

BELL AGROMACHINA LIMITED

**24th ANNUAL REPORT
2012-13**

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2012-13**

DIRECTORS : Mr. S.G Bellad *Executive Director*
Mr. V.G. Hiremath *Independent Director*
Mrs. Meena Umachagi *Independent Director*
Mr. Ashvin Thumar *Independent Director*
Mr. Saurabh Rathod *Independent Director*

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

BANKERS : Allahabad Bank
Borivali Branch
Mumbai.

REGISTERED OFFICE : Jodalli Village, Kalghatagi,
Dharwad - 580 114, Karnataka

**REGISTRAR AND SHARE
TRANSFER AGENT** : System Support Services
Gala No 209, Shivai Ind. Estate,
89, Andheri Kurla Road, Sakinaka,
Andheri (E), Mumbai- 400 072.

NOTICE

NOTICE is hereby given that the 24th Annual General Meeting of the members of **BELL AGRO MACHINA LTD** will be held on **Wednesday, 11th September, 2013 at 3.30 p.m** at its Registered Office of the Company, situated at Jodalli Village, Kalghatagi, Dharwad - 580 114, Karnataka 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, 2013 and Balance Sheet as at that date, Cash Flow statement for the year ended 31st March, 2013 and Report of the Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. S G Bellad - Director of the Company, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

- 3) To consider and if though fit to pass the following Resolution with or without modification if any, as a Ordinary Resolution:

“RESOLVED THAT Pursuant to provisions of Section 260 and all other applicable provisions of the Companies Act, 1956 (including all such statutory modifications and amendments made thereof) Mr. Ashvin Thumar, who was appointed as an Additional Director be and is hereby appointed as a Director of the Company and in respect of whom notice under section 257 of the Companies Act, 1956 have been received from a Director eligible to retire by rotation.”

“RESOLVED FURTHER THAT any Director of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to the above resolution.”

- 4) To consider and if though fit to pass the following Resolution with or without modification if any, as a Ordinary Resolution:

“RESOLVED THAT Pursuant to provisions of Section 260 and all other applicable provisions of the Companies Act, 1956 (including all such statutory modifications and amendments made thereof) Mr. Saurabh Rathod, who was appointed as an Additional Director be and is hereby appointed as a Director of the Company and in respect of whom notice under section 257 of the Companies Act, 1956 have been received from a Director eligible to retire by rotation.”

“RESOLVED FURTHER THAT any Director of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to the above resolution.”

- 5) “To consider and if thought fit, to pass with or without modification, the following resolution as ordinary Resolution”;

Appointment of M/s. Gupta Saharia & Co., Chartered Accountants as Statutory Auditor:

“RESOLVED THAT pursuant to provision of Section 224 and other applicable provisions, if any, of the Companies Act, 1956 and further subject to such approval as may be necessary, consent and approval of the Company be and is hereby accorded for the appointment of M/s. Gupta Saharia & Co, Chartered Accountants, as Statutory Auditor of the Company, to fill the casual vacancy arising on account of the resignation received from the existing Auditor M/s H. N. Adinavar & Co., Chartered accountants, until the conclusion of the next Annual General Meeting of the Company on such remuneration as maybe fixed in this behalf by the Board of Directors of the Company in consultation with the Auditor and Audit Committee thereof.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173 (2) OF THE COMPANIES ACT, 1956 IN RESPECT TO THE SPECIAL BUSINESS

Item No. 3

Mr. Ashvin Thumar, was appointed as an Additional Director. Pursuant to provisions of Section 260 of the Companies Act, 1956 a Director appointed holds the office only up to the date of the annual general meeting.

A Company has received a notice in writing from the member of the Company in terms of section 257 of the Companies Act, 1956 proposing the candidature of Mr. Ashvin Thumar to act as a Director.”

The Board recommends his appointment as a Director. None of the Directors of the Company except Mr. Ashvin Thumar, is interested or concerned in passing of this resolution.

Item No. 4

Mr. Saurabh Rathod, was appointed as an Additional Director. Pursuant to provisions of Section 260 of the Companies Act, 1956 a Director appointed holds office only up to the date up to the date of the annual general meeting.

