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AGRI DEVELOPMENT FINANCE
(TAMILNADU) LIMITED

16TH ANNUAL REPORT 2012 - 2013





Agri Development Finance (Tamilnadu) Limited

Board of Directors

Shri.K.Muralidhara Rao	Director
Smt.Lalitha Venkatesan	Director
Shri.M.Balakrishnan	Director
Shri.Satyabrata Sahoo, I.A.S.	Director
Shri.P.N.Praveen Kumar	Managing Director

Company Secretary

Smt.M.Bhuvaneswari

Auditors

M/s.JB & Co.,
Chartered Accountants
New No.10, First Main Road
R K Nagar, R A Puram
Chennai 600 028.

Bankers

Indian Overseas Bank, Nungambakkam Branch, Chennai 600 034.

Regd. & Corporate Office

Ground Floor,
NABARD Tamilnadu Regional Office Building
No.48, Mahatma Gandhi Road, Nungambakkam
Chennai 600 034.Tamil Nadu
Ph. No. (044) 2827 0138, 42138700

CONTENTS

	PAGE
1. Notice of 16 th Annual General Meeting	1
2. Directors' Report	6
3. (a) Auditors' Report	10
(b) Annexure to Auditors' Report	13
4. Comments of the Comptroller and Auditor General of India	17
5. (a) Balance Sheet	18
(b) Schedules to the Balance Sheet	19
6. Profit & Loss Account	24
7. Notes to Financial Statements	25
8. Cash Flow Statement	40
9. Attendance Slip & Proxy form	41
10. Projects Financed by ADFT - Photos	42

Agri Development Finance (Tamilnadu) Limited

Regd. & Corp. Office : Ground Floor, NABARD TNRO Building,
No.48, Mahatma Gandhi Road, Nungambakkam, Chennai 600 034

NOTICE

Notice is hereby given that the 16th Annual General Meeting of the shareholders of the company will be held at 12.00 noon on Thursday, the 26th day of September 2013 at the Conference Hall of NABARD, Tamil Nadu Regional Office (2nd Floor), No. 48, Mahatma Gandhi Road, Nungambakkam, Chennai 600 034 to transact the following business:

Ordinary Business

1. To consider passing, with or without modification, the following Ordinary Resolution:

"RESOLVED that the Audited Balance Sheet of the company as at 31st March 2013 and the Audited Profit & Loss Account for the year ended 31st March 2013 together with the Directors' Report and Auditors' Report thereon be and are hereby adopted".

2. To consider and if thought fit to pass, with or without modification, the following Ordinary Resolution:

"RESOLVED that pursuant to Section 224 (8) (aa) and other applicable provisions, if any, of the Companies Act, 1956, the appointment of the Statutory Auditors of the company for the year 2013-2014 as proposed by the Comptroller and Auditor General of India (CAG), New Delhi be and is hereby approved, on such remuneration as may be fixed by the Board of Directors of the Company and further resolved that the aforesaid Auditors appointed by the CAG under section 619 (2) of the Companies Act, 1956 shall hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the Company".

3. To re-appoint Shri.M.Balakrishnan, Director, who retires by rotation and if thought fit to pass, with or without modification, the following Ordinary Resolution:

"RESOLVED that pursuant to Section 256 of the Companies Act, 1956 and other applicable provisions if any of the Companies Act, 1956, Shri.M.Balakrishnan, Director who retires by rotation be and is hereby re-appointed as Director of the company in terms of Clauses 131 and 132 of the Articles of Association of the Company".

Special Business

4. To consider, and if thought fit, to pass, with or without modification the following Special Resolution:

"RESOLVED THAT in terms of section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Unlisted Public Companies (Preferential Allotment) Rules, 2003, Memorandum and Articles of Association of the Company, and subject to such conditions and modifications as may be considered appropriate by the Board of Directors of the Company, consent of the Company be and is hereby accorded to the Board to offer, issue and allot 1,00,00,000 equity shares of Rs.10 each to National Bank for Agriculture and Rural Development (NABARD) at par, on preferential basis.

RESOLVED FURTHER THAT the Board of Directors be and are hereby instructed to get the shares allotted pursuant to this resolution and this resolution be acted upon within a period of 12 months."

For and on behalf of the Board
For Agri Development Finance (Tamilnadu) Ltd

Place : Chennai
Date : 02.09.2013

Sd/-
PN Praveen Kumar
Managing Director

• Agri Development Finance (Tamilnadu) Limited •

Notes:

1. The explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the resolution under item No.4 is annexed hereto.
2. The members are requested to inform change of address, if any, to the company.
3. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. The instrument appointing proxy should however be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
4. Corporate Members are requested to send a duly verified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
5. Shareholders desirous of seeking any clarification on the business to be transacted at the 16th Annual General Meeting are requested to forward their queries to the Registered Office of the company, at least 10 days before the date of the meeting.
6. Members are requested to bring their copies of Annual Report for the meeting.
7. Members / Proxies are requested to bring the Attendance Slip sent with the Annual Report duly filled in for attending the meeting.

**For and on behalf of the Board
For Agri Development Finance (Tamilnadu) Ltd**

**Place : Chennai
Date : 02.09.2013**

**Sd/-
PN Praveen Kumar
Managing Director**

Agri Development Finance (Tamilnadu) Limited

Explanatory statement pursuant to section 173 (2) of the companies act, 1956.

Item No.4:

The Company was informed by NABARD that they would contribute additional equity to the tune of Rs.10 crore. Hence, the Company proposes to increase its capital base through preferential allotment of equity shares to the chief promoter, NABARD.

In terms of the provisions of section 81(1A) of the Companies Act, 1956 read with the Unlisted Public Companies (Preferential Allotment) Rules, 2003 applicable for making of a preferential offer, a special resolution has to be passed.

In view of the requirement of section 81(1A) of the Companies Act, 1956 and the above said rules made hereunder, the Company has to seek approval of members at the general meeting by way of Special Resolution which will be valid for a period of 12 months from the date of passing thereof.

