

Edel Commodities Limited

**Financial Statements
together with Auditors' Report
for the year ended 31 March 2015**

Edel Commodities Limited

Financial statements together with Auditors' Report
for the year ended 31 March 2015

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To
The Members of Edel Commodities Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

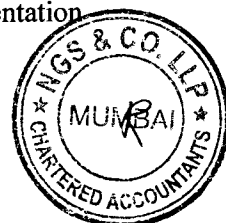
We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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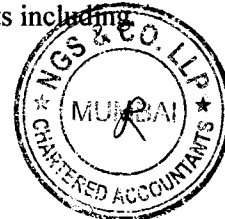
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.;
 - e. on the basis of written representations received from the Directors as on 31 March 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015, from being appointed as a director in terms of section 164(2) of the Act;
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position;
 - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;



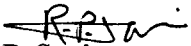
NGS
& CO. LLP

CHARTERED
ACCOUNTANTS

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iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. 119850W


R. P. Soni
Partner
Membership No.: 104796

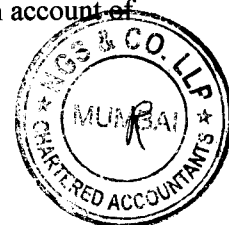


Place: Mumbai
Date: 13 May 2015

Annexure to the Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of Edel Commodities Limited ('the Company') on the financial statements for the year ended 31 March 2015, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) As explained to us, the fixed assets have been physically verified by the management during the year as per the phased programme, designed to cover all the items over a period of three years. In our opinion this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The Company has conducted physical verification of inventory on the basis of warehouse receipts in respect of commodities held as inventory at reasonable intervals during the year.
- (b) The procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records in respect of inventory. No material discrepancies have been noticed on physical verification of stock in trade.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) 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 with regard to purchase of inventory and fixed assets and for the sale of goods. The activities of the Company do not involve sale of services. In our opinion and according to the information and explanations given to us, we have not observed any major weakness in the internal control system during the course of the audit.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act, 2013 for any of the services rendered by the Company
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, wealth tax, service tax, sales tax, value added tax, cess and other material statutory dues, applicable to it, have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, Company did not have any dues on account of employees' state insurance, duty of excise and duty of custom.



According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, wealth tax, sales tax, service tax, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no dues of wealth tax, sales tax, service tax, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute. The dues outstanding in respect of income-tax on account of dispute, is as follows:

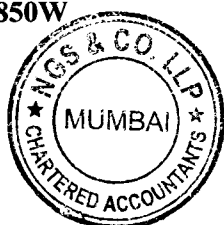
Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	18,774,594	A.Y.2011-12	CIT (A)
Income Tax Act, 1961	Income Tax	3,833,475	A.Y.2012-13	CIT (A)

- (c) According to the information and explanation given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (viii) In our opinion, the Company's accumulated losses at the end of the financial year are more than fifty per cent of its net worth. The Company has not incurred cash losses during current year. However, in the immediately preceding financial year, it has incurred cash losses.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, the Company does not owe any dues to a financial institution, bank or debenture holders. Accordingly, the provisions of clause 3(ix) of the Companies (Auditor's Report) Order, 2015 are not applicable to the Company.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, no term loan has been taken by the Company during the previous financial year.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For NGS & Co. LLP
Chartered Accountants
Firm Registration No. 119850W


R. P. Soni

Partner
Membership No.:104796



Place: Mumbai
Date: 13 May 2015

Edel Commodities Limited

Balance Sheet

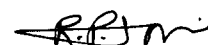
(Currency: Indian rupees)

	Note	As at 31 March 2015	As at 31 March 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2.1	5,00,000	5,00,000
Reserves and surplus	2.2	(82,61,72,613)	(93,08,99,537)
		(82,56,72,613)	(93,03,99,537)
Non-current liabilities			
Long-term borrowings	2.3	1,62,00,00,000	-
Long-term provisions	2.4	9,57,000	3,51,279
Current liabilities			
Short-term borrowings	2.5	6,35,54,68,237	3,56,79,42,600
Trade payables	2.6	4,88,55,797	41,44,229
Other current liabilities	2.7	6,74,96,826	44,73,00,824
Short-term provisions	2.8	3,21,59,350	83,18,893
TOTAL		7,29,92,64,597	3,09,76,58,288
ASSETS			
Non-current assets			
Fixed assets	2.9		
Tangible assets		6,80,483	10,54,271
Non-current investments	2.10	2,06,91,554	2,71,91,554
Deferred tax assets (net)	2.11	4,69,442	4,55,278
Long-term loans and advances	2.12	4,87,58,99,213	13,27,089
Other non-current assets	2.13	86,180	79,590
		4,89,78,26,872	3,01,07,782
Current assets			
Stock-in-trade	2.14	-	1,38,16,29,077
Trade receivables	2.15	1,82,67,84,341	91,18,96,928
Cash and cash equivalent	2.16	25,73,373	25,81,40,968
Short-term loans and advances	2.17	45,13,02,846	46,44,40,229
Other current assets	2.18	12,07,77,165	5,14,43,304
		2,40,14,37,725	3,06,75,50,506
TOTAL		7,29,92,64,597	3,09,76,58,288

Significant accounting policies and notes to the financial statements 1 & 2

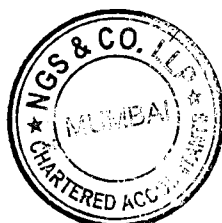
As per our report of even date attached.