A Company has received a notice in writing from the member of the Company in terms of section 257 of the Companies Act, 1956 proposing the candidature of Mr. Saurabh Rathod to act as a Director.”

The Board recommends his appointment as a Director. None of the Directors of the Company except Mr. Saurabh Rathod, is interested or concerned in passing of this resolution.

Item No. 5

M/s H .N. Adinavar & Co., Chartered Accountants were appointed as an Auditor of the Company at the last Annual General Meeting held on 29th September, 2012 to hold the office till the conclusion of the forthcoming Annual General Meeting. The Company has received a letter stating their resignation as Auditor of the Company, therefore creating casual vacancy in the office of the Auditor.

In terms of Proviso of Section 224 (6) (A) of the Companies Act, 1956 the casual vacancy caused by the resignation of Auditors, shall only filled by the company in general Meeting. Therefore ordinary resolution to be passed to appoint M/S Gupta Saharia & Co, Chartered Accountants, as Statutory Auditor of the Company, to fill the casual vacancy caused by the aforesaid resignation and to hold the office till the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed in this behalf by the Board of Directors of the Company in constitution with the Audit Committee thereof.

A certificate has been received from M/S Gupta Saharia & Co, Chartered Accountants, to effect that they are qualified for appointment as Auditors of the Company and the proposed appointment if made by the Company will be within the limits specified u/s 224 (1B), of the Companies Act, 1956.

A copy of the resignation tender by the Auditors and eligibility letters as referred elsewhere are available at registered office of the Company for inspection to the members till the date of meeting during the business hours.

None of the Directors are in any way concerned or interested in the said resolution.

The Board recommends the resolution set forth in the item No.5 for the approval of the members.

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 from Wednesday, 04th September, 2013 to Wednesday, 11th September, 2013. (both days inclusive).
3. Members are requested to notify immediately any change in their addresses to the Company's Registered Office Jodalli Village, Kalghatagi, Dharwad - 580 114, Karnataka
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 : 3rd August, 2013

Sd/-
Mr. S.G.Bellad
Director

Sd/-
Mrs. Meena Umachagi
Director

DIRECTORS' REPORT

The Directors have pleasure in presenting their 24th Annual Report on the business and operations of the Company for the year ended 31st March, 2013.

WORKING RESULTS

(Amount in Rs.)

Particulars	2012-2013	2011-2012
Total Income	1,491,000	2,051,790
Depreciation	80,654	47,013
Profit before tax	(1315925)	277,620
Provision for tax –F& T	-	-
Profit (Loss) after tax	(1,317,878)	277,620.00
Prior period adjustments	-	-
Balance forward brought forward	(33,462,343)	(33,739,963)
Balance carried to balance Sheet	(34,780,222)	(33,462,343)

1. FINANCIAL RESULTS & OPERATIONS:

Accounting year 2012-2013 is the 24th year of operation. During the year under review, no manufacturing activities were carried out. However, a small amount of trading activities were carried out during the year. In view of this, the company has continued to incur losses. The management is putting every effort to come out of the red. The Company is in the process of restructuring the capital of the Company as well as the possibility of merging with some healthy and profitable units.

2. DIVIDEND:

During the year under review, owing to the accumulated losses, 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. S G Bellad Director of the Company who retires by rotation being eligible offers themselves for re-appointment as directors of the Company. Mr. Ashvin Thumar and Mr. Saurabh Rathod were appointed as Additional Directors of the Company and pursuant to the provisions of the Companies Act, 1956 they are appointed as directors of the Company and eligible to retire by rotation.

5. AUDITORS:

The existing Auditors H. N. Adinavar & Co. , Chartered accountants retires at the ensuing Annual General Meeting and have signified their unwillingness to be appointed as Auditors in the current year. It is proposed by the Board to appoint of M/S Gupta Saharia & Co,

Chartered Accountants, as Statutory Auditors of the Company in place of the retiring Auditors. Members are requested to appoint M/s. Gupta Saharia & Co, Chartered Accountants as Statutory Auditors 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 Mr. Vijay Hiremath - Chairman, Mr. Ashvin Thumar and Mrs. Meena Umachagi as Members of the Audit Committee.

