

INDEPENDENT AUDITORS' REPORT

To the Members of
BANGALORE FORT FARMS LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of BANGALORE FORT FARMS LIMITED (the 'Company'), which comprise the Balance Sheet as at 31st March, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 of India (the 'Act') read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, 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 auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Bangalore Fort Farms Ltd.

Director

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Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying 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.

(i) in the case of the Balance Sheet, of the state of affairs
of the Company as at March 31, 2014;

(ii) in the case of the Statement of Profit and Loss, of the profit
for the year ended on that date; and

(iii) in the case of the Cash Flow Statement, of the cash flows
for the year ended on that date.

Emphasis of Matter

7. Reliance has been placed on the opinion of the management regarding the recoverability of trade and other receivables at the values stated as noted in Note no. 18.5 of the notes to financial statements.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

8. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (the 'Order'), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

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

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit:

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Bangalore Fort Farms Ltd.

Director

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- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet and Statement of Profit and Loss, dealt with by this report comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
- (e) On the basis of written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act.

For R. CHANDRASHEKAR
AND ASSOCIATES
Chartered Accountants
Firm Registration No. 0067835



A handwritten signature in black ink, appearing to be "V. Ganesh".

V. GANESH
Proprietor
Membership No. 202995

Place: Bangalore
Date: June 23, 2014

Bangalore Fort Farms Ltd.

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Director

ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 8 of the Auditors' Report of even date]

1. (a) The Company has maintained proper records of fixed assets in the form of schedules showing full particulars including quantitative details and situation of fixed assets.
(b) The Company did not have any fixed assets at the end of the year.
(c) There was a substantial disposal of fixed assets during the previous year ended March 31, 2013 as noted in note no. 18.9 pursuant to discontinuation of operations. The Company did not have any fixed assets at the end of the current year.
2. Sub Clauses (ii) (a) (b) and (c) of Paragraph 4 of The Companies (Auditor's Report) Order 2003, are not applicable for the year.
3. The Company has not granted or taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956; Consequently, the requirements of clauses 4(iii) [(b), (c), (d), (e), (f) and (g)] of the Companies (Auditor's Report) Order are not applicable.
4. In our opinion, and according to the information and explanations given to us, in general there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
5. (a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 have been made at prices which are reasonable, having regard to prevailing market prices at the relevant time where such market prices are available.
6. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.
7. We are informed that the Company is in the process of strengthening its existing internal audit system commensurate with the size and nature of its business.
8. As explained to us, the maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956, for the year under review.

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Bangalore Fort Farms Ltd.

Director

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9. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
10. The Company has no accumulated losses as at March 31, 2014 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. According to the records of the Company examined by us and the information and explanation given to us, there were no delays in repayment of dues to the bank. The Company has neither taken any loans from a financial institution nor issued any debentures.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures or other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
15. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. During the year, the Company has not obtained any new term loans.
17. On the basis of an overall examination of the balance sheet of the Company, in our opinion, and according to the information and explanations given to us, during the year, there are no funds raised on a short-term basis, which have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act during the year.
19. The Company has not issued debentures.
20. The Company has not raised any money by public issue.

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Bangalore Fort Farms Ltd.

Director

21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For R. CHANDRASHEKAR
AND ASSOCIATES
Firm Registration No. 0067835
Chartered Accountants



Place : Bangalore
Date : June 23, 2014

A handwritten signature in black ink, appearing to read "V. Ganesh".

V. GANESH
Proprietor
Membership No. 202995

Bangalore Fort Farms Ltd.

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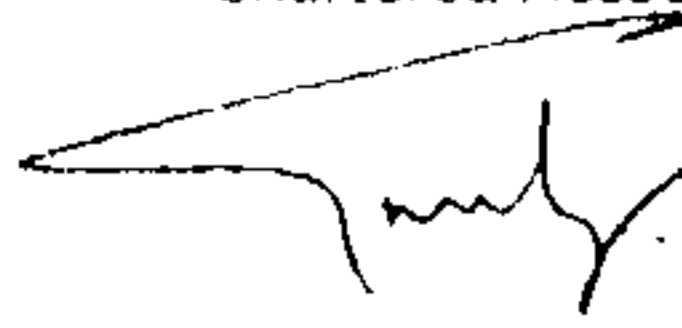
Director

BANGALORE FORT FARMS LIMITED
BALANCE SHEET AS AT MARCH 31, 2014

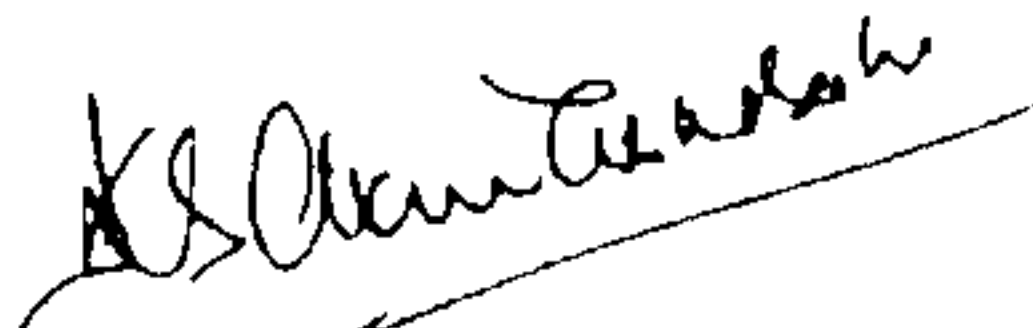
Annual Report 2013 - 14

	Note No.	As at 31-3-2014		As at 31-3-2013	
		Details Rs.	Amount Rs.	Details Rs.	Amount Rs.
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	2	800,000		800,000	
Reserves and Surplus	3	26,943,869		25,936,836	
			27,743,869		26,736,836
Current Liabilities					
Trade Payables		7,326		17,094	
Other Current Liabilities	4	241,040		98,500	
Short-term Provisions	5	-		3,792,205	
			248,366		3,907,799
Total			<u>27,992,235</u>		<u>30,644,635</u>
ASSETS					
Non-current Assets					
Fixed Assets - Tangible Assets	6	-		21,583	
Non-current Investments	7	15,690		15,690	
Long-term Loans and Advances	8	2,000		5,000	
			17,690		42,273
Current Assets					
Trade Receivables	9	75,000		75,000	
Cash and Cash Equivalents	10	27,213,837		29,526,964	
Short-term Loans and Advances	11	685,708		1,000,398	
			27,974,545		30,602,362
Total			<u>27,992,235</u>		<u>30,644,635</u>
Notes on Accounts	1				

