

BELL AGROMACHINA LIMITED

**22nd ANNUAL REPORT
2010-11**

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2010-11**

DIRECTORS : Shri S.G Bellad *Executive Director*
Shri V.G. Hiremath *Director*
Smt Meena Umachagi *Director*

AUDITORS : M/S. H.N. ADINAVAR & CO.
Chartered Accountant

BANKERS : State Bank of India
Commercial Branch
Station Road, Hubli.

REGISTERED OFFICE : JODALLI – 580114.
VAI DHARWAD
TQ.: KHALGHATAGI.
STATE: KARNATAKA.

**REGISTRAR AND SHARE
Transfer Agent** : Sharepro Services India Private Limited

NOTICE

NOTICE is hereby given that the 22nd Annual General Meeting of the members of **Bell Agromachina Limited** will be held at the registered office of the Company, situated at Jodalli village, Tq- Kalaghatagi-580114 on Friday, 30th September, 2011; at 3.30 P.M. to transact the following business.

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Profit and Loss Account of the Company for the year ended 31st March, 2011 and Balance Sheet as at that date, Cash Flow statement for the year ended 31st March, 2011 and Report of the Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. V G Hiremath, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
- 3) To appoint Mr. H N Adinavar & Co. Chartered Accountants, as Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting, until the conclusion of next AGM and fix their remuneration.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Hubli
Date: 18th August 2011

Sd/- **Sd/-**
Director **Director**

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and to vote on a poll instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must be received by the company not later 48 hours before the meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 20th September, 2011 to 30th September, 2011 (both days inclusive).
3. Members are requested to notify immediately any change in their addresses to the Company's Registered Office, Jodalli Village, TQ Kalghatagi, Jodalli, Karnataka - 580114.
4. Members who wish to attend the meeting are requested to bring duly filled attendance sheet and their copy of the Annual Report at the Meeting.
5. In case of physical shares, the instrument of Share Transfer complete in all respect should be sent so as to reach to the Registered Office of the Company prior to closure of the Register of Members as stated above.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Hubli
Date: 18th August 2011

Sd/- **Sd/-**
Director **Director**

DIRECTORS' REPORT

Dear Shareholders,

The Directors have pleasure in presenting their 22nd Annual Report on the business and operations of the Company for the year ended 31st March, 2011.

1. FINANCIAL RESULTS & OPERATIONS: (Amount in lakhs)

Particulars	2010-11 (in lakhs)	2009-10 (in lakhs)
Profit before Depreciation and taxes	3,17,202.00	293606
Depreciation	50825	54946
Brought forward (Profit/Loss)	-	-
Profit before tax	-	-
Provision for tax	-	-
Profit carried to Balance Sheet	(-33739963)	(-34006340)

The operations for the year under review show a loss (Before Tax) of Rs. 2,66,376.83 Previous upto date loss carried forward Rs. 3,40,06,340.13.

The Company has not been active for the past seven years due to a severe financial crisis, for the past three years the Company was in the process of gradually liquidating all debts with various Banks and Financial institutions. Your Directors are glad to report that during the year under review the Company has closed all loans and is a debt free company from this year. The entire amounts required for closing the debts was bought in by the directors and is reflected as unsecured loans in the Balance sheet. The Directors feel that having addressed the issue of clearing the debts, it is an appropriate time to start planning for the future. It is sincere intention of the Directors to bring value to the Shareholders. But the current economic environment being what is we will have to choose our path with care and caution.

Your Directors are pleased to report that a study for the revival of the Company is already commissioned and is underway. The Assignment has been entrusted to a reputed consultancy organization who will examine the feasibility including the strategy. It is expected that the launch could be sometime.

Your Directors are also looking and examining other business options and other good viable opportunities, where some value and synergies can be perceived. It is our objective that we commence activities in other products. We would like to see that Company is enroot to generating a healthy top line and bottom lime from 01st April, 2010 onwards.

2. DIVIDEND:

During the year under review, the Company could not generate profits, the Directors do not recommend any dividend.

3. FIXED DEPOSITS:

During the year under review, the Company has not invited or accepted any Fixed Deposits from the public.

4. DIRECTORS :

Mr. V G Hiremath Director of the Company who retires by rotation being eligible offers themselves for re-appointment as directors of the Company.

5. AUDITORS:

M/s. ADINAVAR & Co, Chartered Accountants as the Statutory Auditors of the Company The Board recommends the reappointment of M/s. ADINAVAR & CO, as the auditors of the Company for the financial year 2011-12, who have also confirmed that their appointment shall be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956. Necessary Resolutions for their appointment has been proposed for the consideration of the Members of the Company.

6. AUDITOR'S REPORT:

There are no adverse observations made by the Auditors in their Report.

7. AUDIT COMMITTEE:

Audit Committee is consisting of Shri Vijay Hiremath- Chairman, Shri. S G Bellad and Mrs. Meena Umachagi as Members of the Audit Committee.

8. SHAREHOLDERS AND INVESTOR GRIEVANCE COMMITTEE:

Shareholders and Investor Grievance Committee is consisting of Shri Shivaputra Guruputrappa Bellad – Chairman, Shri. V G Hiremath and Mrs. Meena Umachagi as Members of the Shareholders and Investors Grievance Committee.

9. COMPLIANCE CERTIFICATE:

The Company has obtained Compliance Certificate pursuant to provisions of Section 383A of the Companies Act, 1956 from and is annexed hereto.

10. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, The Directors confirm that:

- a) In the presentation of the Annual Accounts, the applicable Accounting Standards except revised AS 15 applicable for Accounting Treatment for Gratuity, Leave Encashment and other Retirement Benefits have been followed and that no material departures except to the extent disclosed have been made from the same;
- b) The Directors had selected such Accounting policies and applied them consistently and judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting 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, and,
- d) The Directors had prepared the Annual Accounts on a going concern basis.

11. STATEMENTS OF PARTICULARS UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988:

Information in accordance with the provisions of Section 217(1)(e) of the Act read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is not applicable in case of your Company.

12. STOCK EXCHANGES:

The Company's shares are listed on the following Stock Exchanges:

- a) Bombay Stock Exchange Limited.
- b) Bangalore Stock Exchange Limited.