For NGS & Co. LLP
Chartered Accountants
Firm's Registration No.: 119850W



R. P. Soni
Partner
Membership No.: 104796

Mumbai
13 May 2015



For and on behalf of the Board of Directors


Gaurang Tailor
Director
DIN 00010292

Mumbai
13 May 2015


Vijay Shelar
Director
DIN 02795529

Edel Commodities Limited

Statement of Profit and Loss

(Currency: Indian rupees)

	Note	For the year ended 31 March 2015	For the year ended 31 March 2014
Revenue from operations			
Income from treasury operations	2.19	17,08,96,972	(3,58,911)
Sale of commodities		2,80,87,16,307	57,64,44,439
Sale of manufactured products		12,71,00,39,649	87,91,78,788
Other operating revenue	2.20	8,81,76,925	5,13,10,495
Other income	2.21	84,23,622	33,66,722
Total revenue		15,78,62,53,475	1,50,99,41,533
Expenses			
Cost of materials consumed		11,73,44,00,938	1,02,15,81,478
Purchases of commodities		2,01,50,38,325	1,81,82,80,971
Changes in stock-in-trade of commodities		1,38,16,29,077	(1,38,16,29,077)
Employee benefit expenses	2.22	3,80,48,576	1,46,67,123
Finance costs	2.23	45,57,99,020	14,53,21,351
Depreciation and amortisation	2.8	4,15,253	3,14,257
Other expenses	2.24	2,84,68,526	1,19,95,489
Total expenses		15,65,37,99,715	1,63,05,31,592
Profit / (Loss) before tax		13,24,53,760	(12,05,90,059)
Tax expense:			
(1) Income tax		2,77,41,000	-
(2) Deferred tax		(14,164)	(1,72,577)
Profit for the year		10,47,26,924	(12,04,17,482)
Earnings per equity share: (Face value of share Rs 10)			
Basic and diluted	2.31	2,094.54	(2,408.35)

Significant accounting policies and notes to the financial statements.

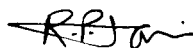
1 & 2

As per our report of even date attached.

For NGS & Co. LLP

Chartered Accountants

Firm's Registration No.: 119850W



R. P. Soni

Partner

Membership No.: 104796



Mumbai

13 May 2015

For and on behalf of the Board of Directors



Gaurang Tailor

Director

DIN 00010292



Vijay Shekar

Director

DIN 02795529

Mumbai

13 May 2015

Edel Commodities Limited

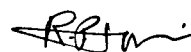
Cash Flow Statement for the year ended 31 March 2015

(Currency: Indian rupees)

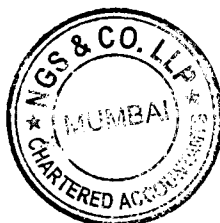
	For the year ended 31 March 2015	For the year ended 31 March 2014
A Cash flow from operating activities		
Profit / (loss) before taxation	13,24,53,760	(12,05,90,059)
Adjustments for		
Depreciation	4,15,253	3,14,257
Provision for gratuity and compensated leave absences	7,09,509	(4,72,965)
Interest income	(8,22,68,880)	(5,09,96,382)
Interest expense	44,35,26,962	14,53,12,373
Operating cash flow before working capital changes	49,48,36,604	(2,64,32,776)
Adjustments for		
Increase in trade receivable, loans and advances and other current assets	(67,16,20,501)	(1,21,03,99,478)
Decrease/(Increase) in stock-in-trade	1,38,16,29,077	(1,38,16,29,077)
(Decrease)/increase in current liabilities and provisions	(35,51,97,832)	43,54,16,846
Cash generated from / (used in) operations	84,96,47,348	(2,18,30,44,485)
Income taxes paid	40,04,332	8,652
Net cash generated from / (used in) operating activities - A	84,56,43,016	(2,18,30,53,137)
B Cash flow from investing activities		
Purchase of fixed assets	(41,465)	(11,40,918)
Proceeds from sale of investments	65,00,000	-
(Deployment) of /repayment from unsecured loans given (net) (refer note 2)	(4,87,02,08,362)	39,04,63,282
Interest received	1,27,00,140	1,22,19,418
Net cash (used in) / generated from investing activities - B	(4,85,10,49,687)	40,15,41,782
C Cash flow from financing activities		
Proceeds from unsecured loans borrowed (net) (refer note 2)	4,40,75,25,637	1,94,24,60,083
Interest paid	(42,34,21,561)	(13,91,78,362)
Net cash generated from financing activities - C	3,98,41,04,076	1,80,32,81,721
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(2,13,02,595)	2,17,70,366
Cash and cash equivalents as at the beginning of the year	2,38,75,968	21,05,602
Cash and cash equivalents as at the end of the year (refer note 2.16)	25,73,373	2,38,75,968
Notes:		
1 Cash and cash equivalents include the following		
Balances with scheduled banks in current accounts	25,73,373	2,38,75,968
	25,73,373	2,38,75,968
2 Net figures have been reported on account of volume of transactions.		

As per our report of even date attached.

For NGS & Co. LLP
Chartered Accountants
Firm's Registration No.: 119850W



R. P. Soni
Partner
Membership No.: 104796



Mumbai
13 May 2015

For and on behalf of the Board of Directors


Gaurang Tailor
Director
DIN 00010292


Vijay Shelar
Director
DIN 02795529

Mumbai
13 May 2015

Edel Commodities Limited

Notes to the financial statements

For the year ended 31 March 2015

(Currency: Indian rupees)

1 Significant accounting policies

1.1 Basis of preparation of financial statements

The accompanying financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, on the accrual basis of accounting, unless otherwise stated, and comply with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) rules, 2014, the provisions of the Companies Act, 2013 (to the extent notified), provisions of the Companies Act, 1956 (to the extent applicable) (hereinafter together referred to as 'the Act') and the Schedule III to the Act. The financial statements are presented in Indian rupees.

