



Directors' Report

Dear Members,

The Board of Directors (Board) presents the Annual Report of Atul Rajasthan Date Palms Ltd together with the audited statement of accounts for the year ended March 31, 2016

01. Financial Results

(₹ cr)

	2015-16	2014-15
Sales	0.10	—
Revenue from operations	0.10	—
Other income	0.76	0.11
Total revenue	0.86	0.11
Profit before tax	0.16	(0.68)
Provision for tax	0.10	0.20
Profit for the year	0.06	(0.88)
Profit available for appropriation	0.06	(0.88)
Balance brought forward	(3.15)	(2.27)
Disposable surplus	(3.09)	(3.15)
Appropriations		
General reserve	—	—
Proposed dividend	—	—
Balance carried forward	(3.09)	(3.15)

02. Performance

Sales for 2015-16 commenced as planned. The first international shipment took place during the fiscal year valued at ₹ 9,96,000. Other income during the period under review was ₹ 75,95,701. The Company incurred expenditure of ₹ 70,02,838 which resulted in a profit of ₹ 15,88,863. After providing for deferred tax of ₹ 9,58,819, the resulting profit for the year of ₹ 6,30,044 was added to the opening balance and a loss of ₹ 3,08,65,519 was carried forward to the Balance Sheet.

The Company increased its borrowings by 594% from ₹ 33,65,253 to ₹ 2,35,89,594.

03. Dividend

The Board regrets its inability to recommend dividend due to carried forward losses.

04. Conservation of energy, technology absorption, foreign exchange earnings and outgo

Information required under Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, as amended from time to time is given at page no. 8.

05. Insurance

The Company has taken adequate insurance to cover the risks to its people, plants and machineries, buildings and

other assets, profit and third parties.

06. Risk Management

The Company has developed and implemented a comprehensive Risk Management system to ensure that risks to the continued existence of the Company as a going concern and to its growth are identified and remedied on a timely basis.

07. Internal financial controls

The Company has ensured adequate internal financial controls commensurate with the size of its operations.

08. Fixed deposits

During 2015-16, the Company did not accept any fixed deposits.

09. Loans, guarantees, investments and security

Particulars of loans, guarantees, investments and security are given in the Notes to the Accounts.

10. Related Party Transactions

Particulars of contracts or arrangements with Related Parties are given in the Notes to the Accounts given at page no. 34.

11. Extract of Annual Return

This is given at page no. 8.

12. Auditors

B M Kothari & Co, the Statutory Auditors of the Company, will retire at the conclusion of the ensuing Annual General Meeting (AGM). They have given their consent to continue to act as the Auditors for 2016-17, if reappointed. The relevant notes forming a part of the accounts are self-explanatory and give full information and explanation in respect of the observations made by the Auditors in their report.

13. Directors' responsibility statement

Pursuant to Section 134 (5) of the Companies Act, 2013, the Directors confirm that to the best of their knowledge and belief:

- 13.1 The applicable Accounting Standards were followed along with proper explanations relating to material departures in the preparation of the annual accounts.
- 13.2 The Accounting Policies were selected and applied consistently and judgments and estimates were made that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- 13.3 Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- 13.4 The attached annual accounts for the year ended March 31, 2016 were prepared on a going concern basis.
- 13.5 Adequate internal financial controls to be followed by the Company were laid down and the same were adequate and operating effectively.
- 13.6 Proper systems were devised to ensure compliance with the provisions of all applicable laws and the same were adequate and operating effectively

14. Directors

14.1 Appointments | Reappointments

- 14.1.1 According to Article 89 of the Articles of Association of the Company, Mr T R Gopi Kannan and Mr S S Dixit retire by rotation and being eligible offer themselves for reappointment at the forthcoming AGM scheduled on June 06, 2016.



14.1.2 During 2015-16, Mr B K Meena resigned effective August 05, 2015. The Board placed on record appreciation of his services.

14.1.3 Remuneration of the Non-executive Independent Directors

i) Sitting fees: ₹ 10,000 for attending a meeting of the Board or any of its Committees.

15. Key Managerial Personnel and other employees

There was no appointment and resignation during 2015-16.

16. Management Discussion and Analysis

The Management Discussion and Analysis Report covering performance is given at page no. 11.

17. Corporate Governance

A Report on Corporate Governance is given at page no. 13.

18. Acknowledgements

The Board expresses its sincere thanks to all the customers, employees, investors, lenders, suppliers, regulatory and Government authorities for their continuing support.

