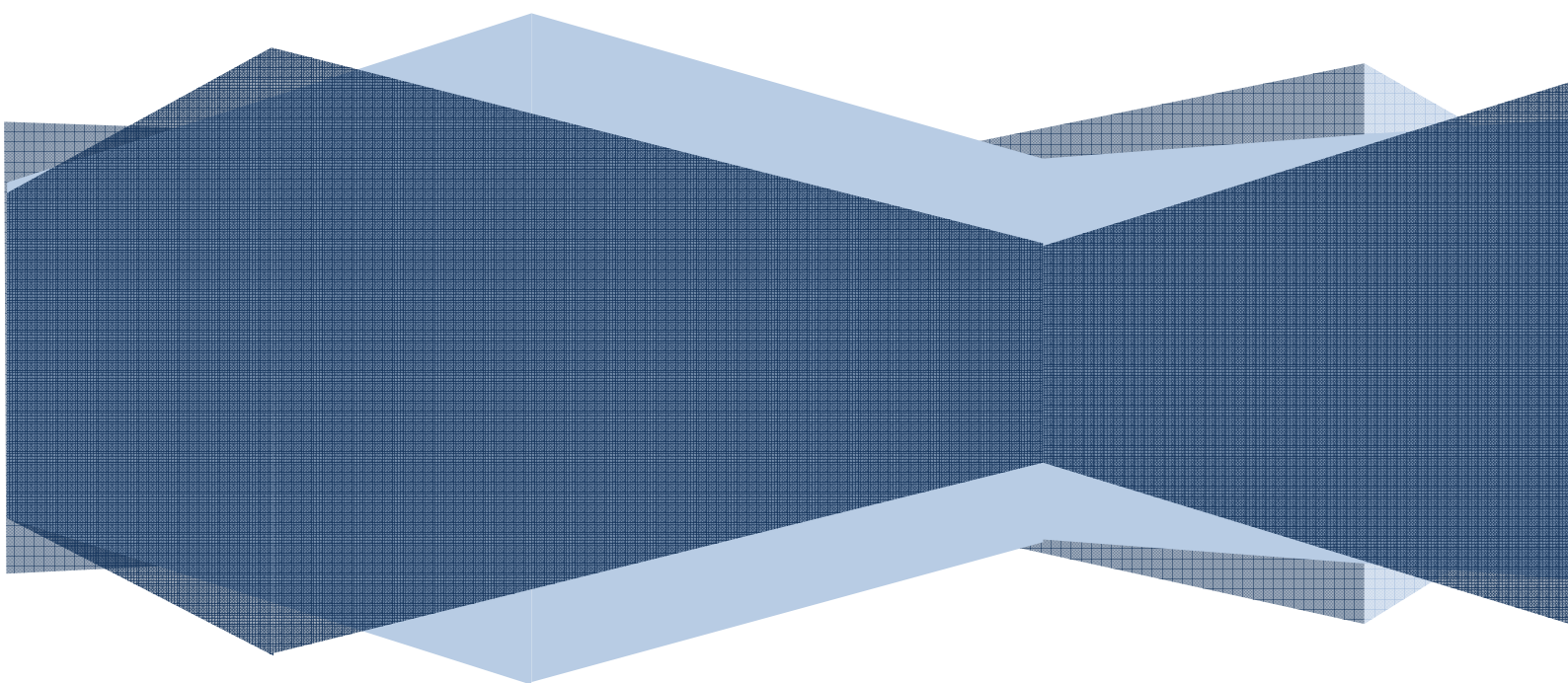


# Avro Commercial Co. Ltd.

## Annual Report

2013-2014



## Corporate Information

### **Board of Directors**

Mr. Vivek Mundra	Director
Mr. Sunil Kr. Dalmia	Director
Mr. Vikram Kr. Purohit	Director

### **Registered Office**

“Shubham” 906

1, Sarojini Naidu Sarani, Kolkata- 700 017

Phone : (033) 2283 1865

Fax : (033) 2283 1597

Email : accounts@merlinholdings.com

### **Auditors**

ARSK & Associates

Chartered Accountants

22, R. N. Mukherjee Road

3<sup>rd</sup> Floor Kolkata – 700 001

Phone : (033) 4006-3380

Fax : (033) 4006-3385

Email : info@arsk.in

### **Registrar & Share Transfer Agents**

Karvy Computershare Pvt. Ltd.

Plot no. 17 to 24, Vithalrao Nagar, Madhapur,

Hyderabad – 500 081

Phone : (040) 2342 0815 – 24

Fax : (040) 2342 0814

Email : varghese@karvy.com

### **Listed At**

Calcutta Stock Exchange Ltd.

U.P. Stock Exchange Ltd.

### **Bankers**

HDFC Bank Limited

The Karnataka Bank Limited

**NOTICE**

Notice is hereby given that the Thirty First Annual General Meeting of the Members of Avro Commercial Company Limited will be held on 26<sup>th</sup> September, 2014 (Friday) at 11:00 A.M. at registered office of company to transact the following business:-

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March 2014, statement of Profit and Loss Account for the year ended 31<sup>st</sup> March, 2014 and the cash flow statement for the year ended on that date together with the notes forming part of the accounts and annexure thereto and reports of the board of directors and the Auditors thereon
2. To appoint a Director in place of Mr. Sunil Kumar Dalmia who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of Mrs. Alpana Mundra as Director

To consider and, if thought fit, to pass with or without modification(s), the following as an ordinary resolution:

“**RESOLVED THAT** pursuant to the provision of sections 149,152,160 and all other applicable provisions, if any, of the Companies Act, 2013(including any statutory modification(s) or re-enactment thereof, for the time being in force) and the rules made there under, Mrs. Alpana Mundra in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of director be and is hereby appointed as director liable to retire by rotation.”

4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**.

“**RESOLVED THAT** M/s ARSK & Associate, chartered Accountant, be and hereby appointed as the statutory Auditors of the company, to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the company on such remuneration as shall be fixed by the board of directors.”

By order of the board of director  
**For Avro Commercial Co. Ltd.**

Place: Kolkata

Date: 27<sup>th</sup>May, 2014

**Vivek Mundra**  
Director

DIN No. : 00383479

**NOTES:****1. APPOINTMENT OF PROXY:**

A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A SHAREHOLDER OF THE COMPANY. The duly completed stamped and signed proxy form, to be effective, should reach the registered office of the company not less than forty eight hours before the schedule time of the meeting. Blank proxy form is attached.

