

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Eighth (28th) Annual General Meeting of the Members of **Kalyani Commercials Limited** will be held on **Monday, the 30th day of September, 2013** at **11:00 A.M.** at BG-223, Sanjay Gandhi Transport Nagar, G.T. Karnal Road, New Delhi – 110042, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and Profit & Loss Account for the year ended on that date along with the report of Directors' and Auditors' thereon.
2. To appoint director in place of Mr. Sourabh Agarwal, who retires by rotation and being eligible, offers himself for re-appointment as Director of the Company, liable to retire by rotation.
3. To re-appoint **M/s M.C Bhandari & Co., Chartered Accountants**, as statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting at remuneration as may be decided by the Board with the mutual consent of the auditors. The retiring Auditors are eligible for re-appointment.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), if any, the following resolution as an Ordinary Resolution: -

"RESOLVED THAT **M/s Grover Ahuja & Associates, Company Secretaries**, New Delhi, be and are hereby re-appointed for the purpose of issuing Compliance Certificate u/s 383A of the Companies Act, 1956 for the financial year 2013-2014 at a remuneration as may be decided by the Board with the mutual consent of the said Firm."

5. 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 257 and other applicable provisions, if any, of the Companies Act, 1956 (including any modification or re-enactment thereof) Mr. Mukesh Joshi in respect of whom a notice in writing has been received by the Company proposing his candidature for the office of Director under section 257 of the Companies Act, 1956, be and is hereby appointed as director liable to retire by rotation, w.e.f. 30th September, 2013."

KALYANI COMMERCIALS LIMITED

Regd off: BG-223, Sanjay Gandhi Transport Nagar, Delhi-110042

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6. To consider and if thought fit, to pass with or without modification(s), if any, the following resolutions as an Ordinary Resolution: -

"RESOLVED THAT pursuant to provisions of Section 16, Section 94 and other applicable provisions; if any, of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby increased from Rs. 1,00,00,000/- (Rupees One Crores only) divided into 10,00,000 equity shares of Rs. 10/- each to Rs. 4,00,00,000 (Rupees Four Crores only) divided into 40,00,000 equity shares of Rs. 10/-(Rupees Ten) each ranking pari passu with the existing equity shares of the Company in all respects."

"RESOLVED FURTHER THAT the existing clause V of the Memorandum of Association of the Company be and is hereby replaced by the following clause:

V. The Authorized Share Capital of the Company is Rs. 4, 00, 00,000/- (Rupees Four Crores only) divided into 40, 00, 000 (Forty Lac) equity shares of Rs. 10/- (Rupees Ten only) each."

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT the existing clause 3 of the Articles of Association of the Company be replaced by the following clause:

3. The Authorised Share Capital of the Company shall be of such amount as may from time to time be provided in Clause V of the Memorandum of Association of the Company with power to increase or reduce the Capital of the Company and to divide the shares in the Capital for the time being into several classes and attach thereto respectively such preferential, qualified or special rights, privileges or conditions and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956, or any enactment thereof for the time being in force."

For KALYANI COMMERCIALS LIMITED

By order of the Board
For Kalyani Commercials Limited

Shankar Lal Agarwal
Director

Shankar Lal Agarwal
Managing Director

Place: New Delhi
Date: 5th September, 2013

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NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE (ON A POLL ONLY) INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM, IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect to business under Item 4, 5, 6 and 7 is annexed hereto and forms part of this Notice.
3. The Register of Members and Share Transfer Books pursuant to Section 154 of the Companies Act, 1956, will remain closed from Saturday, 21st September, 2013 to Monday, 30th September, 2013 (both days inclusive).
4. Members/proxies should bring duly filled Attendance Slips to attend the meeting.
5. The Members are requested:
 - To intimate immediately to the Company for the change of their address and bank details and other particulars.
 - To quote Ledger Folio Numbers/ DP ID- Client ID in all their correspondence with the Company.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 4

As per the provisions of Section 383A of the Companies Act, 1956, every Company having paid up share capital of Rs. 10 Lakh or more but less than Rs. 5 Crore is required to obtain a Secretarial Compliance Certificate from Company Secretaries in whole time practice regarding compliance of provisions of the Companies Act, 1956.

The Company has obtained the Compliance Certificate for the financial year 2012-13 from **M/s Grover Ahuja & Associates, Company Secretaries, New Delhi**. The Board recommends re-appointment of **M/s Grover Ahuja & Associates** for issuing of the Compliance Certificate for the financial year 2013 -2014 also.

None of the Directors of the Company are in any way concerned or interested in passing of this resolution.

