

NOTICE

NOTICE is hereby given that the Thirty Second Annual General Meeting of the Shareholders of **KABRA COMMERCIAL LIMITED** will be held at the Registered Office of the Company at 2, Brabourne Road, Kolkata- 700001 on Monday, the 29th day of September, 2014 at 10.30 A.M to transact following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Profit & Loss Account for the year ended 31st March, 2014, and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Smt. Radhika Kabra (DIN: 00335944) who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint auditors to hold office from the conclusion of the Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

4. To appoint Shri Jagdish Prasad Kabra (DIN: 00482014) as an Independent Director and in this regard to consider and if thought fit, to pass the following Resolution as an ORDINARY RESOLUTION :
"RESOLVED THAT pursuant to Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Jagdish Prasad Kabra (DIN: 00482014), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in whose respect the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto 31st March, 2019."
5. To appoint Shri Vinod Kumar Kothari (DIN: 00338711) as an Independent Director and in this regard to consider and if thought fit, to pass the following Resolution as an ORDINARY RESOLUTION :
"RESOLVED THAT pursuant to Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Vinod Kumar Kothari(DIN: 00338711), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in whose respect the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto 31st March, 2019."
6. To appoint Shri Vijay Kumar Parwal (DIN NO: 00339266) as an Independent Director and in this regard to consider and if thought fit to pass the following Resolution as an ORDINARY RESOLUTION :
"RESOLVED THAT pursuant to Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing agreement, Shri Vijay Kumar Parwal (DIN NO: 00339266), who was being appointed as a Director and whose term expires this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto 31st March, 2019."
7. To re-appoint Shri Ramawtar Kabra (DIN NO: 00341280) as Joint Managing Director and in this regard to consider and if thought fit to pass the following Resolution as ORDINARY RESOLUTION :
"RESOLVED THAT pursuant to Section 196, 197, and 203 read with schedule V and all other applicable provisions of the Companies Act, 2013 and Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Shri Ramawtar Kabra (DIN NO: 00341280) as Joint Managing Director of the Company, for a period of 5 (five) years with effect from 1st March, 2014 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as

it may deem fit and as may be acceptable to Shri Ramawtar Kabra, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof; RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give to this resolution.”

8. To re-appoint Shri Rajesh Kumar Kabra (DIN NO: 00331305) as Managing Director and in this regard consider and if thought fit to pass the following Resolution as an ORDINARY RESOLUTION :
 “RESOLVED THAT pursuant to Section 196, 197, and 203 read with schedule V and all other applicable provisions of the Companies Act, 2013 and Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Shri Rajesh Kumar Kabra (DIN NO: 00331305) as Managing Director of the Company, for a period of 5 (five) years with effect from 1st October, 2014 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Shri Rajesh Kumar Kabra, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof; RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give to this resolution.”
9. To Consider and if thought fit, to pass, with or without modification(s), the following Resolution as a SPECIAL RESOLUTION :
 “RESOLVED that pursuant to the provisions of Section 180(1) (c) and all other applicable provisions, if any, of the Companies Act, 2013, Board of Directors of the Company be and is hereby authorized to borrow moneys and obtain loans for the business of the Company from time to time from any one or more of the Company’s Bankers and/or from any one or more other persons, firms, bodies corporate, or financial institutions whether by way of cash credit, advance or otherwise and whether secured or unsecured not withstanding that moneys to be borrowed together with the moneys already borrowed and outstanding (apart from temporary loans obtained from the company’s bankers in the ordinary course of business) may exceed the aggregate of the Paid-up Capital and Free Reserves, that is to say, Reserves not set apart for any specific purpose provided that the total of such borrowing outstanding at any time shall not exceed a sum of Rs.20 Crores. (Rupees Twenty Crore Only).”
10. To consider and if thought fit to pass, with or without modifications, the following resolution as SPECIAL RESOLUTION :
 “RESOLVED THAT pursuant to Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 as may be amended, from time to time and Articles of Association of the Company, approval of the Shareholders of the Company be and is hereby accorded to the Board of Directors for :-
- i. giving any loan to any person or other body corporate,
 - ii. giving any guarantee or providing security in connection with a loan to any other body corporate or persons and/or
 - iii. acquiring whether by way of subscription, purchase or otherwise, the securities of any other body corporate.
- Upto an amount, the aggregate outstanding of which should not exceed, at any given time, Rs. 25 Crore which shall be over and above the limits as specified in section 186(2) of the Companies Act, 2013.

BY ORDER OF THE BOARD

Registered Office :
 2, Brabourne Road,
 Kolkata – 700001
 Date : 14th August, 2014

R. A. KABRA
 Managing Director

NOTES :

- I. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 is annexed hereto.
- II. A member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote in his place. The proxy need not be a member of the Company. Proxies to be valid must be deposited at the Registered Office of the Company at least 48 hours earlier of the time fixed for Annual General Meeting.
 A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

III. The Register of Members and the Share transfer Book of the Company shall remain closed from 17th September, 2014 to 29th September, 2014 (both days inclusive).

IV. **VOTING THROUGH ELECTRONIC MEANS**

1. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice of the Annual General Meeting of the Company as an alternative to vote physically at the AGM, and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL).
2. Similarly, members opting to vote physically can do the same by remaining present at the meeting and should exercise the option for e-voting. However, in case members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall be only taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.
3. The instructions for shareholders voting electronically are as under :
 - i. The voting period begins on 23-September-2014 at 9.00 a.m. and ends on 25-September-2014 at 6.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 14-August -2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - ii. The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
 - iii. Click on "Shareholders" tab.
 - iv. Now, select the "Kabra Commercial Ltd." from the drop down menu and click on "SUBMIT".
 - v. Now Enter your User ID.
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
 - vi. Next enter the Image Verification as displayed and Click on Login.
 - vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - viii. If you are a first time user follow the steps given below :

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company / Depository Participant are requested to enter in capital letters the PAN field of 10 characters as First 2 Characters of the First Holder Name followed by 8 characters consisting of Folio Number prefix by "0" (or 8 characters from right of BO-ID). No special characters or space will be taken from the name and folio number and name shall be excluded of titles like Mr / Mrs / Smt / Miss / Ms / M/s etc. <p>Example: (1) Mr. V. N. Swami and Folio Number is S/0245, the PAN will be VN000S0245 (2) M/s. 4-square Company Ltd. and Folio Number is C-0052 the PAN will be 4S000C0052</p>
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none"> • Please Enter the DOB or Bank Account Number in order to Login. • If both the details are not recorded with the depository or company then please enter in the Dividend Bank Details field the Number of Shares Held by you as on Cut-Off Date (Record Date) of 14-August-2014.