**2. APPOINTMENT OF REPRESENTATIVE:**

No person shall be entitled to attend or vote at the meeting as a duly authorized representative of a Company unless a copy of the resolution appointing him as a duly authorized representative, certified to be true copy by the Chairman of the meeting at which it was passed shall have been deposited at the Head Office of the Company at the address given above, not later than four days before the date of meeting i.e. on or before the closing hours of the office at 6.00 p.m. on Wednesday, 24<sup>th</sup> September 2014.

**3. ATTENDANCE SLIP-CUM ENTRY PASS:**

For convenience of the Shareholders, Attendance Slip-cum-Entry Pass is annexed to this Notice. Shareholders are requested to fill-in and affix their signatures at the space provided therein so as to save time and hand over the same at the venue of the Meeting. Proxy / Representative of the shareholder should state on the attendance slip as "Proxy" or "Representative", as the case may be.

**4. CLOSURE OF REGISTER OF SHAREHOLDERS:**

The Register of Shareholders and Share Transfer Books of the Bank will remain closed from 20<sup>th</sup> September 2014 to 25<sup>th</sup> September 2014 (both days inclusive) for the purpose of Annual General Meeting.

**5. LODGMENTS FOR TRANSFERS:**

Share Certificate along with transfer deed should be forwarded to the Bank's Registrar and Share Transfer Agent at the following address.

M/s Karvy Computershare Private Ltd.,  
(Unit: - Avro Commercial Co. Ltd.)  
Plot No. 17-24, Vithalrao Nagar,  
Near Image Hospital, Madhapur,  
Hyderabad - 500 081  
Phone No. 040 2342 0815 to 820,  
Fax No. 040 2342 0814  
E- mail: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)

6. **REQUEST TO MEMBERS:**

Please note that copies of the Annual Report will not be distributed at the Annual General Meeting and hence members are requested to bring their copies of the Annual Report at the meeting.

7. **E-VOTING**

The Bank is pleased to provide e-voting facility to the shareholders of the Bank to enable them to cast their votes electronically on the items mentioned in the notice A separate communication / Notice is being sent to all the shareholders to enable them to cast their votes through e-voting.

8. **POLL AT THE MEETING**

After both the agenda items have been discussed, the Chairman will order Poll in respect of both the items. Poll will be conducted and supervised under Scrutinizers to be appointed for the purpose. After conclusion of the Poll, the Chairman may declare the meeting as closed. The Results of the Poll aggregated with the results of e-voting will be announced by the company in its website and also informed to the stock exchanges.

By order of the board of director  
**For Avro Commercial Co. Ltd.**

Place: Kolkata

Date: 27<sup>th</sup> May, 2014

**Vivek Mundra**  
Director  
DIN No. : 00383479

**DIRECTOR'S REPORT**

To,  
The Members  
Avro Commercial Co. Ltd.

The Directors have pleasure in submitting Annual Report on the business and operations of the Company along with the Audited Statement of Accounts for the year ended 31<sup>st</sup>March, 2014.

**FINANCIAL RESULTS**

Financial Results of the Company for the year under review along with the figures for previous year are as follows:

Particulars	For the year ended March 31 <sup>st</sup>	
	2014	2013
Revenue from operations	1,38,05,667	29,09,350
Other income	2,31,96,377	99,43,353
<b>Total Income</b>	<b>3,70,02,044</b>	<b>1,28,52,703</b>
Profit before tax	3,41,15,941	1,04,73,270
<b>Less:</b>		
• Provision for tax	65,07,960	24,71,111
• Deferred tax	9,34,300	29,81,152
• Income tax adjustment for earlier year	1,58,779	74,225
• MAT credit entitlement u/s 115JB for current years	35,62,736	17,48,231
• MAT credit entitlement u/s 115JB for earlier years	14,650	25,04,510
<b>Net Profit/(Loss) after tax</b>	<b>3,00,62,988</b>	<b>1,51,61,827</b>
<b>Less:</b>		
Transfer to Special Reserve	60,12,598	30,32,365
<b>Balance carried to balance sheet</b>	<b>2,40,50,390</b>	<b>1,21,29,462</b>

**DIVIDEND**

With a view to conserve resources, the Board of Directors have not recommended dividend for the year ended 31<sup>st</sup> March, 2014.

**DIRECTORS' RESPONSIBILITY STATEMENT**

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

1. that in the preparation of the Annual accounts, the applicable Accounting standards have been followed with no material departures.
2. that the directors have selected such Accounting policies and applied them consistently and made 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 ended 31<sup>st</sup> March, 2013 and of the profit of the Company for that period.
3. that the directors have 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.
4. that the directors had prepared the annual accounts on a going concern basis.

## **DIRECTORS**

None of the Directors of the Company is disqualified from being appointed as director of the Company under Section 274(1) (g) of the Companies Act, 1956. The Directors of the Company are not liable to retire by rotation.

## **AUDITORS AND THEIR REPORT**

Comments of the Auditors in their report and the notes forming part of the Accounts are self explanatory and need no comments.

M/s ARSK & Associates, Chartered Accountants, Kolkata, Statutory auditors of the Company will retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received letter from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 226 to the said Act.

## **DEPOSITS**

The Company has not accepted any Public Deposit in term of Section 58A and 58AA of the Act for the year ended 31.03.2014.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information pertaining to Conservation of Energy, Research and Development, Technology Absorption, Foreign exchange earnings and outgo as required under Section 217(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 is as follows:

1. Conservation of Energy: The use of electricity is very negligible.
2. Technology Absorption: The Company does not need any technology for its existing business.
3. Foreign Exchange Earnings and Outgo: There were no foreign exchange earnings and outgo during the Financial Year 2013-14.

## **PARTICULARS OF EMPLOYEES**

There was no employee in respect of remuneration coming under purview of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

## **ACKNOWLEDGEMENT**

The Board of Directors would like to register its appreciation and gratitude to all the valued clients, associates, staff, shareholders, banker etc. for their valuable services and support.

By order of the board of director  
**For Avro Commercial Co. Ltd.**

Place: Kolkata

Date: 27<sup>th</sup> May, 2014

**Vivek Mundra**  
Director  
DIN No. : 00383479

## AUDITOR'S REPORT

To the Members of AVRO COMMERCIAL COMPANY LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of AVRO COMMERCIAL COMPANY 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 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.

### Auditor's 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 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.

### 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 ("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 of the company.
  - 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, 2014, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2014, from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For ARSK & ASSOCIATES**  
Chartered Accountants  
FRN: 315082E

**CA. Ajoy Kr. Mohta**  
Partner  
Membership No. 052262

Place: Kolkata  
Date: 27<sup>th</sup> May 2014

**ANNEXURE TO THE AUDITORS' REPORT**

The annexure referred to in paragraph 3 of our report of even date to the members of **AVRO COMMERCIAL COMPANY LIMITED** on the financial statements of the company for the year ended March 31<sup>st</sup>, 2014.

