

**Manjeet Singh & Co.**  
CHARTERED ACCOUNTANTS

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**INDEPENDENT AUDITORS' REPORT**

To  
The Members Of  
Master Commodity Services Ltd

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Master Commodity Services Ltd ('the Company')**, which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 misstatements.

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





- (ii) The Company did not have any outstanding long-term contract including derivative contracts as at March 31, 2015 for which there were any material foreseeable losses; and
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Ludhiana, 30<sup>th</sup> May, 2015

**For Manjeet Singh & Co.**  
Chartered Accountants



**Manjeet Singh**  
Prop.  
(Membership No. 088759)



**ANNEXURE TO THE AUDITOR'S REPORT**

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2015, we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
2. a) The inventory, which are held in dematerialized/ physical form, has been verified during the year by the management and in our opinion the frequency of verification is reasonable.  
  
b) In our opinion and according to the information and explanations given to us, the procedures of verification of inventory followed by the company are reasonable and adequate commensurate with the size of company and the nature of its business.  
  
c) The company is maintaining proper record of inventory. The discrepancies noticed on verification between the physical inventory and book records were not material and the same have been properly dealt with the books of account.
3. a) The Company has granted loans to two parties covered in the register maintained under section 189 of the Companies Act 2013 ('the Act')  
  
b) In the case of the loan granted to the parties covered in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and loans are repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of the principle amount.  
  
c) There are no overdue amounts of more than rupees 0.1 mn in respect of the loans granted to the parties covered in the register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanation given to us during the course of audit, there are adequate internal control procedures commensurate with the size of company and the nature of its business with regard to purchase of



inventory and fixed assets and for the sale of goods. Further on the basis of our examination of books and records of the company and according to information and explanations given to us, we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control procedures.

5. According to the information and explanations given to us, the Company has not accepted deposits from the public during the period covered by our audit report. According to the information and explanation given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal in this regard in the case of the Company.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
7. a) According to the information and explanations given to us and on the basis of our examination of the record of the Company, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it were in arrears as at March 31, 2015 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 are no dues of income tax, sales tax, service tax, wealth tax, custom duty, excise duty and cess which have not been deposited on account of any dispute.

c) According to the information and explanations given to us there were no amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.

8. The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.



9. The company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
10. The company has not given any guarantees for loans taken by others from Banks or Financial Institutions , Accordingly , paragraph 10 of the order is not applicable to the Company
11. According to the information and explanations given to us, Term Loans were applied for the purpose for which they were obtained .
12. According to the information and explanations given to us, no material fraud or by the Company has been noticed or reported during the course of our audit.

Ludhiana, 30<sup>th</sup> May, 2015

For Manjeet Singh & Co.  
Chartered Accountants  
  
Manjeet Singh  
Prop.  
(Membership No. 088759)



# MASTER COMMODITY SERVICES LTD

Balance Sheet as at 31st March, 2015

Particulars	Note	As at 31st March, 2015	As at 31st March, 2014
		Rs.	Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	1	5,500,070	5,500,070
Reserves and surplus	2	189,891,833	175,532,145
<b>Long Term Liabilities</b>			
Long Term Borrowings	3	1,212,983	2,090,002
		<b>196,604,886</b>	<b>183,122,217</b>
<b>Current liabilities</b>			
Short-term borrowings	4	16,984,536	90,026,058
Trade payables	5	123,368,628	161,788,816
Other current liabilities	6	6,596,226	7,355,494
Short-term provisions	7	1,260,705	905,207
		<b>148,210,095</b>	<b>260,075,575</b>
<b>TOTAL</b>		<b>344,814,981</b>	<b>443,197,792</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	8	22,383,984	4,921,464
Long-term loans and advances	9	14,049,368	14,098,815
Deferred tax Assets(Net)	19.8	307,491	146,143
		<b>36,740,843</b>	<b>19,166,422</b>
<b>Current assets</b>			
Inventories	10	-	55,183,901
Trade receivables	11	41,568,836	51,356,468
Cash and cash equivalents	12	121,638,488	169,443,894
Short-term loans and advances	13	144,866,814	148,047,107
		<b>308,074,138</b>	<b>424,031,370</b>
<b>TOTAL</b>		<b>344,814,981</b>	<b>443,197,792</b>
Significant Accounting Policies Notes on Financial Statements	1 to 20		

