



NAGARJUNA AGRITECH LIMITED

Farm : No. 332, Aralamallige Village, Doddaballapur (Tq), Bangalore Rural Dist.

Regd. Off : # 56, Nagarjuna Hills, Panjagutta, Hyderabad - 500 082. INDIA

Ph. : 0091 -40-23357248 Website:www.nagarjunagritechlimited.com E-mail:natl@rediffmail.com

Date :03.10.2017

To

Department of Corporate Services,
Bombay Stock Exchange Limited,
Phiroze Jeebhoy Towers,
Dalal Street,
Mumbai – 400001

Dear Sir/ Madam,

Ref: Scrip Code: 531832

Sub: AGM Update / Submission of Annual report under Regulation 34 of SEBI (LODR), Regulations, 2015.

We refer to above subject and herewith enclose the Annual Report for the financial year ended 31st March, 2017, adopted in the 29th Annual general meeting of the Company held on Friday , 29th September, 2017 at 11:30 A.M at Registered Office of the Company situated at Plot No. 56, Nagarjuna Hills, Panjagutta, Hyderabad – 500082.

This is for your record and dissemination.

Thanking you

For Nagarjuna Agri-Tech Limited

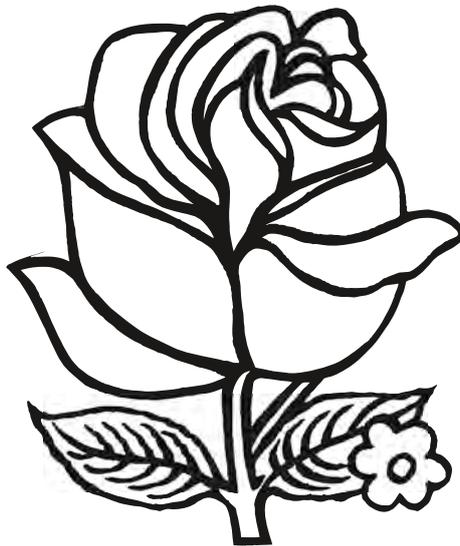
KVLNRaju

Dr. K V L N Raju
Managing Director
DIN: 00116664





**NAGARJUNA
AGRITECH LIMITED**



**29th ANNUAL REPORT
2016-2017**

Board of Directors

Dr. K.V.L.N. Raju	-	Managing Director
Sri K. Soma Raju	-	Director
Sri K. Ravindra	-	Director
Sri N. Viswanatha Raju	-	Director
Smt. N. Rama Devi	-	Director

AUDITORS

M/s Amar & Raju

Chartered Accountants

Hyderabad - 500 082.

R & T AGENT

XL Softech System Ltd.

#3, Sagar Society, Road No. 2, Banjara Hills,
Hyderabad - 500 034. Ph : 2354 5913 / 14 / 15

PRINCIPAL BANKERS AND FINANCIAL INSTITUTION

Corporation Bank - Banjara Hills Branch, Hyderabad.

REGISTERED OFFICE :

No. 56, Nagarjuna Hills,

Punjagutta,

Hyderabad - 500 082.

Telefax : 040-23357248

E-mail : naf1@rediffmail.com

NAGARJUNA AGRI TECH LIMITED
PLOT NO 56, Nagarjuna Hills, punjagutta, Hyderabad 500 082

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 29th Annual General Meeting of the Company will be held on Friday, 29th September, 2017 at 11:30 A.M at Registered Office of the Company situated at Plot No. 56, Nagarjuna Hills, Panjagutta, Hyderabad – 500082 to transact the following business:

Ordinary Business:

1. To consider and adopt the Audited Balance Sheet as on 31st March, 2017 and statement of Profit and Loss for the year ended on that date along with the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Dr. K.V.L.N. Raju (DIN: 00116664) who retires by rotation and being eligible, offers himself, for re-appointment.
3. To appoint auditors of the Company and to fix their remuneration.

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (Act) read with the Companies (Audit and Auditors) Rules, 2014 (Rules) including any statutory modification(s) or re-enactment thereof, for the time being in force, M/s. BRAHMAYYA & CO., Chartered Accountants, Adoni (Firm Registration No.000514S), who have confirmed their eligibility to be appointed as Auditors, in terms of section 141 of the Act read with Rule 4 of the Rules, be and are hereby appointed as Statutory Auditors of the Company, in place of retiring Auditors M/s. Amar & Raju, Chartered Accountants, Hyderabad (Firm Registration No.000092 S), to hold office for a period of five consecutive years from the conclusion of this 29th Annual General Meeting till the conclusion of 34th Annual General Meeting, to be held in the calendar year 2022 (subject to ratification of their appointment by the members of the Company at every Annual General Meeting held after this Annual General Meeting), on such remuneration including applicable taxes and out-pocket expenses incurred in connection with the audit, as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

Special Businesses:

4. To re-appoint Dr. K V L N Raju (DIN: 00116664) as Managing Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 read with Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and such other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and Articles of Association of the Company, approval of members of the Company be and is hereby accorded for re-appointment of Dr.K V L N Raju (DIN: 00116664) as Managing Director of the Company for further period of 5 years effect from 03rd September,2017 to 02nd September, 2022 without remuneration .”

By order of the Board
For *Nagarjuna Agri Tech Limited*

Place: Hyderabad
Date: 29.08.2017

(Dr. K V L N Raju)
Managing Director
DIN: 00116664

Notes:

1. Members/proxies are requested to bring their copies of Annual Report and the attendance slip duly filled in. Members holding shares in D-mat form shall write their Client ID and DP ID No. and those holding in Physical form to write their Folio No. in the attendance slip for attending the meeting. Copies of Annual Reports will not be provided at the meeting.
2. The Register of Members and Share Transfer books of the company will remain closed from Monday, 25th September 2017 to Friday, 29th September, 2017 (both days inclusive) for the purpose of Annual General Meeting.
3. *A member entitled to attend the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company. A person can act as Proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital may appoint a single person as Proxy and such person shall not act as Proxy for any other person or shareholder.*
4. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.
5. Members seeking any information with regard to accounts for the financial year ended 31st March 2017 may send their queries to the company at least 10 days before the meeting, in order to enable the Management to keep the information ready at the Meeting.
6. In case there is any correction/change in your address registered with us, we request you to communicate the same to us/Company's R & T Agent, whose address is given elsewhere in this Annual Report.
7. Your company's securities are listed with the Stock Exchange, Mumbai (BSE).
8. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
9. The e-voting period commences on Tuesday, 26th September, 2017 (9.00 am IST) and ends on Thursday, 28th September, 2017 (5.00 pm IST). During this period the shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. 24th September, 2017, may cast their vote electronically in the manner and process set out

herein above. The e-voting module shall be disabled for voting thereafter. Once the vote on resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

10. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
11. The shareholders should log on to the e-voting website <https://www.evotingindia.com/>.
12. The Board of Directors has appointed Mr. K. V. Chalama Reddy (Membership No. F9268), Practicing Company Secretary as the scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
13. The scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through e-voting in the presence of at least two witnesses who are not in the employment of the Company and within a period not exceeding three (3) days from the conclusion of the meeting make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by the Chairman for counter signature.
14. The Results shall be declared either by the Chairman or by an authorized person of the Chairman and the resolution will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).
15. Immediately after declaration of results, the same shall be placed along with the Scrutinizer's Report on Company's website and on the website of CDSL, and communicated to BSE Limited, where the shares of the Company are listed for placing the same in their website.
16. The Companies Act, 2013 provides for the facility of nomination to the members in a Company. Accordingly, members can avail the facility of nomination in respect of their shares held either singly or jointly. Members desiring to avail this facility are requested to fill up the prescribed nomination form and send the same to Registered Office of the Company. The forms are available at the Regd. Office.
17. Instructions o Shareholders for e-voting:

The voting period begins on Tuesday, 26th September, 2017 (9.00 am IST) and ends on Thursday, 28th September, 2017 (5.00 pm IST). During these period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 24th September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The shareholders should log on to the e-voting website www.evotingindia.com.

Click on Shareholders.

Now Enter your User ID

- i) For CDSL: 16 digits beneficiary ID,
- ii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

iii) Members holding shares in Physical Form should enter Folio Number registered with the Company.

Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

After entering these details appropriately, click on "SUBMIT" tab.

Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Click on the EVSN for the relevant <Company Name> on which you choose to vote.