Per Our Report attached
For R. CHANDRASHEKAR
AND ASSOCIATES
 Firm Registration No. 0067835
 Chartered Accountants



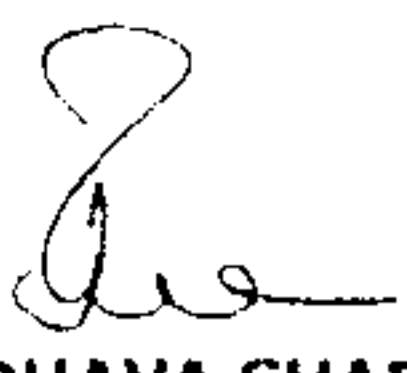
V. GANESH
 Proprietor
 Mem. No. 202995

K. S. AKHILESH BABU
 Managing Director



P. S. NANDA KUMAR
 Director



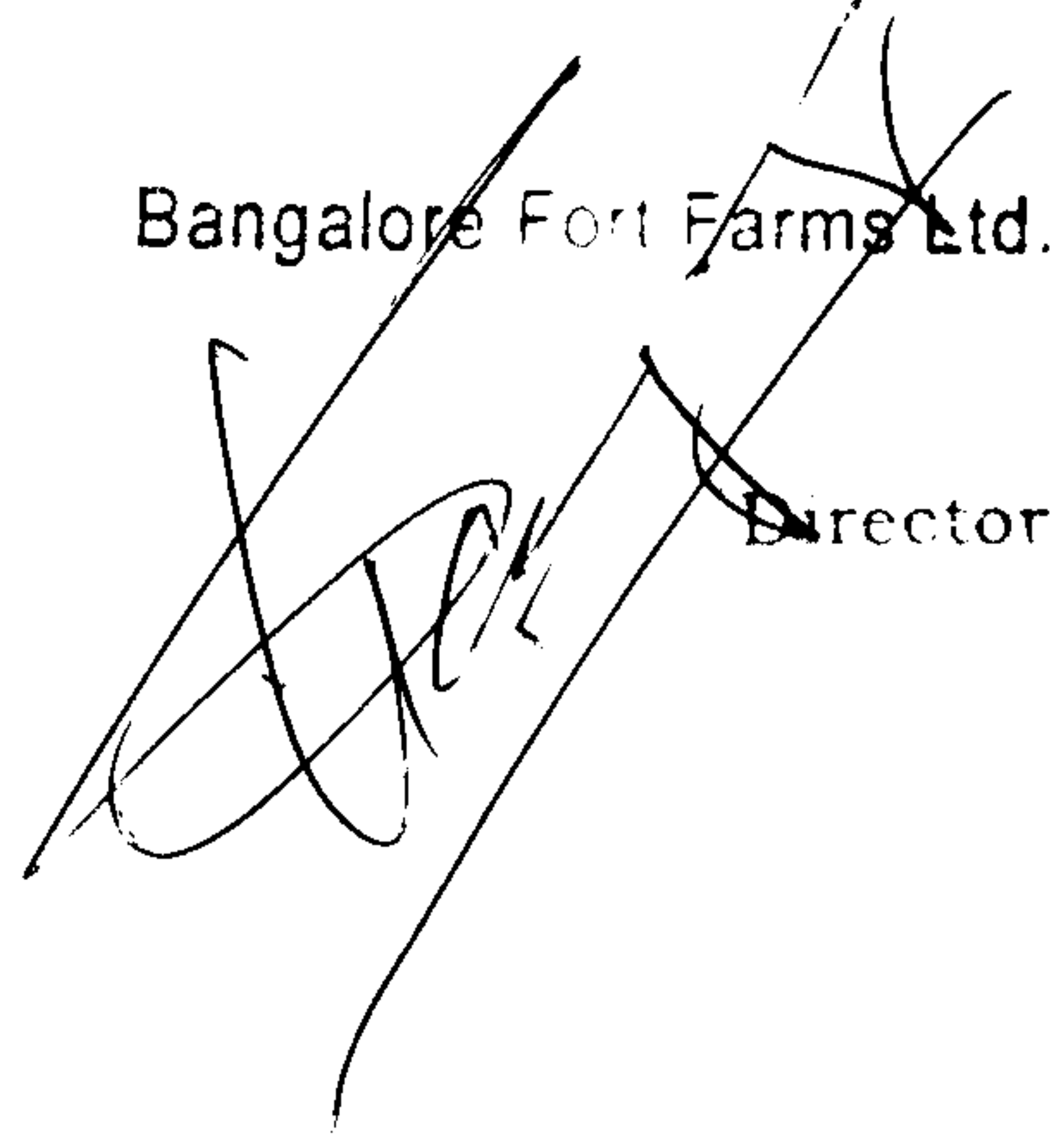
J. MADHAVA SHARMA
 Director



Dr. K. SUBBA REDDY
 Director

Place : Bangalore
 Date : June 23, 2014

Bangalore Fort Farms Ltd.