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the relevant Kabra Commercial Ltd, on which you choose to vote.
- xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- xv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xviii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
11. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 14-August-2014.
 12. The notice of annual general meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on Thursday, 14-August-2014.
 13. The shareholders shall have one vote per equity share held by them as on the cut-off date (record date) of 14-August-2014. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
 14. The Company has appointed Mr. B.L.Patni (FCS-2304), practicing company secretary, as the scrutinizer for conducting the e-voting process in the fair and transparent manner.
 15. The scrutinizer will submit his final report to Chairman of the company within three working days after the conclusion of e-voting period.
 16. The results of annual general meeting shall be declared by the Chairman or his authorized representative or any one Director of the Company on or after annual general meeting within the prescribed time limits.
 17. The result of the e-voting will also be placed at the website of the agency on www.cdslindia.com.
 18. The scrutinizer's decision on the validity of e-voting will be final.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT,2013

RESOLUTION NO 4, 5, 6

Shri Jagdish Prasad Kabra, Shri Vinod Kumar Kothari and Shri Vijay Kumar Parwal are Independent Directors of the Company and have held the positions as such for more than 5 (five) years.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement *inter alia* stipulating the conditions for the appointment of independent directors by a listed company.

It is proposed to appoint Shri Jagdish Prasad Kabra, Shri Vinod Kumar Kothari and Shri Vijay Kumar Parwal as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term upto 31st March, 2019.

Shri Jagdish Prasad Kabra, Shri Vinod Kumar Kothari and Shri Vijay Kumar Parwal are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from members alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Shri Jagdish Prasad Kabra, Shri Vinod Kumar Kothari and Shri Vijay Kumar Parwal for the Office of Directors of the Company.

The Company has also received declarations from Shri Jagdish Prasad Kabra, Shri Vinod Kumar Kothari and Shri Vijay Kumar Parwal that they meet with the criteria of independence as prescribed both under sub-section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri Jagdish Prasad Kabra, Shri Vinod Kumar Kothari and Shri Vijay Kumar Parwal fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Shri Jagdish Prasad Kabra, Shri Vinod Kumar Kothari and Shri Vijay Kumar Parwal are independent of the management.

Copy of the draft letters for respective appointments of Shri Jagdish Prasad Kabra, Shri Vinod Kumar Kothari and Shri Vijay Kumar Parwal as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Shri Jagdish Prasad Kabra, Shri Vinod Kumar Kothari and Shri Vijay Kumar Parwal are interested in the Resolutions set out respectively at Items Nos.4, 5 and 6 of the Notice with regard to their respective appointments.

Save and except the above, none of the others Directors/ Key Managerial Personnel of the Company/ their relatives are, in anyway, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item Nos.4, 5 and 6 of the Notice for approval by the shareholders.

RESOLUTION 7

The present term of Shri Ramawtar Kabra s Joint Managing Director expired on 28.02.2014. In the Board meeting held on 01.03.2014, based on the recommendation of the Remuneration Committee, has reappointed him as Joint Managing Director for a period of 5 years wef 1st March, 2014 subject to the approval of shareholders in General Meeting on a remuneration of Rs. 25000 per month plus provision of insurance benefit by assignment of policy or otherwise subject to the limits laid down in the Schedule XIII of he Companies Act, 1956 or any amendment(s) or re-enactment thereof. The Board recommends the Resolution for your approval.

None of the Directors except Shri Ramawtar Kabra himself, Shri Rajesh Kumar Kabra, nephew of Shri Ramawtar Kabra and Smt. Radhika Kabra, wife of Shri Rajesh Kumar Kabra and Shri Chandra Prakash Kabra son of Shri Ramawtar Kabra are interested in the Resolution.

RESOLUTION 8

The present term of Shri Rajesh Kumar Kabra, Managing Director expires on 30.09.2014. In the Board meeting held on 14.08.2014, based on the recommendation of the Remuneration Committee, has reappointed him as Managing Director for a period of 5 years wef 1st October, 2014 subject to the approval of shareholders in General Meeting on a remuneration of Rs. 110000 per month plus provision of insurance benefit by assignment of policy or otherwise subject to the limits laid down in the Schedule V of the Companies Act, 2013 or any amendment(s) or re-enactment thereof. The Board recommends the Resolution for your approval.

None of the Directors except Shri Rajesh Kumar Kabra himself, Smt. Radhika Kabra, wife of Shri Rajesh Kumar Kabra , Shri Ramawtar Kabra uncle of Shri Rajesh Kumar Kabra and Shri Chandra Prakash Kabra son of Shri Ramawtar Kabra are interested in the Resolution.

RESOLUTION 9

To enable the Directors to borrow, pursuant to Section 180(1)(c) of the Companies Act 2013, moneys and obtain loans for the business of the Company from time to time from any one or more of the Company's Bankers and/or from any one or more other persons, firms, bodies corporate, or financial institutions whether by way of cash credit, advance or otherwise and whether secured or unsecured not withstanding that moneys to be borrowed together with the moneys already borrowed and outstanding (apart from temporary loans obtained from the company's bankers in the ordinary course of business) may exceed the aggregate of the Paid-up

Capital and Free Reserves, that is to say, Reserves not set apart for any specific purpose provided that the total of such borrowing outstanding at any time shall not exceed a sum of Rs. 20 Crores (Rupees Twenty Crore Only) Members' consent by way of a Special Resolution is required. The Board recommend the Resolution in the interest of the Company. The Directors may be deemed to be interested in the Resolution to the extent money is borrowed from them, their relatives, their associates or related parties.

RESOLUTION 10

Pursuant to Section 186(2) of the Companies Act, 2013 (Act) and Rule 11 and 13 of the Companies (Meetings of Board and its Powers) Rules 2014, the Board of Directors is authorized to give loan, guarantee or provide security in connection with a loan to any person or other body corporate, or acquire by way of subscription, purchase or otherwise, the securities including shares, debentures etc. of any other body corporate, up to an amount, the aggregate of which should not exceed 60% of the paid up capital, free reserves and securities premium account or 100% of free reserves and securities premium account of the company, whichever is higher. In case the company exceeds the above mentioned limits then, prior approval of shareholder by way of a Special resolution is required to be obtained.