The following information is submitted to enable the General Body to consider approving the proposed Special Resolution:

Serial No	The Statutory disclosures required to be made under Unlisted Public Companies (Preferential Allotment) Rules, 2003	Disclosure by the Company
1	The price band at which the allotment is proposed	At the face value of Rs. 10 per share
2	The Relevant date on the basis of which price has been arrived at	Not applicable, as share warrant is not proposed to be issued
3	The object of the issue	For making available more resources to the company to expand its operations as well as to increase its net-worth
4	The Class or classes of persons to whom the allotment is proposed to be made	NABARD, the largest stake-holding promoted of the company
5	Intention of promoters / directors/ key management persons to subscribe to the offer	The promoter has expressed its willingness to subscribe to the offer
6	Share holding pattern of promoters and other classes of shares before and after the offer	Furnished in the Table - I below
7	Proposed time within which the allotment shall be completed	Within one year from the date of approval of the resolution
8	Whether a change in control is intended or expected in the affairs of the Company	The Directors do not envisage any change in the control of the Management by the proposed allotment of shares

TABLE-I

The pre and post equity shareholding pattern of the company is as under

Sl. No.	Name of Shareholder	Pre-Issue		Post-Issue	
		No. of equity shares of Rs. 10/- each	% of pre issue equity capital	No. of equity shares of Rs. 10/- each	% of post issue equity capital
1	NABARD	54,44,200	54.55	1,54,44,200	77.30
2	Govt. of TN	18,00,000	18.04	18,00,000	9.01
3	Indian Bank	10,00,000	10.02	10,00,000	5.01
4	Canara Bank	4,00,000	4.01	4,00,000	2.00
5	Indian Overseas Bank	3,80,000	3.81	3,80,000	1.90
6	Lakshmi Vilas Bank	2,50,000	2.51	2,50,000	1.25
7	Federal Bank	2,50,000	2.51	2,50,000	1.25
8	ICICI Bank	2,00,000	2.00	2,00,000	1.00
9	Tamilnadu Mercantile Bank	1,00,000	1.00	1,00,000	0.50
10	Companies / Individuals	1,55,750	1.55	1,55,750	0.78
	Total	99,79,950	100.00	1,99,79,950	100.00

A certificate from the Statutory Auditors of the Company confirming that the proposed issue of the shares is being made in consonance with the conditions stipulated under Unlisted Public Companies (Preferential Allotment) Rules, 2003 has been kept at the Registered Office of the company for inspection.

In order to authorize the Board for taking further action, it is necessary to pass the said Special Resolution for preferential issue of shares as set out in the item No.4 of the notice. Hence, the Board of Directors recommend passing of the proposed resolution

For and on behalf of the Board
For Agri Development Finance (Tamilnadu) Ltd

Place : Chennai
 Date : 02.09.2013

Sd/-
PN Praveen Kumar
 Managing Director

Agri Development Finance (Tamilnadu) Limited

Regd. & Corp. Office : Ground Floor, NABARD TNRO Building,
No.48, Mahatma Gandhi Road, Nungambakkam, Chennai 600 034

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the 16th Annual Report of the company together with the Audited Statement of Accounts for the year ended March 31, 2013.

Financial Results:

Your Company's performance during the financial year 2012-13 is summarized below:

(Rs. Lakh)

Particulars	2012-2013	2011-2012
Gross Income	274.08	340.47
Expenditure Including Depreciation & Extra Ordinary Items	151.46	206.43
Profit Before Tax	122.62	134.04
Provision for Tax (current year)	45.77	41.07
Profit after Tax	76.85	92.97

Highlights:

1. The company disbursed 30 term loans aggregating to Rs.14.17 crore during the year as against Rs.10.80 crore during 2011-12, a growth of 31%.
2. The company has availed Rs.958.69 lakhs as refinance from NABARD during the year.
3. The reserves and surplus recorded a healthy increase from Rs.237.15 lakhs to Rs.313.99 lakhs.
4. The net worth went up from Rs. 1235.14 lakh to Rs.1311.99 lakh.
5. The company has sanctioned 37 projects for a total sum of Rs 19.13 crore during 2012-13, as compared to Rs 10.80 crore during 2011-12, a significant jump of 77% over previous year.
6. The net NPA as on 31 March 2013 is nil.

Status of NPA Accounts:

The company has two NPA accounts against which 100% provision has been made. Necessary steps have been taken for recovery of dues from the said accounts through legal process, viz., civil suit and criminal complaint, keeping the door open for negotiations.

• Agri Development Finance (Tamilnadu) Limited •

Dividend :

No dividend has been recommended for the year ended 31st March 2013.

Directors :

The present Board comprises of the following Directors:

Shri.K.Muralidhara Rao	Chief General Manager - HRMD, NABARD, HO, Mumbai, Chairman of the Board
Smt.Lalitha Venkatesan	Chief General Manager, NABARD, TNRO, Chennai
Shri.M.Balakrishnan	DGM - RBD, Indian Bank, Chennai
Shri.Satyabrata Sahoo, IAS	Director of Horticulture & Plantation Crops, Govt. of Tamil Nadu
Shri. P.N.Praveen Kumar	Managing Director, ADFT, Chennai.

Shri.Satyabrata Sahoo, IAS was nominated by the Government of Tamilnadu as Director in place of Dr.Santhosh Babu, IAS.

Audit Committee :

In terms of Section 292 (A) of the Companies Act, 1956, the Board had constituted an Audit Committee. The Audit Committee met two times during the year 2012-13 on 14th June 2012 and 10th December 2012.

The present committee consists of:

- | | | |
|-----|---|--------|
| (1) | Smt.Lalitha Venkatesan | Member |
| (2) | Shri. P.N.Praveen Kumar | Member |
| (3) | Shri.M.Balakrishnan | Member |
| (4) | Representative of M/s. J B & Co., Statutory Auditors,
Chartered Accountants. | |

Employee Benefits

The provisions of Employee Provident Fund Act, Employees State Insurance Act and the payment of Gratuity Act are not applicable to the employees of the company. However, the company has voluntarily contributed 8.33% on Basic Pay to staff towards Public Provident Fund and also eligible Gratuity. The Gratuity of MD, deputation staff of NABARD, is being reimbursed to NABARD.

Status of the Company

The company was declared as a Deemed Government Company under Section 619 (B) of the Companies Act, 1956 vide letter No.CA.V/30-2006 dated 28th August 2006 from the Comptroller and Auditor General of India, New Delhi (CAG), who will appoint the Statutory Auditors every year under Section 619 (2) of the Companies Act, 1956.