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 fixed assets.  
  
b) The fixed assets have been physically verified by the management during the year, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.  
  
c) Since there is no disposal of substantial part of fixed assets during the year, paragraph 4(i)(c) of the Companies (Auditor's Report) Order, 2003 is not applicable.
2. The Company did not have any Inventory at any time during the year hence clauses of paragraph 4(ii) (a) to 4(ii) (c) of the Companies (Auditor's Report) Order, 2003 are not applicable for the Company.
3. According to the information and explanation given to us & in our opinion the company has not granted or taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies' Act, 1956. Accordingly clauses 4(iii)(a) to 4(iii)(g) of the Companies (Auditor's Report) Order, 2003 are not applicable.
4. In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of Company and the nature of its business for the purchase of fixed assets. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
  - a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
  - b) Where each of such transaction is in excess of Rs. five lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
6. The company has not accepted any deposits from the public within the meaning of Section 58A and 58AA or any other relevant provisions of the Act and the rules framed there under.
7. In our opinion, the Company's present internal audit system is commensurate with its size and nature of its business.
8. The provisions of the Companies Act for maintenance of cost records under Section 209(1)(d) are not applicable to the company.
9. a) According to the information and explanations given to us and the books and records examined by us, the company is regular in depositing with the appropriate authorities the

undisputed statutory dues relating to Income Tax, Service Tax, Cess and other statutory dues as applicable to it.

Further, 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.

b) According to the information and explanations given to us and the books and records examined by us, there are no undisputed amount payable, in respect of Income Tax, Service Tax, Cess were in arrears as at 31<sup>st</sup> March, 2014 for a period exceeding 6 months from the date they become payable.

c) According to the information and explanations given to us, there is a disputed Income Tax Liability for the Financial Year 2008-09 (Assessment Year 2009-10) as under:

<b>Name of statute</b>	<b>Forum where Dispute is pending</b>	<b>Period to which the amount relates</b>	<b>Amount involved(Rs.)</b>
Income Tax Act	Income Tax Appellate Tribunal	Financial Year: 2008-09	2,616,827

10. The Company has no accumulated losses as at 31<sup>st</sup> March 2014 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. The Company has not defaulted in repayment of dues to financial institution, bank or to debenture holders.
12. The company has given a loan on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of special nature applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments. Accordingly provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. In our opinion and 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 during the year.
16. In our opinion and according to the information and explanation given to us, the Company has applied the term loans for the purpose for which the loans have been obtained.
17. On the basis of an overall examination of the balance sheet of the company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis, which have been used for long-term investments.
18. The Company has not made any preferential allotment of shares during the year.
19. The Company has not issued any debenture during the year.
20. The Company has not raised any money by way of public issue during the year.

21. According to the information and explanations given by the management to us, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

**For ARSK& ASSOCIATES**

Chartered Accountants  
FRN: 315082E

**CA.Ajoy Kr. Mohta**

Partner  
Membership No. 052262

Place: Kolkata  
Date: 27<sup>th</sup> May 2014

Balance Sheet as at 31<sup>st</sup> March, 2014

Particulars	Note	As at	As at
		31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
		(Rs.)	(Rs.)
<b>I EQUITY &amp; LIABILITIES</b>			
<b>1 Shareholder's Funds</b>			
Share Capital	2	2,400,000	24,00,000
Reserves & Surplus	3	16,03,51,989	13,02,89,001
<b>2 Non-Current Liabilities</b>			
Long Term Borrowings	4	4,30,178	12,26,194
<b>3 Current Liabilities</b>			
Short Term Borrowings	5	-	73,91,593
Other Current Liabilities	6	8,56,949	7,59,935
Short Term Provisions	7	2,88,750	19,24,468
<b>Total</b>		<b>16,43,27,866</b>	<b>14,39,91,191</b>
<b>II ASSETS</b>			
<b>1 Non-Current Assets</b>			
Fixed Assets			
-Tangible Assets	8	24,74,397	22,31,855
Non- Current Investments	9	2,35,04,263	6,59,21,978
Deferred Tax Assets (net)	10	21,08,001	30,42,301
Long Term Loans & Advances	11	1,03,15,808	82,92,628
<b>2 Current Assets</b>			
Current Investments	12	-	29,00,077
Cash & Bank Balances	13	1,00,544,77	1,02,13,221
Short term Loans & Advances	14	11,58,43,801	5,10,69,983
Other Current Assets	15	27,119	3,19,148
<b>Total</b>		<b>16,43,27,866</b>	<b>14,39,91,191</b>
Significant Accounting Policies	1		
Notes on financial Statements	2 to 33		

As per our report on even date

**For ARSK & Associates**

Chartered Accountants

FRN: 3150282E

**CA. Ajoy K. Mohta**

Partner

Membership No. 052262

Place: Kolkata

Date : 27<sup>th</sup> May 2014

For and on behalf of the Board of Directors

**Vivek Mundra**

Director (DIN 00383479)

**Vikram Kr. Purohit**

Director (DIN 05273554)

Statement of Profit & Loss for the year ended 31<sup>st</sup> March, 2014

Particulars	Note	As at	As at
		31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
		(Rs.)	(Rs.)
<b>I Revenue:</b>			
Income from operations	16	1,38,05,667	29,09,350
Other income	17	2,31,96,377	99,43,353
<b>TOTAL REVENUE</b>		<b>3,70,02,044</b>	<b>1,28,52,703</b>
<b>II EXPENSES:</b>			
Employee Benefit Expenses	18	4,80,565	1,75,500
Finance Cost	19	11,75,330	54,587
Depreciation		6,51,284	74,299
Other Expenses	20	21,67,674	1,97,547
<b>TOTAL EXPENSES</b>		<b>44,74,853</b>	<b>5,01,933</b>
<b>III Profit before tax &amp; provision</b>		<b>3,25,27,191</b>	<b>1,23,50,770</b>
Provision for Standard Assets		1,61,250	1,27,500
Provision for Doubtful Assets		(17,50,000)	17,50,000
<b>IV Profit Before Tax</b>		<b>3,41,15,941</b>	<b>1,04,73,270</b>
Tax Expenses:			
1. Current Tax		65,07,960	24,71,111
2. Deferred Tax		9,34,300	29,81,152
3. Short/(Excess) Provision for tax relating to prior year		1,58,779	74,225
4. MAT Credit entitlement u/s 115JB for Current Year		35,62,736	17,48,231
5. MAT Credit entitlement u/s 115JB for Earlier Year		14,650	25,04,510
<b>Profit After Tax</b>		<b>3,00,62,988</b>	<b>1,51,61,827</b>
Special Reserve (as per RBI guidelines)		60,12,598	30,32,365
<b>Balance Carried Forward to Balance Sheet</b>		<b>2,40,50,390</b>	<b>1,21,29,462</b>
<b>Earning per Equity share : Basic &amp; Diluted</b>	22	<b>125.00</b>	<b>63.00</b>
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 33		

