



Independent Auditor's Report

To the Members of M/S MARDA COMMERCIAL & HOLDINGS LTD

Report on the Financial Statements

We have audited the accompanying financial statements of M/S MARDA COMMERCIAL & HOLDINGS LTD ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, 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 of 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 there under.

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 misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31st March, 2017, and its profit/loss and its 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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.






- e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

Place:- KOLKATA
Date: 30/05/2017

For MAMRAJ & CO.
Chartered Accountants
FRN: 006396N


MAMRAJ AGARWAL
(PARTNER)
Membership No. 084944





Annexure 'A'

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".

We report that:

- i.
 - a. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - c. The title deeds of immovable properties are held in the name of the company.
- ii. As explained to us inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- iii. The company has granted loans to 3 parties covered in the register maintained under section 189 of the Companies Act, 2013 wherein the balance receivable as at the year-end is Rs. 14,92,07,623. The maximum amount outstanding during the year was Rs. 16,22,62,923.
 - a. The terms and conditions of the grant of such loans are not prejudicial to the company's interest;
 - b. The terms of arrangement do not stipulate any repayment schedule and the loans are repayable on demand with interest.
 - c. Since the term of arrangement do not stipulate any repayment schedule and the loans are repayable on demand, no question of overdue amounts will arise in respect of the loans granted to the parties listed in the register maintained under section 189 of the Act.
- iv. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. The company has not accepted any deposits from the public covered under sections 73 to 76 of the Companies Act, 2013.
- vi. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.





- vii.
- a. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2017 for a period of more than six months from the date they became payable.
 - b. According to the information and explanations given to us, there is no amount payable in respect of income tax (except for the A.Y. 2014-15 mentioned in notes to accounts), service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes.
- viii. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the company.
- ix. Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year.
- x. According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, we report that managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. The company is not a Nidhi Company. Therefore clause xii) of the order is not applicable to the company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

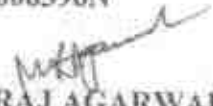




- xv. The company has not entered into non-cash transactions with directors or persons connected with him.
- xvi. The company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the registration has been obtained.

Place:- KOLKATA
Date: 30/05/2017

For MAMRAJ & CO.
Chartered Accountants
FRN: 006396N


MAMRAJ AGARWAL
(PARTNER)
Membership No. 084944





Report on Internal Financial Controls Over Financial Reporting

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/S MARDA COMMERCIAL & HOLDINGS LTD ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.





We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place:- KOLKATA
Date: 30/05/2017

For MAMRAJ & CO.
Chartered Accountants
FRN: 006396N
Mamraj
MAMRAJ AGARWAL
(PARTNER)
Membership No. 084944



MARDA COMMERCIAL & HOLDINGS LIMITED
Balance sheet as at 31 March 2017

(Amount in Rupees)

Particulars	Notes	As at 31st March 2017	As at 31st March 2016
Equity and liabilities			
Shareholders' funds			
Share capital	2	1000,06,000.00	1000,06,000.00
Reserves and surplus	3	1145,54,443.09	1056,35,436.56
		<u>2145,60,443.09</u>	<u>2056,41,436.56</u>
Current liabilities			
Short-term borrowings	4	1096,29,941.00	1200,95,958.00
Other current liabilities	5	31,19,515.61	43,50,840.00
Short-term provisions	6	36,15,137.00	202,18,644.00
		<u>1163,64,593.61</u>	<u>1454,65,442.00</u>
Total		<u>3309,25,036.70</u>	<u>3511,06,878.56</u>
Assets			
Non-current assets			
Fixed assets			
Tangible assets	7	53,037.00	53,037.00
Non-current investments	8	548,77,897.00	572,99,104.00
Deferred tax assets (net)	9	92,705.00	1,02,046.00
Long-term loans and advances	10	845,42,115.00	943,68,397.00
		<u>1395,65,754.00</u>	<u>1510,22,584.00</u>
Current assets			
Inventories	11	22,24,002.62	19,98,021.50
Trade receivables	12	23,006.71	7,266.66
Cash and bank balances	13	330,63,902.11	255,90,880.94
Short-term loans and advances	10	1560,48,371.26	1716,88,125.46
		<u>1913,59,282.70</u>	<u>1992,84,294.56</u>
Total		<u>3309,25,036.70</u>	<u>3511,06,878.56</u>