As per our Report of even date  
For Manjeet Singh & Co.  
Chartered Accountants  
Firm Registration Number 011831N

Manjeet Singh  
Prop.  
M.No. 088759  
Place: Ludhiana  
Date: 30.05.2015



*Dinesh Sharma*  
Dinesh Sharma  
General Manager  
-Accounts

*R. K. Singhania*  
R. K. Singhania  
Director  
DIN-00077540

For and on behalf of the Board  
*Harjeet Singh Arora*  
Harjeet Singh Arora  
Director  
DIN-00063176

# MASTER COMMODITY SERVICES LTD

## Statement of Profit and Loss for the year ended 31st March, 2015

	Note No.	For the year ended	For the year ended
		31st March, 2015	31st March, 2014
		Rs.	Rs.
<b>INCOME</b>			
Revenue from operations (gross)	14	125,296,529	191,759,258
Other income	15	2,356,275	10,713,799
<b>Total Revenue</b>		<b>127,652,804</b>	<b>202,473,057</b>
<b>Expenses</b>			
Employee benefits expense	16	22,219,709	33,411,849
Finance costs	17	7,413,817	10,791,878
Depreciation	8	930,482	938,119
Other expenses	18	82,434,469	121,195,577
<b>Total Expenses</b>		<b>112,998,477</b>	<b>166,337,423</b>
<b>Profit before tax</b>		<b>14,654,327</b>	<b>36,135,634</b>
<b>Tax expense:</b>			
Current tax expense for current year		475,000	1,848,000
Deferred tax		(161,348)	(176,586)
Excess/ Less for Tax expense relating to prior years		(19,012)	236,107
<b>Profit for the year</b>		<b>14,359,687</b>	<b>34,228,113</b>
<b>Earnings per equity share of face value Rs. 10 each</b>			
Basic and Diluted ( in Rs.)		26.11	62.23
Weighted average number of shares outstanding		550,007	550,007
<b>Significant Accounting Policies</b>	<b>1 to 20</b>		
<b>Notes on Financial Statements</b>			

As per our Report of even date

For **Manjeet Singh & Co.**

Chartered Accountants

Firm Registration Number 011831N

**Manjeet Singh**  
Prop.  
M.No. 083759

Place: Ludhiana  
Date: 30.05.2015

For and on behalf of the Board

  
**Dinesh Sharma**  
General Manager  
-Accounts

  
**R.K. Singhania**  
Director  
DIN-00077540

  
**Harjeet Singh Arora**  
Director  
DIN-00063176



# MASTER COMMODITY SERVICES LTD

## Cash Flow Statement for the year ended 31st March, 2015

Particulars	For the year ended 31st March, 2015		For the year ended 31st March, 2014	
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash flow from operating activities</b>				
Net Profit before tax and extraordinary items		14,654,327		36,135,634
<u>Adjustments for:</u>				
Depreciation and amortisation	930,483		938,119	
Miscellaneous Expenditure			5,000	
		930,483		943,119
Operating profit before working capital changes		15,584,810		37,078,753
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	55,183,901		(24,344,070)	
Trade receivables	9,787,632		16,218,885	
Short-term loans and advances	3,180,293		(100,889,508)	
Long-term loans and advances	49,447		(3,175,033)	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	(38,420,188)		(43,316,400)	
Other current liabilities	(759,268)		(6,384,576)	
Short-term borrowings	(73,918,541)		89,559,616	
Short-term Provisions	355,498		504,148	
		(44,541,226)		(71,826,938)
		(28,956,416)		(34,748,185)
Cash flow from extraordinary items		-		-
Cash generated from operations		(28,956,416)		-
Net income tax (paid) / refunds		(455,988)		(2,084,107)
<b>Net cash flow (used in) operating activities (A)</b>		(29,412,404)		(36,832,292)
<b>B. Cash flow from investing activities</b>				
Purchase of fixed assets		(18,670,779)		(567,223)
Sale of fixed assets		277,777		-
Purchase of Investment		-		28,030,000
Sale of Investment		-		-
<b>Net cash flow (used in) investing activities (B)</b>		(18,393,002)		27,462,777
<b>C. Cash flow from financing activities</b>				
Proceeds from issue of equity shares/ warrants		-		-
<b>Net cash flow (used in) financing activities (C)</b>		-		-
<b>Net (decrease) in Cash and cash equivalents (A+B+C)</b>		(47,805,406)		(9,369,514)
Cash and cash equivalents at the beginning of the year		169,443,894		178,813,408
Cash and cash equivalents at the end of the year		121,638,488		169,443,894

