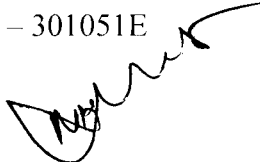


**AUDITOR'S CERTIFICATE - 2005-06****To the Board of Directors of JK Agri Genetics Ltd. (formerly Florence Alumina Ltd.)**

We have examined the attached Balance Sheet (RECASTED) of JK Agri Genetics Ltd. (JKAGL) (formerly Florence Alumina Ltd.) as at 31<sup>st</sup> March 2006, the Profit & Loss Account (RECASTED) and also the Cash Flow Statement (RECASTED) (together financial statements) for the 12 months period ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management, which have been prepared to give impact of the Scheme of Arrangement & Demerger in Audited Financial Statements of JKAGL for the year ended 31<sup>st</sup> March 2006 as stated in Note No. 2 [read with Note No. 1] of Schedule 13B. Impact of the Scheme (being effective on 2<sup>nd</sup> Nov, 2012) have been given in accounts of Financial Year 2012-13 to be prepared under Companies Act, 1956 for the purpose to be placed before the members of the Company in the Annual General Meeting. As stated in the above said note impact of the Scheme have been given in the financial year 2005-06, to re-organise the Accounts for the year ended 31<sup>st</sup> March 2006 including business of Seed Undertaking which have been transferred from Florence Investech Limited (Formerly JKAGL). Our responsibility is to certify these recasted financial statements based on our verification. Our examination was made in accordance with approved standards on auditing in India and accordingly included such tests of the accounting and other records. We have also assessed the accounting principles used and significant assessment made by the Management of the Company.

We invite attention to Note No. 2 of Schedule 13B to the Recasted Financial Statements regarding the transfer of assets and liabilities of Seed Undertaking of Florence Investech Limited (formerly JK Agri Genetics Limited) to the Company [JK Agri Genetics Limited (formerly Florence Alumina Limited)], pursuant to the Scheme of Arrangement & Demerger between the Company and Florence Investech Limited (formerly JK Agri Genetics Ltd.), which has been approved by the Hon'ble High Court of Judicature at Calcutta operative from 1<sup>st</sup> April 2005 (appointed date), impact of which have been given in these financial statements with respect to Net difference being considered as General Reserve on transfer of Seed undertaking with the Company as stated in Note No. 2(vi) of Schedule 13B which is not in line with the Generally Accepted Accounting Principles, as has been carried out as per the Order of the Hon'ble High Court.

For **LODHA & CO.,**  
**Chartered Accountants**  
FRN - 301051E



**(N.K. LODHA)**

Partner

Membership No. 85155

Place: New Delhi

Date: 30-03-2013



**JK AGRI GENETICS LIMITED**  
(formerly FLORENCE ALUMINA LIMITED)

**BALANCE SHEET (RECASTED) AS AT 31ST MARCH, 2006**

₹ in Lacs

	Schedule	As at 31.03.2006	As at 31.03.2005
<b>SOURCES OF FUNDS</b>			
SHAREHOLDERS' FUND			
CAPITAL	1	360.39	5.00
RESERVES AND SURPLUS	2	3,297.78	-
		<b>3,658.17</b>	5.00
SECURED LOANS	3	1,044.64	-
DEFERRED TAX LIABILITY		169.49	-
		<b>4,872.30</b>	5.00
<b>APPLICATION OF FUNDS</b>			
FIXED ASSETS			
GROSS BLOCK	4	3,257.66	-
LESS: DEPRECIATION		657.79	-
NET BLOCK		<b>2,599.87</b>	-
CURRENT ASSETS, LOANS AND ADVANCES	5	6,359.42	4.41
LESS: CURRENT LIABILITIES AND PROVISIONS	6	4,086.99	0.06
NET CURRENT ASSETS		<b>2,272.43</b>	4.35
PRELIMINARY EXPENSES (To the Extent not written off or adjusted)		-	0.43
Profit & Loss Account		-	0.22
		<b>4,872.30</b>	5.00
ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	13		

Schedules 1 to 6 and 13 attached to the Balance Sheet are an integral part thereof.

