Member	Independent (Non-Executive)	4
4	Shri Subash Chander Gupta, Member	Independent (Non-Executive)	1

* Shri Subash Chander Gupta was appointed as the member of Shareholders'/Investors' Grievance Redressal Committee w.e.f. 07.11.2012.

During the Financial Year 2012-13 four Shareholders'/Investors' Grievance Redressal Committee Meetings were held on 23rd May, 2012, 13th August, 2012, 7th November, 2012 and 13th February, 2013.

Terms of Reference:

The Shareholders'/Investors' Grievance Redressal Committee oversees and reviews all matters connected with transfer/ transmission of securities, redressal of Shareholders'/Investors' complaints related to transfer of shares, non-receipt of Annual Reports/dividend, change in address, issuance of Duplicate Share Certificates and recommends measures for overall improvement in the quality of investor services.

Name and designation of Compliance Officer : Ms. Shubha Singh, Company Secretary

Number of Shareholders complaints received so far : During the Financial Year 2012-13, the Company has received 63 correspondences (including complaints) from its Shareholders and resolved all of them. All the complaints were resolved within 30 days of receipt and there was no complaint pending till 31st March, 2013.

D) Banking and Finance Committee:

Composition, category and number of meetings attended by the Directors are as follows:

S.No.	Name of the Director	Category	No. of Meetings Attended during FY 2012-13
1	Shri Ram Gopal Agarwal, Member	Executive (Promoter) Non-Independent	8
2	Shri M. K. Dhanuka, Chairman	Executive (Promoter) Non-Independent	9
3	Shri Arun Kumar Dhanuka, Member	Executive (Promoter) Non-Independent	7
4	Shri Rahul Dhanuka, Member	Executive (Promoter) Non-Independent	7

During the Financial Year 2012-13, nine Banking and Finance Committee Meetings were held in all. The Committee met on 1st May, 2012, 3rd Aug., 2012, 3rd Sept., 2012, 17th Sept., 2012, 23rd Oct., 2012, 19th Nov., 2012, 15th January 2013, 22nd Feb., 2013 and 18th March, 2013.

Terms of Reference:

The Banking and Finance Committee reviews the Company's financial policies and strategies, risk assessment and mitigation procedures and capital structure. It also takes care of the working capital and cash flow management, Bank facilities and credit management - fund based and non-fund based.

(4) GENERAL BODY MEETINGS:

The details of date, venue and time of the last three Annual General Meetings, Extra-ordinary General meetings held and Special Resolutions passed are as under :

AGM and EGM	Financial Year	Date	Venue	Special Resolutions
27 th	2011-12	13 th August, 2012 at 11.00 A.M.	Shri Purushottam Hindi Bhawan, 11, Vishnu Digambar Marg (Rouse Avenue), New Delhi- 110002	To increase the remuneration of Shri Harsh Dhanuka, Senior General Manager (Seeds) of the Company and re- designate him as Senior General Manager (Marketing) holding place of Profit as per Section 314 of the Companies Act, 1956.
26 th	2010-11	29 th July, 2011 at 11.00 A.M.	Shri Purushottam Hindi Bhawan, 11, Vishnu Digambar Marg (Rouse Avenue), New Delhi- 110002	No Special Resolutions were passed.
EGM	2010-11	30 th August, 2010 at 10.30 A.M.	Shri Purushottam Hindi Bhawan, 11, Vishnu Digambar Marg (Rouse Avenue), New Delhi- 110002	Approval in accordance with Section 81(1A) of the Companies Act, 1956 read with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the Regulations") for issuance and allotment of 41,25,000 Equity Shares of Rs. 2/- each on preferential basis, constituting post issue 8.25% of the total Issued and Paid-up Share Capital of the Company.
25 th	2009-10	4 th August, 2010 at 10.30 A.M.	Shri Purushottam Hindi Bhawan, 11, Vishnu Digambar Marg (Rouse Avenue), New Delhi- 110002	No Special Resolutions were passed.

The following resolutions were passed on 11th June, 2010, by way of Postal Ballot. Mr. V. P. Kapoor, Practising Company Secretary acted as Scrutinizer.

Special Resolutions:

1. To issue, offer and allot further Equity Share Capital upto the value of Rs.100 crores (Rupees One Hundred crores) (with/without premium as may be decided by the Board of Directors) through Follow-on Public offer, to any person, whether a member of Company or not in accordance with the provisions of Section 81(1A) of the Companies Act, 1956.
2. To Sub divide the Equity Shares of nominal value of Rs.10/- each of the Company into 5 (Five) Equity Shares of nominal value of Rs.2/- each commonly known as "Stock Split" and make further consequential alterations

in the existing Clause V being Capital Clause of the Memorandum of Association and Article 3 of the Articles of Association of the Company.

Ordinary Resolutions:

1. To borrow moneys (apart from temporary loans obtained from Bankers/Financial Institution of the Company in ordinary course of business) in excess of the aggregate paid-up capital and its free reserves, upto an amount not exceeding Rs. 200 crores (Rupees Two Hundred crores) under Section 293(1)(d) of the Companies Act 1956; and
2. To create charge on assets including all or any moveable and/or immovable property of the Company in favour of Bankers/Financial Institutions for borrowing money(s) under Section 293(1)(a) of the Companies Act, 1956.



(5) ROLE OF THE 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. There is complete transparency in the working of the Secretarial department and all the Directors have access to the advice and services of the Company Secretary. The Secretarial Standards issued by the ICSI are followed on all important aspects of the Secretarial work. The provisions of the Companies Act, 1956, the Listing Agreement, various SEBI guidelines including The Substantial Acquisition of Shares and Takeovers Regulations, 2011 and The Prohibition of Insider Trading Regulations, 1992 and all other applicable Laws and Regulations in this regard are completely adhered to.

(6) DISCLOSURES:

- a) **Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large:**

The disclosures with regard to transactions with related parties are given in the Notes to Accounts of the Audited Financial statements for the Financial Year ended 31st March, 2013. These transactions are not in conflict with the Company's interest.

- b) **Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any other statutory authority on any matter related to the Capital Markets during the last three years:**

The Company has been strictly adhering to the applicable Rules and Regulations made by SEBI. No penalties or strictures were imposed on the Company by the BSE/NSE or SEBI or any statutory authority, on any matter related to the capital markets during last three years.

- c) **Disclosure of Accounting Treatment:**

In the preparation of Financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India. The significant Accounting Policies, which are consistently applied, have been set out in the Notes to the Accounts of the Audited Financial Statements for the Financial Year ended 31st March, 2013.

- d) **CEO/ CFO Certification:**

The Certificate as stipulated in clause 49(V) of the Listing Agreement was placed before the Board along with the Financial statements for the Financial Year ended 31st March, 2013 and the Board reviewed the same. The said Certificate is provided elsewhere in the Annual Report.

- e) **Details of compliance with mandatory requirements and adoption of the non mandatory requirements of this clause:**

The Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement.

(7) MEANS OF COMMUNICATION:

- a) The Quarterly Results of the Company are approved and taken on record by the Board of Directors of the Company within 45 days (for I, II, III quarter)/60 days (for IV quarter) from the end of quarter. The Approved Results are also published within 48 hours in one English language and one Hindi language newspaper having wide circulation.
- b) The Company publishes the Audited Annual Results within the stipulated period of 60 days from the close of the Financial Year as per the requirement of Listing Agreement.
- c) **Website:** The Company's website www.dhanuka.com provides comprehensive information on Company's profile, its business lines, Management, Corporate Governance, news releases. An exclusive section dedicated to Investors consolidates information on the Quarterly, Half Yearly, Annual Financial state-ments, and Shareholding patterns in downloadable format, as a measure of added convenience to the investors.
- d) **Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Consolidated & Standalone Financial Statements, Directors' Report, Auditor's Report and other important information is circulated to members and others entitled thereto. In accordance with the Green initiatives of the MCA, the Annual Report is e-mailed to those Shareholders whose e-mail id is registered with the Depository Participants. Hard copies are sent to the rest of the Shareholders. The Annual Report of the Company is also available on the Company's website in a user-friendly and downloadable form.
- e) The **Quarterly Unaudited Results as well as Annual Audited Financial Results** are promptly communicated to BSE and NSE where the Company's Shares are listed.
- f) **Management Discussion and Analysis (MDA) Report:** The report on MDA forms part of the Annual Report.
- g) **Intimation to the Stock Exchanges:** The Company intimates the Stock Exchanges all price sensitive information or such other matters which are of relevance to the Shareholders.
- h) **Code for Prevention of Insider Trading:** The Company has comprehensive guidelines on prevention of insider trading in line with the SEBI (Prohibition of Insider Trading) Regulations, 1992. Pursuant to SEBI Circular dated 16.08.2011, DAL has amended its Code of Conduct vide Resolution passed in the Board of Directors Meeting dated 7th November, 2011. The Code for prevention of Insider trading, inter-alia, now prohibits purchase/sale of shares of the Company by Promoters/Directors/ Employees while in possession of unpublished price sensitive information in relation to the Company. The Company within two working days of receipt of the information under the Initial and Continual disclosures from Promoters/Directors/ Employees will disclose the same to BSE and NSE, where the shares of the Company are listed.

(8) GENERAL SHAREHOLDER INFORMATION:

a) 28th Annual General Meeting

Date : 12th August, 2013

Time : 11.00 A.M.

Venue : Shri Purushottam Hindi Bhawan, 11, Vishnu Digambar Marg (Rouse Avenue), New Delhi- 110002

b) Date of Book Closure : 8th August, 2013 to 12th August, 2013 (both days inclusive).

c) Dividend Payment Date : Within 30 days from the date of AGM, which is scheduled to be held on 12th August, 2013.

d) Securities Listed on Stock Exchange:

Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai-400 001. Scrip Code: 507717

National Stock Exchange Limited
Exchange Plaza, Plot no. C/1, G Block, Bandra-
Kurla Complex, Bandra (E), Mumbai - 400051
Scrip Code: Dhanuka

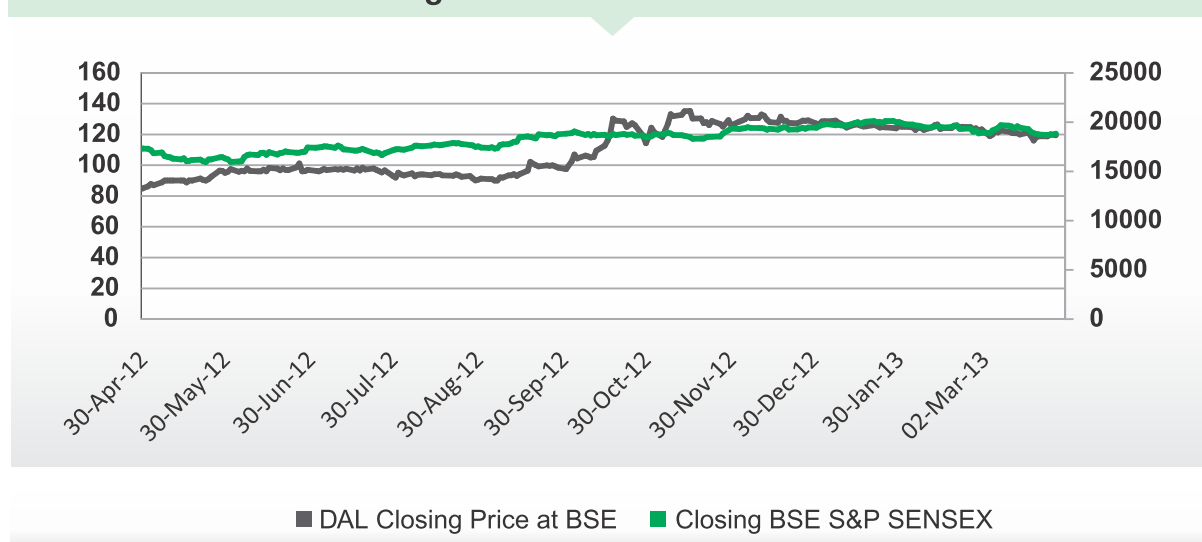
The listing fees for the Financial Year 2013-14 has been paid to the above Stock Exchanges.

e) Market Price Data:

- (1) High, Low, Close, Number and Value of shares traded at **BSE** during each month in the last Financial Year is as follows:

Month	High Price (Rs.)	Low Price (Rs.)	Close Price (Rs.)	Traded Quantity (No.)	Total Turnover (Rs. in Lakhs)
Apr-12	87.85	80.4	84.95	2,02,426	170.88
May-12	97.5	83	95.75	2,30,850	207.06
Jun-12	104	95	96.95	2,40,838	233.17
Jul-12	99.15	91.35	92	2,62,008	254.37
Aug-12	98.95	88.6	91.25	3,51,985	327.82
Sep-12	108	89.95	98.5	3,26,797	320.28
Oct-12	138.65	96.55	118.6	12,56,597	1554.06
Nov-12	140.6	115.6	125.95	5,34,813	698.05
Dec-12	135.5	123	127.05	3,45,132	447.13
Jan-13	131	122.15	125	4,95,941	625.95
Feb-13	129	116	122.2	6,46,250	804.78
Mar-13	124.95	112.35	120	6,29,784	751.67

Closing Prices- DAL Vs. BSE SENSEX

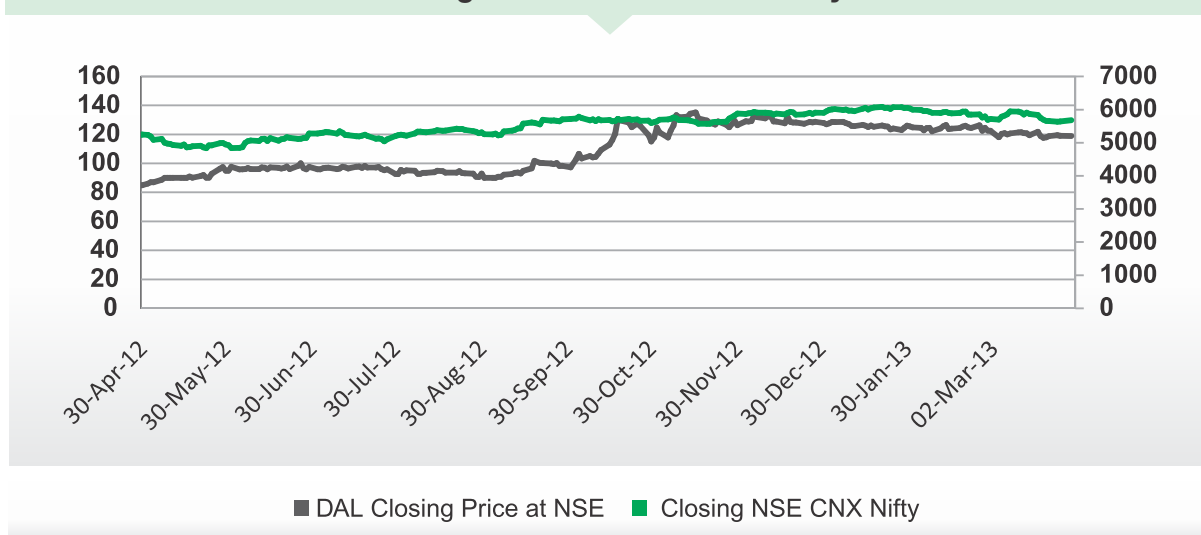




(2) High, Low, Close, Number and Value of shares traded at **NSE** during each month in the last Financial Year is as follows:

Month	High Price (Rs.)	Low Price (Rs.)	Close Price (Rs.)	Traded Quantity (No.)	Total Turnover (Rs. in Lakhs)
Apr-12	88.8	78.15	84.95	222460	188.02
May-12	98.45	85	95.05	271805	244.34
Jun-12	104.7	94	97.65	277099	268.63
Jul-12	99.85	91	92.65	291647	282.66
Aug-12	101	81.1	90	245540	228.62
Sep-12	107.4	89.9	98.4	468218	552.47
Oct-12	138.85	97	117.75	1687283	2106.85
Nov-12	104.7	110.95	126.4	2246025	2836.04
Dec-12	136.2	125.1	127.9	2660354	3374.99
Jan-13	130.8	122.95	125.5	496298	625.45
Feb-13	129.75	118.2	122.6	1147534	1435.99
Mar-13	125.9	111.7	119	1836724	2380.35