The Trading in the shares of the Company are presently suspended from in both the Stock Exchanges. However, the Company has paid the necessary listing fees to both the Stock Exchanges and has applied for the revocation of suspension of trading in equity shares of the Company.

13. PARTICULARS OF EMPLOYEES :

The Company has no employee in the category specified under Section 217(2A) of the Companies Act, 1956.

14. FOREIGN EXCHANGE:

During the year under review, there were no foreign exchanges Earnings or outgo.

15. CORPORATE GOVERNANCE:

The Corporate Governance Report forms an integral part of this Report and is set out as separately in this Report. The Certificate of the Auditors of the Company certifying compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges is annexed with the Report on Corporate Governance.

16. HUMAN RESOURCES:

Progressive policies to encourage excellence both in individual and team spirit are in place.

17. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation for the assistance and co-operation received from the Company's Bankers, Government Agencies, Financial Institutions, Customers, Investors and Business constituents and look forward to maintain the same in future.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS.

Place : Hubli
Date : 18th August 2011

Sd/- Sd/-
Director Director

COMPLIANCE CERTIFICATE

To, CIN: U85110KA1989PLC009925
The Members
Bell Agromachina Ltd.
Jodalli-580114.

Auth. Cap. Rs. 3,50,00,000/-
Paid up Cap: Rs. 3,42,45,000/-

We have examined the registers, records, books and papers of Bell Agromachina Limited having its Registered Office situated at Jodalli Village, Tq Kalghatagi, Jodalli- 580114 (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company, for the financial year ended on 31st March, 2011 (Financial Year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Acts and rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time limit prescribed under the Act and rules made there under except as qualified in Annexure B.
3. The Company, being a Public Limited Company, comments under Section 3(1)(iii) of the Companies Act, 1956, applicable to private company are not required.
4. The Board of Directors duly met 5 (five) times respectively on 20/04/2010, 18/08/2010, 22/10/2010, 30/11/2010, and 23/02/2011. in respect of these meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company has closed its Register of Members during the financial year under review however the notice of book closure is not published in the news paper as required under section 154 of the Act.
6. The Annual General Meeting for the Financial Year ended 31st March, 2010 was held on 30th September, 2010 giving due notice to the members of the company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No Extra ordinary meeting(s) were held during the financial year.
8. As per the information available and documents provided by the Company, it has not given loans to persons referred to in the Section 295 of the Act.
9. The company has not entered into any contract under the provisions of section 297 of the Act are applicable.

10. The company has complied with the necessary provisions and procedures wherever necessary in respect of transaction for which entries are required to be made in the register maintained under section 301 of the Act.
11. As there were no instances falling under the preview of Section 314 of the Act, the Company has not obtained any approvals from its Directors, members or the Central Government as the case may be.
12. The Company has not issued any duplicate share certificates during the financial year under review.
13. The Company has:
 - (i) delivered all certificate on lodgment of transfer of shares after complying with procedures of the act wherever applicable.
 - (ii) not deposited any amount in a separate Bank Account as no dividend was declared during the financial year under review.
 - (iii) not posted warrants to any member of the company as no dividend was declared during the financial year under review.
 - (iv) the company is not required to transfer amounts in respect of unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund as the company do not have any of the amount lying in any of the above referred five accounts.
 - (v) generally complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointments of Directors, Resignation of Directors and Directors to fill casual vacancy have been duly made during the financial year.
15. The company has not appointed any managerial persons during the period under review pursuant to section 269 read with Schedule XIII under the Act.
16. The company has not appointed any sole-selling agents during the financial year under review.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, the Registrar of Companies or such other authorities prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms and companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any shares during the financial year under review.

20. The company has not bought back any shares during the financial year ending 31st March, 2011.
21. The Company has no preference share capital or debentures and as such there was no redemption of preference shares or debentures during the financial year.
22. There were no transactions requiring the company to keep in abeyance the rights to dividend / rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any fresh deposits from the public including any unsecured loans falling within preview of sections 58A of the Act during the financial year under review.
24. The Company has not made any fresh borrowing during the financial years within the provisions of section 293(1)(d) of the Act.
25. The company has not made any fresh loans to or investments in other bodies corporate.
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the financial year under scrutiny.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the financial year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the financial year under scrutiny.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the financial year under scrutiny.
30. The company has not altered its articles of association during the financial year under review.
31. There was no prosecutions initiated against or show cause notices received by the company during the financial year under review for offences under the Act.
32. The company has not received any amount as security from its employees during the financial year under certification.
33. The company has not deducted any contribution towards Provident Fund during the financial year under review.

Place: Mumbai
Date: 18.08.2011

Sd/-
Deepak Rane
C.P. No. 8717

Annexure A

Registers maintained by the Company

1. Register of Members u/s 150 of the Act.
2. Register and Returns u/s 163 of the Act.
3. Books of Accounts and other Records u/s 209 of the Act.
4. Register of Directors u/s 303 of the Act.
5. Register of Directors' Shareholding u/s 307 of the Act.
6. Register of Contracts u/s 301.
7. Register of Charges.

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ending on 31st March 2011.

-----N.A.-----

Place: Mumbai
Date: 18.08.2011

Sd/-
Deepak Rane
C.P. No. 8717

ANNEXURE 'A' TO DIRECTORS' REPORT

RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

A. Research & Development

1. Future plan of action

The Company is taking necessary steps for the revival of operations.

B. Technology absorption:

1. Efforts in brief made towards technology absorption, adoption and innovation.

No new technology was introduced during the Year ended 2010 -11.

2. Benefits derived as a result of the above efforts.

None

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year):

C. Foreign Exchange Earnings and Outgo

Nil

1. Earning- FOB value of Exports

Nil

2. Outgo- CIF Value of Imports

Nil

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Hubli
Date : 18th August, 2011

Sd/- Sd/-
Director Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31st March 2011.

INDUSTRY STRUCTURE, DEVELOPMENT:

The Company is in the process of coming out of the red due to the continuous efforts of the Directors to strengthen the available resources of the Company. The Company is exploring various possibilities of automobile industries as well as agro machinery by tapping various suppliers' dealers and end users network.