**JK AGRI GENETICS LIMITED**  
(formerly FLORENCE ALUMINA LIMITED)

**PROFIT & LOSS ACCOUNT (RECASTED) FOR THE YEAR ENDED 31ST MARCH, 2006**

₹ in Lacs

	Schedule	2005-2006	2004-2005
<b>INCOME</b>			
SALES AND OTHER INCOME	7	<b>6,381.83</b>	0.19
INCREASE/(DECREASE) IN FINISHED GOODS	8	<b>(1,551.03)</b>	-
		<b>4,830.80</b>	0.19
<b>EXPENDITURE</b>			
MATERIALS AND MANUFACTURING	9	<b>2,368.58</b>	-
EMPLOYEES COST	10	<b>553.06</b>	0.05
OTHER EXPENSES	11	<b>1,527.57</b>	0.05
PRELIMINARY EXPENSES WRITTEN OFF		<b>0.43</b>	-
BALANCES WRITTEN OFF		<b>0.05</b>	-
		<b>4,449.69</b>	0.10
<b>OPERATING PROFIT(BEFORE INTEREST &amp; DEPRECIATION)</b>		<b>381.11</b>	0.09
COST OF BORROWINGS	12	<b>21.16</b>	-
<b>PROFIT BEFORE DEPRECIATION</b>		<b>359.95</b>	0.09
DEPRECIATION / AMORTISATION	4	<b>177.65</b>	-
<b>PROFIT BEFORE EXCEPTIONAL ITEM &amp; TAX</b>		<b>182.30</b>	0.09
EXCEPTIONAL ITEMS		-	-
<b>PROFIT BEFORE TAX</b>		<b>182.30</b>	0.09
PROVISION FOR TAXATION			
- CURRENT TAX		<b>77.80</b>	0.03
- DEFERRED TAX		<b>23.01</b>	-
- FRINGE BENEFITS TAX		<b>31.77</b>	-
		<b>49.72</b>	0.06
<b>PROFIT AFTER TAX</b>		<b>49.72</b>	0.06
<b>APPROPRIATIONS</b>			
PROFIT & LOSS BROUGHT FROM PREVIOUS YEAR		<b>(0.22)</b>	(0.28)
BALANCE CARRIED TO BALANCE SHEET		<b>49.50</b>	(0.22)
BASIC AND DILUTED EARNINGS PER SHARE (₹)		<b>2.11</b>	0.11
ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	13		

Schedules 7 to 13 attached to the Profit & Loss Account are an integral part thereof.

**JK AGRI GENETICS LIMITED**  
(formerly FLORENCE ALUMINA LIMITED)

₹ in Lacs

	As at 31.03.2006	As at 31.03.2005
<b>Schedule 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised:</b>		
Equity Shares - 1,40,00,000 shares of ₹ 10/- each (Refer Note No.1 & 2 below & Note No.2(iv) of Schedule 13B) (Previous Year 10,00,000 shares of ₹ 10/- each)	<b>1,400.00</b>	100.00
	<b>1,400.00</b>	100.00
<b>Issued, Subscribed and Paid up:</b>		
Equity Shares - 36,03,906 shares of ₹ 10/- each fully paid up {Refer Note No. 2 below} (Previous Year 50,000 shares of ₹ 10/- each fully paid up)	<b>360.39</b>	5.00
	<b>360.39</b>	5.00

**Notes:**

- Subsequent to issue & allotment (on preferential basis) of 14,50,000 equity shares of ₹ 10 each in the year 2005-06 (pre-impact of the scheme) to Florence Investech Limited (FIL)(formerly JK Agri Genetics Ltd.), FIL along with its nominees became Holding Company. However, in view of Order of Hon'ble High Court at Calcutta read with Note 2 of Schedule 13B, FIL ceased to be Holding Company.
- Includes ₹ 1250 Lacs authorised share capital transferred from FIL pursuant to scheme of Arrangement and demerger {Refer Note No. 2 (iv)(a) of Schedule 13 B}. Accordingly, the authorized share capital of the Company stands substituted as 1,40,00,000 Equity Shares of ₹ 10/- each.
- 2103906 no. of fully paid up equity shares of ₹ 10 each since been allotted to the shareholders of the Florence Investech Limited in terms of Scheme of Arrangement and demerger.(Refer Note 2(iii) of Schedule 13 B).

