

# VIRDHI COMMERCIAL COMPANY LIMITED

711, 'KRISHNA', 224, A.J.C. BOSE ROAD, 7th FLOOR KOLKATA-700 017, INDIA

Email - virdhicom@rediffmail.com

Phone : (33) 2290-7902, 2287-7892

Fax : (33) 2287-8577

virdhicom@rediffmail.com

01/10/2013

The Secretary,  
The Calcutta Stock Exchange Limited  
7, Lyons Range,  
Kolkata-700 001

Dear Sir,

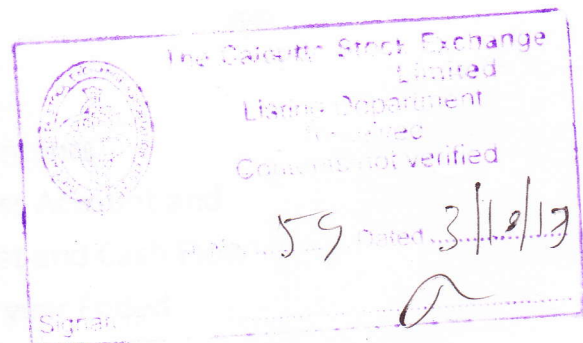
Re: Annual report for 2012-13

Pursuant to Clause 31 of the listing agreement , we are herewith forwarding six copies of annual report for the year ended 2012-13.

Thanking You,

Yours faithfully,  
Virdhi Commercial Company Limited

  
Authorised Signatory



# **Rungta & Rungta**

Chartered Accountants  
25, R N Mukherjee Road,  
Mission Court,  
4<sup>th</sup> Floor, Suite "F"  
Kolkata-700 001

## **Client**

Virdhi Commercial Company Ltd  
224, A J C Bose Road  
Kolkata-700 017

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Profit & Loss Account and  
Balance Sheet and Cash Flow  
for the year Ended  
31<sup>st</sup> March, 2013

&

Auditors Report for the Year Ended  
31<sup>st</sup> March, 2013

# **RUNGTA & RUNGTA**

## **CHARTERED ACCOUNTANTS**

### **INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS**

To the Members of Virdhi Commercial Company Limited

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of Virdhi Commercial Company Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2013 and the annexed statement of profit and loss and cash flows statement for the year ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

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


The Company's 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' of India ( the "Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the standards on auditing Issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedure to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, 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 auditors consider 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 the 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 accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the balance sheet, of the state of affairs of the company as at March 31, 2013;
- (b) In the case of the 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 Section 227(4A) of the Act, we give in the Annexure a statement on the matter specified in paragraphs 4 and 5 of the Order.
- 2) As required by section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our Opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, Statement of profit and loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Statement of Profit and loss and Cash Flow Statement dealt with by this report comply with the accounting Standards referred to in sub-section (3C) of section 211 of the Act;
  - (e) On the basis of written representations received from the directors as on March 31, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

**For Rungta & Rungta**  
Chartered Accountants  
(Registration No 0305134E)

*Sankar K Roongta*

25, R. N. Mukherjee Road  
Kolkata, , the 30<sup>th</sup> day of May , 2013

**S.K.Roongtaa**  
(Partner)  
Membership No. 15234



## ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 1 of the Auditors' Report of even date to the members of Virdhi Commercial Co. Ltd.. 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 reported that:-

- 1) In respect of fixed assets:-
  - (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
  - (ii) The Fixed assets are physically verified by the management at reasonable intervals, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
  - (iii) The Company has not disposed off any substantial part of fixed assets during the year.
2.
  - (i) The physical and demat verification in respect of stock of shares has been conducted by the management at reasonable intervals.
  - (ii) In our opinion and according to the best of information and explanation given to us, the procedure of physical and demat verification of stocks of shares followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (iii) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventories.
3.
  - (i) The Company has granted unsecured loan to four Companies listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year end balance of such loan aggregated Rs 3,98,93,955 and Rs.3,88,72,671 respectively.
  - (ii) In our opinion, the rate of interest and other terms and conditions of unsecured loans given by the company, are not prima-facie prejudicial to the interest of the Company.
  - (iii) In respect of the aforesaid loans, there is no stipulation as to repayment of loan and/or interest thereon. Further the loans are repayable by the party on demand/call loan policy framed by the company, therefore the Question of overdue amount does not arise.
  - (iv) The company has not taken any loan, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for purchase of inventory and fixed assets and for sale of goods and services. During the course of our audit, and according to information and explanations given to us we have not come across, nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control system.