On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Note for Non –Individual Shareholders and Custodians

- i) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to elpdesk.evoting@cdslindia.com.
- iii) After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- iv) The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- v) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Explanatory Statement in respect of the Special business item pursuant to Section 102 of the Companies Act, 2013

Item No. 4

Dr. K V L N Raju (DIN: 00116664) was appointed as the Managing Director of the Company for a period of three (3) years commencing from 03rd September, 2014 vide necessary resolution passed by the Shareholders in their 26th Annual General Meeting held on 30th September, 2014 and as the said tenure expires on 02nd September, 2017, the Board of Directors of the Company (the “Board”),

accordingly, in its Meeting held on 29th August 2017 has, subject to the approval of Members, re-appointed him as the Managing Director of the Company, for a further period of 5 (Five) years effect from 03rd September, 2017 without remuneration . Hence, it is proposed to seek the Member's approval for the said re-appointment as Managing Director of the Company, in terms of the applicable provisions of the Companies Act.2013 and rules made thereunder

None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice except Smt. N. Ramadevi, being the relative of the appointee.

By order of the Board
For *Nagarjuna Agri Tech Limited*

Place: Hyderabad
Date: 29.08.2017

(Dr. K V L N Raju)
Managing Director
DIN: 00116664

DIRECTORS' REPORT

Dear Members

Your Directors hereby present their Twenty Eighth Annual Report of the Company together with the Audited Accounts for the financial year ended 31st March, 2017.

Financial Summary:

The performance of the Company for the Financial Year ended 31st March 2017 is as under:

(Rupees in Lakhs)

Particulars	2016-17	2015-16
Turnover	202.6	5.00
Manufacturing Administrative and selling Expenditure	134.8	10.8
Depreciation	8.58	9.62
Profit/Loss before Taxation, before non-recurring /Extra Ordinary items	59.2	(15.50)
Provisions for Taxation	--	--
Profit/Loss after Taxation, before non-recurring/Extra Ordinary items	59.2	(15.50)
Prior Period Adjustments	--	--
Profit/Loss after Taxation and non-recurring/Extraordinary items	59.2	(15.50)

Review of Operations and State of Company's Affairs:

During the financial year under review, the Company achieved revenue of Rs. 202.6 Lakhs as against Rs. 5.00 Lakhs in the previous year, thereby registering a growth of 4052 %. The net profit for the year March 31, 2017 increased from Rs. -15.50 Lakhs to Rs. 59.20 Lakhs, showing a growth of 382%.

Future Outlook:

The future prospects of the Company and industry outlook are given in the Management Discussion and analysis report.

Transfer of Amount to Reserves:

The Company does not propose to transfer any amount to General Reserves for the financial year ended 31st March, 2017.

Dividend:

Your Directors express their inability to recommend any dividend for the year under review due to insufficient disposable income.

Share Capital:

There is no change in the share capital of the Company during the year 2016-17

Change in the nature of business:

There is no change in the nature of business of the Company.

Subsidiary Companies and Consolidation of Financial Statements:

There are no subsidiary companies

Indian Accounting Standards –IndAs:

The Ministry of Corporate Affairs vide its notification dated 16th February, 2015 has notified the Companies (Indian Accounting Standards) Rules, 2015. In pursuance of the said notification, the Company will adopt Indian Accounting Standards with effect from 01st April, 2017. The implementation of Indian Accounting Standards (IndAS) is a major change process for which the Company has set up a dedicated team and is providing desired resources for its completion within the time frame.

Corporate Governance:

Pursuant to Sub-regulation (2) of regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions of Corporate Governance as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to your Company. Hence, the Company has not given the Report on Corporate Governance in the Annual Report.

Disclosure under Schedule V of the SEBI (LODR) Regulations, 2015:

a. Related Party Disclosures:

The Company has not entered any related party transactions during the year 2016-17 as required to be disclosed

b. Management Discussion and Analysis Report:

Pursuant to Sub-regulation (2) of regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the management discussion and analysis Report is given as *Annexure-I* to the report

c. Disclosures with respect to demat suspense account/unclaimed suspense account:

The Company does not have any equity shares in suspense account

Extracts of Annual Return:

The Extracts of Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 and the same is enclosed as *Annexure – II* to this Report.

Directors:

1. Director(s) to retire by rotation:

Dr. K.V.L.N. Raju (DIN: 00116664) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

2. Changes in Directorship

During the year under review, there were no changes in directors of the Company. The Board of directors at their meeting held on 29.08.2017 re-appointed Dr. K.V.L.N. Raju, as Managing director of the Company for further period of 5 (Five) years effect from 03rd September, 2017 subject to approval of the shareholders in the ensuing annual general meeting of the Company for the year 2016-17

3. Independent Directors:

In terms of Sections 149,152 read with Schedules IV and all other applicable provisions of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Independent Director can hold office for a term of up to five (5) consecutive years on the Board of Directors of the Company and will not be liable to retire by rotation.

All the Independent Directors have given declaration that they meet the criteria of independence laid down under Section 149(6) of the Act read with Regulation 16(b) of Listing Regulations.

4. Evaluation of performance of the Board of Directors:

Pursuant to the provisions of the Act, and Listing Regulations, the Board has carried out the evaluation of its own performance and Committees of the Board, the performances of Directors individually, the Executive Director, the Chairman of the Board etc. Various parameters as recommended in the guidance note issued by the Institute of Company Secretaries of India were considered for evaluation and after receiving the inputs from the Directors, the performance evaluation exercise was carried out. The parameters include integrity, credibility, expertise and trustworthiness of Directors, Board's monitoring of various compliances, laying down and effective implementation of various policies, level of engagement and contribution of the Directors, safeguarding the interest of all stakeholders etc. The performance evaluation of the Board as a whole was carried out by the Independent Directors. The performance evaluation of each Independent Director was carried out by the Board. The Directors expressed their satisfaction with the evaluation process.

5. Familiarization Programme for the Independent Directors:

In compliance with the requirement of Listing Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The same is available on the website of the Company i.e., <http://www.nagarjunaagritechlimited.com>. Through the Familiarization programme, the Company apprises the Independent Directors about the business model, corporate strategy, business plans and operations of the Company. These Directors are also informed about the financial performance, annual budgets, internal control system, statutory compliances etc. They are also familiarized with Company's vision, core values, ethics and corporate governance practices. At the time of appointment of Independent Director, a formal letter of appointment is given to him, which explains his role, responsibility and rights in the Company.

Number of Meetings of the Board:

During the financial year 2016-17, four meetings of Board of Directors were held. The dates of the meetings were 36th May, 2016, 31st August, 2016, 12th November, 2016 and 11th February 2017.

Particulars of Loans, Guarantees or Investments by the Company:

The details of Loans, Guarantees, and Investments given during the Financial Year ended on 31st March, 2017 in terms of the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.-NIL

Nomination and Remuneration Policy:

Pursuant to Section 178(3) of the Act, the Company has adopted a policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel. The Nomination and Remuneration Committee (NRC) has formulated the criteria for determining qualification, positive attributes and independence of Directors in terms of provisions of Section 178(3) of the Act and Listing Regulations. The details about Committee including the brief description of its terms of reference are given in the Corporate Governance Report.

Statement of Particulars of Appointment and Remuneration of Managerial Personnel:

The Company has not paid any remuneration to Managerial personnel, hence disclosures as specified in sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 were not applicable

Particulars of Contracts or Arrangements with Related Parties:

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 and to be prepared in Form No. AOC-2 and to be disclosed pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 in this report : NIL.

Audit Committee:

The Company's audit committee comprises of the following:

- | | | |
|----------------------|---|----------|
| 1. Mr. K. Soma Raju | - | Chairman |
| 2. N Viswanatha Raju | - | Member |
| 3. K Ravindra | - | Member |

There is no such incidence where Board has not accepted the recommendation of the Audit Committee during the year under review.

Directors Responsibility Statement:

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms:

The Board of Directors states:

- 1) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 2) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- 3) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- 4) That the Directors have prepared the accounts for the financial year ended 31st March, 2017 on a "Going Concern" basis.
- 5) 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.