The Company may be required to provide financial assistance/ support by way of giving of loans / guarantees, providing of securities, making of investment in securities in order to expand its business activities and also for optimum utilization of funds. Accordingly, Board of Directors of the Company may be authorized to give loans, guarantees or provide securities or make investments as mentioned above, up to an amount, the aggregate outstanding of which should not exceed, at any given time, Rs. 25 Crore (Rupees Twenty Five Crore only) which shall be over and above the said limits as specified in Section 186(2) of the Act.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.10.

BY ORDER OF THE BOARD

Registered Office :
2, Brabourne Road,
Kolkata – 700001
Date : 14th August, 2014

R. A. KABRA
Managing Director

DIRECTORS REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in submitting the Thirty Second Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2014.

FINANCIAL RESULTS	<u>2014</u>	<u>2013</u>
	<u>Rupees</u>	<u>Rupees</u>
Profit after Depreciation	3577809	3687794
Add/(Less) : PROVISION FOR TAXATION		
Current Tax	(480000)	(505000)
Deferred Tax	<u>(7944)</u>	<u>(9988)</u>
PROFIT AFTER TAXATION	3089865	3172806
Less : I.T/FBT Adjustment for earlier year	<u>—</u>	<u>(21332)</u>
	3089865	3151474
Less : Transfer to Statutory Reserve	<u>617973</u>	<u>630295</u>
	2471892	2521179
Add : Surplus as per last year	<u>31705247</u>	29184068
SURPLUS CARRIED TO BALANCE SHEET	34177139	31705247
Basic & Diluted Earnings per share	<u>1.05</u>	<u>1.07</u>

In view of smallness of Profit during the year no dividend is proposed.

DIRECTORS

Smt. Radhika Kabra (DIN : 00335944) the Directors of the Company retire from the Board by rotation, being eligible offers herself for re-election.

Further, the Company is also placing proposals for appointment of three existing independent directors namely Sri J. P. Kabra, Sri V. K. Kothari and Sri V. K. Parwal, as per Section 149 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder for five consecutive years for a term up to March 31, 2019. In the opinion of the Board these directors fulfil the conditions specified in the Companies Act, 2013 and rules made thereunder for their appointment as Independent Directors of the Company and are independent of the management. The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail valuable services of them as Independent Directors. Accordingly, the Board recommends their appointments at the ensuing Annual General Meeting for the approval by the members of the Company.

The necessary particulars, as required under clause 49 (vi) (a) of the listing agreement of Stock Exchange are given in Annexure attached herewith.

PERSONAL

None of the employees who fall within the purview of section 217 (2a) of the Companies Act. 1956.

CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOING

Your Company is engaged in trading in Coal and not engaged in any manufacturing activity and as such has no particulars to disclose under the Companies (disclosure of particulars in the report of Board of Directors). Rules 1988, as regards conservations of energy or technology absorption. Further, during the year under review there were no foreign exchange earnings, and foreign exchange out go.

For KABRA COMMERCIAL LTD

V. Parwal
Director

KABRA COMMERCIAL LIMITED

DIRECTORS, RESPONSIBILITY STATEMENT :

As required under Section 217 (2AA) which was introduced by the Companies (Amendment) Act, 2000 your Directors confirm that :

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii. The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2014 and of the profit of the Company for the year ended 31st March, 2014.
- iii. 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.
- iv. The Directors have prepared the annual accounts on a going concern basis.

AUDITORS :

M/s. S. C. Soni & Co. Chartered Accountants retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

Registered Office :
2, Brabourne Road,
Kolkata- 700 001.
Date : 14th August, 2014

BY ORDER OF THE BOARD
RAJESH KUMAR KABRA
Managing Director

ANNEXURE

NOTES ON DIRECTORS SEEKING RE-APPOINTMENT UNDER CLAUSE 49(VI)(A) OF THE LISTING AGREEMENT ENTERED WITH THE STOCK EXCHANGE

SMT. RADHIKA KABRA :

Aged about 40 years is a young dynamic lady of repute and is having knowledge in the fields of Coal and Shares Business. She has passed Higher Secondary Exam. Also she is a Director in Coalsale Company Limited.

SRI JAGDISH PRASAD KABRA :

Aged about 65 years is a business man having wide experience. He is a B. Com Graduate. He is non-execution independent director of the Company. He is a member of remuneration committee. He is also a Director in the following Companies -

- a) Coalsale Company limited
- b) Kabra Steel Products Limited
- c) Kabra Marble Udyog limited

SRI VINOD KUMAR KOTHARI:

Aged about 66 years is having wide experience in coal industry and is involved in the affairs of the Company. He is a Chartered Accountant and also a Director in M/s Coalsale Company Limited.

SRI VIJAY KUMAR PARWAL :

Aged about 43 years is a young dynamic businessman having good experience. He is a non-execution independent Director of the Company. He is a member of remuneration committee. He is also a Director in the following companies -

- a) Kabra Steel Products Limited
- b) Kabra Marble Udyog limited

V. K. Parwal
Director

INDEPENDENT AUDITORS' REPORT

To the Members of Kabra Commercial Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of **Kabra Commercial Ltd.** which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and 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 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 notified under the Companies Act, 1956 (the "Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence, about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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 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:

(a) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2014;

For KABRA COMMERCIAL LTD

V. K. K. K.

Director

- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company 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 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;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Act which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs.
 - (e) On the basis of written representations received from the directors as on 31st March, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of Section 274(l)(g) of the Act.

For **S. C. SONI & CO.**
Chartered Accountants
Firm Regn.No.326770E

S. C. SONI
Proprietor
M.No. 50515

Kolkata
30th May, 2014

For: *[Signature]*

[Signature]
Director

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph (1) of our report of even date on the Statement of Kabra Commercial Ltd. as at and for the year ended on that date)

- (i) (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 at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) No fixed assets have been disposed off during the year.
- (ii) (a) The inventory of the Company has been physically verified by the management during the year according to a phased programme normally so designed that each material item is physically verified at least once in a year and at more frequent intervals in appropriate cases.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by management are reasonable and adequate in relation to size of the Company and nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) As informed to us, the Company has neither granted nor taken any loans, secured or unsecured, to / from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory, Purchase of Fixed Assets and for the sale of goods & services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls system.
- (v) (a) 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.
- (b) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the Register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has its own internal audit system commensurate with the size and nature of its business.
- (viii) Maintenance of Cost records has not been prescribed by the Central Government under Clause (d) of Sub - Section (1) of Section 209 of the Companies Act, 1956 for any of the product or service of the Company.
- (ix) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees State insurance, Investor Education and Protection Fund, Employees' State Insurance, Income

KABRA COMMERCIAL LIMITED

Tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise Duty, Cess and other statutory dues with the appropriate authorities wherever applicable. According to the information and explanation given to us there are no arrears of outstanding statutory dues as mentioned above as at 31st March 2014 for a period of more than six months from the date they became payable.

