



BLB Commodities Limited

FINANCIAL STATEMENTS

for Financial Year ended 31st March, 2014

INDEPENDENT AUDITORS' REPORT

To the Members of BLB COMMODITIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of BLB Commodities Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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 Principles generally accepted in India including Accounting Standards referred to in Sub-Section (3C) of the Section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 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, but not for the purpose of expressing an opinion on the effectiveness of the companies internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of 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.



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, 2014;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said 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 and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
 - c) the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account and with the returns received from branches not visited by us;
 - d) in our opinion the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 notified under the Companies Act read with the General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
 - e) on the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the Directors of the Company is disqualified as on 31st March, 2014, from being appointed as a Director under Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.

For ROHIT K C JAIN & CO.
Chartered Accountants
F.R.No 020422N


(CA. ROHIT JAIN)
Partner
M.No.099444

Place: New Delhi
Dated: 27/05/2014

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- i) In respect of its fixed assets:
- The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - As explained to us, the fixed assets have been physically verified by the management at periodic intervals, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies between the book records and the physical inventory were noticed.
 - The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- ii) In respect of its inventories:
- The stock in trade of commodities of the company lying with the exchange accredited warehouses and other warehouses are physically verified by the management with the warehouse receipt received from the respective warehouses. The commodities held in Demat form with custodian, are verified with the Demat statements received from them on regular basis. The commodities lying at other locations / transit are verified from other relevant documents.
 - In our opinion the procedure followed for physical verification of inventory by the Management is reasonable & adequate in relation to the size of the company and the nature of its business.
 - In our opinion, the Company has maintained proper inventory records. No discrepancies were noticed on verification of stocks referred above, as compared to book records except 10.08 MT of Guarseed which has been unauthorizedly released by the Warehouse to the supplier during FY 2011-12, the Company has taken appropriate action for the restoration of the said goods. The management is confident of getting back the goods.
- iii) In respect of its loans:
- Since the Company has not granted any loan, secured or unsecured to any parties covered in register maintained under section 301 of the companies Act, 1956 during the year hence the provisions of sub clause (b) to (d) of clause 4(iii) of Companies (Auditor's Report) Order 2003 are not applicable to the Company.
 - The Company has taken interest free loan from its holding company besides a loan from an individual covered in the register maintained under Section 301 of the Companies Act, 1956 during the year. The maximum amount involved during the year was ₹ 1935 Lacs and the year-end balance of such loan was ₹ 1450 lacs.
 - In our opinion, the rate of interest and other terms and conditions of such unsecured loans taken by the Company are prima facie, not prejudicial to the interest of the Company.
 - In our opinion and according to the information and explanations given to us the Company is regular in making the payment of the principal amount and interest as stipulated.



- iv) Having regard to the nature of the Company's business and based on our scrutiny of records of the company and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and sale of goods and services. During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- v) In respect of its contracts or arrangements referred to in Section 301 of the Companies Act 1956:
- In our opinion and according to the information and explanations given to us, we are of the opinion that Particulars of Contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that Section; and
 - In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangement entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) According to the information and explanations given to us, the company has not accepted any deposits from the public, therefore the provisions of Clause 4(vi) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- vii) In our opinion, the company has an in-house internal audit system commensurate with the size and nature of its business.
- viii) Looking to the nature of business carried by the Company, the provisions of Clause 4(viii) of the Companies (Auditor's Report) Order 2003 regarding maintenance of cost records are not applicable to the Company.
- ix) According to the information and explanations given to us and the records of the Company examined by us in respect of statutory dues:
- The company is regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Service Tax, VAT, Sales Tax, Custom Duty and other material statutory dues applicable to it with the appropriate authority.
 - There were no undisputed amounts payable in respect of Provident Fund, Income Tax, Service Tax, VAT, Sales Tax, Custom Duty and other material statutory dues in arrears as at 31st March 2014 for a period of more than six months from the date they became payable.
 - Details of dues not acknowledged by the company as at 31/03/2014 due to disputes as given hereunder:

Name of statute	Nature of Dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where disputes are pending
Indian Stamp (Delhi Amendment) Act, 2010	Stamp Duty	4.18	01/06/2010 – 26/07/2010	Hon'ble Delhi High Court
Gujarat Value Added Tax, 2003	GVAT	28.66	01/04/2010 – 18/11/2011	DC(Appeals), GVAT, Ahmedabad



- x) Since the Company does not have accumulated losses as at 31st March, 2014, as such the provisions of Clause 4(x) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xi) In our opinion and according to the information and explanations give to us, the Company has not defaulted in repayment of dues to banks or financial institutions.
- xii) In our opinion and according to the information and explanations given to us, since the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, the provisions of Clause 4(xii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv) As per records of the Company and the information and explanations given to us by the management, Company is not dealing or trading in shares, securities, however the company has made certain investments in shares and securities. In our opinion, the company has maintained proper records of transactions and contracts of investments and has made timely entries therein. The aforesaid investments have been held by the Company in its own name.
- xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi) According to the records of the company and the information and explanations given to us, the company has not obtained any term loans, therefore the provisions of Clause 4(xvi) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the company has used some funds raised on short term basis for long term investment by the company. The company has invested ₹1127 lacs towards purchased of capital assets out of which ₹832 lacs have been used from average short-term borrowing of ₹ 5541 lacs.
- xviii) The Company has not made any preferential allotment of shares hence the provisions of Clause 4(xviii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company
- xix) The Company has not issued any debentures during the year, hence the provisions of Clause 4(xix) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.