Statutory Auditors

M/s. JB&Co., Chartered Accountants, Chennai were appointed by the CAG of India, New Delhi as Statutory Auditors for the financial year 2012-13. Further the Supplementary Audit of the company's accounts was entrusted to the The Senior Audit Office/IOC/Co-ordn., Office of the Principal Director of Commercial Audit and Ex-Officio Member Audit Board, III Floor, FCI Building, No.8, Mayor Sathyamoorthy Road, Chetpet, Chennai -600 031 under Section 619 (3) (b) of the Companies Act, 1956.

Statutory Disclosures

(1) Information as per Section (217) (1) (e) of the Companies Act, 1956

Your company has no activity relating to conservation of energy or technology absorption. The Company has no foreign exchange earnings or outgo.

(2) Particulars of Employees

The Company did not have any employee falling within the scope of Sec. 217 (2-A) of the Companies Act, 1956, read with the companies (Particulars of employees) Rules, 1975.

(3) Director's Responsibility Statement

Pursuant to Section 217 (2-AA) of the Companies Act, 1956 read with the Companies (Directors Responsibility) Rules 2000, your Directors state that:

- (a) The applicable accounting standards have been followed in the preparation of annual accounts along with proper explanation relating to material departures, if any.
- (b) Accounting policies have been selected and applied consistently and the judgements and estimates made 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.

• Agri Development Finance (Tamilnadu) Limited •

(c) Proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

(d) The annual accounts have been prepared on a going concern basis.

(4) Information as per Section 383 A of the Companies Act, 1956

The company had appointed Smt.M.Bhuvaneswari as Whole Time Company Secretary in compliance of the provisions of Section 383 A of the Companies Act, 1956.

Acknowledgement

The Directors wish to place on record their appreciation for the support provided to the company by NABARD, the shareholder banks, the Government of Tamil Nadu and the other shareholders of the company.

**For and on behalf of the Board
For Agri Development Finance (Tamilnadu) Ltd**

**Place : Chennai
Date : 29.04.2013**

**Sd/-
PN Praveen Kumar
Managing Director**

INDEPENDENT AUDITOR'S REPORT

To the Members of Agri Development Finance (Tamil Nadu) Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Agri Development Finance (Tamil Nadu) Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2013 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.
2. **Management's Responsibility for the Financial Statements**
 - 2.1 Management is responsible for 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 Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
3. **Auditor's Responsibility**
 - 3.1 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.

3.2 An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 auditor considers 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. 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 financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion

4.1 In our opinion and to the best of our information and according to the explanations given to us, the 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 :

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013.
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5. Emphasis of Matter

We draw attention to 1.2 of the Notes on accounts with regard to the Company's plan to comply with RBI circular no. DNBS (PD) C.C.No.79/03.05.002/2006-07 dated Sept. 21, 2006. Our opinion is not qualified in respect of this matter.

6. Report on Other legal and regulatory requirements

6.1 As required by the Companies (Auditor's Report) Order, 2003 ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

6.2 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;
- (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, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- (e) Vide Notification no. 2/5/2001-CLV dated 22.03.2002 of the Department of Company Affairs, Government of India, Government Companies have been exempted from applicability of the provisions of Section 274(1)(g) of the Companies Act, 1956.

For JB & Co.

Chartered Accountants

Firm Registration No. 04893S

Sd/-

J. Balasubramanian

Partner

Membership No, 24828

Date : 29.04.2013

Place : Chennai

Annexure referred to in paragraph 1 of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) As per information provided before us, the fixed assets were physically verified by the management during the year and no discrepancies were noticed. In our opinion, the frequency of verification is reasonable having regard to the size and nature of its business.
(c) As per information provided before us, no substantial parts of the fixed assets were disposed off during the year.
- (ii) The Company being a Non-banking Financial Company does not hold inventories. Hence clause (ii) of the Order is not applicable to the Company.
- (iii) According to the information provided and explanations given to us, the Company has not granted or taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register mentioned under section 301 of the companies, Act, 1956. Hence clause (iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the company and nature of its business, with regard to purchase of fixed assets and with regard to rendition of services. During the course of audit we have not observed any continuing failure to correct major weaknesses in internal control.
- (v) (a) According to the information and explanations given to us, during the financial year, the Company has not entered into any contract or arrangements, which need to be entered in the register in pursuance of section 301 and hence, subclause (b) of Clause (v) of the Order is not applicable to the Company.

Agri Development Finance (Tamilnadu) Limited

- (b) In our opinion and according to the information and explanations given to us aforesaid transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market price at relevant time.
- (vi) According to the information and explanations given to us, the Company has not accepted any deposits from public within the meaning of Section 58A and Section 58AA or any other relevant provisions of the Act and the rules framed there under.
- (vii) In our opinion and according to the informations and explanations given to us, the Company has an internal audit system, which is commensurate with the size and nature of business of the Company.
- (vii) The Central Government of India has not prescribed cost records for the Company as required u/s 209(1)(d) of the Companies Act, 1956.
- (ix) (a) According to the information provided and explanations given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance dues, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise Duty, Cess and other material statutory dues applicable to it. However, the undisputed income tax payable, for the Assessment year 2002-03 and 2003-04, for which demand has not yet been received by the Company, has been estimated as under:

Particulars	Amount (Rs.)
Assessment Year	
2002-03	19,36,490
2003-04	10,94,217
Total	30,30,707
Interest payable on Income tax due	23,75,758
Estimated Total	54,06,465

(b) According to the information and explanations given to us, there were no amounts due as on March 31, 2013 in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of any dispute.

(x) The Company does not have any accumulated losses at the end of the financial year. The company has also not incurred cash losses during the financial year and in the immediately preceding financial period.

(xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

(xii) According to the information and explanations provided before us, the Company has not granted any loans & advances on the basis of securities by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company and therefore the sub-clauses (a), (b), (c) and (d) of Clause (xiii) of the Order are not applicable to the company.

(xiv) According to the information and explanations provided before us, the Company is not dealing or trading in shares, securities, debentures and other investments.

(xv) According to the information provided and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

(xvi) In our opinion and according to the information provided and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.

(xvii) According to the information and explanations provided to us, we report that there are no funds raised on a short term basis which have been used for long term investment.

- xviii According to the information and explanations provided to us, the Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix According to the information and explanations provided to us, the Company has not raised any fund by issuing debentures during the year.
- xx According to the information and explanations given to us, the Company has not made any public issue of shares during the year
- xxi According to the information and explanations given to us, no fraud has been noticed or reported during the year on or by the Company.

For JB & Co.