1.2 Use of estimates

The preparation of the financial statements in conformity with the GAAP requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statement. Actual results could differ from the estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

1.3 Current-non-current classification

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:

- a. It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is expected to be realized within 12 months after the reporting date; or
- d. 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:

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

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

All other liabilities are classified as non-current.



Edel Commodities Limited

Notes to the financial statements (Continued)

For the year ended 31 March 2015

(Currency: Indian rupees)

1 Significant accounting policies (Continued)

1.4 Revenue recognition

- Income from treasury operations comprises of profit/loss on commodity and currency derivative instruments.
- Realised profit/ loss on closed positions of derivative instruments is recognised on final settlement on squaring-up of the contracts. Outstanding derivative contracts in the nature of forwards / futures / options are measured at fair value as at the balance sheet date. Fair value is determined using quoted market prices in an actively traded market, for the instrument, wherever available, as the best evidence of fair value. In the absence of quoted market prices in an actively traded market, a valuation technique is used to determine the fair value. In most cases the valuation techniques use observable market data as input parameters in order to ensure reliability of the fair value measure.
- Sale of commodity is recognised when all the significant risks and rewards have been passed to the buyer.
- Purchase and sale of bullion is recorded at the price which is fixed between the company and the buyer/seller, in case where the fixation is prior to balance sheet date. Where the price remains unfixed as at the balance sheet date, the transaction is recorded at the closing price as at that date.
- Interest income is recognised on accrual basis.
- Profit/loss on sale of securities is determined based on the weighted average cost of the securities sold.

1.5 Fixed assets and depreciation

Tangible fixed assets and Capital work in progress

Tangible fixed assets are stated at cost less accumulated depreciation and impairment, if any. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Capital work in progress comprises the cost of fixed assets that are not ready for its intended use at the reporting date.

Depreciation is provided on a written down value basis from the date the asset is ready for its intended use or put to use whichever is earlier. In respect of assets sold, depreciation is provided upto the date of disposal.

As per the requirement of Schedule II of the Companies Act, 2013, the Company has evaluated the useful lives of the respective fixed assets which are as per the provisions of Part C of the Schedule for calculating the depreciation. The useful lives of the fixed assets are as follows:

Class of asset	Useful Life
Office equipments	5 years
Vehicle	8 years
Computer	6 years



Edel Commodities Limited

Notes to the financial statements (Continued)

For the year ended 31 March 2015

(Currency: Indian rupees)

1 Significant accounting policies (Continued)

1.6 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

1.7 Stock-in-trade

The commodity stocks are valued at weighted average cost or net realisable value, whichever is lower.

The securities held as stock in trade under current assets are valued at lower of weighted average cost or market value.

1.8 Investments

Investments are classified into long term investments and current investments. Investments which are intended to be held for one year or more are classified as long term investments and investments which are intended to be held for less than one year are classified as current investments.

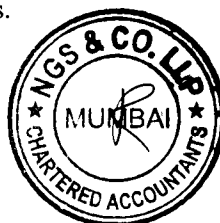
Long term investments are carried at cost less diminution in value which is other than temporary, determined separately for each investment.

Current investments are carried at lower of cost or fair value. The comparison of cost and fair value is done separately in respect of each category of investment. In case of investments in mutual funds, the net asset value of units declared by the mutual funds is considered as the fair value.

1.9 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 – “Earnings Per Share” as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. Basic earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.



Edel Commodities Limited

Notes to the financial statements (Continued)

For the year ended 31 March 2015

(Currency: Indian rupees)

1 Significant accounting policies (Continued)

1.10 Employee benefits

The accounting policy followed by the Company in respect of its employee benefit schemes in accordance with Accounting Standard 15 (revised 2005), is set out below:

Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at present values of estimated future cash flows. The discounted rates used for determining the present value are based on the market yields on Government Securities as at the balance sheet date.

Actuarial gains and losses arising from experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss in the period in which they arise.

Compensated leave absences

The eligible employees of the Company are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Company recognises the charge to the statement of profit and loss, and corresponding liability on account of such non-vesting accumulated leave entitlement based on a valuation by an independent actuary.

1.11 Taxation

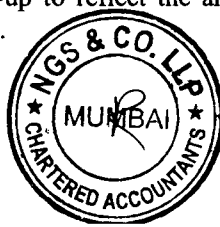
Tax expense comprises income tax (i.e. amount of tax for the period determined in accordance with the Income-Tax Act, 1961) and deferred tax charge or benefit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

Income tax

Provision for current tax is recognised based on estimated tax liability computed after adjusting for allowances, disallowances and exemptions in accordance with the Income Tax Act, 1961.

Deferred tax

The deferred tax charge or benefit and the corresponding deferred tax liabilities and assets are recognized using the tax rates that have been enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain, as the case may be, to be realised.



Edel Commodities Limited

Notes to the financial statements (Continued)

For the year ended 31 March 2015

(Currency: Indian rupees)

1 Significant accounting policies (Continued)

1.12 Provisions and contingencies

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.