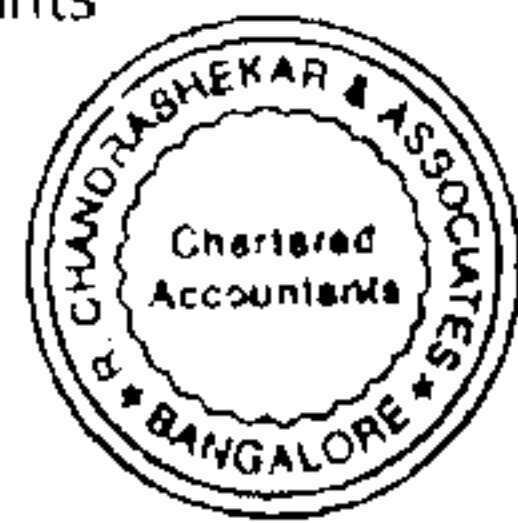
Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

	Note No.	2013 - 14		2012 - 13	
		Details Rs.	Amount Rs.	Details Rs.	Amount Rs.
INCOME					
Revenue from Operations	12	-	-	124,280	-
Other Income	13	1,933,696	-	1,451,028	-
		-----	1,933,696	-----	1,575,308
EXPENDITURE					
Changes In Inventories	14	-	-	50,000	-
Employee Benefits Expense	15	103,304	-	461,296	-
Finance Costs	16	4,123	-	280,771	-
Depreciation and Amortization Expense	6	5,481	-	38,337	-
Other Expenses	17	313,755	-	333,369	-
		-----	426,663	-----	1,163,773
Profit before Exceptional Item and Tax			1,507,033		411,535
Profit on Sale of Fixed Assets	18.9		-		64,673,234
Profit before Tax			1,507,033		65,084,769
Profit Before Tax from Continuing Operations		1,507,033		1,451,028	
Less : Tax Expense - Current Tax		500,000		470,786	
Profit from Continuing Operations		-----	1,007,033	-----	980,242
Loss Before Tax from Discontinuing Operations		-		(1,039,493)	
Less : Tax Expense / (Savings) on the above		-		(337,264)	
Profit on Sale of Assets of Discontinuing Operations		-		64,673,234	
Less : Tax Expense on Sale of Assets		-		14,923,581	
Profit / (Loss) from Discontinuing Operations	18.9	-----	-	-----	49,047,424
Profit for the year			1,007,033		50,027,666
Earnings per Equity Share					
Basic			12.59		625.35
Diluted			12.59		625.35
Significant Accounting Policies	1				

Per Our Report attached
**For R. CHANDRASHEKAR
 AND ASSOCIATES**
 Firm Registration No. 006783S
 Chartered Accountants

V. GANESH
 Proprietor
 Mem. No. 202995



K. S. AKHILESH BABU
 Managing Director

J. MADHAVA SHARMA
 Director

P. S. NANDA KUMAR
 Director

Dr. K. SUBBA REDDY
 Director

Place : Bangalore
 Date : June 23, 2014


Bangalore Fort Farms Ltd.

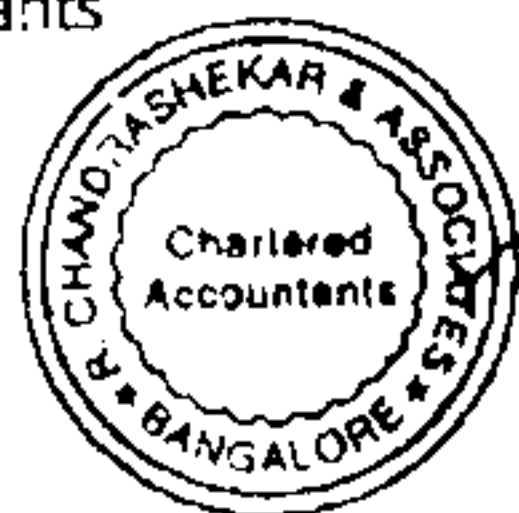
Director

BANGALORE FORT FARMS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

	2014		2013	
	Details Rs.	Amount Rs.	Details Rs.	Amount Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit After Tax		1,007,033		50,027,666
Provision for Taxation		500,000		15,057,103
Profit Before Tax		1,507,033		65,084,769
Depreciation	5,481		38,337	
Interest Paid	4,123		280,771	
Profit on Sale of Assets	(83,398)		(64,673,234)	
Interest Earned	(1,850,298)		(1,451,028)	
		(1,924,092)		(65,805,154)
Operating Loss Before Working Capital Changes		(417,059)		(720,385)
Trade Receivables and Other Advances	466,846		(840,691)	
Inventory	-		50,000	
Trade Payables Other Current Liabilities	(58,153)		(15,638,671)	
		408,693		(16,429,362)
Cash generated from Operations		(8,366)		(17,149,747)
Direct Taxes Paid (Net)		2,561,156		-
Net Cash from Operating Activities		(2,569,522)		(17,149,747)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Sale of Fixed Assets net of expenses		99,500		66,013,545
Direct Taxes paid on Sale of Fixed Assets		-		(13,145,103)
Bank Deposits (original maturity of more than 3 months)		(6,798,000)		(19,500,000)
Interest Earned		1,850,298		1,451,028
Net Cash from Investing Activities		(4,848,202)		34,819,470
C. CASH FLOW FROM FINANCING ACTIVITIES				
Short Term Borrowings		-		(7,797,706)
Term Loan		-		(435,567)
Interest paid		(4,123)		(280,771)
Dividends Paid		(1,415,760)		-
Dividend Distribution Tax Paid		(271,820)		-
Deposits into Dividend Unpaid Account		(182,555)		-
Redemption of dues to Preference Shareholders		(1,700)		-
Net Cash from Financing Activities		(1,875,958)		(8,514,044)
NET INCREASE IN CASH AND CASH EQUIVALENTS		(9,293,682)		9,155,679
Cash and cash equivalent as on April 1, 2013		10,026,964		871,285
Cash and cash equivalent as on March 31, 2014		<u>733,282</u>		<u>10,026,964</u>

For **R. CHANDRASHEKAR**
AND ASSOCIATES
Firm Registration No. 0067835
Chartered Accountants