Closing Prices- DAL Vs NSE Nifty



f) Financial Calendar (tentative and subject to change)

Financial reporting for the first quarter ending 30 th June, 2013	13 th August, 2013
Financial reporting for the second quarter ending 30 th September, 2013	14 th November, 2013
Financial reporting for the third quarter ending 31 st December, 2013	14 th February, 2014
Financial reporting for the Year ending 31 st March, 2014	23 rd May, 2014
Annual General Meeting for the Year ending 31 st March, 2014	13 th August, 2014

(9) SHAREHOLDERS' INFORMATION:

REGISTERED OFFICE	:	"Dhanuka House", 861-862, Joshi Road, Karol Bagh, New Delhi - 110005, India Ph. Nos.: (91) (011) 23518381/82/64656800/1/2 Website: www.dhanuka.com E-mail: investors@dhanuka.com , headoffice@dhanuk.com
CORPORATE OFFICE	:	14 th Floor, Building 5A, DLF Cyber Terrace, Cyber City, DLF Phase III, Gurgaon- 122002, Haryana, India Phone: (91) (124) 3838500 Fax: (91) (0124) 3838888 E-mail: investors@dhanuka.com
WORKS	:	Daultabad Road, Gurgaon - 122001, Haryana, India Ph.Nos.: (91) (0124) 6768500 E-mail: gurgaonunit@dhanuka.com
	:	D-1/A- B, Ajanta Indl. Estate, Near Sarika Paints, Taluka Sanand-Virangam Road, At: Vasna lyava, Sanand, Dist. Ahmedabad - 382170, Gujarat, India Ph. Nos. : (91) (02717) 284567/68 Email ID: sanand@dhanuka.com
	:	Plot No.1, I.I.D Centre, SICOP Industrial Estate, Battal Balian, Udhampur - 182101, J&K, India Ph. Nos.: (91) (01992) 250156/57 Email ID: udhampur@dhanuka.com
SALES OFFICES/ GODOWNS	:	Ahmedabad, Akola, Bangalore, Bellary, Cuttack, Devangere, Delhi, Ghaziabad, Guwahati, Guntur, Gurgaon, Hissar, Hyderabad, Indore, Jaipur, Jabalpur, Kanchipuram, Kichha, Kolkata, Kurnool, Lucknow, Ludhiana, Nashik, Nandyal, Nellore, Patna, Pune, Ranchi, Raipur, Ravulapalem, Salem, Siliguri, Sriganganagar, Thrissur, Trichy, Vijaywada and Warangal
REGISTRARS AND TRANSFER AGENTS	:	M/s Abhipra Capital Limited, Ground Floor, Abhipra Complex, Dilkhush Industrial Area, A-387, G.T.Karnal Road, Azadpur, Delhi - 110033, India Phone Nos. : (91) (011) 27127362, 27249773/4, 42390708 Website: www.abhipra.com E-mail: info@abhipra.com , rta@abhipra.com

SHARE TRANSFER SYSTEM:

M/s Abhipra Capital Limited is the Registrar and Transfer Agent (RTA) of the Company, who carries out the process of share transfer whether in physical form or in dematerialized form. Shares received by the Company in physical form for transfers are sent to the RTA, who carries out the transfer and register the same on fortnightly basis. The duly transferred shares are then sent by RTA to the Company for the purpose of authentication. Afterwards, the Company sends back the shares to the RTA for onward dispatch to the Shareholders after proper endorsement and signature. Same procedure is adopted for the transfer requests received directly by the RTA. Shareholders'/Investors' Grievance Redressal Committee takes note of the transfers executed by RTA on quarterly basis.

Shares are also received by the RTA for dematerialization through the Depository Participants of the Shareholders. Such shares are dematerialized by RTA within stipulated time and a monthly Demat Statement is sent to the Company.

INVESTOR'S CORRESPONDENCE:

All enquiries relating to share transfer/transmission, change of address, loss of share certificate etc. should be addressed to the Registrar and Transfer Agents - M/s Abhipra Capital Limited.

The queries relating to non receipt of Dividend and in respect of Annual Reports etc. should be addressed to the Company Secretary at the Corporate Office of the Company or e-mailed to investors@dhanuka.com

DEMATERIALIZATION OF SHARES AND LIQUIDITY:

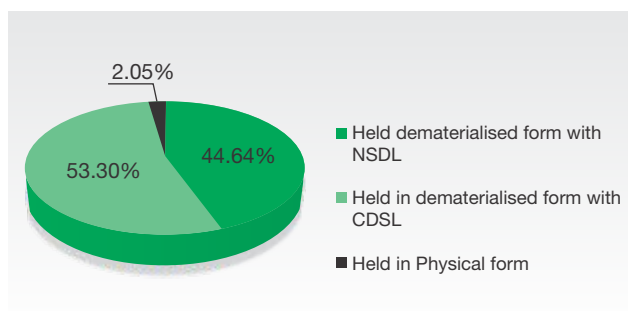
In compliance with the SEBI Circular dated 30th September, 2011, the Company has achieved 100% Promoter and Promoter - Group holding in demat mode. As on 31st March, 2013, 4,89,91,918 Equity Shares of the Company were held in dematerialized form. The Equity Shares of the Company are actively traded on the Bombay Stock Exchange Limited and



National Stock Exchange of India Limited in Demat form only. All the requests for nomination, change of address, change of Bank mandate/Bank particulars and rematerialisation of Share etc. are to be made only to the Depository Participant with whom the Shareholders have opened their Demat Account.

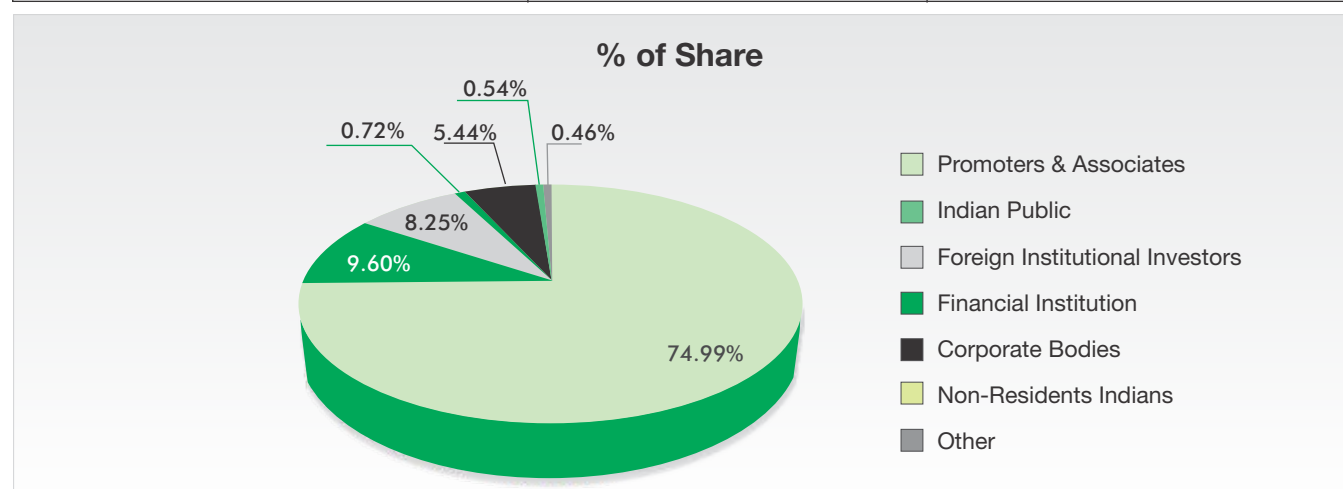
Shares held in Physical and Dematerialized form as on 31st March, 2013:

The Total number of Equity Shares issued by the Company are 5,00,19,500 having Face Value of Rs.2/- each.



SHAREHOLDING PATTERN OF THE COMPANY AS ON 31st MARCH, 2013:

Class of Investors	No. of Shares Held	% of Paid-Up Capital
Promoters and Associates	3,75,09,175	74.99%
Indian Public	48,00,614	9.60%
Foreign Institutional Investors	41,25,000	8.25%
Financial Institution	3,60,000	0.72%
Corporate Bodies	27,18,713	5.44%
Non-Resident Indians	2,74,271	0.54%
Other	2,31,727	0.46%
TOTAL	5,00,19,500	100.00%



DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2013:

Range	Shareholders		Value	
	Numbers	Percentage (%)	Rs. (in Lakhs)	Percentage (%)
Upto 2500	3,833	85.25	24.78	2.48
2501 - 5000	342	7.60	13.22	1.32
5001 - 10000	148	3.29	11.43	1.14
10001 - 20000	60	1.33	9.20	0.92
20001 - 30000	19	0.42	4.78	0.48
30001 - 40000	11	0.24	3.97	0.40
40001 - 50000	10	0.22	4.49	0.45
50001 - 1,00,000	21	0.46	16.05	1.60
1,00,001 and Above	52	1.15	912.47	91.21
TOTAL	4,496	100%	1,000.39	100%

SHAREHOLDERS' INITIATIVE:

The Ministry of Corporate Affairs has launched a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies. MCA has issued Circular Nos. 17/2012 dt. 21-04-2011 and 18/2011 dt. 29-04-2012 stating that the service of a notice/document by a Company to its Shareholders can now be made through electronic mode. In view of the above, Company proposes to henceforth send Annual Report, Notice of the Shareholders' General Meetings and other communications to the email address registered with the Depository Participants. Hence, Members are requested to update their e-mail ids with their Depository Participant and accord their consent for receiving documents through electronic mode to make the Green initiatives in Corporate Governance successful. We at "Dhanuka Agritech Limited" appreciate the "Green Initiative" taken by MCA and trust you would help in implementing the e-Governance initiatives of the Government.

Clause 49 of the Listing Agreement mandates us to obtain a Certificate either from the Auditors or from the Practising Company Secretary regarding the compliance with Corporate Governance as stipulated in Clause 49 of the Listing Agreement and annex the Certificate with the Directors' Report, which is sent annually to the Shareholders and the Stock Exchanges. We have obtained a Certificate from our Statutory Auditors to this effect and the same is annexed hereto.

(10) COMPLIANCE WITH NON-MANDATORY REQUIREMENTS OF CLAUSE 49 OF THE LISTING AGREEMENT

The Clause 49 states that the non-mandatory requirements may be implemented at the discretion of the Company. We comply with the following non-mandatory requirements:

1. Remuneration Committee

Shri Priya Brat, an Independent Non-Executive Director of the Company is the Chairman of the Remuneration Committee. The details of the Remuneration Committee have been covered in earlier section.

2. Shareholders' Rights

The announcement of Quarterly Results is published in English and Hindi daily newspapers and posted on the Company's website.

3. Audit Qualifications

It is always the Company's endeavour to present unqualified financial statements. There is no Audit qualification in the Company's Financial Statements for the Financial Year ended 31st March, 2013.

4. Training to Board Members

The Board has adopted a policy for the training of new Non-Executive Directors which covers:

- (a) orientation and presentations to the Non-Executive Directors to enable them to get familiarized with the operations of the Company;
- (b) orientation on group structure, subsidiaries, constitution, Board procedures and matters reserved for the Board, major risks and risk management strategies, etc.

5. Whistle Blower mechanism

Though the Company does not have Whistle Blower policy, no person is denied access to the Top Management, Board of Directors and the various Committees.

DECLARATION BY MANAGING DIRECTOR PURSUANT TO CLAUSE 49(I)(D)(ii) OF THE LISTING AGREEMENT OF THE INDIAN STOCK EXCHANGES

I, Mahendra Kumar Dhanuka, Managing Director of Dhanuka Agritech Limited ("the Company") confirm that the Company has adopted a Code of Conduct ("Code") for its Board members and Senior Management Personnel and the Code is available on the Company's website.

I further confirm that the Company has received from its Board members as well as Senior Management Personnel affirmation in respect of the Financial Year ended 31st March, 2013, as to compliance with the Code of Conduct.

Sd/-

M.K. Dhanuka
Managing Director

Place: Gurgaon
Date: 18th May, 2013



AUDITORS' CERTIFICATE

To,
The Members,
M/s Dhanuka Agritech Limited

We have examined the Compliance of Corporate Governance conditions for the Financial Year ended 31st March, 2013 as stipulated by Clause 49 of the Listing Agreement of the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

The Compliance with Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

For **Dinesh Mehta & Co.**
Chartered Accountants

Sd/-
Deepak Malhotra
Partner
Membership No. 502386

Place : Gurgaon
Dated : 18th May , 2013



CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) PURSUANT TO CLAUSE 49(V) OF THE LISTING AGREEMENT OF THE INDIAN STOCK EXCHANGES

We, M.K. Dhanuka, Managing Director and V.K. Bansal, Chief Financial Officer of Dhanuka Agritech Limited ("the Company") certify that:

- We have reviewed the Financial statements and the Cash Flow Statement of the Company for the Financial Year ended 31st March, 2013 and that to the best of our knowledge and belief -
 - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These statements together present a true and fair view of the Company's affairs and are in compliance with the 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 violative to the Company's code of conduct.
- We accept responsibility for establishing and maintaining internal controls for Financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to Financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls and the steps we have taken or propose to take to rectify these deficiencies.
- We have indicated to the Auditors and the Audit Committee that there are no:
 - Significant changes in internal control over Financial reporting during the year.
 - Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the Financial statements; and
 - Instances of significant fraud of which we are aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over Financial reporting.

Sd/-
Mahendra Kumar Dhanuka
Managing Director

Place: Gurgaon
Date: 18th May , 2013

Sd/-
V.K. Bansal
Chief Financial Officer



INDEPENDENT AUDITOR'S REPORT

To,

The Members of

Dhanuka Agritech Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Dhanuka Agritech 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 period ended 31st March, 2013 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 risks material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

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

Report on Other Legal and Regulatory Requirements

- I As required by the Companies (Auditor's Report) Order 2003, (the Order) issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, and in terms of information and explanations given to us and also on the basis of such checks as we considered appropriate, we report on the matters specified in paragraphs 4 and 5 of the said order as follows:-
 1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
 - (c) No substantial part of the fixed assets have been disposed off during the year affecting the going concern status of the Company.
 2. (a) The inventory of the Company (including stocks with third parties) has been physically verified by the management during the year according to a phased programmed normally so designed that each material item is physically verified at least once in a year and at more frequent intervals in appropriate cases.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by management are reasonable and adequate in relation to size of the Company and nature of its business.
 - (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. (a) The Company during the year has not granted any loan to a Company covered in the register maintained under Section 301 of the Act.
- (b) In our opinion, the rate of interest and other terms and conditions of unsecured loans given by the Company are not, prima facie, prejudicial to the interest of the Company.
- (c&d) There is no overdue amount of the principal repayable at the year end.
- (e) According to the information and explanations given to us, the unsecured loans taken by the Company from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 is by way of Inter Corporate



Deposits received from 6 companies and deposits from 4 individuals of NIL outstanding balance as on 31.03.13 (Maximum Rs. 13.05 Crores outstanding during the period).

- (f) In our opinion, the rate of interest and other terms and conditions of unsecured loans taken by the Company are not, prima facie, prejudicial to the interest of the Company.
- (g) There is no overdue amount of the principal repayable at the year end.
4. In our opinion and according to the information and explanation given to us, there is an adequate Internal Control system commensurate with the size of the Company and the nature of its business with regard to purchase of Inventory, Fixed Assets and with regard to sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in Internal Control System.
5. (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into Register maintained under Section 301 of the Act have been made at prices which are generally reasonable considering the strategic relationship and having regard to the prevailing market prices at the relevant time.
(b) 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 Companies Act, 1956 have been so entered.
6. In our opinion and according to the information and explanations given to us, during the year the Company has not accepted any new Deposits from the public within the purview of Sections 58A, 58AA or any other relevant provisions of the Act read with the Companies (Acceptance of Deposits) Rules, 1975.
7. As per the information and explanations given to us by the management, the Company has appointed external firm of Chartered Accountants to review internal controls procedures together with the internal checks during the year which can be considered as an internal audit commensurate with the size and nature of its business.
8. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of Sub Section (1) of Section-209 of the said Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate or complete.
9. (a) According to the records of the Company, undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales tax, customs duty, excise duty, cess and other

material statutory dues applicable to it have generally been regularly deposited with the appropriate authorities. Since govt. has not notified any rules under Section 441A of the Companies Act, 1956, therefore we are unable to comment on this particular issue.