ITEM NO. 5

The Company has received notice under Section 257 of the Companies Act, 1956, proposing the candidature of Mr. Mukesh Joshi for the office of Director along with the requisite fees. The Board recommends his appointment as Director of the Company in the best interest of your Company.

Except Mr. Mukesh Joshi, none of the Directors is in any way concerned/ interested in proposed resolution.

ITEM NO. 6

Since, the Company is planning to bring a Bonus issue of Equity Shares in future, therefore, the Authorized Capital of the Company needs to be increased and consequently Capital Clause of the Memorandum of Association of the Company needs to be altered accordingly. As per Section 94 of the Companies Act, 1956, increase in Authorized Capital requires shareholder's approval by way of an Ordinary Resolution.

Further, as per the provisions of Section 16 of the Companies Act, 1956, amendment in MOA of the Company requires approval of the Shareholders by way of Ordinary Resolution.

Thus, your Directors recommend the aforesaid resolution for your consideration and approval.

None of the Directors are concerned or interested in proposed resolution.

ITEM NO. 7

The Authorized Capital of the Company is proposed to be increased and consequently the Capital Clause of the AOA of the Company needs to be amended accordingly.

As per Section 31 of the Companies Act, 1956, amendment in AOA of the Company requires approval of the Shareholders by way of Special Resolution.

Thus, your Directors recommend the said resolution for your consideration and approval.

None of the Directors are interested in proposed resolution.

For KALYANI COMMERCIALS LIMITED

By order of the Board
For Kalyani Commercials Limited

Shankar Lal Agarwal

Place: New Delhi
Date: 5th September, 2013

Shankar Lal Agarwal
Managing Director

KALYANI COMMERCIALS LIMITED

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DIRECTORS' REPORT

To

The Members,

Kalyani Commercials Limited

The Directors have pleasure in presenting the (Twenty Eighth) 28th Annual Report together with the audited financial statements of the Company for the year ended on 31st March, 2013 and other accompanying reports, notes and certificates.

FINANCIAL REVIEW

The financial results of the Company's operation during the year are given below:

PARTICULARS	2012-2013 (In Rs.)	2011-12 (In Rs.)
Gross Income	2,42,27,73,648.21	2,37,59,00,673.83
Less: Expenditure	2,41,04,44,805.14	2,36,55,13,275.35
Less: Depreciation	60,08,334.73	38,39,168.53
Profit before Taxation	63,20,508.34	65,48,229.95
Less: Provision for taxation	19,53,500.00	17,80,000.00
Less: Provision for Deferred Tax Liabilities	7,852.00	1,68,069.00
Less : Income tax for earlier years	57,351.51	3,93,408.61
Profit after Tax	43,01,804.83	42,06,752.34
Add: Profit brought forward	3,05,62,202.85	2,63,55,450.51
Balance carried to Balance Sheet	3,48,64,007.68	3,05,62,202.85

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DIVIDEND

To ensure the availability of sufficient funds for Company's upcoming projects, Board of Directors did not recommend any dividend for the Financial Year ending 31st March, 2013.

BONUS ISSUE OF EQUITY SHARES

The company is planning to issue bonus shares to the shareholders of the company. In view of the same it has also been proposed to increase the authorized capital of the company to Rs. 4 Crores.

STATUTORY AUDITORS

M/s M.C. Bhandari & Co., Chartered Accountants, Statutory Auditors of the Company, who retire at the conclusion of ensuing Annual General Meeting, has offered themselves for re-appointment. They have furnished a certificate to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

AUDITORS' OBSERVATION

The report of Auditors' on the annual accounts of the Company is self explanatory and contains no qualifications.

DIRECTORS

Following changes took place in the Board of Directors of the Company:

1. Mrs. Manushree Agarwal has been appointed as the Director of the company w.e.f. 18th June, 2013.
2. Mr. Sourabh Agarwal, Director will retire (retirement by rotation) at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment. The Board recommends his appointment, subject to the approvals of the Company, to be appointed as Directors of the Company, liable to retire by rotation.

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As on the date of this report, Board of the Company consists of following Directors:

S. No.	Name of Director	Designation	Date of Appointment	DIN
1.	Mr. Shankar Lal Agarwal	Managing Director	13/09/2001	01341113
2.	Mr. Alok Kumar Gupta	Director	29/09/2008	02168376
3.	Mr. Sourabh Agarwal	Whole Time Director	29/08/2011	02168346
4.	Mr. Nitesh Gupta	Director	29/08/2011	02768050
5.	Mrs. Manushree Agarwal	Director	18/06/2013	06620217

INFORMATION AS REQUIRED UNDER PHARAGRAPH 10 OF THE PART II OF NBFC (RB) DIRECTIONS 1977 OF RESERVE BANK OF INDIA

- a) The total number of depositors of the company whose deposits have not been claimed by the depositors or paid by the company after the date on which the deposit become due for repayment or renewal as the case may be according to the contract with the depositors or the provision of these directions whichever may be applicable are NIL.
- b) The total amount due to depositors and remaining unclaimed or unpaid beyond the date referred to in clause (a) as aforesaid NIL.