8. SHAREHOLDERS AND INVESTOR GRIEVANCE COMMITTEE:

Shareholders and investor Grievance Committee is consisting of Mrs. Meena Umachagi - Chairman, Mr. Ashwin Thumar and Mr. S G Bellad as members of the committee.

9. COMPLIANCE CERTIFICATE:

The Company has obtained Compliance Certificate pursuant to provisions of Section 383A of the Companies Act, 1956 from a Practicing Company Secretary and is annexed hereto and forming part of this report.

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 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, 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) BSE Limited.
- b) Bangalore Stock Exchange Limited.

The suspension of Trading in Equity Shares of the Company has been revoked by BSE Limited on July 18, 2013 as result the Equity Shares of the Company are listed on BSE Limited and the listing fees in respect thereof has already been paid.

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 : 3rd August, 2013

Sd/-
Mr. S.G.Bellad
Director

Sd/-
Mrs. Meena Umachagi
Director

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 2012 -13.

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): Nil

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 : 3rd August, 2013

Sd/-
Mr. S.G.Bellad
Director

Sd/-
Mrs. Meena Umachagi
Director

COMPLIANCE CERTIFICATE

To, CIN: U85110KA1989PLC009925
 The Members
 Bell Agromachina Ltd.
 Jodalli Village, Kalghatagi,
 Dharwad - 580 114, Karnataka.

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

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, 2013 (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 18/04/2012, 20/07/2012, 13/08/2012, 18/10/2012 and 14/02/2013 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, 2012 was held on 29th September, 2012 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.
 - (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, 2013.
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 necessitating 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 : 03/08/2013

Sd/-
Mandar Palav
C.P. No: 11623

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 2013.

SR. No.	Form No. /Return	Filed under Section	For	Date of Filing	Whether Filed within prescribed time Yes/No.	if delay in filing whether requisite additional Fees paid Yes/No
1.	Form 23B	224(B)	Appointment of Auditor		No	Yes
2.	Form 23B	224(B)	Appointment of Auditor		No	Yes

Place : Mumbai
Date : 03/08/2013

Sd/-
Mandar Palav
C.P. No: 11623

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31st March 2013.

INDUSTRY STRUCTURE & DEVELOPMENT:

The Company has become in active since one year and the Company is not able to function properly as the market for the agricultural machinery is not encouraging even to revive the business. Efforts of the Directors over the years have not found any concrete improvements and the Company changed its object clause of the Memorandum of Association to bring in software business for which the Company is slowly building the necessary infrastructure and the establishment of a software technology park in Hubli and the revival of the software markets should give a boost to this business.

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 searching out healthy corporate houses for the merger 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 competitor and newly emerging competitive nations and stricter environment laws. Further the Indian economy is now integrated with the world economy to a very large extent and therefore vulnerable to the direct impact of global slow down; such an impact could adversely affect the Company's performance as well. Therefore, the Company has decided to close down the manufacturing activity and concentrate on the trading activities and 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 : 03/08/2013

Sd/-
Mr. S.G.Bellad
Director

Sd/-
Mrs. Meena Umachagi
Director

DECLARATION UNDER CODE OF CONDUCT

As the Executive Director of Bell Agromachina Ltd 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 2012 -13.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,

Place : Hubli
Date : 03/08/2013

Sd/-
S G Bellad
Director

**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2012-13
(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 2012-13 based on the disclosure requirements under Clause 49 of the Listing Agreement existing as on 31st March 2013.

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, 2013 have been made by the Directors.

During the financial year ended 31st March, 2013, 5 Meetings of the Board of Directors were held as on 18/04/2012, 20/07/2012, 13/08/2012, 18/10/2012 and 14/02/2013.

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	05	Yes	Nil	Nil
2	V G Hiremath	Independent Director	05	Yes	Nil	Nil
3	Meena H Umachagi	Independent Director	05	Yes	Nil	Nil
4.	Ashvin Thumar*	Independent Director	02	No	1	1
5.	Saurabh Rathod*	Independent Director	02	No	Nil	Nil

* Appointed w.e.f 18/10/2012

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.

