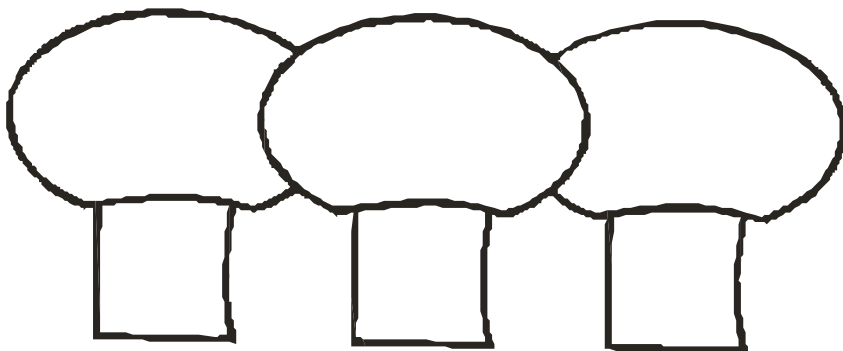


**21st Annual Report
2012-2013**



SAPTARISHI AGRO INDUSTRIES LIMITED

Regd. Office : Padalam Sugar Factory Road, Pazhayanoor Post,
Kancheepuram District, Tamil Nadu - 603 308.

**In response to the GO GREEN initiative of the Ministry of corporate affairs, company shall send a soft copy of the
Annual Report to promote electronic reporting from previous 2 year**

Share holders are requested to furnish their e-mail ids and change in their address (if any) to the company by e-mail to its
website www.saptarishi.com/investorsdatabase



SAPTARISHI AGRO INDUSTRIES LIMITED

Boards of Directors:	Mr. Malvinder Singh	Chairman
	Mr. Dilsher Singh	Managing Director
	Mr. B. Ramakrishnan	Director
	Dr. R. P. Tewari	Director
	Mr. Arvind Kalra	Director
	Mr. Sudhir Singhi	Director
Audit Committee :	Mr. B. Ramakrishnan	Chairman
	Dr. R. P. Tewari	Member
	Mr. Sudhir Singhi	Member
Bankers:	M/s. State Bank of India Balaji Nagar Branch No.233, Royapettah High Road, Royapettah, Chennai-600014	
Auditors:	M/s. K. Mahaveer & Co. Chartered Accountants, 228/124, NSC Bose Road, Sowcarpet, Chennai-600 079	
Registered office :	Padalam Sugar Factory Road, Kolambakkam Village, Pazhayanoor (P.O) -603 308 Kancheepuram District, Tamilnadu.	
Factory :	Padalam Sugar Factory Road, Kolambakkam Village, Pazhayanoor (P.O) -603 308 Kancheepuram District, Tamilnadu.	
Registrar & Share Transfer Agent:	Cameo corporate services ltd. Registered Office: Subramaniam Building, No.1 Club House Road, Chennai-600 002	