Notes 1 to 21 form an integral part of these financial statements

As per our report of even date

For MAMRAJ & CO.
Chartered Accountants
Firm Regn No - 006396N

Mamraj
MAMRAJ AGARWAL
(Partner)

Mem No. 084944
Date : 30.05.2017
Place : Kolkata



For and on behalf of the Board

Daulat Ram
Daulat Ram Agarwala → Lalit Agarwal
(Managing Director) (Director)

Radhika Maheshwari
Radhika Maheshwari → Ashish Agarwal
(Company Secretary) (CFO)



MARDA COMMERCIAL & HOLDINGS LIMITED
Statement of profit and loss for the year ended 31 March 2017

(Amount in Rupees)

Particulars	Notes	Year Ended 31 March 2017	Year Ended 31 March 2016
Revenue			
Revenue from operations	14	444,92,564.51	668,71,500.63
Other income	15	48,81,245.09	23,47,747.00
Total revenue		493,73,809.60	692,19,247.63
Expenses			
Purchases of traded goods	16	206,31,074.02	386,85,849.39
Changes in inventories of finished goods, work-in-progress and traded goods	17	(2,25,981.12)	38,01,978.50
Employee benefit expenses	18	16,49,196.00	14,43,517.00
Finance costs	19	128,61,900.50	148,97,743.04
Depreciation and amortisation expense	20	-	-
Other expenses	21	24,99,521.67	6,81,063.61
Total expenses		374,15,711.07	595,10,151.54
Profit before tax		119,58,098.53	97,09,096.09
Tax expense			
Current tax		30,21,754.00	25,69,885.00
Excess/ (Short) provision of Income tax for earlier years		29,153.00	-
Deferred tax		9,341.00	10,990.00
Profit for the year		88,97,850.53	71,28,221.09
Less: Transfer to/(from) Statutory Provision		(21,156.00)	(93,685.00)
Less: Transferred to Statutory reserve		17,79,570.00	14,25,644.00
		71,39,436.53	57,96,262.09

Earnings per equity share of Face Value (Rs 10 each)

Basic & Diluted 0.89 0.71

As per our report of even date

For MAMRAJ & CO.

Chartered Accountants

Firm Regn No - 006396N

MAMRAJ AGARWAL

(Partner)

Mem No. 084944

Date : 30.05.2017

Place : Kolkata



For and on behalf of the Board

Daulat Ram

Daulat Ram Agarwala
(Managing Director)

Lalit Agarwal
Lalit Agarwal
(Director)

Radhika Maheshwari

Radhika Maheshwari
(Company Secretary)

Ashish Agarwal
Ashish Agarwal
(CFO)



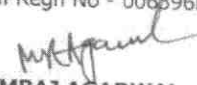
Marda Commercial & Holdings Limited

CIN : L65929WB1990PLC048280

Cash Flow Statement for the year Ended 31st March, 2017

PARTICULARS	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
A. Cash Flow from Operating Activities		
Net Profit /(Loss) before Tax	119,58,098.53	97,09,096.09
<i>Adjustments for</i>		
Depreciation	-	-
Interest Paid	128,61,900.50	148,97,743.04
	248,19,999.03	246,06,839.13
<i>Adjustments for</i>		
Dividend received	30,44,503.42	16,98,746.00
	278,64,502.45	263,05,585.13
Interest Received	-	-
Miscellaneous Income-Provisions Written Back	-	-
Profit/(Loss) on Sale/Retirement of Fixed Assets	-	-
	278,64,502.45	263,05,585.13
Operating profit before Working Capital Changes		
<i>Adjustments for</i>		
Current Assets	252,24,315.03	387,33,626.76
Current Liabilities	(178,34,831.39)	32,38,769.27
Cash generated from operating activities	352,53,986.09	682,77,981.16
Interest Paid	(128,61,900.50)	(148,97,743.04)
Deferred tax asset	(9,341.00)	(10,990.00)
Taxes paid	(30,50,907.00)	(25,69,885.00)
Cash Flow Before Extraordinary Items	193,31,837.59	507,99,363.12
Extraordinary Items	30,497.00	93,684.63
Net cash from operating activities	193,62,334.59	508,93,047.75
B. Cash flow from Investing Activities		
Sale of Investments	-	-
Purchase of investments	24,21,207.00	(428,24,997.00)
Dividend received	(30,44,503.42)	(16,98,746.00)
Net Cash used in investing activities	(6,23,296.42)	(445,23,743.00)
C. Cash flow from Financing Activities		
Proceeds/Repayment) from /of Borrowings	(112,66,017.00)	(85,96,704.00)
Net Cash from Financing Activities	(112,66,017.00)	(85,96,704.00)
Net Increase in cash & cash equivalents	74,73,021.17	(22,27,399.25)
Cash and Cash Equivalent at the beginning	255,90,880.94	278,18,280.19
Exchange fluctuation on translation of foreign currency	-	-
Cash and Cash Equivalent at the end of the year	330,63,902.11	255,90,880.94