- ii) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA or any other relevant provisions of the Act and the rules framed thereunder.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. To the best of our knowledge and as explained, the Central Government of India has not prescribed maintenance of Cost Records under section 209(1)(d) of the Companies Act, 1956.
9. (i) The Company has been generally regular in depositing undisputed statutory dues including Professional Tax, Income Tax, Wealth Tax, and other material statutory dues as applicable with the appropriate authorities.

(ii) At the end of financial year there were no dues of Income Tax, Wealth Tax, which have not been deposited on account of any dispute except the following:-

Sr No.	Name of the Statute	Nature of Duty	Amount (Rs.)	Forum where dispute is pending
1	Income Tax Act, 1961	Fringe Benefit Tax (AY 2006-07)	49270.00 Pertaining to USD Inds Pvt Ltd(Transferor Company)	Income Tax Officer (Jorhat) U/s. 154

10. The Company has no accumulated losses as at March 31, 2013 and it has not incurred any cash Losses in the current financial year or in the immediately preceding financial year.
11. Based on our audit procedures and according to information and explanations given to us by the management there being no dues to banks, as such the question of delay and default does not arise.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund or a nidhi / mutual benefit fund / societies are not applicable to the Company.
14. In our opinion, proper records have been maintained of the transactions and contracts and timely entries have been made therein: the shares, securities, debentures and other investments have been held by the Company in its own name(unless otherwise stated) except to the extent of exemption, if any, granted under section 49 of the Act.
15. In our opinion and according to the information and explanations given to us, no term loan has been taken by the company during the year.



16. 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 institution during the year. Accordingly, the provisions of clause 4(xv) of the Order are not applicable to the Company.
17. In our opinion and according to the information and explanations given to us there are no funds raised on short-term basis, which have been used for long term investment.
18. The Company has not made any preferential allotment of shares during the year to parties or Companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company did not issue any debenture during the year. The Company did not have any debentures outstanding during the year.
20. The Company has not raised any money by public issue during the year.
21. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

25, R. N. Mukherjee Road  
Kolkata, the 30<sup>th</sup> day of May, 2013

For Rungta & Rungta  
Chartered Accountants  
(Registration No  
0305134E)

*Sambhu K Roongta*

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S.K.Roongta  
(Partner)  
Membership No. 15234

Name of the Company : VIRDHI COMMERCIAL COMPANY LTD  
Balance Sheet as at 31.03.2013

Particulars	Note No.	As at 31 March 2013	As at 31 March 2012
		₹	₹
<b>I. EQUITY AND LIABILITIES</b>			
1 Shareholders' funds			
Share capital	2	18,686,020	18,686,020
Reserves and surplus	3	192,608,530	191,748,798
2 Non-current liabilities			
Deferred Tax Liabilities		6,202	3,394
3 Current liabilities			
Other current liabilities	4	356,830	227,001
Short-term provisions	5	459,728	594,728
<b>TOTAL</b>		<b>212,117,310</b>	<b>211,259,941</b>
<b>II. ASSETS</b>			
1 Non-current assets			
Fixed assets	6		
(i) Tangible assets		164,646	203,913
Non-current investments	7	164,723,986	164,723,986
Long-term loans and advances	8	1,548,000	1,608,000
Other non-current assets	9	1,065,054	1,093,519
2 Current assets			
Inventories	10	747,980	816,216
Cash and cash balances	11	71,410	71,898
Short-term loans and advances	12	43,767,906	42,714,128
Other current assets	13	28,328	28,280
<b>TOTAL</b>		<b>212,117,310</b>	<b>211,259,941</b>

Significant Accounting Policies

1

The notes referred to above form an integral part of the Accounts. This is the Balance Sheet referred to in our report of even date.

For Rungta & Rungta  
Chartered Accountants  
(Registration No.0305134E)

*Sambhark R Roongta*

(S K Roongta)

(Partner)

Membership No 15234

On Behalf of the Board

*Alpana Agarwal*  
Alpana Agarwal  
Director

*Manjula Agarwal*  
Manjula Agarwal  
Director

25, R.N.Mukherjee Road,  
Kolkata, the 30th Day of May,2013



Name of the Company : VIRDHI COMMERCIAL COMPANY LTD  
Statement of Profit and loss for the year ended 31.03.2013

Particulars		Note No.	As at 31 March 2013	As at 31 March 2012
			₹	₹
I.	Revenue from operations	14	3,574,608	3,494,334
II.	Total Revenue		3,574,608	3,494,334
III.	Expenses:			
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	15	68,236	24,918
	Employee benefits expense	16	1,519,728	1,039,728
	Depreciation and amortization expense	17	39,267	50,398
	Other expenses	18	705,438	653,435
	Total expenses		2,332,669	1,768,479
IV.	Profit before tax (II-III)		1,241,939	1,725,856
V.	Tax expense:			
	(1) Current tax		380,000	515,000
	(2) Deferred tax		2,808	(613)
	(3) (Short)/Excess Provision for Tax of Earlier Years		601	(3,541)
VI.	Profit (Loss) for the year (IV - V)		859,732	1,207,928
VII.	Profit (Loss) for the year (VI)		859,732	1,207,928
VIII.	Earnings per equity share: (Face Value Rs 10/-each)			
	(1) Basic		0.46	0.65
	(2) Diluted		0.46	0.65

The notes referred to above form an integral part of the Accounts. This is the Profit & Loss Account referred to in our report of even date.