According to the information and explanation given to us, there are no such statutory dues, which have not been deposited on account of any dispute.

- (x) The Company has no accumulated losses at the 31st March 2014 and has not incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
- (xi) Based on our audit procedures and on 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 and bank. The Company does not have any borrowings by way of debentures.
- (xii) Based on our examination of documents and records, we are of the opinion that the company has not granted any loan on the basis of security by way of pledge of shares, debentures, and other securities.
- (xiii) The Provision of any special statute as specified under clause (xiii) of the order are not applicable to the Company.
- (xiv) In respect of dealing in securities and other investments, in our opinion and according to the information and explanation given to us, proper records have been maintained of the transactions and contracts and timely entries have been made in records. Investments are held by the Company in its own name.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) The Company has not taken / raised any term loans during the year.
- (xvii) Based the information and explanations given to us and on an overall examination of the Balance Sheet of the company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment.
- (xviii) The company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money through public issue during the year.
- (xxi) Based upon the audit procedure performed, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **S. C. SONI & CO.**
Chartered Accountants
Firm Regn.No.326770E

S. C. SONI
Proprietor
M.No. 50515

Kolkata
30th May, 2014

S. C. Soni
Director

KABRA COMMERCIAL LIMITED**BALANCE SHEET AS AT 31ST MARCH 2014**

	Note No.	As at 31.3.2014 Rupees	As at 31.3.2013 Rupees
<u>EQUITY AND LIABILITIES</u>			
<u>Shareholders' Funds</u>			
(a) Share Capital	1	29,400,000	29,400,000
(b) Reserves and Surplus	2	55,704,915	53,000,974
<u>Non-Current Liabilities</u>			
(a) Long-Term Borrowings	3	—	7,565,052
<u>Current Liabilities</u>			
(a) Short Term Borrowings	4	179,298,973	185,590,503
(b) Trade Payables	5	19,128,768	1,182,882
(c) Short-Term Provisions	6	985,000	505,000
(d) Other Current Liabilities	7	688,200	791,478
TOTAL		285,205,856	278,035,889
<u>ASSETS</u>			
<u>Non-Current Assets</u>			
(a) Fixed Assets			
Tangible Assets	8	8,072,484	8,532,739
(b) Non-Current Investments	9	24,608,948	30,923,470
(c) Deferred Tax Assets (Net)	10	97,955	105,899
(d) Long Term Loans and Advances	11	153,067	136,122
<u>Current Assets</u>			
(a) Trade Receivables	12	115,686,344	89,326,392
(b) Cash and Cash Equivalents	13	110,144,122	133,919,372
(c) Short-Term Loans and Advances	14	15,030,426	5,841,959
(d) Other Current Assets	15	11,412,510	9,249,936
TOTAL		285,205,856	278,035,889

Significant Accounting Policies and Other Notes - 23

As per our Report of even date

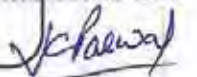
For S. C. SONI & CO.Chartered Accountants
Firm Regn No. 326770E**S. C. SONI**Proprietor
M.No.50515

Kolkata

30th May, 2014

R. K. KABRA
Mg. Director**C. P. KABRA**
Director**R. A. KABRA**
Jt. Mg. Director**S. TOTLA**
Secretary

For KABRA COMMERCIAL LTD


Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Note No.	For the Year ended 31.3.2014 Rupees	For Year ended 31.3.2013 Rupees
<u>INCOME</u>			
Revenue from Operations	16	171,727,947	212,853,916
Other Income	17	13,533,480	13,334,474
Total Revenue		185,261,427	226,188,390
<u>EXPENSES</u>			
Purchases of Stock-in-Trade	18	119,905,893	193,077,093
Employee Benefits Expenses	19	2,867,267	2,929,983
Finance Costs	20	19,550,909	21,251,817
Bad Debts		14,440,960	-
Depreciation	8	97,031	113,454
Other Expenses	21	24,821,558	5,128,249
Total Expenses		181,683,618	222,500,596
Profit before Tax		3,577,809	3,687,794
Tax Expense :			
Current Tax		(480,000)	(505,000)
Deferred Tax		(7,944)	(9,988)
Tax in respect of Earlier Year		-	(21,332)
Profit for the year		3,089,865	3,151,474
Earnings per Equity Share			
Basic and Diluted	22	1.05	1.07

Significant Accounting Policies and Other Notes - 23

As per our Report of even date

For S. C. SONI & CO.

Chartered Accountants
Firm Regn No. 326770E

S. C. SONI

Proprietor
M.No.50515

Kolkata

30th May, 2014

R. K. KABRA
Mg. Director

C. P. KABRA
Director

R. A. KABRA
Jt. Mg. Director

S. TOTLA
Secretary

KABRA COMMERCIAL LIMITED

Cash Flow Statement prepared pursuant to the listing agreement with the Stock Exchange for the year ended 31st March, 2014

	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
	Rupees	Rupees	Rupees	Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Tax & Extra Ordinary Items		3,577,809		3,687,794
Adjustments for :				
Depreciation	97,031		113,454	
Interest Received	(242,631)		--	
Interest Paid	9,827,224		7,609,558	
Dividend Received	(1,081,384)		(1,051,673)	
Profit / (Loss) on sale of Investments	(5,445)		3,344	
		<u>8,594,795</u>		<u>6,674,683</u>
Operating Profit before Working Capital Changes		12,172,604		10,362,477
Adjustments for :				
Trade Receivable	(26,359,952)		20,045,102	
Advances & Security Deposits	(759,214)		44,550	
Other Liabilities & Trade Payables	17,842,608	(9,276,558)	(14,065,191)	6,024,461
Cash Generated from Operations		2,896,046		16,386,938
Less : Direct Taxes paid / refund (net)		(2,446,198)		(466,136)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		449,848		15,920,802
		=====		=====
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets		(22,700)		--
Purchase / Sale of Investments		6,314,522		(128,434)
Interest Received		242,631		--
Dividend Received		1,081,384		1,051,673
Profit / (Loss) on Sale Of Investments		5,445		(3,344)
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		7,621,282		919,895
		=====		=====
C. CASH FLOW FROM FINANCING ACTIVITIES				
Loans Taken / Repaid		(19,856,582)		(13,745,747)
Interest Paid		(9,827,224)		(7,609,558)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)		(29,683,806)		(21,355,305)
		=====		=====
NET IN CASH OR CASH EQUIVALENTS (A+B+C)		(21,612,676)		(4,514,608)
		=====		=====
CASH OR CASH EQUIVALENTS				
Cash & Bank Balances (Opening)		143,169,308		147,683,916
Cash & Bank Balances (Closing)		<u>121,556,632</u>		<u>143,169,308</u>
NET IN CASH OR CASH EQUIVALENTS		(21,612,676)		(4,514,608)
		=====		=====

Notes: (1) Although investing activities attract tax on income arising out of these activities , for the purpose of Cash Flow, entire tax payment has been considered as part of operating activities only.