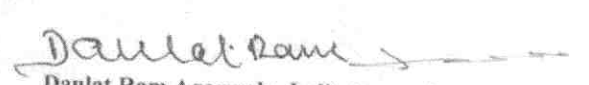
For MAMRAJ & CO.
CHARTERED ACCOUNTANTS
Firm Regn No - 006896N

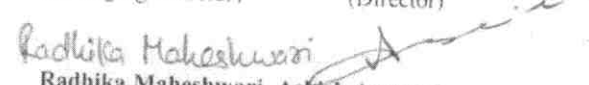

MAMRAJ AGARWAL
(Partner)
For MAMRAJ & CO.



Date : 30.05.2017
Place : Kolkata

For and on behalf of the Board of Directors


Daulat Ram Agarwala Lalit Agarwal
(Managing Director) (Director)


Radhika Maheshwari Ashfish Agarwal
(Company Secretary) (CFO)



MARDA COMMERCIAL & HOLDINGS LIMITED

Notes to the financial statements for the year ended 31 March 2017

(Amount in Rupees)

2 Share capital

Authorised share capital

Equity shares of ₹ 10 each

Issued, subscribed and fully paid up

Equity shares of ₹ 10 each

Total issues, subscribed and fully paid up share capital

31 March 2017		31 March 2016	
Number	Amount	Number	Amount
101,00,000	1010,00,000	101,00,000	1010,00,000
100,00,600	1000,06,000	100,00,600	1000,06,000
100,00,600	1000,06,000	100,00,600	1000,06,000

a Details of shareholders holding more than 5% shares of the company

Name of Shareholder	% of shares	No of Shares	% of shares	No of Shares
Advance Ispat(India) Ltd.	19.43	19,43,400	19.43	19,43,400
Daulat Ram Agrawal	5.13	5,12,500	5.13	5,12,500
Sneha Agarwal	5.45	5,45,000	5.45	5,45,000

b. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares with voting rights

At the beginning of the year

Outstanding at the end of the year

31 March 2017		31 March 2016	
Number	Amount	Number	Amount
100,00,600	1000,06,000	100,00,600	1000,06,000
100,00,600	1000,06,000	100,00,600	1000,06,000

c. Equity shares carry voting rights at the General Meetings of the Company, and are entitled to dividend and to participate in surplus, if any, in the event of winding up.



R.M.



MARDA COMMERCIAL & HOLDINGS LIMITED
Notes to the financial statements for the year ended 31 March 2017

(Amount in Rupees)

3 Reserves and surplus

	<u>31 March 2017</u>	<u>31 March 2016</u>
Surplus in the statement of profit and loss		
Balance as per last financial statements	841,99,490.56	784,03,228.47
Add : Profit for the year	<u>71,39,436.53</u>	<u>57,96,262.09</u>
Net Surplus in the statement of profit and loss	913,38,927.09	841,99,490.56
Statutory Reserve		
Balance as per last financial statements	214,35,946.00	200,10,302.00
Add: During the year	<u>17,79,570.00</u>	<u>14,25,644.00</u>
	232,15,516.00	214,35,946.00
Total Reserves and surplus	<u><u>1145,54,443.09</u></u>	<u><u>1056,35,436.56</u></u>

4 Short Term Borrowings

	<u>31 March 2017</u>	<u>31 March 2016</u>
Unsecured		
- From Related Party	1096,29,941.00	1208,95,958.00
- From Others	-	-
Total borrowings	<u><u>1096,29,941.00</u></u>	<u><u>1208,95,958.00</u></u>