V. GANESH
Proprietor
Mem. No. 202995



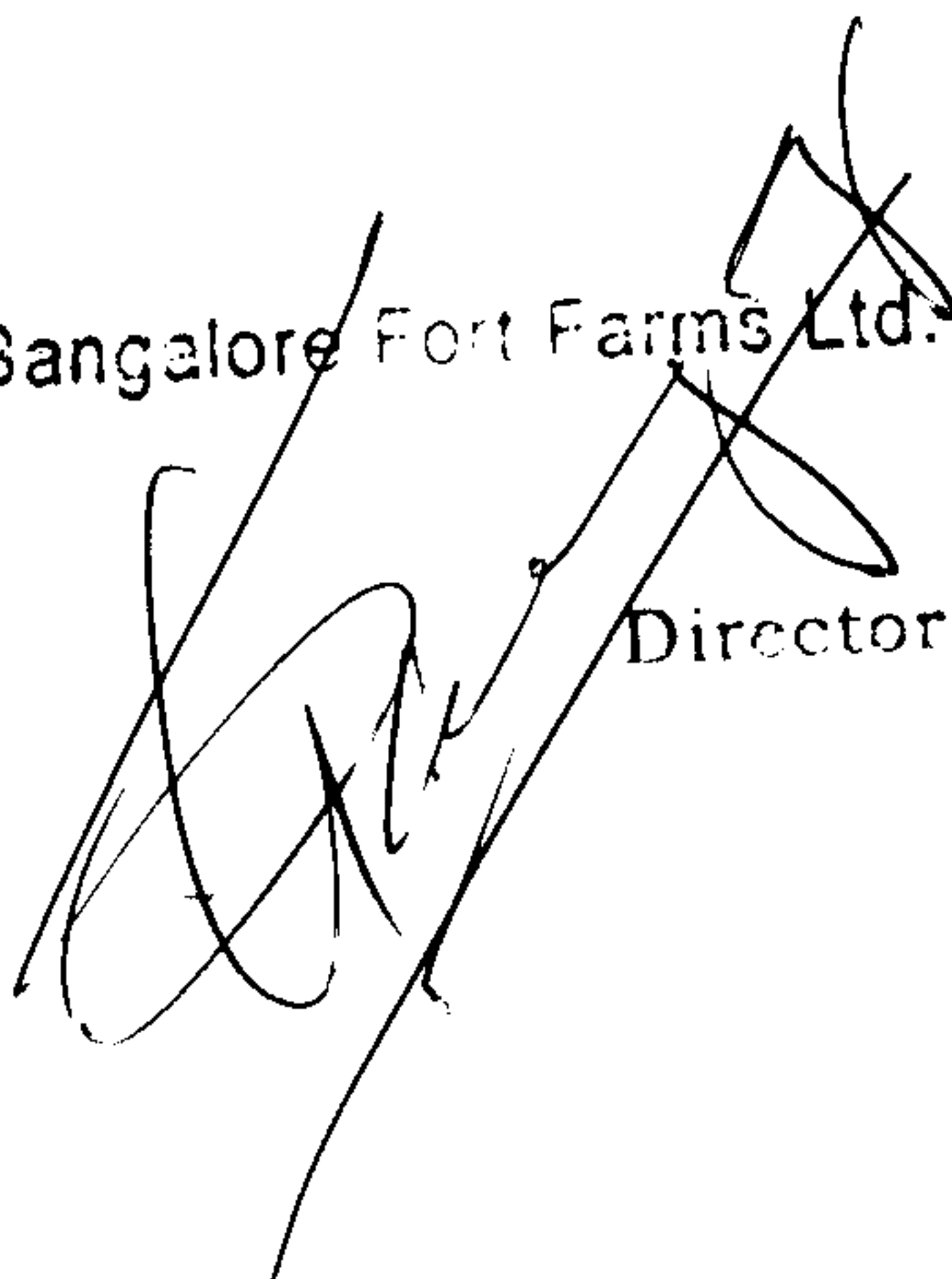

K. S. AKHILESH BABU
Managing Director


P. S. NANDA KUMAR
Director

Place : Bangalore
Date : June 23, 2014


J. MADHAVA SHARMA
Director


Dr. K. SUBBA REDDY
Director

Bangalore Fort Farms Ltd.

Director

NOTE - 1

SIGNIFICANT ACCOUNTING POLICIES

1.1 System of Accounting

The Company adopts the accrual basis in the preparation of accounts.

1.2 Fixed Assets

All fixed assets are stated at cost of acquisition less depreciation.

1.3 Depreciation

Depreciation has been provided on the written down value method at the rates prescribed in Schedule XIV to the Companies Act, 1956. Full depreciation has been provided on additions costing less than Rs. 5,000 each.

1.4 Investments

Investments are stated at cost.

1.5 Employee Benefits

(a) Short Term Employee Benefits

Leave Encashment has been provided on the basis of the monetary value of unavailed leave remaining to the credit of the employees at the end of the year.

(b) Retirement Benefits

a) Defined Contribution Plan

Contribution to Provident Fund and Family Pension Fund are Charged to Profit and Loss Account. The Company has no further obligations beyond its contributions.

b) Defined Benefit Plan - Gratuity

Gratuity Liability is funded as per the Group Gratuity Scheme of Life Insurance Corporation of India. The Present Value of the defined benefit obligation at the Balance Sheet less the fair Value of Plan Assets is recognised as a liability/(asset) in the Balance Sheet. The defined Benefit Obligation is calculated by using the Projected Unit Credit Method. Actuarial Gains and Losses are charged to or credited to the Profit and Loss Account in the year in which such gains or losses arise.

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Bangalore Fort Farms Ltd.

Director

	As at 31-3-2014		As at 31-3-2013	
	Details Rs.	Amount Rs.	Details Rs.	Amount Rs.
NOTE - 2				
SHARE CAPITAL				
2.1 Authorised				
10,00,000 Equity Shares of Rs.10 each		<u>10,000,000</u>		<u>10,000,000</u>
2.2 Issued, Subscribed and Paid up				
80,000 Equity Shares of Rs.10 each fully paid up		<u>800,000</u>		<u>800,000</u>
2.3	There was no issue of Shares during the current or previous year.			
2.4	The company has only one class of shares referred to as 'Equity Shares' having a par value of Rs. 10 each. Each holder of equity share is entitled to one vote per share.			
2.5	The shareholders holding more than 5% of shares in the company are as below:			
	<u>Name of the Shareholder</u>	<u>No. of Shares</u>	<u>% of holding</u>	<u>No. of Shares</u>
				<u>% of holding</u>
	Mr. K.S. Akhilesh Babu	6,730	8.41%	6,230
	Mrs. Poornima K. A.	4,405	5.51%	3,905
	Balakrishna Live Stock Breeders Pvt. Ltd.	5,895	7.37%	5,895
	Balakrishna Breeding Farms Pvt. Ltd.	6,941	8.68%	6,941
2.6	Reconciliation of Shares outstanding at the beginning and at the end of the year:			
	No. of shares outstanding at the beginning of the year	80,000		80,000
	Add: Further issue during the year	-		-
	No. of shares outstanding at the end of the year	80,000		80,000