For Rungta & Rungta  
Chartered Accountants  
(Registration No.0005134E)

*Sankar K Roongta*  
(S K Roongta)  
(Partner)  
Membership No 15234

On Behalf of the Board

*Alpana Agarwal*  
Alpana Agarwal  
Director

*Manjula Agarwal*  
Manjula Agarwal  
Director

25, R.N.Mukherjee Road,  
Kolkata, the 30th Day of May, 2013

**VIRDHI COMMERCIAL COMPANY LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2013**

	<b>31.03.2013</b>	<b>31.03.2012</b>
	<b>₹</b>	<b>₹</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extra ordinary items	1,241,939	1,725,856
Adjustment for:		
1. Depreciation	39,267	50,398
2. Miscellaneous to the extent written off	28,280	52,880
 Operating profit before working capital changes	 1,309,486	 1,829,134
Adjustments for:		
1. Trade and other receivables	(5,171)	40,569
2. Inventories	68,236	24,918
3. Trade payables and other liabilities	(993,640)	(1,381,956)
 Cash generated from operations activities	 (930,575)	 (1,316,469)
Adjustment for		
Direct Tax Paid	(382,207)	(517,928)
Net cash used in operating activities	(3,296)	(5,263)
 <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-	-
Sale of Investment	-	-
Purchase of Investments	-	-
Net cash used in Investing activities	-	-
 <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Share Capital	-	-
Increase in Reserves	-	-
Increase in Borrowing	-	-
Increase in deferred tax Liability	2,808	(613)
Net Cash from Financing Activities	2,808	(613)
 <b>D. Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	 (488)	 (5,876)
 Cash and Cash equivalents at the beginning of the year	 71,898	 77,773
 Cash and Cash equivalents at the end of the year	 71,410	 71,898

Note (I) Figures for the previous year have been rearranged and regrouped, wherever considered necessary.

This is the Cash Flow Statement referred to in our Report of even date.

For RUNGTA & RUNGTA  
Chartered Accountants  
(Registration No -0306134E)

*Sankar K Roongta*

(C.A. S. K. Roongta)  
Partner  
M.N. 15234

On Behalf of the Board

for VIRDHI COMMERCIAL CO. LTD

*Apna Agawal*  
Director

5, R.N. Mukherjee Road  
Calcutta, the 30th day of May, 2013

for VIRDHI COMMERCIAL CO. LTD

*Maya Agawal*  
Director



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2013****SIGNIFICANT ACCOUNTING POLICIES & OTHER NOTES ON ACCOUNTS.****a) Accounting Convention**

The financial statements are prepared in accordance with applicable Accounting Standards in India. The financial statement of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting standards notified under Section 211 (3C) under the Companies (Accounting Standards) Rules 2006(as amended) and the relevant provisions of the Companies Act,1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistant with those of previous year.

**b) Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of Assets and Liabilities (including contingent liabilities) and the reported Income and Expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between actual results and the estimates are recognized in the periods in which the results are known/ materialise.

**Current and Non-current classificaton**

All assets and liabilities are classified into current and non-current

**Assets**

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realised within 12 after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

**Liabilities**

A liability is classified as current when it satisfies any of the following criteria;

- It is expected to be settled in the company's normal operating cycle
- It is held primarily for the purpose of being traded.;
- It is due to be settled within 12 months after the reporting date; or
- The company does not have an unconditional right to defer settlement of liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by issue of equity instruments do not affects its classification.

Current liability include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

**Operating cycle**

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

**c) Tangible Assets**

Tangible Assets are stated at cost. Cost includes cost of acquisition, non-refundable levies, directly attributable cost of bringing the assets to the working condition for intended use, expenditure during construction period and interest up to the date the assets is put to use. Profit or Loss on disposal of tangible asset is recognised in Profit & Loss Statement.

**d) Depreciation**

Depreciation on Tangible Assets is charged on Straight Line Method as per Schedule XIV of the Companies Act, 1956, except in case of assets added or disposed off it is charged on prorata basis with reference to the date of addition/deletion.