- b) There are no material outstanding undisputed statutory dues as at the last day of the financial year ended on 31-03-2013 for a period of more than six months from the date they become payable.
- c) According to the information and explanation given to us, the following dues of Income Tax, Excise Duty and cess have not been deposited on account of some dispute with the concerned authority:

Name of the Statute	Authority where dispute pending	Amount Involved (Rs. in lakhs) / Nature of Dues
Central Excise 1944.	Custom Excise & Service Tax Appeal Tribunal, New Delhi	9.41 (Year 1996) (Excise Duty Related to Fire)
	Custom Excise & Service Tax Appeal Tribunal, New Delhi	46.51 (Year 2001-02-03) (Excise Duty on Returned Goods)
	Custom Excise & Service Tax Appeal Tribunal, New Delhi	48.21 (Year 1999-2000) (Excise Duty on Returned Goods)
	Custom Excise & Service Tax Appeal Tribunal, New Delhi	14.00(Approx.) (Year 2010-11) (Interest, fine & Penalty in case of short payment of Excise Duty)
Income Tax Act 1961	Commissioner of Income Tax (Appeals)	4.86 (Year 2008-09)
		3.57 (Year 2002-03)

10. There are no accumulated losses of the Company. The Company has neither incurred cash losses during the Financial Year covered by our audit nor in the immediately preceding Financial Year.
11. According to the information and explanations given to us, the Company has not defaulted in the repayment of dues to the Financial Institutions or Banks. Further, there are no Debenture holders.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of Shares, Debentures and other Securities.

13. The Company is not a Chit Fund or a Nidhi / Mutual Benefit Fund/ Society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (hereinafter referred to as the said order) are not applicable to the Company.
14. The Company is not dealing in or trading in Shares, Securities, Debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the said Order are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from Banks or Financial Institutions.
16. In our opinion and according to the information and explanations given to us on an overall basis, the term loans taken by the Company for augmenting long term resources of the Company towards general corporate objectives have been applied for the purpose for which they were obtained.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company in our opinion the funds raised on short-term basis have not been used for long-term investments.
18. The Company has not made any Preferential Allotment of Shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956. Accordingly, the question of reporting on whether the price at which such Shares have been issued is prejudicial to the interest of the Company does not arise.
19. The Company has not issued any Debentures. Accordingly, the question of creating a security for Debentures does not arise.
20. The Company has not raised any money by Public Issues during the year. Accordingly, the question of disclosure of end use of such monies does not arise.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the Generally Accepted Auditing Practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

II. As required by Section 227 (3) of the Act, we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet, Statement of Profit and Loss, and Cash flow statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub Section (3C) of Section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the Directors as on 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 Companies Act, 1956.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under Section 441A of the Companies Act, 1956 nor has it issued any Rules under the said Section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For Dinesh Mehta & Co.
Chartered Accountants
Sd/-
Deepak Malhotra
Partner
Membership No.502386

Place: New Delhi
Date: 18th May, 2013



Balance Sheet as at 31st March, 2013

(Rs. in lakhs)

Particulars	Notes	As at 31.03.2013	As at 31.03.2012
		Audited	Audited
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	3	1,000.39	1,000.39
Reserves & Surplus	4	25,276.47	20,459.38
		26,276.86	21,459.77
NON CURRENT LIABILITIES			
Long Term Borrowings	5	-	565.03
Other Long Term Liabilities	6	1,327.33	1,330.44
Deferred Tax Liabilities (Net)	7	282.31	255.6
		1,609.64	2,151.07
CURRENT LIABILITIES			
Short Term Borrowings	8	3,301.43	3,375.88
Trade Payables	9	4,499.66	5,428.99
Other Current Liabilities	9	5,313.63	5,644.72
Short Term Provisions	10	1,045.08	1,504.01
		14,159.80	15,953.60
Total		42,046.30	39,564.44
ASSETS			
NON CURRENT ASSETS			
Fixed Assets			
- Tangible Assets	11	6,192.80	3,875.76
- Intangible Assets	11	63.46	28.57
- Capital Work in Progress	11	130.59	28.32
Non Current Investments	12	0.13	0.13
Long Term Loans and Advances	13	1,799.64	1,815.65
Other Non Current Assets	14	30.00	-
		8,216.62	5,748.43
CURRENT ASSETS			
Current Investments	15	821.19	1,527.40
Inventories	16	15,986.70	13,875.85
Trade Receivables	17	15,072.47	15,119.42
Cash and Bank Balances	18	537.25	873.63
Short Term Loans and Advances	19	1,412.07	2,419.71
		33,829.68	33,816.01
Total		42,046.30	39,564.44
Significant accounting policies			
Notes on Financial Statements	1 to 16		

As per our report of even date attached

For **DINESH MEHTA & CO**

Chartered Accountants

Firm Registration No:000220-N

For and on behalf of the Board of Directors

Sd/-
DEEPAK MALHOTRA
Partner

Sd/-
SHUBHA SINGH
Company Secretary

Sd/-
V.K. BANSAL
C.F.O.

Sd/-
M.K. DHANUKA
Managing Director

Sd/-
R.G. AGARWAL
Chairman

Membership No : 502386

Place : Gurgaon

Dated : 18th May, 2013

Statement of Profit & Loss for the Financial Year ended 31st March, 2013

(Rs. in lakhs)

Particulars	Notes	For the year ended 31.03.2013	For the year ended 31.03.2012
		Audited	Audited
INCOME			
Revenue from Operations (Gross)	20	64,640.05	57,616.15
Less : Excise Duty		6,409.49	4,697.38
Revenue from Operations (Net)		58,230.56	52,918.77
Other Income	21	694.64	61.94
Total Revenue (I)		58,925.20	52,980.71
EXPENSES			
Cost of Raw Materials and Packing Materials Consumed	22	35,017.48	31,926.13
Purchase of Traded Goods	23	3,216.05	2,580.52
(Increase)/Decrease in Inventories of Finished Goods			
Work-in-Progress and Traded Goods	23	(123.68)	(248.18)
Employee Benefits Expenses	24	4,764.03	4,155.89
Other Expenses	25	7,166.76	6,562.51
Total Expenses (II)		50,040.64	44,976.87
Earnings before Interest, Tax, Dep. & Amortisation (EBITDA) (I-II)		8,884.56	8,003.84
Depreciation and Amortisation Expenses	26	454.17	451.77
Finance Cost	27	352.72	548.83
Profit Before Tax		8,077.67	7,003.24
Tax Expenses			
Current Tax		1,606.11	1,355.61
Add : Tax adjustment of earlier years		-	(45.07)
Deferred Tax		26.72	(20.33)
Total		1,632.83	1,290.21
Profit for the Year		6,444.84	5,713.03
Earning per Equity Share basic & Diluted [Nominal value of Share Rs.2/-]	28	12.88	11.42
Significant Accounting Policies Notes on Financial Statements	1 to 16		

As per our report of even date attached

For **DINESH MEHTA & CO**
Chartered Accountants
Firm Registration No:000220-N

Sd/-
DEEPAK MALHOTRA
Partner

Sd/-
SHUBHA SINGH
Company Secretary

Sd/-
V.K. BANSAL
C.F.O.

For and on behalf of the Board of Directors

Sd/-
M.K. DHANUKA
Managing Director

Sd/-
R.G. AGARWAL
Chairman

Membership No : 502386
Place : Gurgaon
Dated : 18th May, 2013



Standalone Cash Flow Statement for the Year ended 31st March, 2013

(Rs. in lakhs)

S. No.	Particulars	For the FY 31.03.2013	For the FY 31.03.2012
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Profit before Tax from Continuing Operations	8,077.67	7,003.24
	Non-Cash adjustment to Reconcile Profit before Tax to Net Cash Flow		
	Depreciation/Amortization on Continuing Operation	454.17	451.77
	Loss/(Profit) on Sale of Fixed Assets	(119.27)	8.03
	Interest Expenses	352.72	548.83
	Interest Income	(172.57)	(49.75)
	Dividend Income	(59.98)	(7.85)
	Operating Profit before Working Capital Change	8,532.74	7,954.27
	Adjusted for:		
	Trade Payable	(929.33)	213.3
	Short Term Provisions	64.28	34.28
	Other Current Liabilities	(331.09)	684.7
	Other Long Term Liabilities	(3.11)	181.27
	Trade Receivables	46.95	(1,348.78)
	Inventories	(2,110.85)	311.49
	Long Term Loans and Advances	16.01	(537.49)
	Other Non Current Assets	(30.0)	-
	Short Term Loans and Advances	1,007.64	(296.16)
	Cash Generated from Operation	6,263.24	7,196.89
	Direct Taxes Paid (Net of Refunds)	(1,606.11)	(1,310.54)
	Net Cash Flow from Operating Activities (A)	4,657.13	5,886.35
B.	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Fixed Assets	(2,975.78)	(522.79)
	Proceeds from Sale of Fixed Assets	186.68	15.39
	Proceeds of Current Investments	15,764.10	-
	Purchase of Current Investments	(15,057.90)	(1,527.49)
	Interest Received	172.57	49.75
	Dividend Received	59.98	7.85
	Net Cash Flow from Investing Activities (B)	(1,850.35)	(1,977.29)
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Repayment of Long-Term Borrowings	(565.03)	(1,170.02)
	(Repayment)/Proceeds of Short-Term Borrowings	(74.45)	(645.38)
	Interest Paid	(352.72)	(548.83)
	Dividends Paid on Equity Shares	(1,850.67)	(1,000.39)
	Tax on Equity Dividend Paid	(300.29)	(166.15)
	Net Cash Flow from Financing Activities (C)	(3,143.16)	(3,530.77)
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(336.38)	378.29
	Cash and Cash Equivalents at the beginning of the Year	873.63	495.34
	Cash and Cash Equivalents at the end of the Year	537.25	873.63
D.	CASH AND CASH EQUIVALENTS :		
	Cash in Hand	51.39	39.91
	Cheques/Draft in Hand	50.48	68.89
	With Bank in Current Account		
	- In Deposit Account	390.30	736.41
	- Unpaid Dividend Accounts	45.08	28.42
	Cash and Cash Equivalents (Note 17)	537.25	873.63

AUDITORS' REPORT

We have examined the attached Cash Flow Statement of M/s Dhanuka Agritech Limited for the Year ended 31.03.2013. The statement has been prepared by the Company in accordance with the requirements of Listing Agreement Clause-32 with BSE and NSE and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the company covered by our report on 18th May, 2013 to the members of the Company.

For **DINESH MEHTA & CO**
Chartered Accountants
Firm Registration No:000220-N

For and on behalf of the Board of Directors

Sd/-
DEEPAK MALHOTRA
Partner
Membership No : 502386
Place : Gurgaon
Dated : 18th May, 2013

Sd/- Sd/- Sd/- Sd/-
SHUBHA SINGH **V.K. BANSAL** **M.K. DHANUKA** **R.G. AGARWAL**
Company Secretary C.F.O. Managing Director Chairman

Notes to Financial Statements for the Year ended 31st March, 2013

(Rs. in lakhs)

3. SHARE CAPITAL	As at 31.03.2013	As at 31.03.2012
Authorized Shares		
7,00,00,000 Equity Shares of Rs.2/- each	1,400.00	1,400.00
Issued, Subscribed and fully paid up Shares		
5,00,19,500 Equity Shares of Rs.2/- each	1,000.39	1,000.39
	1,000.39	1,000.39

a. **Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:** (Rs. in lakhs)

	As at 31.03.2013		As at 31.03.2012	
	No of shares	Amount	No of shares	Amount
At the beginning of the period	5,00,19,500	1,000.39	5,00,19,500	1,000.39
Issued during the period	-	-	-	-
Outstanding at the end of the period	5,00,19,500	1,000.39	5,00,19,500	1,000.39

b. **Terms/Rights attached to Equity Shares:**

1. The Company has only one class of Equity Shares having at par value of Rs.2/- per share. Each Equity is entitled to one vote.
2. The Company has paid 75% Interim Dividend i.e. Rs.1.50 per Equity Share having Face value of Rs.2/- each during the Financial Year 2012-13. The total outgo on this account amounted to Rs.872.01 lakhs (including Rs.121.72 Lakhs of Corporate Dividend Tax). The Interim Dividend was paid to the Shareholders whose names appeared in the Register of Members on record date, i.e. 19th February, 2013 and entire amount of the said Dividend was paid within statutory time-lines stipulated by the Companies Act 1956.
3. During the Year ended 31st March, 2013, the amount of Final Dividend is proposed at 65% i.e. Rs. 1.30 per equity shares having face value Rs. 2/- each.
4. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts.
5. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

c. **Details of Shareholders holding more than 5% Shares in the Company.**

S. No.	Name of Shareholders	As at 31.03.2013		As at 31.03.2012	
		No. of Equity Shares (in lakhs)	% holding	No. of Equity Shares (in lakhs)	% holding
1	M/s Golden Overseas Pvt. Ltd.	82.36	16.47%	72.59	14.51%
2	M/s Exclusive Leasing and Finance Ltd.	63.76	12.75%	63.76	12.75%
3	M/s Zoom Leasing and Finance Company Ltd.	57.11	11.42%	57.11	11.42%
4	M/s Hindon Mercantile Ltd.	56.19	11.23%	56.19	11.23%
5	M/s 2020 Equity Investors Ltd.	41.25	8.25%	41.25	8.25%

As per the records of the Company, including its Register of Shareholders/Members and other declarations received from Shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of Shares.



Notes to Financial Statements for the Year ended 31st March, 2013

(Rs. in lakhs)

4. RESERVES AND SURPLUS	As at 31.03.2013	As at 31.03.2012
Capital Reserve		
As per last Balance Sheet	0.42	0.42
Securities Premium Account		
As per last Balance Sheet	3,308.25	3,308.25
	3,308.25	3,308.25
General Reserve		
Balance as per last Financial Statements	2,239.78	1,664.78
Add : Amount transferred from surplus balance in Statement of Profit and Loss A/c	645.00	575.00
Closing Balance	2,884.78	2,239.78
Surplus/(Deficit) in the statement of Profit and Loss A/c		
Balance as per last Financial Statements	14,910.93	11,051.85
Profit for the Year	6,444.84	5,713.03
Less : Appropriations		
Interim Dividend	750.24	-
[Interim Dividend @ Rs.1.50 per share (Previous Year Nil)]		
Tax on Interim Dividend	121.77	-
Proposed Final Dividend	650.25	1,100.43
[Final Dividend @ Rs.1.30 per share (Previous Year Rs. 2.20/-)]		
Tax on proposed Dividend	105.49	178.52
Transfer to General Reserve	645.00	575.00
Total Appropriations	2,272.75	1,853.95
Net surplus in the statement of Profit and Loss A/c	19,083.02	14,910.93
Total Reserve and Surplus	25,276.47	20,459.38

	Non-current portion		Current maturities	
5. LONG -TERM BORROWINGS	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
Term loans				
Term loan from HDFC (Secured)	-	66.00	66.00	198.00
From Others (Unsecured)				
Related Parties	-	345.74	-	460.93
Body Corporates	-	153.29	-	-
	-	565.03	66.00	658.93
The above Amount includes				
Secured Borrowings	-	66.00	66.00	198.00
Unsecured Borrowings	-	499.03	-	460.93
Amount Disclosed under the head "Other Current Liabilities" (Refer note 9)	-	-	(66.00)	(658.93)
Net Amount	-	565.03	-	-

5.1 Term loan from HDFC Bank is secured by way of first charge over immovable properties situated at Sanand (Gujarat), and the personal guarantee of the Promoter Directors. The term loans carried interest rate @12.55% during the Year.