5 Other current liabilities

Expenses payable	31,19,515.61	43,50,840.00
	<u><u>31,19,515.61</u></u>	<u><u>43,50,840.00</u></u>

6 Short Term Provisions

Statutory Provision				
Opening Balance	6,14,539.00		7,08,224	
Add : Transfer from/(to) Profit & Loss A/c	<u>(21,156.00)</u>	5,93,383.00	<u>(93,685)</u>	6,14,539.00
Provision for taxation		<u>30,21,754.00</u>		<u>196,04,105.00</u>
		<u><u>36,15,137.00</u></u>		<u><u>202,18,644.00</u></u>



R.H.



MARDA COMMERCIAL & HOLDINGS LIMITED
Notes to the financial statements for the year ended 31 March 2017

7

Tangible assets

(Amount in

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	AS AT 01st APRIL, 2016	ADDITIONS DURING THE YEAR	DELETIONS DURING THE YEAR	AS AT 31st MARCH, 2016	UP TO 31st MARCH, 2016	FOR THE YEAR	ADJUSTMENTS FOR DELETIONS DURING THE YEAR	OTHER ADJUST MENTS	TOTAL UP TO 31st MARCH, 2016	AS AT 31st MARCH, 2017	AS 31st M 20
Car	10,60,735.00	-	-	10,60,735.00	10,07,698.00	-	-	-	10,07,698.00	53,037.00	53
Total	10,60,735.00	-	-	10,60,735.00	10,07,698.00	-	-	-	10,07,698.00	53,037.00	53
Previous Year	10,60,735.00	-	-	10,60,735.00	10,07,698.00	-	-	-	10,07,698.00	53,037.00	53



R.H.



MARDA COMMERCIAL & HOLDINGS LIMITED
Notes to the financial statements for the year ended 31 March 2017

(Amount in Rupees)

8 Non Current Investments

Other investments

Investment in Unquoted equity shares

	31 March 2017		31 March 2016	
	Quantity	Trade		Trade
Advance Hightech Agro Products Limited (Face Value Rs. 10/-)	50000	1,50,000.00	50000	1,50,000.00
Tirupati Structural Limited (Face Value Rs. 10/- each)	1447900	7,48,600.00	1447900	7,48,600.00
		<u>8,98,600.00</u>		<u>8,98,600.00</u>

Unquoted Preference Shares

Farsight Securities Limited (Face Value Rs. 100/- each)	15000	15,00,000.00	15000	15,00,000.00
		<u>15,00,000.00</u>		<u>15,00,000.00</u>

Investment in Mutual Fund (Units)

JM Core MF (Face Value Rs. 10/- each)			2,50,000	25,00,000.00
Reliance Capital Assets MGM, Co Ltd	4428671	465,00,000.00	41,90,465	440,00,000.00
Aditya Birla P Equity (Face Value Rs. 10/- each)	46307	59,79,297.00	79,930	84,00,504.00
		<u>524,79,297.00</u>		<u>549,00,504.00</u>

Aggregate amount of Investment

		<u>548,77,897.00</u>		<u>572,99,104.00</u>
Break Up Value of Unquoted equity shares		926,13,200.00		851,66,931.00
Break Up Value of Unquoted Preference shares		15,00,000.00		15,00,000.00
NAV of Units of Mutual Fund		469,20,445.28		529,89,320.86
		<u>1410,33,645.28</u>		<u>1396,56,251.86</u>

9 Deferred tax Assets (Net)

Timing difference on tangible assets depreciation and impairment

Total

Net deferred tax asset / (liability)

	31 March 2017	31 March 2016
	92,705.00	1,02,046.00
	<u>92,705.00</u>	<u>1,02,046.00</u>
	<u>92,705.00</u>	<u>1,02,046.00</u>

10 Loans and advances

Loan Term

- Unsecured, considered good
- To Related Party

Short Term

Other loans and advances

- Unsecured, considered good
- To Related Party
- To Others

Advances recoverable in Cash or Kind or value to be Received
Income Tax & TDS (net of provisions)