3. AUDIT COMMITTEE:**i. 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.

ii. Composition

The Audit Committee comprised of Mr. V G Hiremath as Chairman, Mr. Ashvin Thumar and Mrs. Meena Umachagi as Members. The composition of the Audit committee is in accordance with Clause 49 of the Listing Agreement.

During the 2012-13 under review 5 meetings of the Audit Committee were held on, 18/04/2012, 20/07/2012, 13/08/2012, 18/10/2012 and 14/02/2013. The attendance of members is as follows:

Name	Category	Meetings during the year 2012-13	
		Held	Attended
Mr. V G Hiremath - Chairman	Independent Director	5	5
Mr. Ashvin Thumar - Member	Independent Director	5	2
Mrs. Meena Umachagi - Member	Independent Director	5	5

4. SHAREHOLDERS AND INVESTOR GRIEVANCE COMMITTEE:**1. Name of Non-Executive Director Heading the Committee:**

Mrs. Meena Umachagi Independent Director, is Chairman of the Shareholders' / Investors' Grievance Committee.

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.

The Committee looks after the following:

- a) To scrutinize and approve registration of transfer of shares / debentures / warrants issued / to be issued by the company.
- b) To decide all questions and matters that may arise in regard to transmission of shares / debentures / warrants issued / to be issued by the Company.
- c) To approve and issue duplicate shares / debentures / warrants certificates in lieu of those reported lost.
- d) To refer to the Board and any proposal of refusal of registration of transfer of shares / debentures / warrants for their consideration.
- e) To look into shareholders and investors complaints like transfer of shares, non-receipt of declared dividends, etc.

This Committee consists of the following Directors as its members:-

1. Mrs. Meena Umachagi - Chairman
2. Mr. S G Bellad - Member
3. Mr. Ashvin Thumar - Member

The Share Transfer & Shareholders' / Investors' Grievance Committee, 5 Meetings of the Board of Directors were held as on 18/04/2012, 20/07/2012, 13/08/2012, 18/10/2012 and 14/02/2013.

II. Name and Designation of Compliance Officer:

Mr. S. G. Bellad, Executive Director is the Compliance Officer.

III. Number of Shareholders Complaints received during the Financial Year:

During the Financial Year 2012-2013, no investor complaints were received during the year.

IV. Number of complaints not solved to the satisfaction of the shareholders: Nil

V. Number of pending Complaints: Nil

5. REMUNERATION OF DIRECTORS

Details of remuneration paid to Directors

None of Directors have been paid during the year.

6. SUBSIDIARY

The company does not have any subsidiary.

7. Disclosure regarding Directors appointment and re-appointment:

During the year Mr. Ashvin Thumar and Mr. Saurabh Rathod were appointed as Additional Directors of the Company w.e.f 18.10.2012, who retires at the ensuing Annual General Meeting and are eligible for re-appointment. Mr. S.G. Bellad is eligible to retire by rotation and offers himself for re-appointment.

8. General Body Meetings:**(i) Location and time where last three Annual General Meetings were held:**

Financial Year	Date	Time	Location
2009-2010	30/09/2010	3.30 P.M	Jodalli, Tq: Kalaghatagi
2010-2011	30/09/2011	3.30 P.M	Jodalli, Tq: Kalaghatagi
2011-2012	29/09/2012	3.30 P.M	Jodalli, Tq: Kalaghatagi

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

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

9. 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) Disclosure on Requirements of the Listing Agreement:

The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties or strictures have been imposed by SEBI, Stock Exchanges or any other statutory authority on matters relating to capital markets during last three years.

(e) CODE OF CONDUCT :

The Board of Directors has adopted the Code of Business Conduct and Ethics for Directors and Senior Management Personnel. The said code has been communicated to the Directors and the Members of the Senior Management Personnel which is also affirmed by them for the financial year ended 31st March, 2013. The declaration to this effect by Executive Director is annexed at the end of this report.

The Code has also been posted on the Company's website at www.bellagro.com

(f) It is confirmed that no personnel has been denied access to the Audit Committee.