Chartered Accountants

Firm Registration No. 048935

Sd/-

J. Balasubramanian

Partner

Membership No, 24828

Date : 29.04.2013

Place : Chennai

Agri Development Finance (Tamilnadu) Limited*

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE
ACCOUNTS OF AGRI DEVELOPMENT FINANCE (TAMILNADU) LIMITED,
CHENNAI FOR THE YEAR ENDED 31ST MARCH 2013.

The preparation of financial statements of Agri development Finance (Tamilnadu) Limited, Chennai for the year ended 31st March 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619 (2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on the independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 29.04.2013.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 619(3)(b) of the Companies Act, 1956 of the financial statements of Agri Development Finance (Tamilnadu) Limited, Chennai for the year ended 31st March 2013. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of accounting records.

Based on my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's report under Section 619(4) of the Companies Act, 1956.

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

Sd/-

(John K. Sellate)

Pr. Director of Commercial Audit &
Ex-Officio Member, Audit Board-IV

Place : New Delhi
Date : 13.06.2013

Agri Development Finance (Tamilnadu) Limited

Balance Sheet as at March 31, 2013

Particulars	Note Ref	As at 31st Mar-2013 (Rs.)	As at 31st Mar-2012 (Rs.)
I EQUITY AND LIABILITIES			
1. Share Holders' Funds			
Share Capital	3.1	99,799,500	99,799,500
Reserves & Surplus	3.2	31,399,463	23,714,733
2. Non- Current Liabilities			
Long-Term Borrowings	3.3	72,661,400	128,855,700
Long Term Provisions	3.4	17,247,651	16,897,687
3. Current Liabilities			
Trade Payable	3.5	570,210	33,000
Other Current Liabilities	3.6	66,750,579	17,510,321
Short Term Provisions	3.7	5,598,438	5,304,955
Total		294,027,241	292,115,896
II ASSETS			
1. Non-Current Assets			
Fixed Assets			
- Tangible Assets	3.8	122,710	91,410
- Intangible Assets		17,653	-
Non Current Investments	3.9	9,664,500	9,664,500
Deferred Tax Assets (net)	3.10	20,741	12,418
Long Term Loans & Advances	3.11	119,106,336	52,192,593
Other Non Current Assets	3.12	5,832,626	4,039,600
2. Current Assets			
Cash & Cash Equivalents	3.13	101,430,230	152,733,007
Short Term Loans & Advances	3.14	55,027,121	71,060,077
Other Current Assets	3.15	2,805,324	2,322,291
Total		294,027,241	292,115,896

Significant Accounting Policies and Notes to accounts

The Schedules referred to above form integral part of Financial Statements

Vide report of even date

For JB & Co.
Chartered Accountants

Sd/-
J Balasubramanian
Partner

Membership No. 24828
FRN : 048938
Chennai, 29.04.2013

For Agri Development Finance (Tamilnadu) Limited

Sd/-
Lalitha Venkatesan
Director

Sd/-
PN Praveen Kumar
Managing Director

Sd/-
M. Balakrishnan
Director

Sd/-
M. Bhuvaneshwari
Company Secretary

Agri Development Finance (Tamilnadu) Limited

Regd. & Corp. Office : Ground Floor, NABARD Tamil Nadu Regional Office Building,
No.48, Mahatma Gandhi Road, Nungambakkam, Chennai 600 034

Schedule to the Balance Sheet

(as required in terms of Paragraph 9BB of Non-Banking Financial Companies
Prudential Norms (Reserve Bank) Directions, 1998)

Particulars	(Rs. in Lakhs)
ASSETS SIDE	Amount Outstanding
3. Break up of Loans and Advances including bills receivables (other than those included in (4) below) :	
(a) Secured	1741.21
Unsecured	0
4. Break up of Leased assets and stock on hire and hypothecation loans counting towards EL/HP activities	
(i) Lease Assets including lease rentals under sundry debtors	Nil
(a) Financial Lease	
(b) Operating Lease	
(ii) Stock on hire including hire charges under sundry debtors :	Nil
(a) Assets on hire	
(b) Repossessed Assets	
(iii) Hypothecation loans counting towards EL/HP activities	Nil
(a) Loans where assets have been repossessed	
(b) Loans other than (a) above	
5. Break-up of investments :	
Current Investments :	
1. Quoted :	
(i) Shares : (a) Equity	Nil
(b) Preference	
(ii) Debentures and Bonds	

Agri Development Finance (Tamilnadu) Limited

Regd. & Corp. Office : Ground Floor, NABARD Tamil Nadu Regional Office Building,
No.48, Mahatma Gandhi Road, Nungambakkam, Chennai 600 034

Schedule to the Balance Sheet

(as required in terms of Paragraph 9BB of Non-Banking Financial Companies
Prudential Norms (Reserve Bank) Directions, 1998)

(6) Borrower Group-wise classification of all leased assets, stock-on-hire and loans and advances

(Rs. in Lakhs)

Category	Amount net of provisions		
	Secured	UnSecured	Total
1. Related Parties **			
(a) Subsidiaries			
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties			
2. Other than related parties	1572.81	-	1572.81
Total	1572.81	-	1572.81

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

(Rs. in Lakhs)

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries		
(b) Companies in the same group	Nil	Nil
(c) Other related parties	141.99	141.99
2. Other than Parties	Nil	Nil
Total	141.99	141.99

Agri Development Finance (Tamilnadu) Limited

Regd. & Corp. Office : Ground Floor, NABARD Tamil Nadu Regional Office Building,
No.48, Mahatma Gandhi Road, Nungambakkam, Chennai 600 034

Schedule to the Balance Sheet

(as required in terms of Paragraph 9BB of Non-Banking Financial Companies
Prudential Norms (Reserve Bank) Directions, 1998)

(Rs. in Lakhs)

Particulars	Amount
8. Other Information	
(i) Gross Non-Performing Assets	
(a) Related Parties	Nil
(b) Other than related parties	164.45
(ii) Net Non-Performing Assets	
(a) Related Parties	Nil
(b) Other than related parties	Nil
(iii) Assets acquired in satisfaction of debt	Nil

Vide our report of even date

for and on behalf of the Board of Directors

For JB & Co.