Edel Commodities Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	As at 31 March 2015	As at 31 March 2014
2.1 Share capital		
Authorised:		
2,000,000 (Previous year: 2,000,000) equity shares of Rs. 10 each	2,00,00,000	2,00,00,000
	<u>2,00,00,000</u>	<u>2,00,00,000</u>
Issued, subscribed and paid up:		
50,000 (Previous year: 50,000) equity shares of Rs. 10 each	5,00,000	5,00,000
	<u>5,00,000</u>	<u>5,00,000</u>
(The entire paid up share capital is held by Edelweiss Commodities Services Limited, the holding company and its nominees)		
a) Movement in share capital		
Reconciliation of number of shares outstanding :		
Number of shares outstanding at the beginning of the year	50,000	50,000
Number of shares at the end of the year	<u>50,000</u>	<u>50,000</u>
Reconciliation of Share capital:		
Share capital at the beginning of the year	5,00,000	5,00,000
Share capital at the end of the year	<u>5,00,000</u>	<u>5,00,000</u>
b) Terms/rights attached to equity shares:		
The Company has only one class of equity shares having a par value of Rs 10. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
c) Shares held by holding / ultimate holding company and / or their subsidiaries / associates:		
	As at 31 March 2015	As at 31 March 2014
	Number of shares	Percentage shareholding
Equity shares of Rs.10 each fully paid		
Edelweiss Commodities Services Limited, the holding company	50,000	100%
d) Details of shareholders holding more than 5% shares in the Company		
	As at 31 March 2015	As at 31 March 2014
	No. of shares	% holding in the class
Equity shares of Rs.10 each fully paid		
Edelweiss Commodities Services Limited	50,000	100%
2.2 Reserves and surplus		
Securities premium account	9,32,98,485	9,32,98,485
Deficit in the statement of profit and loss		
Opening balance	(1,02,41,98,022)	(90,37,80,540)
Add: Profit /(loss) for the year	10,47,26,924	(12,04,17,482)
	<u>(82,61,72,613)</u>	<u>(1,02,41,98,022)</u>
	<u>(82,61,72,613)</u>	<u>(93,08,99,537)</u>

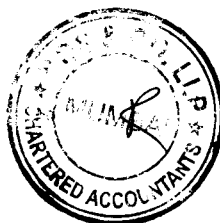


Edel Commodities Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	As at 31 March 2015	As at 31 March 2014
2.3 Long-term borrowings		
Unsecured		
Loans and advances from other (Repayable after 3 years, interest @ 12% p.a.)	1,62,00,00,000	-
	1,62,00,00,000	-
2.4 Long-term provisions		
Provision for employee benefits		
Gratuity	7,72,000	2,81,266
Compensated leave absences	1,85,000	70,013
	9,57,000	3,51,279
2.5 Short-term borrowings		
Unsecured		
Loans and advances from related parties (Repayable on demand, at variable rate of interest)	6,35,54,68,237	2,70,63,87,600
Bank overdraft	-	86,15,55,000
	6,35,54,68,237	3,56,79,42,600
2.6 Trade payables		
Trade payables (including sundry creditors, provision for expenses)	4,88,55,797	41,44,229
	4,88,55,797	41,44,229
2.7 Other current liabilities		
Interest accrued but not due on borrowings	-	10,08,373
Interest accrued and due on borrowings	2,78,89,387	67,75,613
Accrued salaries and benefits	1,77,20,000	36,32,577
TDS, service tax and other taxes payable	91,76,497	55,77,975
Advances from customers	1,12,64,165	22,39,689
Bank overdraft	9,25,765	1,96,44,523
Others	5,21,012	3,04,812
Payable for the demerged business held in trust	-	40,81,17,262
	6,74,96,826	44,73,00,824
2.8 Short-term provisions		
Provision for employee benefits		
Gratuity	1,34,000	56,345
Compensated leave absences	44,000	17,867
Provision for taxation [Net of advance tax and tax deducted at source Rs. 37,267,999 (Previous year: 31,981,940)]	3,19,81,350	82,44,681
	3,21,59,350	83,18,893



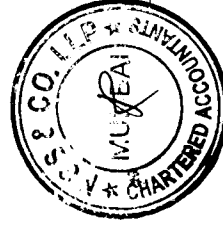
Edel Commodities Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

2.9 Fixed assets

Description of assets	Gross block			Depreciation and amortisation			Net block	
	As at 1 April 2014	Additions during the year	Deductions during the year	As at 31 March 2015	As at 1 April 2014	Additions during the year	As at 31 March 2015	As at 31 March 2014
Tangible assets								
Vehicles	10,53,081	-	-	10,53,081	1,97,946	2,72,220	5,82,915	8,55,135
Office equipments	1,06,786	78,465	-	1,85,251	55,354	62,163	67,734	51,432
Computers	2,98,457	(37,000)	-	2,61,457	1,50,753	80,870	29,834	1,47,704
Grand total	14,58,324	41,465	-	14,99,789	4,04,053	4,15,253	6,80,483	10,54,271
Previous year	3,17,406	11,40,918	-	14,58,324	89,796	3,14,257	10,54,271	



Edel Commodities Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

2.10 Non-current investments

	As at 31 March 2015			As at 31 March 2014		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Others (unquoted)						
Investment in equity instruments of subsidiaries (fully paid up)						
Edel Commodities Trading Limited	10	1,70,000	65,00,000	10	1,70,000	65,00,000
EFSL Comtrade Limited	-	-	-	10	1,70,000	65,00,000
EFSL Commodities Limited	10	2,70,000	1,15,00,000	10	2,70,000	1,15,00,000
Investments in equity instruments of other companies (fully paid up)						
Lichen Metals Private Limited	10	39,920	26,91,554	10	39,920	26,91,554
		4,79,920	2,06,91,554		6,49,920	2,71,91,554
Aggregated of unquoted investments:						
At book value			2,06,91,554			2,71,91,554