**e) Impairment of Assets**

In accordance with Accounting Standard 28 AS ( 28) on 'Impairment of Assets' where there is an indication of impairment of the Company's assets, the carrying amount of the company's assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of the assets (or where applicable that of the cash generating unit to which the asset belongs) is estimated at higher of its net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. An Impairment loss is charged to the Profit & Loss Account in the year in which the carrying amount of the asset or a cash generating unit exceeds its recoverable amount. The Impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**f) Investment**

Investment are stated at Cost Gains/Losses on disposal of investments are recognized as Income/Expenditure, Dividends are accounted for on cash basis. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary in the opinion of the Management

**g) Inventories**

Quoted Shares are valued on the principle of " At Lower of cost or Market Value" and Unquoted Current Investments for each category are valued at the lower of cost and break up or fair value or face value or net asset value, as the case may be,

**h) Revenue Recognition**

(i) Revenue /Income and Cost/Expenditure are generally accounted for on accrual basis as they are earned or incurred, except, in case of significant uncertainties. Claims of whatsoever nature and Dividend are accounted for on cash basis. Interest income is generally recognized on a time proportion basis taking into account the amount outstanding and the rate applicable, when there is reasonable certainty as to realisation.

**i) Employee Benefits**

Defined Benefit Plan :The company has a defined benefit gratuity plan covering all its employees. Gratuity is covered under a scheme of LIC and contribution in respect of such scheme are recognized in Profit & Loss Account. The liability at the Balance Sheet date is provided for based on actuarial valuation carried out by Life Insurance Corporation of India in accordance with AS 15 of employee benefits issued by the Institute of Chartered Accountants of India.

**j) Amalgamation Expenses**

The amalgamation expenses have been amortized over a period of 5 years.

**k) Taxation:**

Income - tax expense comprises Current tax and Deferred tax charge or credit. Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. The Deferred tax Asset and Deferred tax Liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax Assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. Deferred tax Assets on account of other timing differences are recognised, only to the extent there is a reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of Deferred Tax Assets are reviewed to reassess realisation.

**l) Earning per share**

Basic and diluted earning per share are computed by dividing the net profit after tax attributable to equity shareholders for the year, with the weighted number of equity shares outstanding during the year.

**m) Contingent Liabilities**

Contingent liabilities are not provided for and are generally disclosed by way of notes to accounts.

**2) OTHER NOTES ON ACCOUNTS:**

- a) The Company is a NBFC (Non Banking Financial Company) duly registered with Reserve Bank of India.
- b) Amount due to Micro, Small & Medium Enterprises as on 31st March, 2013 - Rs NIL.
- c) Previous year's figures have been regrouped / rearranged wherever necessary.
- d) Disclosure in terms of paragraph 13 of Non Banking Financial (Non Deposits Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007 for the financial year ended 31st March, 2013.



**2 Authorised, Issued, Subscribed and Paid-up Share Capital**

<u>Share Capital</u>	As at 31 March 2013		As at 31 March 2012	
	Nos.	Amount	Nos.	Amount
<u>Authorised</u> Equity Shares of 10 /- each	3,060,000	30,600,000	3,060,000	30,600,000
<u>Issued, Subscribed and Paid-up</u> Equity Shares of 10 /- each	1,868,602	18,686,020	1,868,602	18,686,020
<b>Total</b>	<b>1,868,602</b>	<b>18,686,020</b>	<b>1,868,602</b>	<b>18,686,020</b>

**2A Reconciliation of the number of shares outstanding**

<u>Particulars</u>	As at 31 March 2013		As at 31 March 2012	
	Nos.	Amount	Nos.	Amount
Equity Shares outstanding at the end of the year	1,868,602	18,686,020	1,868,602	18,686,020
Equity Shares Issued during the year	Nil	Nil	Nil	Nil
Equity Shares bought back during the year	Nil	Nil	Nil	Nil
Equity Shares outstanding at the end of the year	1,868,602	18,686,020	1,868,602	18,686,020

**2B Shareholders holding more than 5% shares of the Company**

<u>Name of Shareholder</u>	As at 31 March 2013		As at 31 March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sri Rahul Agarwal	288,500	15.44%	288,500	15.44%
Sri Mudit Agarwal	238,100	12.74%	238,100	12.74%
Smt Rashi Agarwal	189,000	10.12%	189,000	10.12%
Smt Sushila Devi Killa	179,030	9.58%	179,030	9.58%
Sri Tushar Agarwal	160,000	8.56%	160,000	8.56%
Smt Manjula Agarwal	116,775	6.25%	116,775	6.25%
Smt Alpana Agarwal	114,025	6.10%	114,025	6.10%
Smt Karuna Devi Agarwal	105,445	5.64%	105,445	5.64%

**2C Rights preference and restrictions attached to the equity shares**

The equity shares of the company having par value of Rs 10, per share, rank pari passu in all respects including voting rights and entitlement to dividend and share in the company residual asset.