NOTE - 3
RESERVES AND SURPLUS

Capital Redemption Reserve		130,100		130,100
General Reserve				
Opening Balance	5,100,000		-	
Add: Transfer from Statement of Profit and Loss	-		5,100,000	
	-----	5,100,000	-----	5,100,000
Surplus (Balance in Statement of Profit and Loss)				
Opening Balance	20,706,736		(22,349,010)	
Add: Profit for the year	1,007,033		50,027,666	
	<u>21,713,769</u>		<u>27,678,656</u>	
Less: Appropriations				
Proposed Dividend	-		1,600,000	
Tax on Distributed Profits	-		271,920	
Transfer to General Reserve	-		5,100,000	
	-----	21,713,769	-----	20,706,736
Total		<u>26,943,869</u>		<u>25,936,836</u>

Bangalore Fort Farms Ltd.

Director

	As at 31-3-2014		As at 31-3-2013	
	Details Rs.	Amount Rs.	Details Rs.	Amount Rs.
NOTE - 4				
OTHER CURRENT LIABILITIES				
Taxes and Contractual Liabilities		-		40,000
Balance due to Preference Shareholders		56,800		58,500
Unpaid Dividends		184,240		-
Total		<u>241,040</u>		<u>98,500</u>

NOTE - 5
SHORT TERM PROVISIONS

Provision for Leave Encashment	-	8,285
Provision for Taxation (Net)	-	1,912,000
Proposed Dividend	-	1,600,000
Tax on Distributed Profits	-	271,920
Total	<u>-</u>	<u>3,792,205</u>

NOTE - 6
FIXED ASSETS

	Land & Buildings Rs.	Machinery & Furniture Rs.	Vehicle Rs.	Total Rs.	As at 31-3-2013 Rs.
Cost					
As at 1-4-2013	-	-	374,538	374,538	6,301,894
Addition during the year	-	-	-	-	-
Deletion during the year	-	-	(374,538)	(374,538)	(5,927,356)
As at 31-3-2014	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>374,538</u>
Depreciation					
Upto 1-4-2013	-	-	352,955	352,955	4,901,663
For the year	-	-	5,481	5,481	38,337
Withdrawn during the year	-	-	(358,436)	(358,436)	(4,587,045)
Upto 31-3-2014	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>352,955</u>
Book Value					
As at 31-3-2014	-	-	-	-	21,583
As at 31-3-2013	-	-	21,583	21,583	1,400,231

NOTE - 7
NON CURRENT INVESTMENTS

	As at 31-3-2014 Rs.	As at 31-3-2013 Rs.
Investments in Property Time Share Scheme of Sterling Holiday Resorts (India) Pvt. Ltd.	15,680	15,680
Investment in Equity Instruments (Unquoted)		
One Equity Share in Sterling Holidays (Ooty) Limited fully paid up	10	10
Total	<u>15,690</u>	<u>15,690</u>

Bangalore Fort Farms Ltd.

Director

	As at 31-3-2014		As at 31-3-2013	
	Details Rs.	Amount Rs.	Details Rs.	Amount Rs.

NOTE - 8
LONG TERM LOANS AND ADVANCES

(Unsecured, Considered Good)

Deposits with Government Departments		2,000		2,000
Deposits with Others		-		3,000
Total		<u>2,000</u>		<u>5,000</u>

NOTE - 9
TRADE RECEIVABLES

(Unsecured, Considered Good)

Outstanding for a period exceeding six months		75,000		45,000
Other Debts		-		30,000
Total		<u>75,000</u>		<u>75,000</u>

NOTE - 10
CASH AND BANK BALANCES

Cash and Cash Equivalents				
Cash and Cheques on hand	21,569		51,450	
With Scheduled Banks in Current Accounts	711,713		9,975,514	
		733,282		10,026,964
Other Bank Balances				
Term Deposits with original maturity of more than 3 months and less than 12 months		6,300,000		19,500,000
Term Deposits with original maturity of more than 3 months but less than 12 months from the balance sheet date		19,998,000		-
Unpaid Dividend Account		182,555		-
Total		<u>27,213,837</u>		<u>29,526,964</u>

NOTE - 11
SHORT TERM LOANS AND ADVANCES

(Unsecured, Considered Good)

Interest Accrued on Deposits		40,376		459,120
Gratuity funded net of Provision		45,983		91,085
Advance taxes net of Provision		149,156		-
Other Receivables		450,193		450,193
Total		<u>685,708</u>		<u>1,000,398</u>

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Bangalore Fort Farms Ltd.