For and on behalf of the Board of Directors

Jodhpur
April 11, 2016

(Bharathy Narayanan Mohanan) **(Sunil Siddarth Lalbhai)**
Managing Director Vice Chairman

Annexure to the Directors' Report

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1. Conservation of energy, technology absorption and foreign exchange earnings and outgo

1.1 Conservation of energy

1.1.1 Measures taken

Connected key equipments to data control systems to monitor and control the prescribed parameters and thereby conserve energy.

1.2 Technology absorption

Implemented technology obtained by Atul Ltd from the United Arab Emirates University to produce tissue culture raised Date palms.

1.3 Foreign exchange earnings and outgo

(₹)

Particulars	2015-16	2014-15
Earned from exports	9,96,000	-
Used for		
Commission, payment of service etc	99,600	4,59,441

2. Extract of the Annual Return in Form number MGT – 9

Form number MGT – 9

Extract of the Annual Return as on March 31, 2016

{Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014}

2.1 Registration and other details

- » CIN: U01122RJ2009PLC028415
- » Registration date: March 05, 2009
- » Name of the company: Atul Rajasthan Date Palms Ltd
- » Category | Sub-category of the company: Company limited by shares
Address of the registered office and contact details: Rajkiya Paudhshala, Chopasani, Jodhpur 342008, Rajasthan, India
- » Whether listed company: Unlisted Company
- » Name, address and contact details of Registrar and Transfer Agent: Not applicable

2.2 Principal business activities of the Company

Business activities contributing 10% or more of the total revenue of the Company:

(₹)

No.	Name and description of main products services	NIC code of the product service	% to total revenue of the Company
1	Tissue culture raised Date Palms	011221	12%

2.3 Particulars of the holding, the subsidiary and the associate companies

(₹)

No.	Name and address of the Company	Corporate Identification Number	Holding Subsidiary associate	%of shares held	Applicable Section
1	Atul Ltd Ahmedabad 380014, Gujarat	L99999GJ1975PLC002859	Holding	74%	2(46)



2.4 Indebtedness

Indebtedness of the Company including interest outstanding | accrued, but not due for payment.

(₹)

Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	33,42,827	-	-	33,42,827
ii) Interest due, but not paid	-	-	-	-
iii) Interest accrued, but not due	22,426	-	-	22,426
Total i) + ii) + iii)	33,65,253	-	-	33,65,253
Change in indebtedness during the financial year				
Addition	2,15,62,662	-	-	2,15,62,662
Reduction	13,38,321	-	-	13,38,321
Net Change	2,02,24,341	-	-	2,02,24,341
Indebtedness at the end of the financial year				
i) Principal amount	2,33,83,714	-	-	2,33,83,714
ii) Interest due, but not paid	-	-	-	-
iii) Interest accrued, but not due	2,05,880	-	-	2,05,880
Total i) + ii) + iii)	2,35,89,594	-	-	2,35,89,594

2.5 Remuneration of the Directors and the Key Managerial Personnel

2.5.1 Remuneration to the other Directors

(₹)

No.	Particulars	D R Mehta	Total amount
1	Non-executive Independent Directors		
	a) Fee for attending the Board the Committee meetings	40,000	40,000
	b) Commission	-	-
	Total	40,000	40,000
	Total managerial remuneration		40,000
	Overall ceiling as per the Act		42,00,000

2.5.2 Remuneration to the Key Managerial Personnel other than the Managing Director | the Manager | the Whole-time Directors

(₹)

No.	Particulars	P G Vyas	Total amount
1	Gross salary		
	Salary as per provisions under Section 17(1) of the Income tax Act, 1961	4,91,220	4,91,220
	Value of perquisites under Section 17(2) of the Income tax Act, 1961	-	-
	Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
5	Others	-	-
	Total	4,91,220	4,91,220

2.6 Penalties | Punishment | Compounding of offences

There were no penalties | punishment | compounding of offences for the year ending March 31, 2016.



B.M.Kothari & Company

Chartered Accountants

947, 11th D Road, Sardarpura,
Jodhpur. (Rajasthan).*

Tel : (0291) 2431660. 2622309
Email : cabmkindia@gmail.com

AUDITOR'S REPORT

To,
The Members,
Atul Rajasthan Date Palms Limited,
Jodhpur.

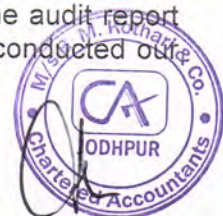
We have audited the accompanying financial statements of Atul Rajasthan Date Palms Limited, Jodhpur ("the company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements 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 there under. We conducted our



audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

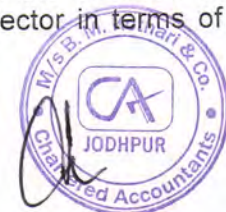
Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements read together with the Notes on Accounts attached herewith, 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 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India with terms of section (11) of section 143(3) of the Companies Act, 2013 we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the order and 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 appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the 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) 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 our 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 does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. There were no amount required to be transferred, to the Investor Education and Protection Fund by the Company or there were no amounts which required to be transferred.