As per our report on even date

**For ARSK & Associates**  
Chartered Accountants  
FRN: 3150282E  
**CA. Ajoy K. Mohta**  
Partner  
Membership No. 052262

For and on behalf of the Board of Directors

**Vivek Mundra**  
Director (DIN 00383479)

**Vikram Kr. Purohit**  
Director (DIN 05273554)

Place: Kolkata  
Date : 27<sup>th</sup> May 2014

Cash Flow Statement for the year ended 31<sup>st</sup> March, 2014

Particulars	For the year ended	
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
	(Rs.)	(Rs.)
<b>A Cash Flows from operating activities</b>		
<b>Profit before taxation and after exceptional items</b>	3,41,15,941	1,04,73,270
<b>Adjustments For:</b>		
Depreciation/Amortization	6,51,284	74,299
Contingent Provision against Standard assets	1,61,250	1,27,500
Provision on sub-standard/doubtful assets	(17,50,000)	17,50,000
Profit on sale of investment	(2,31,92,149)	(98,48,677)
Profit/Loss on sale of fixed assets	-	(92,523)
<b>Operating profit before working capital changes</b>	<b>99,86,326</b>	<b>24,83,869</b>
<b>Adjustment for:</b>		
(Increase)/Decrease in trade receivables	-	-
(Increase)/Decrease in Loans & Advances	(6,37,44,002)	(5,10,02,553)
(Increase)/Decrease in trade & other payables	50,046	7,40,040
Cash generate from operations	(5,37,07,630)	(4,77,78,644)
Direct Tax Paid	58,79,620	23,00,000
<b>Net Cash from operating activities</b>	<b>(5,95,87,250)</b>	<b>(5,00,78,644)</b>
<b>B Cash Flows from investing activities</b>		
Purchase/Sale of Fixed Assets	(8,93,826)	(20,71,875)
Purchase/Sale of Investments	4,53,17,792	3,33,42,366
Profit on Sale of Investments	2,31,92,149	98,48,677
Profit on Sale of Fixed Assets	-	92,523
<b>Net Cash (used in) /from investing activities</b>	<b>6,76,16,115</b>	<b>4,12,11,691</b>
<b>C Cash Flows from financing activities</b>		
Proceeds from secured Loans	(81,87,609)	86,17,787
<b>Net Cash (used in) /from financing activities</b>	<b>(81,87,609)</b>	<b>86,17,787</b>
Net increase in cash and cash equivalents	(1,58,744)	(2,49,166)
Cash and cash equivalents at the beginning of the year	1,02,13,221	1,04,62,387
<b>Cash and cash equivalents at the end of the year</b>	<b>1,00,54,477</b>	<b>1,02,13,221</b>

As per our report on even date

**For ARSK & Associates**

Chartered Accountants

FRN: 3150282E

**CA. Ajoy K. Mohta**

Partner

Membership No. 052262

Place: Kolkata

Date : 27<sup>th</sup> May 2014

For and on behalf of the Board of Directors

**Vivek Mundra**

Director (DIN 00383479)

**Vikram Kr. Purohit**

Director (DIN 05273554)

## Notes on Financial Statement

### Note 1 Significant Accounting Policies

#### 1.1 Basis of accounting and preparation of financial statements

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956 and the guidelines issued by the Reserve Bank of India as applicable to a Non Banking Finance Company. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies applied by the Company are consistent with those used in the previous year.

#### 1.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### 1.3 Fixed assets

##### Tangible assets

Fixed assets are stated at cost of acquisition inclusive of duties (net of CENVAT and other credits, wherever applicable), taxes, incidental expenses, erection / commissioning expenses and borrowing costs etc. up to the date the assets are ready for their intended use.

Fixed assets retired from active use are valued at net realisable value.

#### 1.4 Depreciation

Depreciation on Fixed Assets is provided on written down value method at the rates prescribed in Schedule XIV of the Companies Act, 1956 or at rates determined based on the useful life of the assets, whichever is higher.

In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over their remaining useful life.

#### 1.5 Impairment of assets

The carrying amount of assets is reviewed at each balance sheet date to determine if there is any indication of impairment thereof based on external / internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount, which represents the greater of the net selling price of assets and their 'value in use'. The estimated future cash flows are discounted to their present value at appropriate rate arrived at after considering the prevailing interest rates and weighted average cost of capital.



## Notes on Financial Statement

Cost is arrived at on weighted average method for the purpose of valuation of investment.

### 1.6 Investments

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 long-term. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost, but provision for diminution in value is made to recognise a decline other than temporary in the value of such investments.

### 1.7 Revenue recognition

Revenue (income) is recognised to the extent it is probable that the economic benefits will flow to the company and when there is no significant uncertainty as to determination/realisation.

#### Interest

Income from loans is recognised in the Profit & Loss Account on accrual basis as stated therein below, except in the case of non-performing assets where it is recognised, upon realisation, as per the Prudential Norms / Directions of the Reserve Bank of India, applicable to Non-Banking Financial Companies.

Interest income on fixed deposits is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

#### Dividend

Income from dividend of shares of corporate bodies is accounted when the right to receive the payment is established.

#### Sale of investments

Profit or Loss on sale of investments is recognised when a binding obligation has been entered into.

#### Sale of Inventory

Revenue is recognised on accrual basis

All other operating income is accounted for on accrual basis.

### 1.8 Taxation

Tax expense comprises of current and deferred tax.

Current income-tax and fringe benefit tax are measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred tax is recognized on a prudent basis for timing differences, being difference between taxable and accounting income/expenditure that originate in one period and are capable of reversal in one or more subsequent period(s). Deferred tax asset is recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such asset can be realised against future taxable income. Unrecognised deferred tax asset of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable

## Notes on Financial Statement

income will be available against which such deferred tax assets can be realised.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit & loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

### 1.9 Earnings per share

Earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders, by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period are adjusted for the effects of all diluted potential equity shares.