PERFORMANCE & SEGMENT-WISE PERFORMANCE:

The Company is doing trading business in various goods and merchandise. Company is looking for trying to explore the overseas market for its business and establishing network of suppliers, dealers and the customers of the Company.

The trading of the company's shares has been suspended on the stock exchanges due to non compliance of the listing agreement. However, the Company has paid all listing fees and initiated steps to revoke the suspension of trading in equity shares of the Company.

Since the company is only into single segment of trading, segment wise performance is not reported.

OPPORTUNITIES AND THREATS:

The threats to the segments in which the company operates are volatility in exchange rates, pricing pressure arising due to competition from low cost suppliers, technology up gradation, sever competition among competitors. The Company is also attributed to the risk of credit facilities granted to its customers. The Company is exploring the possibilities of the merger of the Company with profit making and financially strong Company having good potentials for future growth.

STRENGTH:

The existing management has a strong technical, finance and administrative expertise in various industries and corporate sectors including the business of the Company.

RISKS AND CONCERNS:

Since the Company is into trading activity, it is attributed to all the risks and concerns attached with the trading industries as a whole.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The internal control system is looked after by Directors themselves, who also looked after the day to day affairs to ensure compliances of guide lines and policies adhere to the management

instructions and policies to ensure improvements in the system. The Internal Audit reports are regularly reviewed by the management. The Company has proper and adequate internal control system commensurate with the size of the business operations geared towards achieving efficiency in its various business operations, safeguarding assets, optimum utilization of resources and compliance with statutory regulations. Efforts for continued improvement of internal control system are being consistently made in this regard.

HUMAN RESOURCES VIS-À-VIS INDUSTRIAL RELATIONS

The Company values and appreciates the dedication and drive with which its employees have contributed towards improved performance during the year under review. The relations with workers and staff are cordial during the year under review. All issues pertaining to staff matters are resolved in harmonious and cordial manner.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates changes in the Government regulations, tax laws, and other statutes and other incidental factors.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

Place : Hubli
Date : 18th August, 2011

Sd/- **Sd/-**
Director **Director**

DECLARATION UNDER CODE OF CONDUCT

As the Executive Director of BELL Agromachina Limited and as required by Clause 49 (i) (d) (ii) of the Listing Agreement, I, S. G. Bellad, Executive Director, hereby declare that all the Board Members and the Senior Management personnel of the Company have affirmed Compliance with the Company's Code of Business Conduct and Ethics, for the Financial Year 2010 -11.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

Place : Hubli
Date : 18th August 2011

Sd/-
Chairman

**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2010-11
(PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)**

The Company pursuant to Clause 49 of the listing agreement with the Stock Exchanges furnishes its report on the code on Corporate Governance.

1. Company's Philosophy on Code of Governance:

Your Company is fully committed to the principles of transparency, integrity and accountability in all spheres of its operations and has been practicing the principles of good corporate governance over the years. In keeping with this commitment, your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings and continuously endeavors to review strengthen and upgrade its systems and procedures so as to bring in transparency and efficiency in its various business segments.

Your Board of Directors present the Corporate Governance Report for the year 2010-11 based on the disclosure requirements under Clause 49 of the Listing Agreement existing as on 31st March 2011.

2. Board of Directors:

The Board of Directors of the company is composed of committed persons with considerable experience in varied fields and comprises a majority of Non-Executive Directors. The Board is properly constituted as per Clause 49 of the Listing Agreement.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he is a Director. Necessary Disclosures regarding Committee positions in other Public Companies as on March 31, 2011 have been made by the Directors.

During the financial year ended 31st March, 2011, 5 Meetings of the Board of Directors were held as on 20/04/2010, 18/08/2010, 22/10/2010, 30/11/2010, and 23/02/2011.

Sr. No.	Name of Director	Category of Directors	No. of Board meetings Attended	Attendance at Last AGM	No. of Other Directorship	No. of other Committee membership in other Companies
1	S. G. Bellad	Executive Director /Independent	5	Yes	0	0
2	V G Hiremath	Non-Executive Director	5	Yes	0	0
3	Meena Umachagi	Independent Non-Executive Director	5	Yes	0	0

Notes:

1. Excludes alternate directorships and directorships in foreign companies and private companies which are neither a subsidiary nor a holding company of a public company.
2. Excludes Committees other than Audit Committee and Shareholders'/ Investors' Grievance Committee and Companies other than public limited companies.

The Board periodically reviews compliance reports of all the laws applicable to the Company and has put in place procedures to review steps to be taken by the Company to rectify instances of non-compliance, if any.

Particulars of Re-appointed Directors:

Shri V G Hiremath who retires by rotation and being eligible for re- appointment has offered themselves for re- appointment.

Board Committees

The Board has constituted the following Committees of Directors:

(a) Audit Committee:**i. Terms of Reference**

The role and terms of reference of Audit Committee covers are as mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms as may be referred by the Board of Directors.

ii. Composition

The Audit Committee comprised of Shri. V G Hiremath as Chairman, Shri S.G. Bellad and Ms. Meena Umachagi as Members. The composition of the Board of Directors is in accordance with Clause 49 of the Listing Agreement.

During the 2010-11 under review 5 meetings of the Audit Committee were held on, 20/04/2010, 18/08/2010, 22/10/2010, 30/11/2010, and 23/02/2011. The attendance of members is as follows:

Name	Category	Meetings during the year 2010-11	
		Held	Attended
Mr. V G Hiremath - Chairman	Independent, Non – Executive Director	5	5
Shri S.G. Bellad - Member	Executive Director	5	5
Ms. Meena Umachagi - Member	Independent Non – Executive Director	5	5

A brief description of the terms of reference of the Audit Committee is as follows:

To review Internal Audit Reports, Statutory Auditors' Report on the financial statements, to generally interact with the Internal Auditors and Statutory Auditors, to review the adequacy of internal control systems, to select and establish accounting policies, to review financial statements before submission to the Board, to recommend the appointment and removal of external auditor and fixation of audit fees and other matters specified under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

b. Share Transfer & Shareholders' / Investors' Grievance Committee :**(i) Terms of references**

- a) To scrutinize and approve registration of transfer of shares / debentures / warrants issued / to be issued by the company.
- b) To exercise all power conferred on the Board of Directors under Article 43 of the Article of Association.
- c) To decide all questions and matters that may arise in regard to transmission of shares / debentures / warrants issued / to be issued by the Company.
- d) To approve and issue duplicate shares / debentures / warrants certificates in lieu of those reported lost,
- e) To refer to the Board and any proposal of refusal of registration of transfer of shares / debentures / warrants for their consideration.
- f) To look into shareholders and investors complaints like transfer of shares, non-receipt of declared dividends, etc., and
- g) To delegate all or any of its power of Officers / Authorized Signatories of the Company.