Edel Commodities Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	As at 31 March 2015	As at 31 March 2014
2.11 Deferred taxes assets (net)		
Deferred tax assets		
Tax effect of the timing differences on account of:		
Difference between book and tax depreciation	76,641	-
Disallowances under section 43B of the Income Tax Act, 1961	3,92,801	4,63,652
	<u>4,69,442</u>	<u>4,63,652</u>
Deferred tax liabilities		
Tax effect of the timing differences on account of:		
Difference between book and tax depreciation	-	(8,374)
	-	<u>(8,374)</u>
	<u>4,69,442</u>	<u>4,55,278</u>
2.12 Long-term loans and advances (Unsecured, considered good)		
Loans and advances to other	4,87,00,00,000	-
Advance tax and tax deducted at source (Net of provision for taxation Rs. 369,634 (Previous year: Rs. Nil)	58,99,213	13,27,089
	<u>4,87,58,99,213</u>	<u>13,27,089</u>
2.13 Other non-current assets		
Long term deposit with banks (refer note 2.30) (Rs. 73,907; (Previous year Rs. 73,907) pledged with Sales tax authorities for meeting deposit requirements)	73,907	73,907
Accrued interest on fixed deposits	12,273	5,683
	<u>86,180</u>	<u>79,590</u>
2.14 Stock-in-trade		
Commodities *		
Agricultural commodities	-	75,60,41,454
Bullion	-	62,55,87,623
	-	<u>1,38,16,29,077</u>

** Quantitative details of commodities are not given due to the varied nature of products and measurement units.



Edel Commodities Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	As at 31 March 2015	As at 31 March 2014
2.15 Trade receivables		
Other debts		
Unsecured, considered good	1,82,67,84,341	91,18,96,928
	<u>1,82,67,84,341</u>	<u>91,18,96,928</u>
2.16 Cash and bank balances		
Cash and cash equivalents		
Balances with banks		
in current accounts	25,73,373	2,38,75,968
Other balances with banks		
in fixed deposits, held as guarantees (refer note 2.30)	-	23,42,65,000
	<u>25,73,373</u>	<u>25,81,40,968</u>



Edel Commodities Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	As at 31 March 2015	As at 31 March 2014
2.17 Short-term loans and advances (Unsecured, considered good)		
Loans and advances to related parties	2,08,362	-
Other loans and advances		
Advances to others	10,772	10,772
Deposits - others	2,40,000	40,000
Prepaid expenses	72,385	5,082
Loans and advances to employees	-	894
Vendor advances	1,22,78,987	2,79,52,363
Intercompany deposits placed	38,46,00,000	38,46,00,000
Cenvat and VAT assets	5,25,65,250	4,59,31,905
Advance tax and tax deducted at source (Net of provision for taxation Rs. Nil (Previous year: Rs. 369,634)	13,27,090	58,99,213
	45,13,02,846	46,44,40,229
2.18 Other current assets		
Accrued interest on fixed deposits	-	2,34,879
Accrued interest on inter-company deposits	8,93,71,471	5,12,02,471
Accrued interest on loans given	3,14,05,694	5,954
	12,07,77,165	5,14,43,304



Edel Commodities Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
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2.19 Income from treasury operations

Loss on trading of securities (net)	(1,13,44,289)	-
Profit on trading in commodity derivative instruments (net)	10,78,40,000	-
Gain/ (loss) on foreign exchange movement on trade	7,44,01,261	(3,58,911)
	<u>17,08,96,972</u>	<u>(3,58,911)</u>

2.20 Other operating revenue

Interest income on loan	-	1,29,64,390
Interest income on loan to subsidiary companies	2,94,86,849	-
Interest income on intercorporate deposits	3,81,69,000	3,80,31,992
Interest income on fixed deposits	59,05,019	3,06,509
Interest income on margin with broker	3,026	-
Interest income on overdue accounts	1,46,13,031	7,604
	<u>8,81,76,925</u>	<u>5,13,10,495</u>

2.21 Other income

Miscellaneous income	84,23,523	33,62,282
Interest income - others	99	4,440
	<u>84,23,622</u>	<u>33,66,722</u>



Edel Commodities Limited

Notes to the financial statements (Continued)