Auditors

1. Statutory Auditors and Audit Reports:

The Board of directors at their meeting held on 29.08.2017 recommended the appointment of M/s. BRAHMAYYA & CO., Chartered Accountants, Adoni (Firm Registration No.000514S), who have confirmed their eligibility to be appointed as Auditors, in terms of section 141 of the Act read with Rule 4 of the Rules, in place of retiring Auditors M/s. Amar & Raju, Chartered Accountants, Hyderabad (Firm Registration No.000092S), to hold office for a period of five consecutive years from the conclusion of this 29th Annual General Meeting till the conclusion of 34th Annual General Meeting, to be held in the calendar year 2022 (subject to ratification of their appointment by the members of the Company at every Annual General Meeting held after this Annual General Meeting), in compliance with mandatory rotation of auditors as specified in the section 139 of the Companies Act, 2013 (Act) read with the Companies (Audit and Auditors) Rules, 2014

The Auditors Report does not contain any qualification, reservation, or adverse remark for the year 2016-17

2. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and the rules made there under, the Company has appointed Mr. K.V. Chalama Reddy, Practicing Company Secretary as Secretarial Auditor to undertake the Secretarial Audit of the company for the financial year ended on 31st March, 2017.

Secretarial Audit Report issued by Practicing Company Secretary in Form MR-3 is enclosed as Annexure- III to this Annual Report.

With reference to Qualifications in the report regarding non-compliances in respect of appointment of Key Managerial Personnel and advertisement of board meeting notices and publication of quarterly financial results of the Company due to bad financial position of the Company, the Company could not comply with the same .

Regarding the SCORE authentication, the Company has already submitted the necessary application to SEBI and it is in the process of the getting the same

Details in Respect of Adequacy of Internal Financial Controls with Reference to the Financial Statements:

The Company has appointed Internal Auditors to observe the Internal Controls, whether the work flows of organization is being done through the approved policies of the Company. Internal Auditors will present to the Audit Committee the Internal Audit Report and Management Comments on the Internal Audit observations.

Vigil Mechanism:

The Board of Directors of the Company has adopted Whistle Blower Policy. The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. All permanent employees of the Company are covered under the Whistle Blower Policy.

A mechanism has been established for employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of our Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism, and allows direct access to the Chairperson of the audit committee in exceptional cases.

Risk Management Policy:

The Committee had formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day to day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat the risk. The Risk management procedure will be reviewed by the Audit Committee and Board of Directors on a periodical basis at the time of review of Quarterly Financial Results of the Company.

Obligation of Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Woman at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding Sexual Harassment. All employees (permanent, contractual, temporary and trained) are covered under the policy.

The following is a summary of sexual harassment complaints received and disposed off during each calendar year:

- A) No. of Complaints received – NIL
- B) No. of Complaints disposed off - NIL

Corporate Social Responsibility (CSR):

Provisions of Section 135 of the Companies Act, 2013 regarding the Corporate Social Responsibility were not applicable to the Company for the year 2016-17

Material Changes and Commitments:

There are no Material Changes and Commitments impacting the going concern status and Company's operations in future.

Significant and Material Orders passed by the Regulators or Courts:

During the year, the Company has not received any significant and material orders passed from Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.

Deposits:

The Company has not invited/accepted any deposits from the public in terms of Section 73 of the Companies Act, 2013 during the Financial Year 2016-17.

Conservation of Energy and Technology Absorption:

Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3) (m) of the Act read with Companies (Accounts) Rules, 2014 is prepared and the same is enclosed as *Annexure -IV* to this Report.

Foreign Exchange Earnings and Outgo:

(Amount in Rs.)

Foreign Exchange:	2016-17	2015-16
Foreign Exchange Inflow	1,27,85,585	-
Foreign Exchange Outflow	62,500	-

ACKNOWLEDGEMENTS:

The company places on record continued support and cooperation extended by the Banks, Central and state government departments, Dealers, customers, suppliers and shareholders. The Company also places on record the deep sense of appreciation for the dedicated efforts and contribution being made by employees at all levels during the year.

For and on behalf of the Board

Date: 29.08.2017
Place: Hyderabad

K. Soma Raju
Director
DIN: 00018539

Dr. K V L N Raju
Managing Director
DIN: 00116664

MANAGEMENT DISCUSSION AND ANALYSIS REPORT
(Forms part of Director's Report)

Strengths & Opportunities:

Company is still in the process of exploring the possibility of water resources to get better yields to get back routine products like earlier, the lease got terminated last year and company is running on its own like earlier.

Karnataka State Government support in subsidizing for the replacement of poly sheets and also on planting material, power tariff like other states Maharashtra through SIFA (south Indian floriculture association) Bangalore.

Company is also in the process of developing new varieties to suit international markets particularly countries like Japan.

The demand for the Floriculture products not only worldwide even locally (Indian markets) has increasing. Still the problem on drought situation prevailed for more than 6 years.

Risks & weakness:

Professional competence has improved a lot. After lease agreement got terminated last year company is operating on its own in a professional way and trying for other export markets like Japan for better price realisations.

Still Unforeseen natural hazards, foreign exchange fluctuations, policies like import and export could have an impact on the performance and profitability of the company. Still the threat from other countries like china , Kenya and Ethiopia. at competitive prices has threat to this Industry always.

High turnover and experienced, skilled and competent man power.

Central Government air freight subsidies from APEDA not receiving on time/substantial delays will also affect company performance.

Varieties:

Floriculture products mainly consist of cut flowers, pot plants, cut foliage, seeds bulbs, tubers, rooted cuttings and dried flowers or leaves. The important floricultural crops in the international cut flower trade are rose, carnation, chrysanthemum, gagera, gladiolus, gypsophila, lialtris, nerine, orchids, archilea, anthuriu, tulip, and lilies. Floriculture crops like gerberas, carnation, etc. are grown in green houses. The open field crops are chrysanthemum, roses, gaillardia, lily marygold, aster, tuberosc etc.

Floriculture in India

Floriculture is an age old farming activity in India having immense potential for generating gainful self-employment among small and marginal farmers. In the recent years it has emerged as a profitable agri-business in India and worldwide as improved standards of living and growing consciousness among the citizens across the globe to live in environment friendly atmosphere has led to an increase in the demand of floriculture products in the developed as well as in the developing countries worldwide. The production and trade of floriculture has increased consistently over the last 10 years. In India, Floriculture industry comprises flower trade, production of nursery plants and

potted plants, seed and bulb production, micro propagation and extraction of essential oils. Though the annual domestic demand for the flowers is growing at a rate of over 25% and international demand at around Rs 90,000 crore India's share in international market of flowers is negligible. However, India is having a better scope in the future as there is a shift in trend towards tropical flowers and this can be gainfully exploited by country like India with high amount of diversity in indigenous flora.

After liberalization the Government of India identified floriculture as a sunrise industry and accorded it 100 percent export oriented status. The liberalization of industrial and trade policies paved the way for the development of export oriented production of cut flowers. The new seed policy has already made it feasible to import planting material of international varieties. Floriculture products mainly consist of cut flowers, pot plants, cut foliage, seeds bulbs, tubers, rooted cuttings and dried flowers or leaves. The important floricultural crops in the international cut flower trade are rose, carnation, chrysanthemum, gerbera, gladiolus, orchids, anthurium, tulip and lilies.

Marketing

In India Marketing of cut flowers is much unorganized. In most of the Indian cities flowers are brought to wholesale markets, which mostly operate in open yards. From here the flowers are distributed to the local retail outlets which more often than not operate in the open on-road sides, with different flowers arranged in large buckets. In the metropolitan cities, however, there are some good florist show rooms, where flowers are kept under controlled temperature conditions, with considerable attention to value added service. The government is now investing in setting up of auction platforms, as well as organized florist shops with better storage facilities to prolong shelf life. The packaging and transportation of flowers from the farms to the retail markets at present is very unscientific. The flowers, depending on the kind, are packed in gunny bags, bamboo baskets, simple cartons or just wrapped in old newspapers and transported to markets by road, rail or by air. However, the government has provided some assistance for buying refrigerated cargos and built up a large number of export oriented units with excellent facilities of pre-cooling chambers, cold stores and reefer vans.

Export Constraints

In spite of an abundant and varied production base, India's export of floricultural product is not encouraging. The low performance is attributed to many constraints like non-availability of air space in major airlines. The Indian floriculture industry is facing with a number of challenges mainly related to trade environment, infrastructure and marketing issues such as high import tariff, low availability of perishable carriers, higher freight rates and inadequate refrigerated and transport facilities. At the production level the industry is faced with challenges mostly related to availability of basic inputs including quality seeds and planting materials, efficient irrigation system and skilled manpower. In order to overcome these problems, steps must be taken to reduce import duty on planting material and equipment, reduce airfreight to a reasonable level, provide sufficient cargo space in major airlines and to establish model nurseries for supplying genuine planting material. Training centres should be established for training the personnel in floriculture and allied areas. Exporters should plan and monitor effective quality control measures right from production to post harvesting, storage, and transportation.