10. General Shareholder information:

(a) AGM date, time and venue: Annual General Meeting will be held on Wednesday, 11th September, 2013, at 3.30 P.M. at Jodalli Village, Kalghatagi, Dharwad - 580 114, Karnataka.

(b) Financial Year: The Financial Year is from 1st April 2013 to 31st March 2014:
Tentative Schedule

Unaudited Results for quarter ending June 30, 2013	: End of July 2013
Unaudited Results for quarter ending September 30, 2013	: End of October 2013
Unaudited Results for quarter ending December 31, 2013	: End of January 2014
Unaudited Results for quarter ending March 31, 2014	: End of April 2014
Audited Results for year ending March 31, 2014	: End of July 2014
AGM for year ending March 31, 2014	: End of September 2014

(c) Book Closure period: Wednesday, 04th September, 2013 to Wednesday, 11th September, 2013 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:
BSE Limited & Bangalore Stock Exchange Limited

(f) Stock Market Data:

The suspension of Trading in Equity Shares of the Company has been revoked by BSE Limited on July 18, 2013 as result the Equity Shares of the Company are listed on BSE Limited and the listing fees in respect thereof has already been paid.

(g) Scrip code : 531112 - BSE Limited - (ISIN: INE011E01011)
– Bangalore Stock Exchange Limited

(h) Registrar and Transfer Agent : **System Support Services**
209, Shivai Ind Estate,
89, Andheri Kurla Road,
Saki Naka, Andheri E,
Mumbai – 400 072.
Tel: 022-28500835 Fax: 022-28501438
Email: sysss72@yahoo.com

(i) 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.

(j) Dematerialization of shares and liquidity:

Having connectivity with NSDL and CDSL (ISIN: INE011E01011)

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

(l) Distribution of Shareholding and Shareholding Pattern as on 31st March, 2013.

(i) Distribution of Shareholding as on 31st March, 2013:

No. of Shares	No. of Shareholders	% of holding
001 to 500	874	55.60
0501 to 1000	484	30.79
1001 to 2000	105	6.68
2000 to 5000	72	4.58
5001 to 10000	15	0.95
Above 10001	22	1.40
TOTAL	1572	100.00

(ii) Shareholding pattern as at 31st March, 2013:

	No. of Shares held	% of Equity
Promoter Group*	1960000	56.00
Resident Body Corporate	00	00
Mutual Funds and UTI	00	0.00
Banks & Financial institutions & Insurance Companies etc.	00	00
Corporate Bodies	15350	0.44
General public	1490150	42.57
NRI/ OCBs	34500	0.99

(m) Address for correspondence:

The Company's Registered Office is situated at :
 Jodalli Village, Kalghatagi,
 Dharwad - 580 114, Karnataka
 Website: www.bellagro.com

WHISTLE BLOWER POLICY

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.

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. 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.

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 : 03/08/2013**

**Sd/-
S G BELLAD
Chairman & Executive Director**

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Board of Directors
Bell Agromachina Ltd
Jodalli

I have examined the compliance of conditions of Corporate Governance by **BELL AGROMACHINA LTD** for the year ended 31st March, 2013 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/-
H N ADINAVAR
Membership No. 023757

Place : Hubli
Date : 03/08/2013

INDEPENDENT AUDITOR'S REPORT

To
THE MEMBERS OF **BELL AGROMACHINA LIMITED**

We have audited the accompanying financial statements of **BELL AGROMACHINA 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.

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 presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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.

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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 Profit and Loss Account, of the profit/ loss 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.
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.
 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) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **H N ADINAVAR & CO.**
CHARTERED ACCOUNTANTS

Sd/-
(H N ADINAVAR)

Proprietor

Membership No.023757

Firm Reg. No. 000042S

Place: Hubli

Date: 29th May, 2013

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of BELL AGROMACHINA LIMITED On the accounts of the company for the year ended 31st March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
(e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.