(ii) Composition

The constitution and terms of reference of the Share Transfer & Shareholders'/ Investors' Grievance Committee is in agreement with the guidelines prescribed under Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

This committee (i) approves and monitors transfers, transmission, splitting and consolidation of securities and issue of duplicate Certificates by the Company; (ii) looks into various issues relating to shareholders, including the redressal of shareholders' and investors' complaints like transfer of shares, non-receipt of Balance Sheet, dividend etc.; and (iii) carries out the functions envisaged under the Code of Conduct for Prevention of Insider Trading adopted in terms of Regulation 12(1) of the SEBI (Prohibition of Insider Trading) Regulations, 1992.

The Share Transfer & Shareholders' / Investors' Grievance Committee met 5 times during the 2010-11 as on 20/04/2010, 18/08/2010, 22/10/2010, 30/11/2010, and 23/02/2011. The attendance of the members is as follows:

Name	Category	Meetings the year Held	during 2009-10 Attended
Mrs. Meena Umachagi- Chairman	Independent, Non – Executive Director	5	5
Shri S.G. Bellad - Member	Executive Director	5	5
Shri V G Hiremath - Member	Independent Non – Executive Director	5	5

Name and designation of Compliance officer:

- Mr. S. G. Bellad, Compliance Officer.
- No. of shareholders' complaints received during the year : 0
- No. of complaints not resolved to the satisfaction of shareholders : 0
- No. of pending share transfers : 0

1. General Body Meetings:

(a) Location and time where last three Annual General Meetings were held:

Financial Year	Date	Time	Location
2009-2010	30/09/2010	03.30 p.m.	Jodalli – 580114, Via Dharwad, Tq. Khalghatagi, Karnataka 580114
2008-2009	30/09/2009	03.30 p. m.	Jodalli – 580114, Via Dharwad, Tq. Khalghatagi, Karnataka 580114
2007-2008	30/09/2008	03.30 p.m.	Jodalli – 580114, Via Dharwad Tq. Khalghatagi, Karnataka 580114

(a) Whether Special Resolutions were put through postal ballot last year : No

(b) Are votes proposed to be conducted through postal ballot this year : No

2. Other disclosures:

(a) Related Party Transactions

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large:

None of the transactions with any of the related parties were in conflict with the interest of the Company at large.

(b) Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

(c) Disclosures on Risk Management

During the year under review, a detailed exercise on Business Risk Management was carried out covering the entire spectrum of business operations and the Board has been informed about the risk assessment and minimization procedures as required under Clause 49 of the Listing Agreement. The Company has framed the Risk Assessment and Minimization- Procedure which will be periodically reviewed by the Board.

(d) Code of Conduct

The Board of Directors has not adopted the Code of Ethics and Business Principles for the Non-executive Directors as also for the employees including Executive Director.

- (e) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:
None

REMUNERATION OF DIRECTORSDetails of remuneration paid to Directors

None of Directors have been paid during the year.

3. General Shareholder information:

- (a) AGM date, time and venue: Annual General Meeting will be held on Friday, 30th September, 2011, at 03.30 P.M. at Jodalli – 580114, Via Dharwad, Tq. Khalghatagi, Karnataka 580114.
- (b) Financial Year: The Financial Year is from 1st April 2011 to 31st March 2012. Tentative Schedule

Unaudited Results for quarter ending June 30, 2011	: End of July 2011
Unaudited Results for quarter ending September 30, 2011	: End of October 2011
Unaudited Results for quarter ending December 31, 2011	: End of January 2012
Unaudited Results for quarter ending March 31, 2012	: End of April 2012
Audited Results for year ending March 31, 2012	: End of July 2012
AGM for year ending March 31, 2012	: End of September 2012

- (c) Book Closure period: 20th September, 2011 to 30th September, 2011, both days inclusive.
- (d) Dividend payment: The Company has not declared any dividend.
- (e) Stock Exchanges where securities are listed.
The Company's securities are listed at:
Bombay Stock Exchange Limited & Bangalore Stock Exchange Limited

STOCK MARKET DATA:

There has not been any trade in the shares of the Company during the year ended 31st March, 2011. Currently, shares of the Company are listed at the Bombay Stock Exchange Limited and Bangalore Stock Exchange Limited. The trading in the equity shares of the Company has been suspended due to non-Compliances of the some of the clause of listing agreement with BSE.

(f) **Scrip code:** 531112 - Bombay Stock Exchange Limited - **(ISIN:** INE011E01011)
– Bangalore Stock Exchange Limited

(g) Registrar and Transfer Agent: Sharepro Services (India) Pvt Ltd
13 AB Samhita Warehousing Complex,
2nd Floor, Sakinaka Telephone Exchange Lane,
Saki Naka, Andheri E, Mumbai - 72

(h) Share transfer system with number of shares transferred:
Share transfers in physical form are registered and returned within a period of 15-20 days from the date of receipt, in case documents are complete in all respects. The Share Transfer & Shareholders' / Investors' Grievance Committee meets at least every fortnight. The total number of shares transferred during the financial year under review was as below:

	<u>No. of transfers</u>	<u>No. of Shares</u>
Transfer:	0	0
Other cases (like; deletion, transmission, transposition etc.)	-	-
Total:	0	0

(i) Dematerialization of shares and liquidity: Having connectivity with NSDL (ISIN: INE011E01011)

(j) Outstanding GDRs/ Warrants, Convertible Bonds, conversion date and its impact on equity.
Nil

(k) **Distribution of Shareholding and Shareholding Pattern as on 31st March, 2011.**

(i) Distribution of Shareholding as on 31st March, 2011:

No. of Shares	No. of Shareholders	% of holding
001 to 500	871	55.23
0501 to 1000	485	30.69
1001 to 2000	105	6.66
2000 to 5000	74	4.69
5001 to 10000	15	0.95
Above 10001	28	1.78
TOTAL	1578	100.00

(ii) **Shareholding pattern as at 31st March, 2011:**

No. of Shares held	% to Total Shares	
Promoter Group*	1841200	52.61
Mutual Funds and UTI	00	0.00
Banks & Financial institutions & Insurance Companies etc.	00	0.00
Corporate Bodies	00	0.00
General Public	1305500	37.30
NRIs/ OCBs	353300	10.09
TOTAL	3500000	100.00

(l) Address for correspondence:

The Company's Registered Office is situated at :
**Jodalli - 580114, Via Dharwad, TQ, Khalghatagi,
 Karnataka 580114**

Non-Mandatory Requirements:

The Company is not yet implementing the non-mandatory requirements under Clause 49 of the Listing Agreement. However, adoption of other non-mandatory requirements under Clause 49 of the Listing Agreement is being reviewed by the Board from time to time.

WHISTLE BLOWER POLICY**1. Preface**

- 1.1 The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.
- 1.2 The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct.
- 1.3 Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter-alia, provides, a non-mandatory requirement, for all listed companies to establish a mechanism called "Whistle Blower Policy" for employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.
- 1.4 The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees wishing to raise a concern about serious irregularities within the Company.
- 1.5 The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

2. Policy

- 2.1 This Policy is for the Employees as defined hereinafter.
- 2.2 The Policy has been drawn up so that Employees can be confident about raising a concern. The areas of concern covered by this Policy are summarized in paragraph 5.

3. Definitions

- 3.1 “Disciplinary Action” means any action that can be taken on the completion of / during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- 3.2 “Employee” means every employee of the Company (whether working in India or abroad).
- 3.3 “Protected Disclosure” means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- 3.4 “Subject” means a person against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- 3.5 “Whistle Blower” is someone who makes a Protected Disclosure under this Policy.
- 3.6 “Whistle Officer” or “Committee” means an officer or Committee of persons who is nominated/ appointed to conduct detailed investigation.
- 3.7 “Ombudsperson” will be a Non-Executive Director for the purpose of receiving all complaints under this Policy and ensuring appropriate action. In the first instance, the Board shall appoint this Ombudsperson. The Director shall have the authority to change the Ombudsperson from time to time.

4. The Guiding Principles

- 4.1 To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will:
 - 4.1.1 Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so;
 - 4.1.2 Treat victimization as a serious matter including initiating disciplinary action on such person/ (s);
 - 4.1.3 Ensure complete confidentiality.
 - 4.1.4 Not attempt to conceal evidence of the Protected Disclosure;

4.1.5 Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;

4.1.6 Provide an opportunity of being heard to the persons involved especially to the Subject;

5. Coverage of Policy

5.1 The Policy covers malpractices and events which have taken place/ suspected to take place involving:

1. Abuse of authority
2. Breach of contract
3. Negligence causing substantial and specific danger to public health and safety
4. Manipulation of company data/records
5. Financial irregularities, including fraud, or suspected fraud
6. Criminal offence
7. Pilferation of confidential/propriety information
8. Deliberate violation of law/regulation
9. Wastage/misappropriation of company funds/assets
10. Breach of employee Code of Conduct or Rules
11. Any other unethical, biased, favoured, imprudent event

5.2 Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

6. Disqualifications

6.1 While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.

6.2 Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a *mala fide* intention.

6.3 Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be *mala fide*, *frivolous* or *malicious* shall be liable to be prosecuted under Company's Code of Conduct.

7. Manner in which concern can be raised

7.1 Employees can make Protected Disclosure to Ombudsperson, as soon as possible but not later than 30 consecutive days after becoming aware of the same.

- 7.2 Whistle Blower must put his/her name to allegations. Concerns expressed anonymously WILL NOT BE investigated.
- 7.3 If initial enquiries by the Ombudsperson indicate that the concern has no basis, or it is not a matter to be investigation pursued under this Policy, it may be dismissed at this stage and the decision is documented.
- 7.4 Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Ombudsperson alone, or by a Whistle Officer/Committee nominated by the Ombudsperson for this purpose. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings would be made.
- 7.5 Name of the Whistle Blower shall not be disclosed to the Whistle Officer/Committee.
- 7.6 The Ombudsperson/Whistle Officer/Committee shall:
- i) Make a detailed written record of the Protected Disclosure. The record will include:
 - a) Facts of the matter
 - b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - c) Whether any Protected Disclosure was raised previously against the same Subject;
 - d) The financial/ otherwise loss which has been incurred / would have been incurred by the Company.
 - e) Findings of Ombudsperson/Whistle Officer/Committee;
 - f) The recommendations of the Ombudsperson/Whistle Officer/Committee on disciplinary/other action/(s).
 - ii) The Whistle Officer/Committee shall finalise and submit the report to the Ombudsperson within 15 days of being nominated/appointed.
- 7.7 On submission of report, the Whistle Officer /Committee shall discuss the matter with Ombudsperson who shall either:
- i) In case the Protected Disclosure is proved, accept the findings of the Whistle Officer /Committee and take such Disciplinary Action as he may think fit and take preventive measures to avoid reoccurrence of the matter;
 - ii) In case the Protected Disclosure is not proved, extinguish the matter; Or
 - ii) Depending upon the seriousness of the matter, Ombudsperson may refer the matter to the Committee of Directors (Whole-time Directors) with proposed disciplinary action/ counter measures. The Committee of Directors, if thinks fit, may further refer the matter to the Audit Committee for necessary action with its proposal. In case the Audit Committee thinks that the matter is too serious, it can further place the matter before the Board with its 8 recommendations. The Board may decide the matter as it deems fit.

- 7.8 In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision, s/he can make a direct appeal to the Chairman of the Audit Committee.

8. Protection

- 8.1 No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower. Complete protection will, therefore, be given to Whistle Blower against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, discrimination, any type of harassment, biased behaviour or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.

Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.