Demand and Supply

The demand for flowers is seasonal as it is in most countries. The demand for flowers has two components: a steady component and a seasonal component. The factors which influence the demand are to some extent different for traditional and modern flowers.

(i) Traditional Flowers:

The steady demand for traditional flowers comes from the use of flowers for religious purposes, decoration of homes and for making garlands and wreaths. This demand is particularly strong in Kerala, Karnataka, Tamil Nadu, Odisha and West Bengal, as the use of flowers for above mentioned purposes is part of their local culture. The bulk of seasonal demand comes from festivals and marriages. The demand is generally for specific flowers.

(ii) Modern Flowers:

The bulk of the steady demand for modern flowers comes from institutions like hotels, guest houses and marriage gardens. The demand is concentrated in urban areas. With increasing modernization and globalization the demand for modern flowers from the individual consumers is likely to grow enormously as the trend of “say it with flowers” is increasing and the occasions which call for flower giving will continue to present themselves. Although there is an increasing demand for modern flowers from individuals, institutions continue to be the dominant buyers in the market. The price of these flowers also depends on their demand and varies accordingly.

Risks & weakness:

Professional competinace has improved a lot. After lease agreement got terminated last year company is operating on its own in a professional way and trying for other export markets like Japan for better price realisations.

Still Unforeseen natural hazards, foreign exchange fluctuations, policies like import and export could have an impact on the performance and profitability of the company. Still the treat from other countries like china , Kenya and Ethiopia. at competitive prices has threat to this Industry always.

High turnover and experienced, skilled and competent man power.

Central Government air freight subsidies from APEDA not receiving on time/substantial delays will also affect company performance.

Annexure -II

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2017
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	L01119AP1987PLC007981
ii	Registration Date	24/11/1987
iii	Name of the Company	NAGARJUNA AGRI-TECH LIMITED
iv	Category/Sub-category of the Company	Public company limited by Shares
V	Address of the Registered office & contact details	56, NAGARJUNA HILLS, PANJAGUTTA, HYDERABAD Email Id: natl@rediffmail.com
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	XL Softech Systems Limited # 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad- 500034 Phone No.: 23545912/13/14

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Floriculture	631000	100%

III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES: NIL

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

I. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year 1 st , April, 2016				No. of Shares held at the end of the year 31 st March, 2017				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/HUF	0	4,26,795	4,26,795	4.56	4,47,040	--	4,47,040	4.77	0.21
b) Central Govt.or State Govt.	-	--	-	-	--	--	--	--	--
c) Bodies Corporates	-	24,58,405	24,58,405	26.24	24,58,405		24,58,405	26.24	0
d) Bank/FI	-	-	-	-	--	--	--	--	-
e) Any other	-	-	-	-	--	--	--	--	-
SUB TOTAL:(A)									
(1)	-	28,85,200	28,85,200	30.80	29,05,445	--	29,05,445	31.01	0.21
(2) Foreign									
a) NRI- Individuals	-	-	-	-					-
b) Other Individuals	-	-	-	-					-
c) Bodies Corp.	-	-	-	-					-
d) Banks/FI	-	-	-	-					-
e) Any other...	-	-	-	-					-
SUB TOTAL (A)									
(2)	-	-	-	-					-
Total Shareholding of Promoter									
(A)= (A)(1)+(A)(2)	-	28,85,200	28,85,200	30.80	29,05,445	--	29,05,445	31.01	0.21
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	49,500	49,500	0.53	--	49,500	49,500	0.53	-
b) Banks/FI	-	2,50,000	2,50,000	2.67	--	2,50,000	2,50,000	2.67	-
c) Central govt	-	-	-	-					-
d) State Govt.	--	-	-	-					-

e) Venture Capital Fund	-	-	--	-					-
f) Insurance Companies	-	-	-	-					-
g) FIIS	-	-	-	-					-
h) Foreign Venture Capital Funds	-	-	-	-					-
i) Others (specify)	-	-	-	-					-
SUB TOTAL (B)(1):	--	2,99,500	2,99,500	3.20	--	2,99,500	2,99,500	3.20	--
(2) Non Institutions									
a) Bodies corporates									
i) Indian	39,14,734	95,600	40,10,334	42.80	39,31,047	95,600	40,26,647	42.98	0.18
ii) Overseas	-	-	-	-					-
b) Individuals	-	-	-	-					-
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	6,43,659	11,51,400	17,95,059	19.16	7,85,808	11,59,300	19,45,108	20.76	1.6
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	2,74,350	53,293	327643	3.49	1,13,100	26,900	1,40,000	1.497	-2.00
c) Others (specify) NRI	51,364	-	51,364	0.55	52,400	--	52,400	0.56	0.01
SUB TOTAL (B)(2):	48,84,107	13,00,293	61,84,400	66.00	48,82,355	12,81,800	61,64,155	65.79	-0.21
Total Public Shareholding (B)= (B)(1)+(B)(2)	48,84,107	15,99,793	64,83,900	69.20	48,82,355	15,81,300	64,63,655	68.99	-0.21
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	48,84,107	44,84,993	9369100	100	77,87,800	15,81,300	93,69,100	100	-

(ii) **SHARE HOLDING OF PROMOTERS.**

Sl No.	Shareholders Name	Shareholding at the beginning of the year 1st April,2016			Shareholding at the end of the year 31 st March,2017			% change in shareholding 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	
1	Jinnur Investment Pvt Ltd	21,33,405	22.77	0	21,33,405	22.77	0	-
2	Krishna Holdings Pvt Ltd	3,25,000	3.47	0	3,25,000	3.47	0	-
3	K V L N Raju	4,22,294	4.51	0	4,42,539	4.73	0	0.22
4	Lakshmi Raju K	4,501	0.05	0	4,501	0.05	0	-
	Total	28,85,200	30.79	0	29,05,445	31.01	0	0.22

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

Sl.No	Particulars	Shareholding at the beginning of the year 1 st April, 2016		Cumulative Shareholding during the year 31 st at March, 2017		% change in shareholding during the year
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
1	K V L N Raju	4,22,294	4.51	4,42,539	4.73	0.22
	Total	4,77,294	4,22,294	4,42,539	4.73	0.22

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

Sl.No	Name of the share holder	Shareholding at the beginning of the year 1st April,2016	Shareholding at the end of the year 31 st March,2017	% of Change
01	Subhkam Ventures (I) Pvt Ltd	34,14,200	34,14,200	--
02	Jyoti Vikas Kasat	30,100	30,100	--
03	Stock Trust Securities (India) Private	3,15,424	3,33,024	0.187
04	KSSIDC	2,50,000	2,50,000	--
05	ANS Pvt Limited	90,500	90,500	--
06	R S T Holdings Pvt Ltd	65,600	65,600	--
07	YMSH management consultants LLP	50,000	50,000	--
08	Stock Holding Corporation of India Ltd	49,500	49,500	--
09	Raees Hasan	31,000	31,000	--
10	Indu Devi	28,400	28,400	--

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 Personnel) Rules, 2014]

To,
The Members,
NAGARJUNA AGRI-TECH LIMITED
Hyderabad

I have conducted Secretarial Audit pursuant to Section 204 of the Companies Act 2013, on the compliance of applicable statutory provisions and the adherence to good corporate practices by **NAGARJUNA AGRI-TECH LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

1. Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has during the audit period covering the financial year ended on 31st March, 2017 substantially 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:
2. 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, 2017 ("Audit Period") according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made there under;
 - (ii) The Securities Contracts (Regulation) Act, 1956 („SCRA“) and the rules made there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (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 during the audit period*
 - (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 („SEBI Act“) viz. :-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; *not applicable during the audit period*
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *not applicable during the audit period*
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *not applicable during the audit period*
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *not applicable during the audit period*
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) In view of the Management, there were no specific industrial acts applicable to the Company.
- (vii) I have also examined compliance with Secretarial Standards issued by the Institute of Company Secretaries of India in respect of General and Board meetings of the Company

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. except as mentioned below:

01. The Company has not appointed key managerial personnel in terms of Section 203 of the Companies Act 2013 and rules madetherunder.

02. the Company has not appointed a company secretary as compliance officer of the Company in terms of Regulation 6 of the SEBI (LODR) Regulations, 2015

03. the Company has not arranged the advertisement of notice of board meetings in the news papers for announce of quarterly results

04. the Company has not obtained the SCORES authentication in terms of SEBI Circular No.CIR/01AE/1/2014 dated December 18, 2014.