(2) Figures of the previous year have been regrouped, rearranged and reclassified wherever found necessary.

Signed for Identification

For S. C. Soni & Co.

Chartered Accountants

Firm Regn. No. 326770E

(S. C. SONI)

Proprietor

M.No. 50515

Kolkata

30th May, 2014



[Signature]

MG. DIRECTOR

[Signature]

[Signature]

JT. MG. DIRECTOR

[Signature]

SECRETARY

KABRA COMMERCIAL LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

1) SHARE CAPITAL

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
(a) AUTHORISED		
72,50,000 Equity Shares of Rs. 10/- each	72,500,000	72,500,000
ISSUED, SUBSCRIBED AND PAID-UP		
29,40,000 Equity Shares of Rs. 10/- each fully paid up	29,400,000	29,400,000

(b) Reconciliation of number of equity shares of each class outstanding at the beginning and at the end of the year

PARTICULARS	31.03.2014 Number	31.03.2013 Number
Number of Equity Shares		
At the beginning of the Reporting year	2,940,000	2,940,000
At the end of the Reporting year	2,940,000	2,940,000

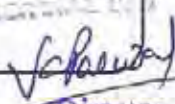
(c) Details of shares held by each shareholder holding more than 5% of share capital

Name of Shareholders	31.3.2014		31.3.2013	
	No. of share held	% of share capital	No. of share held	% of share capital
Rajesh Kumar Kabra	713,425	24.27	680,425	23.14
Ramawtar Kabra	191,900	6.53	354,900	12.07

(d) Rights, preference and restrictions attached to shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

(e) No shares have been allotted or has been bought back by the Company during the period of 5 years preceeding the date as at which the Balance Sheet is prepared.

FOR KABRA COMMERCIAL LIMITED

 Director

KABRA COMMERCIAL LIMITED

2) RESERVE AND SURPLUS

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
(i) Capital Reserve		
Revaluation Reserve		
As per last Accounts	7,718,467	8,124,702
Less : Adjusted during the year (Refer note in Schedule 8)	385,924	406,235
At the end of the year	7,332,543	7,718,467
(ii) Statutory Reserve		
Opening balance	13,577,260	12,946,965
Add : Transferred from Statement of Profit & Loss	617,973	630,295
At the end of the year	14,195,233	13,577,260
(iii) Balance in Statement of Profit & Loss		
As per last Accounts	31,705,247	29,184,068
Add : Surplus for the year	3,089,865	3,151,474
	34,795,112	32,335,542
Less : Transferred to Statutory Reserve	617,973	630,295
At the end of the year	34,177,139	31,705,247
Total (i) + (ii) + (iii)	55,704,915	53,000,974

3) LONG TERM BORROWINGS

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
Unsecured Loans		
From Bodies Corporates	-	7,565,052
Total	-	7,565,052

For KABRA COMMERCIAL LIMITED

V. P. S. S.
Director

KABRA COMMERCIAL LIMITED**4) SHORT TERM BORROWINGS**

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
Secured, Repayable on demand Working capital loan From Canara Bank Overdraft facility	99,217,866	97,250,853
Inland / foreign letter of credit (Secured against the pledge / lien of Fixed Deposit of the said bank, hypothecation of Book debts, Equitable mortgage of office premises at Dhanbad and Jaipur and personal guarantee of six directors namely Sri R.A. Kabra, Sri R. K. Kabra, Sri V.K. Kothari, Sri O. P. Kakani, Sri C. P. Kabra and Smt. R. Kabra)	80,081,107	88,339,650
Total	179,298,973	185,590,503

5) TRADE PAYABLES

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
Unsecured considered good Creditors for goods and services	19,128,768	1,182,882
Total	19,128,768	1,182,882

6) SHORT TERM PROVISIONS

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
Provision for Income Tax	985,000	505,000
Total	985,000	505,000

7) OTHER CURRENT LIABILITIES

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
Statutory Dues	582,831	247,642
For Expenses & Others	105,369	543,836
Total	688,200	791,478

V. P. Sawy
Director

8. FIXED ASSETS
Tangible Assets

PARTICULARS	COST			DEPRECIATION			NET BLOCK	
	As at 01.04.2013	Additions	Total 31.03.2014	Upto 31.03.2013	For the Year	Total	As at 31.03.2014	As at 31.03.2013
Land	16,000	-	16,000	-	-	-	16,000	16,000
Office Building	11,835,939	-	11,835,939	3,743,200	404,637	4,147,837	7,688,102	8,092,739
Vehicles	1,189,429	-	1,189,429	1,113,834	19,572	1,133,406	56,023	75,595
Furniture, Fixture & Office Equipments	1,638,276	22,700	1,660,976	1,291,490	58,098	1,349,588	311,388	346,786
Computers	256,751	-	256,751	255,132	648	255,780	971	1,619
TOTAL	14,936,395	22,700	14,959,095	6,403,656	482,955	6,886,611	8,072,484	8,532,739
Previous Year	14,936,395	-	14,936,395	5,883,967	519,689	6,403,656	8,532,739	9,052,428

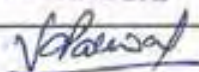
Note

(i) The Company had revalued its office premises at Jaipur and Dhanbad on the basis of reports of the valuer dt.14.2.2007 and dt.8.2.2007, valuing the said office premises at Rs. 63,60,000/- and Rs. 45,09,450/- respectively and accordingly the said buildings of company have been revalued on 31.03.2007 the net increase of Rs. 10,500,000/- on revaluation was transferred to Revaluation Reserve.