Repayment schedule of HDFC Term Loan :

Financial Year	2013-14
Repayment amount (Rs. in Lacs)	66.00

Notes to Financial Statements for the Year ended 31st March, 2013

(Rs. in lakhs)

6.	OTHER LONG-TERM LIABILITIES	As at 31.03.2013	As at 31.03.2012
	Deposits from Customers	1,327.33	1,330.44
		1,327.33	1,330.44

(Rs. in lakhs)

7.	DEFERRED TAX LIABILITIES (NET)	As at 31.03.2013	As at 31.03.2012
		82.31	255.6
		282.31	255.6

(Rs. in lakhs)

8.	SHORT TERM BORROWINGS	As at 31.03.2013	As at 31.03.2012
	Secured		
	1. Working Capital Loans		
	a. Cash Credit limits from Banks	178.3	699.59
	b. Demand loans from Banks	2,100.00	1,500.00
	2. Over Draft against pledge of FDR	15.41	-
	3. Buyers Credit availed from Banks	1,007.72	1,176.29
		3,301.43	3,375.88

Working Capital Loans are secured by hypothecation of stocks of raw materials, goods in process, finished goods, stores, book debts and other movable assets on pari-passu basis and by joint and several guarantee of the Directors of the Company and also by way of first charge over immovable properties of the Company as collateral security. The working capital loan is repayable on demand and carried interest @ 9.70% to 11.85%.

(Rs. in lakhs)

9.	OTHER CURRENT LIABILITIES	As at 31.03.2013	As at 31.03.2012
	Trade Payable		
	Micro Small and Medium Enterprises	953.42	383.95
	Others	3,546.24	5,045.04
		4,499.66	5,428.99
	Other Liabilities		
	1. Current maturities of long term borrowings (Note 5)	66.00	658.93
	2. Unclaimed Dividends	45.08	28.37
	3. Advance from Customers	1,030.89	694.99
	4. Other payables	4,171.66	4,262.43
		5,313.63	5,644.72

9.1 Unclaimed dividends do not include any amounts, due and outstanding to be credited to Investor Education and Protection fund.

9.2 Other payables includes Statutory Dues, Employee related costs and provision of discounts and rebates on sale.

(Rs. in lakhs)

10.	SHORT TERM PROVISIONS	As at 31.03.2013	As at 31.03.2012
	Provision for employee benefit		
	Provision of Leave benefit	289.34	225.06
		289.34	225.06
	Proposed Final Dividend	650.25	1,100.43
	Provision for tax on Final dividend	105.49	178.52
		755.74	1,278.95
		1,045.08	1,504.01

11. FIXED ASSETS

DESCRIPTION

Capital Work In Progress

Notes to Financial Statements for the Year ended 31st March, 2013

(Rs. in lakhs)

12. NON -CURRENT INVESTMENTS	As at 31.03.2013	As at 31.03.2012
Non-trade investments (valued at cost)-Unquoted		
40 Equity shares of Rs100/-each of M/s Mahashakti Association, Ahmedabad	0.04	0.04
Equity Shares in Subsidiary Company		
1500 Shares of BDT 10 each of M/s Dhanuka Agri-solutions Pvt. Ltd. (Bangladesh)	0.09	0.09
	0.13	0.13

(Rs. in lakhs)

13. LONG TERM LOANS AND ADVANCES	As at 31.03.2013	As at 31.03.2012
Unsecured & considered good		
Security deposit	199.90	195.16
Capital Advance	1,499.47	1,419.27
Other Loans & Advances	44.72	56.13
(A)	1,744.09	1,670.56
Other Loans and Advances		
Loans to Employee	1.56	1.05
Advance Income Tax (Net of Provision)	6.11	94.07
Balance with Govt. Authorities	47.88	49.97
(B)	55.55	145.09
Total (A to B)	1,799.64	1,815.65

14. NON CURRENT ASSETS :		
Fixed Deposit with Banks*	30.00	-
	30.00	-

* Having maturity more than One Year

(Rs. in lakhs)

15. CURRENT INVESTMENT	As at 31.03.2013	As at 31.03.2012
Unquoted Mutual Fund	821.19	1,527.40
	821.19	1,527.40

Investment in UTI Mutual Fund-Liquid Cash Plan Institutional-Daily Dividend Reinvestment
Total no. is 80522.441 units as on 31.03.2013

(Rs. in lakhs)

16. INVENTORIES	As at 31.03.2013	As at 31.03.2012
Raw materials *	6,171.37	4,548.37
Packing materials ~	1,365.27	984.12
Stock in Process	254.88	378.52
Finished Goods #	7,046.92	6,802.28
Traded Goods (FG)	1,136.06	1,133.38
Store and spares	8.15	11.21
DEPB License in stock	4.05	17.97
TOTAL	15,986.70	13,875.85

*: Stock of Raw Materials includes value of goods in transit of Rs.84.48 lacs [Previous Year Rs.802.20 lacs]

~: Stock of Packing Materials includes value of goods in transit of Rs.47.13 lacs [Previous Year Rs.4.61 lacs]

#: Stock of Finished Goods includes value of goods in transit of Rs.296.31 lacs [Previous Year Rs.1785.01 lacs]



Notes to Financial Statements for the Year ended 31st March, 2013

(Rs. in lakhs)

17.	TRADE RECEIVABLES	As at 31.03.2013	As at 31.03.2012
	Unsecured, considered good		
	Over Six Months from the due date	137.09	53.63
	Others	14,935.38	15,065.79
	TOTAL	15,072.47	15,119.42

(Rs. in lakhs)

18.	CASH AND BANK BALANCES	As at 31.03.2013	As at 31.03.2012
	Balance with Banks		
	In Current Account	9.47	29.23
	In Unpaid Dividend Account	45.08	28.42
	(A)	54.55	57.65
	Cash in hand	51.39	39.91
	Cheques/Drafts in hand	50.48	68.89
	Fixed Deposits with Banks *	380.83	707.18
	(B)	482.7	815.98
	TOTAL (A to B)	537.25	873.63

* Fixed deposit with Bank include deposit of Rs. 30.00 lacs (Previous Year Nil) with Maturity of more than one Year.

(Rs. in lakhs)

19.	SHORT TERM LOANS AND ADVANCES	As at 31.03.2013	As at 31.03.2012
	Unsecured & considered good		
	Security deposit	10.75	7.30
	Advance recoverable in Cash or Kind	1,324.39	2,357.06
	(A)	1,335.14	2,364.36
	Other Loans and Advances		
	Prepaid Expenses	53.09	29.53
	Loans to Employee	23.84	25.82
	(B)	76.93	55.35
	Total (A to B)	1,412.07	2,419.71

Notes to Financial Statements for the Year ended 31st March, 2013

(Rs. in lakhs)

20.	REVENUE FROM OPERATIONS	For the FY 2012-13	For the FY 2011-12
	Sales of products		
	Finished Goods	60,153.51	54,116.48
	Export Sale	25.76	-
	Traded Goods	4,302.25	3,334.35
	(A)	64,481.52	57,450.83
	Other Operating Revenue		
	Other Sale	36.82	40.53
	Income form Wind Mill electricity generation	121.71	124.79
	TOTAL	158.53	165.32
	Gross Revenue	64,640.05	57,616.15
	Less : Excise duty (Net of Excise refund) *	6,409.49	4,697.38
	Net Revenue	58,230.56	52,918.77

* Note : Excise duty paid is net of excise duty refund of Udampur unit (J&K) of Rs. 526.68 lakhs (Previous Year Rs.777.29 lakhs)

Details of products sold

Finished goods sold

Agro Chemicals	60,074.96	53,824.80
Seeds	104.31	291.68
	60,179.27	54,116.48

Traded Goods sold

Agro Chemicals	4,302.25	3,334.35
	4,302.25	3,334.35
	64,481.52	57,450.83

(Rs. in lakhs)

21.	OTHER INCOME	For the FY 2012-13	For the FY 2011-12
	Interest Received	172.57	49.75
	Rental Income	0.96	0.48
	Misc Receipts	336.75	7.67
	Profit on sale of assets	119.27	(8.03)
	Liabilities no longer required written back	5.11	4.22
	Dividend Income :		
	From Current Investment	59.98	7.85
		694.64	61.94

(Rs. in lakhs)

22.	COST OF MATERIALS CONSUMED	For the FY 2012-13	For the FY 2011-12
	Inventory at the beginning of the Year	5,532.49	6,042.47
	Add: Purchases	37,021.63	31,416.15
		42,554.12	37,458.62
	Less : Inventory at the end of the Year	7,536.64	5,532.49
	TOTAL	35,017.48	31,926.13
	Details of Materials Consumed		
	Chemicals	29,097.90	25,956.75
	Packing Materials	5,841.64	5,799.12
	Seeds	77.94	170.25
		35,017.48	31,926.12
	Details of Inventory (At the end of the Year)		
	Chemicals	6,171.37	4,516.94
	Packing Materials	1,360.15	984.12
	Seeds	5.12	31.43
		7,536.64	5,532.49



Notes to Financial Statements for the Year ended 31st March, 2013

(Rs. in lakhs)

23.	(INCREASE)/DECREASE IN INVENTORIES	For the FY 2012-13	For the FY 2011-12	(Increase) / Decrease
	Inventories at the end of year			
	Traded Goods	1,136.06	1,133.38	(2.68)
	Work in progress	254.88	378.52	123.64
	Finished goods	7,046.92	6,802.28	(244.64)
		8,437.86	8,314.18	(123.68)
	Inventories at the beginning of year			
	Traded Goods	1,133.38	1,114.57	(18.81)
	Work in progress	378.52	180.54	(197.98)
	Finished goods	6,802.28	6,770.89	(31.39)
		8,314.18	8,066.00	(248.18)
		(123.68)	(248.18)	

(Rs. in lakhs)

Details of purchase of traded goods	For the FY 2012-13	For the FY 2011-12
Traded Goods purchased	3,216.05	2,580.52
	3,216.05	2,580.52

(Rs. in lakhs)

DETAILS OF INVENTORY (AT THE END OF THE YEAR)	For the FY 2012-13	For the FY 2011-12
Traded Goods		
Agro chemicals	1,136.06	1,133.88
Work in progress		
Agro chemicals	254.88	378.52
Finished Goods		
Agro chemicals	7,043.93	6,795.98
Seeds	2.99	6.30
	8,437.86	8,314.68

(Rs. in lakhs)

24.	EMPLOYEES BENEFIT EXPENSES	For the FY 2012-13	For the FY 2011-12
	Salaries & Wages	4,258.56	3,723.99
	Contribution to Provident & Other Funds	340.44	268.91
	Staff Welfare and Medical Expenses	165.03	162.99
		4,764.03	4,155.89

Notes to Financial Statements for the Year ended 31st March, 2013

(Rs. in lakhs)

25.	OTHER EXPENSES	For the FY 2012-13	For the FY 2011-12
	Manufacturing Expenses		
	Power, Fuel, Electricity & Water charges	113.04	95.68
	Consumable stores	37.90	25.58
	Manufacturing expenses (seeds)	5.67	21.39
	Repair & maintenance -Machineries	80.77	50.19
	Repair & maintenance -Factory buildings	54.88	52.99
	Repair & maintenance - Others	2.30	7.08
	Incineration charges	9.71	17.34
	Security Charges	28.79	28.04
	Laboratory expenses	23.83	20.86
	ISI Marking Fees	8.13	8.36
	R&D expenses	145.39	110.75
	(A)	510.41	438.26
	Administration Expenses		
	Travelling and conveyance	664.99	632.80
	Communication expenses	98.30	101.04
	Postage and telegram	29.55	29.72
	Printing and stationery	43.41	44.53
	Office and godown rent	363.04	335.74
	Rates and taxes	30.13	9.48
	Insurance charges	27.46	20.89
	Legal and professional charges	253.96	186.56
	Repair & maintenance -Building	214.46	408.83
	Repair & maintenance -other	96.26	75.73
	Electricity & water charges	48.07	37.58
	Books and periodicals	1.97	0.80
	Fees and Subscription	12.02	11.98
	Charity and donation	9.32	21.57
	Miscellaneous expenses	8.02	10.30
	Meeting fees	3.81	3.15
	Payment to Auditors	11.59	8.31
	Vehicles maintenance	714.63	583.53
	(B)	2,630.99	2,522.54
	Selling & Distribution Expenses		
	Education and seminar	333.66	288.26
	Advertisement and publicity	595.03	636.00
	Business promotion expenses	29.14	27.14
	Bad debts	48.61	48.22
	Freight & cartage on STV & Sales	1,902.69	1,530.45
	Field Assistant expenses	1,116.23	1,071.64
	(C)	4,025.36	3,601.71
	TOTAL (A to C)	7,166.76	6,562.51
	Payment to Auditors		
	As Auditor :		
	Statutory audit & Tax Audit fees	5.00	4.00
	Cost audit fees	1.25	1.00
	Internal Audit Fees	3.00	1.80
	In other capacity :		
	Taxation matters	2.21	0.96
	Management Services	-	0.35
	Reimbursement of Expenses	0.13	0.20
	TOTAL	11.59	8.31



Notes to Financial Statements for the Year ended 31st March, 2013

(Rs. in lakhs)

26.	DEPRECIATION AND AMORTIZATION EXPENSES	For the FY 2012-13	For the FY 2011-12
	Depreciation of Tangible Assets	449.35	448.70
	Amortization of Intangible Assets	4.82	3.07
		454.17	451.77

(Rs. in lakhs)

27.	FINANCE COST	For the FY 2012-13	For the FY 2011-12
	Interest on others	141.63	214.35
	Bank interest and other financial charges	195.88	292.70
	Interest on term loan	15.21	41.78
		352.72	548.83

28.	EARNING PER SHARE (EPS)	As at 31.03.2013	As at 31.03.2012
	1. Net profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders (Rs. in lakhs)	6,444.84	5,713.03
	2. No of Equity Shares	5,00,19,500	5,00,19,500
	3. Basic and diluted Earning per Share (in Rs.)	12.88	11.42
	4. Face value of Share (in Rs.)	2.00	2.00

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Dhanuka Agritech Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Dhanuka Agritech Limited** ("the Company"), which comprise the Consolidated Balance Sheet as at 31st March, 2013 and the Consolidated statement of Profit and Loss and Cash Flow Statement for the period ended 31st March, 2013 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 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 risks material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and

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

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

Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order 2003, (here in after referred to as the said order) issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 and in terms of information and explanations given to us and also on the basis of such checks as we considered appropriate, we report on the matters specified in paragraphs 4 and 5 of the said order as follows:-
 1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
 - (c) No substantial part of the fixed assets have been disposed off during the year affecting the going concern status of the Company.
 2. (a) The inventory of the Company (including stocks with third parties) has been physically verified by the management during the year according to a phased programmed normally so designed that each material item is physically verified at least once in a year and at more frequent intervals in appropriate cases.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by management are reasonable and adequate in relation to size of the Company and nature of its business.
 - (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
 3. (a) The Company during the year has not granted any loan to a Company covered in the Register maintained under Section 301 of the Companies Act 1956.
 - (b) In our opinion, the rate of interest and other terms and conditions of unsecured loans given by the Company are not, prima facie, prejudicial to the interest of the Company.



(c&d) There is no overdue amount of the principal repayable at the year end.

(e) According to the information and explanations given to us, the unsecured loans taken by the Company from Companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956 is by way of Inter Corporate Deposits received from 6 companies and deposits from 4 individuals of NIL outstanding Balance as on 31.03.13 (Maximum Rs. 13.04 Crores outstanding during the period).

(f) In our opinion, the rate of interest and other terms and conditions of unsecured loans taken by the Company are not, prima facie, prejudicial to the interest of the Company.

(g) There is no overdue amount of the principal repayable at the year end.

4. In our opinion and according to the information and explanation given to us, there is an adequate Internal Control System commensurate with the size of the Company and the nature of its business with regard to purchase of Inventory, Fixed Assets and with regard to sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in Internal Control System.

5 (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into Register maintained under Section 301 of the Companies Act 1956 have been made at prices which are generally reasonable considering the strategic relationship and having regard to the prevailing market prices at the relevant time.

(b) 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 Companies Act, 1956 have been so entered.

6. In our opinion and according to the information and explanations given to us, during the year the Company has not accepted any new Deposits from the public within the purview of Sections 58A, 58AA or any other relevant provisions of the Companies Act 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

7. As per the information and explanations given to us by the management, the Company has appointed external firm of Chartered Accountants to review internal controls procedures together with the internal checks during the year which can be considered as an internal audit commensurate with the size and nature of its business.

8. We have broadly reviewed the books of account maintained by the Company in respect of products

where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of Sub Section (1) of Section 209 of the said Companies Act 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate or complete.