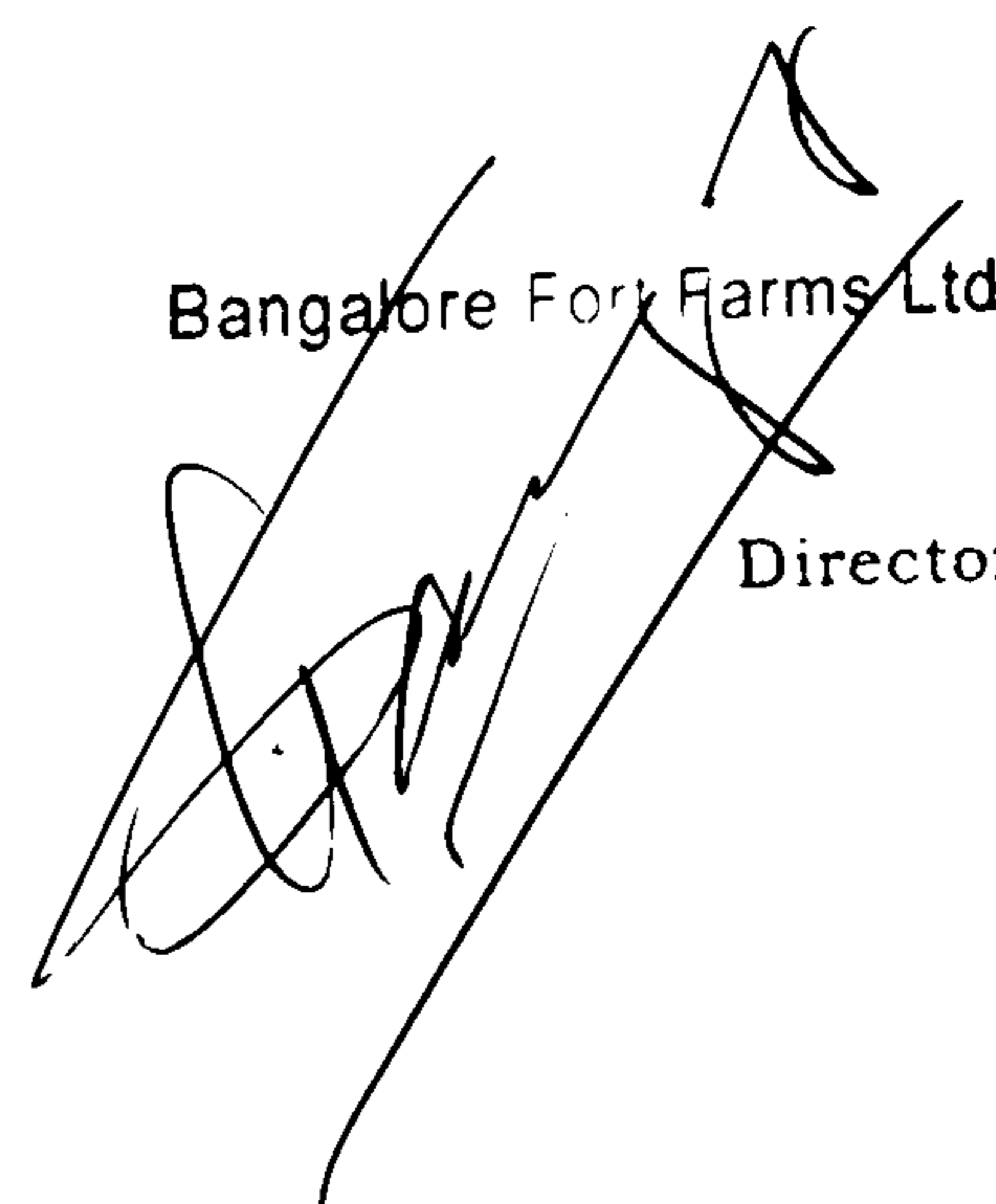
Director

	2013 - 14		2012 - 13	
	Details Rs.	Amount Rs.	Details Rs.	Amount Rs.
NOTE - 12				
REVENUE FROM OPERATIONS				
Sales - Manure	-	-	-	48,325
Sale of Services - Vehicle Hire Charges	-	-	-	75,000
Other Operating Revenue	-	-	-	955
Total	-	-	-	<u>124,280</u>
NOTE - 13				
OTHER INCOME				
Interest Earned	-	1,850,298	-	1,451,028
Profit on Deletion to Fixed Assets	-	83,398	-	-
Total	-	<u>1,933,696</u>	-	<u>1,451,028</u>
NOTE - 14				
CHANGES IN INVENTORY				
Opening Stock - Manure	-	-	-	50,000
Closing Stock - Manure	-	-	-	-
Total	-	-	-	<u>50,000</u>
NOTE - 15				
EMPLOYEE BENEFITS EXPENSE				
Salaries, Wages and Bonus	-	56,677	-	443,304
Contribution to Provident and Other Funds	-	44,638	-	13,055
Staff Welfare	-	1,989	-	4,937
Total	-	<u>103,304</u>	-	<u>461,296</u>
NOTE - 16				
FINANCE COSTS				
Interest Expense	-	<u>4,123</u>	-	<u>280,771</u>

g.

Bangalore Fort Farms Ltd.

Director



	2013 - 14		2012 - 13	
	Details Rs.	Amount Rs.	Details Rs.	Amount Rs.
NOTE - 17				
OTHER EXPENSES				
Rates and Taxes		17,651		10,863
Repairs and Maintenance		18,500		24,805
Printing and Stationary		17,482		18,779
Postage and Telephone		15,692		21,415
Travelling and Conveyance		4,965		9,862
Legal and Professional Charges		84,285		46,968
Remuneration to Auditors		123,596		61,798
Director's Sitting Fee		6,400		8,000
Miscellaneous Expenses		25,184		55,095
Bad debts		-		75,784
Total		<u>313,755</u>		<u>333,369</u>

NOTE - 18
OTHER NOTES AND DISCLOSURES

18.1 Remuneration to Auditors

Statutory Audit	44,944	44,944
Tax Matters	78,652	16,854
Total	<u>123,596</u>	<u>61,798</u>

18.2 Managerial Remuneration

Approval of the Central Government has been obtained only till September 2008 for the payment of remuneration to the Managing Director. Pending approval of the Central Government for remuneration from October 2008, provision has been made as per the resolution of the shareholders. The provision thus made, for which the approval from the Central Government is awaited is Rs. 8,38,237 (Previous year Rs. 7,81,560).

18.3 Deferred Tax

The company has not recognised any deferred tax asset, after an assessment, that it is not virtually certain and supported by convincing evidence that the deferred tax asset will be usable in future.