As per our Report of even date

For Manjeet Singh  
Chartered  
FRN 011537




Manjeet Singh  
Prop.  
M.no. 08875  
Place: Ludhiana  
Date: 30.05.2015

For and on behalf of the Board

  
Dinesh Sharma  
General Manager  
-Accounts

  
R. K. Singhania  
Director  
DIN-00077540

  
Harjeet Singh Arora  
Director  
DIN-00063176

## SIGNIFICANT ACCOUNTING POLICIES

### A Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

### B Fixed Assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

### C Depreciation and Amortisation

Depreciation on fixed assets is provided on the straight line method using the rates arrived at based on useful life of the assets prescribed under Schedule II of the Companies Act, 2013 which is also as per the useful life of the assets estimated by the management.

### D Impairment of Assets

The company is making an assessment whether any indication exists that an asset has been impaired at the end of the year. If any such indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of accounts.

### E Investments

Long term investments are valued at cost unless there is a decline in value other than temporary. Current investments are stated at lower of Cost or Fair Value

### F Inventories

Inventories are valued at the lower of cost and the net realisable value.

### G Revenue Recognition

(a) The company follows the mercantile system of accounting and recognizes profit or loss on that basis.

(b) Misc. expenditure have been written off @ 20% during the year.

### H Employee Benefits

The Company has provided the provision for the gratuity and charges to revenue. Provident / Pension Fund are not applicable.

### I Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

### J Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

### K Provisions and contingencies

Contingent liabilities, if material, are disclosed by way of notes, contingent assets are not recognized or disclosed in the financial statements, A provision is recognized when an enterprise has a present obligation as a result of past event(s) and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation(s), in respect of which a reliable estimate can be made for the amount of obligation.

### L Change of Estimates

In accordance with the requirements of Schedule II to the Companies Act, 2013, the Company has re-assessed the useful lives and residual values of its fixed assets and an amount of Rs. 0.1 Million has been charged to the statement of profit and loss for the year ended 31 March, 2015 representing the additional depreciation on the carrying value of the assets as at 1 April, 2014 due to change in useful life of asset.



## Notes forming part of the financial statements

### Note 1 Share capital

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	Amount	Number of shares	Amount
<b>Authorised</b> Equity shares of Rs.10 each	750,000	7,500,000	750,000	7,500,000
<b>Issued</b> Equity shares of Rs.10 each	550,007	5,500,070	550,007	5,500,070
<b>Subscribed and fully paid up</b> Equity shares of Rs.10 each	550,007	5,500,070	550,007	5,500,070
<b>Subscribed but not fully paid up</b> Equity shares of Rs.10 each	-	-	-	-
<b>Total</b>	<b>550,007</b>	<b>5,500,070</b>	<b>550,007</b>	<b>5,500,070</b>

1.1 The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share.

1.2 The details of shareholders holding more than 5% shares:

Name of the shareholder	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares held	% of holding	Number of shares held	% of holding
Master Capital Services td	550,007	100	550,007	100

1.3 The reconciliation of the number of shares and amount outstanding is set out below :

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares		Number of shares	
Equity Shares at the beginning of the year	550,007		550,007	
Equity Shares at the end of the year	550,007		550,007	