	31 March 2017	31 March 2016
	845,42,115.00	943,68,397.00
	<u>845,42,115.00</u>	<u>943,68,397.00</u>
	646,65,508.00	649,29,123.00
	224,40,000.00	258,13,875.00
	657,05,505.26	607,04,287.26
	32,37,358.00	202,40,840.20
	<u>1560,48,371.26</u>	<u>1716,88,125.46</u>

- a. Management believes that, the loans and advances have a value on realization in the ordinary course of business at least equal to the amount stated in the Balance Sheet and provisions for all the known liabilities have been made



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MARDA COMMERCIAL & HOLDINGS LIMITED

Notes to the financial statements for the year ended 31 March 2017

(Amount in Rupees)

11 Inventories (valued at cost or lower of net realisable value)

	No of Shares	31 March 2017	No of Shares	31 March 2016
Mutual Funds				
ETF LIQUIDBEES	370.51	3,70,246.87	0.49	494.00
Quoted Shares				
Bharat Electronics Limited	900.00	1,38,744.90		
Biocon Limited	115.00	1,22,894.70		
Cadila Health care Ltd			520.00	1,76,885.40
Emami LTD			540.00	5,10,925.00
GRANUALS INDIA LTD			2,040.00	2,43,127.65
Hindal Co Industries Limited	540.00	1,06,320.60		
HPCL	275.00	1,46,836.25		
Hindustan Zinc Limited	325.00	1,01,632.90		
ICICI BANK LTD			660.00	1,46,784.00
IOCL	390.00	1,46,277.30		
IGL	110.00	1,01,668.60		
Kotak Mahindra Bank Limited	205.00	1,49,071.90		
L & T	95.00	1,39,946.20		
Maruti Suzuki Ltd			50.00	1,83,023.40
MCX India Limited	135.00	1,61,177.05		
NBCC India Limited	427.00	79,754.40		
ONGC LTD			650.00	1,34,290.00
Pidlite Industries Limited	200.00	1,41,102.00		
SUN Pharma Ind Limited			510.00	4,30,949.90
Tata Steel Limited	200.00	1,00,992.00		
The Federal Bank Ltd	2,000.00	1,49,840.00		
Tech Mahindra Ltd			390.00	1,79,595.00
Vedanta Limited	375.00	99,352.50		
		22,55,858.17		20,06,074.35
Less: Devaluation In Stock(as per Market Price)		31,855.55		8,052.85
		22,24,002.62		19,98,021.50
Market Value of Quoted Equity Shares		19,45,298.55		19,97,527.50
Market Value of Units of Mutual Fund		3,70,509.00		494.00

12 Trade receivables

	31 March 2017	31 March 2016
Other debts		
Unsecured considered good	23,006.71	7,266.66
	23,006.71	7,266.66
Total Trade Receivables	23,006.71	7,266.66

13 Cash and bank balances

	31 March 2017	31 March 2016
Cash and cash equivalents		
Cash in hand (As Certified By Management)	52,703.60	96,773.60
Balances with banks		
- in current accounts	134,15,046.51	15,87,747.34
FDR With Scheduled Bank	187,95,767.00	225,00,000.00
Interest accrued on FDR	8,00,385.00	14,06,360.00
Total	330,63,902.11	255,90,880.94

Management believes that, the current assets have a value on realization in the ordinary course of business at least equal to the amount stated in the Balance Sheet and provisions for all the known liabilities have been made.



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MARDA COMMERCIAL & HOLDINGS LIMITED
Notes to the financial statements for the year ended 31 March 2017

	<u>31 March 2017</u>	<u>31 March 2016</u>
14 Revenue		
Revenue from operations		
Interest	238,13,171.00	250,38,004.00
Sale of Shares	206,79,393.51	345,12,504.43
Sale of MF units	-	73,20,992.20
	<u>444,92,564.51</u>	<u>668,71,500.63</u>
Revenue from operations (Net)	<u>444,92,564.51</u>	<u>668,71,500.63</u>
15 Other income		
Dividend	30,44,503.42	16,98,746.00
Interest on Debentures	2,19,547.00	4,38,477.00
Profit from sale of Listes Equity Shares	15,61,802.00	2,10,524.00
Misc income	55,392.67	-
	<u>48,81,245.09</u>	<u>23,47,747.00</u>
16 Purchases		
Purchase of shares	206,31,074.02	334,85,847.39
Purchase of MF units	-	52,00,002.00
	<u>206,31,074.02</u>	<u>386,85,849.39</u>
17 Changes in inventories		
Opening stock		
Shares & Securities (A)	19,98,021.50	58,00,000.00
Closing stock		
Shares & Securities (B)	22,24,002.62	19,98,021.50
(A) - (B)	<u>(2,25,981.12)</u>	<u>38,01,978.50</u>
18 Employee benefit expense		
Salaries, wages and bonus	10,49,196.00	8,43,517.00
Director's Remuneration	6,00,000.00	6,00,000.00
	<u>16,49,196.00</u>	<u>14,43,517.00</u>
19 Finance costs		
Interest expenses	128,59,755.00	148,96,265.00
Bank charges	2,145.50	1,478.04
	<u>128,61,900.50</u>	<u>148,97,743.04</u>