**3 Reserves & Surplus**

<u>Particulars</u>	As at 31 March 2013	As at 31 March 2012
	₹	₹
<b>a. Other Reserves</b>		
Revenue Reserve	26,898,208	26,898,208
Consequent upon amalgamation of Utilserve Trading & Investment Co Pvt Ltd with the Company		
Amalgamation Reserve	143,906,645	143,906,645
Consequent upon amalgamation of USD Industries Pvt Ltd Kshitish Marketing Pvt Ltd, Mirgaya Vinimay Pvt Ltd & Glittek Infotech Ltd with the Company		
Statutory Reserve	1,450,000	1,100,000
(Created pursuant to 45 I C of Reserve Bank of India Act, 1934)		
Closing Balance	172,254,853	171,904,853
<b>b. Surplus/(Deficit) in the statement of Profit &amp; Loss</b>		
Opening balance	19,843,945	18,986,017
(+) Net Profit/(Net Loss) For the current year	859,732	1,207,928
(-) Transfer to Statutory Reserve account	350,000	350,000
Closing Balance	20,353,677	19,843,945
<b>Total</b>	<b>192,608,530</b>	<b>191,748,798</b>

**4 Other Current Liabilities**

<u>Particulars</u>	As at 31 March 2013	As at 31 March 2012
	₹	₹
(d) Other Liabilities	356,830	227,001
<b>Total</b>	<b>356,830</b>	<b>227,001</b>

**5 Short Term Provisions**

<u>Particulars</u>	As at 31 March 2013	As at 31 March 2012
	₹	₹
Provision for Income Tax	380,000	515,000
Gratuity	79,728	79,728
<b>Total</b>	<b>459,728</b>	<b>594,728</b>



**6. FIXED ASSETS**

Sl.	Fixed Assets	Gross Block (at cost)			Depreciation and Amortization				Net Block	
		Balance as at 1 April 2012	Additions	Disposals	Balance as at 31 March 2013	Balance as at 1 April 2012	For the year	Deductions	Balance as at 31 March 2013	Balance as at 31 March 2012
		₹	₹	₹	₹	₹	₹	₹	₹	₹
a	Tangible Assets									
	Furniture and Fixtures	1,514,116	-	-	1,514,116	1,375,531	25,084	-	1,400,615	138,585
	Vehicles	582,468	-	-	582,468	567,730	3,816	-	571,546	14,738
	Office equipment	685,474	-	-	685,474	640,150	9,635	-	649,785	45,324
	Other Equipments	38,826	-	-	38,826	33,560	732	-	34,292	5,266
	<b>Total</b>	<b>2,820,884</b>	<b>-</b>	<b>-</b>	<b>2,820,884</b>	<b>2,616,971</b>	<b>39,267</b>	<b>-</b>	<b>2,656,238</b>	<b>203,913</b>
	<b>PREVIOUS YEAR</b>	<b>2,820,884</b>	<b>-</b>	<b>-</b>	<b>2,820,884</b>	<b>2,566,573</b>	<b>50,398</b>	<b>-</b>	<b>2,616,971</b>	<b>254,311</b>

**7. Non-Current Investments**

Particulars	As at 31 March 2013		As at 31 March 2012	
	Nos.	₹	Nos.	₹
<b>LONG TERM (At Cost)</b>				
<b>A) (Quoted)</b>				
Equity Shares				
Glittek Granites Ltd. <b>Total</b>	12,974,500	76,747,886	12,974,500	76,747,886
<b>B) (Unquoted)</b>				
Auto Sales Agenices Pvt Ltd	2,000	20,000	2,000	20,000
United Sales Agencies (Calcutta) Pvt Ltd	100	1,000	100	1,000
U.S.D. Tea Industries Pvt. Ltd.	475,470	8,529,700	475,470	8,529,700
Granite Mart Ltd.	514,640	17,627,900	514,640	17,627,900
Rubiks Agencies & Resorts Pvt Ltd	13,826	16,997,500	13,826	16,997,500
Glittek Infrastructure Pvt Ltd <b>Total</b>	389,500	44,800,000	389,500	44,800,000
	1,395,536	87,976,100	1,395,536	87,976,100
<b>GRAND TOTAL ( A+B )</b>	14,370,036	164,723,986	14,370,036	164,723,986