8. The Central Government has not prescribed the maintenance of the cost records U/s. 209(1)(d) of the Companies Act, 1956 for any of the products of the company.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2013 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company have accumulated losses of Rs. 347.80Lacs as at 31.03.2013. The company has incurred cash losses during the financial year covered by our audit.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
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 provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company did not deal in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in regard to investments made by company in its own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For H N ADINAVAR & CO.
Chartered Accountants
Sd/-
H N ADINAVAR
Membership No. 023757
Firm Reg. No. 000042S

Place : Hubli
Date : 29th May, 2013

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2013

PARTICULARS	Schedule	Year ended On 31-03-2013 Rupees	Previous Year On 31-03-2012 Rupees
I) Income From Operations		0	0
II) Other Income	11	1,491,000	2,051,790
III) Total Revenue (I+II)		<u>1,491,000</u>	<u>2,051,790</u>
IV) Expenses :			
Cost of Materials Consumed	12	840,420	1,014,029
Purchase of Stock-in-Trade			
Changes in Inventory of Finished goods, Work-in-Progress and Stock-in-Trade			
Employee Benefit expenses	13	388,500	614,900
Finance Cost			
Depreciation and amortization Expenses	14	80,654	47,013
Other Expenses	15	1,497,351	98,228
Total Expenses (IV)		<u>2,806,925</u>	<u>1,774,170</u>
IV) Profit Before exceptional and extraordinary items and tax (III-IV)		(1,315,925)	277,620
VI) Exceptional Items		0	0
VII) Profit before extraordinary items and tax (V-VI)		(1,315,925)	277,620
VIII) Extraordinary Items		0	0
IX) Profit Before Tax (VII-VIII)		(1,315,925)	277,620
X) <u>Tax Expenses</u>			
i) Current Tax		0	0
ii) Deferred Tax		1,953	0
XI) Profit (Loss) from Continuing Operations (IX-X)		(1,317,878)	277,620
XII) Profit (Loss) from Discontinuing Operations		0	0
XIII) Tax Expenses for Discontinuing Operations		0	0
XIV) Profit (Loss) from Discontinuing Operations (After Tax) (XII-XIII)		0	0
XV) Profit (Loss) for the period (XI+XIV)		<u>(1,317,878)</u>	<u>277,620</u>
XVI) Earnings per Shares			
1) Basic		-0.38	0.08
2) Diluted		-0.38	0.08

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/-

Mr. S.G.Bellad Mrs. Meena Umachagi

Director

Sd/-

Director

Membership No. 023757

Firm Reg. No. 000042S

Place : Hubli

Date : 29th May, 2013

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2013

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY COMPANY

A. System of Accounting :

- I. The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.
- II. The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 1956. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.
- III. The Company, generally, follows the mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties.
- IV. The company has suspended manufacturing activities during the year 2003-04 and there are no intentions to resume the manufacturing activities. In spite of this facts the accounts have been prepared on the basis of going concern.

B. Fixed Assets :

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses. Cost comprises the purchase price and any directly attributable cost including borrowing costs of bringing the asset into existence and working condition at the locations for its intended use.

C. Depreciation :

Depreciation on the fixed assets is provided on "WRITTEN DOWN VALUE" as per the rates specified in COMPANIES ACT, 1956. Proportionate depreciation is charged for additions/ deletions during the year. Individual asset costing less than Rs 5000 each is depreciated in full in the year of purchase.

D. Revenue Recognition :

Interest income is recognized on time proportion basis.

Revenue from Sales is recognized when all significant risks and rewards of the ownership have been transferred to buyer.

Revenue from Services rendered is recognized on accrual basis as per contractual arrangement with the parties.

E. Income Tax :

Tax expense comprises both current and deferred taxes. Current income- tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realised against future taxable profits. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

As there is no virtual certainty that the Company would be able to make taxable profits in the next few years. Deferred tax Assets representing losses during the year have not been recognized in the books of accounts. Deferred Tax assets/liability, which arose on account of timing differences have been recognized to the extent possible.

F. Provisions :

A provision is recognised when an enterprise has a present obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liability is not recognized in the financial statements but is disclosed.