- xx) The Company has not raised any money by way of public issue during the year, hence the provisions of Clause 4(xx) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- xxi) According to the information and explanations given to us, no fraud on or by the Company and no material fraud on the Company has been noticed or reported during the course of our audit.

Place: New Delhi
Dated: 27/05/2014

For ROHIT K C JAIN & CO.
Chartered Accountants
F.R.No.020422N


(CA. ROHIT JAIN)
Partner
M.No.099444

BALANCE SHEET AS AT 31st MARCH, 2014

PARTICULARS	NOTE NO.	AS AT	AS AT
		31.03.2014	31.03.2013
		₹	₹
I) EQUITY AND LIABILITIES			
1) SHAREHOLDER'S FUNDS			
a) Share capital	3	70,000,000	70,000,000
b) Reserves and surplus	4	50,036,039	41,826,120
		<u>120,036,039</u>	<u>111,826,120</u>
2) NON-CURRENT LIABILITIES			
a) Deferred tax liabilities (Net)	5	577,781	347,745
3) CURRENT LIABILITIES			
a) Short-term borrowings	6	523,869,810	584,395,054
b) Trade payables	7	11,328,269	48,194,925
c) Other current liabilities	8	25,423,891	55,279,070
d) Short-term provisions	9	3,900,000	3,300,000
Total		<u>685,135,790</u>	<u>803,342,914</u>
II) ASSETS			
1) Non-current assets			
a) Fixed assets			
i) Tangible assets	10(i)	17,480,252	15,569,670
ii) Intangible assets	10(ii)	31,594	52,657
ii) Capital Work in Progress	10(iii)	32,661,044	-
		<u>50,172,890</u>	<u>15,622,327</u>
b) Long term loans and advances	11	124,830,335	48,310,900
c) Other non-current assets	12	18,882,291	25,758,208
(2) Current assets			
a) Current investments	13	-	39,907
b) Inventories	14	159,784,490	401,415,069
c) Trade receivables	15	93,099,599	67,734,859
d) Cash and cash equivalents	16	143,715,969	183,761,915
e) Short term loans and advances	17	68,560,134	49,302,477
f) Other current assets	18	26,090,082	11,397,252
Total		<u>685,135,790</u>	<u>803,342,914</u>

Significant Accounting Policies and Notes on
Financial Statements

1 to 41

As per our report of even date annexed
For ROHIT K C JAIN & CO
Chartered Accountants
FRN - 020422N

For and on behalf of the Board of Directors

CA. ROHIT JAIN
Partner
Membership No. -099444

BRIJ RATTAN BAGRI
Director

VIKRAM RATHI
Director

ANSHUL MEHRA
Whole Time Director

NIKITA BAHL
Company Secretary

Place: New Delhi
Date: 27th May, 2014

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31st MARCH, 2014

PARTICULARS	NOTE NO.	2013-2014	2012-2013
		₹	₹
INCOME			
a) Revenue from operations	19	2,139,480,861	2,054,730,413
b) Other income	20	7,812,038	9,401,104
Total Revenue		2,147,292,899	2,064,131,517
EXPENDITURE			
a) Purchase of stock-in-trade	21	1,461,178,355	1,836,955,365
b) Change in inventories of stock-in-trade	22	241,630,579	(68,529,503)
c) Employee benefit expense	23	21,780,099	21,570,203
d) Financial costs	24	24,593,620	19,790,165
e) Depreciation & amortization expenses	25	1,316,661	1,209,042
f) Other expenses	26	384,223,312	241,752,251
Total Expenses		2,134,722,626	2,052,747,523
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		12,570,273	11,383,994
Less: Exceptional items	27	(84,757)	102,816
PROFIT BEFORE TAX		12,655,030	11,281,178
Less: Tax expenses			
- Current tax		3,900,000	3,300,000
- Deferred tax		230,036	303,447
- Taxes relating to earlier years		315,075	-
PROFIT AFTER TAX FOR THE PERIOD		8,209,919	7,677,731
EARNINGS PER SHARE			
a) Basic earnings per share (₹)		1.17	1.10
b) Diluted earnings per share (₹)		1.17	1.10
Significant Accounting Policies and Notes on Financial Statements	1 to 41		

As per our report of even date annexed
For ROHIT K C JAIN & CO
Chartered Accountants
FRN - 020722N

