



Agrinnovate India Limited

ANNUAL REPORT (INCLUDING ANNUAL ACCOUNTS)

2015-16

Corporate Information

Board of Directors :



Dr. Trilochan Mohapatra



Shri Chhabilendra Roul



Shri Sunil Kumar Singh



Shri Ashok Dalwai



Dr. Suresh S. Honnappagol



Dr. Sanjeev Saxena

Chief Executive Officer :

Mr. Ravinderjit Singh Baweja

Chief Financial Officer :

Mr. Avesh Yadav

Company Secretary:

CS Nidhi Godha

Bankers :

Central Bank of India
Udhyog Bhawan, New Delhi

Statutory Auditors :

M/s VSD & Associates
Chartered Accountants
DD-34, Basement, Kalkaji, New Delhi-110019

Registered Office :

G-2, A Block, N.A.S.C. Complex,
DPS Marg, New Delhi -110012
Ph:-011-25842122, 25842124

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Agrinnovate
India

Agrinnovate India Limited (AgIn)

G-2, A Block, NASC Complex, DPS Marg, New Delhi- 110012
CIN: U01400DL2011GOI226486, Email: agrinnovateindia@gmail.com
Ph. 011-25842122, 011-25842124

SHORTER NOTICE OF FIFTH ANNUAL GENERAL MEETING

Notice is hereby given that the Fifth Annual General Meeting of the members of Agrinnovate India Limited will be held on **Wednesday, the 21st of December, 2016 at 10.00 A.M. in 104, D.G.'s Committee Room, Krishi Bhawan, New Delhi** to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2016, Statement of Profit and Loss for the year ending 31.03.2016 and the Report of Directors and Auditors thereon.
2. To fix the remuneration of the Statutory Auditors for the financial year 2016-17.

SPECIAL BUSINESS

3. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Shri Trilochan Mohapatra (DIN: 07556629), Secretary, DARE and Director General (ICAR), who was appointed as Additional Director and Chairman on the Board of Directors of the Company and who holds Office up to the date of this Annual General Meeting under Section 161(1) of the Companies Act, 2013 and in respect of whom, the Company has received a notice in writing, from the Director himself pursuant to the provisions of the Companies Act, 2013, be and is hereby appointed as a Director of the Company”

“**FURTHER RESOLVED** that Mrs. Nidhi Godha, Company Secretary of the company be and is hereby authorized to make necessary compliances and to do all other necessary act as may be required in this matter on behalf of the Company.”

4. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Shri Chhabilendra Roul (DIN: 01003691), Additional Secretary, DARE & Secretary (ICAR), who was appointed as an Additional Director w.e.f. 12th May 2016 and who holds Office up to the date of this Annual General Meeting under Section 161(1) of the Companies Act, 2013 and in respect

of whom, the Company has received a notice in writing, from the Director himself pursuant to the provisions of the Companies Act, 2013, be and is hereby appointed as a Director of the Company”

“**FURTHER RESOLVED** that Mrs. Nidhi Godha, Company Secretary of the company be and is hereby authorized to make necessary compliances and to do all other necessary act as may be required in this matter on behalf of the Company.”

5. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Shri Ashok Dalwai, (DIN: 01945533) Additional Secretary DoAC, who was appointed as an Additional Director w.e.f. 20th August 2016 and who holds Office up to the date of this Annual General Meeting under Section 161(1) of the Companies Act, 2013 and in respect of whom, the Company has received a notice in writing, from the Director himself pursuant to the provisions of the Companies Act, 2013, be and is hereby appointed as a Director of the Company”

“**FURTHER RESOLVED** that Mrs. Nidhi Godha, Company Secretary of the company be and is hereby authorized to make necessary compliances and to do all other necessary act as may be required in this matter on behalf of the Company.”

6. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Dr. Sanjeev Saxena, (DIN: 07545288) ADG (IP&TM), who was appointed as an Additional Director w.e.f. 12th May 2016 and who holds Office up to the date of this Annual General Meeting under Section 161(1) of the Companies Act, 2013 and in respect of whom, the Company has received a notice in writing, from the Director himself pursuant to the provisions of the Companies Act, 2013, be and is hereby appointed as a Director of the Company”

“**FURTHER RESOLVED** that Mrs. Nidhi Godha, Company Secretary of the company be and is hereby authorized to make necessary compliances and to do all other necessary act as may be required in this matter on behalf of the Company.”

By order of the Board of Directors

Place : New Delhi

Dated: 2/12/2016

sd/-

Company Secretary

Notes:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 2. PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE CORPORATE OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS (48 HOURS) BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING. BLANK PROXY FORM IS ENCLOSED.**
3. A Statement setting out the material facts concerning each item of Special Business, pursuant to Section 102(1) of the Companies Act, 2013, is annexed hereto.
4. Members desirous of getting any information on any items of business of this meeting are requested to address their queries to the Company Secretary at the Registered Office of the Company at least ten days prior to the date of the Annual General Meeting, so that the information required can be made available at the time of the meeting.
5. The Register of Directors and Key Managerial Personnel (KMP) and their Shareholding, maintained under Section 170 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection by the Members at the Registered Office of the Company on all working days (except Saturday and Sunday) between 10.00 A.M. to 4.00 P.M and the same will also be available at the time of AGM of the Company at the venue of the meeting.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following explanatory statement sets out the material facts relating to the business mentioned in Item No. 3 of the accompanying Notice

Item No. AGM 5/2:

This Explanatory Statement is provided though strictly not required as per Section 102 of the Act.

Pursuant to Section 139 (5) of Companies Act, 2013, the Auditors of a Government Company are to be appointed/ re-appointed by the Comptroller and Auditor General (C&AG) of India and their remuneration shall be fixed by the company in a General Meeting or in such manner as the company in a General Meeting may determine. In pursuance of the same, C&AG of India had appointed M/s VDS & Associates, New Delhi (Reg. No.: DE1792) were appointed as Statutory Auditors of the Company for the financial year 2014-15 by the C&AG of India at a remuneration of Rs. 42,000/- plus out of pocket expenses.

Nomination of Statutory Auditors for the F. Y. 2016-17 from C & AG is awaited. It is proposed that the Board of Directors may be authorised to appoint and fix the remuneration of the Statutory Auditors as per the nominations of the Comptroller and Auditor General of India.

The Board is requested to consider and pass the following resolution:

“RESOLVED THAT pursuant to the provisions of Section 139(5) of the Companies Act, 2013, the Board of Directors, be and are hereby authorized to appoint the Statutory Auditors of the Company for the year 2016-17 as per the nomination from Comptroller and Auditor General of India.”

“RESOLVED FURTHER THAT pursuant to the provisions of Section 139(5) of the Companies Act, 2013, the Board of Directors, be and are hereby authorized to fix up an appropriate remuneration of the Statutory Auditors of the Company for the year 2016-17 as may be mutually agreed upon between the Board of Directors and the Auditors, plus reimbursement of service tax, out of pocket expenses.”

ITEM NO. AGM 5/3

Shri Trilochan Mohapatra (DIN: 07556629), Secretary, DARE and Director General (ICAR) was appointed as Additional Director and Chairman on the Board of Directors of the Company. Having been so appointed, Shri Trilochan Mohapatra, holds office till the date of this Annual General Meeting by virtue of Section 161 of the Companies Act, 2013 is eligible for re-appointment.

The Board of Directors recommends the resolution for approval of the shareholders.

Memorandum of Interest : Except Shri Trilochan Mohapatra being the appointee, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolution.

ITEM NO. AGM 5/4

Shri Chhabilendra Roul (DIN: 01003691), Additional Secretary, DARE & Secretary (ICAR) was appointed as an Additional Director w.e.f. 12th May 2016 Having been so appointed, Shri Chhabilendra Roul, holds office till the date of this Annual General Meeting by virtue of Section 161 of the Companies Act, 2013 is eligible for re-appointment.

The Board of Directors recommends the resolution for approval of the shareholders.

Memorandum of Interest : Except Shri Chhabilendra Roul, being the appointee, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolution.

ITEM NO. AGM 5/5

Shri Ashok Dalwai, (DIN: 01945533) Additional Secretary DoAC, was appointed as an Additional Director w.e.f. 20th August 2016. Having been so appointed, Shri Ashok Dalwai, holds office till the date of this Annual General Meeting by virtue of Section 161 of the Companies Act, 2013 is eligible for re-appointment.

The Board of Directors recommends the resolution for approval of the shareholders.