For, M/s B.M.Kothari & Company
Chartered Accountants
Firm Reg. No. 002022C



Amit Kothari
(Amit Kothari)
Partner. 21/4/16
Membership No. 073374

Place: Jodhpur.
Dated:

ANNEXURE TO AUDITORS' REPORT

Annexure referred to in our report to the Shareholders of Atul Rajasthan Date Palms Limited ('the company') for the year ended 31st March, 2016, we report that :

(i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) These fixed assets have been physically verified by the management at reasonable intervals; As per information and explanation given to us there were no material discrepancies noticed on such verification.

(c) The immovable properties consists of Building including laboratory building which had been constructed by the company and all capital expenses had been capitalized by the company. The land is under lease, and the lease rights are in the name of the company.

(ii) (a) The management of the company has carried out physical verification of inventory at reasonable intervals;

(b) The procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The company is maintaining proper records of inventory and it was stated that no material discrepancies were noticed on physical verification.

(iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.

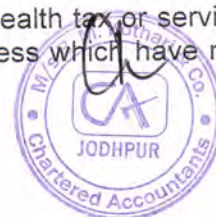
(iv) There are adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets. There had been however no sale of goods and services during the year. There is no continuing failure to correct major weaknesses in internal control system.

(v) The company has not accepted any deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under in relation to accepting of deposits are not applicable.

(vi) It was stated by the management that the maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.

(vii) (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess and any other statutory dues with the appropriate authorities and there are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

(b) there are no case of any dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not



been deposited on account of any dispute.

(viii) The company has not defaulted in repayment of dues to a financial institution or bank.

(ix) The company had not availed any term loans during the year under audit which were applied not for the purpose for which the loans were obtained.

(x) As per information and explanation given to us no fraud on or by the company has been noticed or reported during the year.

(xi) The company had not paid any managerial Remuneration to any directors including managing directors or whole time directors as such the provisions under of section 197 read with Schedule V to the Companies Act are not applicable.

(xii) The Company is not a Nidhi Company, so this clause is not applicable in the case of that company.

(xiii) The all transactions with related parties of the company has been complied with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statement etc. , as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares of fully or partly convertible debentures during the year under review.

(xv) The Company has not entered into any non-cash transactions with directors or person connected with him during the year.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For, M/s B.M. Kothari & Company
Chartered Accountants
Firm Reg. No. 002022C



Amit Kothari
(Amit Kothari)
Partner. 21/4/16
Membership No. 073374

Place: Jodhpur.
Dated:

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON
THE STANDALONE FINANCIAL STATEMENTS OF ATUL RAJASTHAN DATE
PALMS LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section
3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Atul Rajasthan Date Palms Limited, Jodhpur ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating 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 frauds 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



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 authorisations 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 Accountants of India.

For, M/s B.M. Kothari & Company
Chartered Accountants
Firm Reg. No. 002022C



Amit Kothari
(Amit Kothari)
Partner. 21/4/16
Membership No. 073374

Place: Jodhpur.
Dated:

Balance Sheet as at March 31, 2016

(₹)

Particulars		Note	As at March 31, 2016	As at March 31, 2015
I	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	2	81,100,000	81,100,000
	(b) Reserves and surplus	3	124,434,481	123,804,437
			205,534,481	204,904,437
2	Non-current liabilities			
	(a) Long-term borrowings		-	-
	(b) Deferred tax liabilities (net)	4	7,233,789	6,274,970
	(c) Long-term provisions		-	-
			7,233,789	6,274,970
3	Current liabilities			
	(a) Short-term borrowings	5	23,589,594	3,365,253
	(b) Trade payables	6	581,179	7,610,796
	(c) Other current liabilities	7	120,562	91,320
	(d) Short-term provisions	8	1,396,609	730,246
			25,687,944	11,797,615
	Total		238,456,214	222,977,022
II	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	9	80,197,657	90,568,655
	(ii) Intangible assets	9	52,042,843	58,236,324
			132,240,500	148,804,979
	(b) Other non-current assets	10	121,823	121,823
			132,362,323	148,926,802
2	Current assets			
	(a) Inventories	11	98,386,167	72,493,678
	(b) Trade receivables	12	5,635,035	-
	(c) Cash and bank balances	13	1,258,481	837,803
	(d) Short-term loans and advances		-	-
	(e) Other current assets	14	814,210	718,739
			106,093,892	74,050,220
	Total		238,456,215	222,977,022