	As at 01.04.2005	Additions	Transfers	As at 31.03.2006
<b>Schedule 2</b>				
<b>RESERVES AND SURPLUS</b>				
Debenture Redemption Reserve®	-	<b>472.34</b>	-	<b>472.34</b>
General Reserve®	-	<b>2,775.94</b>	-	<b>2,775.94</b>
Profit & Loss Account	(0.22)	<b>49.72</b>	-	<b>49.50</b>
	(0.22)	<b>3,298.00</b>	-	<b>3,297.78</b>
Previous Year	(0.28)	0.06	-	(0.22)

@ Refer Note 2(vi) of Schedule 13 B.

	As at 31.03.2006	As at 31.03.2005
<b>Schedule 3</b>		
<b>LOANS</b>		
<b>SECURED LOANS</b>		
Zero Coupon Non-Convertible Bonds	<b>1,000.00</b>	-
Term Loan from Bank	<b>44.64</b>	-
	<b>1,044.64</b>	-

**Note:**

- Zero Coupon Secured Non-Convertible Bonds (ZCSNCBs) of ₹ 1000 lacs (Previous year Nil) are secured/to be secured by subordinate and subservient charge created/to be created on all the movable and immovable properties of the Company, both present and future. These bonds will be redeemable in four instalments of ₹ 300 lacs each at the expiry of the 2nd & 3rd year and ₹ 200 lacs each at the expiry of the 4th & 5th year from, 1.4.2005 pursuant to the court order. (Refer Note 2(v) of Schedule 13B)
- Loan of ₹ 44.64 lacs (Previous year ₹ NIL) is secured by hypothecation of specified vehicles.
- Above charge is pending for modification. (Refer Note 2(a) of Schedule 13B).

**JK AGRI GENETICS LIMITED**  
(formerly FLORENCE ALUMINA LIMITED)

**Schedule 4**

**FIXED ASSETS**

₹ in Lacs

Assets	Gross Value					Depreciation / Amortisation					Net Value	
	As At 01.04.2005	Addition <sup>^</sup> due to Merger	Additions	Sales/ Adjustments	As At 31.03.2006	Upto Last Year	Addition <sup>^</sup> due to Merger	For the Year	On Sales / Adjustments	Upto 31.03.2006	As at 31.03.2006	As at 31.03.2005
Land - Free Hold	-	2.00	-	-	<b>2.00</b>	-	-	-	-	-	<b>2.00</b>	-
Land - Lease Hold	-	18.69	-	-	<b>18.69</b>	-	0.06	0.18	-	0.24	<b>18.45</b>	-
Building	-	31.92	-	-	<b>31.92</b>	-	1.48	0.52	-	2.00	<b>29.92</b>	-
Plant and Machinery	-	177.40	71.25	-	<b>248.65</b>	-	32.30	14.33	-	46.63	<b>202.02</b>	-
Office Equipments, Furniture & Fixtures	-	44.10	11.43	1.44	<b>54.09</b>	-	9.14	4.40	0.29	13.25	<b>40.84</b>	-
Vehicles	-	135.42	31.63	10.71	<b>156.34</b>	-	17.21	14.02	3.14	28.09	<b>128.25</b>	-
<b>Intangibles:</b>												
Brand	-	2,700.00	-	-	<b>2,700.00</b>	-	405.00	135.00	-	540.00	<b>2,160.00</b>	-
Software	-	45.97	-	-	<b>45.97</b>	-	18.38	9.20	-	27.58	<b>18.39</b>	-
<b>Total</b>	-	<b>3,155.50</b>	<b>114.31</b>	<b>12.15</b>	<b>3,257.66</b>	-	<b>483.57</b>	<b>177.65</b>	<b>3.43</b>	<b>657.79</b>	<b>2,599.87</b>	-
<b>Previous Year</b>	-	-	-	-	-	-	-	-	-	-	-	-