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/-

**Mr. S.G.Bellad
Director**

Sd/-

**Mrs. Meena Umachagi
Director**

Membership No. 023757

Firm Reg. No. 000042S

Place : Hubli

Date : 29th May, 2013

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2013

PARTICULARS	As at 31st March, 2013	As at 31st March, 2012
Note - 1 Share Capital		
1 <u>Authorized Capital</u>		
3500000 Equity Shares of Rs 10/- each	35,000,000	35,000,000
2 <u>Issued,Subscribed and Paid up Capital</u>		
3500000 Equity share of Rs. 10/- each Fully Paid in Cash P.Y 3500000 of Rs 10 each Fully Paid in Cash)	35,000,000	35,000,000
Less: Call in Arrears	0	755,000
Total In ₹	<u>35,000,000</u>	<u>34,245,000</u>

3 Details of Shareholders holding more than 5% shares in the Company

	As at 31st March, 2013		As at 31st March, 2012	
	No of Shares	%	No of Shares	%
1 S G Bellad	759,000	21.69	759,000	21.69
2 Bellad Motors P Ltd.	311,500	8.90	311,500	8.90
3 Bellad Automobiles Engineers P Ltd.	258,000	7.00	258,000	7.00

Note - 2 Reserves and Surplus

1 General Reserve		
2 Profit & Loss A/C	(33,462,344)	(33,739,964)
Openig Balance		
Add: Additions During the year	(1,317,878)	277,620
Less: Utilizations during the year		
Closing Balance	(34,780,222)	(33,462,344)
Profit & Loss A/C (Debit Balance)		
Total In ₹	<u>(34,780,222)</u>	<u>(33,462,344)</u>

Note - 3 Other Long term Liabilities

1 Loan from Directors	0	158,449
2 Other Loans & Advances	610,500	404,198
Total In ₹ ‘	<u>610,500</u>	<u>562,647</u>

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

PARTICULARS	As at 31st March, 2013	As at 31st March, 2012
Note - 4 Short Term Borrowings		
1 <u>Trade Payables</u>		
S. Creditors for Purchases	0	177,941
Total In ₹	0	177,941
Note - 5 Other Short Term Liability		
S. Creditors for Expenses	10,000	0
Total In ₹	10,000	0
Note -08 Trade Receivables		
<u>Trade Recievables (Less than Six Months)</u>		
ii) Unsecured, Considered Good		
Bellad Auto Parts	0.00	851,757.00
Total In ₹	0.00	851,757.00
Note -09 Cash and Cash Equivalent		
1 Balance With Bank		
Allahabad Bank	13,431	
State Bank Of India		1,082.00
Mahalaxmi Co-Op. bank	52,142.00	52,142.00
Gurusiddeshwar Bank Ltd		15,006.00
3 Cash on Hand	277,482.00	16,968.00
Total In ₹	343,055	85,198.00
Note -10 Short Term Loans and Advances		
2 <u>Others</u>		
Advances Salary	0.00	6,459.00
Total In ₹	0.00	6,459.00

Note - 6 Fixed Assets

Amount in Rs.

Particulars	GROSS BLOCK					DEPRECIATION			NET BLOCK		
	Rate of Depreciation	Value as on 01.04.2012	Addition During the year	Deletion During the Year	Value as on 31.03.2013	Depreciation as on 01.04.2012	Addition During the year	Deletion During the Year	Depreciation as on 31.03.2013	WDV as on 31-3-2013	WDV as on 31-3-2012
(A) Tangible Assets											
2 Plant & Machinery											
Plant and Machinery	13.91	552,648			552,648		76,873		76,873	475,775	552,648
Tools & jigs & furniture	13.91	27,182			27,182		3,781		3,781	23,401	27,182
TOTAL		579,830	0	0	579,830	0	80,654	0	80,654	499,176	579,830