Significant Accounting Policies

Notes

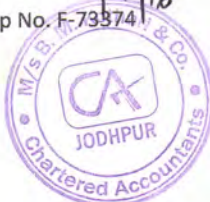
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form an integral part of these Financial Statements

As per our attached report of even date
For M/s B M Kothari & Company
Firm Registration No. 002022C
Chartered Accountants

Amit Kothari

Amit Kothari
Partner
Membership No. F-73374
Jodhpur



For and on behalf of the Board of Directors

Sunil S Lalbhai

Sunil S Lalbhai
Vice Chairman

B N Mohanan
Managing Director

Sanjay Dixit

T R Gopi Kannan

D R Mehta

Dr A Zaid

Directors

P G Vyas

P G Vyas
Company Secretary

Date: April 11, 2016

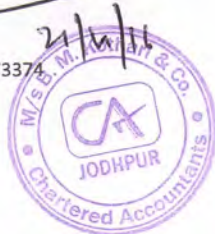
Statement of Profit and Loss for the year ended March 31, 2016


(₹)

Particulars	Note	2015-16	2014-15
REVENUE			
Revenue from operations	15	996,000	-
Other income	16	7,595,701	1,053,918
Total revenue		8,591,701	1,053,918
EXPENSES			
Cost of materials consumed	17	1,325,079	518,443
Changes in inventories of finished goods, work-in-progress and stock-in-trade	17	(27,245,525)	(31,241,880)
Employee benefit expenses	18	4,036,395	3,683,059
Finance costs		1,492,028	508,693
Depreciation and amortisation expenses	9	16,880,228	18,446,873
Other expenses	19	10,514,632	15,927,837
Total expenses		7,002,838	7,843,025
Profit before tax		1,588,863	(6,789,107)
Tax expense			
Current tax		-	-
Deferred tax		958,819	1,960,711
		958,819	1,960,711
Profit for the year		630,044	(8,749,818)
Basic and diluted earning ₹ per Equity Share	20.2	7.77	(107.89)
Significant Accounting Policies	Notes		
form an integral part of these Financial Statements			


As per our attached report of even date
For M/s B M Kothari & Company
 Firm Registration No. 002022C
 Chartered Accountants

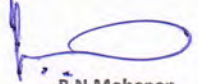

Amit Kothari
 Partner
 Membership No. F-73374
 Jodhpur
 Date:

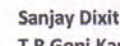


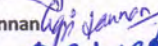


P G Vyas
 Joint Secretary

For and on behalf of the Board of Directors


Sunil S Lalbhai
 Vice Chairman


B N Mohanan
 Managing Director


Sanjay Dixit
T R Gopi Kannan
D R Mehta
Dr A Zaid
 Directors

Date: April 11, 2016

Cash Flow Statement for the year ended March 31, 2016

(₹)

Particulars	2015-16	2014-15
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,588,863	(6,789,107)
Adjustments for:		
Add:		
Depreciation and amortisation expenses	16,880,228	18,446,873
Finance costs	1,492,028	508,693
	18,372,256	18,955,566
Less:		
Other Income (Insurance Claim)	217,700	
Interest Income	18,164	1,053,918
	235,864	1,053,918
Operating profit before working capital changes	19,725,255	11,112,541
Adjustments for:		
Inventories	(25,892,489)	(31,192,337)
Trade receivables	(5,635,035)	-
Other current assets	(95,471)	844,297
Long-term provisions	-	-
Trade payables	(7,029,617)	67,434
Other current liabilities	29,242	10,009
Short-term provisions	666,363	(250,148)
	(37,957,006)	(30,520,745)
Cash generated from operations	(18,231,751)	(19,408,204)
Less:		
Direct taxes (refund) paid	-	-
Net cash flow from operating activities	A (18,231,751)	(19,408,204)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets including Capital work in Progress	(315,749)	(395,185)
Sale of fixed assets	-	-
Other Income (Insurance Claim)	217,700	-
Interest received	18,164	1,053,918
Net cash used in investing activities	B (79,885)	658,733
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Share Application money	-	-
Proceeds Repayment of short-term borrowings	20,224,341	(14,842,846)
Interest paid	(1,492,028)	(508,693)
Proceeds from Government Grant	-	-
Net cash used in financing activities	C 18,732,313	(15,351,539)
Net change in cash and cash equivalents	A+B+C 420,677	(34,101,010)
Cash and cash equivalents (opening balance)	837,803	34,938,813
Cash and cash equivalents (closing balance)	1,258,480	837,803
	420,677	(34,101,010)

Notes to the Cash Flow Statement for the year ended March 31, 2016:

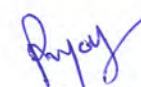
1. The Cash Flow Statement has been prepared under the 'Indirect Method' set out in AS-3 'Cash Flow Statement' referred to in The Companies Accounting Standard Rules, 2006.