CA. ROHIT JAIN
Partner
Membership No. -099444

Place: New Delhi
Date: 27th May, 2014

For and on behalf of the Board of Directors

BRIJ RAJAN BAGRI
Director

ANSHUL MEHRA
Whole Time Director

VIKRAM RATHI
Director

NIKITA BAHL
Company Secretary

CASH FLOW STATEMENT FOR THE PERIOD FROM 1st APRIL, 2013 TO 31st MARCH, 2014

PARTICULARS	NOTE NO.	2013-2014	2012-2013
		₹	₹
A) CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax as per Statement of Profit and Loss		12,655,030	11,281,178
Adjustment for:			
Depreciation		1,178,866	970,245
Loss/(Profit) on sale/Discard of Assets (Net)		(94,609)	12,799
Interest on secured loans		21,444,681	16,835,195
Gain on Sale of investments (Net)		(189,731)	(244,079)
Miscellaneous expenditure written off		137,795	238,797
Operating profit before working capital changes		35,132,032	29,093,685
Adjustment for:			
Trade & other receivables excluding direct taxes		189,738,276	(150,519,797)
Trade payables		(66,721,835)	76,353,602
Cash generated from operations		158,148,473	(45,072,510)
Direct taxes paid.		(4,299,877)	(4,028,472)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		153,848,596	(49,100,982)
B) CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		(36,017,231)	(12,925,025)
Capital advances		(76,519,435)	(28,310,900)
Sale of Fixed Assets		382,411	22,000
Income from investments			
Purchase of Investments		(151,000,000)	(223,000,000)
Sale/Redemption of investments		151,229,638	223,204,122
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		(111,924,617)	(41,009,803)
C) CASH FLOW FROM FINANCING ACTIVITIES :			
Interest on secured loans		(21,444,681)	(16,835,195)
Secured loans		(51,021,744)	305,951,419
Unsecured loans		(9,503,500)	(134,000,000)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)		(81,969,925)	155,116,224
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	16	(40,045,946)	65,005,438
Cash and Cash Equivalents - Opening Balance		183,761,915	118,756,477
Cash and Cash Equivalents - Closing Balance		143,715,969	183,761,915

As per our report of even date annexed
For ROHIT K C JAIN & CO
Chartered Accountants
FRN - 020422N

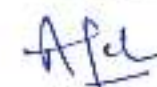

CA. ROHIT JAIN
Partner
Membership No. -099444

Place: New Delhi
Date: 27th May, 2014

For and on behalf of the Board of Directors


BRIJ RATTAN BAGRI
Director


VIKRAM RATHI
Director


ANSHUL MEHRA
Whole Time Director


NIKITA BAHL
Company Secretary

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS

1) **Background:**

The company BLB Commodities Limited incorporated under the Companies Act, 1956 on 23/08/2003 with the main object to carry on the activities of trading in commodities in India and overseas and commodities derivatives. It is wholly owned subsidiary of BLB Limited.

2) **Significant Accounting Policies:**

a) **Basis of preparation of financial statements**

The financial statements have been prepared to comply all material respects with the Notified Accounting Standard by Companies Accounting Standards Rules, 2006 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.

b) **Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

c) **Inventories**

i) Inventories are valued at cost or net realizable value, whichever is lower on the balance sheet date. In case of hedged inventories adjusted carrying amount (arrived at by applying provisions of AS-30) becomes the cost. The comparison of cost and market value is done separately for each category of commodities. Cost is considered on specific identification of their individual lots.

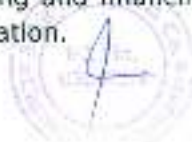
ii) The Cost of Inventories represents cost of purchase and expenses incurred on bringing the items of inventory to their present location and condition (cost excludes VAT, excise duty and location premium of exchange which are subsequently recoverable). Inventories do not include commodities held in trust on behalf of its principals under agency agreements.

d) **Cash & Cash Equivalents**

Cash & Cash Equivalents includes cash-in-hand, balances with banks, cheques in hand and bank deposits with less than 12 months maturity. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

e) **Cash Flow Statement**

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



f) **Tangible Assets**

Tangible assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any other directly attributable costs of bringing the asset to its working condition for its intended use.

g) **Intangible Assets**

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the asset can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

h) **Depreciation and Amortization**

- i) Depreciation on fixed assets is provided on written down value method in the manner as specified in Schedule XIV to the Companies Act, 1956.
- ii) Depreciation on assets costing ₹ 5,000/- or below is provided at the rate of hundred percent in the year of purchase.
- iii) Preliminary expenses and Share Issue Expenses are amortized over a period of five years.
- iv) Admission fee given to Various Commodity Exchanges is being treated as deferred revenue expenditure and same is being written off in Five years.

i) **Revenue Recognition**

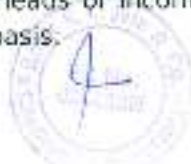
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Sale of product and services

- i) Revenue from sales is recognized at the transfer of significant risks and rewards of ownership to the buyer.
- ii) Income from Brokerage is recognized net of service tax if any on the date of the transaction
- iii) In respect of derivatives contracts gains/losses of settled contracts during the year are recognized in the statement of profit and loss and the contracts which are not settled on the balance sheet date are valued at prevailing market price and the resultant gains/losses is recognized in the Statement of Profit and Loss.
- iv) In respect of transactions covered by forward contracts, the difference between the forward rate and the spot/exchange rate at the date of transaction is recognized as income or expense over the life of the contract. Any profit or loss on arising on the cancellation of forward contracts is recognized as income or as expense for the period.

Other Income

- i) Dividend income is accounted for on receipt basis.
- ii) Gain on sale of Investment is recorded on transfer of title from the Company and is determined as the difference between the sale price and carrying value of the Investment
- iii) In respect of Interest & Other heads of income, the company follows the practice of recognizing income on accrual basis.



j) Investments

- i) Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as Non-Current Investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis.
- ii) Non-Current Investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

k) Employee Benefits

The Company's employee benefits cover provident fund, gratuity and leave encashment, retirement benefits are dealt with in the following manner:-

- i) Provident fund is accounted on accrual basis with contribution made to appropriate Government Authorities.
- ii) Leave encashment is determined and paid on the basis of accumulated leaves to the credit of each employee at the month end.
- iii) The company provides for gratuity to all employees in terms of payment of Gratuity Act, 1972. The liability is determined on the basis of Actuarial Valuation and is funded with MAX New York Life Insurance Company Limited and IndiaFirst Life Insurance Company Limited.