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

PARTICULARS	As at 31st March, 2013	As at 31st March, 2012
Note -11 Other Income		
Job work Charges Received	1,491,000	2,051,790
Total In ₹	<u>1,491,000</u>	<u>2,051,790</u>
Note -12 Cost of Material Consumed		
1 OTHER MATERIAL & CONSUMABLES	840,420	1,014,029
Total In ₹	<u>840,420</u>	<u>1,014,029</u>
Note - 13 Employee Benefit Expenses		
Salaries to Employees	388,500	614,900
Total In ₹	<u>388,500</u>	<u>614,900</u>
Note -14 Depreciation and Amortization Expenses		
1 Depreciation	80,654	47,013
Total In ₹	<u>80,654</u>	<u>47,013</u>
Note -15 Other Expenses		
Audit Fees	10,000	10,000
Accounting Charges	7,500	
Bank Charges	14,622	
BSE Reinstatement Fees	1,348,320	
Conveyance & Travelling Expenses	12,750	18,560
NSDL Fees	68,000	
Printing And Stationery	28,900	10,884
Registrar & Transfer Agent	7,259	
Legal Fees		7,500
Listing Fees		17,180
Postage & Courier		4,384
Frieght Charges		2,150
Miscellaneous Exps.		20,370
Website Maintainance		7,200
Total In ₹	<u>1,497,351</u>	<u>98,228</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2013

	As at 31st March, 2013	As at 31st March, 2012
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	(1,315,925.00)	277,620.00
<i>Adjustments for:</i>		
Depreciation and amortisation	80,654	47,013
Interest paid		
Amortisation of share issue expenses and discount on shares		
(Profit) / loss on sale / write off of assets		
Less: Interest Received		
Provision no longer required		
Operating profit / (loss) before working capital changes	(1,235,271.00)	324,633.00
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Trade receivables	851,757	119,822
Short-term loans and advances	6,459.00	
Other current assets		
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	(177,941.00)	8,511.00
Other current liabilities	10,000.00	
Other long-term liabilities		
Cash flow from extraordinary items		
Net income tax (paid) / refunds		
Net cash flow from / (used in) operating activities (A)	(544,996.00)	452,966.00
B. Cash flow from investing activities		
Purchase/sale of fixed assets	-	-
Purchase of long-term investments	-	-
Interest received	-	-
Dividend received	-	-
Net cash flow from / (used in) investing activities (B)	-	-
C. Cash flow from financing activities		
Secured/Unsecured loans	47,853.00	(445,820.00)
Proceeds from issue of equity shares		
Call in arrears money Received	755,000.00	
Proceeds from long-term borrowings		
Repayment of long-term borrowings		
Dividends paid		
Net cash flow from / (used in) financing activities (C)	802,853.00	(445,820.00)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	257,857.00	7,146.00
Cash and cash equivalents at the beginning of the year	85,198	78,052
Cash and cash equivalents at the end of the year	343,055	85,198

For and on behalf of the Board Directors

Place : Hubli
Date : 29th May, 2013

Sd/-
Mr. S.G.Bellad
Director

Sd/-
Mrs. Meena Umachagi
Director

AUDITORS' CERTIFICATE

We have examined the attached Cash Flow Statement of BELL AGROMACHINA LIMITED for the period ended 31st March, 2013. 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 29.05.2013 to the members of the Company.

In terms of our Certificate of even date

For H N Adinavar

Chartered Accountants

Sd/-

(H N Adinavar)

Membership No.023757

Firm No:0000425

Place : Hubli

Date : 29th May, 2013

BELL AGROMACHINA LIMITED

Jodalli Village, Kalghatagi, Dharwad - 580 114, Karnataka

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 **24th Annual General Meeting** of the Company at the registered office of the Company situated at Jodalli Village, Kalghatagi, Dharwad - 580 114, Karnataka on **Wednesday the 11th September, 2013 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

Jodalli Village, Kalghatagi, Dharwad - 580 114, Karnataka

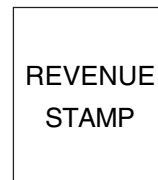
PROXY FORM

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 **24th Annual General Meeting** of the Company to be held at the registered office of the Company situated at Jodalli Village, Kalghatagi, Dharwad - 580 114, Karnataka on **Wednesday the 11th September, 2013 at 03.30 p.m.** and at any adjournment thereof.

Signed this.....day of, 2013.

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**

TO:

If Undelivered, please return to :
BELL AGROMACHINA LIMITED
Jodalil Village, Kalghatagi,
Dharwad - 580 114, Karnataka