As per our attached report of even date
For M/s B M Kothari & Company
Firm Registration No. 002022C
Chartered Accountants


Armit Kothari
Partner
Membership No. F-73374
Jodhpur

21/4/16




P G Vyas
Company Secretary

For and on behalf of the Board of Directors

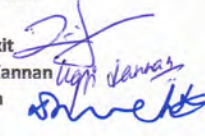


Sunil S Lalbhai
Vice Chairman



B N Mohanan
Managing Director

Sanjay Dixit
T R Gopi Kannan
D R Mehta
Dr A Zaid
Directors



Date: April 11, 2016

Notes to the Financial Statements

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

General information

Atul Rajasthan Date Palms Limited (the 'Company') is a subsidiary of Atul Limited. The main object of the Company, among many others, is to carry on the business of tissue cultured date palm plants.

1.a Basis of preparation:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with the Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

1.b Fixed Assets and Depreciation:

Fixed Assets are stated at cost of acquisition, including any attributable cost for bringing the assets to their working condition for the intended use, less accumulated depreciation.

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets. Life of Intangible Assets being Computer Software is taken as 3 years considering nature of asset and hence depreciation is provided on pro-rata basis taking into account period of usage during the year. Technical Consultancy Amount is appropriated over a period of 10 years.

1.c Inventories:

Inventories represent raw materials (Media inputs), work-in-progress and stores. Work-in-progress are being valued at Direct Cost plus Production Overheads.

1.d Revenue recognition:

Revenue from sales are recognised when all significant risks and rewards of ownership have been transferred to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sales of goods.

- a) Export sales are accounted on the basis of dates of on board bill of lading and / or air way bill.
- b) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- c) Other income includes amount of remission of liability written off in books of accounts.

1.e Government Grants:

In accordance with the Accounting Standard 12 "Accounting for Government Grants", grants in the nature of capital subsidy are credited to the Capital Reserve and shown under the head Reserves & Surplus. The Government Grant is accounted for only when; it is acknowledged / there is reasonable certainty regarding its sanction from the concerned authority/ it is received, whichever being earlier.

1.f Cash and cash equivalents:

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

1.g Employee Benefits:

The Company has contributed to Group Gratuity Insurance from LIC which has been charged to Profit & Loss Account on pro-rata basis.

The employees of the Company are entitled to leave encashment as per the leave policy of the Company. The liability in respect of leave encashment is of short term nature is provided, based on an actual basis.

1.h Taxation:

Provision for tax is made on the assessable income at the tax rate applicable to the relevant assessment year.

Deferred tax is recognised, subject to consideration of prudence, on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets are not recognised unless there are timing differences; the reversal of which will result in sufficient income or there is a virtual / reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.

1.i Operating Leases:

Assets acquired as leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as Operating Leases. Lease rentals are charged to Profit and Loss Account on an accrual basis.



1.j Provisions and Contingencies:

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

2 Sundry Creditors:

The Company is in process of obtaining intimations from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence related disclosures have not been given. The Company generally makes payments to its suppliers within thirty days and hence, in the opinion of the Management, interest, if any; payable to suppliers registered under the said Act is not likely to have a significant impact on these Financial Statements.



Notes to the Financial Statements

(₹)

NOTE 2 SHARE CAPITAL	As at March 31, 2016	As at March 31, 2015
Authorised		
100,000 Equity Shares of ₹ 1000 each	100,000,000	100,000,000
Issued		
81,100 81,100 Equity Shares of ₹ 1000 each	81,100,000	81,100,000
Subscribed		
81,100 81,100 Equity Shares of ₹ 1000 each	81,100,000	81,100,000
	81,100,000	81,100,000

81,100 equity shares of ₹ 1000 each, fully paid-up, aggregating ₹ 8,11,00,000 were allotted at par pursuant to resolution approved by the Board of Directors at their meeting held on July 27, 2009, June 30, 2011 and December 12, 2012.

Of the above 59,997 equity shares of Rs. 1,000 each are held by Atul Limited (30001 equity shares directly and 29,996 equity shares through its subsidiary Atul Finserv Limited).

Of the above, 30001 Equity Shares of ₹ 1000 each, fully paid-up, aggregating ₹ 3,00,01,000 were allotted pursuant to a contract without payment being received in cash.

Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

(No of shares)

Parti	As at March 31, 2016	As at March 31, 2015
Number of shares outstanding as at the beginning of the year	81,100	81,100
Add :		
Number of shares allotted as fully paid-up	-	-
Number of shares allotted during the year as fully paid-up pursuant to a contract without payment being received in cash	-	-
Number of shares outstanding as at the end of the year	81,100	81,100

Details of Shareholders holding more than 5% of Equity Shares:

Sr No	Name of the Shareholder	As at March 31, 2016		As at March 31, 2015	
		Holding %	No of shares	Holding %	No of shares
1	Atul Limited	37.0%	30,001	37.0%	30,001
2	Atul Finserv Limited	37.0%	29,996	37.0%	29,996
3	Rajasthan Horticulture Development Society	26.0%	21,099	26.0%	21,099

(₹)

NOTE 3 RESERVES AND SURPLUS	As at March 31, 2016	As at March 31, 2015
(a) Capital reserve:		
Balance as at the beginning of the year	155,300,000	155,300,000
Less: Transferred to the General reserve	53,655,807	-
Balance as at the end of the year	101,644,193	155,300,000
(b) General reserve:		
Balance as at the beginning of the year	-	-
Add: Transferred from Capital reserve	53,655,807	-
Balance as at the end of the year	53,655,807	-
(c) Surplus in Statement of Profit and Loss:		
Balance as at the beginning of the year	(31,495,563)	(22,745,745)
Add: Profit/(Loss) for the year	630,044	(8,749,818)
Amount available for appropriation	(30,865,519)	(31,495,563)
Less : Appropriations		
General reserve	-	-
Balance as at the end of the year	(30,865,519)	(31,495,563)
	124,434,481	123,804,437



Notes to the Financial Statements

NOTE 4 DEFERRED TAX LIABILITIES (NET)

(₹)

Particulars	As at 31-Mar-16	Charge (credit) during the year	As at 31-Mar-15
Deferred tax liabilities: on account of timing difference in depreciation	7,233,789	958,819	6,274,970
	7,233,789	958,819	6,274,970
Deferred tax assets: on account of timing difference in			
(a) Provision for leave encashment	-	-	-
(b) Provision for doubtful debts	-	-	-
(c) Provision for doubtful advances	-	-	-
(d) Voluntary retirement scheme	-	-	-
(e) Expenses disallowed under Section 40 (ia)	-	-	-
	-	-	-
Net deferred tax liabilities (assets)	7,233,789	958,819	6,274,970

(₹)

NOTE 5 SHORT TERM BORROWINGS	As at March 31, 2016	As at March 31, 2015
Secured*		
Cash credit from RBL repayable on demand	23,589,594	3,365,253
	23,589,594	3,365,253

*Security details:

First charge by way of hypothecation on all the current assets of the company, present and future including the seeds/ planting material/ seedlings/ tissue culture plants etc. First charge by way of hypothecation on Plant and machinery of the company equivalent to 1.5 times.

(₹)

NOTE 6 TRADE PAYABLES	As at March 31, 2016	As at March 31, 2015
(a) Trade payables	581,179	7,610,796
	581,179	7,610,796

(₹)

NOTE 7 OTHER CURRENT LIABILITIES	As at March 31, 2016	As at March 31, 2015
Other current liabilities	120,562	91,320
	120,562	91,320

(₹)

NOTE 8 SHORT-TERM PROVISIONS	As at March 31, 2016	As at March 31, 2015
(a) Provision:		
Leave entitlement	42,113	10,901
Other employee benefits	142,447	168,126
	184,560	179,027
(b) Others		
Provisions net of tax paid	1,212,049	551,219
	1,212,049	551,219
	1,396,609	730,246