Chartered Accountants

Sd/-

J Balasubramanian

Partner

Sd/-

Lalitha Venkatesan

Director

Sd/-

M. Balakrishnan

Director

Membership No. 24828

FRN : 04893S

Chennai, 29.04.2013

Secretary

Sd/-

PN Praveen Kumar

Managing Director

Sd/-

M. Bhuvaneswari

Company

Agri Development Finance (Tamilnadu) Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Note Ref	As at 31st Mar-2013 (Rs.)	As at 31st Mar-2012 (Rs.)
I INCOME			
Revenue from Operations	4.1	11,129,079	13,587,048
Other Income	4.2	16,278,467	20,459,657
TOTAL A		27,407,546	34,046,705
II EXPENDITURE			
Finance Cost	4.3	9,455,182	8,293,238
Employee Benefits Expenses	4.4	3,164,206	4,385,237
General Selling & Administrative Expenses	4.5	2,002,561	334,949
Provisions & Contingencies		127,201	5,581,025
Depreciation	3.7	32,569	36,548
TOTAL B		14,781,719	18,630,997
III Profit before exceptional and extraordinary items and tax (I-II)		12,625,827	15,415,708
IV Extraordinary Items		363,685	2,012,073
V Profit / (Loss) before Taxation		12,262,142	13,403,635
VI Tax Expenses			
- Current Tax		4,585,735	4,107,928
- Deferred Tax		(8,323)	(1,712)
VII Profit / (Loss) after Tax		7,684,730	9,297,419
VIII Earning per equity share :			
Basic & Diluted	2.12	0.81	0.93

Significant Accounting Policies and Notes to accounts

The Schedules referred to above form integral part of Financial Statements

Vide report of even date

For JB & Co.
Chartered Accountants
Sd/-
J Balasubramanian
Partner

Membership No. 24828
FRN : 048935
Chennai, 29.04.2013

For Agri Development Finance (Tamilnadu) Limited

Sd/-
Lalitha Venkatesan
Director

Sd/-
PN Praveen Kumar
Managing Director

Sd/-
M. Balakrishnan
Director

Sd/-
M. Bhuvaneswari
Company Secretary

Agri Development Finance (Tamilnadu) Limited

Notes to the Financial Statements for the year of ended March 31, 2013

(All amounts in Indian Rupees, unless otherwise stated)

Note 1:

1.1 Business Overview

Agri Development Finance (Tamil nadu) ('ADFT' or 'the Company') was incorporated in India on Feb 14, 1997 as a public limited company. The Company commenced its operations on April 16, 1997.

The Company is a Non-Banking Finance Company not accepting public deposit engaged in the business of providing financial assistance to Micro Finance Institutions and Panchayat Level Federations.

1.2 Operational Outlook

The Company being a holder of the CoR granted by RBI u/s 45-IA of the RBI Act, 1934 is bound to comply with circular DNBS (PD) C.C. No.79/03.05.002/2006-07 dated Sept 21, 2006. However the Company's financial income is less than 50% of the gross income as against the stipulated financial income of more than 50% of its Gross income required by the abovementioned circular. However the Company's management believes that the business plan placed before Board of Directors in its meeting held on August 17, 2012 is achievable and they will comply with the condition in the forthcoming years.

Note 2:

Significant Accounting Policies

2.1 Basis for preparation of Financial Statements

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set-out in Revised schedule VI to the Companies Act, 1956. Based on the nature of services and the time between the cash outflow and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

Agri Development Finance (Tamilnadu) Limited

Notes to the Financial Statements for the year of ended March 31, 2013

(All amounts in Indian Rupees, unless otherwise stated)

2.2 Use of Estimates:

The preparation of financial statements in conformity with GAAP requires the Company's management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include future obligations under employee retirement benefit plans and useful life of fixed assets and intangible assets. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively.

2.3 Fixed Assets and Depreciation

(i) Fixed Assets are carried at historical cost less accumulated depreciation. Cost of acquisition is inclusive of installation and other incidental expenses directly attributable to the asset till it is put to use.

(ii) Depreciation on fixed assets is provided on a pro-rata basis with reference to the date of addition and the Written down value Method in accordance with Schedule XIV to the Companies Act, 1956.

2.4 Investments

The long term investments are stated at cost and provision for diminution in value, other than temporary, is considered wherever necessary. The long term investment of the company is Bhavishya Nirman Bonds. In the absence of information on quotation the bonds are valued at cost.

The interest earned but not due during the year of above said bonds is recognized as income and classified under other non-current assets. Current investments are valued at lower of cost and market value / net asset value.

2.5 Revenue Recognition

The company's income constitutes interest from term loans disbursed and interest from fixed deposits with banks and is recognized on a time proportion basis taking into account amount outstanding and the rate applicable. The company has followed the prudential norms for income recognition and provision for bad and doubtful debts as prescribed by the Reserve Bank of India for Non Banking Financial Companies (recent notification No. DNBS193 DG (VL)-2007 dated February 22, 2007).

Agri Development Finance (Tamilnadu) Limited*

Notes to the Financial Statements for the year of ended March 31, 2013

(All amounts in Indian Rupees, unless otherwise stated)

2.6 Employee Benefits

The provisions of Employee Provident Fund Act, Employees State Insurance Act and the payment of Gratuity Act are not applicable to the employees of the company. However, the company has voluntarily contributed 8.33% on Basic Pay to staff towards Public Provident Fund and also eligible Gratuity. Provision for Gratuity is computed and provided in accordance with para 52 of Accounting Standard - 15.

The leave balance is classified as Short-term. The Short-term Leave Encashment liability for the expected leave to be encashed has been measured on actual components eligible for Leave Encashment and expected Short-term leave to be availed is valued based on the total cost to the Company.

2.7 Borrowing Cost

The company obtained refinancing from NABARD. The interest cost on refinance is recognized on a time proportion basis taking into account amount outstanding and the rate applicable.

The transactions with NABARD with regard to refinancing during the year are as follows:

(In Rs.)

Particulars	2012 - 2013	2011 - 2012
Opening Balance	12,88,55,700	7,22,83,300
Loan Received during the Year	9,58,69,200	9,20,00,000
Loan Repaid during the Year	8,66,81,600	3,54,27,600
Closing Balance (inc. Int. Payable)	13,80,43,300	12,88,55,700
Interest Paid / Payable on above	94,55,182	82,93,238

2.8 Taxation

Income Tax comprises of Current Tax and net changes in Deferred Tax Assets or liabilities during the year. Current Tax is determined at the amount of tax payable in respect of taxable income for the year as per the Income-tax Act, 1961

In accordance with Accounting Standard 22 - Accounting for taxes on income, prescribed by the National Advisory Committee on Accounting Standards constituted under Companies Act, 1956, deferred tax assets is recognized at the current rate of tax on timing difference being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent years.