## Notes forming part of the financial statements

### Note 2 Reserves and surplus

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
<b>Securities Premium Account</b> As per last Balance Sheet	29,400,000	29,400,000
<b>Profit and Loss Account</b> As per last Balance Sheet	146,132,145	111,904,032
Add: Profit for the year	14,359,687	34,228,113
Closing balance	160,491,833	146,132,145
<b>Total</b>	<b>189,891,833</b>	<b>175,532,145</b>

### Note 3 Long Term Borrowings

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
<b>Term Loans</b> From Banks	1,212,983	2,090,002
(Term Loan is secured against hypothecation of Cars, Repayable in Equated Monthly Instalments)		
Installments falling due in respect of all the above loans upto 31 March, 2016 have been grouped under " Current maturities "		
<b>Total</b>	<b>1,212,983</b>	<b>2,090,002</b>

### Note 4 Short-term borrowings

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
From banks/Financial Institutions: Secured Against Fixed Deposits	16,984,536	90,026,058
<b>Total</b>	<b>16,984,536</b>	<b>90,026,058</b>

### Note 5 Trade payables

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
Trade payables	123,368,628	161,788,816
<b>Total</b>	<b>123,368,628</b>	<b>161,788,816</b>

### Note 6 Other current liabilities

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
Current Maturities of Long Term Debt(Refer Note3)	807,696	512,844
Statutory dues	856,658	1,397,221
Others Payables	4,931,872	5,445,429
<b>Total</b>	<b>6,596,226</b>	<b>7,355,494</b>

### Note 7 Short-term provisions

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
Provision for gratuity	1,260,705	905,207
<b>Total</b>	<b>1,260,705</b>	<b>905,207</b>



## Notes forming part of the financial statements

### Note 8 Fixed assets

Particulars	Gross block					Accumulated depreciation					Net block	
	Balance as at 1st April, 2014	Additions	Disposals/ Transfer	Balance as at 31st March, 2015	Balance as at 1st April, 2014	Depreciation for the year	Eliminated on disposal of assets	Balance as at 31st March, 2015	Balance as at 31st March, 2015	Balance as at 31st March, 2014		
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Electric Fitting	113,565	459,509	-	573,074	38,013	10,092	-	48,105	524,969	75,552		
Computer Software & Hardware	2,571,727	37,250	-	2,608,977	2,047,135	412,237	-	2,459,372	149,605	524,592		
Office equipment	35,852	120,000	-	155,852	12,914	1,703	-	14,617	141,235	22,938		
Furniture & Fitting	130,848	1,417,800	-	1,548,648	45,481	7,426	-	52,907	1,495,741	85,367		
Vehicles	5,487,031	-	1,024,628	4,462,403	1,274,016	477,956	746,851	1,005,122	3,457,281	4,213,015		
Land	-	14,681,628	-	14,681,628	-	-	-	-	14,681,628	-		
Building	-	1,954,592	-	1,954,592	-	21,068	-	21,068	1,933,524	-		
<b>Total</b>	<b>8,339,023</b>	<b>18,670,779</b>	<b>1,024,628</b>	<b>25,985,174</b>	<b>3,417,559</b>	<b>930,482</b>	<b>746,851</b>	<b>3,601,190</b>	<b>22,383,984</b>	<b>4,921,464</b>		
<b>Previous year</b>	<b>7,771,801</b>	<b>567,222</b>	<b>-</b>	<b>8,339,023</b>	<b>2,479,440</b>	<b>938,119</b>	<b>-</b>	<b>3,417,559</b>	<b>4,921,464</b>	<b>-</b>		



## Notes forming part of the financial statements

### Note 9 Long-term loans and advances

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
Security & Membership Deposits Unsecured, considered good	2,520,250	1,548,000
Advance income tax (net of provision for tax)	11,529,118	12,550,815
<b>Total</b>	<b>14,049,368</b>	<b>14,098,815</b>

### Note 10 Inventories

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
Stock-in-trade (acquired for trading) D-Mat Commodities Units	-	5,183,901 50,000,000
<b>Total</b>	<b>-</b>	<b>55,183,901</b>