<sup>^</sup> Refer Note No.1, 2(vi) & 2(a) of Schedule 13B

**JK AGRI GENETICS LIMITED**  
(formerly FLORENCE ALUMINA LIMITED)

₹ in Lacs

	As at 31.03.2006	As at 31.03.2005
<b>Schedule 5</b>		
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>		
<b>A. CURRENT ASSETS</b>		
1. Stores, Processing & Packing Material	297.59	-
2. Finished Goods	778.23	-
3. Debtors (Unsecured and considered good):		
Debts over six months	63.90	-
Other Debts	1,222.69	-
4. Cash and Bank Balances :		
Cash in hand (as certified by the Management)	4.44	0.23
Balances with Scheduled Banks :		
In Current Accounts	228.68	3.44
Deposits with Banks	1,440.00	-
	<b>4,035.53</b>	<b>3.67</b>
<b>B. LOANS AND ADVANCES:</b>		
(Unsecured and considered good)		
Advances recoverable in cash or in kind or for value to be received	734.41	0.74
Inter Corporate Deposits	1,500.00	-
Deposit with Government Authorities and Others	29.19	-
Income Tax Advance Payments	60.29	-
	<b>2,323.89</b>	<b>0.74</b>
	<b>6,359.42</b>	<b>4.41</b>
<b>Schedule 6</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
<b>A. CURRENT LIABILITIES</b>		
Sundry Creditors	231.27	0.03
Other Liabilities (Refer Note 10 of Schedule 13B)	3,686.63	-
	<b>3,917.90</b>	<b>0.03</b>
<b>B. PROVISIONS</b>		
Provision for Taxation (including FBT)	109.60	0.03
Provision for Retirement Benefits	59.49	-
	<b>169.09</b>	<b>0.03</b>
	<b>4,086.99</b>	<b>0.06</b>

	2005-2006	2004-2005
<b>Schedule 7</b>		
<b>SALES AND OTHER INCOME</b>		
1. Sales	6,175.57	-
2. Other Income		
Liability no longer required written back	12.81	-
Interest from others (Tax deducted at source ₹ 18.52 lacs, Previous Year ₹ 0.04 Lacs)	97.26	0.19
Miscellaneous Income	96.19	-
	<b>206.26</b>	<b>0.19</b>
	<b>6,381.83</b>	<b>0.19</b>

**JK AGRI GENETICS LIMITED**  
(formerly FLORENCE ALUMINA LIMITED)

₹ in Lacs

	2005-06	2004-05
<b>Schedule 8</b>		
<b>INCREASE / (DECREASE) IN STOCK</b>		
CLOSING STOCK (Finished Goods)	<b>778.23</b>	-
Less :		
OPENING STOCK:		
Finished Goods	-	
Add: Taken over on Merger (Read with Note 2 of Schedule 13B)	2,329.26	
INCREASE/(DECREASE) IN STOCK	<b>(1,551.03)</b>	-
<b>Schedule 9</b>		
<b>MATERIALS AND MANUFACTURING</b>		
Production and Purchase of Seeds	<b>1,634.80</b>	-
Processing Charges	<b>183.90</b>	-
Consumption of Stores, Processing & Packing Material	<b>549.88</b>	-
	<b>2,368.58</b>	-
<b>SCHEDULE 10</b>		
<b>EMPLOYEES COST</b>		
Salaries, Wages, Bonus & Gratuity	<b>274.15</b>	0.05
Contribution to Provident and other Funds	<b>54.55</b>	-
Employees' Welfare and other Benefits	<b>224.36</b>	-
	<b>553.06</b>	0.05
<b>Schedule 11</b>		
<b>OTHER EXPENSES</b>		
Rent	<b>55.50</b>	-
Other Taxes	<b>1.06</b>	-
Insurance	<b>14.60</b>	-
Discount	<b>90.69</b>	-
Freight & Transportation	<b>161.20</b>	-
Advertisement	<b>451.65</b>	-
Farming Expenses	<b>337.08</b>	-
Travelling	<b>206.39</b>	-
Commission	<b>24.85</b>	-
Loss on Sales of Assets	<b>2.72</b>	-
Bank Charges, Printing & Stationery, Postage, Telephone and other Miscellaneous Expenses etc.	<b>181.83</b>	0.05
	<b>1,527.57</b>	0.05
<b>Schedule 12</b>		
<b>INTEREST</b>		
<b>Interest on:</b>		
Banks	<b>1.78</b>	-
Others	<b>19.38</b>	-
	<b>21.16</b>	-