l) Borrowing Costs

Borrowing costs are capitalized as part of the cost of qualifying asset when it is possible that will result in future economic benefits and the cost can be measured reliably. Other borrowing costs are recognized as an expense in the period in which they are incurred.

m) Earning Per Share

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

n) Operating Leases

The Company has entered into operating lease agreements. The operating lease agreements are one under which assets have been transferred by the lessor to the lessee for use purposes and risk & rewards of ownership are retained by the lessor. Lease rentals in respect of operating lease are recognized as revenue expenditure and accordingly charged to revenue on accrual basis.



o) Income Tax

- i) Tax expense for the year, comprising current tax and deferred tax are provided in the accounts for determination of net profit for the year.
- ii) Deferred tax is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

p) Impairment of Assets

- i) The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the assets or the recoverable amount of the cash generating unit to which the assets belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit & loss account.
- ii) If at the balance sheet date there is an indication that the assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

q) Provisions, Contingent Liabilities and Contingent Assets

- i) The company creates a provision where there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.
- ii) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may but probably will not require an outflow of resources.
- iii) When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote no provision or disclosure is made.
- iv) Contingent assets are neither recognized nor disclosed in the financial statements.

r) Foreign Exchange Transactions

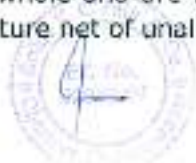
- i) Transactions denominated in foreign currency are recorded at the exchange rate prevailing at the time of the transaction.
- ii) Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year-end rates and the difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions other than those relating to fixed assets and Non-Current Investments are recognized in the Statement of Profit and Loss.

s) Financial Derivatives and Commodity Hedging Transactions

In respect of derivatives contracts gains/losses on settlement are recognized in the Statement of profit and loss.

t) Segment Reporting

Segments are identified based on dominant source and nature of risks and returns and the internal organization and management structure. Inter segment revenue are accounted for on the basis of transactions which are primarily market led. Revenue and expenses which relate to enterprises as a whole and are not attributable to segments are included under "other unallocable expenditure net of unallocable income".



PARTICULARS	AS AT	AS AT
	31.03.2014	31.03.2013
	₹	₹

3) SHARE CAPITAL

a) Authorised

7,500,000 Equity Shares of ₹ 10/- each (Previous Year: 7,500,000 Equity Shares of ₹ 10/- each)	75,000,000	75,000,000
	<u>75,000,000</u>	<u>75,000,000</u>

b) Issued, Subscribed and Paid up

Equity: 7,000,000 Equity Shares of ₹ 10/- each (Previous Year : 7,000,000 Shares of ₹ 10/- each)	70,000,000	70,000,000
	<u>70,000,000</u>	<u>70,000,000</u>

c) The Company has only one class of shares i.e. equity shares having a face value of ₹ 10/- each. Holder of equity share(s) is entitled to one vote per share.

d) Disclosure pursuant to Note No. 6(A)(d) of Part I of Schedule VI to the Companies Act, 1956 for Equity Shares

Shares Outstanding at beginning of the year	7,000,000	7,000,000
Shares Issued during the year	-	-
Shares Issued and brought back during the year	-	-
Shares Outstanding at the end of the year	<u>7,000,000</u>	<u>7,000,000</u>

e) Disclosure pursuant to Note No. 6(A)(f) of Part I of Schedule VI to the Companies Act, 1956

7,000,000 Equity Shares (Previous Year: 7,000,000 Equity Shares) are held by BLB Limited, the holding Company alongwith its nominee shareholders.

f) Disclosure pursuant to Note No. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956

Name of Shareholder	AS AT		AS AT
	31.03.2014		31.03.2013
	No. of Shares Held	% of Holding	No. of Shares Held
BLB Limited, holding Company (alongwith its nominee shareholders)	7,000,000	100	7,000,000

PARTICULARS	AS AT	AS AT
	31.03.2014	31.03.2013
	₹	₹

4) RESERVES & SURPLUS

i) Surplus in the statement ofProfit & Loss account

Opening balance	16,826,120	9,148,389
Add: Profit for the year	8,209,919	7,677,731
	<u>25,036,039</u>	<u>16,826,120</u>

ii) Securities premium account

Opening Balance	25,000,000	25,000,000
	<u>25,000,000</u>	<u>25,000,000</u>
Total (i + ii)	<u>50,036,039</u>	<u>41,826,120</u>