3. I, further report that:

a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors and independent directors. There were no changes made in the composition of the Board of Directors during the year under review.

b. Adequate Notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance. There is adequate system for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting. Majority decision is carried through and there were no instances of dissenting members in the Board of Directors.

4. I, further report that there exist systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

5. I, further report that during the audit period, there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Hyderabad
Date: 29.08.2017

K . V . Chalama Reddy
Practising Company Secretary
M. No: F9268, C.P. No: 5451

This report is to be read with my letter of even date which is given as Annexure „A" and forms an integral part of this report.

Annexure „A” to Secretarial Audit Report

To,
The Members,
Nagarjuna Agri Tech Limited
Hyderabad

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

1. Maintenance of secretarial records 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. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of 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 procedures 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: Hyderabad
Date: 29.08.2017

K . V. Chalama Reddy
Practising Company Secretary
M. No: F9268; C.P. No: 5451

Annexure-IV

The conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to provisions of Section 134(3) (m) of the Companies act, 2013 read with the Companies (Accounts) Rules, 2014

	Current Year	Previous Year
	2016-17	2015-16
<u>A. Power and Fuel Consumption:</u>		
1. Electricity:		
a). Purchased:		
Units (KWH)	-	-
Total Amount (in Lakhs)	-	-
Average rate per Unit (Rs.)	-	-
b). Own Generation:- through Diesel Generator:		
Units generated(KWH)	-	-
Total Amount (in Lakhs)	-	-
Rate per Unit (Rs.)	-	-
2. Coal		
Quantity (MTs)	-	-
Total Amount (in Lakhs)	-	-
Average rate per Unit (Rs.)	-	-
<u>B. Consumption per unit of Production</u>		
Production Cement (MTs)	-	-
Electricity (Kwh)	-	-
Coal (MTs)	-	-

AMAR & RAJU
CHARTERED ACCOUNTANTS

**201, KOR Residency,
8-3-966/16, Road No:3,
Nagarjuna Nagar, Srinagar Colony (PO),
Hyderabad-500073.
☎ 040-23748129
E-Mail: amar_raju1979@yahoo.co.in**

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Nagarjuna Agritech Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Nagarjuna Agritech Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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 of 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.

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 thereunder.

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 the 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 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit 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.
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 and 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 the written representations received from the directors as on 31st March, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No. 2.29 to the financial statements;
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) The Company does not have any amounts, required to be transferred, to the Investor Education and Protection Fund.
 - iv) The Company had provided requisite disclosure in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 08.11.2016 to 30.12.2016 and these are in accordance with the books of accounts maintained by Company.

For AMAR & RAJU
CHARTERED ACCOUNTANTS
Firm Registration No: 0000925

(P. VENKATA RAMANA)
Partner
Membership No: 203346

Place: Hyderabad
Date: 29.05.2017

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL
STATEMENTS OF**

NAGARJUNA AGRITECH LIMITED

**Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our
Report**

- i) a) The Company has maintained proper records, showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has acquired land in the name of individuals. The Rules in Karnataka State do not permit the companies to hold agricultural land in their names. However, the company has entered into agreement with the respective individuals for execution of necessary legal documents in respect of the title of the land. The consideration for purchase of said land has already been paid out of the company's funds, hence treated as an asset of the company. (Refer Note No: 2.2.8 of Notes to the financial statements).
- ii) The Company does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained U/Sec.189 of the Act.
- iv) In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees and security the Company has complied with the provisions of Section 185 and 186 of the Act.

- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public and accordingly the provisions of Clause (v) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the activities rendered by the Company
- vii) a) The Company is regular in depositing with appropriate authorities undisputed statutory dues, including Income Tax and other statutory dues applicable to it.
- According to the information and explanations given to us no undisputed amounts payable in respect of Income Tax and other statutory dues applicable to it were in arrears, as at 31st March 2017 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no dues of Income Tax and other statutory dues applicable to it, which have not been deposited with the appropriate authorities on account of any dispute
- viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x) In our opinion and according to the information and explanations given to us, no fraud by the Company and no fraud on the company by its officers or employees has been noticed or reported during the course of audit.
- xi) During the year the Company has not paid or provided any managerial remuneration. Thus, paragraph 3(xi) of the Order is not applicable to the Company.
- xii) Since the Company is not a Nidhi Company, the provisions of Clause (xii) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act and as required by the applicable accounting standards the details of the transactions with the related parties have been disclosed in the notes to the financial statements. (Refer Note No: 2.24 of Notes to the financial statements)

- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) In our opinion and 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) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For AMAR & RAJU
CHARTERED ACCOUNTANTS
Firm Registration No: 0000925

(P. VENKATA RAMANA)
Partner
Membership No: 203346

Place: Hyderabad
Date: 29.05.2017

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
STANDALONE FINANCIAL STATEMENTS OF
NAGARJUNA AGRITECH 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 **Nagarjuna Agritech Limited** ("the Company") as of March 31, 2017 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 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". 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, 2017, 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 AMAR & RAJU
CHARTERED ACCOUNTANTS
Firm Registration No: 0000925

(P. VENKATA RAMANA)
Partner
Membership No: 203346

Place: Hyderabad
Date: 29.05.2017

NAGARJUNA AGRITECH LIMITED
BALANCE SHEET AS AT 31st MARCH 2017

Particulars	Note No	AS AT 31.03.2017	Amount in Rupees AS AT 31.03.2016
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2.1	9,36,91,000	8,36,91,000
(b) Reserves and Surplus	2.2	<u>(4,25,73,861)</u>	<u>(4,84,93,471)</u>
		5,11,17,139	4,51,97,529
(2) Current Liabilities			
(a) Short-term Borrowings	2.3	6,53,000	7,30,000
(b) Trade Payables	2.4	6,44,333	-
(c) Other Current Liabilities	2.5	<u>8,36,203</u>	<u>5,29,235</u>
		21,33,536	12,59,235
Total		<u>5,32,50,675</u>	<u>4,64,56,764</u>
II. Assets			
(1) Non-Current Assets			
(a) Fixed Assets			
Tangible Assets	2.6	2,52,29,435	2,58,45,181
(b) Non Current Investments	2.7	1,34,00,000	-
(c) Long-term Loans and Advances	2.8	67,07,195	67,07,195
(d) Other Non-Current Assets	2.9	<u>-</u>	<u>1,34,56,300</u>
		4,53,36,630	4,60,08,676
(2) Current Assets			
(a) Trade Receivables	2.10	67,64,505	-
(b) Cash and Bank Balances	2.11	8,57,469	2,12,317
(c) Other Current Assets	2.12	<u>2,92,071</u>	<u>2,35,771</u>
		79,14,045	4,48,088
Total		<u>5,32,50,675</u>	<u>4,64,56,764</u>

As per our report of even date

For and on behalf of the Board

for AMAR & RAJU
CHARTERED ACCOUNTANTS
Firm Registration No: 000092S

(Dr. K. V. L. N. RAJU)
Managing Director
Din No. 00116664

(K. SOMA RAJU)
Director
Din No. 00018539

(P. VENKATA RAMANA)
Partner
Membership No: 203346

(N. VISWANATHA RAJU)
Director
Din No. 00559584

Place: HYDERABAD
Date : 29.05.2017

NAGARJUNA AGRITECH LIMITED

STATEMENT PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	Note No	Amount in Rupees	
		Year ended 31.03.2017	Year ended 31.03.2016
Revenue from Operations - Horticulture	2.13	2,02,57,635	5,00,000
Total Revenue		2,02,57,635	5,00,000
Expenses:			
Purchases of Stock-in-trade (Cut Flowers)		17,24,551	-
Employee Benefit Expense	2.14	9,96,866	60,000
Depreciation	2.6	8,58,536	9,62,428
Other Expenses	2.15	1,07,58,072	10,28,334
Total Expenses		1,43,38,025	20,50,762
Profit / (Loss) before Extraordinary Items and Tax		59,19,610	(15,50,762)
Extraordinary items	2.16	-	(17,22,996)
Profit / (Loss) before Tax		59,19,610	(32,73,758)
Tax Expense:			
Current Tax		-	-
Deferred Tax		-	-
Profit / (Loss) for the Period from Continuing Operations		59,19,610	(32,73,758)
EPS before Extraordinary Items			
EPS: (In Rupees) (Face Value Rs.10/-)			
Basic and Diluted Earnings Per Share	2.17	0.63	(0.17)
EPS after Extraordinary Items			
EPS: (In Rupees) (Face Value Rs.10/-)			
Basic and Diluted Earnings Per Share	2.17	0.63	(0.35)