EMPLOYEE REMUNERATION

The Company is not required to furnish any report in pursuance to Section 217 (2A) of the Companies Act, 1956 as none of the employees is being paid remuneration above the limit prescribed under the provisions of the said Section.

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SECRETARIAL COMPLIANCE CERTIFICATE

As per the requirements of Section 383A of the Companies Act, 1956, the Compliance Certificate regarding compliance by the Company of provisions of Companies Act, 1956 and the rules made there under has been obtained from **M/s Grover Ahuja & Associates, Company Secretaries** for the year ending 31st March, 2013.

M/s Grover Ahuja & Associates, Company Secretaries, New Delhi, hold office until the conclusion of the ensuing Annual General Meeting and the Board recommends their re-appointment, subject to the approval of the members, for the financial year 2013-14.

PUBLIC DEPOSITS

The Company has neither invited nor accepted any deposits within the meaning of Section 58A and 58AA under (Acceptance of Deposits) Rules, 1975 of the Companies Act, 1956 or within the purview of Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.

MATERIAL CHANGES

There was no material changes affecting the financial position of the Company, after the date of Balance sheet upto the date of this Report.

PARTICULARS REQUIRED TO BE FURNISHED UNDER SECTION 217(1)(e) of COMPANIES ACT, 1956 READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

The disclosure of particulars with respect to conservation of energy, technology, absorption and foreign exchange earnings and outgo pursuant to Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, forming part of the Directors' Report are as under -

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CONSERVATION OF ENERGY

The Company is not required to furnish any details with respect to the conservation of energy, as the activities undertaken by the Company do not fall in the schedule. However, the Company has made best efforts and adopted all relevant measures for conservation of the energy.

TECHNOLOGY ABSORPTION

The Company has not carried out any specific research and developmental activities. Accordingly the information related to technology absorption, adaptation and innovation is reported to be NIL.

FOREIGN EXCHANGE EARNINGS AND OUTGO.

The Company is not dealing in foreign currency. Therefore, there is no foreign exchange earnings & outgo.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956 as amended by the Companies (Amended) Act, 2000, the Directors confirm that: -

- In preparation of the Annual Accounts, the applicable Accounting Standards had been followed and there were no material departures.
- Appropriate Accounting Policies have been selected and applied consistency and have made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- Proper and sufficient care have been taken 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
- The Annual Accounts have been prepared on a going concern basis.

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ACKNOWLEDGEMENT

Your directors wish to take this opportunity to offer sincere appreciation and acknowledge with gratitude, the support and co-operation extended by all the clients, vendors, bankers, business associates, government departments, financial institutions, media and other agencies, staff of the Company and look forward to their continued support and assistance.

Your Directors also convey their gratitude to the Members of the Company for the confidence shown by them in the Company and thank the employees at all levels, who, through their untiring efforts, dedication, cooperation and commitment have enabled the Company to achieve its strategic corporate objectives.

By order of the Board

For Kalyani Commercials Limited

For KALYANI COMMERCIALS LIMITED



Director

Shankar Lal Agarwal

Place: New Delhi

Date: 5th September, 2013

Chairman

M.C. Bhandari & Co.
Chartered Accountants
38, Shopping Centre,
KOTA – 324007 (RAJ.)

Phone: 07444-2361530

Ref. No.

Dated.

AUDITORS REPORT

To
The Members of
KALYANI COMMERCIALS LIMITED

Report on the Financial Statement

We have audited the accompanying financial statements of KALYANI COMMERCIALS LIMITED ('the Company') which comprise the Balance Sheet as at 31 March, 2013 and the Statement of Profit and Loss for the year then ended and also that Cash Flow Statement and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

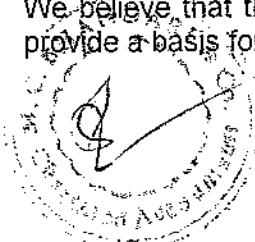
Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

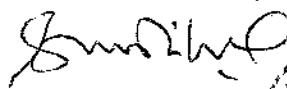
- (i) in the case of the Balance Sheet, of the state of the affairs of the Company as at 31 March, 2013;
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the cash flow statement , of the cash flows for the year ended on that date .