18.4 Expenditure/Earnings in Foreign Currency - Nil (Previous year Nil).

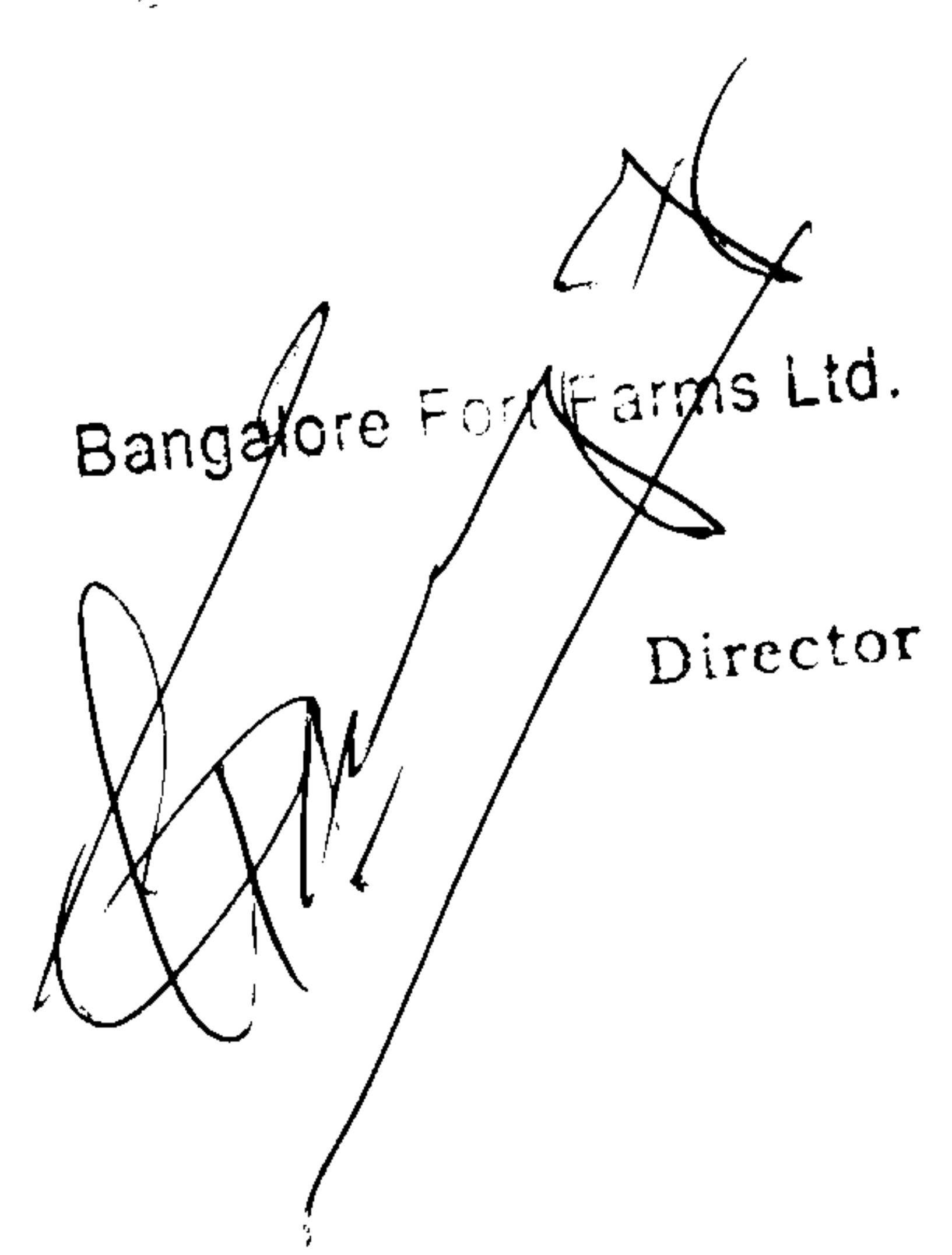
18.5 Trade and Other receivables are subject to confirmation and, in the opinion of the management, considered good and recoverable at the values stated.

18.6 Segment Reporting

The Company did not carry on any business activity during the year. Since there were no revenue from operations, the requirement of reporting on the business segments do not arise.

J.

Bangalore Fort Farms Ltd.
 Director



18.7 The Company did not have any dues to Small Scale Industries to whom the company owes a sum in excess of rupees one lakh and for a period exceeding thirty days.

18.8 **Disclosure pursuant to Accounting Standard (AS) 15 Revised:**

The Principal assumptions used in determining Gratuity Obligations for the Company are as follows

a) Discount Rate	8%	8%
b) Salary Escalation	7%	7%
c) Withdrawal Rate	1% to 3 % depending on age	1% to 3 % depending on age

Rs.

Rs.

Changes in the Present Value of Obligation

a) Present Value of Obligation as on 01-04-13	252,640	304,347
b) Interest Cost	-	24,348
c) Current Service Cost	-	18,546
d) Past Service Cost	-	-
e) Benefits Paid	(318,879)	(77,094)
f) Actuarial (Gain) / Loss	66,239	(17,507)
g) Present Value of Obligation as on 31-03-14	-	252,640

Changes in the Fair Value of Plan Assets

a) Fair Value of Plan Assets as on 01-04-13	343,725	357,423
b) Expected Return on Plan Assets	21,601	26,303
c) Contributions	(464)	37,093
d) Benefits Paid	(318,879)	(77,094)
e) Fair Value of Plan Assets as on 31-03-14	45,983	343,725

Amount Recognised in the Balance Sheet

a) Present Value of Obligations as at the Year End	-	252,640
b) Less: Fair Value of Plan Assets as at the Year End	45,983	343,725
c) Liability / (Asset) recognised in the Balance Sheet	(45,983)	(91,085)

(Income) / Expenses recognised in the Statement of Profit and Loss

a) Current Service Cost	-	18,546
b) Past Service Cost	-	-
c) Interest Cost on Benefit Obligation	-	24,348
d) Expected return on Plan Assets	(21,601)	(26,303)
e) Net Actuarial (Gain)/Loss	66,239	(17,507)
f) (Income) / Expenses recognised in the St. of Profit and Loss	44,638	(916)

Investment Details of Plan Assets

The Plan Assets are maintained with the Life Insurance Corporation Gratuity Scheme. The details of investment maintained by Life Insurance Corporation are not available with the company and have not been disclosed.

J.

Bangalore Fort Farms Ltd.