Notes to the Financial Statements

NOTE 9: FIXED ASSETS

	Tangible Assets														Total Intangible	Total		
	Building	Plant & Machinery	Electrical Equipments	Green House	Shed Net House (54)	Laboratory Furniture & Fixture	Office Furniture & Fixture	Vehicle	Air Conditioner	Air Conditioner Splitter	Refrigerator	Computer	Office Equipment	Total Tangible			Computer Software	Technical Know How
Gross block	55,450,384	26,261,707	923,085	2,682,103	848,996	14,448,475	23,579	589,718	16,800	10,757,384	69,700	276,348	33,240	112,581,119	79,255	72,725,000	72,804,255	185,185,374
Balance as at 1 April 2014	-	327,771	-	-	-	-	-	-	-	-	-	-	-	827,771	67,416	-	67,416	395,187
Additions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deductions and adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 1 April 2015	55,450,384	26,589,478	923,085	2,682,103	848,996	14,448,475	23,579	589,718	16,800	10,757,384	69,700	276,348	33,240	112,708,890	146,671	72,725,000	72,851,671	185,580,561
Additions during the year	-	305,799	-	-	-	-	-	-	-	-	-	9,950	-	315,749	-	-	-	315,749
Other adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deductions and adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 1 April 2016	55,450,384	26,895,277	923,085	2,682,103	848,996	14,448,475	23,579	589,718	16,800	10,757,384	69,700	286,298	33,240	113,024,639	146,671	72,725,000	72,871,671	185,896,310
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 1 April 2014	1,719,952	3,282,773	354,071	700,416	291,798	2,615,174	12,726	27,209	7,189	1,496,352	74,322	202,012	13,475	10,192,280	63,929	7,272,500	7,316,429	18,328,709
For the year	1,709,255	4,189,906	102,991	198,169	55,670	3,063,642	2,396	99,221	1,738	1,676,247	8,213	46,950	5,117	11,147,955	26,418	7,272,500	7,298,918	18,446,673
Deductions and adjustments (c)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impairment fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 1 April 2015	3,429,207	7,466,679	457,062	898,585	347,468	5,678,816	15,562	371,230	8,927	3,172,599	82,535	248,962	18,593	22,140,235	90,347	14,545,000	14,635,347	36,775,582
For the year	1,756,929	2,550,037	132,323	254,800	55,569	2,549,493	15,562	3,909	787	2,043,903	13,243	1,419	4,264	9,970,476	21,348	6,162,697	6,184,045	15,554,221
Deductions and adjustments (c)	-	-	287,166	90,796	-	-	-	-	6,236	909,606	18,768	-	3,699	1,816,271	9,436	-	9,436	1,325,708
Impairment fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 1 April 2016	50,277,248	16,878,561	46,594	1,437,922	445,460	6,220,366	8,117	209,579	800	4,631,276	5,154	35,917	6,683	80,197,657	25,539	52,017,303	52,042,843	132,240,500
Net block	52,027,177	19,122,799	466,023	1,783,518	501,028	8,769,659	8,117	218,488	7,863	7,584,785	37,165	27,386	14,647	90,168,655	56,324	58,180,000	58,226,324	138,804,979
Balance as at 1 April 2015	50,277,248	16,878,561	46,534	1,437,922	445,460	6,220,366	8,117	209,579	800	4,631,276	5,154	35,917	6,683	80,197,657	25,539	52,017,303	52,042,843	132,240,500

a)

Consequent to the enactment of the Companies Act, 2013 (vact) and its applicability for accounting periods commencing on or after April 01, 2015, the Company has re-worked depreciation with reference to the useful lives of fixed assets prescribed by Part 'C' of Schedule II to the Act or the useful lives of assets as estimated by the Company, whichever is lower. Where the remaining useful life of an asset is nil, the carrying amount of the asset after retaining the residual value, as at April 01, 2015 has been adjusted to the General Reserve. In other cases the carrying values have been depreciated over the remaining useful lives of the assets and recognised in the Statement of Profit and Loss. As a result the charge for depreciation is lower by Rs. 80,04,476 for the year ended March 31, 2016.



Notes to the Financial Statements

(₹)

NOTE 10 OTHER NON-CURRENT ASSETS	As at 31-Mar-16	As at 31-Mar-15
(a) Security Deposit for VAT Registration	23,000	23,000
(b) Security Deposit with JVNL	90,523	90,523
(c) Security Deposit of Gas	6,800	6,800
(d) Security Deposit of Telephone	1,500	1,500
	121,823	121,823

(₹)

NOTE 11 INVENTORIES *	As at 31-Mar-16	As at 31-Mar-14
(a) Raw materials and packing materials	-	-
(b) Work-in-progress	98,307,783	72,387,337
(c) Stores, spares and fuel	78,384	106,341
	98,386,167	72,493,678

* Inventories are valued at cost.

NOTE 12 TRADE RECEIVABLE	As at 31-Mar-16	As at 31-Mar-15
(a) Trade receivable outstanding for more than six months from the date they became due for payment:	-	-
i) Unsecured, considered good from	-	-
Related parties	-	-
Others	-	-
ii) Doubtful	-	-
Less: Provision for doubtful debts	-	-
	-	-
(b) Others:	-	-
Related parties	-	-
Others	5635035	-
	5,635,035	-
	5,635,035	-

(₹)

NOTE 13 CASH AND BANK BALANCES	As at 31-Mar-16	As at 31-Mar-15
Cash and cash equivalents		
(a) Balances with banks		
In current flexi FDs accounts	1,258,481	837,803
(b) Cash on hand	-	-
	1,258,481	837,803

(₹)

NOTE 14 OTHER CURRENT ASSETS	As at 31-Mar-16	As at 31-Mar-15
(a) TDS Receivables	2,916	79,882
(b) TCDP Plants (Sample Stock)	310,800	310,800
(c) Prepaid Expenses	75,509	52,857
(d) Trade Advances	298,411	148,468
(e) Prepaid Insurance	126,573	126,731
	814,209	718,738