Memorandum of Interest : Except Shri Ashok Dalwai being the appointee, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolution.

ITEM NO. AGM 5/6

Dr. Sanjeev Saxena, (DIN: 07545288) ADG (IP&TM), who was appointed as an Additional Director w.e.f. 12th May 2016. Having been so appointed, Dr. Sanjeev Saxena, holds office till the date of this Annual General Meeting by virtue of Section 161 of the Companies Act, 2013 is eligible for re-appointment.

The Board of Directors recommends the resolution for approval of the shareholders.

Memorandum of Interest : Except Dr. Sanjeev Saxena being the appointee, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolution.

By order of the Board of Directors

sd/-
Nidhi Godha
Company Secretary



Agrinnovate India Limited (AgIn)

G-2, A Block, NASC Complex, DPS Marg, New Delhi- 110012
CIN: U01400DL2011GOI226486, Email: agrinnovateindia@gmail.com
Ph. 011-25842122, 011-25842124

PROXY FORM

Regd. Folio No

No. of Shares held

I/We _____ resident of _____
_____ being a member(s) of the Agrinnovate India Limited hereby appoint
_____ S/o _____

R/o _____ or failing him _____

S/o _____ R/o _____

as my/our proxy to vote for me/us on my/our behalf at the Fifth Annual General Meeting of the Company being held on Wednesday, the 21st December 2016 or at any adjournment thereof.

Signed this

Signed by the said

Affix Re. 1/- Revenue Stamp

Note: The proxy in order to be effective should duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than Forty Eight Hours before the time fixed for holding the aforesaid meeting. The Proxy need not be member of the company.

Consent of shareholder for shorter notice
[Pursuant to Section 101(1) & 136 of the Companies act, 2013]

To,
The Board of Directors,
Agrinnovate India Limited
G-2, A Block, NASC Complex, DPS Marg, New Delhi

I/We the undersigned holding _____ Equity Shares of Rs.10/- each fully paid-up in your Company in my/our name as per the details given below, hereby consent pursuant to Section 101(1) of the Companies Act, 2013 to hold Annual General Meeting of the Company on Wednesday, the 21st of December, 2016 at 10.00 A.M. at Room No. 104, D.G.'s Committee Room, Krishi Bhawan, New Delhi by a shorter notice or any adjournment or change thereof:

NAME OF SHAREHOLDER	No. of Equity Shares

Signature

(Name)

Date :

Place :

CHAIRMAN'S REPORT

Dear Members,

I am pleased to present our Annual Report for the year ended 31 March 2016 and welcome you to the Fifth Annual General Meeting of our Company Agrinnovate India Limited (AgIn). Auditors' Report have already been circulated and with your permission, I consider them as read.

The Company is steadily moving towards meeting its objectives and building 'A world of Innovative Partnerships'. The Vision of the company remains to stimulate, foster, enhance and catalyse innovation and capacity driven agricultural development through partnerships.

The company undertook various proposals during the Financial Year 2015-16. ICAR-National Bureau of Plant Genetic Resources (NBPGR) has signed a Memorandum of Agreement (MoA) with M/s DSS Image Tech Private Limited, Delhi, facilitated by Agrinnovate India Limited (AgIn) for transfer of five DNA-based GMO screening technologies. These technologies provide efficient GMO screening tools to check the GM status of a sample irrespective of GM crop/trait, in a rapid/cost-efficient way. Visual and real-time LAMP technologies, when combined with fast DNA extraction method, would facilitate on-site GMO screening in farmers' fields and at ports of entry.

Capacity Building programmes

AgIn also coordinated various training and capacity building programs like a two days Training-cum-demonstration on 'Technical know-how of Aleuritic acid technology' for the two representatives of AnningDecco Fine Chemical Co., Ltd., Kunming, China during 13-14 July 2016 by ICAR – IINRG; West Africa Agricultural Productivity Programme (WAAPP) sponsored trainings on Fish Breeding Technology at Central Institute of Freshwater Aquaculture, Bhubaneswar for 2 Nigerian nationals for 4 months (started on 1.6.2015); Food Science & Technology at Central Institute of Agricultural Engineering, Bhopal for 2 Nigerian nationals for six months (started on 15.6.2015); Seed Technology at Directorate of Seed Research, Mau for 8 Nigerian nationals for 6 months (started on 20.7.2015).

Company's promotional activities

Agrinnovate India Limited in partnership had participated in the Driving Make in India in Food processing event organised by CII, CII Agri Technology and Mechanization Summit 2015: Strengthening Techno-Culture in Agriculture, National Seminar on Governance Reforms for Make-in-India and Sustainable Agriculture Initiatives, Workshop on Sales, Marketing & Business development and their integration with other Corporate Functions and departments, National Summit on Food grain storage in India Technology upgradation, Conference on Innovations in Agriculture mechanization- development of linkages among R&D industry – farmers, etc. wherein some of the technologies, products and solutions of ICAR Institutes were exhibited to key customers, business buyers, investors, scientific community and media at large.

Efforts for standardizing the processes: The Company has also been making efforts in formulating and finalizing Guidelines for commercialization of technologies developed under ICAR and Institutions under National Agricultural Research System (NARS).

The Company has achieved Revenue from operations of Rs. 1,67,10,043 in the Financial Year 2015-16 as against Rs. 48,99,770 in Financial Year 2014-15. The Depreciation registered during the Current Year at Rs. 28,00,119 as against Rs. 15,43,056 for the previous year 2014-15. In the financial

year 2015-16 the Company has earned Net Profit of Rs. 2, 46, 70,104 as against Net Profit of Rs. 2,89,21,501 in Financial Year 2014-15.

The Company needed to invest the surplus funds (post tax amount received on maturity of existing Term Deposits plus amount in Flexi Deposit) of around Rs 58 crores. A Special Committee under the Chairmanship of Sh. Sunil Kumar Singh, Director (AgIn) was formed to invest this amount. 26 Nationalized banks were invited for submitting bids for investment of Rs. 58 Crores in three Term Deposits; one amounting to Rs. 56 Crores and two amounting to Rs. One crore each. Nine bids received were considered for investment. The highest rate of 7.35% p.a. for one year was offered by State Bank of Bikaner and Jaipur, Krishi Bhawan, New Delhi. Hence, it was decided by the Committee that the amount of Rs. 58 Crores be invested with them.

I take this opportunity to express my deep appreciation for the valuable support and guidance given by the present and past Members of the Board from time to time. I also wish to place on record my sincere gratitude for the guidance and cooperation extended by the Department of Agricultural Research and Education, Government of India, ICAR, Agricultural Scientist Recruitment Board, Statutory as well as Internal auditors of the Company, Officials of the C&AG and bankers of the Company.

Thanking you,
Yours truly,

Sd/-
Dr. T. Mohapatra
Chairman
Agrinnovate India Limited

Place: New Delhi

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2015-2016

To,

The Members,
Agrinnovate India Limited

Your directors have pleasure in presenting their Fifth Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31st March, 2016.

Financial Highlights (Standalone and Consolidated)

During the year under review, performance of your company as under:

(Rupees in Lakhs)

S. No.	Particulars	2015-16	2014-15
1.	Revenue from Operation	1, 67, 10,043	48,99,770
2.	Other Income	5,01,99,730	5,09,36,269
3.	Total Expenses	3,00,51,939	1,29,91,210
4.	Gross Profit	3,68,57,834	4,28,44,829
5.	Provision for Tax	1,21,87,729	1,39,23,328
6.	Net Profit After Tax	2, 46, 70,104	2,89,21,501

Balance sheet as at 31st March 2016 and Statement of Profit and Loss for the year ending 31st March 2016 of the Company has been prepared and the same is placed for approval.

Summary of Operations

The Company has achieved Revenue from operations of Rs. 1, 67, 10,043 in the Financial Year 2015-16 as against Rs. 48, 99,770 in Financial Year 2014-15. The Depreciation has registered during the Current Year at Rs. 28, 00,119 as against Rs. 15, 43,056 for the previous year 2014-15. In the financial year 2015-16 the Company has earned Net Profit of Rs. 2, 46, 70,104 as against Net Profit of Rs. 2,89,21,501 in Financial Year 2014-15.