As per our report of even date

for AMAR & RAJU
CHARTERED ACCOUNTANTS
Firm Registration No: 000092S

(P. VENKATA RAMANA)
Partner
Membership No: 203346

For and on behalf of the Board

(Dr. K. V. L. N. RAJU)
Managing Director
Din No. 00116664

(K. SOMA RAJU)
Director
Din No. 00018539

(N. VISWANATHA RAJU)
Director
Din No. 00559584

Place: HYDERABAD
Date : 29.05.2017

NAGARJUNA AGRITECH LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

Amount in Rupees

	31.03.2017		31.03.2016	
A) Cash Flow from Operating Activities:				
Net Profit / (Loss) Before Tax		59,19,610		(32,73,758)
Adjustments for:				
Depreciation	8,58,536		9,62,428	
Value of land written off	-		17,22,996	
Operating Profit Before Working Capital Changes		8,58,536		26,85,424
Adjustments for:		67,78,146		(5,88,334)
Trade & Other Receivables	(68,20,805)		(1,20,000)	
Trade Payable	9,51,301		(3,69,852)	
Net Cash from Operating Activities		(58,69,504)		(4,89,852)
		9,08,642		(10,78,186)
B) Cash Flow from Investing Activities:				
Purchase of fixed assets	(2,42,790)		-	
Share Application money returned	1,34,56,300			
Investment in Equity Shares	(1,34,00,000)			
Net Cash Used in Investing Activities		(1,86,490)		-
C) Cash Flow from Financing Activities:				
Net increase / (decrease) in unsecured loans	(77,000)		7,30,000	
Net Cash Used in Financing Activities		(77,000)		7,30,000
Net Increase in Cash & Cash Equivalents (A-B-C)		6,45,152		(3,48,186)
Cash & Cash Equivalents at the Beginning				
Cash on Hand	22,612		3,61,112	
Balance with Sch. Banks in CA	4,644		14,330	
Cash & Cash Equivalents at the End		27,256		3,75,442
Cash on Hand	4,57,013		22,612	
Balance with Sch. Banks in CA	2,15,395		4,644	
		6,72,408		27,256

As per our report of even date

For and on behalf of the Board

for AMAR & RAJU
CHARTERED ACCOUNTANTS
Firm Registration No: 000092S

(Dr. K. V. L. N. RAJU)
Managing Director
Din No. 00116664

(K. SOMA RAJU)
Director
Din No. 00018539

(P. VENKATA RAMANA)
Partner
Membership No: 203346

(N. VISWANATHA RAJU)
Director
Din No. 00559584

Place: HYDERABAD
Date : 29.05.2017

NAGARJUNA AGRITECH LIMITED

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FORMING PART OF THE BALANCE

1. SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of preparation of Financial Statements:

The Financial Statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles in India and comply in all material aspects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 as adopted consistently by the Company.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles followed by the Company.

b) Fixed Assets:

Fixed Assets are valued at historical cost less depreciation. Attributable costs and expenses including borrowing costs for bringing the respective assets to working condition for their intended use are capitalized.

c) Depreciation:

Depreciation is provided on straight line method basing on the useful life of the assets prescribed under Schedule II of the Companies Act, 2013.

d) Investments:

Un-quoted long term Investments are valued at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

e) Revenue Recognition:

Revenue from the sale of grown items is recognised upon passage of the title to the customers which generally consists with the delivery and acceptance thereof.

Operating lease rentals are accounted on mercantile basis as per the terms of the lease agreement.

f) Foreign Exchange transactions:

All foreign currency transactions were initially recognized at the rate on the date of transaction.

Exchange differences arising on the settlement of monetary items were recognized as income/expense.

Monetary items as on the date of Balance Sheet are stated at the closing rate/realistic rate.

g) Cash Flow Statement:

The Cash Flow Statement has been compiled from and is based on the Balance Sheet and the related Statement of Profit and Loss for the year ended on that date. The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow Statement issued by ICAI

Cash and cash equivalents in the cash flow statement comprise cash at bank, cash/cheques in hand and short term investments with an original maturity of three months or less.

NAGARJUNA AGRI TECH LIMITED

SIGNIFICANT ACCOUNTING POLICIES:

h) Impairment of Assets:

The Management assesses using external and internal sources whether there is any indication that an asset may be impaired. Impairment of an asset occurs where the carrying value exceeds the present value of cash flow expected to arise from the continuing use of the asset and its eventual disposal. The provision for impairment loss is made when recoverable amount of the asset is lower than the carrying amount.

i) Provisions and Contingent Liabilities and Contingent Assets:

Provisions in respect of present obligations arising out of past events are made in the accounts when reliable estimate can be made of the amount of obligations and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but if material, are disclosed in the notes to accounts. Contingent assets are not recognized or disclosed in the financial statements.

j) Operating Lease:

Operating Lease payments are recognized as an expense in the Profit and Loss Statement of the year to which they relate

k) Earnings Per Share:

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

l) Use of Estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

NAGARJUNA AGRITECH LIMITED

2. NOTES ON ACCOUNTS:

2.1 SHARE CAPITAL

Particulars	Amount in Rupees	
	As At	
	31.03.2017	31.03.2016
A) Authorised Share Capital:		
1,00,00,000 Equity Shares of Rs.10/- each	10,00,00,000	10,00,00,000
B) Issued, Subscribed and Fully Paid-up Share Capital:		
93,69,100 Equity Shares of Rs.10/- each fully paid up	9,36,91,000	9,36,91,000
Total	9,36,91,000	9,36,91,000

Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule III to the Companies Act, 2013

Reconciliation of the Number of Shares Outstanding:

	As At	
	31.03.2017	31.03.2016
Shares outstanding at the beginning of the year	93,69,100	93,69,100
Add: Shares Issued during the year	-	-
Add: Bonus Shares Issued	-	-
Less: Shares bought back during the year	-	-
Shares outstanding at the end of the year	93,69,100	93,69,100

Disclosure pursuant to Note no. 6(A)(e) of Part I of Schedule III to the Companies Act, 2013

The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital;

- a) The Company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share
- b) The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- c) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule III to the Companies Act, 2013

Shares in the Company held by each Share Holder holding more than 5% shares

	As At	
	31.03.2017	31.03.2016
	No of shares	No of shares
	%	%
a) Subhkam Ventures (I) Private Limited	34,14,200	34,14,200
	36.44%	36.44%
b) Jinnur Investments Private Limited	21,33,405	21,33,405
	22.77%	22.77%

Disclosure pursuant to Note no. 6(A)(h) of Part I of Schedule III to the Companies Act, 2013

Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment;	NIL	NIL
---	-----	-----

Disclosure pursuant to Note no. 6(A)(i) of Part I of Schedule III to the Companies Act, 2013

a) Aggregate number of equity shares allotted as fully paid up pursuant to contract(s) without payment being received in cash in the last five years immediately preceeding the Balance Sheet date	NIL	NIL
b) Aggregate number of bonus shares (Equity) issued in the last five years immediately preceeding the Balance Sheet date		
c) Aggregate number of equity shares bought back in the last five years immediately preceeding the Balance Sheet date	NIL	NIL

Disclosure pursuant to Note no. 6(A)(j) of Part I of Schedule III to the Companies Act, 2013

Securities convertible into equity / preference shares issued	NIL	NIL
---	-----	-----

A) Subsidy from AFEDA (A)	1,00,000	1,00,000
B) Capital Reserve (B)	73,72,050	73,72,050
C) Surplus:		
Opening balance	(5,59,65,521)	(5,26,91,763)
Add / (Less): Net Profit / (Loss) after Tax transferred from Statement of Profit & Loss	59,19,610	(32,73,758)
Balance in Profit & Loss Account (.C)	(5,00,45,911)	(5,59,65,521)
Total (A+B+C)	(4,25,73,861)	(4,84,93,471)

2.3 SHORT-TERM BORROWINGS

Particulars	As At:	
	31.03.2017	31.03.2016
Unsecured Borrowings:		
Loans and advances from Related Parties		
From Director	6,53,000	7,30,000
Total	6,53,000	7,30,000
Aggregate amount of loans Guaranteed by Directors & Others	NIL	NIL
Amount of default as on the balance sheet date in repayment of loans and interest there on	NIL	NIL

2.4 TRADE PAYABLES

Particulars	As At	
	31.03.2017	31.03.2016
Accrued Salaries and other benefits		
Salaries	1,36,000	-
For Other Liabilities		
For Supplies	5,08,333	-
Total	6,44,333	-