Notes to the Financial Statements

(₹)

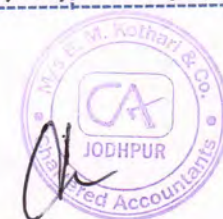
NOTE 15 REVENUE FROM OPERATION	2015-16	2014-15
Sale of products	996,000	-
Less : Excise duty	-	-
	996,000	-

(₹)

NOTE 16 OTHER INCOME	2015-16	2014-15
Interest on Fixed Deposit	3,584	966,644
Miscellaneous income	7,592,117	87,274
	7,595,701	1,053,918

(₹)

NOTE 17 Production Cost	2015-16	2014-15
A. Cost of Materials Consumed:		
Stocks at commencement	-	-
Add: Purchases	1,325,079	518,443
	1,325,079	518,443
Less: Stocks at close	-	-
	1,325,079	518,443
B. Work-in-progress (Cultures):		
Opening Stock	72,387,337	41,145,457
Add: Production Cost during the year	25,420,946	31,241,880
Less: Cost of Good sold	(499,500)	-
Closing Stock	98,307,783	72,387,337
Change in Work-in-progress	(25,920,446)	(31,241,880)



Notes to the Financial Statements

(₹)

NOTE 18 EMPLOYEE BENEFIT EXPENSES	2015-16	2014-15
Salaries, wages and bonus	4,036,395	3,683,059
	4,036,395	3,683,059

(₹)

NOTE 19 OTHER EXPENSES	2015-16	2014-15
Electricity	1,411,600	6,076,515
Freight	129,511	-
Stamp duty	500	-
Legal and professional	-	984
Security service	383,442	583,975
Insurance expenses	216,694	245,338
Plant and machinery repair	588,039	1,332,310
Building repair	16,460	873,114
Site maintenance	1,581,514	1,315,299
Miscellaneous	27,947	59,878
Travelling and conveyance	178,731	146,387
Payments to Statutory Auditors		
a) Audit fees	160,300	157,304
c) Out of pocket expenses	7,440	21,249
Postage and courier	8,461	5,368
Laboratory	2,289,519	2,639,930
Directors' fees	45,536	44,944
Internet	96,413	101,124
Green house	923,927	242,041
E-Filing	9,085	11,685
Interest on duties and taxes	320	-
License and application	29,750	27,300
Contract labour	1,660,870	1,506,375
Professional consultancy	214,748	221,670
Board meeting expenses	95,461	84,481
Foreign exchange gain losses	-	(9,615)
Uniform	38,730	
Transport	96,910	73,146
Commission	99,600	
Computer	138,979	51,973
Bank charges	17,694	22,565
Telephone	31,211	24,058
Printing and stationery	15,240	68,439
	10,514,632	15,927,837



20.1 RELATED PARTY INFORMATION

(a) Name of the related party and nature of relationship:		
No	Name of the related party	Description of relationship
	Party where control exists	
1	Atul Limited	Ultimate holding company
2	Atul Finserv Limited	Subsidiary company of ultimate holding company
3	Atul Biospace Limited	Subsidiary company of ultimate holding company
4	Rajasthan Horticulture Development Society	JV of ultimate holding company
5	Key management personnel Mr. Purshotam Vyas	Company Secretary

20.1 (b) Summary of related party transactions

No	Nature of transaction	Parties where control exists	Other related parties where there is significant influence	Fellow Subsidiaries	Key management personnel	(₹)
	Salary Payment Mr. Purshotam Vyas					491,220



20.2 EARNING PER SHARE

Earning per Equity Share (EPS) - The numerators and denominators used to calculate basic and diluted EPS:

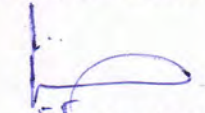
Particulars		March 31, 2016	March 31, 2015
Profit for the year attributable to the Equity Shareholders	₹	630,044	(8,749,818)
Basic weighted average number of Equity Shares outstanding during the year	Number	81,100	81,100
Nominal value of Equity Share	₹	1,000	1,000
Basic and diluted Earning per Equity Share	₹	8	(108)

As per our attached report of even date
For M/s B M Kothari & Company
 Firm Registration No. 002022C
 Chartered Accountants

For and on behalf of the Board of Directors

S Lalbhai

Sunil S Lalbhai
 Vice Chairman



B N Mohanan
 Managing Director

Sanjay Dixit

T R Gopi Kannan

D R Mehta

Dr A Zaid

Directors

Date: April 11, 2016

Amit Kothari
Amit Kothari
 Partner
 Membership No. F-73374
 Jodhpur

P G Vyas

P G Vyas
 Company Secretary