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20 Depreciation and amortisation expense
 Depreciation of tangible assets (Also, refer note 7)

-	-
-	-

21 Other expenses

Payments to auditors	57,500.00	57,250.00
- Audit Fees	17,250.00	17,175.00
- Tax Audit Fees	25,000.00	20,000.00
- Internal Audit Fees	20,103.00	19,006.00
Advertisement	4,236.94	6,150.06
Demat Charges	1,04,425.00	1,05,330.00
Depository Charges	8,600.00	12,700.00
Filing Fees	13,409.87	11,774.17
General & Other Charges	1,51,443.00	1,21,800.00
Legal & Professional Charges	40,075.00	39,326.00
Listing Fees	6,660.00	1,906.00
Postage	2,500.00	2,500.00
Profession Tax	3,720.00	
Profession Tax For Employees	23,975.00	17,647.00
Printing and stationery	-	18,000.00
Computer software	7,27,900.00	
Loss on sale of Mutual Fund	10,82,452.00	
Loss on sale on Unlisted Shares	1,08,000.00	1,08,000.00
Rent	22,989.25	25,608.00
RTA Fees	38,307.61	67,991.38
STT Charges	18,885.00	16,400.00
Travelling & Conveyance Charges	22,090.00	12,500.00
Vehicle running and maintenance	24,99,521.67	6,81,063.61



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20 Depreciation and amortisation expense
 Depreciation of tangible assets (Also, refer note 7)

-	-
-	-

21 Other expenses

Payments to auditors	57,500.00	57,250.00
- Audit Fees	17,250.00	17,175.00
- Tax Audit Fees	25,000.00	20,000.00
- Internal Audit Fees	20,103.00	19,006.00
Advertisement	4,236.94	6,150.06
Demat Charges	1,04,425.00	1,05,330.00
Depository Charges	8,600.00	12,700.00
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Travelling & Conveyance Charges	22,090.00	12,500.00
Vehicle running and maintenance	<u>24,99,521.67</u>	<u>6,81,063.61</u>



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M/S MARDA COMMERCIAL & HOLDINGS LTD

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS

Note No. : 1

A. Significant Accounting Policies

1. Basis of accounting :-

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared under the historical cost convention on accrual basis.

2. Revenue Recognition :-

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of securities. Dividend income is recognized on receipt basis. Interest Income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

3. Fixed Assets :-

Fixed assets are stated at their original cost of acquisition including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

4. Depreciation :-

Depreciation on Fixed Assets has not been provided as the useful life of the asset as prescribed in Schedule II to the Companies Act, 2013 is over and the asset is stated at five percent of the original cost

5. Investments :-

Investments have been valued at cost. Provision for diminutions in the value is not considered unless such shortfall is permanent in nature.

6. Inventories :-

Inventories are valued as per standards prescribed under ICDS VIII as per which securities held as stock in trade shall be valued at actual cost initially recognized or net realizable value at the end of that previous year, whichever is lower. The comparison has been done on category wise and not individual security wise.

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7. Taxes on Income:-

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted by the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is virtual certainty with convincing evidence that these would be realized in future. At each Balance Sheet date, the carrying amount of deferred tax is reviewed to reassure realization.

Significant accounting policies form integral from integral part of the financial statements for the year ended 31.03.2017

In terms of Our Separate Audit Report of Even Date Attached.