- 8.2 The identity of the Whistle Blower shall be kept confidential.
- 8.3 Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

9. Secrecy/Confidentiality

The Whistle Blower, the Subject, the Whistle Officer and everyone involved in the process shall:

- a. maintain complete confidentiality/ secrecy of the matter
 - b. not discuss the matter in any informal/social gatherings/ meetings
 - c. discuss only to the extent or with the persons required for the purpose of completing the process and investigations
 - d. not keep the papers unattended anywhere at any time
 - e. keep the electronic mails/files under password
- If any one is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

10. Reporting

A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

11. Amendment

The Executive Director of the Company has the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever.

CEO/CFO CERTIFICATION

**To,
The Board of Directors
BELL AGROMACHINA LTD
Hubli**

We, do hereby certify that:

- (a) We have reviewed financial statements and the Cash Flow statement for the year and that to the best of my knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standard, applicable laws and regulations,
- (b) There are to the best of our Knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal, or in violation of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committees.
 - (i) Significant changes in internal control over financial reporting during the year.
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management having a significant role in the Company's internal control system over financial reporting.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**Place: Hubli
Date: 18th August 2011**

**Sd/- Sd/-
Director Director**

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of:
BELL AGROMACHINA LTD
Jodalli - 580114, Via Dharwad, TQ, Khalghatagi,
Karnataka 580114

I have examined the compliance of conditions of Corporate Governance by **BELL AGROMACHINA LTD** for the year ended 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing Agreement(s)

We state that no investor grievance is pending for a period exceeding one month against the Company as per records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR H.N. Adinavar & Co.
Chartered Accountants

Sd/-

Proprietor
Membership No. 023757

Place : Hubli
Date : 18th August, 2011

AUDITORS' REPORT

To
The Members of
BELL AGROMACHINA LIMITED

- A. We have audited the attached Balance Sheet of **BELL AGROMACHINA Ltd** as at 31st March, 2011 and Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- B. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that our audit provides a reasonable basis for our opinion.
- C. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
- D. Further to our comments in the Annexure referred to in paragraph C above, we report that:
1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 2. In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of the books.
 3. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
 4. in our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956
 5. On the basis of representations from the directors, taken on record by the Board of Directors and as per information and explanations given to us, none of the directors of the company are, prima facie, as at 31st March, 2011 are not disqualified from being appointed as directors of the company in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

6. In our opinion and to the best of our information and according to the explanations given to us, the accounts read with and subject to notes thereon of Schedule-5 give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
- (i) In the case of Balance sheet, of the state of affairs of the company as at 31st March, 2011

and

 - (ii) In the case of profit & Loss Account of the loss for the year ended on that date.

FOR H.N. Adinavar & Co.
Chartered Accountants

Sd/-
Proprietor
Membership No. 023757

Place : Hubli
Date : 18th August, 2011

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph: C of our report of even date)

1. The Company does not have any fixed assets and hence this clause is not applicable to the company for the year under consideration.
2. As the company does not have any inventories as at the end or at the beginning of the year; this clause is not applicable to the company for the year under consideration.
3. (a) The company has not granted unsecured loan to any of the parties covered by section 301 of the Companies Act, 1956.

(b) The company has taken loan from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods and services. In our opinion, there is no continuing failure to correct major weakness in internal control.
5. To the best our knowledge and belief, and according to the information and explanations given to us, we are of the opinion that there are no contracts and arrangements, the particulars of which need to be entered into the register maintained under Section 301 of the Companies Act, 1956.
6. During the year, the company has not accepted deposits from the public.
7. The Company did not have any formal internal audit system during the year under review.
8. We are informed that maintenance of cost records has not been prescribed by the Central Government under Section 209 (1)(d) of the Companies Act, 1956 in respect of products of the company.
9. (a) According to the books of accounts examined by us and also based on representations received from the management, the company is regular in depositing undisputed statutory dues applicable to it. There is no Undisputed amounts payable in arrears in respect of statutory dues as at 31/03/2011 for a period of six months from the date they become payable.

(b) According to the information and explanations given to us, there are no dues in respect of income tax, sales tax, wealth tax, excise duty, service tax and cess which have not been deposited on account of dispute.
10. The company's accumulated losses at the end of the financial year are more than fifty percent of its net worth.

11. Based on our audit procedures and according to the information and explanations given to us we report that the company had not defaulted in repayment of any secured loans during the year under review.
12. According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. 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 and according to the information and explanations given to us, the company is not dealing in shares, securities and debentures; therefore, the provisions of clause 4 (xiv) of the Order are not applicable to the company.
15. The company has not given guarantee to a bank for loan taken by any other company.
16. The company has not obtained any term loan during the year. Accordingly, the provisions of clause (xvi) of the Order are not applicable to the company.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used to finance long-term investments.
18. According to the information and explanations given to us, during the year covered by our report, the company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause (xviii) of the Order are not applicable to the company.
19. According to the information and explanations given to us, the company has not issued any secured debentures during the period covered by our report. Accordingly, the provisions of clause (xix) of the Order are not applicable to the company.
20. During the period covered by our audit report, the company has not raised any money by way of a public issue.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

**FOR H.N. Adinavar & Co.
Chartered Accountants**

**Sd/-
Proprietor
Membership No.023757**

**Place : Hubli
Date : 18th August, 2011**

BALANCE SHEET AS AT 31ST MARCH 2011

PARTICULARS	Schedule	Current Year 31/03/2011 Rupees	Previous Year 31/03/2010 Rupees
SOURCES OF FUND:			
Share Capital	A	34,245,000	3,42,45,000
Reserve & Surplus	B	-	2,38,659
Loan Fund	C	10,08,468	9,85,871
TOTAL		<u>3,52,53,468</u>	<u>3,54,69,530</u>
APPLICATION OF FUNDS:			
FIXED ASSETS			
Gross Block	D	6,77,669	7,32,615
Less :Deprication		50,825	54,946
Net Block		<u>6,26,844</u>	<u>6,77,669</u>
Investment And Deposits			
CURRENT ASSETS & LOANS & ADVANCES			
Sundry Debtors	E	9,71,580	6,17,364
Cash & Bank Balance	F	78,052	68,790
Loans & Advances	G	6,458	6,458
		<u>10,56,098</u>	<u>6,92,612</u>
Less: Current Liabilities & Provisions	H	1,69,430	1,45,750
Net Current Assets		8,86,660	5,46,861
Add:Profit and Loss Account (Debit)		3,37,39,964	3,42,45,000
TOTAL		<u>3,52,53,468</u>	<u>3,54,69,530</u>

Significant Accounting Policies & Notes
Forming Part of Accounts

6

As per our attached report of even date

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS.