(ii) **Details of Depreciation**

	<u>31.3.2014</u>	<u>31.3.2013</u>
Charged to Profit & Loss Account	97,031	113,454
Adjusted with Revaluation Reserve	385,924	406,235
(Refer Note No.2)		
Depreciation for the year	<u>482,955</u>	<u>519,689</u>

For KABRA COMMERCIAL LTD


Director

KABRA COMMERCIAL LIMITED

9) NON CURRENT INVESTMENTS

PARTICULARS	Face Value Rupees	31.3.2014		31.3.2013	
		Nos	Rupees	Nos	Rupees
Long term -other than trade					
Equity Shares (At cost)					
(A) QUOTED					
Action Construction Equipment Ltd.	2	—	—	2000	189678
Anik Industries Ltd.	10	—	—	2042	126299
Aptech Ltd.	10	1500	433005	1500	433005
Asian Electronics Ltd.	5	—	—	1000	126010
Assam Company (India) Ltd.	1	—	—	5000	286195
Arihant Avenue & Credit Ltd.	10	200000	100000	200000	100000
ACC Ltd.	10	8200	2869909	8200	2869909
Bag Films & Media Ltd.	2	—	—	5000	160553
Bang Overseas Ltd.	10	10	1718	10	1718
Birla Corporation Ltd.	10	100	13489	100	13489
Chennai Petrochemicals Ltd.	10	—	—	2000	420773
Coal India Ltd.	10	1000	331680	1000	331680
Corporation Bank	10	1000	241160	—	—
Electrosteel Steels Ltd.	10	104192	1046112	104192	1046112
Essar Steel India Ltd.	10	6000	399098	6000	399098
Future Market Networks Ltd.	10	350	—	350	—
Gloria Chemicals Ltd. (*)	10	1000	1750	1000	1750
Gujarat Industries Power Company Ltd.	10	1000	185900	1000	185900
Gujarat NRE Mineral Resources Ltd.	10	22500	500000	15000	500000
G.V. Films Ltd.	10	—	—	75000	345710
Gujarat Sidhee Cement Ltd. (See Note No. 1)	10	7500	782580	30000	782580
Hindustan Oil Exploration Ltd.	10	3000	620018	4000	882073
Hindusthan Engg. & Industries Ltd.	10	194	114770	194	114770
HDFC Bank Ltd.	2	340	21225	340	21225
Hanil Era Textiles Ltd. (*)	10	100	762	100	762
ITC Ltd.	1	5000	—	9000	582660
ITI Ltd.	10	—	—	12000	1050859
J.Kumar Infra Projects Ltd.	10	68	8616	68	8616
J.K.Cement Ltd.	10	30	5400	30	5400
Jaiprakash Associates Ltd.	2	11000	218698	11000	218698
Kesoram Industries Ltd.	10	—	—	2000	720384
Kabra Agro Industries Ltd. (*)	10	200	1100	200	1100
Kabra Marble Udyog Ltd. (*)	10	5000	15500	5000	15500
Kabra Steel Products Ltd. (*)	10	15000	47250	15000	47250
KCP LTD.	1	6500	66000	6500	66000
Kesoram Textiles Mills Ltd.	2	5700	—	5700	—
K.S.Oils Ltd.	1	513	60226	513	60226
Mangalam Cement Ltd.	10	62919	6070798	61419	5913362
Mangalam Timber Products Ltd.	10	5000	173300	5000	173300
Montari Industries Ltd. (*)	10	500	3625	500	3625
Montari Leather Ltd. (*)	10	2800	9240	2800	9240
Nagarjuna Fertilisers & Chemicals Ltd.	1	7700	110725	7700	110725
Nagarjuna Oil Refinery Ltd.	1	7000	—	7000	—

V. K. Sawal
Director

KABRA COMMERCIAL LIMITED

PARTICULARS	Face Value Rupees	31.3.2014		31.3.2013	
		Nos	Rupees	Nos	Rupees
Nicco Corporation Ltd.	2	20000	125214	30000	335496
NHPC LTD.	10	10000	353400	10000	353400
Next Gen Animation Media Ltd.	10	2600	26000	2600	26000
Oswal Chemicals & Fertilisers Ltd.	10	200	8233	200	8233
Oricon Enterprises Limited	2	82500	1674432	82500	1674432
Padmini Technology Ltd.	10	1000	50025	1000	50025
Polaris Financial Technology Ltd.	5	2,500	530444	2500	530444
Rama Newsprint & Papers Ltd.	10	125	-	125	-
Remi Metals Gujarat Ltd.	6	200	11500	200	11500
Reliance Infrastructure Ltd.	10	58	49613	58	49613
Sanica Global Infrastructure Ltd.	10	-	-	4500	821298
Siti Cable Network Ltd.	1	3900	222028	3900	222028
Spice Jet Ltd.	10	-	-	10000	463113
Silverline Technologies Ltd.	10	6500	1008167	6500	1008167
Schneider Electric Infrastructure Ltd.	2	1000	93142	1000	93142
Subex Ltd.	10	100	8524	100	8524
Sujana Metal Ltd.	5	60	2368	60	2368
Sundaram Finance Ltd.	10	200	97032	200	97032
Tech Mahindra Ltd. (See Note No. 2) (Previously Satyam Computer Services Ltd.)	2	1352	1216240	11500	1216240
Tata Steel Ltd.	10	10183	2192650	10183	2192650
Tinplate Company Ltd.	10	5000	463414	5000	463414
Tata Global Beverages Ltd.	1	38300	963621	68000	1710870
Thomas Scott (I) Ltd.	10	2	-	2	-
Uniworth Textiles Ltd.	10	25	455	25	455
Visa Steel Ltd.	10	500	30200	500	30200
V Guard Industries Ltd.	10	2,500	550721	2500	550721
TOTAL (A)			24131077		30245599
(B) UNQUOTED					
Manushri Properties Ltd.	10	2000	20000	2000	20000
Maya Texturisers Pvt. Ltd.	10	30000	225000	30000	225000
TOTAL (B)			245000		245000
(C) MUTUAL FUND					
ABN AMRO Futurelead Fund	-	-	-		200000
Goldman Sachs Mutual Fund	100	10	30405	10	30405
UTI - Master Share Unit Scheme - Dividend Plan	10	13000	202466	13000	202466
TOTAL (C)			232871		432871
TOTAL(A+B+C)			24608948		30923470

NOTES:-

- (1) 7500 Equity Shares of Rs.10/- each were allotted against the holding of 30000 Equity Shares of 10/- each on reduction of Share Capital by the Co.
- (2) On the holding of 11500 Equity Shares of Rs.10/- each of Satyam Computer Services Ltd. 1352 Equity Shares of Tech Mahindra were allotted as per the scheme of arrangement.
- (3) Market value of Quoted shares Rs. 4,18,26,337/- (Previous Year Rs. 4,30,47,020/-)
- (4) Market value of quoted Mutual Fund Rs.3,80,030/- (Previous Year Rs. 3,52,704/-)
- (5) (*)Market value of these shares are not available, hence taken at cost.