State of Company's Affairs

During the year, the Company undertook the following proposals:

Commercialization: ICAR-National Bureau of Plant Genetic Resources (NBPGR) has signed a Memorandum of Agreement (MoA) with M/s DSS Image Tech Private Limited, Delhi, facilitated by Agrinnovate India Limited (AgIn) on 19th August, 2015 for transfer of five DNA-based GMO screening technologies:

- ◆ Hexaplex PCR targeting six marker genes (aadA, bar, hpt, nptII, pat and uidA)
- ◆ Duplex TaqMan Real-time PCR targeting P-35S and T-nos

- ◆ Visual Loop-mediated Isothermal Amplification (LAMP)-based technology targeting eight transgenic elements (P-35S, T-nos, aadA, nptII, uidA, cry1Ac, cry2Ab, cp4-epsps)
- ◆ Real-time LAMP-based technology targeting eight transgenic elements (P-35S, T-nos, aadA, nptII, uidA, cry1Ac, cry2Ab, cp4-epsps)
- ◆ TaqMan Real-time PCR-based multi-target system covering 47 targets for screening

These technologies provide efficient GMO screening tools to check the GM status of a sample irrespective of GM crop/trait, in a rapid/cost-efficient way. Visual and real-time LAMP technologies, when combined with fast DNA extraction method, would facilitate on-site GMO screening in farmers' fields and at ports of entry.

Capacity Building programs

Technical know-how of Aleuritic acid technology

A two days Training-cum-demonstration on 'Technical know-how of Aleuritic acid technology' was conducted for the two representatives of AnningDecco Fine Chemical Co., Ltd., Kunming, China during 13-14 July 2016 by ICAR - IINRG.

West Africa Agricultural Productivity Programme (WAAPP)

AgIn has facilitated in organizing trainings on

1. Fish Breeding Technology at Central Institute of Freshwater Aquaculture, Bhubaneswar for 2 Nigerian nationals for 4 months (started on 1.6.2015);
2. Food Science & Technology at Central Institute of Agricultural Engineering, Bhopal for 2 Nigerian nationals for six months (started on 15.6.2015);
3. Seed Technology at Directorate of Seed Research, Mau for 8 Nigerian nationals for 6 months (started on 20.7.2015);

Company's promotional activities

Agrinnovate India Limited in partnership had participated in the Driving Make in India in Food processing event organised by CII, CII Agri Technology and Mechanization Summit 2015: Strengthening Techno-Culture in Agriculture, National Seminar on Governance Reforms for Make-in-India and Sustainable Agriculture Initiatives, Workshop on Sales, Marketing & Business development and their integration with other Corporate Functions and departments, National Summit on Food grain storage in India Technology upgradation, Conference on Innovations in Agriculture mechanization- development of linkages among R&D industry – farmers, etc. wherein some of the technologies, products and solutions of ICAR Institutes were exhibited to key customers, business buyers, investors, scientific community and media at large.

Efforts for standardizing the processes: The Company is also making efforts in formulating and finalizing Guidelines for commercialization of technologies developed under ICAR and Institutions under National Agricultural Research System (NARS).

Future Outlook

Our strategic objective is to build a robust organization that remains focused to the needs of the customers & key stakeholders and contribute to the development of agriculture on a sustainable basis.

In order to this, we are focusing on standardizing the processes and policies which would be cascaded to everything we do. This applies to our service and solution offerings and to the operational processes in the company.

Dividend

The directors do not recommend any dividend for the year under consideration.

Amounts Transferred to Reserves

The Board of the company has proposes to carry Rs. 2,46,70,104 to its reserves.

Details of Directors and Key Managerial Personnel

During the year, Shri Trilochan Mohapatra, Secretary, DARE, was appointed as Additional Director and Chairman on the Board of Directors of the Company.

In accordance with Article 93 of the Articles of Association of the Company, Shri Trilochan Mohapatrashall hold office as Additional Director up to the ensuing Annual General Meeting of the Company and is eligible for re-appointment.

Shri Chhabilendra Roul, Additional Secretary, DARE and Secretary, ICAR was appointed as Additional Director and Vice- chairman of the Company.

In accordance with Article 93 of the Articles of Association of the Company, Shri Chhabilendra Roul shall hold office as Additional Director up to the ensuing Annual General Meeting of the Company and is eligible for re- appointment.

Shri Ashok Dalwai, Additional Secretary, DoAC was appointed as Additional Director of the Company. He shall hold office as Additional Director upto the ensuing Annual General Meeting of the Company. His re-appointment is recommended by the Board.

Mr. Avinash K. Srivastava, IAS, Additional Secretary, DoAC was appointed as an Additional Director on the Board of Directors of the Company w.e.f 8/09/2015. But consequent to be promotion and transfer, He had tendered his resignation consequent to his promotion and transfer from Ministry of Agriculture.

Shri P.K. Pujari had tendered his resignation from the Directorship of Agrinnovate India Limited consequent upon his promotion and transfer from Ministry of Agriculture.

Dr. S. Ayyappan, Chairman of the Company, tendered his resignation from the Directorship of Agrinnovate India Limited consequent upon his completing his tenure as the Secretary, DARE & Director General, ICAR.

Shri R. Rajagopal, AS (D) & Secy., ICAR has tendered his resignation from the Directorship of Agrinnovate India Limited consequent upon his promotion and transfer from Ministry of Agriculture

Consequent to his tenure as ADG getting over, Dr. S. Mauria has tendered his resignation from the Board of Directors of the Company.

Dr. P.S. Pandey, Acting ADG, IPTM Unit, ICAR was appointed as Aditonal Director on the Board. However, Dr. P. S. Pandey has tendered his resignation from the Directorship of Agrinnovate India Limited consequent to the regular appointment of ADG (IP&TM) Unit, ICAR.

Dr. Sanjeev Saxena, ADG (IP&TM) was appointed as Additional Director on the Board of Directors. He shall hold office as Additional Director upto the ensuing Annual General Meeting of the Company. His re- appointment is recommended by the Board.

The Board places on record its gratitude for the outstanding contribution made by Dr. S. Ayyappan, Avinash K. Srivastava, Shri P. K. Pujari, Shri R. Rajagopal, Dr. S. Mauria and Dr. P.S. Pandey during their tenure with the Company.

Key Managerial Personnel

There have been no changes in the Key Managerial Personnel.

Number of Board Meetings

During the Financial Year 2015-16, following meetings of the Board of Directors of the company were held, details of which are given below:

Date of the meeting	No. of Directors attended the meeting
8.05.2015	4
8.09.2015	6
15.10.2015	3

Declaration by Independent Director

Declaration from Independent Directors shall be taken as and when they are appointed and the same shall be disclosed in the Director's Report.

Extract of Annual Return

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return in Form MGT -9 is Annexed with the Report.

Statutory Auditors, their Report and Notes to Financial Statements

M/s. VSD& Associates, Chartered Accountants had been appointed as Statutory Auditors of the Company for the F.Y. 2015-16. M/s S. P. Chopra & Co. Chartered Accountants, Delhi were appointed as Internal Auditors of the Company for the year 2015-16.

The report of the Statutory Auditors along with notes to Schedules is enclosed to this report.

There are no observations or qualifications or adverse remarks in the Auditors' Report which need further comments/ clarifications and the Notes to Accounts are self-explanatory and there is no need to give any further remarks.

Further, Pursuant to Section 619(2) read with Section 224 (8) (aa) of the Companies Act, 1956, the Auditors of a Government Company shall be appointed or re appointed by the Comptroller and Auditor General (C&AG) of India and their remuneration has to be fixed by the Company in the Annual General Meeting. The appointment of Statutory Auditors of the Company for the year 2016-2017 is awaited from C&AG of India. The General Meeting may authorize the Board to fix up an appropriate remuneration of Auditors for the year 2015-2016 after taking into consideration the increase in volume of work and prevailing inflation.

Secretarial Audit Report

In terms of Section 204 of the Act and Rules made there under, M/s. Arunesh Dubey & Co., Company Secretaries, New Delhi, have been appointed Secretarial Auditors of the Company.

The report of the Secretarial Auditors is enclosed with this report.

With reference to Secretarial Auditor's remarks, directors would like to state that it has been commented that Pursuant to section 149 and Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014, the company has not yet appointed any Independent Director.

In this regard, the Directors would like to state that the Company has initiated the process of appointment of Independent Directors.

Apart from the above, there are no observations or qualifications or adverse remarks in the Auditors' Report which need further comments/ clarifications and are self-explanatory and there is no need to give any further remarks.

Particulars of Contracts or Arrangements with Related Parties

The Company has not entered into any contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2015-16.