(Currency: Indian rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
2.22 Employee benefit expenses		
Salaries and wages (refer note 2.37)	3,67,87,035	1,45,88,326
Contribution to provident and other funds	8,91,417	324
Staff welfare expenses	3,70,124	78,473
	3,80,48,576	1,46,67,123
2.23 Finance costs		
Interest on loan from holding company	43,66,03,126	9,62,29,529
Interest on loan from fellow subsidiaries	-	2,95,24,639
Interest on bank overdraft	-	1,95,58,205
Interest - others	1,22,57,063	-
Financial and bank charges	14,995	8,978
Interest on loan - others	69,23,836	-
	45,57,99,020	14,53,21,351
2.24 Other expenses		
Advertisement and business promotion	7,535	1,24,854
Auditors' remuneration (refer note 2.27)	1,15,000	1,00,000
Commission and brokerage	1,05,500	2,63,338
Communication	4,15,663	3,33,536
Computer expenses	41,657	38,947
Computer software	(55,000)	55,000
Clearing and custodian charges	75,500	96,750
Electricity charges (refer note 2.37)	4,04,277	4,96,318
Freight and forwarding expenses	9,22,260	2,09,973
Insurance Expenses	41,825	34,783
Legal and professional fees	24,37,829	18,57,505
Membership and subscription	65,000	11,000
Office expenses	(4,230)	3,55,436
Printing and stationery	39,477	4,475
Rates and taxes	3,08,249	11,852
Rent (refer note 2.37)	35,53,628	50,63,091
Repairs and maintenance - others	-	(800)
ROC expenses	9,552	-
Security transaction tax	34,10,209	-
Service tax expenses	20,23,249	12,86,041
Stock exchange expenses	52	-
Transportation charges	71,47,406	1,80,000
Travelling and conveyance	5,74,598	5,11,499
Warehousing charges	68,25,008	9,58,455
Miscellaneous expenses	4,282	3,436
	2,84,68,526	1,19,95,489



Edel Commodities Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees)

2.25 Segment reporting:

The Company has operated only in one business segment during the year viz. capital based business comprising of trading and investment activities. Therefore, the Company has only one reportable business segment, the results of which are disclosed in the financial statements. Since business operations of the Company are concentrated in India, the Company is considered to operate only in domestic segment and therefore there is no reportable geographic segment.

2.26 Disclosure as required by Accounting Standard 18 – “Related Party Disclosure” as prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014:

S. No	Particulars
A.	Names of related parties by whom control is exercised
	Edelweiss Financial Services Limited, Ultimate holding company
	Edelweiss Commodities Services Limited, Holding company
B.	Subsidiaries which are controlled by the Company
	Edel Commodities Trading Limited
	EFSL Comtrade Limited (till 7 September 2014)
	EFSL Commodities Limited
C.	Fellow Subsidiaries with whom the Company has transactions
	Aster Commodities DMCC
	EC Commodity Limited
	EC Global Limited
	ECL Finance Limited
	Edel Investments Limited
	Edelweiss Broking Limited
	Edelweiss Integrated Commodity Management Limited
	Edelweiss International (Singapore) Pte. Limited
	Edelweiss Securities Limited
	Edelweiss Web Services Limited
	EFSL Comtrade Limited (w.e.f. 8 September 2014)



Edel Commodities Limited

Notes to the financial statements (Continued)

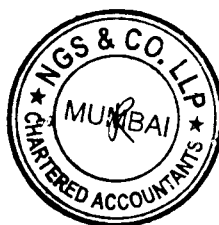
for the year ended 31 March 2015

(Currency: Indian rupees)

2.26 Disclosure as required by Accounting Standard 18 – “Related Party Disclosure” as prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 (continued)

(D) Transactions with related parties :

Nature of transaction	Related party name	2014-15	2013-14
Current account transactions			
Short term loans taken from (Refer note 1 below)	Edelweiss Financial Services Limited	90,00,00,000	1,23,01,92,175
	Edelweiss Commodities Services Limited	3,35,43,80,437	3,27,08,39,199
Short term loans repaid to (Refer note 1 below)	Edelweiss Financial Services Limited	47,76,35,375	1,40,27,53,641
	Edelweiss Commodities Services Limited	40,61,37,151	30,63,25,943
Secondary market transactions			
Purchases of commodities from	EC Commodity Limited	63,62,07,036	-
	Edelweiss Commodities Services Limited	9,51,01,45,022	5,74,09,763
Sale of commodities to	Edelweiss integrated commodities Management Limited	59,42,08,914	-
	Edelweiss Commodities Services Limited	1,22,34,02,720	3,08,10,000
	Edel Investments Limited	67,95,60,156	3,03,02,775
Margin placed with (Refer note 1 below)	Edelweiss Securities Limited	1,42,13,208	52,20,83,969
	Edelweiss Commodities Services Limited	1,38,13,946	6,48,20,875
Margin withdrawn from (Refer note 1 below)	Edelweiss Securities Limited	6,61,52,986	50,11,35,807
	Edelweiss Commodities Services Limited	1,38,13,946	6,48,20,875
Other income from	EC Global Limited	31,29,540	15,13,012
	Aster Commodities DMCC	31,29,540	15,13,012
	Edelweiss International (Singapore) Pte. Limited	21,39,120	3,36,258
Interest income on margin placed with	Edelweiss Commodities Services Limited	114	-
	Edelweiss Securities Limited	2,913	-
Financial charges from	Edel Investments Limited	1,46,13,031	-
Interest expense on loans from	Edelweiss Financial Services Limited	3,08,75,325	8,26,86,542
	Edelweiss Commodities Services Limited	40,57,27,801	1,35,42,987
	ECL Finance Limited	-	2,95,24,639
Financial charges to	EC Commodity Limited	1,06,86,635	-
Cost reimbursement to	Edelweiss Financial Services Limited	1,38,383	-
	Edelweiss Securities Limited	16,85,400	-
	Edelweiss Web Services Limited	2,96,21,681	52,43,341
	Edelweiss Commodities Services Limited	39,52,182	55,18,742
	Edelweiss Broking Limited	5,723	-
Reimbursement paid to	Edelweiss Financial Services Limited	1,68,77,853	1,25,17,333
	Edelweiss Commodities Services Limited	-	2,500
	Edel Commodities Trading Limited	-	30,900
Investments in equity shares sold to	Edelweiss Commodities Services Limited	65,00,000	-
Processing fees to	Edelweiss Web Services Limited	25,135	-
Professional fees to	Edelweiss Securities Limited	75,964	7,200