PARTICULARS	AS AT	AS AT
	31.03.2014	31.03.2013
	₹	₹
5) DEFERRED TAX LIABILITIES (Net)		
<u>Deferred Tax Liabilities</u>		
Related to Fixed Assets	577,781	347,745
Total	<u>577,781</u>	<u>347,745</u>
6) SHORT TERM BORROWINGS		
<u>SECURED LOAN</u> (Refer Note No. 6(i))		
<u>Working Capital Loans</u>		
From Banks:		
Foreign Currency Loans	194,616,028	161,081,265
Rupee Loans	149,257,282	233,813,769
<u>UNSECURED LOAN</u> (Refer Note No. 6(ii))		
from Related Parties:		
Holding Company	95,000,000	123,000,000
Director	50,000,000	41,500,000
from Banks:		
Rupee Loans	34,996,500	-
from Others:		
Other	-	25,000,000
	<u>523,869,810</u>	<u>584,395,054</u>
Additional Information		
i. a) Foreign Currency Loans includes ₹ 1222.77 lacs taken from bank, secured against FDR's, properties held in the personal name of Director of the Company & his relatives. (Previous year : ₹ 733.75 lacs)		
b) Foreign Currency Loans includes ₹ 723.39 lacs taken from bank, Secured against FDR's, properties held in the name of Company, current assets of the Company and properties held in the name of Holding Company. (Previous year : ₹ 877.06 lacs)		
c) Rupee loan includes a loan of ₹ 1115.21 lacs taken from bank, Secured against FDR's, properties held in the name of Holding company and in the personal name of Director of the Company and his relatives. (Previous year: ₹ 1,166.36 lacs)		
d) Rupee loan includes a loan of ₹ 377.76 lacs taken from bank, secured by Pledge of Commodities held in the name of Company. (Previous year : ₹ 1,171.76 lacs)		
e) The borrowings from banks are additionally secured by the unconditional and irrevocable corporate guarantees given by Holding company and personal guarantees given by two Directors of the Company.		
ii. All unsecured loans taken are repayable on demand. Loan from Holding Company is interest free and all other loans are interest bearing.		
7) TRADE PAYABLE		
Creditors for purchases and services	11,328,269	48,194,925
	<u>11,328,269</u>	<u>48,194,925</u>
8) OTHER CURRENT LIABILITIES		
Interest accrued and due on secured loans	245,207	309,163
Interest accrued and due on unsecured loans	4,156,890	7,980,040
Advances from customers	2,339,848	13,896,520
Creditors for Other Liabilities	18,681,946	33,093,347
	<u>25,423,891</u>	<u>55,279,070</u>
9) SHORT-TERM PROVISIONS		
Provision for taxation	3,900,000	3,300,000
	<u>3,900,000</u>	<u>3,300,000</u>



10) FIXED ASSETS

(Amount in ₹)

DESCRIPTION	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION				NET BLOCK (WDV)	
	AS AT 31.03.2013	ADDITIONS	DEDUCTIONS	AS AT 31.03.2014	AS AT 31.03.2013	FOR THE YEAR	DEDUCTIONS	AS AT 31.03.2014	AS AT 31.03.2014	AS AT 31.03.2013
I) TANGIBLE ASSETS										
BUILDING	14,677,063	1,514,406	-	16,191,469	531,476	732,797	-	1,264,273	14,927,196	14,145,587
COMPUTERS	1,518,638	210,475	634,400	1,094,713	1,216,470	127,436	626,299	717,607	377,106	302,168
FURNITURE & FIXTURES	127,168	410,912	-	538,080	21,063	52,012	-	73,075	465,005	106,105
INVERTER	6,650	13,000	-	19,650	999	1,267	-	2,266	17,384	5,651
PLANT & MACHINERY	1,072,632	667,394	37,650	1,702,376	346,627	190,473	1,606	533,494	1,168,882	726,005
VEHICLE	529,000	540,000	529,000	540,000	244,647	53,618	283,344	15,321	524,679	284,153
CURRENT YEAR TOTAL	17,931,151	3,356,187	1,201,050	20,086,288	2,361,482	1,157,603	913,249	2,606,036	17,480,252	15,569,669
PRIOR YEAR TOTAL	5,045,227	12,925,025	39,100	17,931,152	1,431,143	935,140	4,801	2,361,482	15,569,669	3,614,084
II) INTANGIBLE ASSETS										
COMPUTER SOFTWARE	260,400	-	-	260,400	207,743	21,063	-	228,806	31,594	52,657
CURRENT YEAR TOTAL	260,400	-	-	260,400	207,743	21,063	-	228,806	31,594	52,657
PRIOR YEAR TOTAL	260,400	-	-	260,400	172,638	35,105	-	207,743	52,657	87,762
III) CAPITAL WORK IN PROGRESS										
BUILDING	-	32,951,956	290,912	32,661,044	-	-	-	-	32,661,044	-
CURRENT YEAR TOTAL	-	32,951,956	290,912	32,661,044	-	-	-	-	32,661,044	-
PRIOR YEAR TOTAL	-	-	-	-	-	-	-	-	-	-
GRAND TOTAL OF ASSETS	18,191,551	36,308,143	1,491,962	53,007,732	2,569,225	1,178,866	913,249	2,834,842	50,172,890	15,622,326