## Schedule 13

### **ACCOUNTING POLICES AND NOTES ON ACCOUNTS OF JK AGRI GENETICS LIMITED (formerly FLORENCE ALUMINA LIMITED) FOR THE YEAR ENDED 31.03.2006**

#### **A. SIGNIFICANT ACCOUNTING POLICIES**

##### **1. General:**

The Accounts of the company are prepared under Mercantile System of Accounting on Historical Cost and in accordance with the general accepted accounting principles, applicable Accounting Standards and requirement of the Companies Act, 1956 unless otherwise referred herein. Claims/Refunds not ascertainable with reasonable certainty are accounted for on settlement.

##### **2. Valuation of Fixed Assets:**

Fixed Assets are stated at their Original Cost, Net of Cenvat, Less Accumulated Depreciation, Addition includes Purchase Cost, Freight, Duties and other expenses including borrowing cost wherever incurred for acquisition and installation.

##### **3. Method of Depreciation:**

- a) Depreciation on fixed assets is calculated on straight-line method. Depreciation is provided at the rates in force as per Schedule XIV of the Companies Act, 1956.
- b) Capital expenditures on lease hold premises are charged on straight line method (SLM) over the lease period or at the rates specified in Schedule XIV of the Companies Act, 1956, whichever period is lower.
- c) Leasehold Land is being amortized over the lease period.

##### **4. Investments:**

Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if, such a decline is other than temporary in the opinion of the management. Current investments are carried at lower of cost and quoted / fair value computed category-wise.

##### **5. Foreign Currency Transactions**

Assets & Liabilities related to foreign currency transactions are translated at exchange rate prevailing at the end of the year. Exchange difference on revenue account is charged to Profit & Loss Account.

##### **6. Inventories:**

Inventories are valued at the lower of cost and net realisable value. The cost is computed on weighted average basis. Finished Goods and Process Stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

##### **7. Intangible Assets:**

Intangible assets are recognized if future economic benefits are likely and cost of the asset can be measured reliably. The depreciable amount of an intangible asset is allocated on a systematic basis over the useful life of the asset.



## **8. Employee Benefits:**

### a. Defined Contribution Plan

Employee benefits in the form of Superannuation Fund, Provident Fund (PF) and ESI considered as defined contribution plan and the contributions are charged to the Profit and Loss Account of the year when the contribution to the respective funds are due.

### b. Defined Benefit Plan

Retirement benefits in the form of Gratuity, Leave Encashment and PF (funded) are considered as defined benefit obligations and are provided for on the basis of an Actuarial Valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Actuarial gain/ Losses, if any, are immediately recognized in the Profit and Loss Account.

## **9. Accounting for Taxes on Income and Fringe Benefit Tax:**

Current Tax is the amount of tax payable on the estimated taxable income for the current year as per the provisions of Income Tax Act, 1961. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being difference between taxable income and accounting income. Fringe Benefits Tax is determined at current applicable rates on expenses falling within the ambit of "Fringe Benefits" as defined in Income Tax Act, 1961.

## **10. Provisions & Contingent Liabilities:**

Provision in respect of present obligation arising out of past events is made in Accounts when reliable estimates can be made of the amount of the obligation. Contingent Liabilities (if material) are disclosed by way of Notes to Accounts. Contingent Assets are not recognized or disclosed in Financial Statements and are included, if any, in the Directors' Report.