Edel Commodities Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2015

(Currency: Indian rupees)

- 2.26 Disclosure as required by Accounting Standard 18 – “Related Party Disclosure” as prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 (continued)

(D) Transactions with related parties :

Nature of transaction	Related party name	2014-15	2013-14
Clearing expenses to	Edelweiss Securities Limited	-	77,750
Depository charges to	Edelweiss Securities Limited	43,150	-
Warehouse expenses to	Edelweiss Securities Limited	14,66,972	3,47,185
	EC Commodity Limited	23,04,775	-
	Edelweiss Integrated Commodities Management Limited	87,331	-
Warehouse income from	Edel Investments Limited	28,59,400	-
Balance with related parties as on 31 March 2015			
Short term loans taken from	Edelweiss Commodities Services Limited	5,91,33,98,541	2,96,45,13,256
	Edelweiss Financial Services Limited	44,20,69,696	1,97,05,071
Advances recoverable from	Edelweiss Securities Limited	94,000	-
	ECL Finance Limited	94,000	-
Trade payables to	Edelweiss Securities Limited	15,65,460	4,32,183
	Edelweiss Integrated Commodities Management Limited	77,372	-
	Edelweiss Commodities Services Limited	1,57,12,397	-
Nomination deposit payable to	Edelweiss Commodities Services Limited	2,00,000	-
	Edelweiss Financial Services Limited	1,00,000	-
Nomination deposit receivable from	Edel Commodities Trading Limited	2,00,000	-
Accrued interest expense on loans taken from	Edelweiss Financial Services Limited	12,04,366	18,94,884
	Edelweiss Commodities Services Limited	1,97,26,554	-
	ECL Finance Limited	152	-
Payable for the demerged business held in trust for	Edelweiss Commodities Services Limited	-	408117263
Trade and other payables to	Edelweiss Financial Services Limited	2,38,199	-
	Edelweiss Web Services Limited	2,536	7,370
	Edelweiss Commodities Services Limited	46,50,616	-
	ECL Finance Limited	-	1,478
Investments in equity shares in	EFSL Commodities Limited	1,15,00,000	1,15,00,000
	Edel Commodities Trading Limited	65,00,000	65,00,000
	EFSL Comtrade Limited	-	65,00,000
Trade receivables from	Edelweiss Commodities Services Limited	54,96,270	-
	Edelweiss Broking Limited	5,400	-
	Edelweiss International (Singapore) Pte. Limited	21,39,120	3,36,258
	Aster Commodities DMCC	31,29,540	15,13,012
	EC Global Limited	31,29,540	15,13,012
	Edel Investments Limited	-	3,03,02,775
Accrued interest income on loans given to	Edelweiss Financial Services Limited	45,304	-
	Edelweiss Commodities Services Limited	41,26,659	-

Note 1:

Loan given/taken to/from parties and margin money placed / refund received with/ from related parties are disclosed based on the maximum incremental amount given/taken and placed / refund received during the reporting period.



Edel Commodities Limited

Notes to the financial statements (Continued)
for the year ended 31 March 2015

(Currency: Indian rupees)

2.27 Auditors' remuneration

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
As auditors	115,000	100,000
Total Rs.	115,000	100,000

2.28 Capital commitment and Contingent liability

i. Contingent liabilities

The Company has no contingent liability as at the balance sheet date (Previous year Rs. Nil).

ii. Commitments

The Company has no capital commitments as at the balance sheet date (previous year: Nil).

2.29 Earnings and expenditure in foreign currency:

The Company has earned Rs. 13,589,218,437 (Previous year: Rs 3,362,282) in foreign currency during the year and the Company has not incurred any expenditure in foreign currency during the year (Previous year: Nil).

2.30 Encumbrances on fixed deposits held by the Company:

S. No	Particulars
i)	Fixed deposits aggregating to Rs. Nil (Previous year: Rs. 234,115,000) have been pledged with custom authorities against bank guarantee.
ii)	Fixed deposits aggregating to Rs. 73,907 (Previous year: Rs. 223,907) have been pledged with VAT authorities against banks guarantee.



Edel Commodities Limited

Notes to the financial statements (Continued)
for the year ended 31 March 2015

(Currency: Indian rupees)

2.31 Earnings per share

In accordance with Accounting standard (AS) 20, "Earning per Share" notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014, the computation of earnings per share is set out below :

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Profit /(loss) after tax (as per statement of profit and loss) (a)	104,726,924	(120,417,482)
Calculation of weighted average number of equity Shares of Rs. 10 each (b)		
Number of shares outstanding at the beginning of the year	50,000	50,000
Number of Shares issued during the year	-	-
Total number of equity shares outstanding at the end of the year	50,000	50,000
Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	50,000	50,000
Basic and diluted earnings per share (in rupees) (a)/(b)	2,094.54	(2,408.35)

The basic and diluted earnings per share are the same as there is no dilutive/potential equity shares issued.