2.5 OTHER CURRENT LIABILITIES

Particulars	As At	
	31.03.2017	31.03.2016
For Services & Expenses	7,10,216	2,45,662
Withholding and Other Taxes Payable	13,022	16,906
Lease Rent received in advance	-	1,66,667
Other creditors	1,12,965	1,00,000
Total	<u>8,36,203</u>	<u>5,29,235</u>

2.7 NON-CURRENT INVESTMENTS

Particulars	As At	
	31.03.2017	31.03.2016
Trade Investments - Unquoted - At cost		
Investment in Equity Instruments		
a) 14,500 Equity shares of Rs.100/- each in Manu Vyapar Private Limited	90,00,000	-
b) 45,000 Equity shares of Rs.100/- each in Tramco Finance Private Limited	36,00,000	-
c) 32,000 Equity shares of Rs.100/- each in Bhart Safety Glasses Private Limited	8,00,000	-
	<u>1,34,00,000</u>	<u>-</u>
Aggregate amount of unquoted investments	1,34,00,000	-

2.8 LONG-TERM LOANS AND ADVANCES

Particulars	As At	
	31.03.2017	31.03.2016
Unsecured Considered Good		
Advances for capital goods/works	58,00,000	58,00,000
Deposits	9,07,195	9,07,195
Total	<u>67,07,195</u>	<u>67,07,195</u>

2.9 OTHER NON-CURRENT ASSETS

Particulars	As At	
	31.03.2017	31.03.2016
Others:		
Share Application Money	-	1,34,56,300
Total	<u>-</u>	<u>1,34,56,300</u>

2.10 TRADE RECEIVABLES

Particulars	As At	
	31.03.2017	31.03.2016
Unsecured Considered Good		
Outstanding for a period exceeding six months	-	-
Others	67,64,505	-
Total	<u>67,64,505</u>	<u>-</u>

2.11 CASH AND BANK BALANCES

Particulars	As At	
	31.03.2017	31.03.2016
A) Cash and Cash Equivalents:		
Balances with Banks	2,15,395	4,644
Cash on Hand	4,57,013	22,612
Total Cash and Cash Equivalents (A)	<u>6,72,408</u>	<u>27,256</u>
B) Other Bank Balances:		
Balances with Banks	1,85,061	1,85,061
Total Other Bank Balances (B)	<u>1,85,061</u>	<u>1,85,061</u>

Total Cash and Bank Balances (A + B)	8,57,469	2,12,317
Other Bank Balances includes:		
a) Earmarked balances with banks	-	-
b) Deposit accounts with more than 12 months maturity	-	-
c) Held as margin money deposits against guarantees	-	-

2.12 OTHER CURRENT ASSETS

Particulars	As At	
	31.03.2017	31.03.2016
Income tax refund due	2,35,771	2,35,771
Other receivables	56,300	-
Total	2,92,071	2,35,771

2.13 REVENUE FROM OPERATIONS

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
A) From Sale of Products		
Cut Flowers		
Export Sales	1,28,03,981	-
Domestic Sales	72,86,987	-
B) Other Operating Revenue		
Rent Received	1,66,667	5,00,000
Total	2,02,57,635	5,00,000

2.14 EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
Salaries, Wages & Other Benefits	9,80,100	60,000
Staff welfare expenses	16,766	-
Total	9,96,866	60,000

2.15 OTHER EXPENSES

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016

Total Cash and Bank Balances (A + B)	8,57,469	2,12,317
Other Bank Balances includes:		
a) Earmarked balances with banks	-	-
b) Deposit accounts with more than 12 months maturity	-	-
c) Held as margin money deposits against guarantees	-	-

2.12 OTHER CURRENT ASSETS

Particulars	As At	
	31.03.2017	31.03.2016
Income tax refund due	2,35,771	2,35,771
Other receivables	56,300	-
Total	<u>2,92,071</u>	<u>2,35,771</u>

2.13 REVENUE FROM OPERATIONS

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
A) From Sale of Products		
Cul Flowers		
Export Sales	1,28,03,981	-
Domestic Sales	72,86,987	-
B) Other Operating Revenue		
Rent Received	1,66,667	5,00,000
Total	<u>2,02,57,635</u>	<u>5,00,000</u>

2.14 EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended	Year ended
	31.03.2017	31.03.2016
Salaries, Wages & Other Benefits	9,80,100	60,000
Staff welfare expenses	16,766	-
Total	<u>9,96,866</u>	<u>60,000</u>

2.15 OTHER EXPENSES

Particulars	Year ended	Year ended
-------------	------------	------------

A) Purchase of Stock-in-trade:		
Cut Flowers	17,24,551	-
B) Turnover:		
Sale of Cut Flowers and Bloomed Roses	2,00,90,968	-
Other operating income - Rent received	1,66,667	5,00,000
C) Opening Stock-in trade:		
Finished goods - Cut Flowers	-	-
D) Closing Stock-in-trade:		
Finished goods - Cut Flowers	-	-

2.19 FOREIGN EXCHANGE TRANSACTIONS

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Earnings in Foreign Currency:		
FOB Value of Exports	1,27,85,585	-
Expenditure in Foreign Currency:		
Foreign travel expenses	62,500	-

2.20 FOREIGN EXCHANGE FLUCTUATIONS

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
As per the accounting policy, the amount of Foreign Exchange Fluctuations (debited) / credited to Profit and Loss Account during the period	18,396	-

2.21 AUDITORS REMUNERATION

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Audit Fee	1,00,000	1,00,000
Service Tax	15,000	14,500

Total	1,15,000	1,14,500
-------	----------	----------

2.22 Disclosures required under Schedule VI of SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
a) Loans and advances in the nature of loans to Subsidiary Company:	NA	NA
b) Loans and advances in the nature of loans to Associate Company:	NA	NA
c) Loans and advances in the nature of loans to firms/companies in which Directors are interested:	NIL	NIL
d) Investments by the loanee in the shares of the parent company and subsidiary company, when the company has made a loan or advance in the nature of loan	NA	NA

**2.23 Disclosure as required under Part I (6)(FA) of Schedule III to the Companies Act, 2013:
Relating to Micro, Small and Medium Enterprises**

(This information as required to be disclosed has been determined to the extent such parties have been identified on the basis of information available with the company)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
(i) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;		
Principal amount	-	-
Interest amount	-	-
(ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

2.24 Transactions with Related Parties

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Key Managerial personnel: Dr. K V L N Raju, Managing Director		
Companies in which Key Managerial Personnel are interested		
a) Krishna Holdings Private Limited		
b) Jinnur Investments Private Limited		
c) Stocktrust Securities (India) Private Limited		
d) Siltex India Limited		
Transaction with Related Parties Dr. K V L N Raju, Managing Director		
Unsecured Loan taken (Maximum amount outstanding at any time during the year)	13,76,000	7,30,000
Balance payable at the year end	6,53,000	7,30,000

2.25 Disclosure as required under Part I (6)(X) of Schedule III to the Companies Act, 2013:

Details of Specified Bank Notes (SBN) held and transferred during the period from 8th November, 2016 to 30th December, 2016

Particulars	SBNSs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	4,70,000	3,97,727	8,67,727
(+) Permitted receipts	-	4,33,700	4,33,700
(-) Permitted payments	-	(4,23,271)	(4,23,271)
(-) Amount deposited in banks	(4,70,000)	-	(4,70,000)
Closing cash in hand as on 30.12.2016	-	4,08,156	4,08,156

2.26 Segment Reporting:

As the Company's business activities falls within single segment the disclosure requirement of Accounting Standard 17 "Segment Reporting" is not applicable.

2.27 Deferred Tax Asset / Liability:

The management has taken the view that, floriculture activity comes under agricultural activity and since agricultural income is exempted from income tax, there is no need to recognise deferred tax asset/liability in the books of account.

2.28 Note on Land:

The company has acquired land in the name of individuals. The rules in Karnataka State do not permit the companies to hold agricultural land in their names. However, the company has entered into agreement with the respective individuals for execution of necessary legal documents in respect of the title of the land. The consideration for purchase of said land has already been paid out of the company's funds, hence treated as an asset of the company.