PARTICULARS	AS AT	AS AT
	31.03.2014	31.03.2013
	₹	₹
11) LONG-TERM LOANS & ADVANCES		
Unsecured, considered goods		
Capital advances	114,830,335	38,310,900
Share application money	10,000,000	10,000,000
	<u>124,830,335</u>	<u>48,310,900</u>
12) OTHER NON-CURRENT ASSETS		
Deposits with Commodities exchanges and other deposits	13,651,613	21,074,538
Taxes Paid (Net of provisions)	5,222,878	4,538,075
Share issue expenses	7,800	73,350
Membership expenses	-	72,245
	<u>18,882,291</u>	<u>25,758,208</u>
13) CURRENT INVESTMENTS		
Investment in Mutual Fund		
(Unquoted - stated at lower of cost or fair value)		
- UTI Mutual Fund (par value ₹ 100 each)		
(Units: Current year : Nil, Previous year: 21,328)	-	39,907
	-	<u>39,907</u>
Additional Information:		
Aggregate cost of unquoted investments	-	39,907
Aggregate net assets value of units	-	40,201
14) INVENTORIES		
Stock in trade (As valued & certified by one of the directors)		
Commodities held as stock-in-trade		
(Refer Note No. 14(i) & (ii))	159,784,490	401,415,069
	<u>159,784,490</u>	<u>401,415,069</u>
Additional Information		
i) The stocks of agri-commodities of the value of ₹ 466.93 Lacs have been pledged with various banks towards short term loan. (Previous year: ₹ 1,736.30 Lacs).		
ii) During FY 2011-12, the authorised warehouse keeper of the commodity exchange has released 10,000 MT of Guarsed without permission to the supplier of goods. The company has taken appropriate action for the restoration of the said goods and the management is confident of getting back the goods.		
15) TRADE RECEIVABLE		
Confirmed, Secured		
- Over six months [Refer Note No. 15(i)]	18,688,453	18,431,452
	<u>18,688,453</u>	<u>18,431,452</u>
Unconfirmed, unsecured but considered good		
- Over six months	860,881	-
- Others [Refer Note No. 15(ii)]	73,550,265	49,303,407
	<u>74,411,146</u>	<u>49,303,407</u>
Additional Information		
i) Debtors includes ₹ 184.31 lacs (previous year : ₹ 184.31 lacs due from two parties and is secured by mortgage of Property of Guarantor, in favour of the Company		
ii) Others Debtors includes debts due amounting to ₹ 28.77 from fellow subsidiary company.		
16) CASH & CASH EQUIVALENTS		
Balances with banks		
In current account	66,925,463	88,427,477
In fixed deposit [Refer Note No. 16(i) & (ii)]	66,924,567	80,521,097
Cash in Hand	9,865,939	14,813,341
	<u>143,715,969</u>	<u>183,761,915</u>
Additional Information		
i) Fixed deposits with banks includes deposits of ₹ 340.00 lacs (previous year: ₹ 385.40 lacs) with an original maturity of more than 12 months.		
ii) Bank Fixed Deposits have been pledged as follows:		
a) ₹ 81.56 Lacs with various Commodity Exchanges and other authorities (Previous year ₹ 23.81 Lacs).		
b) ₹ 586.18 Lacs with various Bank against various facilities availed from the Banks. (Previous year ₹ 654.65 Lacs).		
iii) FDH's includes ₹ 75.00 lacs held as margin on behalf of clients. Out of the above ₹ 45.00 lacs pertain to relative of one of director of the company.		



PARTICULARS	AS AT	AS AT
	31.03.2014	31.03.2013
	₹	₹
17) SHORT TERM LOANS AND ADVANCES		
<u>Unsecured, considered good</u>		
Balances with VAT, Customs and other authorities	51,869,801	28,842,822
Prepaid expenses	1,034,333	894,494
Advances to suppliers	15,656,000	19,565,161
	<u>68,560,134</u>	<u>49,302,477</u>
18) OTHER CURRENT ASSETS		
<u>Unsecured, considered good</u>		
Advances recoverable in cash or in kind or for value to be received	9,569,855	10,647,137
Other current assets	16,520,227	750,115
	<u>26,090,082</u>	<u>11,397,252</u>
	<u>2013-14</u>	<u>2012-13</u>
	₹	₹
19) REVENUE FROM OPERATIONS		
Income from operation		
Sales of products (Refer Note No. 35)	2,133,511,678	2,024,244,848
Derivatives(Net) related to Physical Deliveries (Refer Note No. 19)(i)	(6,442,910)	10,547,112
Other operating income		
Profit on Settlement of contracts (Net)	12,412,093	19,938,453
	<u>2,139,480,861</u>	<u>2,054,730,413</u>
<i>Additional Information</i>		
i) The amount represents mark-to-market margins paid / received during the year against sale contracts which were hedged and finally settled by making physical deliveries.		
20) OTHER INCOME		
Net Gain on Sale of investments	189,731	244,029
Interest income	4,440,237	4,218,195
Brokerage income	11,356	14,603
Miscellaneous income	3,076,105	3,381,412
Profit on sale	94,609	-
Exchange rate difference	-	1,542,865
	<u>7,812,038</u>	<u>9,401,104</u>
21) PURCHASES OF STOCK-IN-TRADE		
Purchase of products (Refer Note No. 35)	1,461,178,355	1,836,955,365
	<u>1,461,178,355</u>	<u>1,836,955,365</u>
22) CHANGE IN INVENTORIES OF STOCK-IN-TRADE		
Stock in trade at the beginning of the year	401,415,069	332,885,566
Less: Stock in trade at the end of the year	159,784,490	401,415,069
	<u>241,630,579</u>	<u>(68,529,503)</u>
23) EMPLOYEE BENEFIT EXPENSES		
Salary, Bonus, Incentives & Others	19,428,616	19,656,635
Employer's Contribution to P.F., ESI Etc.	1,328,959	1,067,021
Staff welfare	308,561	494,667
Recruitment expenses	713,963	351,880
	<u>21,780,099</u>	<u>21,570,203</u>