Agri Development Finance (Tamilnadu) Limited

Notes to the Financial Statements for the year of ended March 31, 2013.

(All amounts in Indian Rupees, unless otherwise stated)

2.9 Provisions and Contingencies

(i) Non-Performing Assets (NPAs) are identified and categorised according to the Guidelines issued by the Reserve Bank of India (RBI). Provisions are made against doubtful assets at the rates prescribed in the RBI Guidelines.

(ii) Provisions made as per RBI Guidelines are written back as prescribed by the Guidelines.

(iii) Provisioning for NPAs is dependent upon, inter alia, whether the NPA is secured or unsecured. The company's loans are considered as secured as the Company has valid recourse to assets / recovery by:

- a. equitable mortgage of property and/or
- b. hypothecation of assets and/or
- c. company guarantees supported by assets and/or
- d. decral debts where Courts have attached property

(iv) Provision for Standard Assets is made at 0.25% of the outstanding standard assets based on RBI Notification No. RBI/2010-11/370 DNBS.PD.CC. NO. 207/03.02.002/2010-11 dated January 17, 2011 applicable to NBFCs

2.10 Cash Flow Statements

(i) Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(ii) Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Agri Development Finance (Tamilnadu) Limited

Notes to the Financial Statements for the year ended March 31, 2013

(All amounts in Indian Rupees, unless otherwise stated)

2.11 Related Party Transaction

National Bank for Agriculture and Rural Development (NABARD) is the holding company with 52.10% on the paid up equity capital of the company. The following payments have been made by the company to NABARD and its deputation staff during the financial year 2012-13

(In Rs.)

Particulars	2012 - 2013	2011 - 2012
Office Rent	1,11,600	1,11,600
Office Electricity Charges	9,869	16,403
Office Property Tax, Sewage Tax on the area Occupied by the company	45,380	42,359
Managing Director		
Quarters Rent	9,186	55,116
Salary	1,608,902	3,000,606
Gratuity	93,512	90,740
Reimbursement	4,53,217	46,483
Total	2,331,666	3,363,307

Investment

The company has invested in Bhavishya Nirman Bonds issued by NABARD (1137 bonds at face value of Rs.8,500/- each) at cost of Rs.96,64,500. On maturity the value of the same will be Rs.2,27,40,000/-

Unsecured Loan

The company obtained refinancing / interim finance from NABARD. The transaction during the year is as follows:

Particulars	2012 - 2013	2011 - 2012
Opening Balance	144,855,700	72,283,300
Loan Received during the Year	133,369,200	200,000,000
Loan Repaid during the Year	140,181,600	127,427,600
Closing Balance (inc. Int. Payable)	138,043,300	144,855,700
Interest Paid / Payable on above	9,455,182	8,293,238

Agri Development Finance (Tamilnadu) Limited

Notes to the Financial Statements for the year of ended March 31, 2013
(All amounts in Indian Rupees, unless otherwise stated)

2.12 Earnings per Share

Basic earnings per share is calculated by dividing the net profit after tax for the period attributable to the equity shareholders of the Company by number of equity shares outstanding during the year.

Particulars	2012 - 2013	2011 - 2012
(A) Profit for the year after taxation (in Rupees)	76,84,730	92,97,419
(B) Number of equity shares of face value of Rs. 10/- (in numbers)	99,79,950	99,79,950
(C) Basic & Diluted earnings per share (A/B) (in Rs.)	0.81	0.93

As per our report of even date

For JB & Co.
Chartered Accountants
Firm Reg No. 04893S

Sd/-
J Balasubramanian
Partner

Membership No. 24828
Chennai, 29.04.2013

For and behalf of board of directors

Sd/-
Lalitha Venkatesan
Director

Sd/-
PN Praveen Kumar
Managing Director

Sd/-
M. Balakrishnan
Director

Sd/-
M. Bhuvaneswari
Company Secretary

Agri Development Finance (Tamilnadu) Limited

Accompanying notes to the Financial Statements (for the year ended March 31, 2013)

Note 3: Notes to the Balance Sheet

3.1 - SHARE CAPITAL

a. Details of authorised, issued and subscribed Share Capital

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Authorised Capital 5,00,00,000 (Previous year : 2,50,00,000) Equity Shares of Rs. 10/- each	500,000,000	250,000,000
Issued Capital 99,79,950 (Previous year : 99,79,950) Equity Shares of Rs. 10/- each fully paid up	99,799,500	99,799,500
Subscribed and Paid up 99,79,950 (Previous year : 99,79,950) Equity Shares of Rs. 10/- each fully paid up	99,799,500	99,799,500

b. Shares held by holding / ultimate holding company and / or their subsidiaries/ associates and details of shareholders holding more than 5% shares in the company :

Name of Share holder	Mar. 31, 2013		Mar. 31, 2012	
	No of Equity Shares held	%	No of Equity Shares held	%
Shares Held by Holding Company National Bank for Agriculture and Rural Development	5,200,000	52.10	5,200,000	52.10
Shares Held by Others Government of Tamilnadu	1,800,000	18.04	1,800,000	18.04
Indian Bank	1,000,000	10.02	1,000,000	10.02

Agri Development Finance (Tamilnadu) Limited

Accompanying notes to the Financial Statements (for the year ended March 31, 2013)

Note 3: Notes to the Balance Sheet

C. Reconciliation of number of Shares

Particulars	Equity Shares		Equity Shares	
	Number	Amount (in Rs.)	Number	Amount (in Rs.)
	As at 31.03.2013		As at 31.03.2012	
Shares outstanding at the beginning of the year	9,979,950	99,799,500	9,979,500	99,799,500
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	9,979,950	99,799,500	9,979,500	99,799,500

d. Information on equity shares allotted without receipt of cash or allotted as bonus shares or shares bought back during the preceding five financial years - NIL

e. Terms & Right attached to Equity Shares

The Company has one class of equity share having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company has not declared & paid any dividend during the year.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of the equity shares held by the shareholders