Material Changes Affecting the Financial Position of the Company

The Company had started its functioning from its corporate office premises at G-2, A Block, N.A.S.C. Complex, DPS Marg, New Delhi-110012 since October 2014.

The address of situation of the registered office is very important from general public, shareholders, customers and various points of views. Thus, the Board of the company had decided to shift the registered office of the Company from Room No. 402, Krishi Bhawan, New Delhi to G-2, A Block, N.A.S.C. Complex, DPS Marg, New Delhi-110012 w.e.f. 8.09.2015.

There have been no other material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of the report.

Audit Committee

The Audit Committee was reconstituted during the year. The Audit Committee comprises of the following members:

- a) Mr. Sunil Kumar Singh—Chairman
- b) Dr. S.S. Honnappagol—Member
- c) Dr. Sanjeev Saxena—Member

The Audit Committee shall have an oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible; review with the management, the annual financial statements before submission to the Board for approval; review the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit; have discussion with Internal Auditors, any significant findings and follow up thereon, etc.

Nomination & Remuneration Committee

Your Board had reconstituted a Nomination and Remuneration Committee comprising of

1. Dr. S.S. Honnappagol, Director.
2. Dr. Sanjeev Saxena, Director.

The Nomination and Remuneration Committee has been entrusted with the responsibility to formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the board a policy, relating to the remuneration for the directors, key managerial personnel and other employees; to ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets performance benchmarks, and involves a balance between fixed and incentive pay; To carry out evaluation of every director's performance and recommend to the board his/her appointment and removal based on the performance, etc.

Particulars of Loan, Guarantees and Investments under Section 186:

Details of Loans:

SL No	Date of making loan	Details of Borrower	Amount	Purpose for which the loan is to be utilized by the recipient	Time period for which it is given	Date of BR	Date of SR (if reqd)	Rate of Interest	Security
				NIL					

Details of Investments:-

SL No	Date of investment	De-tails of Investee	Amount	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Date of BR	Date of SR (if reqd)	Expected rate of return
			NIL				

Details of Guarantee / Security Provided:

SL No	Date of providing security/ guarantee	Details of recipient	Amount	Purpose for which the security/guarantee is proposed to be utilized by the recipient	Date of BR	Date of SR (if any)	Com-mission
			NIL				

Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under:

a) Conservation of Energy:

Steps taken for conservation	NA
Steps taken for utilizing alternate sources of energy	NA
Capital investment on energy conservation equipments	NA

b) Technology Absorption:

Efforts made for technology absorption	NA
Benefits derived	NA
Expenditure on Research & Development, if any	NA
Details of technology imported, if any	NA
Year of import	NA
Whether imported technology fully absorbed	NA
Areas where absorption of imported technology has not taken place, if any	NA

c) Foreign Exchange Earnings/ Outgo:

Earnings	Rs. 1,54,10,043/-
Outgo	Nil

Internal financial controls

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company.

Deposits

Your Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

Corporate Social Responsibility (CSR) Policy

During the year, your directors have reconstituted the Corporate Social Responsibility (CSR Committee) comprising Shri Chhabilendra Roul, as the Chairman and Dr. Sanjeev Saxena and Chief Executive Officer of the Company as other members.

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

Directors Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) 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 as at 31st March, 2016 and of the profit /loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

Acknowledgment

Your Directors place on record their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

Your directors take this opportunity to express their deep appreciation for the valuable support and guidance given by the present and past Members of the Board from time to time. I also wish to place on record my sincere gratitude for the guidance and cooperation extended by the Department of Agricultural Research and Education, Government of India, ICAR, Agricultural Scientist Recruitment Board, Statutory as well as Internal auditors of the Company, Officials of the C&AG and bankers of the Company.

For and on behalf of the Board of Directors

PLACE : DELHI

DATE : 15/09/2016

Sd/-

(Trilochan Mohapatra)

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2016
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

i	CIN	U01400DL2011GOI226486
ii	Registration Date	19/10/2011
iii	Name of the Company	AGRINNOVATE INDIA LIMITED
iv	Category/Sub-category of the Company	Government Public Company
v	Address of the Registered office & contact details	G-2,A Block, N.A.S.C. Complex, DPS Marg, New Delhi
vi	Whether listed company	No
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

S. N.	Main Activity group code	name and Description of main Activity	Business Activity Code	Description of Business Activity	% to total turnover of the company
1	A	Agriculture	A 4	To do protection and management of intellectual properties generated in the system and its commercialization/ distribution for public benefits	0 %
2	A	Agriculture	A 4	To do production, marketing, popularization of Indian Council of Agricultural Research (ICAR's) products processes and technologies in agriculture and allied sectors, viz. seed, planting material, vaccines, diagnostics, several other biotechnological products, other value added inputs and products, farm implements and machinery, other technologies etc.	7.7 %
3	M	Professional, Scientific and Technical	M3	To provide professional extension of skilled services from ICAR, such as consultancies, contract research, contract service, customized capacity building, etc.	92.3%

4	A	Agriculture	A4	To setup research and production farms outside India, especially in Africa and in the Asia- Pacific region. To build as part of culture building initiatives global brand building initiatives through various workshops and progress.	0%
5	M	Professional, Scientific and Technical	M3	To providing technical support for turnkey projects on production and processing plants in different sectors, viz. agriculture engineering, etc.	0%
6	A	Agriculture	A4	To create public-private partnerships in research, education and other capacity building in agriculture and allied sectors	0%
7	M	Professional, Scientific and Technical	M3	To carry activities to integrate proficiencies in agriculture sciences with management, such as market intelligence, pricing and valuation issues, to nurture demand-driven research.	0%

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	NIL				

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	De-mat	Physical	Total	% of Total Shares	De-mat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian			NIL				NIL		
a) Individual/HUF	NIL	60	60	0	NIL	60	60	0	
b) Central Govt. or State Govt.	NIL	4,99,99,940	4,99,99,940	100	NIL	4,99,99,940	4,99,99,940	100	NIL
c) Bodies Corporates			NIL				NIL		
d) Bank/FI			NIL				NIL		
e) Any other			NIL				NIL		

SUB TO-TAL: (A) (1)								
(2) Foreign								
a) NRI- Individuals			NIL			NIL		NIL
b) Other Individuals			NIL			NIL		
c) Bodies Corp.			NIL			NIL		
d) Banks/FI			NIL			NIL		
e) Any other...			NIL			NIL		
SUB TO-TAL (A) (2)								
Total Share-holding of Promoter (A)= (A) (1)+(A)(2)								
B. PUBLIC SHARE-HOLDING								
(1) Institutions								
a) Mutual Funds			NIL			NIL		NIL
b) Banks/FI			NIL			NIL		
c) Cenntal govt.			NIL			NIL		
d) State Govt.			NIL			NIL		
e) Venture Capital Fund			NIL			NIL		
f) Insurance Companies			NIL			NIL		
g) FIIS			NIL			NIL		
h) Foreign Venture Capital Funds			NIL			NIL		
i) Others (specify)			NIL			NIL		
SUB TO-TAL (B)(1):								
(2) Non Institutions								
a) Bodies corporates			NIL			NIL		NIL

i) Indian			NIL				NIL		
ii) Overseas			NIL				NIL		
b) Individuals			NIL				NIL		
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs			NIL				NIL		
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs			NIL				NIL		
c) Others (specify)			NIL				NIL		
SUB TOTAL (B)(2):									
Total Public Shareholding (B)= (B)(1)+(B)(2)			NIL				NIL		NIL
C. Shares held by Custodian for GDRs & ADRs			NIL				NIL		NIL
Grand Total (A+B+C)			5,00,00,000				5,00,00,000		NIL

B) SHARE HOLDING OF PROMOTERS

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
President of India through Mr. Harihar Mishra	4,99,99,940	99.99988	Nil	49999940	99.99988	Nil	Nil
Mrs. Niranjan Kaur	10	0.00002	Nil	Nil	0.00002	Nil	Nil

Alka Ahuja	10	0.00002	NIL	10	0.00002	NIL	NIL
Vijay Singh	10	0.00002	NIL	10	0.00002	NIL	NIL
Vinod Kumar Singh	10	0.00002	NIL	10	0.00002	NIL	NIL
Sh. Ravinesh Kumar	10	0.00002	Nil	10	0.00002	NIL	NIL
Sh. Jitendra Mishra	10	0.00002	Nil	10	0.00002	NIL	Nil

CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
At the beginning of the year	5,00,00,000	100	5,00,00,000	100
Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	No Change			
At the end of the year	5,00,00,000	100	5,00,00,000	100

Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

	Shareholding at the end of the year		Cumulative Shareholding during the year	
	No.of shares	% of total shares of the company	No. of shares	% of total shares of the company
For Each of the Top 10 Shareholders				
At the beginning of the year	NIL			
Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	NIL			
At the end of the year (or on the date of separation, if separated during the year)	NIL			

Shareholding of Directors & KMP

Nil

For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No of shares	% of total shares of the company
At the beginning of the year	Nil			
Date wise increase/ decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)				
At the end of the year	NIL			

V. INDEBTEDNESS Not Applicable

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	
ii) Interest due but not paid	NIL	NIL	NIL	
iii) Interest accrued but not due	NIL	NIL	NIL	
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
Additions	NIL	NIL	NIL	
Reduction	NIL	NIL	NIL	
Net Change			NIL	
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	
ii) Interest due but not paid	NIL	NIL	NIL	
iii) Interest accrued but not due	NIL	NIL	NIL	
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager: Not Applicable

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	N.A			
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	N.A			
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N.A			
2	Stock option	N.A			
3	Sweat Equity	N.A			
4	Commission as % of profit others (specify)	N.A			
5	Others, please specify	N.A			
	Total (A)	N.A			
	Ceiling as per the Act				

B. Remuneration to other directors: Not Applicable

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors				
	(a) Fee for attending board committee meetings	NIL	NIL	NIL	
	(b) Commission	NIL	NIL	NIL	
	(c) Others, please specify	NIL	NIL	NIL	
	Total (1)				
2	Other Non Executive Directors				
	(a) Fee for attending board committee meetings	NIL	NIL	NIL	
	(b) Commission	NIL	NIL	NIL	
	(c) Others, please specify.	NIL	NIL	NIL	
	Total (2)				
	Total (B)=(1+2)				
	Total Managerial Remuneration	NIL	NIL	NIL	
	Overall Ceiling as per the Act.				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	13,61,895	11,05,875	Nil	25,49,406
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		NIL	NIL	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	NIL	NIL	NIL	
2	Stock Option	NIL	NIL	NIL	
3	Sweat Equity	NIL	NIL	NIL	
4	Commission as % of profit others, specify	NIL	NIL	NIL	
5	Others, please specify	NIL	NIL	NIL	
	Total				

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				
B. DIRECTORS					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				

Agrinnovate India Limited
CIN :U01400DL2011GOI226486
Balance Sheet as at March 31, 2016

(Figures in Rupees)

	Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
I.	EQUITY AND LIABILITIES			
(1)	SHAREHOLDERS' FUND			
	(a) Share Capital	2	50,00,00,000	50,00,00,000
	(b) Reserves & Surplus	3	10,81,28,484	8,34,58,380
(2)	CURRENT LIABILITIES			
	(a) Other Current Liabilities	4	29,00,600	36,27,155
	(b) Provisions	5	25,16,201	16,36,506
	TOTAL		61,35,45,285	58,87,22,041
II.	ASSETS			
(1)	NON-CURRENT ASSETS			
	(a) Fixed Assets:			
	(i) Tangible Assets	6	68,11,925	94,25,941
	(ii) Intangible Assets		-	-
	(b) Deferred Tax Assets (Net)	15	10,77,049	8,68,540
(2)	CURRENT ASSETS			
	(a) Trade Receivables	7	7,85,400	10,47,200
	(b) Cash and Bank Balances	8	60,23,69,256	57,59,87,753
	(c) Other Current Assets	9		13,92,607
	Significant Accounting Policies and Notes to the Accounts	1	25,01,655	
	TOTAL		61,35,45,285	58,87,22,041

As per our report of even date attached

For Agrinnovate India Limited

For V S D & Associates

Chartered Accountants

Firm Registration No : 008726N

Sd/-
Chhabilendra Roul
Additional Director
DIN: 01003691

Sd/-
Trilochan Mohapatra
Additional Director
DIN: 07556629

Sd/-
Partner: Ankit Garg
M.No.: 515099

Place : New Delhi
Date : 15-09-2016

Sd/-
Nidhi Godha
Company Secretary

Sd/-
Avesh Yadav
Chief Financial Officer

Agrinnovate India Limited
CIN :U01400DL2011GOI226486

Statement of Profit & Loss for the year ended on March 31, 2016

(Figures in Rupees)

	Particulars	Note No.	For the year ended on March 31, 2016	For the year ended on March 31, 2015
I.	Revenue from Operation	10	1,67,10,043	48,99,770
II.	Other Income	11	5,01,99,730	5,09,36,269
III.	TOTAL REVENUE (I+II)		6,69,09,773	5,58,36,039
IV.	Expenses			
	Employee Benefit Expenses	12	72,99,814	37,97,287
	Depreciation	6	28,00,119	15,43,056
	Other Expenses	13	1,98,90,402	75,80,005
	Finance Expenses	14	61,604	70,862
V	TOTAL EXPENSES		3,00,51,939	1,29,91,210
V.	PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)		3,68,57,834	4,28,44,829
VI.	Exceptional Items		-	-
VII.	PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX		3,68,57,834	4,28,44,829
VIII.	Extraordinary Items		-	-
IX.	PROFIT BEFORE TAX		3,68,57,834	4,28,44,829
X.	Tax Expense:			
	Tax expenses related to previous year			
	(1) Current Tax		1,22,11,061	1,35,09,467
	(2) Deferred Tax	15	(2,08,509)	4,24,611
	(2) Prior Period Tax Adjustment		1,85,177	(10,750)
XI.	PROFIT FOR THE PERIOD FROM CONTINUING OPERATION (VII-VIII)		2,46,70,104	2,89,21,501
XII.	Profit from Discontinuing Operation		-	-
XIII.	Tax Expense of Discontinuing Operation		-	-
XIV.	PROFIT FROM DISCONTINUING OPERATION AFTER TAX (XII-XIII)		-	-
XV.	PROFIT FOR THE PERIOD (XI+XIV)		2,46,70,104	2,89,21,501
XVI.	BASIC AND DILUTED EARNING PER SHARE (IN RS.)		0.49	0.58
	Significant Accounting Policies and Notes to the Accounts	1		

As per our report of even date attached

For V S D & Associates
Chartered Accountants
Firm Registration No : 008726N

For Agrinnovate India Limited

Sd/-
Chhabilendra Roul
Director
DIN: 01003691

Sd/-
Trilochan Mohapatra
Director
DIN: 07556629

Sd/-
Partner: Ankit Garg
M.No.: 515099

Place : New Delhi
Date : 15-09-2016

Sd/-
Nidhi Godha
Company Secretary

Sd/-
Avesh Yadav
Chief Financial Officer

Agrinnovate India Limited
CIN :U01400DL2011GOI226486

Cash Flow Statement for the year ended on March 31, 2016

(Figures in Rupees)

Particulars	For the year ended on March 31, 2016	For the year ended on March 31, 2015
A. Cash flow from operating activities		
Net Profit / (Loss) before tax	3,68,57,834	4,28,44,829
<i>Adjustments for:</i>		
Depreciation	28,00,119	15,43,056
Interest income	(5,01,86,016)	(5,09,33,533)
Operating profit / (loss) before working capital changes	(1,05,28,063)	(65,45,648)
<i>Changes in working capital:</i>		
Adjustments for (increase) / decrease in operating assets:		
Trade Receivable	(2,61,800)	(8,47,200)
Other Current Assests	(498)	(1,08,021)
Adjustments for increase / (decrease) in operating liabilities:		
Other current liabilities	2,63,718	(9,76,188)
Short-term provisions	8,79,695	15,33,601
Net income tax (paid) / refunds	(1,35,04,789)	(1,51,30,231)
Net cash flow from / (used in) operating activities (A)	(2,26,28,137)	(2,18,57,645)
B. Cash flow from investing activities		
Capital expenditure on fixed assets	(1,86,104)	(1,02,21,272)
Interest On Fixed Deposits	5,01,86,016	5,09,33,533
Fixed Deposits	(1,91,09,063)	(2,14,81,639)
Creditors for Fixed Assets	(9,90,273)	9,90,273
Net cash flow from / (used in) investing activities (B)	2,99,00,577	2,02,20,895
C. Cash flow from financing activities	-	-
Net cash flow from / (used in) financing activities (C)	-	-
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	72,72,440	(16,36,750)
Cash and cash equivalents at the beginning of the year	68,05,744	84,42,494
Cash and cash equivalents at the end of the year	1,40,78,184	68,05,744

As per our report of even date attached
For V S D & Associates
Chartered Accountants
Firm Registration No : 008726N

For Agrinnovate India Limited

Sd/-
Chhabilendra Roul
Additional Director
DIN: 01003691

Sd/-
Trilochan Mohapatra
Additional Director
DIN: 07556629

Sd/-
Partner: Ankit Garg
M.No.: 515099

Place : New Delhi
Date : 15-09-2016

Sd/-
Nidhi Godha
Company Secretary

Sd/-
Avesh Yadav
CFO

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO ACCOUNTS FOR THE YEAR ENDED March 31, 2016

Note No. 1

(I) Corporate Information

- (a) The Company was incorporated on 19th October, 2011. The Company is a 100% Government of India Company under Department of Agriculture Research & Education, Ministry of Agriculture.
- (b) Mr Avesh Yadav is an employee of ICAR looking after the affairs of the Company. No payment is made either to them or ICAR in this respect.
- (c) The Authorized Share Capital of the company is Rs. 100 Crores whereas the Issued, Subscribed and Paid up Share Capital is Rs. 50 Crores.