9. (a) According to the records of the Company, undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales tax, customs duty, excise duty, cess and other material Statutory dues applicable to it have generally been regularly deposited with the appropriate authorities. Since Govt. has not notified any rules under Section 441A of the Companies Act, 1956, therefore we are unable to comment on this particular issue.

b) There are no material outstanding undisputed statutory dues as at the last day of the Financial Year ended on 31-03-2013 for a period of more than six months from the date they become payable.

c) According to the information and explanation given to us, the following dues of Income Tax, Sales Tax, Excise Duty and Cess have not been deposited on account of some dispute with the concerned authority:

Name of the Statute	Authority where dispute pending	Amount Involved (Rs. in lakhs) / Nature of Dues
Central Excise 1944.	Custom Excise & Service Tax Appeal Tribunal, New Delhi	9.41 (Year 1996) (Excise Duty Related to Fire)
	Custom Excise & Service Tax Appeal Tribunal, New Delhi	46.51 (Year 2001-02-03) (Excise Duty on Returned Goods)
	Custom Excise & Service Tax Appeal Tribunal, New Delhi	48.21 (Year 1999-2000) (Excise Duty on Returned Goods)
	Custom Excise & Service Tax Appeal Tribunal, New Delhi	14.00(Approx.) (Year 2010-11) (Interest, fine & Penalty in case of short payment of Excise Duty)
Income Tax Act 1961	Commissioner of Income Tax (Appeals)	4.86 (Year 2008-09)
		3.57 (Year 2002-03)

10. There are no accumulated losses of the Company. The Company has neither incurred cash losses during the Financial Year covered by our audit nor in the immediately preceding Financial Year.
11. According to the information and explanations given to us, the Company has not defaulted in the repayment of dues to the Financial Institution or Banks. Further, there are no Debenture holders.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of Shares, Debentures and other Securities.
13. The Company is not a Chit Fund or a Nidhi / Mutual Benefit Fund/ Society. Therefore, the provisions of clause 4 (xiii) of the said Order are not applicable to the Company.
14. The Company is not dealing in or trading in Shares, Securities, Debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the said Order are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from Banks or Financial Institutions.
16. In our opinion and according to the information and explanations given to us on an overall basis, the term loans taken by the Company for augmenting long term resources of the Company towards general corporate objectives have been applied for the purpose for which they were obtained.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company in our opinion the funds raised on short-term basis have not been used for long-term investments.
18. The Company has not made any Preferential Allotment of Shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956. Accordingly, the question of reporting on whether the price at which such Shares have been issued is prejudicial to the interest of the Company does not arise.
19. The Company has not issued any Debentures. Accordingly, the question of creating a security for Debentures does not arise.
20. The Company has not raised any money by Public Issues during the year. Accordingly, the question of disclosure of end use of such monies does not arise.
21. During the course of our examination of the books and records of the Company, carried out in accordance with

the Generally Accepted Auditing Practices in India and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

II. As required by 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account and audit report received from Subsidiary Company not visited by us.
- d) In our opinion, the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss comply with the Accounting Standards referred to in sub Section (3C) of Section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the Directors as on 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 Companies Act, 1956.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under Section 441A of the Companies Act, 1956 nor has it issued any Rules under the said Section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For Dinesh Mehta & Co.
Chartered Accountants

Sd/-
Deepak Malhotra
Partner
Membership No.502386

Place: New Delhi
Date: 18th May, 2013



Consolidated Balance Sheet as at 31st March, 2013

(Rs. in lakhs)

Particulars	Notes	As at 31.03.2013	As at 31.03.2012
		Audited	Audited
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	3	1,000.39	1,000.39
Reserves & Surplus	4	25,276.47	20,459.38
		26,276.86	21,459.77
NON CURRENT LIABILITIES			
Long Term Borrowings	5	-	565.03
Other Long Term Liabilities	6	1,327.33	1,330.44
Deferred Tax Liabilities (net)	7	282.31	255.60
		1,609.64	2,151.07
CURRENT LIABILITIES			
Short Term Borrowings	8	3,301.43	3,375.88
Trade Payables	9	4,501.73	5,428.99
Other Current Liabilities	9	5,313.66	5,644.72
Short Term Provisions	10	1,045.08	1,504.01
		14,161.90	15,953.60
Total		42,048.40	39,564.44
ASSETS			
NON CURRENT ASSETS			
Fixed Assets			
- Tangible Assets	11	6,192.80	3,875.76
- Intangible Assets	11	63.46	28.57
- Capital Work in Progress	11	130.59	28.32
Non Current Investments	12	0.04	0.13
Long Term Loans and Advances	13	1,800.73	1,815.65
Other Non Current Assets	14	30.00	-
		8,217.62	5,748.43
CURRENT ASSETS			
Current Investments	15	821.19	1,527.40
Inventories	16	15,986.70	13,875.85
Trade Receivables	17	15,072.47	15,119.42
Cash and Bank Balances	18	538.35	873.63
Short Term Loans and Advances	19	1,412.07	2,419.71
		33,830.78	33,816.01
Total		42,048.40	39,564.44
Significant accounting policies			
Notes on Financial Statements	1 to 16		

As per our report of even date attached

For **DINESH MEHTA & CO**

Chartered Accountants

Firm Registration No:000220-N

For and on behalf of the Board of Directors

Sd/-
DEEPAK MALHOTRA
Partner

Sd/-
SHUBHA SINGH
Company Secretary

Sd/-
V.K. BANSAL
C.F.O.

Sd/-
M.K. DHANUKA
Managing Director

Sd/-
R.G. AGARWAL
Chairman

Membership No : 502386

Place : Gurgaon

Dated : 18th May, 2013

Consolidated Statement of Profit & Loss for the year ended 31st March, 2013

(Rs. in lakhs)

Particulars	Notes	For the year ended 31.03.2013	For the year ended 31.03.2012
		Audited	Audited
INCOME			
Revenue from Operations (Gross)	20	64,640.05	57,616.15
Less : Excise Duty		6,409.49	4,697.38
Revenue from Operations (net)		58,230.56	52,918.77
Other Income	21	694.64	61.94
Total Revenue (I)		58,925.20	52,980.71
EXPENSES			
Cost of Raw Materials and Packing Materials Consumed	22	35,017.48	31,926.13
Purchase of Traded Goods	23	3,216.05	2,580.52
(Increase)/Decrease in Inventories of Finished Goods			
Work-in-Progress and Traded Goods	23	(123.68)	(248.18)
Employee Benefits Expenses	24	4,764.03	4,155.89
Other Expenses	25	7,166.76	6,562.51
Total Expenses (II)		50,040.64	44,976.87
Earnings before Interest, Tax, Dep. & Amortisation (EBITDA) (I-II)		8,884.56	8,003.84
Depreciation and Amortisation Expenses	26	454.17	451.77
Finance Cost	27	352.72	548.83
Profit before Tax		8,077.67	7,003.24
Tax Expenses			
Current Tax		1,606.11	1,355.61
Add : Tax adjustment of earlier years		-	(45.07)
Deferred Tax		26.72	(20.33)
Total		1,632.83	1,290.21
Profit for the year		6,444.84	5,713.03
Earning per Equity Share Basic & Diluted [Nominal value of Share Rs.2/-]	28	12.88	11.42
Significant Accounting Policies Notes on Financial Statements	1 to 16		

As per our report of even date attached

For **DINESH MEHTA & CO**
Chartered Accountants
Firm Registration No:000220-N

Sd/-
DEEPAK MALHOTRA
Partner

Sd/-
SHUBHA SINGH
Company Secretary

Sd/-
V.K. BANSAL
C.F.O.

For and on behalf of the Board of Directors

Sd/-
M.K. DHANUKA
Managing Director

Sd/-
R.G. AGARWAL
Chairman

Membership No : 502386
Place : Gurgaon
Dated : 18th May, 2013



Cosolidated Cash Flow Statement for the year ended 31st March, 2013

(Rs. in lakhs)

S. No	Particular	For the FY 31.03.2013	For the FY 31.03.2012
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Profit before Tax from Continuing Operations	8,077.67	7,003.24
	Non-Cash adjustment to Reconcile Profit before Tax to Net Cash Flow		
	Depreciation/Amortization on Continuing Operation	454.17	451.77
	Loss/(Profit) on Sale of Fixed Assets	(119.27)	8.03
	Interest Expenses	352.72	548.83
	Interest Income	(172.57)	(49.75)
	Dividend Income	(59.98)	(7.85)
	Operating Profit before Working Capital Change	8,532.74	7,954.27
	Adjusted for:		
	Trade Payable	(927.26)	213.30
	Short Term Provisions	64.28	34.28
	Other Current Liabilities	(331.06)	684.70
	Other Long Term Liabilities	(3.11)	181.27
	Trade Receivables	46.95	(1,348.78)
	Inventories	(2,110.85)	311.49
	Long Term Loans and Advances	14.92	(537.49)
	Other Non Current Assets	(30.00)	-
	Short Term Loans and Advances	1,007.64	(296.16)
	Cash Generated from Operation	6,264.25	7,196.89
	Direct Taxes Paid (Net of Refunds)	(1,606.11)	(1,310.54)
	Net Cash Flow from Operating Activities (A)	4,658.14	5,886.35
B.	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Fixed Assets	(2,975.78)	(522.79)
	Proceeds from Sale of Fixed Assets	186.68	15.39
	Proceeds of Current Investments	15,764.10	-
	Purchase of Current Investments	(15,057.81)	(1,527.49)
	Interest Received	172.57	49.75
	Dividend Received	59.98	7.85
	Net Cash Flow from Investing Activities (B)	(1,850.26)	(1,977.29)
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Repayment of Long-Term Borrowings	(565.03)	(1,170.02)
	(Repayment)/Proceeds of Short-Term Borrowings	(74.45)	(645.38)
	Interest Paid	(352.72)	(548.83)
	Dividends Paid on Equity Shares	(1,850.67)	(1,000.39)
	Tax on Equity Dividend Paid	(300.29)	(166.15)
	Net Cash Flow from Financing Activities (C)	(3,143.16)	(3,530.77)
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(335.28)	378.29
	Cash and Cash Equivalents at the beginning of the year	873.63	495.34
	Cash and Cash Equivalents at the end of the year	538.35	873.63
D.	CASH AND CASH EQUIVALANENTS :		
	Cash in Hand	51.45	39.91
	Cheques/Draft in Hand	50.48	68.89
	With Bank in Current Account		
	- In Deposit Account	391.34	736.41
	- Unpaid Dividend Accounts	45.08	28.42
	Cash and Cash Equivalents (Note 17)	538.35	873.63

AUDITORS' REPORT

We have examined the attached Cash Flow Statement of M/s Dhanuka Agritech Limited for the Year ended 31.03.2013. The statement has been prepared by the Company in accordance with the requirements of Listing Agreement Clause-32 with BSE and NSE and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the company covered by our report on 18th May, 2013 to the members of the Company.

For **DINESH MEHTA & CO**
Chartered Accountants
Firm Registration No:000220-N

For and on behalf of the Board of Directors

Sd/-
DEEPAK MALHOTRA
Partner
Membership No : 502386
Place : Gurgaon
Dated : 18th May, 2013

Sd/- SHUBHA SINGH Company Secretary	Sd/- V.K. BANSAL C.F.O.	Sd/- M.K. DHANUKA Managing Director	Sd/- R.G. AGARWAL Chairman
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Notes to Financial Statements for the Year ended 31st March, 2013

(Rs. in lakhs)

3. SHARE CAPITAL	As at 31.03.2013	As at 31.03.2012
Authorized Shares		
7,00,00,000 Equity Shares of Rs.2/- each	1,400.00	1,400.00
Issued, Subscribed and fully paid up Shares		
5,00,19,500 Equity Shares of Rs.2/- each	1,000.39	1,000.39
	1,000.39	1,000.39

a. **Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:** (Rs. in lakhs)

	As at 31.03.2013		As at 31.03.2012	
	No of shares	Amount	No of shares	Amount
At the beginning of the period	5,00,19,500	1,000.39	5,00,19,500	1,000.39
Issued during the period	-	-	-	-
Outstanding at the end of the period	5,00,19,500	1,000.39	5,00,19,500	1,000.39

b. **Terms/Rights attached to Equity Shares:**

- The Company has only one class of Equity Shares having at par value of Rs.2/- per share. Each Equity is entitled to one vote.
- The Company has paid 75% Interim Dividend i.e. Rs.1.50 per Equity Share having Face value of Rs.2/- each during the Financial Year 2012-13. The total outgo on this account amounted to Rs.872.01 lakhs (including Rs.121.72 Lakhs of Corporate Dividend Tax). The Interim Dividend was paid to the Shareholders whose names appeared in the Register of Members on record date, i.e. 19th February, 2013 and entire amount of the said Dividend was paid within statutory time-lines stipulated by the Companies Act 1956.
- During the Year ended 31st March, 2013, the amount of Final Dividend is proposed at 65% i.e. Rs. 1.30 per equity shares having face value Rs. 2/- each.
- In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts.
- The distribution will be in proportion to the number of Equity Shares held by the shareholders.

c. **Details of Shareholders holding more than 5% Shares in the Company.**

S. No.	Name of Shareholders	As at 31.03.2013		As at 31.03.2012	
		No. of Equity Shares (in lakhs)	% holding	No. of Equity Shares (in lakhs)	% holding
1	M/s Golden Overseas Pvt. Ltd.	82.36	16.47%	72.59	14.51%
2	M/s Exclusive Leasing and Finance Ltd.	63.76	12.75%	63.76	12.75%
3	M/s Zoom Leasing and Finance Company Ltd.	57.11	11.42%	57.11	11.42%
4	M/s Hindon Mercantile Ltd.	56.19	11.23%	56.19	11.23%
5	M/s 2020 Equity Investors Ltd.	41.25	8.25%	41.25	8.25%

As per the records of the Company, including its Register of Shareholders/Members and other declarations received from Shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of Shares.



Notes to Financial Statements for the Year ended 31st March, 2013

(Rs. in lakhs)

4. RESERVES AND SURPLUS	As at 31.03.2013	As at 31.03.2012
Capital Reserve		
As per last Balance Sheet	0.42	0.42
Securities Premium Account		
As per last Balance Sheet	3,308.25	3,308.25
	3,308.25	3,308.25
General Reserve		
Balance as per last Financial Statements	2,239.78	1,664.78
Add : Amount transferred from surplus balance in Statement of Profit and Loss A/c	645.00	575.00
Closing Balance	2,884.78	2,239.78
Surplus/(Deficit) in the statement of Profit and Loss A/c		
Balance as per last Financial Statements	14,910.93	11,051.85
Profit for the Year	6,444.84	5,713.03
Less :Appropriations		
Interim Dividend	750.24	-
[Interim Dividend @ Rs.1.50 per share (Previous Year Nil)]		
Tax on Interim Dividend	121.77	-
Proposed Final Dividend	650.25	1,100.43
[Final Dividend @ Rs.1.30 per share (Previous Year Rs. 2.20/-)]		
Tax on proposed Dividend	105.49	178.52
Transfer to General Reserve	645.00	575.00
Total Appropriations	2,272.75	1,853.95
Net surplus in the statement of Profit and Loss A/c	19,083.02	14,910.93
Total Reserve and Surplus	25,276.47	20,459.38

(Rs. in lakhs)

5. LONG -TERM BORROWINGS	Non-current portion		Current maturities	
	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
Term loans				
Term loan from HDFC (Secured)	-	66.00	66.00	198.00
From Others (Unsecured)				
Related Parties	-	345.74	-	460.93
Body Corporates	-	153.29	-	-
	-	565.03	66.00	658.93
The above Amount includes				
Secured Borrowings	-	66.00	66.00	198.00
Unsecured Borrowings	-	499.03	-	460.93
Amount Disclosed under the head "Other Current Liabilities" (Refer note 9)	-	-	(66.00)	(658.93)
Net Amount	-	565.03	-	-

- 5.1 Term loan from HDFC Bank is secured by way of first charge over immovable properties situated at Sanand (Gujarat), and the personal guarantee of the Promoter Directors. The term loans carried interest rate @12.55% during the Year.