Note:

Aggregate Market Value and Book Value of the Company's Quoted Investments are as follows:

Market Value of Quoted Investments	12,974,500	29,452,115	12,974,500	19,461,750
Book Value of Quoted Investments	12,974,500	76,747,886	12,974,500	76,747,886

**8. Long Term Loans and Advances**

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
a. Security Deposits	1,548,000	1,608,000
<b>Total</b>	1,548,000	1,608,000

**9. Other non-current assets**

(Unsecured, considered good)

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Prepaid Expenses	5,301	15,574
Income Tax Refund	704,016	704,016
Tax Deducted at Source	353,860	343,724
Fringe Benefit Tax	1,877	1,877
Others -Amalgamation Expenses	-	28,328
<b>Total</b>	1,065,054	1,093,519



**10 INVENTORIES**

(Quoted Shares are valued at lower of cost or Market

Value and Unquoted Shares are valued at cost)

Particulars	As at 31 March 2013		As at 31 March 2012	
	Nos.	₹	Nos.	₹
Tata Steel Ltd.	2565	404460	2565	404460
Mirc Electronics Ltd.	487	3190	487	6964
Hindustan Oil Exploration Ltd.	2392	125221	2392	172692
Gold Star Steel Alloys Ltd.	1620	-	1620	-
Steel Authority of India Ltd.	500	31175	500	47025
Khaitan Agro Complex Ltd.	500	-	500	-
Indo Maxwell Ltd.	5000	-	5000	-
J.K.Tyre & Industries Ltd.	657	46274	657	46274
Bengal Assam Company Ltd	51	13574	51	10200
Timken India Ltd.	1000	90000	1000	90000
ICICI Bank Ltd.	66	10230	66	10230
Software Tech Group	100	232	100	343
Himachal Futuristic Communication Ltd	600	4914	600	7086
Reliance Industries Ltd	120	10858	120	10858
Reliance Capital Ltd	3	271	3	271
Reliance Communication Ltd	60	3312	60	5043
Reliance Power Ltd *	15	923	15	1524
Reliance Infrastructure Ltd	4	146	4	146
Ceeta Industries Ltd	1000	3200	1000	3100
<b>Total</b>	<b>16,740</b>	<b>747980</b>	<b>16,740</b>	<b>816216</b>

**11 Cash and Cash Balances**

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
a. Balances with banks		
In current Account with Scheduled Banks	71,259	58,694
b. Cash on hand	151	13,204
<b>Total</b>	<b>71,410</b>	<b>71,898</b>

**12 Short Term Loans and Advances**

(Unsecured, (considered good unless otherwise stated))

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
a. To related parties- refer note no 30	38,847,471	38,247,628
b. Others (specify nature)		
Others	4,920,435	4,466,500
<b>Total</b>	<b>43,767,906</b>	<b>42,714,128</b>

**13 Other Current Assets**

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
Others (Amalgamation Expenses)	28,328	28,280
<b>Total</b>	<b>28,328</b>	<b>28,280</b>



**14 Revenue from Operation**

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	₹	₹
Interest Income	3,538,591	3,437,234
Dividend on Inventories	36,017	57,100
<b>Total</b>	<b>3,574,608</b>	<b>3,494,334</b>

**15 Changes in inventories of finished goods, stock-in-process and Stock-in-trade**

Particulars	As at 31 March 2013		As at 31 March 2012	
	₹	₹	₹	₹
	Nos	Amount	Nos	Amount
Opening Stock	16,740	747,980	16,740	816,216
Purchased during the year	-	-	-	-
Sales/Adjustments	-	-	-	-
Closing Stock	16,740	747,980	16,740	816,216

**16 Employees Benefit Expenses**

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	₹	₹
Salaries and Allowances	1,440,000	960,000
Gratuity Funds	79,728	79,728
<b>Total</b>	<b>1,519,728</b>	<b>1,039,728</b>

**17 Depreciation and amortization expenses**

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	₹	₹
Depreciation	39,267	50,398
<b>Total</b>	<b>39,267</b>	<b>50,398</b>