### 1.10 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

### 1.11 Provisioning / Write-off of assets

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) 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 date and adjusted to reflect the current best estimates.

The company makes provision for Standard and Non-Performing Assets as per the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, as amended from time to time.

### 1.12 Segment Reporting

Based on the risks and returns associated with business operations and in terms of Accounting Standard-17 (Segment Reporting), the company is predominantly engaged in a single reportable segment of 'Financial Services' during the year.

## Notes on Financial Statement

## Note 2 Significant accounting policies

Share Capital	As at 31st March 2014		As at 31st March 2013	
	Number	Amount (Rs)	Number	Amount (Rs)
<b>Authorised</b> Equity Shares of Rs 10 each	2,40,000	24,00,000	2,40,000	24,00,000
<b>Issued, Subscribed &amp; Paid up</b> Equity Shares of Rs 10 each fully paid	2,40,000	24,00,000	2,40,000	24,00,000
<b>Total</b>	<b>2,40,000</b>	<b>24,00,000</b>	<b>2,40,000</b>	<b>24,00,000</b>

## 2.1 Rights, preferences and restrictions attached to shares

The Company has only one class of issued shares i.e. Equity Shares having face value of Rs.10 per share. Each holder of Equity Shares is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after payment of all preferential amounts, in proportion to their shareholding.

## 2.2 Name of the shareholder holding more than 5% of the aggregate share of the company

Name of the shareholder	As at 31st March 2014		As at 31st March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Alpana Mundra	55,000	22.92	55,000	22.92
Aniruddh Mundra	35,000	14.58	35,000	14.58
Pritha Mundra	30,000	12.50	30,000	12.50
Triton Securities Pvt.Ltd.	17,700	7.38	-	-
<b>Total</b>	<b>1,37,700</b>	<b>57.38</b>	<b>1,37,700</b>	<b>57.38</b>

## Notes on Financial Statement

## Note 3 Reserves &amp; Surplus

Reserves & Surplus	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
	Amount (Rs)	Amount (Rs)
<b>General Reserve</b>		
Opening Balance	9,28,00,000	9,18,00,000
Add: Addition during the year	10,00,000	10,00,000
Closing Balance	<b>9,38,00,000</b>	<b>9,28,00,000</b>
<b>Surplus</b>		
Opening balance	1,71,65,897	60,36,435
Add: Net Profit/(Net Loss) for the current year	2,40,50,390	1,21,29,462
Less: Transfer to General Reserve	(10,00,000)	(10,00,000)
Closing balance	<b>4,02,16,287</b>	<b>1,71,65,897</b>
<b>Special Reserve as per RBI guidelines</b>		
Opening balance	2,03,23,104	1,72,90,739
Add: Additions during the year	60,12,598	30,32,365
	<b>2,63,35,702</b>	<b>2,03,23,104</b>
<b>Total</b>	<b>16,03,51,989</b>	<b>13,02,89,001</b>

## Note 4 Long Term Borrowings

Long Term Borrowings	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
	Amount (Rs)	Amount (Rs)
<b>Secured</b>		
Term loan		
- From a company	4,30,178	12,26,194
<b>Explanation:</b>		
Secured by hypothecation of the vehicle		
<b>Terms of Repayment</b>		
- BMW India Financial Services Pvt. Ltd.		
Monthly installments of Rs 73,898, last installment would be due by September 2015		
<b>Total</b>	<b>4,30,178</b>	<b>12,26,194</b>

## Notes on Financial Statement

## Note 5 Short Term Borrowings

Short Term Borrowings	As at 31st March 2014	As at 31st March 2013
	Amount (Rs)	Amount (Rs)
<b>Secured</b>		
Overdraft from a Scheduled bank	-	73,91,593
<b>Explanation:</b> Secured by pledge of Fixed Deposit of Rs. 1 crore		
<b>Total</b>	-	<b>73,91,593</b>

## Note 6 Other Current Liabilities

Other Current Liabilities	As at 31st March 2014	As at 31st March 2013
	Amount (Rs)	Amount (Rs)
Due to micro ,small and medium entities	-	-
Current maturities of long term debt (Refer Note 4)	7,96,017	7,17,331
Payable for expenses	51,434	29,031
Statutory dues	4,157	5,108
Interest accrued but not due on borrowings	5,341	8,465
<b>Total</b>	<b>8,56,949</b>	<b>7,59,935</b>

## Note 7 Short Term Provisions

Short Term Provisions	As at 31st March 2014	As at 31st March 2013
	Amount (Rs)	Amount (Rs)
Provision for standard assets	2,88,750	1,27,500
Provision for doubtful asset	-	17,50,000
Provision for tax (net of advances)	-	46,968
<b>Total</b>	<b>2,88,750</b>	<b>19,24,468</b>

## Notes on Financial Statement

## Note 8 : Fixed assets

Amount in Rs.

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1 <sup>st</sup> April 2013	Additions	Disposals	Balance as at 31 <sup>st</sup> March 2014	Balance as at 1 <sup>st</sup> April 2013	for the year	On disposals	Balance as at 31 <sup>st</sup> March 2014	Balance as at 31 <sup>st</sup> March 2014	Balance as at 1 <sup>st</sup> April 2013
<b>Tangible Assets</b>										
Motor Car	22,95,352	6,31,036	-	29,26,388	63,497	6,49,444	-	7,12,941	22,13,447	22,31,855
	(5,52,501)	(22,95,352)	(5,52,501)	(22,95,352)	(3,18,222)	(74,299)	(3,29,024)	(63,497)	(22,31,855)	(2,34,279)
Mobile	-	10,400	-	10,400	-	309	-	309	10,091	-
Computer	-	2,52,390	-	2,52,390	-	1,531	-	1,531	2,50,859	-
<b>Total</b>	<b>22,95,352</b>	<b>8,93,826</b>	<b>-</b>	<b>31,89,178</b>	<b>63,497</b>	<b>6,51,284</b>	<b>-</b>	<b>7,14,781</b>	<b>24,74,397</b>	<b>22,31,855</b>
<b>Previous Year</b>	<b>5,52,501</b>	<b>22,95,352</b>	<b>5,52,501</b>	<b>22,95,352</b>	<b>3,18,222</b>	<b>74,299</b>	<b>3,29,024</b>	<b>63,497</b>	<b>22,31,855</b>	<b>-</b>