3.2 - RESERVES & SURPLUS

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Surplus in Statement of Profit and Loss		
Opening Balance	14,156,914	6,718,979
Transfer from Profit & Loss Account	7,684,730	9,297,419
Amount available for appropriation	21,841,644	16,016,398
Less : Transfer to Reserve Fund 45-IC of RBI Act, 1934	1,536,946	1,859,484
Balance as at the end of the year (A)	20,304,698	14,156,914
Special Reserve		
Opening Balance	9,557,819	7,698,355
Add : Transferred from Surplus to create Reserve Fund u/s 45-IC of RBI Act, 1934	1,536,946	1,859,484
Balance as at the end of the year (B)	11,094,765	9,557,819
TOTAL (C) = (A) + (B)	31,399,463	23,714,733

Agri Development Finance (Tamilnadu) Limited

Accompanying notes to the Financial Statements (for the year ended March 31, 2013)

Note 3: Notes to the Balance Sheet

3.3 - LONG TERM BORROWING

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Secured	-	-
Unsecured - Loan from NABARD	72,661,400	128,855,700
TOTAL	72,661,400	128,855,700

3.4 - LONG-TERM PROVISIONS

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Provision for employee benefits :		
Gratuity	545,310	409,054
Provision for Standard Assets (Refer Note i)	256,652	42,944
Provision for Non-Performing Assets (Refer Note ii)	16,445,689	16,445,689
TOTAL	17,247,651	16,897,687

Notes

(i) During the year, the company has made a general provision at the rate of 0.25% on the standard assets based on RBI Notification No. RBI / 2010-11 / 370 DNBS.PD.CC.No.207 / 03.02.002 / 2010 - 11 dated January 17, 2011 applicable to NBFCs.

(ii) In accordance with the Guidelines issued by the RBI, the company has made a provision for Non Performing Assets (NPA) and diminution in value of investments. The details of movement in provision are as follows:

Movement in Provision for Non-Performing Assets

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Opening Balance	16,445,689	18,139,306
Add : Provision made during the Year	-	5,313,808
Add : Provision utilised from Contingences	-	-
Less : Provision reversed during the year	-	7,007,425
Closing Balance	16,445,689	16,445,689

Agri Development Finance (Tamilnadu) Limited

Accompanying notes to the Financial Statements (for the year ended March 31, 2013)

Note 3: Notes to the Balance Sheet

3.5 - TRADE PAYABLES

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Trade Payable	570,210	33,000
TOTAL	570,210	33,000

3.6 - OTHER CURRENT LIABILITIES

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Current Maturities of Long Term debt	65,381,900	16,000,000
Interest accrued but not due on borrowings	1,362,465	1,460,120
Others		
- Withholding Taxes	3,371	50,201
- Service Tax Payable	2,843	-
TOTAL	66,750,579	17,510,321

3.7 - SHORT TERM PROVISIONS

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Provisions for employee benefit		
- Leave Encashment	54,435	38,131
Others		
- Provision made against Standard Assets	137,538	224,044
- Provision for Income Tax	5,406,465	5,042,780
TOTAL	5,598,438	5,304,955

Agri Development Finance (Tamilnadu) Limited

Accompanying notes to the Financial Statements (for the year ended March 31, 2013)

Schedule 3.8 - Fixed Assets

Amount in Rs.

Year	Particulars	Tangible Assets					Intangible Assets	Grand Total
		Furniture	Office Equipments	Computers	Vehicles	Total	Software	
2011-12	COST OR VALUATION							
	As at 1st April 2011	488,700	67,275	499,066	22,567	1,077,608	-	1,077,608
	Additions Disposals / Adjustments	- -	- -	- -	- -	- -	- -	- -
2012-13	As at 31st March 2012	488,700	67,275	499,066	22,567	1,077,608	-	1,077,608
	Additions	-	-	64,313	-	64,313	17,750	82,063
	Disposals / Adjustments	-	-	192,250	22,567	214,817	-	214,817
2011-12	DEPRECIATION							
	As at 1st April 2011	436,616	55,148	435,778	22,108	949,650	-	949,650
	Charge for the year	9,427	1,687	25,315	119	36,548	-	36,548
	Disposals	-	-	-	-	-	-	-
2012-13	As at 31st March 2012	446,043	56,835	461,093	22,227	986,198	-	986,198
	Charge for the year	7,721	1,452	23,211	88	32,472	97	32,569
	Disposals	-	-	191,961	22,315	214,276	-	214,276
	NET BLOCK							
	At 31st March 2012	42,657	10,440	37,973	340	91,410	-	91,410
	At 31st March 2013	34,936	8,988	78,786	-	122,710	17,653	140,363

*** Agri Development Finance (Tamilnadu) Limited ***

Accompanying notes to the Financial Statements (for the year ended March 31, 2013)

Note 3. Notes to the Balance Sheet

3.9 - NON CURRENT INVESTMENTS

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Investment at Cost in Bhavishya Nirman Bonds issued by NABARD (Face Value - Rs. 8500 per Bond)	9,664,500	9,664,500
TOTAL	9,664,500	9,664,500

3.10 - DEFERRED TAX ASSET (NET)

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Deferred Tax Asset / Liabilities as at 01.04.2012	12,418	10,706
Add/Less : Adjustments during the year	8,323	1,712
Deferred Tax Asset / Liabilities as at 31.03.2013	20,741	12,418

3.11 - LONG TERM LOANS AND ADVANCES

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Secured, Considered Good :		
Term Loans	102,660,647	35,746,904
UnSecured, Considered Good :		
Term Loans	-	-
Secured, Considered Doubtful :		
Term Loans	16,445,689	16,445,689
	119,106,336	52,192,593

Agri Development Finance (Tamilnadu) Limited

Accompanying notes to the Financial Statements (for the year ended March 31, 2013)

Note 3: Notes to the Balance Sheet

3.12 - OTHER NON CURRENT ASSETS

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Unsecured, Considered Good		
Income accrued on Investments (Bhavishya Nirman Bonds)	4,535,277	3,370,781
Advance Income Tax (net of provisions)	1,297,349	668,819
	5,832,626	4,039,600

3.13 - CASH AND CASH EQUIVALENTS

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Balances with Banks		
- In Current Account	864,193	984,736
- In Deposit Account	100,565,894	151,747,530
Cash on Hand	143	741
	101,430,230	152,733,007

Note :

Deposit with Karur Vysya Bank for Rs. 11,00,000 matured on March 31, 2013 as per the Balance Confirmation received from the Bank, however, since the said amount has not been credited to current account till March 31, 2013 the same is classified as Balance with Banks