Report on Other Legal and Regulatory Requirement

1. As required by the Companies (Auditor's Report) Order, 2003 ('the Order') as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet and 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 and Statement of Profit and Loss and Cash Flow Statement , comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; and
 - e) on the basis of written representations received from the directors as on 31 March, 2013, and taken on record by the Board of Directors, none of the Directors are disqualified as on 31 March, 2013, from being appointed as a Director in terms of clause (g) of sub-section 91) of Section 274 of the Companies Act 1956.

Place: 38, Shopping Center,
Kota (Raj.)
Dated: 30.05.2013

For M. C. Bhandari & Co.
Firm Regi. No. 303002E
(Chartered Accountants)


[CA S.K. Mahipal]
Partner
M.No.70366



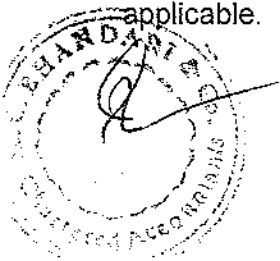
ANNEXURE

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT
(REFERRED TO IN PARAGRAPH I under Report of regulatory requirements's section
of our report of even date).

1. In respect of its fixed assets.

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - b) The management has carried out a physical verification of most of its fixed assets during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its fixed assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of accounts.
 - © In our opinion, the company has not disposed of a substantial part of its fixed assets during the year and the going concern status of the company is not affected.
- 2(a) The inventory of the company has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable according to the nature of the business.
- (b) In our opinion and according to the information and explanation given to us, the procedures of 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) On the basis of our examination of records of inventory, we are of the opinion that the company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to book records were not material, having regard to the size or the operations of the Company and have been properly dealt within the books of account.
- 3 a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

(b,c,d) In view of (a) above, paragraphs 4 (iii) (b), (c) and (d) of the Order are not applicable.



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- e) According to the information and explanations given to us, the unsecured loan taken by the company during the year from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding from one party of Rs.141.60 Lacs & outstanding balance is Rs.141.60 Lacs at the year end in one party.
- f) In our opinion, the rate of interest and other terms and conditions of unsecured loan taken by the Company are not, prima facie, prejudicial to the interest of the company.
- g) In our opinion, the company is regular in payment of the principal amount and the interest thereon where ever is stipulated.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to the purchase of inventories and fixed assets and with regard to the sale of goods and services. Further, on the basis of our examination and according to the information and explanations give to us, we have not observed any continuing failure to correct major weaknesses in such internal control system.
5. a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts of arrangements referred to in section 301 of the Act, that need to be entered in to the register maintained u/s 301 have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of rupees five lacs have been entered in to during the financial year at prices which reasonable having regard to the prevailing market prices at the relevant time.
6. According to the information and explanations given to us, the Company has not accepted any deposits from the Public. Therefore the provisions of clause (vi) of the Companies (Auditor's report) order, 2003 are not applicable to the company.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. According to the information and explanation given to us, the central Govt. has not prescribed maintenance of cost records. Under section 209 (1) (d) of the Companies Act, 1956 to any product of the company.



- 9(a) According to the information and explanations given to us and the records of the company, examined by us, the company is regular in depositing undisputed statutory dues except some delay deposits in some cases including income tax, sales Tax, PF, ESI, Service tax, investor education protection fund and other material statutory dues applicable to it with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31.03.2013 for a period of more than six months from the date of becoming payable.
- a) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income tax, sales Tax, PF, ESI, Service tax, investor education protection fund and other material statutory dues applicable to it, which have not been deposited.
10. The Company does not have accumulated losses at the end of the financial year March 31, 2013. Further, the company has not incurred any cash losses during the financial year ended March 31, 2013 and in the immediately preceding financial year ended March 31, 2012.
11. According to the records of the company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks during the year.
12. In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities; Paragraph 4 (xii) of the order is not applicable.
13. In our opinion, the company is not a chit fund or a Nidhi / Mutual benefit Fund/society. Therefore the provisions of clause 4 (xiii) of the Companies (Auditor's report) order 2003 are not applicable to the company.
14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments; Paragraph 4 (xiv) of the order is not applicable to the company.
15. As the Company given guarantees during the year for loans taken by others from banks or financial institutions, which is not prejudicial to the interest of the company.
16. In our opinion and according to the; information and explanations given to us, the term loans taken by the company have been applied for the purpose for which they were obtained.
17. According to the information and explanations given to us, and on an over all examinations of the balance sheet of the company, we report that funds raised on short term basis have prima-facie not been used during the year for long term investment.