For, H.N. Adinavar & Co.
CHARTERED ACCOUNTANTS

Sd/-
H.N. Adinavar
Proprietor

Sd/- Sd/-
Director Director

Membership No. 023757
Firm Reg. No. 000042S

PLACE: HUBLI
DATED: 18TH AUGUST 2011

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH,2011

PARTICULARS	Schedule	Year ended On 31-03-2011 Rupees	Previous Year On 31-03-2010 Rupees
I INCOME:			
Sales	I	-	-
Misc.Income (Job work)	J	19,66,736	15,65,780
TOTAL		19,66,736	15,65,780
II EXPENDITURE:			
Cost of Material Consumed	K	9,46,500	-
Administration & Selling Exp.-	L	-	12,72,174
Employee Benefit Expenses	M	5,92,300	-
Other Expenses	N	1,10,734	-
Depreciation		50,825	54946
TOTAL		1700359	13,27,120
III NET PROFIT/ (LOSS) BEFORE TAX		266377	2,38,659
IV Less: Brought forward loss from previous year		3,42,45,000	-
Add : Transferred From Reserves and Surplus		2,38,659	-
V BALANCE TRANSFERRED TO BALANCE SHEET		3,37,39,964	2,38,659

Significant Accounting Policies & Notes

Forming Part of Accounts 6

As per our attached report of even date

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

For, H.N. Adinavar & Co.
CHARTERED ACCOUNTANTSSd/-
H.N. Adinavar
ProprietorMembership No. 023757
Firm Reg. No. 000042SPLACE: HUBLI
DATED: 18TH AUGUST 2011Sd/- Sd/-
Director Director

SCHEDULE FORMING PART OF THE BALANCE SHEET

PARTICULARS	As at 31-03-2011 Rupees	As at 31-03-2010 Rupees
SCHEDULE-A		
SHARE CAPITAL :		
Authorised:		
35,00,000 Equity shares of Rs. 10/- each	35,000,000	70,000,000
Issued, Subscribed & paid up capital:		
35,00,000 equity shares of Rs. 10/- each		
Less: Calls in arrears	7,55,000	7,55,000
TOTAL	<u>3,42,45,000</u>	<u>34,245,000</u>
SCHEDULE-B		
RESERVE & SURPLUS		
Profit & Loss A/c		2,38,659
TOTAL		<u>2,38,659</u>
SCHEDULE-D		
LOAN FUND		
Unsecured Loan	10,08,468	9,85,871
TOTAL	<u>10,08,468</u>	<u>9,85,871</u>
SCHEDULE-E		
SUNDRY DEBTORS		
	9,71,580	6,17,364
TOTAL	<u>9,71,580</u>	<u>6,17,364</u>
SCHEDULE-F		
CASH & BANK BALANCES:		
State Bank of India,Hubli	1,082	1,082
Mahalaxmi Co-op Bank Ltd	52,142	52,142
Shri G.C.C. Bank Ltd 15,006		15,006
Cash On Hand	9,822	560
TOTAL	<u>78,052</u>	<u>78,052</u>
SCHEDULE-G		
LOANS & ADVANCES:		
Advance receivabl in cash or kind or for value to be receiving pending adjustment	6,459	6,458
TOTAL	<u>6,459</u>	<u>6,458</u>

SCHEDULE FORMING PART OF THE PROFIT & LOSS A/C

PARTICULARS	As at 31-03-2011 Rupees	As at 31-03-2010 Rupees
SCHEDULE-H		
CURRENT LIABILITIES & PROVISIONS:		
Current Liabilities :		
Sundry creditors	1,69,430	1,45,750
TOTAL	1,69,430	1,45,750
SCHEDULE-I		
Sales	0.00	0.00
TOTAL	0.00	0.00
SCHEDULE-J		
Miscellaneous Income	19,66,736	15,65,780
TOTAL	19,66,736	15,65,780
SCHEDULE-K		
Cost of Material Consumed	9,46,500	-
TOTAL	9,46,500	-
SCHEDULE-L		
Legal Fee	22,500	29,109
Listing Fee	11,680	-
Audit Fee	12,000	-
Postage A/c.	4,313	-
Bank Charges	96	-
Salary A/c	5,92,300	3,71,850
Misc. Expenses	24,215	16,250
Consumables	9,46,500	7,98,510
Printing & Stationery	21,600	18,550
Freight Charges	730	21,480
Travelling and conveyances	13,600	16,425
TOTAL	16,49,534	12,72,174
SCHEDULE-M		
Employee Benefit Consumed	5,92,300	-
TOTAL	5,92,300	-
SCHEDULE-N		
Other Expenses	1,10,734	-
TOTAL	1,10,734	-

SCHEDULE-D & E FIXED ASSETS

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as on 01.04.10	Addition during the year	Deduction During the year	Total as on 31.03.11	To 31.03.10	For the year	Depreciation during the year	Total as on 31.03.11	As on 31.03.11	As on 31.03.10
Plant & Machinery	6,98,270	-	-	6,98,270	52,370	48,443	-	100813	5,97,457	6,45,900
Tools & Jigs & Furniture	34,345	-	-	34,345	2,576	2,383	-	4959	29,386	31,769
TOTAL Rs.	7,32,615	-	-	7,32,615	54,946	50,825	-	105772	6,26,846	6,77,669

SCHEDULE – 6:**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:****A. SIGNIFICANT ACCOUNTING POLICIES:**

- (a) The company follows the accrual system of accounting in accordance with the requirements of the Companies Act, 1956 and complies with the accounting standards referred to in sub-section (3C) of Section 211 of the said Act.
- (b) The accounts are prepared on historical cost basis and on the basis of going concern. Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles.