PARTICULARS	2013-14	2012-13
	₹	₹
24) FINANCIAL COST		
Bank guarantee commission	470,971	655,023
Bank charges	2,677,968	2,299,947
Interest on loans	21,444,681	16,835,195
	<u>24,593,620</u>	<u>19,790,165</u>
<i>Additional Information</i>		
<i>During the year the company capitalised borrowing cost of ₹ 2,521,605/ on capital advances.</i>		
25) DEPRECIATION AND AMORTISATION EXPENSES		
Membership expenses written off	72,245	173,247
Share issue expenses written off	65,550	65,550
Depreciation	1,178,866	970,245
	<u>1,316,661</u>	<u>1,209,042</u>
26) OTHER EXPENSES		
Administrative Expenses		
Advertisement	5,806	105,702
Auditor's remuneration (Refer Note No.34)	487,081	328,553
Computer & software expenses	224,429	256,901
Donation	-	160,000
Electricity expenses	1,192,953	1,125,392
Legal & professional expenses	3,909,579	3,815,233
Loss on sale/Discard of Assets (Net)	-	12,299
Office & miscellaneous expenses	1,527,505	1,286,305
Postage & Courier expenses	875,828	646,181
Printing & stationery	251,002	232,250
Rates & taxes	40,492	117,248
Rent & hire charges	8,752,614	8,638,712
Repair & maintenance	739,681	664,219
Telephone expenses	1,380,663	1,215,915
Traveling & conveyance expenses	12,883,100	7,543,752
	<u>32,270,733</u>	<u>26,148,662</u>
Operational Expenses		
Clearing & forwarding charges	27,342,583	34,561,200
Commission and brokerage	740,599	2,160,254
Commodity exchange expenses	709,848	453,882
Consumable expenses	14,458,887	11,926,882
Exchange rate difference	27,099,288	-
Freight expenses	204,017,130	111,674,476
Import duty paid	66,559,929	43,546,180
Insurance charges	1,743,456	803,523
Sampling cost	78,427	84,374
Tele communication expenses	291,596	399,267
Transaction charges	802,159	734,656
Warehousing, DP & assaying charges	8,108,677	9,258,895
	<u>351,952,579</u>	<u>215,603,589</u>
	<u>384,223,312</u>	<u>241,752,251</u>
27) EXCEPTIONAL ITEM		
Prior period adjustments	(84,757)	102,816
	<u>(84,757)</u>	<u>102,816</u>



28) Contingent liabilities not provided for:

Particulars	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
i) <u>Contingent liabilities</u>		
a) <u>Claims not acknowledge by the company</u>		
Stamp duty levied by State Govt. of Delhi [Refer Note No. 28(II)]	4.18	4.18
b) <u>Guarantees</u>		
Guarantees issued by banks on behalf of the Company	283.25	281.35
c) <u>Capital Commitments</u>		
Estimated amount of contract remaining to be executed On capital account	251.19	407.00

- ii) The State Government of Delhi has levied stamp duty through Indian Stamp (Delhi Amendment) Act, 2010 w.e.f 01/06/2010 on exchange traded commodities derivatives business carried by the company on proprietary basis. During that year, the constitutional validity of the said act had been challenged in Delhi High court through a writ petition filed by an association of brokers wherein the company is a member. The matter is subjudice. The liability on account of levy of stamp duty for the period 01/06/2010 to 26/07/2010 works out to ₹ 4.18 Lacs (without interest) for which no provision has been made.
- iii) During FY 2011-12 a search was carried out by the Gujarat Value Added Tax Department whereby the GVAT department has raised a demand of ₹ 2,866,821/- along with the penalty on account of denial of the input credit claimed by the company on the VAT which was collected by some suppliers from the Company however it has been alleged that they have not deposited the amount with the Department. The company has made the payment under protest and filed an appeal with appropriate authorities.
- iv) Service tax payable on fees paid to Advocates stayed by Delhi High Court ₹ 4,88,838/- (Previous year: ₹ 207,240/-).

29) Segment Reporting

- i) The Company's operations primarily comprise of Dealing in Commodities, Commodity Futures either on its own or on behalf of its constituents broadly falling in one segment as such there is no other reportable business segment as specified by Accounting Standard 17 issued by The Institute of Chartered Accountants of India.
- ii) The Geographical Segments considered for disclosure are
- Sales within India
 - Sales outside India

Geographical Segment (based on Location of Customers)

Particulars	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
<u>Segment Assets</u>		
- within India	6,155.57	7,515.22
- outside India	695.79	518.21
	<u>6,851.36</u>	<u>8,033.43</u>
<u>Segment Revenue</u>		
- within India	11,771.48	15,313.08
- outside India	9,623.32	5,234.22
	<u>21,394.80</u>	<u>20,547.30</u>



30) Operating Leases

Since the existing operating lease entered into by the company is cancelable on serving a notice of one to three months, as such there is no information required to be furnished as per AS-19.

31) Related Party Disclosure**i) List of Related Party****a) Key Management Personnel & Relatives**

- 1) Sh. Brij Rattan Bagri (Director) , Relatives: Smt. Malati Bagri (Wife)*, Ms Nanditaa Bagri (Daughter), Sh. Siddharth Bagri (Son)*
- 2) Sh. Anshul Mehra (Whole Time Director)

b) Holding Enterprise

BLB Limited

c) Fellow Subsidiary & their Subsidiaries

BLB Institute of Financial Markets Limited (merged with BLB Global Business Limited w.e.f 04/10/2013)

BLB Global Business Limited

BLB Singapore Ventures Pte.Limited (Subsidiary of BLB Global Business Limited) *

* During the year the company has not entered into any transactions with the said party.