2.29 Note on Pending Litigations:

3.00 acres of land ownership is under dispute. The company was not aware at the time of purchase of land, that the sellers of the land belongs to Scheduled Casts and Scheduled Tribes. As per Karnataka Scheduled Casts and Scheduled Tribes (Prohibition of Transfer of Certain Lands) Act, 1978 they have no right to dispose / sell the land. The seller of the land claims that he belongs to Scheduled Casts and Scheduled Tribes. The matter is pending before Assistant Commissioner, Dodkabalapur Sub-Division, Bangalore. The Company is pursuing the matter and trying its best to protect the interests of the Members of the company. The proportionate cost of 3.00 acres land is Rs.5,69,419/- approximately.

2.30 Previous Years Figures:

The previous year's figures have been reworked / regrouped / rearranged / reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

2.31 Balances subject to Confirmation:

Balances under sundry creditors, deposits, Investment in share application money, advances, amounts payable / receivable are subject to confirmation and reconciliation.

As per our report of even date

For and on behalf of the Board

for AMAR & RAJU
CHARTERED ACCOUNTANTS
Firm Registration No: 000092S

(Dr. K. V. L. N. RAJU)
Managing Director
Din No. 00116664

(K. SOMA RAJU)
Director
Din No. 00018539

(P. VENKATA RAMANA)
Partner
Membership No: 203346

(N. VISWANATHA RAJU)
Director
Din No. 00559584

Place: HYDERABAD
Date : 29.05.2017

NOTES ON ACCOUNTS

2.6 FIXED ASSETS

Amount in Rupees

Description	GROSS BLOCK			DEPRECIATION		NET BLOCK			
	As on 01.04.2016	Additions	Deletions	As on 31.03.2017	Up to 01.04.2016	For the Period	Up to 31.03.2017	As on 31.03.2017	As on 31.03.2016
Tangible Assets:									
Land	1,51,40,726	-	-	1,51,40,726	-	-	-	1,51,40,726	1,51,40,726
Buildings	1,01,75,108	-	-	1,01,75,108	68,24,882	2,86,510	71,11,392	30,63,716	33,50,226
Plant & Machinery	8,95,09,607	-	-	8,95,09,607	8,21,72,129	5,69,596	8,27,41,725	67,67,882	73,37,478
Electrical Equipment	-	2,42,790	-	2,42,790	-	2,430	2,430	2,40,360	-
Furniture	6,33,710	-	-	6,33,710	6,32,605	-	6,32,605	1,105	1,105
Office Equipment	3,04,214	-	-	3,04,214	2,89,003	-	2,89,003	15,211	15,211
Computers	2,95,337	-	-	2,95,337	2,94,902	-	2,94,902	435	435
Vehicles	2,63,403	-	-	2,63,403	2,63,403	-	2,63,403	-	-
Total	11,63,22,105	2,42,790	-	11,65,64,895	9,04,76,924	8,58,536	9,13,35,460	2,52,29,435	2,58,45,181
previous Year Total	11,80,45,101	-	17,22,986	11,63,22,105	8,95,14,496	9,62,428	9,04,76,924	2,58,45,181	2,85,30,605

NAGARJUNA AGRI-TECH LIMITED

CIN: L01119AP1987PLC007981

Registered Office: 56, NAGARJUNA HILLS, PANJAGUTTA, HYDERABAD - 500082

ATTENDANCE SLIP

I/We hereby record my/our presence at the 29th Annual General Meeting of the Company held on Friday, 29th September, 2017 at 11:30 AM at Plot No. 56, Nagarjuna Hills, Panjagutta, Hyderabad- 500082

FOR PHYSICAL HOLDING	FOR ELECTRONIC FORM (DEMAT) NSDL/CDSL		NO. OF SHARES
LF NO.	DP ID	CLIENT ID:	
NAME OF THE MEMBER /JOINT MEMBER (S) (IN BLOCK CAPITALS)			

**Signature of the member/
Joint Member (s)/ proxy**

PROXY FORM

[Pursuant to section 105(6) of the Company Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s) :			
Registered address :			
E-Mail Id :			
Folio No/ Client Id :		DP ID	

I/We, being the member (s) of..... Shares of Nagarjuna Agri Tech Limited, hereby appoint:

1	NAME		
	Address		
	E-Mail Id		Signature
	or failing him		
2	NAME		
	Address		
	E-Mail Id		Signature
	or failing him		
3	NAME		
	Address		
	E-Mail Id		signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Friday, the 29th September, 2017 at 11:30 A.M at Plot No. 56, Nagarjuna Hills, Panjagutta, Hyderabad – 500082, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl.No.	Resolutions	Optional ¹	
		For	Against
ORDINARY BUSINESS			
1	To receive, consider and adopt the Audited Financial Statements for the year 2016-17, including report of Board of Directors and Auditors thereon.		
2	Re-appointment of Dr. K.V.L.N. Raju (DIN: 00116664) as a Director, who retires by rotation		
3	Appointment of M/s Brahmayya & Co. as Statutory Auditors of the Company for the year 2017-18		
4	Re-appoint Dr. K V L N Raju (DIN: 00116664) as Managing Director of the Company.		

Signed this Day of2017.

Signature of shareholder : _____

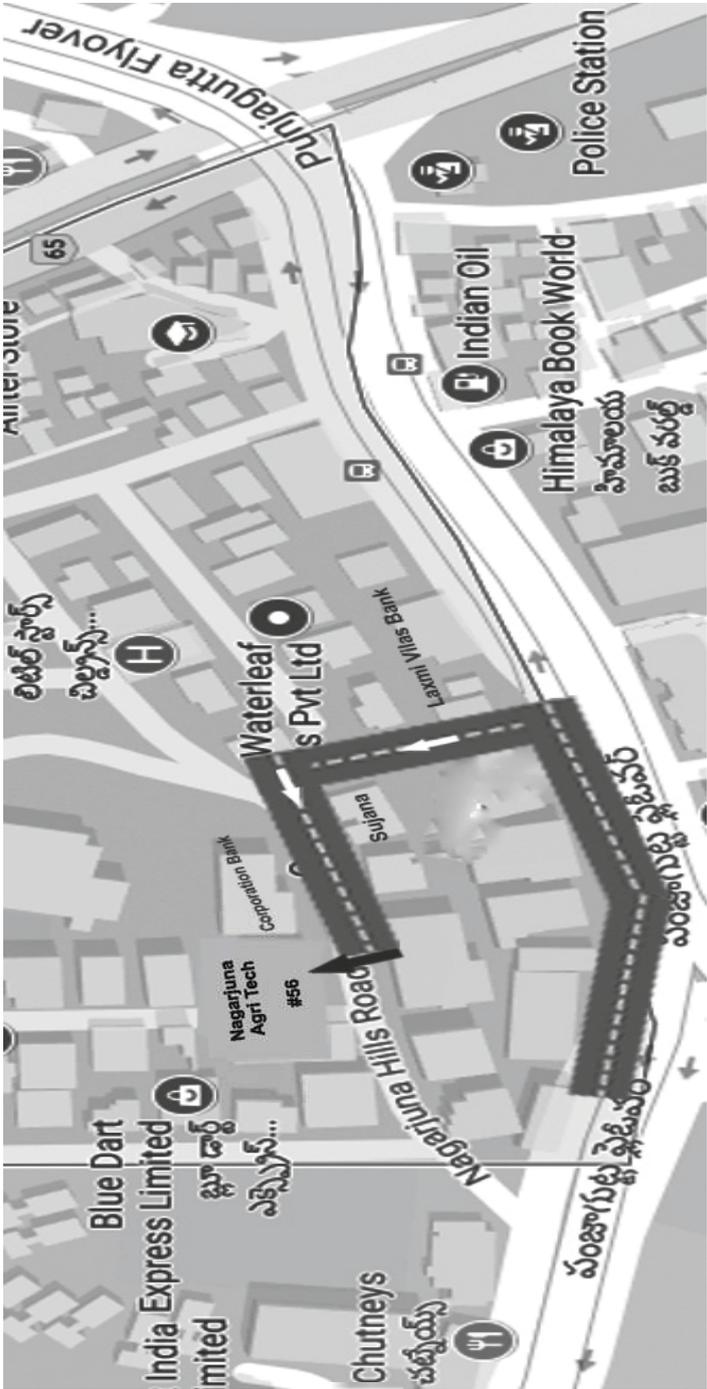
Signature of Proxy holder (s) : _____



Note :1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. * It is optional to put a 'x' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

3. Please complete all details including details of member(s) in above box before submission.



BOOK-POST
PRINTED MATTER



If undelivered, please return to :



NAGARJUNA
AGRITECH LIMITED
PLOT No. 56, Nagarjuna Hills,
Punjagutta, Hyderabad - 500 082.