SAPTARISHI AGRO INDUSTRIES LIMITED

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TEN YEARS PERFORMANCE

PARTICULARS	(Figures In Rs. Lacs)									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Sales	1.88	6.22	342.51	629.82	777.46	776.81	798.36	294.13	0.00	0.17
Other Income	9.13	17.84	23.83	54.35	34.35	23.50	6.04	103.78	164.57	45.15
Total Income	11.01	24.06	366.34	684.17	811.81	800.31	804.40	397.91	164.57	45.32
Profit Before Tax (PBT)	-226.00	-199.51	-280.47	-128.87	4.07	54.78	104.64	3.11	-31.71	52.14
Provision for Taxation : Current Tax and Short provision of Earlier Year	0.00	0.00	0.00	0.00	0.43	0.47	1.13	0.00	0.00	0.00
Deferred Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit After Tax (PAT)	-226.00	-199.51	-280.47	-128.87	3.65	54.31	103.51	3.11	-31.71	52.14
Dividend	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed Assets and Investments	682.82	959.81	1110.96	1011.39	1103.65	1208.43	1266.88	1366.41	1294.39	1425.84
Net Current Assets	-32.20	83.18	-34.83	344.98	384.29	374.31	159.39	21.76	49.64	-57.91
Total	650.62	876.63	1076.13	1356.37	1487.94	1582.74	1426.27	1388.17	1344.03	1367.93
Represented by:	3403.99	3403.99	3403.99	3403.99	3403.99	3403.99	3403.99	3403.99	3403.99	3403.99
Share Capital										
Reserves	-2753.37	-2527.36	-2327.86	-2050.14	-1918.52	-1922.17	-2164.66	-2269.29	-2269.88	-2238.94
Net Worth	650.62	876.63	1076.13	1353.85	1485.47	1481.83	1239.33	1134.69	1134.11	1165.05
Loans	0.00	0.00	0.00	2.52	2.47	100.91	186.94	253.48	209.92	202.88
Deferred Tax liability	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	650.62	876.63	1076.13	1356.37	1487.94	1582.74	1426.27	1388.17	1344.03	1367.93
Earning per Share Rs.):	-0.66	-0.59	-0.82	-0.38	0.01	0.16	0.31	0.01	-0.09	0.15
Before Extra ordinary Items										
Book Value per share (Rs.):	1.91	2.58	3.16	3.98	4.36	4.35	3.64	3.33	3.33	3.42
Dividend (%)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



SAPTARISHI AGRO INDUSTRIES LIMITED

NOTICE

Notice is hereby given that the TWENTY FIRST ANNUAL GENERAL MEETING of the Members of SAPTARISHI AGRO INDUSTRIES LIMITED, will be held on Saturday , the 28TH day of September, 2013 at 10.00 a. m. at the Registered office of the Company at Padalam Sugar Factory Road, Pazhayanoor Post, Kancheepuram District, Tamil Nadu - 603 308, to transact the following:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the Year ended 31st March 2013, the Balance Sheet as on that date and the Directors' and Auditors' Report thereon.
2. To appoint Director in place of Mr. Dilsher Singh who retire by rotation and is eligible for reappointment.
3. To appoint Director in place of Mr. B.Ramakrishnan who retire by rotation and is eligible for reappointment.
4. To appoint Auditors and fix their remuneration.

M/s. K. Mahaveer & Co. Chartered Accountants, who hold the office till the conclusion of annual general meeting and are eligible for re-appointment.

"RESOLVED THAT M/s K. Mahaveer & Co. Chartered Accountants, the retiring auditors be and is hereby reappointed as the Auditors of the company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors and/ or any committee thereof"

**BY ORDER OF THE BOARD
for SAPTARISHI AGRO INDUSTRIES LIMITED**

sd/-

Place: Chennai
Date : 27.05.2013

DILSHER SINGH
MANAGING DIRECTOR



SAPTARISHI AGRO INDUSTRIES LIMITED

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote (on a poll only) instead of himself. A proxy need not be a member. Proxies in order to be effective must be received by the Company not less than 48 hours before the time for holding the meeting.
2. The Share transfer Books and the Register of Members of the Company will remain closed from Saturday, the 21st September 2013 to Saturday, the 28th September 2013 (both days inclusive).
3. Members including the nominee members are requested to notify the Company immediately of any change in their address.
4. Members are requested to bring their copy of Annual Report and Attendance slip with them to the Annual General Meeting.
5. At the ensuing Annual General Meeting Mr. Dilsher Singh who retire by rotation and is eligible for reappointment. The following information is being provided in terms of the Code of the Corporate Governance:

Annexure to Notice

Details of the Directors seeking re-election at the 21st Annual General Meeting (pursuant to clause 49(iv)(G) of the listing Agreement.

- a) **Mr. Dilsher Singh** has a wide experience of 10 years in composting and Growing, canning and selling Button mushrooms.

Directorship in other public limited companies: Nil

Member of the committees of Board.: Nil

- b) **Mr. B. Ramakrishnan** is an engineering graduate and General Manager in Tamil Nadu Industrial Development corporation Ltd. (TIDCO). He has been appointed as a nominee Director of TIDCO.