## B. NOTES ON ACCOUNTS

1. (a) Scheme of Arrangement and Demerger (the Scheme) between the Company {JK Agri Genetics Limited (JKAGL) (formerly Florence Alumina Limited) (FAL)(Transferee)} and Florence Investech Limited (FIL)(formerly JK Agri Genetics Limited)(Transferor) has been sanctioned by the Hon'ble High Court at Calcutta vide its order dated 17<sup>th</sup> October, 2012 and the Scheme became effective on 2<sup>nd</sup> November 2012, operative from 1<sup>st</sup> April 2005, the Appointed Date.  
  
(b) Accordingly the Audited accounts of the Company for the year ended 31<sup>st</sup> March 2006 which had been approved by the Board of Directors and adopted by the Shareholders in the AGM held on 21<sup>st</sup> September 2006 have been Reorganized to give effect of the Scheme of Arrangement and Demerger approved by the Hon'ble High Court at Calcutta as stated in Note 2 Below.
2. Pursuant to the Scheme
  - i. Name of the Company has been changed from Florence Alumina Limited to JK Agri Genetics Limited.
  - ii. The Seed undertaking of Florence Investech Ltd. as defined in the scheme has been transferred to and vested in the Company with effect from the said Appointed Date. The Scheme has accordingly been given effect to in these accounts.
  - iii. The paid up equity share capital of FIL of ₹ 350.65 lacs has been reorganized and allocated between FIL & the Company in the ratio of 2:3 (i.e. in the ratio 40:60) and accordingly the Share Capital amounting to ₹ 210.39 lacs has been allocated to the Company.
  - iv. a) An amount of authorised capital of ₹ 1,250 lacs divided into 1,25,00,000 equity shares of ₹ 10 each stands transferred from the share capital of FIL to the authorized capital of the Company.  
  
b) Transfer of authorized Capital of ₹ 4,250 lacs divided into 50,00,000 preference share capital of ₹ 85/- each will also be transferred in due course from FIL to the Company as authorized capital divided into 4,25,00,000 unclassified shares of ₹ 10 each as per the said Scheme.
  - v. The Company has issued ₹ 1000 lacs Zero Coupon Non Convertible Bonds to the Bond holders of Florence Investech Ltd as provided in the Part IV of the Scheme. The Bonds have also since been redeemed by the Company, the last date of redemption being April 01, 2010.
  - vi. The difference of ₹ 2775.94 lacs between assets and liabilities (including ZCNCB of ₹ 1000 Lacs) transferred from FIL (formerly JKAGL) at their book values w.e.f. April 01, 2005 along with Debenture Redemption Reserve of ₹ 472.34 lacs and paid up Equity Capital of ₹ 210.39 lacs has been recorded as General reserve in the books of the company.
- 2(a) Certain fixed assets, licenses, approvals, charge on secured loan are pending for transfer in the name of the Company.
- 2(b) Business of Seed Undertaking has been carried out by FIL (formerly JKAGL) for and on account of, and in trust for, the Company.

3. Estimated amount of contracts net of advances ₹ 6.36 lacs (Previous year Nil) remaining to be executed on capital account.
4. Debtors over six months are net of provision made for Doubtful Debts ₹ 6.49 lacs (Previous Year Nil).
5. (a) In terms of disclosure requirements stated in Accounting Standard on, Intangible Assets (AS-26) issued by the Institute of Chartered Accountants of India, the management considered it appropriate to amortize "J.K.SEEDS" brand over a period of 20 years from the date of its acquisition, considering nature of business, life cycle of brand, its inherent value and expected future benefits. The carrying amount of "J.K.SEEDS" brand is ₹ 2160 lacs as on 31.3.2006 to be amortized over the balance period 16 years.  
(b) Software is amortized over a period of 5 years from the year of installation.
6. Sundry Creditors pertaining to Small Scale Industrial undertakings is ₹ Nil (Previous year ₹ Nil) to the extent identified from available information.
7. Research and Development expenses amounting to ₹ 628.74 lacs (Previous Year ₹ Nil) have been included in respective revenue accounts.
8. Exchange Difference (net) amounting to ₹ 0.18 lacs (Previous year ₹ Nil) has been debited in respective heads of account in Profit & Loss Account.
9. Pursuant to the Accounting Standard on 'Accounting for Taxes on Income' (As-22), Deferred Tax Liability / Assets (Net) are as under:

	<b>As at</b>	<b>₹ in Lacs</b>
	<b>31.03.2006</b>	As at 31.03.2005
1. Deferred Tax Liabilities		
i) Related to Fixed Assets	<b>193.85</b>	--
2. Deferred Tax Assets		
i) Provision for Doubtful Debts	<b>2.18</b>	--
ii) Disallowance under Income Tax Act	<b>22.18</b>	--
Deferred Tax Liability (Net) <sup>\$</sup>	<b><u>169.49</u></b>	<u>--</u>
(\$ Includes ₹ 146.48 lacs transferred from FIL.)		

10. ₹ 814.32 lacs is payable being balance of FIL arises due to Scheme of Demerger & Arrangement shown in "Other Liabilities" under Current Liabilities.

	<b>2005-06</b>	<b>₹ in Lacs</b>
		2004-05
11. Remuneration to Manager <sup>#</sup> :		
Salary	<b>9.12</b>	--
Contribution to PF & Other funds*	<b>2.87</b>	--
Value of Perquisites (as per Income Tax Rules)	<b><u>16.97</u></b>	<u>--</u>
	<b><u>28.96</u></b>	<u>--</u>

(# Being amount transferred from FIL)

\*Excludes provision for Gratuity and Leave Encashment where the actuarial valuation has been done on overall Company basis.

12. Preliminary expenses amounting to ₹ 0.43 lacs have been charged in Profit and Loss Account in full.
13. Security Deposit amounting to ₹ 0.05 lacs written off during the year.

14. Related Party \$:

A) Relationships

(a) Wholly Owned Subsidiary	:	--
(b) Investing Company	:	--
(c) Key Management Personnel <sup>@</sup>	:	--

B) Transactions with Related Parties during the year Nil (Previous year Nil)

@Details of Remuneration paid to Manager is given in Note 11.

@ Transferred from FIL (formerly JKAGL)

\$ In pursuance of Scheme of Arrangement and Demerger, FIL (formerly JKAGL) ceased to be 100% Holding Company. Accordingly, related party transactions have been re-organized.

15. Earnings per Share	2005-06	₹ in Lacs 2004-05
a) Profit after Tax	<b>49.72</b>	0.06
b) Weighted average no. of Equity Shares (Nos.) <sup>£</sup>	<b>2360481</b>	50000
c) Nominal Value of Equity Share (₹)	<b>10</b>	10
d) Basic and Diluted Earning per Equity Share (₹) (£ Read with Note No. 2 as stated above)	<b>2.11</b>	0.11
16. Impairment of Assets:		
The Company carries out a periodic review of all its assets with a view to identify any impairment. Impairment of assets, if any, identified on the basis of such review is accounted for in the books as required by the Accounting Standard on Impairment of Assets (AS-28) issued by the Institute of Chartered Accountants of India. No Impairment of assets has been identified during the review carried out in the current year.		
17. Amount paid to Auditors:		₹ in Lacs
	<b>2005-06</b>	2004-05
Statutory Auditors <sup>@</sup>		
a) For Audit Fee	<b>0.82</b>	0.02
b) For Taxation	<b>0.17</b>	--
c) For Reimbursement of expenses	<b>0.02</b>	--
@ Includes ₹ 0.91 lacs for the current year transferred from FIL.		
18. Expenditure in Foreign Currency (as remitted):		
(i) R & D / Technical Services	<b>66.18</b>	--
(ii) Travel & Others	<b>14.40</b>	--
19. Earning in Foreign currency on account of F.O.B value of exports	<b>41.36</b>	--