B. NOTES FORMING PART OF ACCOUNTS:

- 1. Under the Micro Small and Medium Enterprises Development Act, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The company is in the process of compiling relevant information from its suppliers about their coverage under the Act. Since the relevant information is not presently available, no disclosures have been made in the Accounts
- 2. The company has suspended manufacturing activities during the financial year 2003-04 and there are no intentions to resume the manufacturing activities. In spite of these facts the accounts have been prepared on the basis of going concern.
- 3. Corresponding Figures of the previous year have been regrouped or rearranged to make it comparable with this year's figure, wherever necessary.
- 4. In view of the fact that the company has suspended manufacturing operations, particulars required to be furnished as per part –III of Schedule-6 of the Companies Act, 1956 has not been furnished.
- 5. The company is having net deferred tax assets. Deferred tax assets, which have arisen mainly on account of unabsorbed depreciation and carried forward losses, have not been considered for recognition, as there is no virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Therefore, net deferred tax asset has not been recognized in the accounts of the company.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**I REGISTRATION DETAILS**

REGISTRATION NOS. U85110KA1989PLC009925 STATE CODE 08
BALANCE SHEET DATE 31.03.2011

II CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)

PUBLIC ISSUE	NIL	RIGHT ISSUE	NIL
BONUS ISSUE	NIL	PRIVATE PLACEMENT	NIL

**III POSITION OF MOBILISATION & DEPLOYMENT OF FUND
(AMOUNT IN RS. THOUSANDS)**

TOTAL LIABILITIES	3,52,53	TOTAL ASSETS	3,52,53
SOURCES OF FUNDS		APPLICATION OF FUNDS	
		NET FIXED ASSETS	6,26
PAID UP CAPITAL	34,245		
RESERVE & SURPLUS	-	NET CURRENT ASSETS	8,86
SECURED LOAN	-		
UNSECURED LOAN	10,08	MISC. EXPENDITURE (DEBIT OF P/L A/C.)	

IV PERFORMANCE OF COMPANY (AMOUNT RS. IN THOUSANDS)

TURNOVER INCLUDING		TOTAL EXPENDITURE	170
OTHER INCOME	19,66		
PROFIT BEFORE TAX	266	PROFIT AFTER TAX	266
EARNING PER SHARE	N. A.	DIVIDEND RATE	NIL

V GENERIC NAMES OF THREE PRINCIPAL PRODUCTS OF COMPANY (AS PER MONETARY TERMS)

ITEMS CODE NO.
TRADE DESCRIPTION: UNDERTAKING OF JOB WORK

As per our attached report of even date

For H.N. Adinavar & Co.
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
H. N. Adinavar
Proprietor
Membership No. 023757
Firm Reg. No. 000042S

Sd/- **Sd/-**
Director **Director**

PLACE: HUBLI
DATED: 18TH AUGUST 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	<u>31-03-2011</u>	<u>31-03-2010</u>
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit	2,66,377	238,659
<u>Adjustment –</u>		
<u>Depreciation and amortisation</u>	50,825	54,946
Interest Paid	-	-
Share issue expenses	-	-
Loss/Gain	-	-
Interest Received	-	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	3,17,202	2,93,605
<u>Adjustment -</u>	-	-
Dead Stock	-	-
Sundry Debtors	(3,54,216)	(6,17,364)
Loans and Advances	-	(6,458)
Current Liabilities	23,680	1,45,750
Current generated	-	-
Interest Paid	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES	<u>(1,33,34)</u>	<u>(1,84,467)</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	(7,32,615)
Increase in interest	-	-
Advance for capital	-	-
Sale/Purchase	-	-
Interest Received	-	-
NET CASH USED IN INVESTING ACTIVITIES	<u>-</u>	<u>(7,32,615)</u>
C CASH FLOW		
TERM LOAN	-	-
Proceeds from issue	-	-
Share issue Expenses	-	-
Secured /Unsecured Loans	22,596	9,85,871
NET CASH USED IN FINANCING ACTIVITIES	<u>22,596</u>	<u>9,85,871</u>
NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALENTS	9,262	68,790
CASH & CASH EQUIVALENTS AS AT BEGINING	68,790	-
CASH & CASH EQUIVALENTS AS AT END	78,052	68,790

Place : HUBLI

Date : 18.08.2011

AUDITORS' CERTIFICATE

We have examined the attached Cash Flow Statement of BELL Agromachina Limited for the period ended 31st March, 2011. The statement has been prepared by the Company in accordance with the requirements of clause 32 of the Listing Agreement with the Stock Exchanges and is based on and in agreement with correspondence Profit & Loss Account and Balance Sheet of the Company covered by our report of 18-08-2011 to the members of the Company.

In terms of our Certificate of even date

**FOR: H. N. Adinavar & Co.
Chartered Accountants**

**Sd /-
Proprietor
Membership No. 023757
Firm Reg. No. 000042S**

**Place : Hubli
Date : 18th August, 2011**

BELL AGROMACHINA LIMITED

Village, Jodalli, Tq-Kalaghatagi, Jodalli-580114.

ATTENDANCE SLIP

Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the **22nd Annual General Meeting** of the Company at the Registered office of the Company situated at Village, Jodalli, Tq-Kalaghatagi, Jodalli-580114 on Friday the **30th September, 2011** at **03.30 p.m.**

_____	_____
Name of the Shareholder	Signature
Folio No. _____	_____
	(Full name of Proxy)

Note: No Duplicate Attendance Slip will be issued at the meeting hall. You are requested to bring your copy of Annual Report to the Meeting.

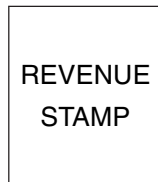
BELL AGROMACHINA LIMITED

Village, Jodalli, Tq-Kalaghatagi, Jodalli-580114.

PROXY FORM

I/We.....of..... in the district of being a member/members of the above named Company hereby appoint of in the district of..... or failing him of In the district of as my / our proxy to vote for me/us on my our behalf at the **22nd Annual General Meeting** of the Company to be held at **the Registered office of the Company situated at Village, Jodalli, Tq-Kalaghatagi, Jodalli-580114** on Thursday the **30th September, 2011**, and at any adjournment thereof.

Signed this..... day of, 2011.
 Reg. Folio No.....
 No. of Shares



Note: This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

BOOK-POST
PRINTED MATTER
U.P.C

TO:

If Undelivered, please return to :
BELL AGROMACHINA LIMITED
Village, Jodalli, TQ-Kalaghatagi,
Jodalli - 580 114, State : Karnataka.