Repayment schedule of HDFC Term Loan :

Financial Year	2013-14
Repayment amount (Rs. in Lakhs)	66.00

Notes to Financial Statements for the Year ended 31st March, 2013

(Rs. in lakhs)

6. OTHER LONG-TERM LIABILITIES	As at 31.03.2013	As at 31.03.2012
Deposits from Customers	1,327.33	1,330.44
	1,327.33	1,330.44

(Rs. in lakhs)

7. DEFERRED TAX LIABILITIES (NET)	As at 31.03.2013	As at 31.03.2012
	282.31	255.60
	282.31	255.60

(Rs. in lakhs)

8. SHORT TERM BORROWINGS	As at 31.03.2013	As at 31.03.2012
Secured		
1. Working Capital Loans		
a. Cash Credit limits from Banks	178.30	699.59
b. Demand loans from Banks	2,100.00	1,500.00
2. Over Draft against pledge of FDR	15.41	-
3. Buyers Credit availed from Banks	1,007.72	1,176.29
	3,301.43	3,375.88

Working Capital Loans are secured by hypothecation of stocks of raw materials, goods in process, finished goods, stores, book debts and other movable assets on pari-passu basis and by joint and several guarantee of the Directors of the Company and also by way of first charge over immovable properties of the Company as collateral security. The working capital loan is repayable on demand and carried interest @ 9.70% to 11.85%.

(Rs. in lakhs)

9. OTHER CURRENT LIABILITIES	As at 31.03.2013	As at 31.03.2012
Trade Payable		
Micro Small and Medium Enterprises	953.42	383.95
Others	3,548.31	5,045.04
	4,501.73	5,428.99
Other Liabilities		
1. Current maturities of long term borrowings (Note 5)	66.00	658.93
2. Unclaimed Dividends	45.08	28.37
3. Advance from Customers	1,030.89	694.99
4. Other payables	4,171.66	4,262.43
	5,313.63	5,644.72

9.1 Unclaimed Dividends do not include any amounts, due and outstanding to be credited to Investor Education and Protection fund.

9.2 Other payables includes Statutory dues, Employee related costs and provision of discounts and rebates on sale.

(Rs. in lakhs)

10. SHORT TERM PROVISIONS	As at 31.03.2013	As at 31.03.2012
Provision for Employee benefit		
Provision of Leave benefit	289.34	225.06
	289.34	225.06
Proposed Final Dividend	650.25	1,100.43
Provision for tax on Final Dividend	105.49	178.52
	755.74	1,278.95
	1,045.08	1,504.01



Notes to Financial Statements for the Year ended 31st March, 2013

11. FIXED ASSETS

(Rs. in lakhs)

DESCRIPTION	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK	
	As at 01.04.2012	Additions	Deduction/ Adjustments	As at 31.03.2013	As at 01.04.2012	Additions	Deduction/ Adjustments	As at 31.03.2013
TANGIBLE ASSETS								
Land	730.84	2,206.72	7.50	2,930.06	-	-	-	2,930.06
Buildings	2,237.35	196.92	29.59	2,404.68	847.18	118.24	15.71	1,454.97
Plant & Machinery	1,523.96	237.06	101.12	1,659.90	898.09	101.36	84.67	745.12
Furniture & Fixture	186.07	11.64	28.29	169.42	95.96	15.38	17.64	75.72
Vehicles	591.91	94.67	73.84	612.74	373.51	68.41	62.54	233.36
Office Equipments	477.58	86.79	45.12	519.25	272.40	51.65	37.49	232.69
Wind Mill	892.22	-	-	892.22	277.03	94.31	-	520.88
Sub Total: (A)	6,639.93	2,833.80	285.46	9,188.27	2,764.17	449.35	218.05	6,192.80
INTANGIBLE ASSETS								
Computer Software	33.52	39.71	-	73.23	4.95	4.82	-	63.46
Sub Total: (B)	33.52	39.71	-	73.23	4.95	4.82	-	63.46
TOTAL (A+B)	6,673.45	2,873.51	285.46	9,261.50	2,769.12	454.17	218.05	6,256.26
Previous Year	6,295.29	572.00	193.84	6,673.45	2,465.77	451.77	148.42	3,904.33
Capital Work In Progress								130.59
								28.32

Notes to Financial Statements for the Year ended 31st March, 2013

(Rs. in lakhs)

12.	NON -CURRENT INVESTMENTS	As at 31.03.2013	As at 31.03.2012
	Non-trade investments (valued at cost)-Unquoted		
	40 Equity shares of Rs100/-each of M/s Mahashakti Association, Ahmedabad	0.04	0.04
		0.04	0.04

(Rs. in lakhs)

13.	LONG TERM LOANS AND ADVANCES	As at 31.03.2013	As at 31.03.2012
	Unsecured & considered good		
	Security deposit	199.90	195.16
	Capital Advance	1,499.47	1,419.27
	Other Loans & Advances	45.81	56.13
	(A)	1,745.18	1,670.56
	Other Loans and Advances		
	Loans to Employee	1.56	1.05
	Advance Income Tax (Net of Provision)	6.11	94.07
	Balance with Govt. Authorities	47.88	49.97
	(B)	55.55	145.09
	Total (A to B)	1,800.73	1,815.65

14.	NON CURRENT ASSETS	As at 31.03.2013	As at 31.03.2012
	Fixed Deposit with Banks *	30.00	-
		30.00	-

* Having maturity more than One Year

(Rs. in lakhs)

15.	CURRENT INVESTMENT	As at 31.03.2013	As at 31.03.2012
	Unquoted Mutual Fund	821.19	1,527.40
		821.19	1,527.40

Investment in UTI Mutual Fund-Liquid Cash Plan Institutional-Daily Dividend Reinvestment Total no. is 80,522.441 units as on 31.03.2013

(Rs. in lakhs)

16.	INVENTORIES	As at 31.03.2013	As at 31.03.2012
	Raw materials *	6,171.37	4,548.37
	Packing materials ~	1,365.27	984.12
	Stock in Process	254.88	378.52
	Finished Goods #	7,046.92	6,802.28
	Traded Goods (FG)	1,136.06	1,133.38
	Store and spares	8.15	11.21
	DEPB License in stock	4.05	17.97
	TOTAL	15,986.70	13,875.85

*: Stock of Raw Materials includes value of goods in transit of Rs.84.48 lacs [Previous Year Rs.802.20 lacs]

~: Stock of Packing Materials includes value of goods in transit of Rs.47.13 lacs [Previous Year Rs.4.61 lacs]

#: Stock of Finished Goods includes value of goods in transit of Rs.296.31 lacs [Previous Year Rs.1785.01 lacs]



Notes to Financial Statements for the Year ended 31st March, 2013

(Rs. in lakhs)

17.	TRADE RECEIVABLES	As at 31.03.2013	As at 31.03.2012
	Unsecured, considered good		
	Over Six Months from the due date	137.09	53.63
	Others	14,935.38	15,065.79
	TOTAL	15,072.47	15,119.42

(Rs. in lakhs)

18.	CASH AND BANK BALANCES	As at 31.03.2013	As at 31.03.2012
	Balance with Banks		
	In Current Account	10.51	29.23
	In Unpaid Dividend Account	45.08	28.42
	(A)	55.59	57.65
	Cash in hand	51.45	39.91
	Cheques/Drafts in hand	50.48	68.89
	Fixed Deposits with Banks *	380.83	707.18
	(B)	482.76	815.98
	TOTAL (A to B)	538.35	873.63

* Fixed deposit with Bank include deposit of Rs. 30.00 lacs (Previous Year Nil) with maturity of more than One Year.

(Rs. in lakhs)

19.	SHORT TERM LOANS AND ADVANCES	As at 31.03.2013	As at 31.03.2012
	Unsecured & considered good		
	Security deposit	10.75	7.30
	Advance recoverable in Cash or Kind	1,324.39	2,357.06
	(A)	1,335.14	2,364.36
	Other Loans and Advances		
	Prepaid Expenses	53.09	29.53
	Loans to Employee	23.84	25.82
	(B)	76.93	55.35
	Total (A to B)	1,412.07	2,419.71

Notes to Financial Statements for the Year ended 31st March, 2013

(Rs. in lakhs)

20.	REVENUE FROM OPERATIONS	For the FY 2012-13	For the FY 2011-12
	Sales of products		
	Finished Goods	60,153.51	54,116.48
	Export Sale	25.76	-
	Traded Goods	4,302.25	3,334.35
	(A)	64,481.52	57,450.83
	Other Operating Revenue		
	Other Sale	36.82	40.53
	Income form Wind Mill electricity generation	121.71	124.79
	TOTAL	158.53	165.32
	Gross Revenue	64,640.05	57,616.15
	Less : Excise duty (Net of Excise refund) *	6,409.49	4,697.38
	Net Revenue	58,230.56	52,918.77

* Note : Excise duty paid is net of excise duty refund of Udampur unit (J&K) of Rs. 526.68 lakhs (Previous Year Rs.777.29 lakhs)

Details of products sold

Finished goods sold

Agro Chemicals	60,074.96	53,824.80
Seeds	104.31	291.68
	60,179.27	54,116.48

Traded Goods sold

Agro Chemicals	4,302.25	3,334.35
	4,302.25	3,334.35
	64,481.52	57,450.83

(Rs. in lakhs)

21.	OTHER INCOME	For the FY 2012-13	For the FY 2011-12
	Interest Received	172.57	49.75
	Rental Income	0.96	0.48
	Misc Receipts	336.75	7.67
	Profit on sale of assets	119.27	(8.03)
	Liabilities no longer required written back	5.11	4.22
	Dividend Income :		
	From Current Investment	59.98	7.85
		694.64	61.94

(Rs. in lakhs)

22.	COST OF MATERIALS CONSUMED	For the FY 2012-13	For the FY 2011-12
	Inventory at the beginning of the year	5,532.49	6,042.47
	Add: Purchases	37,021.63	31,416.15
		42,554.12	37,458.62
	Less : Inventory at the end of the year	7,536.64	5,532.49
	TOTAL	35,017.48	31,926.13
	Details of Materials Consumed		
	Chemicals	29,097.90	25,956.75
	Packing Materials	5,841.64	5,799.12
	Seeds	77.94	170.25
		35,017.48	31,926.12
	Details of Inventory (At the end of the year)		
	Chemicals	6,171.37	4,516.94
	Packing Materials	1,360.15	984.12
	Seeds	5.12	31.43
		7,536.64	5,532.49



Notes to Financial Statements for the Year ended 31st March, 2013

(Rs. in lakhs)

23.	(INCREASE)/DECREASE IN INVENTORIES	For the FY 2012-13	For the FY 2011-12	(Increase) / Decrease
	Inventories at the end of year			
	Traded Goods	1,136.06	1,133.38	(2.68)
	Work in progress	254.88	378.52	123.64
	Finished goods	7,046.92	6,802.28	(244.64)
		8,437.86	8,314.18	(123.68)
	Inventories at the beginning of year			
	Traded Goods	1,133.38	1,114.57	(18.81)
	Work in progress	378.52	180.54	(197.98)
	Finished goods	6,802.28	6,770.89	(31.39)
		8,314.18	8,066.00	(248.18)
		(123.68)	(248.18)	

(Rs. in lakhs)

Details of purchase of traded goods	For the FY 2012-13	For the FY 2011-12
Traded Goods purchased	3,216.05	2,580.52
	3,216.05	2,580.52

(Rs. in lakhs)

DETAILS OF INVENTORY (AT THE END OF THE YEAR)	For the FY 2012-13	For the FY 2011-12
Traded Goods		
Agro chemicals	1,136.06	1,133.88
Work in progress		
Agro chemicals	254.88	378.52
Finished Goods		
Agro chemicals	7,043.93	6,795.98
Seeds	2.99	6.30
	8,437.86	8,314.18

(Rs. in lakhs)

24.	EMPLOYEES BENEFIT EXPENSES	For the FY 2012-13	For the FY 2011-12
	Salaries & Wages	4,258.56	3,723.99
	Contribution to Provident & Other Funds	340.44	268.91
	Staff Welfare and Medical Expenses	165.03	162.99
		4,764.03	4,155.89

Notes to Financial Statements for the Year ended 31st March, 2013

(Rs. in lakhs)

25.	OTHER EXPENSES	For the FY 2012-13	For the FY 2011-12
	Manufacturing Expenses		
	Power, Fuel, Electricity & Water charges	113.04	95.68
	Consumable stores	37.90	25.58
	Manufacturing expenses (seeds)	5.67	21.39
	Repair & maintenance -Machineries	80.77	50.19
	Repair & maintenance -Factory buildings	54.88	52.99
	Repair & maintenance - Others	2.30	7.08
	Incineration charges	9.71	17.34
	Security Charges	28.79	28.04
	Laboratory expenses	23.83	20.86
	ISI Marking Fees	8.13	8.36
	R&D expenses	145.39	110.75
	(A)	510.41	438.26
	Administration Expenses		
	Travelling and conveyance	664.99	632.80
	Communication expenses	98.30	101.04
	Postage and telegram	29.55	29.72
	Printing and stationery	43.41	44.53
	Office and godown rent	363.04	335.74
	Rates and taxes	30.13	9.48
	Insurance charges	27.46	20.89
	Legal and professional charges	253.96	186.56
	Repair & maintenance -Building	214.46	408.83
	Repair & maintenance -other	96.26	75.73
	Electricity & water charges	48.07	37.58
	Books and periodicals	1.97	0.80
	Fees and Subscription	12.02	11.98
	Charity and donation	9.32	21.57
	Miscellaneous expenses	8.02	10.30
	Meeting fees	3.81	3.15
	Payment to Auditors	11.59	8.31
	Vehicles maintenance	714.63	583.53
	(B)	2,630.99	2,522.54
	Selling & Distribution Expenses		
	Education and seminar	333.66	288.26
	Advertisement and publicity	595.03	636.00
	Business promotion expenses	29.14	27.14
	Bad debts	48.61	48.22
	Freight & cartage on STV & Sales	1,902.69	1,530.45
	Field Assistant expenses	1,116.23	1,071.64
	(C)	4,025.36	3,601.71
	TOTAL (A to C)	7,166.76	6,562.51
	Payment to Auditors		
	As Auditor :		
	Statutory audit & Tax Audit fees	5.00	4.00
	Cost audit fees	1.25	1.00
	Internal Audit Fees	3.00	1.80
	In other capacity :		
	Taxation matters	2.21	0.96
	Management Services	-	0.35
	Reimbursement of Expenses	0.13	0.20
	TOTAL	11.59	8.31



Notes to Financial Statements for the Year ended 31st March, 2013

(Rs. in lakhs)

26.	DEPRECIATION AND AMORTIZATION EXPENSES	For the FY 2012-13	For the FY 2011-12
	Depreciation of Tangible Assets	449.35	448.70
	Amortization of Intangible Assets	4.82	3.07
		454.17	451.77

(Rs. in lakhs)

27.	FINANCE COST	For the FY 2012-13	For the FY 2011-12
	Interest on others	141.63	214.35
	Bank interest and other Financial charges	195.88	292.70
	Interest on term loan	15.21	41.78
		352.72	548.83

28.	EARNING PER SHARE (EPS)	As at 31.03.2013	As at 31.03.2012
	1. Net profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders (Rs. in lakhs)	6,444.84	5,713.03
	2. No of Equity Shares	5,00,19,500	5,00,19,500
	3. Basic and Diluted Earning per Share (in Rs.)	12.88	11.42
	4. Face value of Share (in Rs.)	2.00	2.00

NOTES ON ACCOUNTS

I. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

a) Basis of Accounting:

The Financial Statements have been prepared on going concern basis and presented under the Historical Cost Convention on the accrual basis of Accounting with the Accounting Principles Generally Accepted in India ('GAAP') and comply with the mandatory Accounting Standards ('AS') issued by the Institute of Chartered Accountants of India to the extent applicable and with the relevant provisions of the Companies Act, 1956.

b) Fixed Assets:

Fixed Assets are stated at Cost of Acquisition (Net of CENVAT, wherever applicable), less accumulated depreciation till the end of Financial Year. Cost is inclusive of freight, duties, levies, installation expenses and any directly attributable cost of bringing the assets to their working condition for intended use which is capitalized till the assets are ready to be put to use.

c) Impairment

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

An impairment loss is recognized in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount.

d) Depreciation and Amortisation:

Depreciation on Fixed Assets is provided on Written Down Value Method (WDV) at the rate and in the manner prescribed in Schedule XIV of the Companies Act, 1956. On the addition of the assets, depreciation has been provided from the day on which the asset was actually put to use. Depreciation in case of disposal/sale of assets is provided up to the date of disposal/sale of assets on pro-rata basis.