## Notes on Financial Statement

## Note: 9 Non Current Investments

	Particulars	No. of Shares / Units		Amount (Rs)	
		2014	2013	2014	2013
<b>A</b>	<b>Investment in Equity Shares of Rs 10/- each (unless otherwise stated)</b>				
<b>I</b>	<b><u>Quoted, fully paid up, at cost</u></b>				
	Vardhman Special Steel Ltd.	2,740	2,740	2,86,618	2,86,618
	<b>TOTAL (I)</b>	<b>2,740</b>	<b>2,740</b>	<b>2,86,618</b>	<b>2,86,618</b>
	<b>Market Value</b>	-	-	<b>72,884</b>	<b>72,610</b>
<b>II</b>	<b><u>Unquoted, fully paid up, at cost</u></b>				
	Jet Age Finance Pvt.Ltd	5,29,300	5,29,300	96,98,500	96,98,500
	Zoom Exports Ltd	50,000	50,000	15,00,000	15,00,000
	Prolifics Corporation Limited	20,000	-	20,00,000	-
	<b>TOTAL (II)</b>	<b>5,99,300</b>	<b>5,79,300</b>	<b>1,31,98,500</b>	<b>1,11,98,500</b>
	<b>TOTAL (I+ II) (A)</b>	<b>6,02,040</b>	<b>5,82,040</b>	<b>1,34,85,118</b>	<b>1,14,85,118</b>
<b>B</b>	<b>Investment in Mutual fund Units</b>				
<b>I</b>	<b><u>Quoted, fully paid up, at cost</u></b>				
	Goldman Sachs Gold ETF	-	5,400	-	94,01,778
	<b>TOTAL (I)</b>	<b>-</b>	<b>5,400</b>	<b>-</b>	<b>94,01,778</b>
	<b>Market Value</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,51,68,060</b>
<b>II</b>	<b><u>Unquoted, fully paid up, at cost</u></b>				
	➤ HDFC floating rate interest fund short term	-	7,37,674	-	1,19,94,213
	➤ Birla sun life savings fund	-	33,682	-	57,78,470
	➤ IDFC money manager fund	-	13,13,578	-	2,06,23,793
	➤ Kotak floater long term growth	-	-	-	-
	➤ Kotak Liquid Fund	3,889	-	1,00,00,000	-
	➤ L & T freedom S.T.P income	-	-	-	-
	➤ Principal near term fund	-	-	-	-
	➤ Tata floater fund growth	-	4,176	-	66,19,461
	➤ US1964	112	112	1,116	1,116
	<b>TOTAL (II)</b>	<b>4,001</b>	<b>20,89,222</b>	<b>1,00,01,116</b>	<b>4,50,17,053</b>
	<b>Net Asset Value</b>	<b>-</b>	<b>-</b>	<b>1,01,21,005</b>	<b>5,41,34,236</b>
	<b>TOTAL (I +II) (B)</b>	<b>4,001</b>	<b>20,94,622</b>	<b>1,00,01,116</b>	<b>5,44,18,831</b>
<b>C</b>	<b>Investments In Bonds</b>				
	US 1964-6.75% Tax Free Bond	133	133	18,029	18,029
	<b>TOTAL (C)</b>	<b>133</b>	<b>133</b>	<b>18,029</b>	<b>18,029</b>
	<b>GRAND TOTAL (A+B+C)</b>	<b>6,06,174</b>	<b>26,76,795</b>	<b>2,35,04,263</b>	<b>6,59,21,978</b>

## Notes on Financial Statement

**Note: 10 Disclosure under AS 22 for deferred tax (liability) / asset**

In accordance with AS-22 on 'Accounting for taxes on Income' by the Institute of Chartered Accountants of India, net deferred tax, has been accounted for, as detailed below:

Particulars	For the year ended 31st March 2014	For the year ended 31st March 2013
	Amount (Rs)	Amount (Rs)
<b>Deferred tax liability</b>		
Difference between book and tax depreciation	56,935	(17,709)
Sub Total (A)		
<b>Deferred tax assets</b>		
Short term capital loss	20,51,066	30,60,010
Sub Total (B)		
<b>Net Deferred Tax Asset</b>	<b>21,08,001</b>	<b>30,42,301</b>

**Note: 11 Long-term loans and advances**

Long-term loans and advances	As at 31st March 2014	As at 31st March 2013
	Amount (Rs)	Amount (Rs)
<b>Advances</b>		
(Unsecured, considered good, unless otherwise stated)		
Advance against purchase of property(doubtful)	-	17,50,000
Advance Payment of taxes (Net of Provisions)	25,14,981	22,89,887
Mat credit entitlement	78,00,827	42,52,741
<b>Total</b>	<b>1,03,15,808</b>	<b>82,92,628</b>

**Note: 12 Current Investments**

Particulars	No. of Shares / Units		Amount (Rs)	
	2014	2013	2014	2013
<b>Investment in Equity Shares of Rs 10/- each (unless otherwise stated)</b>				
<b>Quoted, fully paid up, at cost</b>				
Neelkantha steels Ltd.	-	1,21,450	-	29,00,077
<b>TOTAL</b>	<b>-</b>	<b>1,21,450</b>	<b>-</b>	<b>29,00,077</b>
<b>Market value of the investments</b>				4,85,80,000



## Notes on Financial Statement

## Note: 13 Cash and Bank Balance

Cash and bank balances	As at 31st March 2014	As at 31st March 2013
	Amount (Rs)	Amount (Rs)
Cash and cash equivalents		
- Balances with banks	37,622	1,90,657
- Cash on hand	16,855	22,564
Other bank balances		
- In deposit accounts with original maturity between 3 to 12 months.	1,00,00,000	1,00,00,000
	-	-
<b>Total</b>	<b>1,00,54,477</b>	<b>1,02,13,221</b>

- Fixed Deposit with HDFC Bank Ltd. pledged against bank overdraft limit of Rs. 90,00,000/-

## Note: 14 Short-term loans and advances

Short-term loans and advances	As at 31st March 2014	As at 31st March 2013
	Amount (Rs)	Amount (Rs)
<b>Loan</b>		
(Secured)		
- to bodies corporate	6,00,00,000	-
(Unsecured, Considered good, unless otherwise stated)		
- to bodies corporate	3,25,00,000	3,35,00,000
- to other party	2,30,00,000	1,75,00,000
Other advances	2,55,388	22,472
Prepaid expenses	88,413	47,511
<b>Total</b>	<b>11,58,43,801</b>	<b>5,10,69,983</b>

## Notes on Financial Statement

## Note: 15 Other Current Assets

Other Current Assets	As at 31st March 2014	As at 31st March 2013
	Amount (Rs)	Amount (Rs)
Accrued interest on fixed deposit	23,054	30,205
Accrued interest on loans	-	2,86,644
Other receivables	4,065	2,299
<b>Total</b>	<b>27,119</b>	<b>3,19,148</b>