### Note 11 Trade receivables

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment  Unsecured, considered good	9,114,456	2,597,531
Trade receivables outstanding for a period less than six months from the date they were due for payment  Unsecured, considered good	32,454,380	48,758,937
<b>Total</b>	<b>41,568,836</b>	<b>51,356,468</b>





## Notes forming part of the financial statements

### Note 12 Cash and cash equivalents

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
Cash on hand/Imprest	95,196	119,214
Net Cheques, Drafts on Hand	6,962,196	7,157,490
Balances with banks		
In current accounts	12,331,096	6,167,190
In deposit accounts *	102,250,000	156,000,000
<b>Total</b>	<b>121,638,488</b>	<b>169,443,894</b>

**Notes:**

\* Deposit are pledged against overdraft facility

### Note 13 Short-term loans and advances

Particulars	As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.
Loans and advances towards :		
Margin Deposit with Commodity Exchanges & Other Advances:		
Unsecured, considered good	106,567,501	109,998,853
Loans and advances to related parties:		
Unsecured, considered good	28,960,659	30,257,180
Prepaid expenses - Unsecured, considered good	597,586	614,737
Other Loans & Advances- Unsecured, considered good	8,741,068	7,176,338
<b>Total</b>	<b>144,866,814</b>	<b>148,047,108</b>



## Notes forming part of the financial statements

### Note 14 Revenue from operations

Particulars	For the year ended	For the year ended
	31st March, 2015	31st March, 2014
Income from Brokerage/Sale Purchase of Commodities/Units/Derivative Trading	97,053,397	143,835,457
Interest Income	15,700,358	21,021,632
Dividend Income	12,542,774	26,902,169
<b>Total</b>	<b>125,296,529</b>	<b>191,759,258</b>

### Note 15 Other income

Particulars	For the year ended	For the year ended
	31st March, 2015	31st March, 2014
	Rs.	Rs.
<b>Investment Income:</b>		
<b>Net gain on sale of:</b>		
long-term investments	-	5,610,486
	-	<b>5,610,486</b>
<b>Other non-operating income</b>		
Miscellaneous income	2,356,275	5,103,313
	<b>2,356,275</b>	<b>5,103,313</b>
<b>Total</b>	<b>2,356,275</b>	<b>10,713,799</b>

### Note 16 Employee benefits expense

Particulars	For the year ended	For the year ended
	31st March, 2015	31st March, 2014
	Rs.	Rs.
Salaries and wages *	21,708,963	33,085,005
Staff welfare expenses	510,746	326,844
<b>Total</b>	<b>22,219,709</b>	<b>33,411,849</b>

\* Includes Gratuity amounting to Rs.696959/- (Year ended March 31, 2014 :Rs.504148/-)

### Note 17 Finance costs

Particulars	For the year ended	For the year ended
	31st March, 2015	31st March, 2014
	Rs.	Rs.
Interest expense on:		
Borrowings	5,731,951	8,542,706
Other borrowing costs		
- Bank Charges	1,681,866	2,249,172
<b>Total</b>	<b>7,413,817</b>	<b>10,791,878</b>



## Notes forming part of the financial statements

### Note 18 Other expenses

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	Rs.	Rs.
Printing & Stationery	992,204	1,658,408
Postage, Telegram & Telephone	982,168	2,744,710
Rent	694,842	3,452,353
Fees & Taxes	8,010	9,480
Travelling & Conveyance	641,796	557,819
Legal & Professional Charges	6,119,010	5,371,003
Sub-Brokerage Paid	45,381,583	68,831,740
Turnover Charges Paid	25,029,061	30,353,731
Payments to auditors		
As auditors - statutory audit	60,000	60,000
For Other matters	20,000	20,000
Office & Other Maintenance	1,111,743	1,935,298
General Expenses	1,012,458	585,676
V-Sat,Internet/User Id Subscription Charges	355,902	2,722,988
Bad Debts	20,692	2,887,371
Preliminary Expenses Written off	5,000	5,000
<b>Total</b>	<b>82,434,469</b>	<b>121,195,577</b>