For **KABRA COMMERCIAL LTD**

V. P. ...
Director

KABRA COMMERCIAL LIMITED

10) DEFERRED TAX ASSETS (NET)

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
As per last Accounts	105,899	115,887
Less : Deferred Tax Liability for the year	7,944	9,988
Total	97,955	105,899

11) LONG TERM LOANS AND ADVANCES

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
Unsecured, considered good		
Other Deposits	153,067	136,122

12) TRADE RECEIVABLES

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
Unsecured		
(a) Outstanding for a period exceeding six months		
Considered good	846,965	15,171,253
Considered doubtful	26,622,251	26,622,251
	27,469,216	41,793,504
(b) Other Debts		
Considered good	73,355,067	32,795,827
(c) Trade Advances	14,862,061	14,737,061
Total	115,686,344	89,326,392

13) CASH AND CASH EQUIVALENTS

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
(a) Balances with Banks		
(i) Term Deposit held as security and margin money against Overdraft and letter of credit facility	109,495,991	132,472,890
(ii) Bank Balances in Current Accounts	380,440	703,748
(b) Cash in hand	267,691	327,734
(c) Cheque / Drafts in hand	-	415,000
Total	110,144,122	133,919,372

14) SHORT TERM LOANS AND ADVANCES

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
Unsecured, considered good		
Loans	6,000,000	-
Advances recoverable in cash or in kind or for value to be received, pending adjustments	2,240,221	1,497,952
Tax payments	6,790,205	4,344,007
Total	15,030,426	5,841,959

For KABRA COMMERCIAL LTD

V. Palani
Director

KABRA COMMERCIAL LIMITED

15) OTHER CURRENT ASSETS

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
Accrued interest on Fixed Deposits	11,412,510	9,249,936
Total	11,412,510	9,249,936

16) REVENUE FROM OPERATIONS

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
Sales - Coal	171,146,007	208,513,985
Other Operating Income	581,940	445,143
Commission	—	3,894,788
Transportation Charges Received	—	—
Total	171,727,947	212,853,916

17) OTHER INCOME

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
(A) Income from Non Current Assets		
Dividend	1,081,384	1,051,673
Rent and Service Charges	359,256	64,705
Profit on sale of Investments	5,445	—
(B) Income from Current Assets		
Interest from Banks	11,844,764	12,218,096
Interest from Others	242,631	—
Total	13,533,480	13,334,474

18) PURCHASE OF STOCK - IN - TRADE

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
Purchase - Coal	119,905,893	193,077,093
Total	119,905,893	193,077,093

19) EMPLOYEE BENEFIT EXPENSES

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
Salaries and Allowances	2,758,887	2,780,137
Bonus	80,700	112,550
Employee Welfare Expenses	27,680	37,296
Total	2,867,267	2,929,983

20) FINANCE COST -

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
Credit Rating Charges	48,315	39,326
Bank Interest	9,827,224	7,609,558
Interest on Other loans	324,673	—
Bank Charges	44,975	49,852
Bill Discounting Charges	6,205,004	8,388,441
L.C.Charges	2,792,697	4,826,162
Bank Guarantee Commission	—	6,230
Bank Limit Processing Charges	308,021	332,248
Total	19,550,909	21,251,817

FOR KABRA COMMERCIAL LTD

K. Prasad
Director

KABRA COMMERCIAL LIMITED

21) OTHER EXPENSES

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
Transportation Charges	20,860,621	3,860,366
Rent, Rates & Taxes	53,086	49,492
Postage & Telegram	9,828	6,207
Insurance	19,478	21,571
Travelling & Conveyance	78,391	72,781
Tele Communication Expenses	30,416	28,783
Advertisement & Publicity	52,147	41,482
Printing & Stationary	49,589	29,716
Membership Subscription	5,283	3,283
Vehicle Expenses	105,155	217,083
Auditors Remuneration		
For Statutory Audit	22,472	22,472
For Tax Audit	5,618	5,618
For Company Law & Tax Matters	5,618	-
For Certification & Others	14,607	-
Repairs & Maintenance	129,650	86,738
Miscellaneous Expenses	48,931	50,644
Computer Service Charges	240,000	240,000
Sales Promotion Expenses	752,257	155,202
Legal & Professional fees	37,400	5,500
Listing Fees	31,298	34,270
Power & Fuel	95,996	110,824
Share Custody and Depository Charges	32,498	81,741
Loss on Sale of Investment	-	3,344
Sundry Balances Written Off	-	1,132
Bill Rebate	1,225,527	-
Brokerage & Commission	497,872	-
Donation	25,000	-
Demurage	223,389	-
Loading charges	107,207	-
Security Charges	62,224	-
Total	24,821,558	5,128,249

22) EARNING PER EQUITY SHARE

PARTICULARS	31.03.2014 Rupees	31.03.2013 Rupees
Profit after Tax	3,089,865	3151474
No. of Equity Shares of Rs. 10/- each	2,940,000	2,940,000
Earning per share (Basic & diluted)	1.05	1.07

23) NOTES :

(A) Significant Accounting Policies

(i) Convention

The financial statement have been prepared in accordance with applicable Accounting Standards in India.

A summary of important accounting policies which have been applied consistently is set out below.

V. Prasad
Director

The financial statements have also been prepared in accordance with the relevant presentational requirements of the Companies Act, 1956

(ii) **Basis of Accounting**

The financial statements have been prepared in accordance with historical cost convention. All income and expenses, unless specifically stated to be otherwise, have been accounted for on accrual basis.

(iii) **Fixed Assets**

Fixed Assets are recorded at cost/ revaluation amount. They are stated at historic cost less accumulated depreciation and impairment loss, if any.

(iv) Depreciation on fixed assets have been provided on written down value basis at the rates specified under Schedule XIV of the Companies Act, 1956.

(v) a) Long term Investments are shown in the Balance Sheet at cost.

b) Profit / Loss on sale of Investments are credited / debited to Revenue Accounts.

(vi) **Employee Benefit**

a) Short term employee benefits are charged off in the year in which the related service is rendered

b) The Company is not making any provision in accounts for gratuity liability as the same is charged to Profit & Loss account in the year of payment (refer note No.vi)

c) Leave encashment benefit is paid in the year itself and there is no amount outstanding on this account.