Directorship in other public limited companies:

- 1) SKM Egg products Export (India) Ltd.
- 2) Nilgiris Flower Company Ltd.
- 3) Intgen Agro Products Ltd.
- 4) Tamilnadu Telecommunications Ltd.

Member of the committees on board of Public Ltd. companies:

- a) **Audit committee** :Saptarishi Agro Industries Ltd. -Chairman
: SKM Egg Products Ltd. -Member
- b) **Remuneration Committee** : Saptarishi Agro Industries Ltd. – Chairman



SAPTARISHI AGRO INDUSTRIES LIMITED

DIRECTORS' REPORT

To

THE MEMBERS,

Your Directors have pleasure in presenting their Twenty first Annual Report on the business and operations of the Company together with the audited Statement of Accounts for the year ended 31st March 2013.

OPERATIONS:

Your company had very tough period during the year ended 31st March 2013, due to stoppage of all operations for last more than 2 years. Your company faced a major labour unrest immediately after the stoppage of process of growing mushrooms. The Industrial disputes which were pending before various government departments on account of strike and fantastic compensation demands made by trade union was the major concern of the management. In this management maintained its stand. Ultimately an amicable settlement was arrived on 6th December 2012 by which workmen on the roll of company were settled as per provisions of Industrial dispute Act, 1947.

The restrictions and control measures of 40 % power cut continued in Tamil Nadu. For the reason of non availability of adequate quantity of power and quality services from Tamil Nadu Electricity Generation and Distribution Company Ltd, company could not venture in reconnection of its disconnected supply.

As a result of stoppage of production of mushrooms since February 2011, company has incurred a huge loss, factory is crippled with electricity disconnection, and pending repairs of its chillers & peripherals and, most importantly its transformers. The machinery and other infrastructure has been badly deteriorated as no maintenance care could be given to during last more than 2 years.

Your company has expertise to produces fresh button mushrooms round the year in controlled atmospheric conditions. Unfortunately worsened situation of electricity availability has rendered this activity totally unviable. The mushroom growing process is biological and continuous in nature and it needs a supportive climate of industrial relations to thrive, which is lacking in this place if we take a look at debacle every management faced in this place.

Your Company has NIL turn over from Fresh Mushrooms and during the year under review there was a nominal turnover of Rs. 1.88 lacs on account of sales of spent compost. The summary of the financial results for the year ending 31st March 2013 is presented here in below. Company is once again attempting to sell enriched organic manure by use of its spent compost which is end residue of the mushroom growing process.

Settlement with the workers shall allow management to think afresh on all facets of business and take a decision to stop losses and bring company in profits.



SAPTARISHI AGRO INDUSTRIES LIMITED

FINANCIAL RESULTS

Particulars	Amount As on 31.03.13 (in Rs. Lakhs)	Amount As on 31.03.12 (in Rs. Lakhs)
Gross Turnover & Other Income	11.01	24.06
Profit/(Loss) before Depreciation	(112.6)	(85.48)
Depreciation	113.40	114.03
Profit/(Loss) before Tax	(226.00)	(199.51)
Provision for Taxation	0	0
Net profit / (Loss) for the prior period	(226.00)	(199.51)
Balance B/F	(2542.37)	(2342.86)
Profit/(Loss) Balance C/F	(2768.37)	(2542.37)

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACIES

The Company has adequate system of internal control relating to purchase of stores, raw materials, including components, plant and machinery, equipment and other similar assets and for the sale of goods. The Company has suitable internal control system commensurate with the size of the Company and nature of its business.

LIKELY DEVELOPMENTS IN HR / INDUSTRIAL RELATIONS

Employer Employee relationship between management and workers ended on the note of a tripartite settlement arrived on December 6th 2012.

AUDIT COMMITTEE:

As per the requirement of Section 292 A of the Companies (Amendment) Act, 2000 and Clause 49 of the Listing Agreement entered with the Stock Exchanges, your Company has constituted an Audit Committee with Mr. B. Ramakrishnan as Chairman and Mr. Sudhir Singh and Dr .R .P. Tewari as members.