For MAMRAJ & CO.
Chartered Accountants
F.R. NO. 006396N



MAMRAJ AGARWAL
(PARTNER)


M. NO. 084944

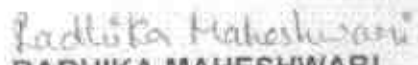


For And On Behalf Of Board of Directors


DAULAT RAM AGARWALA
(Managing Director)


LALIT AGARWAL
(Director)


AASHISH AGARWAL
(CFO)


RADHIKA MAHESHWARI
(Company Secretary)



(B) Other Notes on Financial Statements

1. The company's main business is Finance and Investment activities falling under one business head. Hence, Segmental Reporting as per AS – 17 is not applicable to the company.
2. Payments to Auditors:

Auditors Remuneration	2016-2017	2015-2016
Audit Fees	50,000.00	50,000.00
Tax Audit Fees	15,000.00	15,000.00
Service Tax	9,750.00	9,425.00
Total	74,750.00	74,425.00

3. Related Party Transaction

Disclosure in relation of Transactions with Related Parties as per AS-18

Name of Related Party (Nature of Relationship)	Nature of Transactions	Volume of Transactions	Provisions for doubtful debts due from such parties at that date	Amount written off or written back in the period in respect of debts due from or to related parties
Advance Steel Tubes Ltd. (Common Control)	Loan Given	5,85,02,986.00	NIL	NIL
Tirupati Structural Limited (Common Control)	Loan Given	8,45,42,115.00	NIL	NIL
Kaveri Tubes (Common Control)	Loan Given	61,62,522.00	NIL	NIL
Advance Enterprises (P)Ltd (Common Control)	Loan Taken	3,30,04,927.00	NIL	NIL
Vishal Equity Services(P) Ltd (Common Control)	Loan Taken	7,64,21,168.00	NIL	NIL
Radhika Maheshwari,	Salary Paid	1,80,000.00	NIL	NIL

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(Company Secretary)				
Ashish Agarwal (CFO)	Salary Paid	6,00,000.00	NIL	NIL
Daulat Ram Agarwal, (Managing Director)	Director's Remuneration	6,00,000.00	NIL	NIL

4. Other income include Rs.30,44,503.42 on account of dividend (P.Y. Rs. 16,98,746.00)
5. Deferred Tax Asset amounting to Rs. 9,341.00 has been reversed and provision is made accordingly as per AS- 22.
6. There is a pending demand under section 143(3) for the Assessment Year 2014-15 of Rs. 15,07,270/- , the case is under appeal after payment of Rs 2,26,091/- e.g. 15 % of total demand.
7. Special Reserve has been created @ 20 % of Profit after Tax as per RBI Guidelines.
8. Contingent Provisions against Standard Assets has been maintained @ 0.25 % of the Outstanding Standard as per RBI Directions
9. As required in terms of paragraph 13 of Non – Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2015, issued by RBI, We enclose in the annexure the required schedule to the Balance Sheet of a Non – Banking Finance Company.
10. Loans and Advances are subject to confirmation by respective parties.
11. The Company has reclassified previous year figures to conform to this year's classification.
12. Contingent Liabilities & Contracts on Capital Account – NIL.

13.	<u>Calculation of EPS</u>	<u>31.03.2017</u>	<u>31.03.2016</u>
	Profit After Tax (A)	88,97,850.53	7,128,221.09
	No Of Equity Shares (B)	10,000,600	10,000,600
	Earnings per Share (A/B)	0.89	0.71



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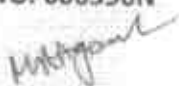
14. The details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 are as follows.

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	180x500	Nil	90,000/-
(+) Permitted receipts	Nil	Nil	Nil
(-) Permitted payments	Nil	Nil	Nil
(-) Amount deposited in Banks	180x500	Nil	90,000/-
Closing cash in hand as on 30.12.2016	Nil	Nil	Nil

Signature to notes 1 to 22

In terms of Our Separate Audit Report of Even Date Attached.

For MAMRAJ & CO.
Chartered Accountants
F.R. NO. 006396N



MAMRAJ AGARWAL
(PARTNER)

M. NO. 084944



For And On Behalf Of Board of Directors


DAULAT RAM AGARWALA
(Managing Director)


LALIT AGARWA
(Director)


ASHISH AGARWAL

(CFO)


RADHIKA MAHESHWARI

(Company Secretary)

Place:-Kolkata

Date: - 30/05/2017