## Note: 16 Income from Operations

Income from Operations	For the year ended 31st March 2014	For the year ended 31st March 2013
	Amount (Rs)	Amount (Rs)
Interest on loans	1,28,82,106	20,01,315
Interest on fixed deposit	9,23,561	9,08,035
<b>Total</b>	<b>1,38,05,667</b>	<b>29,09,350</b>

## Note: 17 Other Income

Other Income	For the year ended 31st March 2014	For the year ended 31st March 2013
	Amount (Rs)	Amount (Rs)
Profit on sale of fixed assets		92,523
Misc. Receipts	4,082	2,153
Speculation Income	146	-
Profit on sale of non-trade investments	2,31,92,149	98,48,677
<b>Total</b>	<b>2,31,96,377</b>	<b>99,43,353</b>

## Note: 18 Employee Benefit Expenses

Employee Benefit Expenses	For the year ended 31st March 2014	For the year ended 31st March 2013
	Amount (Rs)	Amount (Rs)
Salaries and bonus	4,80,565	1,75,500
<b>Total</b>	<b>4,80,565</b>	<b>1,75,500</b>

**Notes on Financial Statement****Note: 19 Finance Costs**

Finance Costs	For the year ended 31st March 2014	For the year ended 31st March 2013
	Amount (Rs)	Amount (Rs)
Interest expenses	11,75,330	54,587
<b>Total</b>	<b>11,75,330</b>	<b>54,587</b>

**Note: 20 Other Expenses**

Other Expenses	For the year ended 31st March 2014	For the year ended 31st March 2013
	Amount (Rs)	Amount (Rs)
Advertisement	23,802	56,496
Auditor's Remuneration	65,169	33,708
Bank Charges	1,196	1,012
Bad Debts	17,50,000	-
Depository Charges	2,401	1,685
Car Insurance	63,145	5,456
Car Maintenance	99,382	6,675
Computer Maintenance	13,650	-
Custody Fee	13,482	4,495
Filing Fee	1,110	2,317
Share Transfer Agent Charges	20,225	22,472
General Expenses	2,460	725
Legal And Professional Charges	21,400	39,682
Listing Fees	15,548	15,360
Postage, Telegram And Telephone	747	776
Printing And Stationery	1,000	104
Processing Fee	22,472	-
Rates And Taxes	6,850	4,450
Travelling And Conveyance	43,635	2,134
<b>Total</b>	<b>21,67,674</b>	<b>1,97,547</b>

**Note: 21 Payments to auditor**

Payments to auditor	For the year ended 31st March 2014	For the year ended 31st March 2013
	Amount (Rs)	Amount (Rs)
For Statutory Audit	28,090	28,090
For Tax Audit	13,483	-
For Other Matters	23,596	5,618
<b>Total</b>	<b>65,169</b>	<b>33,708</b>

## Notes on Financial Statement

## Note: 22 Earning per share (EPS)

Particulars		For the year ended 31st March 2014	For the year ended 31st March 2013
Profit after tax	Rs.	3,00,62,988	1,51,61,827
Weighted average number of equity shares outstanding during the year	Nos.	2,40,000	2,40,000
Nominal value of equity per share	Rs.	10	10
Basic/diluted earning per share (EPS)	Rs.	125	63

## Note: 23 Disclosures of related party transactions (as identified &amp; certified by the management):

As per Accounting Standard-18 - 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India, the names of the related parties are given below:

## 23.1 Disclosures of related party transactions:

A. Key Management Personnel	
Vivek Mundra	Director
Vikram Kr. Purohit	Director
Sunil Kr. Dalmia	Director
B. Enterprise owned or significantly influenced by Key Management Personnel and their relatives:	
i. Jet Age Securities Private Limited	
ii. Jet Age Finance Private Limited	

## 23.2 Transactions with related Parties during the year :

Amount in Rs.

S No	Nature of Transactions	Key Management Personnel	Relatives of Key Management Personnel	Enterprise owned or significantly influenced by Key Management Personnel and their relatives	Total
I	Interest paid			-	-
ii	Interest received			(8,849)	(8,849)
iii	Loans taken			-	-
iv	Loans repaid			-	-
v	Purchase of shares			-	-
viii	Sale of shares			1,55,57,046	1,55,57,046
viii	Speculation Income			146	146

				-	-
ix	Margin money paid			-	-
				(1,00,000)	(1,00,000)
x	Margin money received			-	-
				(5,00,000)	(5,00,000)
xi	Expenses paid			-	-
				-	-

**Note:**

- The above transactions do not include reimbursement of expenses made / received during the year.
- Figures in bracket relate to previous year.

**23.3 Disclosure in respect of material related party transactions during the year:**

- Sale of Units to Jet Age Securities Private Limited Rs. 1,55,57,046 (previous year Nil)
- Margin Money received back from Jet Age Securities Pvt. Ltd Nil(previous year Rs 5,00,000)
- Speculation Income from Jet Age Securities Private Limited Rs 146 (Previous year Nil)
- Interest received from Jet Age Securities Private Limited on Margin Money deposit Nil (previous year Rs 8,849 )

**Note: 24 'Provisioning / Write-off of assets**

Provision for non-performing assets (NPAs) is made in the financial statements according to the Prudential Norms prescribed by RBI for NBFCs. Additional provision of 0.25% on Standard assets has also been made during the year, as per a new stipulation of RBI on Standard Assets.

The company also makes additional provision towards loan assets, based on the management's best estimate.

Details of provision towards loan assets are as stated below:

Particulars	As on 31.03.2013	Charged to Profit & Loss Account during the year	As on 31.03.2014
Provision on standard assets	1,27,500	1,61,250	2,88,750
Provision on doubtful asset	17,50,000	(17,50,000)	-

**Note: 25 Gratuity and post-employment benefits plans**

As the number of employee is less than 10, and as such no employee benefits are payable under any statute or otherwise and as such the disclosure requirements under AS - 15 (revised) are not applicable.