DIRECTORS: In terms of the provisions of the Companies Act, 1956, Mr. Dilsher Singh and Mr. B. Ramakrishnan retire by rotation and are eligible for re-appointment. As required by Clause 49 of the Listing Agreement, a brief resumes of them are included in the notice of the forthcoming Annual General Meeting.

DIVIDEND: In view of huge accumulated losses, your Directors are not in a position to recommend any dividend this year

DEPOSITS: During the year, your Company has neither invited nor accepted deposits from the public.

AUDITORS: M/s. K. Mahaveer & Co., Chartered Accountants, retiring auditors of the company hold office till the conclusion of the Annual General Meeting and are eligible for reappointment. The share holders of the company are requested to approve their appointment as Statutory Auditors of the company and authorize the Board of Directors to fix their remuneration.

CORPORATE GOVERNANCE:

A separate report on corporate governance along with Auditor's certificate on its compliance is attached as Annexure to this report.

DIRECTOR'S RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your directors state;



SAPTARISHI AGRO INDUSTRIES LIMITED

- a. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. that the directors had prepared the annual accounts on a going concern basis.

MANAGEMENT DISCUSSION & ANALYSIS

Management analysis and review report mention in Corporate Governance report.

PARTICULARS OF EMPLOYEES:

No employee is in receipt of remuneration in excess of limits prescribed under 217(2A) of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, EXPORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, is annexed and forms a part of this report.

Disclaimer:

Management Discussion and Analysis forming part of this Report is in compliance with Corporate Governance Standards incorporated in the listing agreement with stock Exchanges and such statements may be “forward-looking” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company’s operations include economic conditions in the domestic and overseas markets on which company’s performance is dependant. It may be materially influenced by changes in the Government regulations, tax laws, other statutes and other incidental factors on which company may have no control.

ACKNOWLEDGMENT:

Your Directors place on record their appreciation for the continued co-operation extended by its Bankers, Shareholders and employees of the Company

BY ORDER OF THE BOARD
for SAPTARISHI AGRO INDUSTRIES LIMITED

sd/-	sd/-	sd/-	sd/-
Place: Chennai	Dilsher Singh	Dr. R. P. Tewari	Arvind Kalra
Date : 27.05.2013	Managing Director	Director	Director
			Sudhir Singh
			Director

ANNEXURE TO THE DIRECTOR’S REPORT



SAPTARISHI AGRO INDUSTRIES LIMITED

INFORMATION REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, EXPORTS AND FOREIGN EXCHANGE EARNINGS AND OUT GO.

A. CONSERVATION OF ENERGY:

a) During the period under review there was no production of Mushrooms, however company was cautious in conservation of energy as Company's commitment towards energy conservation continued on high priority basis. Company wants to reduce the consumption of electricity by adopting evolving technologies to adapt the present available electricity to its previous level of mushroom production.

b) Total Energy Consumption per unit of production

Details furnished in Annexure herewith – Form A

B. TECHNOLOGY ABSORPTION:

Efforts made in technology absorption

Details furnished herewith – Form B

C. FOREIGN EXCHANGE EARNINGS AND OUT GO:

a) Activities relating to exports Nil.

At present Company is concentrating on Domestic market.

b) Development of export market for products and services.

Due to unavailability of regular power company is not considering any possibility of venturing into export market.

D. EXPORT PLANS:

Company is exploring in possibility of utilizing its spent compost as enriched organic garden manure.

E. TOTAL FOREIGN EXCHANGE USED AND EARNED:

NIL

ADDENDUM TO DIRECTORS REPORT

EXPLANATION TO POINT NO. (a) of the Auditors report basis of qualified opinion : Company has made a proper representation to the Tamil Nadu pollution control board to withdraw this demand as the production activity is halted since February 2011 and there is no fresh demand raised by the department.

EXPLANATION TO POINT NO. (b) of the Auditors report basis of qualified opinion :The balances on account of Trades receivable, Advances to suppliers, Trade payables and Advances to customers. Although the recoverable are subject to confirmation management is confident of recovery of the same.