(vii) **Impairment of Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable value.

(viii) **Current Tax**

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

(ix) **Deferred Tax**

Deferred Tax for timing difference between tax profit and book profit is accounted for using the substantively enacted tax rates and laws that have been applicable as on the date of Balance Sheet.

(x) **Provisions, Contingent Liabilities & Contingent Assets**

Provisions are recognised in respect of present obligations arising out of past events where there are reliable estimate of the probable outflow of resources. Contingent liabilities are the possible obligation of the past events, the existence of which will be confirmed only by the occurrence or non-occurrence of a future event. These are not provided for but are disclosed by way of Notes on Accounts. Contingent Assets are not provided for or disclosed.

(xi) **Foreign Currency Transactions**

Transaction in foreign currencies are recognised at the rates existing at transaction time at which the transaction is settled. Year-end balances of receivables/payables are translated at applicable forward contract / year-end rates and resultant translation differences relating to fixed assets are adjusted against fixed assets and the balance is recognised in the Profit and Loss Account.

KABRA COMMERCIAL LIMITED

(B) NOTES ON ACCOUNT :

- (i) No provision has been made in these accounts in respect of Sundry Debtors amounting to Rs. 2,66,22,251/-outstanding from earlier year as in the opinion of the management, the matter is sub-judice.
- (ii) No provision has been made in these accounts in respect of Gratuity Liability of Rs.103846/- (P.Y. 152280/-) payable to employees who is entitled for such payment as the company intends to account for the same in the year of payment.
- (iii) Fixed Deposit Certificates are not available for auditor's verification as the same are pledged to Canara Bank against the overdraft facility and Inland / Foreign letter of credit facility taken from the said Bank.
- (iv) In the opinion of the Board of Directors the Current Assets, Loans and Advances are approximately of the value stated in accounts, if realised in ordinary course of business, unless otherwise stated. The provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.
- (v) The Company has no amounts due to suppliers under the Micro, small and Medium Enterprises Development Act,2006 (MSMED) as at 31.03.2014.
- (vi) There is no disputed statutory liability which is due.
- (vii) **Segment Reporting**

	31.3.2014		31.3.2013	
	Rupees	Rupees	Rupees	Rupees
A. Segment Revenue				
Coal Trading and service/ commission		183,572,711		225,072,012
Finance & Investment		1,329,460		1,051,673
Unallocated		359,256		64,705
		<u>185,261,427</u>		<u>226,188,390</u>
B. Segment Results				
Coal Trading and service/commission		44,475,165		6,971,914
Finance & Investment		1,329,460		1,047,664
		45,804,625		8,019,578
Less : Unallocated Expenses (Net)	41,902,143		4,320,593	
Interest	324,673	42,226,816	11,191	4,331,784
Profit Before Tax		<u>3,577,809</u>		<u>3,687,794</u>
C. Segment Assets				
Coal Trading and service/commission	246,273,402		231,049,218	
Finance & Investment	30,608,948		30,923,470	
Unallocated	8,323,506	285,205,856	16,063,201	278,035,889
D. Segment Liabilities				
Coal Trading and service/commission	198,427,741		194,338,437	
Finance & Investment	-		-	
Unallocated	1,673,200	200,100,941	1,296,478	195,634,915
E. Segment wise Capital Employed				
Coal Trading and service/commission	47,845,661		36,710,781	
Finance & Investment	30,608,948		30,923,470	
Unallocated	6,650,306	85,104,915	14,768,723	82,400,974

V. K. Rao

KABRA COMMERCIAL LIMITED

Notes on Segment Reporting

The Company's primary segment is its Business Segment which consists of Coal Trading and Commission/ Service charges and Finance & Investment. Since entire business is conducted within India there are no separate geographical segments.

(viii) Related Party Information in accordance with AS -18 :

(i) Associates

Kabra Steel Products Ltd.	Rajesh Manish Associates Pvt. Ltd.
Coal Sale Co. Ltd.	Coal Sale Co.
Jagdamba Coal House	Kabra Brothers

(ii) Key Managerial Personnel

Sri Rajesh Kumar Kabra	Sri Ramawtar Kabra
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Details of transactions with related parties that have taken place during the year

PARTICULARS	NATURE OF TRANSACTION	VOLUME OF TRANSACTION As at 31.03.2014	BALANCE OUTSTANDING	VOLUME OF TRANSACTION As at 31.03.2013	BALANCE OUTSTANDING
(iii) PAYMENTS TO KEY MANAGERIAL PERSONNEL					
Sri Rajesh Kumar Kabra	Director's Remuneration	1320000	NIL	1320000	NIL
Sri Ramawtar Kabra	Director's Remuneration	300000	NIL	300000	NIL
(iv) Where key managerial Personnel exercise Significant Influence					
Coal Sale Co.	Goods account (Purchase)	15727033	NIL	NIL	NIL
	Commission paid	471035	NIL	NIL	NIL
	Prepaid Railway Freight	20438000	NIL	NIL	NIL
	Re-imbusement				
	Advance taken	8800000	NIL	4000000	NIL
	Demurage Charges paid	223000	NIL	NIL	NIL
Coal Sale Co. Ltd.	Commission received	NIL	NIL	500164	NIL
	Prepaid Railway Freight	506000	NIL	94434000	NIL
	Re-imbusement				
	Advance taken	36627000	NIL	NIL	NIL
Jagdamba Coal House	Electricity & Water Charges	55171	37198 Cr.	65770	5246 Cr.
Rajesh Manish Associates Pvt. Ltd.	Computer Service Charges	240000	NIL	240000	NIL
Kabra Brothers	Advance taken / repayment	NIL	NIL	9522478 Dr.	NIL
Kabra Steel Products Ltd.	Goods Account (Sales)	43493766	41626275 Dr.	NIL	NIL
	Advance	18100000	NIL	NIL	NIL
	Prepaid Railway Freight	16292059	NIL	NIL	NIL
	Re-imbusement				

(ix) Figures of the previous year's have been recasted rearranged and reclassified wherever found necessary.

Signature to Notes '1' to '23'

For S. C. SONI & CO.
Chartered Accountants
Firm Regn No. 326770E

S. C. SONI
Proprietor
M.No.50515

R. K. KABRA
Mg. Director

C. P. KABRA
Director

R. A. KABRA
Jt. Mg. Director

S. TOTLA
Secretary

Kolkata
30th May, 2014

For KABRA COMMERCIAL LTD


Director