**18 Administration & Other Expenses**

Particulars	As at 31 March 2013		As at 31 March 2012	
	₹	₹	₹	₹
Other Administrative and Selling Expenses				
Postage & Telephone	4,234		5,393	
Rent	120,000		120,000	
Rates & Taxes	41,251		42,409	
Legal & Professional Expenses	28,867		26,416	
Repair & Maintenance - Others	187,550		167,874	
Advertisement Expenses	50,215		41,883	
Vehicle Upkeep	32,758		36,671	
Auditors' Remuneration- refer note no 22	32,500		29,500	
Bank Charges	6,476		4,855	
Amalgamation Expenses W/Off	28,280		28,280	
Depository Services	13,393		14,378	
Office Space Charges	25,200		25,200	
Electric expenses	90,330		61,888	
Filing Fees	1,800		5,800	
General Expenses	4,786		6,707	
Listing Fees	11,798		11,581	
Miscellaneous Expenses Written Off			24,600	
Interest Paid on Income Tax (A.Y. 12-13)	26,000			
<b>Total</b>		<b>705,438</b>		<b>653,435</b>
		<b>705,438</b>		<b>653,435</b>



# VIRDHI COMMERCIAL CO LTD

19 In the opinion of the Board, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated.

## 20 Contingent liabilities and commitments

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
(i) Contingent Liabilities		
Claims against the company not acknowledged as debt and pending judicial decisions"		
(a) Excise Duty claim on one transferor Company M/s USD Industries Pvt Ltd including Penalty of Rs 996489=90 (Previous Year-Same)	1992980	1992980
(b) Fringe Benefit Tax for Asst Year 2006-2007 under dispute	49270	49270
No Provision has been made for above demands since the Board is hopeful of a favourable decision in the pending proceedings and the chances of any liabilities arising therefore is highly remote.		
	2042250	2042250

## 22 Auditors Remuneration

Particulars	As at 31 March 2013	As at 31 March 2012
	₹	₹
a. Auditor	25000	25000
e. Limited Review	7,500	4,500
Total	32500	29500

23 In Keeping with Accounting Standards 13 issued by the Institute of Chartered Accountants of India no provision has been made for depletion in market value of Non Current Investments-Long Term quoted Investments held by the Company, as te same is considered by the management to be of a temporary nature, considering the inherent value and nature of these investments.

24 The company has made provision for gratuity for Rs.79728/(PY Rs.79728) as per valuation done by LIC of India. The other disclosures as per AS 15 as applicable are as follows:-

1 Assumptions	31.03.2013	31.03.2012
Discount Rate	8%	8%
Expected Rate of return	8%	9%
Salary Escalation	7%	7%
Mortality Rate	LIC(1994-96) ultimate	LIC(1994-96) ultimate
Withdrawal Rate	1% to 3% depending on age	1% to 3% depending on age
2 Table showing changes in present value of obligations	31.03.2013	31.03.2012
	₹	₹
Present value of obligations as at beginning of year	159458	79,730.00
Interest cost	-	-
Current Service Cost	79728	79728
Benefits Paid	-	-
Actuarial (Gain)/Loss on obligations	-	-
Present value of obligations as at end of year	239186	159458
3 Table showing changes in the fair value of plan assets	31.03.2013	31.03.2012
Fair value of plan assets at beginning of year	159458	79,730
Expected return on plan assets	-	-
Contributions	79728	79728
Benefits paid	-	-
Actuarial (Gain)/Loss on plan assets	-	-
Fair value of plan assets at the end of year	239,186.00	159458
4 Actuarial Gain/Loss recognized	31.03.2013	31.03.2012
Actuarial (Gain)/Loss - obligations	-	-
Actuarial (Gain)/Loss - plan assets	-	-
Total (Gain)/Loss for the year	-	-
Actuarial (Gain)/Loss recognized in the year	-	-

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5 The amounts to be recognized in the balance sheet and statements of profit and loss

Present value of obligations as at the end of year	159458	79730
Fair value of plan assets as at the end of the year		
Funded status	79728	79728
Net Asset/(liability) recognized in balance sheet1	239186	159458

6 Expenses Recognised in statement of Profit & loss

Current Service cost	79728	79728
Interest Cost	-	-
Expected return on plan assets	-	-
Net Actuarial (Gain)/Loss recognized in the year	-	-
Expenses recognised in statement of Profit & loss1	79728	79728

a. Premium paid for the year amounting to Rs. 79728/- (Previous year Rs.79728/-) has been debited to the Profit & Loss Account under Payments to & for employees.