ii) Related Party Transactions

Sl. No.	Nature of Transactions	Key Management Personnel & Relatives		Fellow Subsidiary		Holding Enterprise	
		2013-14 ₹	2012-13 ₹	2013-14 ₹	2012-13 ₹	2013-14 ₹	2012-13 ₹
1)	Loans taken:						
	- Op. balance	41,500,000	38,500,000	-	-	123,000,000	235,000,000
	- Sums accepted	28,500,000	25,000,000	-	-	67,000,000	200,000,000
	- Sums repaid	20,000,000	22,000,000	-	-	95,000,000	312,000,000
	- Cl. balance	50,000,000	41,500,000	-	-	95,000,000	123,000,000
2)	Brokerage & Transaction charges recovery	37,439	29241	9,444	23642	-	-
3)	Director's remuneration	499,223	801,834	-	-	-	-
4)	Interest Paid	4,770,534	3,799,589	-	-	-	-
5)	Interest received	-	-	-	-	280,617	-
6)	Purchases	-	-	-	12,882,815	-	-
7)	Reimbursement	-	-	310,714	22,950	102,349	-
8)	Rent/Hire charges	600,000	600,000	-	-	-	-
9)	Sales	27,011,697	-	348,277,507	-	-	-
10)	Brokerage & Transaction Paid	-	-	-	-	540,810	88,898
11)	Year end Balance - Receivables/ (Payable)	(6,003,082)	(2,770,021)	(68,025)	(3,279,791)	7,741,319	4,640,538

32) Foreign Exchange Transactions

Particulars	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
A) Expenditure in Foreign Currency		
Traveling & other expenses	27.84	12.49
Interest Expenses	21.03	5.39
Ocean Freight	1,599.90	124.04
Imports of agri commodities (C.I.F)	6,333.33	4,966.02
B) Earnings in Foreign exchange		
Exports of agri commodities (F.O.B)	7,906.37	4,375.45

33) Earning Per Share

Particulars	2013-14 ₹	2012-13 ₹
i) Net Profit after tax	8,209,919	7,677,731
ii) Weighted average number of equity shares of ₹ 10/- for Earnings Per Share computation.		
For Basic Earning per Share	7,000,000	7,000,000
For Diluted Earning per Share	7,000,000	7,000,000
iii) Earnings Per Share (in ₹)		
Basic	1.17	1.10
Diluted	1.17	1.10

34) Auditors' Remuneration

Particulars	2013-14 ₹	2012-13 ₹
Audit fees	475,845	317,316
Tax audit fees	11,236	11,236
	487,081	328,552

35) Additional information in respect of the stocks, purchase and sales are as under:

Trading Particulars of Commodities	2013-14 ₹ in Lacs	2012-13 ₹ in Lacs
Opening Stock		
- Rice	263.12	38.16
- Almond in Shell	1,395.43	103.57
- Other Agri Commodities	2,355.60	2,823.33
	4,014.15	2,965.06
- Non-Agri Commodities	-	363.80
	4,014.15	3,328.86
Purchases		
- Rice	6,436.33	3,916.24
- Almond in Shell	6,594.34	4,837.50
- Other Agri Commodities	1,581.43	9,335.53
	14,612.10	17,889.27
- Non-Agri Commodities	-	1,080.31
	14,612.10	18,369.58
Sales		
- Rice	9,623.32	5,110.91
- Almond in Shell	8,993.32	3,137.18
- Other Agri Commodities	2,718.48	10,525.99
	21,335.12	18,774.08
- Non-Agri Commodities	-	1,468.36
	21,335.12	20,242.44
Closing Stock		
- Rice	99.42	263.12
- Almond in Shell	434.79	1,395.43
- Other Agri Commodities	1,063.64	2,355.60
	1,597.85	4,014.15
- Non-Agri Commodities	-	-
	1,597.85	4,014.15



- 36) On the basis of confirmation obtained from suppliers who have registered themselves under the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the balance due to Micro & Small Enterprises as defined under the MSMED Act, 2006 is Nil (Previous year Nil). Further, no interest during the year has been paid or payable under the terms of the MSMED Act, 2006.

37) Financial Derivative Instruments

(₹ in Lacs)

Outstanding Derivative contracts :

Commodity futures for hedging	Contracts	As on 31/03/2014		As on 31/03/2013	
		Contracts	Amount	Contracts	Amount
- Agri Commodities	3058	1,490.87	4213	1,909.31	
- Currency Futures	964	579.97	3027	1,657.19	
for sale/purchase					
- Agri Commodities	-	-	-	-	
- Non-Agri Commodities	24	424.15	1069	2,683.86	

- 38) In the opinion of the Board of Directors, the aggregate value of Current Assets, Loans and Advances on realization, in the ordinary course of business, will not be less than the amount at which these are stated in the Balance Sheet.
- 39) The company has received 200MT of Sugar from a party in advance for which purchase invoice has been received in FY 2014-15 as such it has not been included in Inventories as at balance sheet date.
- 40) 'Deposits with Commodities exchanges and other deposits' shown under Other Non-Current Assets' includes ₹ 9.5 lacs which has been deposited towards margin with National Spot Exchange Ltd (NSEL) which has been involved in crisis. The Management is confident of the recovery of the above mentioned margin money.
- 41) Previous year's figures have been regrouped and/ or rearranged wherever necessary to conform to this year's classification.

As per our report of even date annexed.

For ROHIT KCJAIN & CO
Chartered Accountants
FRN - 020422N


CA. ROHIT JAIN
Partner
(Membership No. - 099444)

For and on behalf of the Board of Directors


BRIJ RATTAN BAGRI
Chairman


VIKRAM RATHI
Director


ANSHUL MEHRA
Whole Time Director


NIKITA BAHL
Company Secretary

Place : New Delhi
Date : 27th May, 2014