(II) SIGNIFICANT ACCOUNTING POLICIES

(A) Basis of preparation of Financial Statements: These Financial Statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, as applicable to going concern, on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to extent notified). The accounting policies have been consistently applied by the Company and are consistent with those used in previous year.

(B) Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosure thereof at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which results materialize.

(C) Revenue Recognition

1. Policy for Interest Income

Revenue from interest on fixed deposit & Flexi Deposit Account is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

2. Policy for Royalty Income

Royalties is accrued and recognized on due basis as per licensing agreement

3. Policy for License Fees

License fees is recognized when the complete technical knowhow, demonstration and training of the particular license is provided to the licensee as per licensing agreement. Corresponding Expenses for assigning licence as ben presented as cost of license (Expenses)

4. Policy for Training Programme

Revenue from conducting the training programme is recognized on completion of the respective training.

- (D) Contingent Liability & Provision:** A provision is recognised when the company has a present obligation as a result of past events and it is possible that an outflow of resources will be required to settle the obligation, in respect of which reliable estimates can be made. Provisions are not discounted to its present value and are determined based on estimate required to settle the obligation at the balance sheet date these are reviewed at each balance sheet date and adjusted to reflect best estimates. During the financial year, Contingent Assets/ Liabilities are neither recognised nor disclosed in the financial statements.
- (E) Fixed Assets:** Fixed Assets are shown at historical cost less accumulated depreciation. The cost includes any cost attributable of bringing the assets to its working condition for its intended use.
- (F) Depreciation:** Depreciation on tangible assets is provided on the Written Down Value Method over the Useful life of the Assets in accordance with schedule II to the Companies Act 2013. Depreciation for asset purchased/sold during the year is charged on pro-rata basis.
- (G) Current Tax And Deferred Tax:** Income Tax expenses comprises current Income Tax (Amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) is determined in accordance with Accounting Standard-22 of the Institute of Chartered Accountants of India. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially established by the Balance Sheet date.
- Deferred Tax Assets are recognized and carry forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.
- (H) Earnings Per Share:** The earnings considered in ascertaining the Company's EPS comprises the net profit after tax and includes the post-tax effect of any extraordinary items. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.
- (I) Foreign Currency Transactions:** Transactions in foreign currency are recorded in terms of the Accounting Standard 11 (Revised 2003) – “The effects of changes in Foreign Exchange Rates” prescribed under The Companies (Accounting Standards) Rules, 2006 at the exchange rates prevailing on the dates of the transaction. Net exchange gain or loss resulting in respect of foreign exchange transactions settled during the period is recognized in the Statement of Profit & Loss.
- Assets and liabilities relating to transactions involving foreign currency are converted at the exchange rates prevailing at the year end. Any loss or gain arising out of conversion is adjusted to Statement of Profit & loss, in case of monetary items.
- (J) Provision for Retirement Benefits:** The provisions of Provident Fund and ESIC are not applicable to the company. Since none of the employee of the company is covered under the provisions of the Gratuity Act, 1972, hence no provision has been made in respect of the gratuity for the year ended 31st March 2016.

NOTES TO ACCOUNTS

2. SHARE CAPITAL

Particulars	As at 31.03.2016	As at 31.03.2015
Authorized 1000,00,000 Equity Shares of Rs.10 each.	1,00,00,00,000	1,00,00,00,000
Issued, Subscribed and Paid Up 500,00,000 Equity shares of Rs. 10 each fully paid up.	50,00,00,000	50,00,00,000

Reconciliation of Number of Shares at the beginning and at the end of the period:

Number of shares at the beginning of the period	5,00,00,000	5,00,00,000
Add: Shares issued during the period	-	-
Less: Shares bought back during the year	-	-
Number of shares at the end of the period	5,00,00,000	5,00,00,000

Shareholders holding more than 5% of the shares:

Name	% of Shares	Number of Shares held as at 31.03.2016	Number of Shares held as at 31.03.2015
President of India, Government of India	100.00	5,00,00,000	5,00,00,000
		5,00,00,000	5,00,00,000

3. RESERVES AND SURPLUS

Particulars	Opening Balance as at 01.04.2015	Additions during the period	Appropriations / Adjustments during the period	Appropriations / Adjustments during the period
Statement of Profit and Loss	8,34,58,380	2,46,70,104	-	10,81,28,484

4. OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2016	As at 31.03.2015
Statutory Dues Payable	1,72,525	1,50,546
Other Liabilities	26,28,075	11,82,225
Stale Cheque Liabilities	-	12,44,111
Security Deposit	1,00,000	10,50,273
	29,00,600	36,27,155

5. PROVISIONS

Particulars	As at 31.03.2016	As at 31.03.2015
Provision for Expenses	7,60,177	4,05,482
Provision for Sharing of ICAR in Licence Fees	17,56,024	12,31,024
	25,16,201	16,36,506

6. FIXED ASSETS AS ON 31/03/2016

Sr. No	Particulars	Useful Life	Gross Block			Depreciation			Net Block			
			Balance as at 1.04. 2015	Addition during the year	Deletion during the year	Value at the end	Value at the Beginning	Addition during the year	Deletion during the year	Value at the end	WDV as at March 31, 2015	WDV as at March 31, 2016
	Tangible Assets											
1	Computers & Accessories	3	7,52,815	1,70,354	-	9,23,169	4,50,971	2,63,005	-	7,13,976	3,01,844	2,09,193
2	Furniture and Fixture	10	44,19,504	-	-	44,19,504	5,01,714	10,15,254	-	15,16,968	39,17,790	29,02,536
3	Office Equipment	5	27,81,868	15,750	-	27,97,618	4,98,228	10,36,578	-	15,34,806	22,83,640	12,62,812
4	Electric Installation and Equipment	10	13,97,560	-	-	13,97,560	1,30,836	3,27,911	-	4,58,747	12,66,724	9,38,813
5	Building	30	17,14,880	-	-	17,14,880	58,938	1,57,371	-	2,16,309	16,55,943	14,98,571
	Intangible Assets											
6	Software	1	1,11,438	-	-	1,11,438	1,11,438	-	-	1,11,438	-	-
	TOTAL		1,11,78,065	1,86,104	-	1,13,64,169	17,52,125	28,00,119	-	45,52,244	94,25,941	68,11,925
	Previous Year		9,56,793	1,02,21,272	-	1,11,78,065	2,09,069	15,43,056	-	17,52,125	7,47,724	94,25,941

* During the financial year 2014-2015 the company has spent an amount of Rs. 17, 14,880/- on the construction and renovation of the leasehold premises (taken on lease from ICAR) which has been capitalised under Building.