2.32 Open interest in commodity / currency futures as on 31 March 2015: Nil

Open interest in commodity / currency futures as on 31 March 2014: Nil



Edel Commodities Limited

Notes to the financial statements (Continued)
for the year ended 31 March 2015

(Currency: Indian rupees)

2.33 Detail of purchases, sales and change in inventory:

Commodities:

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Opening stock		
Agri	756,041,454	-
Bullion	625,587,623	-
	1,381,629,077	-
Purchase		
Agri	1,560,197,275	1,302,399,102
Bullion	12,189,241,988	1,537,463,347
	13,749,439,263	2,839,862,449
Sales		
Agri	2,364,070,445	545,537,939
Bullion	13,154,685,511	910,085,288
	15,518,755,956	1,455,623,227
Closing stock *		
Agri	-	756,041,454
Bullion	-	625,587,623
	-	1,381,629,077
Profit /(Loss) on sale of commodities	387,687,616	(2,610,145)

* Quantitative details of commodities are not given due to the varied nature of products and measurement units.

Securities:

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Opening stock	-	-
	-	-
Purchase	2,537,112,225	-
	2,537,112,225	-
Sales	2,525,767,936	-
	2,525,767,936	-
Closing stock	-	-
	-	-
Loss on sale of securities	(11,344,289)	-



Edel Commodities Limited

Notes to the financial statements (Continued)
for the year ended 31 March 2015

(Currency: Indian rupees)

2.34 Consumption of raw material

a) Raw material consumed – Gold Bar and Silver

Particulars	For the year ended 31 March 2015		For the year ended 31 March 2014	
	Quantity Kg	Value	Quantity kg	Value
Gold/Silver	5,033.00	11,734,400,938	432.09	1,021,581,478
	5,033.00	11,734,400,938	432.09	1,021,581,478

b) Value of imported and indigenous material consumed

Particulars	For the year ended 31 March 2015		For the year ended 31 March 2014	
	Value	%	Value	%
Raw material				
Indigenous	11,734,400,938	100.00	1,021,581,478	100.00
TOTAL	11,734,400,938	100.00	1,021,581,478	100.00

2.35 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee Benefits

A) Defined contribution plan (Provident fund)

An amount of Rs. 891,417 (Previous Year: Rs. Nil) is recognised as expense and included in "Employee benefit expenses" – Note 2.22 in the statement of profit and loss.

B) Defined benefit plan (Gratuity)

The following tables summarize the components of the net benefit expenses recognized in the statement of profit and loss, the unfunded status and amounts recognized in the balance sheet for the gratuity benefit plan.

Statement of profit and loss

Net employee benefits expenses:

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Current service cost	201,000	232,000
Interest on defined benefit obligation	47,000	49,000
Expected return on plan assets	-	-
Actuarial (gain)/losses	132,000	84,000
Total included in Employee benefit expenses	380,000	365,000



Edel Commodities Limited

Notes to the financial statements (Continued)
for the year ended 31 March 2015

(Currency: Indian rupees)

2.35 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee benefit (Continued)

Balance sheet

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at 31 March 2015	As at 31 March 2014
Liability at the beginning of the year	980,000	708,276
Transfer in/(out)	(454,000)	(94,000)
Interest cost	47,000	49,000
Current service cost	201,000	232,000
Past service cost (non vested benefit)	-	-
Past service cost (vested benefit)	-	-
Benefit paid	-	-
Actuarial (gain)/loss on obligations	132,000	84,000
Liability at the end of the year	906,000	980,000

Amount recognised in the balance sheet:

Particulars	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
Liability at the end of the year	906,000	980,000	708,276
Fair value of plan assets at the end of the year	-	-	-
Amount recognized in balance sheet -Liability	906,000	980,000	708,276

Experience adjustment

Particulars	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011
On plan liabilities: (gain)/ loss	40,000	134,000	227,376	-	-
On plan assets: gain/ (loss)	-	-	-	-	-
Estimated contribution for next year	-	-	-	-	-



Edel Commodities Limited

Notes to the financial statements (Continued)
for the year ended 31 March 2015

(Currency: Indian rupees)

2.35 Disclosure pursuant to Accounting Standard 15 (Revised) - Employee benefits (Continued)

Principle actuarial assumptions at the balance sheet date:

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Discount rate current	7.8%	8.9%
Salary escalation rate	7%	6%
Employees attrition rate	13%-25%	13%-25%

2.36 Details of dues to micro, small and medium enterprises

Trade payables includes Rs. Nil (Previous year: Rs. Nil) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said act.

2.37 Cost sharing

Edelweiss Securities Limited, (ESL) a fellow subsidiary company and Edelweiss Commodities Services Limited (ECSL), the holding company, incurs expenditure like common senior management compensation cost, rent expenditure, electricity expenses etc., which is for the benefit of the Company. These costs so expended are reimbursed by the Company on the basis of number of employees, area occupied, time spent by employees of ESL and ECSL for the Company, actual identifications etc. Accordingly, and as identified appropriately, the expenditure heads in Note 2.22 and Note 2.24 are inclusive of the reimbursements.



Edel Commodities Limited

Notes to the financial statements (Continued)
for the year ended 31 March 2015

(Currency: Indian rupees)

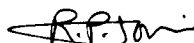
- 2.38** The beneficial owner of the Company has confirmed its intention to provide continuing financial support to the Company so as to enable the Company to continue operating in the foreseeable future. Accordingly the financial statements have been prepared on a going concern basis.

As per our report of even date attached

For NGS & Co. LLP

Chartered Accountants

Firm's Registration No. 119850W



R. P. Soni

Partner

Membership No. 104796

Mumbai

13 May 2015



For and on behalf of the Board of Directors



Gaurang Tailor

Director

DIN 00010292

Mumbai

13 May 2015



Vijay Shelar

Director

DIN 02795529