**Note: 26Contingent Liabilities:**

Particulars	Amount in Rs.	
	2014	2013
Income Tax demands ( under appeal) (net of payments) :	26,16,827	26,16,827

## Notes on Financial Statement

Note: 27 Disclosure of details as required in terms of Paragraph 13 of Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007:

S No.	Liabilities side	Amount Rs. (in lacs)	
		Amount outstanding	Amount overdue
1	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :		
A	Debtures : -		
	Secured	-	-
	Unsecured	-	-
	(Other than falling within the meaning of public deposits)		
B	Deferred Credits		
C	Terms Loans		
D	Inter-corporate loans and borrowing		
E	Commercial Paper		
F	Other loans (Vehicle loan)	12.32	
	Bank Overdraft		
	Loan from Directors & Shareholders		
	<b>Total</b>	<b>12.32</b>	
	<b>ASSETS SIDE</b>	<b>Amount outstanding</b>	
2	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
	A. Secured		600.00
	B. Unsecured		555.00
3	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities		-
	Lease assets including lease rentals under sundry debtors		
	A. Financial lease		-
	B. Operating lease		-
	Stock on hire including hire charges under sundry debtors:		
	A. Assets on hire		-
	B. Repossessed Assets		-
	Other loans counting towards AFC activities		
	A. Loans where assets have been repossessed		-
	B. Loans other than (a) above		-
4	Break-up of Investments:		
	Current Investments		
	Quoted:		
	1. Shares A. Equity		-
	B. Preference		-
	2. Debtures and Bonds		-
	3. Units of mutual funds		-
	4. Government Securities		-

	5. Others (Please specify)		-	
	Unquoted:			
	6. Shares A. Equity		-	
	B. Preference		-	
	7. Debentures and Bonds		-	
	8. Units of mutual funds		-	
	9. Government Securities		-	
	10. Others (Please specify)		-	
	Long Term investments:			
	Quoted:			
	11. Shares A. Equity		2.87	
	B. Preference		-	
	12. Debentures and Bonds		-	
	13. Units of mutual funds		-	
	14. Government Securities		-	
	15. Others (Please specify)		-	
	Unquoted:			
	16. Shares A. Equity		131.99	
	B. Preference		-	
	17. Debentures and Bonds		0.18	
	18. Units of mutual funds		100.01	
	19. Government Securities		-	
	20. Others (Please specify)		-	
<b>5</b>	Borrower group-wise classification of all leased assets financed as in (2) and (3) above :			
	<b>Category</b>	<b>Amount net of provisions</b>		
		<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	Related Parties			
	A. Subsidiaries	-	-	-
	B. Companies in the same group	-	-	-
	C. Other related parties	-	-	-
	Other than related parties	600.00	555.00	1155.00
	<b>TOTAL</b>	600.00	555.00	1155.00
<b>6</b>	Investor group-wise classification of all investments(current and long-term) in shares and securities(both quoted and unquoted):-			
	<b>Category</b>	<b>Market Value/Breakup or fair value or NAV</b>	<b>Book Value (Net of Provisions)</b>	
	Related Parties			
	A. Subsidiaries	-	-	
	B. Companies in the same group	-	96.99	
	C. Other related parties	-	-	
	Other than related parties	101.94	138.06	
	<b>TOTAL</b>	101.94	235.05	
	* For unquoted investments in shares breakup value is not available. Hence not considered for reporting.			
<b>7</b>	Other Information			

	<b>Particulars</b>	<b>Amount</b>
	Gross Non-Performing Assets	
	A. Related Parties	-
	B. Other than related parties	-
	<b>Net Non-Performing Assets</b>	
	A. Related Parties	-
	B. Other than related parties	-
	Assets acquired in satisfaction of debt	-

**Note: 28**

Balances of some of the loans and advances incorporated in the books as per balances appearing in the relevant subsidiary records are subject to confirmation from the respective parties and consequential adjustments arising from reconciliation, if any. The management, however, is of the view that there will be no material discrepancies in this regard.

**Note: 29**

The company had advanced a sum of Rs 17,50,000/- on the basis of Memorandum of Understanding dated 19.04.1995 with a party/vendor for purchase of land at Bangalore. A provision of 100% was created for the same during 2012-13 and the same has been treated as a bad debt during the current year.

**Note: 30**

Historically, the company's investment in unquoted shares has been done with a view to hold them for long term and thereby earn capital gains, since dividend payout on such investments has generally been irregular. The aforesaid policy has been taken into consideration while computing the provision for income-tax as applicable.

**Note: 31**

As per information available with the Company there are no amounts payable or paid during the period which are required to be disclosed as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

**Note: 32**

Figure in the brackets relate to previous year.

**Note: 33**

Figures have been rounded off to nearest rupee.

As per our report on even date

**For ARSK & Associates**

Chartered Accountants

FRN: 3150282E

**CA. Ajoy K. Mohta**

Partner

Place: Kolkata

Date : 27<sup>th</sup> May 2014

For and on behalf of the Board of Directors

**Vivek Mundra**

Director (DIN 00383479)

**Vikram Kr. Purohit**

Director (DIN 05273554)



# Avro Commercial Co. Ltd.

Regd & Corp. Office: - 906 "SHUBHAM", 1, Sarojini Naidu Sarani, Kolkata- 700 017

## PROXY FORM

DP ID : \_\_\_\_\_ Regd Folio No. : \_\_\_\_\_

Client ID: \_\_\_\_\_ No. of Shares held: \_\_\_\_\_

I/we \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ being a member/members of the above named company hereby appoint  
\_\_\_\_\_ of \_\_\_\_\_ as  
my/our proxy to vote for me/us or my/our behalf at the 32<sup>nd</sup> Annual general meeting of the company  
to be held on Tuesday, the 30<sup>th</sup> day of September, 2014 at 11:00 at registered office of the company and at  
adjournment thereof.

Signed this \_\_\_\_\_ day of September, 2014

<b>Affix Re</b>
<b>1/-</b>
<b>Revenue</b>
<b>Stamp</b>

### Note:-

- A member entitle to attend and vote at the meeting is entitle to appoint a proxy and vote instead of himself.
- Proxy need not be a member.
- The proxy form, duly completed should be deposited at the registered office of the company not less than 48 hours before the time fixed for holding the meeting.

# Avro Commercial Co. Ltd.

Regd & Corp. Office: - 906 "SHUBHAM", 1, Sarojini Naidu Sarani, Kolkata- 700 017

## ATTENDANCE SLIP

(Please present this slip at the entrance of the meeting venue)

DP ID : \_\_\_\_\_ Regd Folio No. : \_\_\_\_\_

Client ID: \_\_\_\_\_ No. of Shares held: \_\_\_\_\_

I hereby record my presence at the 32<sup>nd</sup> Annual general meeting to be held on Tuesday, the 30<sup>th</sup> day of September, 2014 at 11:00 at registered office of the company.

**Name of the Shareholder** :

**Name of the Proxy** :

**Signature of member/Proxy** :

### Note:-

- To be signed at the time of handling over the slip.
- Members are requested to register their names at least 15 minutes prior to the commencement of the meeting.