NOTES TO ACCOUNTS

7. TRADE RECEIVABLE

Particulars	As at 31.03.2016	As at 31.03.2015
Secured, Considered good : -		
Unsecured, Considered Good : -	-	-
More Than Six Month	7,85,400	10,47,200
Others	7,85,400	10,47,200

8. CASH AND BANK BALANCES

Particulars	As at 31.03.2016	As at 31.03.2015
Cash & Cash Equivalents		
Balance with Banks	1,40,77,351	68,05,744
Cheque in Hand	833	-
Cash in hand	-	-
	1,40,78,184	68,05,744
Other Bank Balances		
Fixed Deposit (Short term)	55,00,00,000	53,00,00,000
Add: Interest Accrued	3,82,91,072	3,91,82,009
	58,82,91,072	56,91,82,009
	60,23,69,256	57,59,87,753

9. OTHER CURRENT ASSETS

Particulars	As at 31.03.2016	As at 31.03.2015
Prepaid Rent & Allied Charges and others	26,713	26,215
Advance Tax paid (net of Provisions)	24,74,942	13,66,391
	25,01,655	13,92,606

10. REVENUE FROM OPERATION

Particulars	For the year ended on March 31, 2016	For the year ended on March 31, 2015
License fee	13,00,000	17,58,606
Training Programme Income	1,54,10,043	31,41,164
	1,67,10,043	48,99,770

NOTES TO ACCOUNTS

11. Other Income

Particulars	For the year ended on March 31, 2016	For the year ended on March 31, 2015
Interest on Fixed Deposit	4,85,01,950	4,95,56,505
Interest on Sweep Account	16,84,066	13,77,028
Consultancy Income	13,264	-
Sale of Tender	400	1,500
Miscellaneous	50	1,236
	5,01,99,730	5,09,36,269

12. EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended on March 31, 2016	For the year ended on March 31, 2015
Salary:		
-To Permanent Employee	25,49,406	32,94,929
-To Contract Employee	25,36,093	5,02,358
-To Employees employed through agency	21,80,715	-
Training of Staff	3,600	-
Reimbursement of Mobile expenses	30,000	-
	72,99,814	37,97,287

13. OTHER EXPENSES

Particulars	For the year ended on March 31, 2016	For the year ended on March 31, 2015
Other Direct Expenses:		
Cost of License Fees	9,10,000	12,31,024
Training Program Expense	1,35,79,684	22,23,112
License Fee (Share Payments)	-	4,29,664
	1,44,89,684	38,83,800
Other Indirect Expenses:		
Administrative Expenses	1,25,651	2,41,894
Printing & stationery	3,17,919	1,00,398
Common Service Charges	8,65,581	9,48,533
Maintenance Expenses(Office)	7,77,512	-
Rent & Allied Charges	1,74,804	1,74,804

Telephone Expenses -Office	92,547	71,174
Travelling Expenses	3,42,030	36,376
Advertisement	1,06,787	19,195
Seminar Charges Paid to FICCI	40,000	4,12,586
Subscription Fee	22,579	5,618
Internal Audit Fees	51,750	89,607
Statutory Audit Fees	42,400	23,000
Secretarial Audit Fee	84,668	-
Professional Fee	7,09,912	1,73,170
Electricity Charges	5,13,725	1,97,393
Miscellaneous Expenses	3,16,663	7,65,135
Software Expenses	-	58,800
Vehicle Expenses	8,16,190	3,78,522
	1,98,90,402	75,80,005

14. FINANCE EXPENSES

Particulars	For the year ended on March 31, 2016	For the year ended on March 31, 2015
Interest on TDS	497	1,350
Interest on Tax	-	67,307
Interest on Service Tax	60,742	-
Bank Charges	365	2,205
	61,604	70,862

15. Deferred Tax Assets as at 31st March 2016

(Figures in Rupees)

Particulars	For the year ended on March 31, 2016	For the year ended on March 31, 2015
1. On account of Preliminary Expenses	-	13,49,159
2. On account of carried forward loss	13,89,066	13,89,066
3. On account of WDV: -		
As per companies Act	68,11,925	94,25,941
As per Income Tax	87,42,473	93,64,680
Excess of income Tax over Companies Act	(19,30,548)	61,262
Total	33,19,614	26,76,963
Deferred Tax Assets @ 32.445%	10,77,049	8,68,541
Recognized in statement of Profit & Loss	(2,08,509)	4,24,611

16. Earning in Foreign Currency

Particulars	Amount for the Year ended 31/03/2016	Amount for the Year ended 31/03/2015
Training Programme Income	Rs. 1,54,10,043/-	Rs. 31,41,164/-

17. Related Party Transactions

There is no such transactions with related party which are required to disclose in accordance with Accounting Standard (AS-18) issued by ICAI.

18. Previous year figures have been regrouped, reworked, rearranged and reclassified wherever Necessary to render them comparable with current year figures.

19. Earnings Per Share

Pursuant to accounting standard - 20, "Earning per share", issued by ICAI, the value of EPS is calculated as below:

Particulars	Amount (Rs.) F.Y. 2015-16	Amount (Rs.) F.Y. 2014-15
BASIC EARNING PER SHARE		
Net profit attributable to Equity Shareholders	24670104	28921501
Weighted average number of Equity Share	50000000	50000000
Basics earning per share	0.49	0.58
DILUTED EARNING PER SHARE		
Net profit attributable to Equity Shareholders	24670104	28921501
Weighted average number of Equity Share (including potential equity share)	50000000	50000000
Diluted Earnings per share	0.49	0.58

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Agrinnovate India Limited,
New Delhi

Report on the Financial Statements

We have audited the accompanying financial statements of **Agrinnovate India Limited** ("the Company") which comprise the Balance Sheet as at 31 March, 2016 and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

The company's management is responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note of audit of Internal financial reporting issued by the institute of Chartered Accountant of India. These responsibilities include the design, implementation and maintenance of adequate internal financial control that were operation effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information as required under the companies act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit and to express an opinion on the company's internal financial controls over financial reporting based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and guidance notes on audit of Internal Financial controls over financial reporting. 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 and

whether adequate internal controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements and adequacy of the internal financial controls system over financial reporting and their operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company ; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected .Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements and cash flow statement 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, of the state of affairs of the Company as at 31 March, 2016, and its profits and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure-A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit & Loss and the Cash flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31 March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) In our opinion considering nature of business, size of business and organizational structure of the entity, the company has, in all material respects, an adequate internal financial controls over financial reporting were operating effectively as at 31st March, 2016 based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note on audit of Internal financial controls over financial reporting issued by the institute of Chartered Accountant of India.
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 3 A report on the matters as per the Directions/Sub-directions issued by the C&AG u/s 143(5) of the Companies Act, 2013 is attached herewith as "**Annexure-B**".

Place : New Delhi
Dated:15-09-2016

for VSD & Associates
Chartered Accountants
F.R.No.008726N

Sd/-
(Ankit Garg)
M.No.515099
Partner

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in our Independent Auditor’s Report of even date to the members of the Company on the financial statements for the year ended 31 March, 2016, we report that:

- i) 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 during the year. No material discrepancies were noticed on such verification.
 - c) The company does not have any immovable property.
- ii) The company has not dealt with any inventory during the year. Therefore, reporting under paragraph 3(ii) of the order is not applicable to the company.
- iii) The Company has not granted interest free unsecured loan to the parties covered in the register maintained under Section 189 of the Companies Act, 2013 (“the Act”) and accordingly, reporting under paragraph 3(iii)(a), 3(iii)(b) & 3(iii)(c) of the order is not applicable to the company.
- iv) During the year the Company has not given any loans, guarantees, and security covered under section 185 and 186 therefore reporting under paragraph 3(iv) of the order is not applicable to the company.
- v) The company has not accepted any deposits during the year. Therefore, reporting under Paragraph 3(v) of the order is not applicable to the company.
- vi) In our opinion and according to the information provided to us, the Central Government has not prescribed for the maintenance of cost records by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 under Section 148(1) (d) of the Companies Act, 2013.
- vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is regular in depositing undisputed statutory dues including income-tax, service Tax, and any other statutory dues to the appropriate authorities.

According to the information and explanations given to us, no undisputed material amounts payable in respect of Income Tax, Service Tax and other material statutory dues were in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.

 - b) There is no disputed amount payable in case of Income Tax, Service Tax, and other material statutory dues, as applicable.
- viii) As per the records of the company and according to the information & explanations given to us, the company did not owe any amount to any financial institution or bank or debenture holders during the financial year ended 31st March 2016. Accordingly, reporting under Paragraph 3 (viii) of the Order is not applicable to the Company
- ix) During the year the Company has not raised any funds through Initial/Further Public offer (including debt instruments) or term loans during the year. Therefore, reporting under Paragraph 3(ix) of the order is not applicable to the company.
- x) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit. Therefore, reporting under Paragraph 3(x) of the order is not applicable to the company.