Deposit Account

Deposits with original maturity for more than 12 months

-

-

Deposits with Original maturity for more than 3 months

but less than 12 months

38,385,364

115,447,000

Deposits with Original maturity for less than 3 months

62,180,530

36,300,530

Agri Development Finance (Tamilnadu) Limited

Accompanying notes to the Financial Statements (for the year ended March 31, 2013)

Note 3: Notes to the Balance Sheet

3.14 - SHORT-TERM LOANS AND ADVANCES

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Credit Facilities		
Secured considered good	55,015,108	71,048,119
Unsecured, considered good	-	-
Doubtful	-	-
Other Loans and Advances		
Deposits & Prepaid Expenses	12,013	11,958
TOTAL	55,027,121	71,060,077

3.15 - OTHER CURRENT ASSETS

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Unsecured considered Good		
Interest accrued on loans and advances	1,123,362	410,789
Income accrued on Fixed Deposits	1,681,962	1,911,502
TOTAL	2,805,324	2,322,291

Note 4 : Notes to the Statement of Profit & Loss

4.1 - REVENUE FROM OPERATIONS

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Interest	9,608,829	12,462,598
Other Financial Services	1,520,250	1,124,450
TOTAL	11,129,079	13,587,048

Agri Development Finance (Tamilnadu) Limited

4.2 - OTHER INCOME

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Interest on		
- Term Deposit	15,110,798	11,964,596
- Investment	1,164,495	1,068,997
Profit on Sale of Fixed Assets	2,529	-
Reversal of NPA Provisions	-	7,007,425
Refund of legal fee, income tax, etc	645	418,639
TOTAL	16,278,467	20,459,657

4.3 - Finance Costs

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Interest on NABARD		
- Refinance term loans	8,916,284	7,876,519
- Interim finance loans	538,898	416,719
TOTAL	9,455,182	8,293,238

4.4 - Employee Benefit Expenses

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Salaries & Allowances	2,411,843	3,675,662
Contribution to Welfare Fund	154,692	126,812
Staff Welfare Expenses	597,671	582,763
TOTAL	3,164,206	4,385,237

4.5 - General Selling & Administrative Expenses

Particulars	Mar. 31, 2013 (Rs.)	Mar. 31, 2012 (Rs.)
Advertising and Sales Promotion	55,601	-
Communication Charges	30,543	32,524
Insurance	948	964
Legal and Professional fees	110,229	10,700
Audit Fees	16,854	15,000
Power & Fuel	9,869	16,403
Printing and Stationary	47,190	33,021
Rent	111,600	111,600
Rates and Taxes	1,326,115	48,374
Travel & Conveyance	198,404	5,952
Repairs and Maintenance	29,113	25,558
Office Expenses	23,490	17,058
Administration Expenses	42,605	17,795
TOTAL	2,002,561	334,949

Agri Development Finance (Tamilnadu) Limited

Cash Flow Statement for the year ended March 31, 2013

Particulars	Mar. 31, 2013 (Rs.)		Mar. 31, 2012 (Rs.)	
Cash Flow from Operating Activities				
Net Profit before taxation and extraordinary items	12,625,827		15,415,708	
Adjustment for :				
Interest Income	(16,278,467)		(13,033,593)	
Depreciation	32,569		36,548	
Profit on Sale of Assets	(2,529)		-	
Operating Profit before working capital changes		(16,248,427)		(12,997,045)
Adjustment for :				
Increase / (Decrease) in Secured Advances	(56,194,300)		(32,530,543)	
Increase in Advances & Deposits recoverable in Cash or kind	(53,156,846)		(2,893,296)	
Increase / (Decrease) in Current liability & provisions	50,420,916		75,147,884	
		(58,930,230)		39,724,045
Cash generated from Operations		(62,552,830)		(42,142,708)
Direct Taxes Paid (net of refunds)		(4,585,735)		(4,107,928)
Extraordinary item		(363,685)		-
Net Cash from Operating Activities		(67,502,250)		38,034,780
Cash flow from Investing activities				
Purchase of Fixed Assets	(82,063)		-	
Sale of Fixed Assets	3,070		-	
Interest Income	16,278,467		13,033,593	
Net Cash flow investing activities		16,199,474		13,033,593
Net increase in cash and cash equivalents		(51,302,776)		51,068,373
Cash and cash equivalent at beginning of the year		152,733,007		101,664,634
Cash and equivalent at end of the year		101,430,230		152,733,007

Vide report of even date
For JB & Co.
Chartered Accountants

Sd/-
J Balasubramanian
Partner

Membership No. 24828
FRN : 048935
Chennai, 29.04.2013

for and on behalf of the Board of Directors

Sd/-
Lalitha Venkatesan
Director

Sd/-
PN Praveen Kumar
Managing Director

Sd/-
M. Balakrishnan
Director

Sd/-
M. Bhuvaneswari
Company Secretary

Agri Development Finance (Tamilnadu) Limited

ATTENDANCE SLIP
(To be presented at the entrance)

16th Annual General Meeting at the Conference Hall of NABARD, Tamil Nadu Regional Office (2nd Floor), New No.48, Mahatma Gandhi Road, Nungambakkam, Chennai 600 034.

Folio No.....

Name of the Share Holder :.....

Signature :

Only shareholders / proxies / representatives are allowed to attend the meeting.

AGRI DEVELOPMENT FINANCE (TAMIL NADU) LIMITED
PROXY FORM

I/We of in the district of being a member (s) of the above named NBFC, hereby appoint Shri of in the district or failing which Shri of of in the district of as my / our proxy to attend and vote for me / us and on my / our behalf at the 16th Annual General Meeting of Agri Development Finance (Tamilnadu) Limited to be held on Day of September 2013.

Ledger No.:.....

No. of Shares Held

Signed this Day of September 2013.

Signature

(affix 1 Re.
Revenue
Stamp)



Projects Financed by ADFT



Silk Weaving, Kancheepuram, Star NGO



Dairy Development, Karaikalulam P.L.F., Tirunelveli, Pudhu Vaazhvu Project



Dairy Development & Vegetable Cultivation Theni, Angel NGO



Potato Cultivation, Kodaikanal, Chanard NGO

Projects Financed by ADFT



Butter Beans Cultivation, Kodalkanal, Chanard NGO



Dairy Development, Pudukkottai District, Roopan Trust



Dairy Development, Veerasingamani PLF, Tirunelveli, Pudhu Vazhvu Project



Silk Weaving, Kancheepuram, Star NGO