Amortization in respect of intangible assets is provided on Straight Line basis considering 10 years as the estimated period of its economic life.

e) Revenue Recognition:

Revenue from sale of goods is recognized when risk and rewards in respect of ownership of goods are transferred to the customers and no significant uncertainty exists regarding the amount of consideration that is derived from the sale of goods.

Revenue from sale of products is stated exclusive of Returns, Sales Tax/VAT and applicable Rebates & Discounts as per Policy of the Company.

Revenue from Wind mill electricity generation is recognized on the basis of electricity units generated and invoice raised on monthly basis.

Interest income is accounted for on Accrual basis taking into account, the amount outstanding and applicable interest rate.

Dividend income on Investments is accounted for, when the right to receive the payment is established.

f) Inventories:

- Inventories of Raw Materials and Packing Materials are valued at Cost (net of CENVAT) on first-in first-out basis.
- Inventories of Work-in-Progress is valued at cost of Raw Material plus conversion cost wherever applicable.
- Finished Goods are valued at the lower of Cost (including overheads and excise duty) or Net Realizable Value.
- Excise duty in respect of closing inventory of Finished goods is included as a part of inventory.

g) Foreign Currency Transactions:

(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 on the date of the transaction.

(ii) Conversion:

At the year end, monetary items denominated in the foreign currencies are converted into equivalent rupee value by applying prevalent exchange rates at the year end.

(iii) Exchange Differences:

All the exchange differences arising on settlement / reinstatement of foreign currency transactions are adjusted in the Statement of Profit and Loss.

(iv) Forward Exchange Contracts not intended for trading or speculation purposes:

The Company's derivative instruments comprise of forward exchange contracts which are not intended for trade or speculation purposes.

h) Investments:

Current investments are carried at lower of cost or quoted /fair value. Long term investments are stated at cost.

i) Employee Benefits:

i) Defined Contribution Plans:

The Company has Defined Contribution Plans for post employment benefits namely Provident Fund and Superannuation Fund which are administered by appropriate authorities.



The Company contributes to a Government administered Provident Fund, Employees' Deposit Linked Insurance Scheme and Family Pension Fund, on behalf of its employees and has no further obligation beyond making its contribution.

The Superannuation Fund applicable to certain employees is a Defined Contribution Plan as the Company contributes to Officers' Superannuation Scheme which is administered by an Insurance Company and has no further obligation beyond making the payment to the Insurance Company.

The Company contributes to State plans namely Employees' State Insurance Fund and has no further obligation beyond making the payment to them.

The Company's contributions to the above funds are charged to revenue every year.

ii) Defined Benefit Plans:

The Company has a Defined Benefit Plan namely Gratuity covering its employees. The Gratuity scheme is funded through Group Gratuity-cum-Life Assurance Scheme and the liability for the Defined Benefit Plan of Gratuity and Pension is provided based on an actuarial valuation at the year end.

iii) Other Employee Benefits:

The employees of the Company are entitled to leave encashment and incentives as per the Policy of the Company. The liability in respect of the same is provided based on an actuarial valuation at the year end.

j) Taxes on Income:

Provision for Income Tax comprises of Current Tax and Deferred Tax charge. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred Tax is recognized, subject to consideration of prudence, on timing differences, being difference between taxable and accounting income and expenditure that originate in one period and are capable of reversal in one or more subsequent period(s). Deferred Tax Assets are not recognized unless there is "virtual certainty" that sufficient future taxable income will be available against which such deferred tax assets will be realized.

k) Provisions and Contingencies:

Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes a Provision when there is a present obligation as a result of a past event that

probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a Contingent Liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure as specified in Accounting Standard 29 - "Provisions, Contingent Liabilities and Contingent Assets" is made.

Contingent Assets are not recognized in the Financial Statements.

l) Earnings Per Share (EPS):

The earnings considered in ascertaining the Company's EPS, is the Net Profit After Tax. The number of Equity Shares used in computing basic EPS is the weighted average number of Equity Shares outstanding during the year.

m) Research and Development Expenses:

Research and Development Expenses of revenue nature are charged to Profit and Loss Account.

n) Government Grants:

Where a grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related assets. Other Government grants or subsidies are credited to Profit and Loss Account or adjusted from related expenses.

o) Deferred Revenue Expenditure:

Revenue expenditure where benefit is expected to accrue over a longer period is amortized equally over a period of 5 years.

p) Principles of Consolidation:

The Consolidated Financial Statements relate to Dhanuka Agritech Ltd. ('the Company') and its Subsidiary Company -Dhanuka Agri-Solutions Private Limited. The Consolidated Financial Statements have been prepared on the following basis:

i) The Financial Statements of the Company and its Subsidiary Company are combined on a line by line basis by adding together the book values of like items of Assets, Liabilities, Income and Expenses after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) - 21 "Consolidated Financial Statements."

ii) As far as possible, the Consolidated Financial Statements are prepared using uniform Accounting Policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate Financial Statements.

II. CONSOLIDATED NOTES ON ACCOUNTS:

1. Contingent liabilities and commitments:

i) Contingent liabilities shall be classified as:

a) Claims against the company not acknowledged as debt : (Rs. in lakhs)

Particulars	As on 31.03.2013	As on 31.03.2012
a) Income Tax cases pending in appeals	8.43	15.25
b) Excise disputes pending	118.13	104.13

b) Guarantees: (Rs. in lakhs)

Particulars	As on 31.03.2013	As on 31.03.2012
a) Bank Guarantees	3.90	2.51
b) Letter of Credit	1,305.66	3,742.65

c) Other monies for which the company is contingently liable:
- Central sales against which 'C' forms are pendings (Rs. in lakhs)

Year	Amount
F.Y. 2012-13	2.24

ii) Commitments: (Rs. in lakhs)

Year	Amount
Estimated amount of contracts remaining to be executed on Capital Account and not provided for	437.75

2. Defined-Benefits Plans (Accounting Standards (AS)-15):

The Company offers its employees defined-benefit plans in the form of a Gratuity scheme. Benefits under the defined-benefit plans are typically based either on years of service and the employee's compensation (generally immediately before retirement). The Gratuity scheme covers substantially all regular employees. For the Gratuity scheme, the Company contributes funds to Gratuity Trust.

The Actuarial valuation is done based on "Projected Unit Credit" Method.

(Rs. in lakhs)

Defined Benefit commitments:	As on 31.03.2013	As on 31.03.2012
Present value of obligation at the beginning of the Year	370.82	430.61
Interest Cost	31.52	35.53
Current Service Cost	44.96	67.27
Benefit Paid	(31.03)	(84.46)
Actuarial (Gain)/Loss on Obligations	(16.44)	(78.13)
Present Value of Obligation at the end of the Year	399.83	370.82



(Rs. in lakhs)

Fair Value of Plan Assets:	As on 31.03.2013	As on 31.03.2012
Fair Value of Plan Assets at the beginning of the Year	455.47	518.68
Expected return on Plan Assets	39.19	41.49
Contributions	67.69	4.94
Transfer from Other Company	12.14	--
Benefit Paid	(31.03)	(84.46)
Actuarial (Gain)/Loss on Obligations	1.08	(24.92)
Fair value of Plan Assets at the end of the Year	544.81	455.74

(Rs. in lakhs)

Fair Value of Plan Assets:	As on 31.03.2013	As on 31.03.2012
Expected return on Plan Assets	39.19	41.49
Actuarial Gain/(Loss) on Assets for the period	1.08	(24.92)
Actual return on Plan Assets	40.27	16.57

(Rs. in lakhs)

Expenses on defined benefit Plan:	As on 31.03.2013	As on 31.03.2012
Current service Cost	44.96	67.27
Interest Cost	31.52	35.53
(Expected return on Plan Assets)	(39.19)	(41.94)
Actuarial (Gain)/Loss	(17.52)	(53.20)
Expenses charged to the Statement of Profit & Loss Account	19.77	8.09

The actuarial calculations used to estimate defined commitments and expenses are based on the following assumption which if charged, would affect the defined commitment's size, funding requirements:

Particulars of Assumptions	As on 31.03.2013	As on 31.03.2012
Rate of discounting liabilities	8.00%	8.50%
Rate of return on plan assets	8.70%	8.60%
Expected salary increase rate	5.00%	5.00%
Attrition Rate	2.00%	2.00%

3. Related Party Disclosure (Accounting Standard -18):

A. Key Managerial Personnel and Relatives

Sh. Ram Gopal Agarwal, Chairman
 Sh. Mahendra Kumar Dhanuka, Managing Director
 Sh. Arun Kumar Dhanuka, Director
 Sh. Rahul Dhanuka, Director
 Sh. Mridul Dhanuka, Director

Relatives of Sh. Ram Gopal Agarwal

Smt. Urmila Dhanuka, Wife
 Sh. Rahul Dhanuka, Son
 Smt. Reema Khawala, Daughter
 Sh. Mahendra Kumar Dhanuka, Brother
 Sh. Satya Narain Agarwal, Brother
 Smt. Lalita Dhanuka, Brother's wife

Relatives of Sh. Mahendra Kumar Dhanuka

Smt. Uma Dhanuka, Wife
 Sh. Mridul Dhanuka, Son
 Sh. Harsh Dhanuka, Son
 Smt. Akangsha Dhanuka, Son's Wife

Relatives of Sh. Arun Kumar Dhanuka

Smt. Pushpa Dhanuka, Mother
 Smt. Mamta Dhanuka, Wife
 Sh. Arjun Dhanuka, Son
 Sh. Manish Dhanuka, Brother
 Smt. Seema Dhanuka, Brother's Wife

Relatives of Sh. Rahul Dhanuka

Smt. Madhuri Dhanuka, Wife

Relatives of Sh. Mridul Dhanuka

Smt. Megha Dhanuka, Wife

Companies, Firm & Trust in which Key Management Personnel & their Relatives have Significant Influence:

- | | |
|--|---|
| • Zoom Leasing and Finance Company Limited | • Growth Advertising and Marketing Pvt. Limited |
| • Hindon Mercantile Limited | • Dhanuka Private Limited |
| • Exclusive Leasing and Finance Limited | • Otsuka Chemical (India) Pvt. Ltd. |
| • Dhanuka Laboratories Limited | • Dhanuka Agri-Solutions Pvt. Ltd (Wholly Owned Subsidiary) |
| • Sikkim Agro Industries Limited | • Balaji Builders |
| • Golden Overseas Pvt. Limited | • Shree Ram Enterprises |
| • M.D. Buildtech Pvt. Ltd. | • Passion Alliance |
| • H.D. Realtors Pvt. Ltd. | • Dhanuka Marketing Company |
| • Dhanuka Infotech Pvt. Ltd. | • Chiranji Lal Dhanuka Charitable Trust |
| • Cosmo Components Pvt. Limited | • Durga Prasad Dhanuka Charitable Trust |
| • Duke Impex Pvt. Limited | • Sampad Developers |
| • Liberty Sales Pvt. Limited | |



B. Nature and Volume of Transactions:

(Rs. in lakhs)

S.No.	Particulars	Amount
i.	<u>Remuneration:</u> Sh. Ram Gopal Agarwal, Chairman Sh. Mahendra Kumar Dhanuka, Managing Director Sh. Arun Kumar Dhanuka, Director Sh. Rahul Dhanuka, Director Sh. Mridul Dhanuka, Director Sh. Harsh Dhanuka, Sr. General Manager- Marketing (Note : The remuneration to the Key Managerial Personnel does not include the provisions made for gratuity and leave benefit as they are determined on an actuarial basis for the company as a whole)	192.23 191.91 176.07 173.83 122.26 20.10
ii.	<u>C&F Commission:</u> M/s Dhanuka Marketing Company	210.00
iii.	<u>Office/Godown Rent:</u> Mridul Dhanuka (HUF) Smt. Megha Dhanuka M/s Dhanuka Pvt. Ltd	16.83 18.06 33.92
iv.	<u>Charity & Donation:</u> Chiranji Lal Dhanuka Charitable Trust	5.00
v.	<u>Sale Transactions:</u> M/s Dhanuka Laboratories Ltd. M/s Otsuka Chemical (India) Pvt. Ltd.	0.02 3.74
vi.	<u>Purchases & Reimbursement of Expenses:</u> M/s Dhanuka Laboratories Ltd.	8.87
vii.	<u>Expenses paid:</u> Dugra Prasad Dhanuka Charitable Trust	17.09
viii.	<u>Preliminary Expenses paid:</u> M/s Dhanuka Agri-Solutions Pvt. Ltd.	0.54

C. Details of Unsecured Loans received and interest paid thereon from Directors and Companies in which Directors and their Relatives are substantially interested:

(Rs. in lakhs)

S.No.	Name of Depositor	Opening Balance	Received During the Year	Paid/Debited during the Year	Interest Accrued	Balance as on 31.3.13
1	Exclusive Leasing & Finance Ltd.	115.81	97.04	224.45	11.60	Nil
2	Golden Overseas Pvt. Ltd.	77.63	200.02	286.13	8.48	Nil
3	Hindon Mercantile Ltd.	6.00	94.07	101.62	1.56	Nil
4	Zoom Leasing & Finance Co. Ltd.	63.95	105.04	175.40	6.41	Nil
5	Sikkim Agro Industries Ltd.	197.53	210.33	421.91	14.05	Nil
6	Dhanuka Pvt. Ltd.	200.00	-	206.58	6.58	Nil
7	Shri Ram Gopal Agarwal	39.46	-	43.09	3.63	Nil
8	Shri Mahendra Kumar Dhanuka	63.02	-	67.14	4.12	Nil
9	Shri Rahul Dhanuka	26.06	-	28.51	2.46	Nil
10	Shri Mridul Dhanuka	17.19	-	18.86	1.67	Nil
	Total	806.66	706.49	1,573.69	60.55	Nil

D. Details of Rent received from Companies in which Directors and their Relatives are substantially interested:

(Rs. in lakhs)

S. No.	Name of the Company	Amount
i.	M/s Golden Overseas Pvt. Ltd.	0.12
ii.	M/s Exclusive Leasing & Finance Ltd.	0.12
iii.	M/s Hindon Mercantile Ltd.	0.12
iv.	M/s Dhanuka Laboratories Ltd.	0.12
v.	M/s Zoom Leasing & Finance Co. Ltd.	0.24
vi.	M/s Sikkim Agro Industries Ltd.	0.24

E. Leases

- Lease rent paid for operating leases are recognized as an expense in the Statement of Profit and Loss in the year to which it relates.
- Future rent payable for operating and Finance Leases (As certified by Management) are as under :

(Rs. in lakhs)

Particulars	As At 31-03-13
Not later than 1 year	341.64
Later than 1 year but not later than 5 years	451.49
Later than 5 years	372.76
Amount Charged to Statement of Profit and Loss	363.04

Future lease rents and escalation in rent have been determined on the basis of agreed terms. At the expiry of the initial lease term, generally the company has an option to extend the lease for a further pre determined period.

F. Earning Per Share:

Particulars	FY ended 31.03.2013	FY ended 31.03.2012
Net Profit / (Loss) for the Year (Rs. in Lakhs)	6,444.84	5,713.03
No. of Shares	5,00,19,500	5,00,19,500
Nominal value of Shares (Rs.)	2	2
Basic & Diluted EPS (Rs.)	12.88	11.42

G. Accounting for Taxes on Income:

In accordance with the requirements under the Accounting Standard (AS)-22 "Accounting for Taxes on Income", the Company has provided Rs.26.72 Lakhs (Previous Year liability reduced by Rs.20.33 Lakhs) during the Year as Deferred Tax Liabilities.

Deferred Tax Assets & Liabilities as on 31st March, 2013 are as under:-

(Rs. in lakhs)

Particulars	FY ended 31.03.2013	FY ended 31.03.2012
Deferred Tax Assets/(Liabilities)	(282.31)	(255.60)
Net Deferred Tax Assets/(Liabilities)	(282.31)	(255.60)

The Deferred Tax Liabilities/Assets has arisen on account of the time difference between the depreciation admissible under the Income Tax Act, 1961 and the depreciation adjusted in the Accounts.

H. Impairment of Assests :

In terms of Accounting Standard (AS) - 28 on "Impairment of Asset" issued by Institute of Chartered Accountant of India (ICAI), during the Year, the Company carried out an exercise of identifying the assets that may have been impaired in accordance with the said Accounting Standard. The Company has identified that no asset of the Company has been impaired during the year.