- xi) As per the records of the company and according to the information and explanations given to us, the managerial remuneration has been paid with the requisite approvals as mandated under section 197 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.
- xii) The Company is not a Nidhi Company. Therefore, reporting under Paragraph 3(xii) of the order is not applicable to the company.
- xiii) All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) The company has not made private placement or preferential allotment of shares during the year under review.
- xv) According to the information and explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934.

Place : New Delhi
Dated: 15.09.2016

for VSD & Associates
Chartered Accountants
F.R.No.008726N

Sd/-
(Ankit Garg)
M.No.515099
Partner

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2015-2016

To,

Principal Director of Commercial Audit
& Ex-officio Member, Audit Board-III,
8th & 9th Floor, Annexe Building,
10, Bahadur Shah Zaffar Marg
New Delhi-110002

Sub.: **Report U/s 143 (5) of the Companies Act, 2013 of AGRINNOVATE INDIA LIMITED**

Sir,

The report u/s 143 (5) of the Companies Act, 2013 of Agrinnovate India Limited for the period ended on 31.03.2016 is placed below:

4.	Whether the Company has clear title/lease deeds for the freehold and leasehold respectively? If not please state, the area of freehold and leasehold land for which title/lease deeds are not available?	There is no freehold and leasehold land as on 31.03.2016.
5.	Whether there are any cases of waiver/write-off of debts/loans/interest etc. if yes, the reason there for and amount involved.	There are no such cases.
6.	Whether proper records are maintained for inventories lying with the third parties & assets received as gift/grant(s) from the Government or other authorities.	There is no inventory in the company and no assets received from Government or other authorities, hence not applicable.

Place : New Delhi
Dated: 15.09.2016

for VSD & Associates
Chartered Accountants
F.R.No.008726N

Sd/-
(Ankit Garg)
M.No.515099
Partner

COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of **AGRINNOVATE INDIA LIMITED** for the year ended 31, March 2016 in accordance with the directions /sub directions issued by C&AG of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions /sub directions issued to us.

Place : New Delhi
Dated: 15.09.2016

for VSD & Associates
Chartered Accountants
F.R.No.008726N

Sd/-
(Ankit Garg)
M.No.515099
Partner

**ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT TO THE
MEMBERS OF AGRINNOVATE INDIA LIMITED FOR THE YEAR ENDED
31ST MARCH, 2016**

**(REFERRED TO IN PARAGRAPH 3 UNDER 'REPORT ON OTHER LEGAL
AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF
EVEN DATE)**

1.	Whether the Company has clear title/lease deeds for the freehold and leasehold respectively? If not please state, the area of freehold and leasehold land for which title/lease deeds are not available?	There is no freehold and leasehold land as on 31.03.2016.
2.	Whether there are any cases of waiver/write-off of debts/loans/interest etc. if yes, the reason there for and amount involved.	There are no such cases
3.	Whether proper records are maintained for inventories lying with the third parties & assets received as gift/grant(s) from the Government or other authorities.	There is no inventory in the company and no assets received from Government or other authorities, hence not applicable.

Based on the above facts, in our opinion and to the best of our information and according to the explanations given to us, no action is required to be taken thereon and there is no impact on the accounts and financial statements of the company.

Place : New Delhi
Dated: 15.09.2016

for VSD & Associates
Chartered Accountants
F.R.No.008726N

Sd/-
(Ankit Garg)
M.No.515099
Partner

Form No. MR-3**SECRETARIAL AUDIT REPORT**

For The Financial Year Ended on 31st March 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Agrinnovate India Limited

G-2, A Block, N.A.S.C. Complex, DPS Marg
New Delhi-110012

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by '**Agrinnovate India Limited**' (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its company secretary, its officers agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion during the audit period covering the financial year ended on 31st March 2016 ('Audit Period') the Company has generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2016 according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made there under;
- II. The Securities Contract (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
(not applicable)
- III. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
(not applicable)
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; *(not applicable)*
- V. Other laws applicable to the Company as per the representations made by the Company.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Company is not listed with any stock exchange. Therefore, clauses of listing agreement are not applicable on this company.

I Report That:

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc., mentioned above subject to the following observations;

Pursuant to section 149 and Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014, the company has not yet appointed any Independent Director.

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

I further report that as the company is not listed on any stock exchange therefore the securities laws have not been reviewed in this Audit.

I further report that:

- ◆ The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors however Independent Directors were not appointed by the Company till the date of this report.
- ◆ The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- ◆ Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- ◆ All the decisions are carried unanimously. The members of the Board have not expressed dissenting views on any of the agenda items.
- ◆ Based on the compliance mechanism established by the Company I am of the opinion that the management has:-
 - adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place : New Delhi
Dated : 22.07.2016

For Arunesh Dubey & Co.
(Company Secretaries)

Sd/-
(Arunesh Kumar Dubey)
M. No F-7721
COP No. 14054

ANNEXURE A

To,
The Members,
Agrinnovate India Limited
G-2, A Block, N.A.S.C. Complex, DPS Marg
New Delhi-110012

Our report of even date is to be read along with this letter:

1. Management of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations & happening of the events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: New Delhi
Date: 22.07.2016

For Arunesh Dubey & Co.
(Company Secretaries)
Sd/-
(Arunesh Kumar Dubey)
Proprietor
M. No F-7721
COP No. 14054

**COMMENT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143 (6) (B) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENTS OF AGRINNOVATE INDIA LIMITED FOR THE
YEAR ENDED 31 MARCH 2016.**

The preparation of financial statements of **Agrinnovate India Limited** for the year ended 31 March 2016 in accordance with the financial reporting framework prescribed under The Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor/ auditors appointed by the comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **15 September 2016**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6) (a) of the Act financial statement of **Agrinnovate India Limited** for the Year ended 31 March 2016. This supplementary audit has been carried out independently without access to the papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 143 (6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understand of the financial statements and the related audit reports.

1. Balance Sheet.

Current assets

Cash & Bank Balances (Note No. 8) Rs. 60,23,69,256.

Above includes Rs.3.83 Crore interest accrued but due on fixed deposits which should have been shown under other current assets. Thus, this has resulted into overstatement of *cash and cash Equivalents* and understatement of *other current assets* by Rs.3.83 Crore.

**For and on the behalf of the
Comptroller & Auditor General of India**

Place: New Delhi
Date: 11.11.2016



**(Dr. Ashutosh Sharma)
Principal Director of Commercial Audit &
Ex- Officio Member. Audit Board-IV**

Management View on Comments of C & AG on Annual Accounts of the Company for the F. Y. 2015-16

No.	Comments of C & AG on the accounts	Management view	Statutory Auditor's Comments
1.	<p>Balance Sheet, Current Assets Cash & Bank Balances (Note No.8) Rs. 60,23,69,256.</p> <p>Above includes Rs.3.83 crore interest accrued but not due on fixed deposits which should have been shown in other current assets.</p> <p>Thus, this has resulted in overstatement of Cash and Cash Equivalents and understatement of the Other Current assets by Rs.3.83 Crore.</p>	<p>It may be seen that the interest accrued but not due till 31.03.2016, amounting to Rs.382.91 Lakh has been shown separately as "other Bank Balances" and not "Cash & Cash Equivalent" in note No.8 of the Accounts of the Company. Also, in the "Cash flow statement" the "Cash & Cash Equivalent" shown therein does not include this amount and the same has been shown under "cash flow from investing activities". Therefore, the accounting treatment of this amount has been separate from the "Cash & Cash Equivalent". Depiction of this amount in the Balance Sheet is only a matter of presentation.</p> <p>Further, As per Schedule III "Fixed Deposit with Bank (Not more than 365 days)" is CASH AND CASH EQUIVALENTS and not OTHER CURRENT ASSETS. However, as per Accounting Standard -3, in CASH FLOW STATEMENTS only highly liquid FDR i.e. FDR with Maturity less than 3 months will be shown in "CASH & CASH EQUIVALENTS." Therefore, on the face of Balance Sheet, we have a head "CASH & BANK BALANCE" and in note no. 8, we have Sub head "Cash & Cash Equivalent and other Bank Balances." We have shown the Interest accrued along with FDR in "Other Bank Balance".</p> <p>Also, these deposits were to mature on 15.05.2016, so the interest was considered highly liquid and subject to insignificant risk of changes in value as on 31.03.2016.</p> <p>The same practice has been followed since last four years.</p> <p>However, since C&AG after considering our reply, has still retained the comments, the point has been noted for future compliance.</p>	<p>We agree with the Management view on the comments of C & AG.</p>



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