## Notes forming part of the financial statements

### 19. Notes on Accounts

19.1	Contingent liabilities
(a)	Bank Guarantees of Rs.937.50 Lacs (previous year Rs.1137.50 Lacs) in favour of Multi Commodity Exchange of India Ltd for our exposure as Trading/Clearing Member.
(b)	Bank Guarantees of Rs.115.00 Lacs (previous year Rs.265.00 Lacs) in favour of National Commodity & Derivatives Exchange Ltd for our exposure as Trading/Clearing Member.
©	Bank Guarantees of Rs.6.00 Lacs (previous year Rs.6.00 Lacs) in favour of ACE Derivative & Commodity Exchange Ltd for our exposure as Trading/Clearing Member.
(d)	AS per an Ex-Parte Ad- Interim Order by SEBI (WTM/RKA/JSD/162/2014) in the matter of First Financial Services Limited, Master Commodity Services Limited amongst others, inter-alia, has been restrained from accessing the Securities Market and buying, selling or dealing in Securities either directly or indirectly, in any manner, till further directions. The order has affected one of its activity i.e Trading /Investment in Securities till further directions.
(e)	The order is being contested by the company and is sub-judice. In the view of Management and as per the legal advice, no liability is likely to arise. Even if it does, the amount of Liability is indeterminate. Accordingly no liability has been provided for.
(e)	The Company has other small litigations with the clients, which have arisen in ordinary course of business. The Company has reviewed the impact of all such litigations on Financial Position. In view of the management and the legal advice sought, no provision is required to be made in case of litigation against/by the company. Therefore, provision for the same has not been provided in books of accounts.
19.2	The Company has a procedure of receiving Fdr's from its clients as margins. Such Fixed Deposits are in the Name of the Company and are kept with Principle Commodity Exchange as margin money. The Interest earned/accrued on such fdr's is credited by the issuing bank directly to the account of concerned clients, as such the the interest on such fdr's has not been accrued to the Company's account.
19.3	The company is engaged in Commodity Broking and Sale/Purchase and there are no separate reportable segments as per Accounting Standard (AS) 17 on "Segment Reporting".
19.4	Income from Brokerage/Commodity Units Trading Include Income from Brokerage Rs.10,69,85,777 [Previous Year Rs.15,84,62,064/-] and Profit/(Loss) on Trading of Commodities/Derivatives/mf Units (Rs99,32,380-) [Previous Year (Rs.1,46,26,607/-)]. Certain common expenses have been paid/shared with group companies according to usage
19.5	Disclosures relating to amount unpaid at the year end and together with interest required under Micro, Small and Medium Enterprise Development Act 2006 have been given to the extent company has received the information from supplier's regarding the status under such Act.



Name of the Company  
Notes forming part of the financial statements

Note 19.8 Disclosures under Accounting Standards (contd.)

Note	Particulars	As at 31 March,	As at 31 March,
		2015	2014
		Rs.	Rs.
19.8	Deferred tax (liability) / asset		
	<u>Tax effect of items constituting deferred tax liability</u>		
	On difference between book balance and tax balance of fixed assets	(82,067)	(133,566)
	Tax effect of items constituting deferred tax liability	(82,067)	(133,566)
	<u>Tax effect of items constituting deferred tax assets</u>		
	Provision for compensated absences, gratuity and other employee benefits	389,558	279,709
	Tax effect of items constituting deferred tax assets	389,558	279,709
	<b>Net deferred tax asset</b>	<b>307,491</b>	<b>146,143</b>

Note 20 Previous year's figures


Note	Particulars
20	Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our Report of even date  
For Manjeet Singh & Co.  
Chartered Accountants  
Firm Registered Number 011831N



M.No. 0867581  
Place: Ludhiana  
Date: 30.05.2015

For and on behalf of the Board

  
Dinesh Sharma  
General Manager-  
Accounts

DIN-00077540

  
Harjeet Singh Arora  
Director

DIN-00063176