I. Segment information:

The Company is engaged in the business of manufacturing and trading of various types of pesticides. The entire operations are governed by same set of risk and returns. Hence, the same has been considered as representing a single primary segment. The said treatment is in accordance with the guiding principles enunciated in the Accounting Standard - 17 on segment reporting.

- J. Amount due to Small and Medium Enterprises and outstanding as on 31.03.2013 was Rs.953.42 lakhs. There is no overdue amount outstanding and interest due thereon as on 31.03.2013. The names of such Small and Medium Enterprises are given below:

(Rs. in lakhs)

S.No.	Name of Suppliers	Amount
1	National Print 'N' Pack	8.43
2	Printco (Prop)	3.12
3	Domino Printech India Private Limited	2.38
4	Nucon Engineers	0.03
5	Star Special Air Gases (P) Ltd.	0.02
6	Jay Instruments & System Pvt. Ltd.	1.53
7	Anubhav Power & Controls	0.44
8	Lavitra Industries	12.24
9	Insilco Ltd.	7.04
10	Krishna Petrochem Pvt. Ltd.	131.27
11	Olympic Chemicals (Vertex Chemicals)	6.38
12	Venus Dye Chem	32.50
13	Advance Chemicals Sales Corporation	3.21
14	Ankita Plastics	7.08
15	Bajaj Holographics India Pvt. Ltd.	0.47
16	Bee Emm Printing Press	0.71
17	Bharat Pet Ltd.	5.97
18	Bharat Product Ltd.	18.96
19	Bharat Propack Pvt. Ltd.	14.86
20	Bullion Flexi Pack P. Ltd.	5.09
21	Decorative Sleeves Pvt. Ltd.	27.43
22	Ess Kay Enterprises (Prop)	11.74
23	Ganesh Enterprises (Prop)	7.30
24	Genesis Print & Pack	5.30
25	Industrial Chemicals	4.91
26	Isro Products	0.25
27	Jain Paper Converter.Prop.Jain Convertor Pvt. Ltd.	3.27
28	Manohar Packaging Industries	0.70
29	Mittal Enterprises	2.26
30	Patel Nagar Minerals & Ind. Pvt. Ltd.	0.37
31	Plasto Films (Prop)	2.90
32	Graham Blow Pack Pvt. Ltd.	38.21
33	Pradeep Metal Industries	3.45
34	Ratna Extrusions Pvt. Ltd	74.85
35	S.S. Packers	0.12
36	Sharan Enterprises (P) Ltd.	30.67
37	K.A.Enterprises Bhavnagar	13.37

(Rs. in lakhs)

S.No.	Name of Suppliers	Amount
38	Croda Chemicals (India) Pvt Ltd	3.83
39	Krishna Printers	19.83
40	Uflex Ltd.	1.85
41	Ghansham Ice Box Mfg (Regd.)	8.64
42	Core Chemicals (Mumbai) Pvt. Ltd.	64.58
43	Pooja Packaging	5.86
44	Bharat Mineral Corporation	18.58
45	Gurdial Mal Chhagalal Jain	0.44
46	Esteem Industries Pvt Ltd.	0.02
47	Ishan Industries	41.06
48	Atlas Chemical Industires	21.03
49	Advance Surfactant India Ltd.	10.64
50	Radiant Polychem Pvt. Ltd.	0.52
51	Galaxy Print Process Pvt Ltd.	11.58
52	Clear Mipak Packaging Solutions Ltd (Naroli-li)	58.52
53	Regent Plast Pvt Ltd.	14.13
54	Paras Tape Industry	1.36
55	H.R. Enterprises	0.34
56	Surya Industries	84.29
57	Modern Plastic Tubes	4.73
58	Anupam Products Ltd.	4.18
59	Paramount Industries	16.16
60	Supreme Surfactants Pvt Ltd	3.85
61	Rhodia Specialty Chemicals India Ltd.	26.78
62	Mineral And Metal Industries	15.22
63	Gupta Traders	1.06
64	Nav Bharat Extrusion	0.03
65	Saksham Containers Pvt Ltd.	2.12
66	UB Detsurf Industries	0.55
67	Dau's Packaging India Pvt Ltd	1.11
68	Super Propack Pvt Ltd	8.84
69	Ess Kay Propack Pvt Ltd	2.76
70	KCL Limited (Formerly Khemka Containers Ltd.)	1.40
71	Seap Lamipack Pvt Ltd	8.12
72	AGM Enterprises Pvt Ltd.	0.58
	TOTAL	953.42

K. Foreign Currency Transactions details (Accrual Basis):

(Rs. in lakhs)

Particulars	FY ended 31.03.2013	FY ended 31.03.2012
a. C.I.F. Value of Imports:		
Raw Materials	7,301.75	7,492.13
b. Expenditure in Foreign Currency:		
Insurance Claim	--	1.28
Foreign Currency used for Foreign Travelling	23.49	4.11
Professional and consultancy fees	179.33	90.78
Purchase of Machinery	17.64	--
Purchase of Books	0.82	--
Expenses of Subsidiary Company	0.54	0.57
c. Earning in Foreign Currency		
Export Sale	25.67	--
Reimbursement of Advertisement Expenses	60.17	51.59
Reimbursement of Data Generation (Testing)	20.08	--
Reimbursement of R&D Expenses	17.98	--
Product (Omite) Target Incentive	117.50	61.79

L. Value of Imports & Indigenous Raw Materials, Packing materials consumed and percentage of each to total consumption :

(Rs. in lakhs)

Sr. No.	Particulars	FY 2012-13 Value	(%)	FY 2011-12 Value	(%)
1.	Raw Materials:				
	Imported	7,572.34	25.97	7,872.60	30.13
	Indigenous	21,582.61	74.03	18,254.40	69.87
	Total	29,154.95	100.00	26,127.00	100.00
2.	Packing Materials :				
	Imported	-	-	-	-
	Indigenous	5,862.53	100.00	5,799.12	100.00
	Total	5,862.53	100.00	5,799.12	100.00

- The Company has investment of Rs.0.10 lakhs in 100% Subsidiary Company-M/s Dhanuka Agri-Solutions Pvt. Ltd. incorporated on 17.07.2011 in Bangladesh. The Subsidiary Company has not carried out any business activities till 31.03.2013.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Name of the Subsidiary	Financial Year of the Subsidiary ended on	Holding Company's interest in Equity Capital	Net Aggregate of Profits or Losses of the Subsidiary Companies as far as it concern the members of the Holding Company	
			Not dealt with in Holding Company's Account	
			For the Financial Year of the Subsidiary (Rs. in Lakhs)	For the Previous Financial Year since it became the Subsidiary (Rs. in Lakhs)
Dhanuka Agri-Solutions Private Limited	31 st March, 2013	100%	(0.54)	(0.57)

Profit/(Loss) of the Subsidiary Company has not been dealt in the Holding Company's Accounts.



Information pertaining to Subsidiary Company u/s 212(8) of the Companies Act, 1956

(Rs. in lakhs)

S. No.	Particulars	Amount
1	Paid-up Share Capital	0.10
2	Reserves & Surplus/ (Accumulated Losses)	(1.11)
3	Total Assets	(2.21)
4	Total Liabilities	(2.21)
5	Details of Investment (other than investment in the Subsidiary)	---
6	Turnover	---
7	Profit/(Loss) Before Taxation	(0.54)
8	Provision for Taxation	---
9	Profit After Taxation	(0.54)
10	Proposed Dividend	---

- Sundry debtors/ customers are shown net of trade discounts and rate differences.
- Previous year's figures have been regrouped and rearranged wherever considered necessary.
- All the figures have been shown in lakhs.

For DINESH MEHTA & CO.
Chartered Accountants
Firm Registration No.: 000220-N

For and on behalf of the Board of Directors

Sd/-
Deepak Malhotra
Partner

Sd/-
Shubha Singh
Company Secretary

Sd/-
V.K.Bansal
C.F.O

Sd/-
M.K.Dhanuka
Managing Director

Sd/-
R.G.Agarwal
Chairman

Membership No.: 502386
Place: Gurgaon (Haryana)
Dated: 18th May, 2013



Dhanuka Agritech Limited

Regd. Office : 'DHANUKA HOUSE', 861-862, Joshi Road, Karol Bagh, New Delhi-110 005
Corp. Office : 14th Floor, Building 5A, Cyber City, DLF Phase III, Gurgaon-122002, Haryana

ATTENDANCE SLIP

DP ID*
Client ID*
Regd. Folio No.

Name and Address of the Registered Shareholder

* Applicable if shares are held in electronic form

I certify that I am a registered shareholder / proxy of the Company, I hereby record my presence at the 28th Annual General Meeting of the Company to be held on Monday, the 12th day of August, 2013 at 11:00 A.M. at Shri Purushottam Hindi Bhawan, 11, Vishnu Digambar Marg (Rouse Avenue), New Delhi- 110002

Member's/Proxy's Signature

Note : Please fill this attendance slip and hand it over at the entrance of the hall



Dhanuka Agritech Limited

Regd. Office : 'DHANUKA HOUSE', 861-862, Joshi Road, Karol Bagh, New Delhi-110 005
Corp. Office : 14th Floor, Building 5A, Cyber City, DLF Phase III, Gurgaon-122002, Haryana

PROXY FORM

I/We _____ S/o, W/o, D/o _____
resident of _____ being a member/members of Dhanuka Agritech
Limited, hereby appoint _____ S/o, W/o, D/o _____ in
of _____ in the district of _____ or failing him
_____ of _____ in the district of _____

_____ as my/our proxy to attend and vote for me/us and on my/our
behalf at the 28th Annual General Meeting of the Company to be held on Monday, the 12th day of August,
2013 at 11:00 A.M. at Shri Purushottam Hindi Bhawan, 11, Vishnu Digambar Marg (Rouse Avenue),
New Delhi- 110002 and at any adjournment thereof.

Signed this _____ day of _____ 2013

DP ID*
Client ID*
Regd. Folio No.

Affix a
Revenue
Stamp
Rs. 1/-

* Applicable if shares are held in electronic form

Signature of Proxy

Signature of Registered holder (s)

Note : This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.



Dhanuka has bagged a coveted place in the prestigious 'Inc. India 500 India's Fastest Growing Companies under INR 1,500 crore' for the second year in succession.



PPP Model for Technology Transfer

As a mandate we engage closely with Agricultural Universities and their rural offshoots called KVKs (Krishi Vigyan Kendras). This is PPP Model adopted by DAL for technology transfer and downward/upward and flow of information.

Training on
COTTON CULTIVATION
in partnership with CCI & KVK,
Perambalur



TNAU, KVK, Sirugamani, Trichy and Dhanuka Group organized Pulse farmers Training Meeting at Tirumangalam Village, Laigudi, Trichy District on 1 Feb.2011. Lectures were also delivered on Targa Herbicide usage in Onion, Tomato and other Vegetable crops.

Dhanuka & KVK Ariyalur District Organized Training on Groundnut Cultivation Technology under PPP





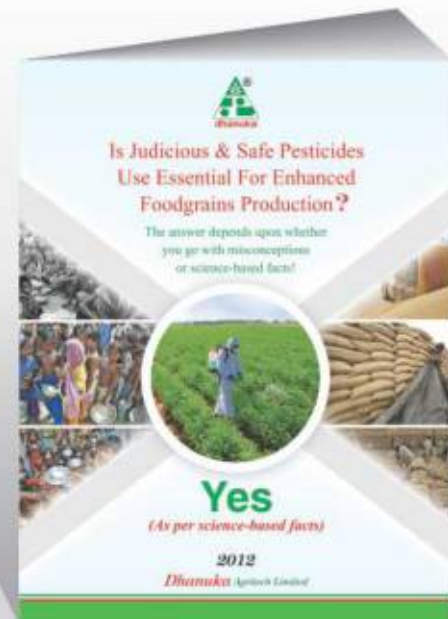
Project Alladin



Project Alladin which was launched last year for increasing the logistical control and for streamlining the inventory management process has been implemented across the country. Its Customer Rollout at branch level is under way. It has received overwhelming response from our Silver/ Gold Dealers of Gujarat who happily signed the offer document recently in rollout meeting itself and appreciated this new initiative of our company. The project has been rolled out further in Maharashtra, WUP and AP.

GC Releases a Booklet on

Public- Private Partnership for Enhancing Productivity of Blackgram



DAL's initiative for providing science based facts so that public at large is made aware of the reality. Book titled 'Is Judicious & Safe Pesticides use Essential for Enhanced Foodgrains Production?' was widely circulated in print and soft form.

Corporate Social Responsibility Initiatives



Annual Day Celebrations of Durga Prasad Dhanuka Adarsh Vidya Mandir, Ratangarh - Abhinandan 2013



Shatchandi Mahayaga at Dhanuka Ashram, Vrindavan

PERFORMANCE AT A GLANCE

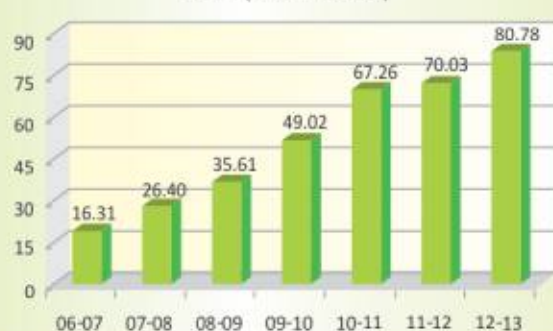
Net Sales (Rs. in Crores)



EPS (in Rs.)



PBT (Rs. in Crores)



Book Value per Equity Share (in Rs.)



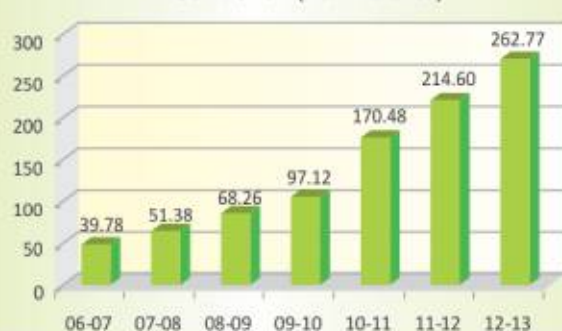
PAT (Rs. in Crores)



EBIDTA (Rs. in Crores)



Net Worth (Rs. in Crores)



Dividend (in %)





Dhanuka Agritech Limited

Registered Office

"Dhanuka House"

861-862, Joshi Road,

Karol Bagh, New Delhi- 110005

Phone Nos. : (011) 23518981/82/64656800/1/2

E-mail : headoffice@dhanuka.com

Visit us at : www.dhanuka.com

Corporate Office

14th Floor, Building 5A, Cyber City,

DLF Phase III, Gurgaon - 122002, Haryana

Phone Nos. : (0124) 3838500

Fax No. : (0124) 3838888

E-mail : investors@dhanuka.com

Works

Daulatabad Road, Gurgaon - 122001 (Haryana)

Ph. No. : (0124) 6768500

Fax No. : (0124) 6768599

E-mail : gurgaonunit@dhanuka.com

D/1/A-D/1/B, Ajanta Indl. Estate,

Near Sarika Paints, Viramgaon Road,

at Vasna lyava, Sanand, Dist. Ahmedabad - 382170 (Gujarat)

Ph. Nos. : (02717) 284567/68

Fax Nos. : (02717) 284567

E-mail : sanand@dhanuka.com

Plot No.1, IID Centre,

SAICOP Industrial Estate,

Battal Balian, Udhampur (J&K)

Ph. Nos. : (01992) 250156/57

Fax No. : (01992) 250156

E-mail : udhampur@dhanuka.com

Sales Offices/Godowns

Ahmedabad, Akola, Bangalore, Bellary, Cuttack, Devangere, Delhi, Ghaziabad, Guwahati, Guntur, Gurgaon, Hissar, Hyderabad, Indore, Jaipur, Jabalpur, Kanchipuram, Kichha, Kolkata, Kurnool, Lucknow, Ludhiana, Nandyal, Nellore, Nashik, Patna, Pune, Ranchi, Raipur, Ravulapalem, Salem, Siliguri, Sriganaganagar, Thrissur, Trichy, Vijaywada and Warangal