Director

18.9 Disclosure as per Accounting Standard 24 pertaining to Discontinuing Operations


- (a) The company was engaged in the business of poultry farming which was the only reportable business segment of the company.
- (b) During the financial year 2011-12, the company had discontinued its entire operations due to mounting losses and during the previous year (2012-13), the company had sold the entire fixed assets of the company alongwith associated plant and machinery.
- (c) The pre tax profit on sale of the entire fixed assets amounted to Rs. 64,673,234 and had been shown in the Statement of Profit and Loss of the previous year as an exceptional item.
- (d) On disposal of the entire assets, the company has no material assets or liabilities from its poultry operations on the date of the balance sheet. The entire consideration received post tax had been used to clear the liabilities of the company fully and the balance funds had been invested in fixed deposits with banks.

18.10 As required by the Accounting Standard 18 issued by The Institute of Chartered Accountants of India, the Company's related parties with whom transactions have taken place during the year are as below :

<u>Key Management Personnel</u>		Rs.
K.S.Akhilesh Babu	Directors Remuneration	56,677
K.G.Subbarama Setty	Sitting Fee	1,600
P.S.Nandakumar	Sitting Fee	1,600
J. Madhava Sharma	Sitting Fee	1,600
Dr. K.Subba Reddy	Sitting Fee	1,600

18.11 Previous year's figures have been regrouped or reclassified wherever necessary to conform to those of the current year.

Per Our Report attached
For **R. CHANDRASHEKAR**
AND ASSOCIATES
Firm Registration No. 0067835
Chartered Accountants


V. GANESH
Proprietor
Mem. No. 202995




K. S. AKHILESH BABU
Managing Director


P. S. NANDA KUMAR
Director

Place : Bangalore
Date : June 23, 2014


J. MADHAVA SHARMA
Director


Dr. K. SUBBA REDDY
Director


Bangalore Fort Farms Ltd.
Director

BANGALORE FORT FARMS LIMITED
GROUPING SCHEDULES TO BALANCE SHEET

ASSESSMENT YEAR 2014 15

	Amount Rs.
<u>Trade Payables</u>	
Bonus - Assessment Year 2010-11 - Hanumantha	3,358.00
Bonus - Assessment Year 2011-12 - Hanumantha	1,830.00
Salary Payable - Hanumantha	2,138.00
Total	<u>7,326.00</u>
<u>Deposits - With Government Departments</u>	
Sales Tax Department Deposit	<u>2,000.00</u>
<u>Trade Receivables</u>	
Vijayavani Transports	<u>75,000.00</u>
<u>Cash on Hand</u>	
Cash on Hand	445.00
Cheques on Hand	21,124.00
Total	<u>21,569.00</u>
<u>Cash at Bank</u>	
Canara Bank - AF Branch - A/c no. 2373201001123	711,712.78
Canara Bank - Dividend Account	182,555.00
Total	<u>894,267.78</u>
<u>Balances in Deposit Accounts</u>	
	Int. Acc.
<i>With more than 3 months and less than 12 months maturity</i>	
Canara Bank FD no. 2373302000006 / 2	<u>31,275.00</u> <u>6,300,000.00</u>
<i>With more than 12 months maturity</i>	
Canara Bank FD no. 2373303000005 / 1	39,766.00 9,999,000.00
Canara Bank FD no. 2373303000005 / 2	(30,665.00) 9,999,000.00
	<u>9,101.00</u> <u>19,998,000.00</u>
Total	<u>40,376.00</u> <u>26,298,000.00</u>
<u>Other Receivables</u>	
Nalina	<u>450,193.00</u>

Bangalore Fort Farms Ltd.

Director

BANGALORE FORT FARMS LIMITED
GROUPING SCHEDULES TO PROFIT and LOSS ACCOUNT

ASSESSMENT YEAR 2014 - 15

Amount
Rs.

Rates and Taxes

E TDS Filing Fee	717
Professional Tax Renewal Fees	5,100
Listing Fee	5,899
Land Records	300
Form 23AC, 23ACA, 20B, etc.	2,000
R.O.C. Filing Charges	500
e-Stamp paper and Franking Charges	2,535
Others	600
Total	<u>17,651.00</u>

Postage and Telephone

Administrative Office Telephone Charges	719.00
Postage and Telegram	14,973.00
Total	<u>15,692.00</u>

Legal and Professional Charges

Mr. Gopinath	80,285.00
N H Gopalakrishna Bhatt	4,000.00
Total	<u>84,285.00</u>

Travelling and Conveyance

Conveyance - Directors	1,600.00
Others	3,365.00
Total	<u>4,965.00</u>

Miscellaneous Expenses

Meeting Expenses	2,500.00
Incidental Expenses	4,800.00
Interest Paid on Dividend Tax	2,719.00
Interest Paid on TDS	9,370.00
Delivery Van Maintenance (KA 05 C 72)	720.00
Advertisement	2,800.00
Bank Charges	2,275.00
Total	<u>25,184.00</u>

Bangalore Fort Farms Ltd.

Director

BANGALORE FORT FARMS LIMITED
GROUPING SCHEDULES TO PROFIT and LOSS ACCOUNT

ASSESSMENT YEAR 2014 - 15

Amount
Rs.

Interest

Interest on Fixed Deposit with Canara Bank	2,125,543.00
Interest reversed on Pre Closure	(275,245.00)
Total	<u>1,850,298.00</u>

Salary, Wages and Bonus

Managing Director	
Salary	38,177.00
Bonus	3,500.00
Leave Encashment	15,000.00
Total	<u>56,677.00</u>

Contribution To Provident and Other Funds

Provision for Gratuity	44,638.00
Total	<u>44,638.00</u>

Staff Welfare and Amenities

LCSC Premium	464.00
Staff Welfare - Admin	1,525.00
Total	<u>1,989.00</u>

Interest Expense

Interest on FD Loan	4,123.00
Total	<u>4,123.00</u>

Repairs and Maintenance

Office Maintenance	18,500.00
Total	<u>18,500.00</u>

Bangalore Fort Farms Ltd.

Director