25 The company does not have more than one reportable segment in terms of Accounting Standard - 17 "Segment Reporting".

26 Balances of Sundry Creditors, Sundry Debtors, Advances are subject to confirmation.

27 The Company is registered as a Non Banking Financial Company under section 45 IC of the Reserve Bank of India Act, 1934

28 Figures for current year as well as pervious year have been rounded off to neares rupee

29 Some of the assets of ertwhile transferror Companies are still in process of being transferred in the name of tranferee Companies

30 Related party disclosure as per AS-18

As required by Accounting Standard AS-18 "Related Parties Disclosure" issued by "The Institute of Chartered Accountants of India" are as follows:-

## A. Particulars of Associate / Subsidiary Companies :

Name of related Party	Nature of relationship
Granite Mart Ltd.	Associate Company
Glittek Granites Ltd	Associate Company
USD Tea Industries Pvt Ltd	Associate Company
Rubiks Agencies & Resorts Pvt Ltd	Associate Company
Glittek Infrastructure Pvt Ltd	Associate Company

## B. Particulars of Key Management Personnel:

Name	Nature of relationship
Mrs Alpana Agarwal	Director
Mrs Manjula Agarwal	Director

## C. Particulars of Relatives of Key Managerial Personnel

Name	Nature of relationship
Mr Kamal Kumar Agarwal	Husband of Mrs Alpana Agarwal
Mr Rahul Agarwal	Son of Mrs Alpana Agarwal
Mr Ashoke Agarwal	Husband of Mrs Manjula Agarwal
Ms Tanushree Agarwal	Daughter of Mrs Manjula Agarwal
Mr Mudit Agarwal	Nephew of Director

Details of transactions with Associate company		Amount	Amount
		2012-13	2011-12
(i) Granite Mart Ltd.			
Opening Balance		22997162	21722286
Given During the year		1815409	460000
Interest accrued and due		1767881	1734876
Received during the year			
Balance outstanding at year end		22949634	22997162
(ii) Glittek Granites Ltd			
Opening Balance		6104937	6993331
Given During the year		1570000	245,050.00
Interest accrued and due		503516	576174
Received during the year		1150056	1652000
Balance outstanding at year end		6188509	6104937
Office Maintenance (Received)		25200	25200



# VIRDHI COMMERCIAL CO LTD

(iii) Rubiks Agencies & Resorts Pvt Ltd		
Opening Balance	5355529	4952770
Given During the year	-	1585
Interest accrued and due	433799	445749
Received during the year	-	-
Balance outstanding at year end	<u>5789328</u>	<u>5355529</u>
(iv) Glittek Infrastructure Pvt Ltd *		
Opening Balance	3790000	3510000
Given During the year	-	280000
Interest accrued ( Interest Free )	-	-
Received during the year	130000	-
Balance outstanding at year end	<u>3920000</u>	<u>3790000</u>

\* No Interest is being received Since the grant of loan in the year 2008-09.

## E. Details of transactions relating to persons referred to in (B) above

### (I) Remuneration to Management Personnel:

1) Mrs Alpana Agarwal	720000	480000
2) Mrs Manjula Agarwal	720000	480000

### (II) Particulars Transaction with Key management Personnel :

(a) Sri Mudit Agarwal		
Rent Paid/Payable	120000	120000

### 31 Earning Per Share:

Net Profit/(Loss) for the Year	859732	1207928
Weighted average Number of Ordinary Shares	1868602	1868602
Basic & Diluted EPS	Rs.10/-each 0.46	Rs.10/-each 0.65

32 As required by Accounting Standard AS-22 on accounting for taxes on income, net deferred tax has been accounted for as detailed below

PARTICULARS	As at 31 March 2013	As at 31 March 2012
	₹	₹
Deferred Tax Liability	-	-
Difference between book & Tax Depreciation	6202	3394
Deferred Tax Liability	<u>6202</u>	<u>3394</u>

33 There is no impairment loss on any assets in terms of AS-28 issued by the Institute of Chartered Accountants of India

34 Disclosure pursuant to Note no. 5 (I) & (III) of Part II of Schedule VI to the Companies Act, 1956

PARTICULARS	As at 31 March 2013		As at 31 March 2012	
	Nos.	₹	Nos.	₹
Opening Stock	16740	747,980	16740	816216
Purchased during the year	-	-	-	-
Sales/Adjustments	-	-	-	-
Closing Stock	<u>16740</u>	<u>747980</u>	<u>16740</u>	<u>816216</u>

35 Expenditure in Foreign currency: NIL (P.Y- NIL)

36 There are no unclaimed amounts due against interest and dividend payable by the Company. As such no amount is due to be transferred to the Investor Education and Protection Fund in terms of Section 205 C 1 of the Companies Act, 1956 vide notification dated October 1, 2001.

The Notes referred to above from an integral part of the Accounts

As per Our Report attached

For Rungta & Rungta  
Chartered Accountants  
(Registration No.0305134E)

*Sankar K Roongta*

(S K Roongta)  
(Partner)  
Membership No.15234

On Behalf of the Board

*Alpana Agarwal*  
Alpana Agarwal  
Director

*Manjula Agarwal*  
Manjula Agarwal  
Director

25, R.N.Mukherjee Road,  
Kolkata, the 30th Day of May 2013