20. Particulars of Production, Purchase, Sales and Stocks (excluding foundation and breeder Seeds):

	2005-06		2004-05	
	Qty (100 Qtls.)	Amount (Rs. In Lacs)	Qty (100 Qtls.)	Amount (Rs. In Lacs)
Installed Capacity	Not Applicable		Not Applicable	
Opening Stock: As On 01-04-2005	-	-	--	--
Taken Over	<b>401.08</b>	<b>2295.13</b>	--	--
	<b>401.08</b>	<b>2295.13</b>	--	--
Production & Purchase*	<b>375.24</b>	<b>1573.42</b>	--	--
Sales	<b>604.98</b>	<b>6116.19</b>	--	--
Closing Stock	<b>171.34</b>	<b>736.25</b>	--	--

\*Net of Process Loss of 196.37 (Previous Year Nil)(Quantity in 100 qtls.)

21. Stores, Processing & Packing Material consumed: All indigenous ₹ 549.88 lacs (Previous Year ₹ Nil).
22. There are no separate reportable segments as per Accounting Standard 17 "Segment Reporting", hence segment reporting is not being done.
23. Figures for the previous year have been regrouped, rearranged and restated wherever considered necessary. In view of Note 2 figures of previous year are not strictly comparable with figures of current year.

Schedules 1 to 13 forming part of the accounts for the year ended 31<sup>st</sup> March 2006.

**JK AGRI GENETICS LIMITED**  
(formerly FLORENCE ALUMINA LIMITED)  
**Cash Flow Statement (Recasted)**  
For the year ended 31st March, 2006

₹ in Lacs

	2005-2006	2004-2005
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax and extraordinary items	182.30	0.09
Adjustment for :		
Depreciation / Amortisation	177.65	-
Interest Expenses	21.16	-
(Profit)/Loss on sale of Assets	2.72	-
Preliminary Expenses Written off	0.43	-
Balance Written off	0.05	-
Interest/Dividend Received	(97.26)	-
Liabilities no longer required written back	(12.81)	-
<b>Operating Profit before working capital changes</b>	<b>274.24</b>	<b>0.09</b>
(Increase)/ Decrease in Trade and Other Receivables	(2,010.95)	3.17
(Increase)/ Decrease in Inventories	1,548.75	-
Increase/ (Decrease) in Trade Payables	642.26	(0.24)
<b>Cash generated from Operations</b>	<b>454.30</b>	<b>3.02</b>
Direct taxes paid	(60.29)	(0.03)
Cash flow before extra ordinary items	394.01	2.99
Extra ordinary items	-	-
<b>Net Cash generated from Operations</b>	<b>394.01</b>	<b>2.99</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(114.31)	-
Sale of Fixed Assets	6.00	-
Interest Received	72.34	-
Net Cash used in Investing activities	(35.97)	-
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from borrowings	0.75	-
Proceeds from Equity Share Capital	145.00	-
Interest Paid	(21.16)	-
<b>Net cash used in financing activities</b>	<b>124.59</b>	<b>-</b>
<b>Net increase in Cash and Cash equivalents</b>	<b>482.63</b>	<b>2.99</b>
<b>Cash and Cash equivalents as at the beginning of the year</b>	<b>3.67</b>	<b>0.68</b>
<b>Received in Scheme of Arrangement &amp; Demerger</b>	<b>1,186.82</b>	<b>-</b>
<b>Cash and Cash equivalents as at the end of the year</b>	<b>1,673.12</b>	<b>3.67</b>
<b>Notes:</b>		
1 Cash and Cash Equivalents Include:		
- Cash, Cheques in hand and Remittances in transit	4.44	0.23
- Balances with Scheduled Banks	1,668.68	3.44
Total	1,673.12	3.67

Notes:

- (i) Impact of Scheme which is cash neutral (Read with Note 2 of Schedule 13B) have not been disclosed above.  
(ii) Previous figures are not strictly comparable to the current year figures pursuant to the Scheme of Arrangement and Demerger (Refer note no.1 & 2 of Schedule 13B).