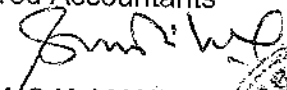
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18. As the company has not made any preferential allotment of shares during the year, paragraph 4 (xviii) of the order is not applicable.
19. In our opinion and according to the information and explanations given to us, the company has not issued any debentures; paragraph 4 (xix) of the order is not applicable.
20. Since the company has not raised any money by way of Public issue during the year, Paragraph 4 (xx) of the order is not applicable.
21. Based upon the audit procedures performed and information and explanations given by the management, we report that no material fraud on or by the company has been noticed or reported during the course of our audit for the year ended March 31, 2013

Place: Kota
Dated: 30.05.2013

For M. C. Bhandari & CO.
Firm Reg. No 303002E
Chartered Accountants


(CA S.K. MAHIPAL)
Partner
M. NO.70366



KALYANI COMMERCIALS LIMITED

Balance Sheet as at 31 st March, 2013

Particulars	Note No.	As At 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2.1	9708500.00	9708500.00
(b) Reserves and Surplus	2.2	34864007.68	30562202.85
Sub Total		44572507.68	40270702.85
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term borrowings	2.3	24533262.32	26743274.32
(b) Deferred tax liabilities (Net)	2.4	69395.00	61543.00
Sub Total		24602657.32	26804817.32
(4) Current Liabilities			
(a) Short-term borrowings	2.5	267754392.11	194090667.18
(b) Trade payables	2.6	91685221.40	42732609.74
(c) Other current liabilities	2.7	14000518.32	3522092.29
Sub Total		373440131.83	240345369.21
Total		442615296.83	307420889.38
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	2.8	53977255.61	48537202.44
(ii) Intangible assets		108537.10	0.00
(iii) Capital Work in Progress		28620.00	
Sub Total		54114412.71	48537202.44
(b) Non-current investments	2.9	3000.00	3000.00
(c) Long term loans and advances	2.10	1770142.52	1127342.10
(d) Other non-current assets	2.11	3000000.00	1723659.00
Sub Total		58887555.23	51391203.54
(2) Current assets			
(a) Inventories	2.12	212472472.69	116633195.23
(b) Trade receivables	2.13	155266010.05	132184805.73
(c) Cash and Bank Balances	2.14	11054772.08	3651644.30
(d) Short-term loans and advances	2.15	4782179.34	3432373.00
(e) Other Current Assets	2.16	152307.44	127067.58
Sub Total		383727741.60	256029685.84
Total		442615296.83	307420889.38

0.00

0.00

Notes to the accounts

1&2

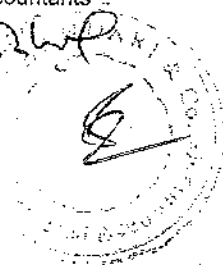
The schedule referred to above and the notes to Accounts form an integral part of the Balance sheet.

Signed in terms of our report of even date annexed

For M. C. Bhandari & Co.

Firm's Registration No. 303002E
Chartered Accountants

S. K. Mahipal
Partner
M.No.70366



For and on behalf of Board of Directors

Kalyani Commercial
KALYANI COMMERCIALS LIMITED

S.L. Agarwal

S.L. AGARWAL
Managing Director

Director

KALYANI COMMERCIALS LIMITED

Sourabh Agarwal
SOURABH AGARWAL
Whole Time Director

Director

Place : Kota

Dated : 30/05/2013

KALYANI COMMERCIALS LIMITED
Statement of Profit and Loss for the year ended 31st March , 2013

Particulars	Note No	2012-2013	2011-2012
Revenue from operations	2.17	2421564096.94	2374351122.75
Other income	2.18	1209551.27	1549551.08
Total Revenue		2422773648.21	2375900673.83
Expenses:			
Cost of materials consumed	2.19	2412955191.96	2348980830.87
Purchase of Stock-in-Trade			
Changes in inventories of finished goods and Stock-in-Trade			
Employee benefit expense	2.20	-95839277.46	-62752147.93
Financial costs	2.21	20704406.33	11023244.00
Depreciation and amortization expense	2.22	28831941.28	14830611.00
Other expenses	2.23	6008334.73	3839168.53
		43792543.03	53430737.41
Total Expenses		2416453139.87	2369352443.88
Profit before tax		6320508.34	6548229.95
Tax expense:			
(1) Current tax	2.24	1953500.00	1780000.00
(2) Deferred tax liability (Net)		7852.00	168069.00
(3) Income Tax Earlier Year		57351.51	393408.61
Profit/(Loss) for the period		4301804.83	4206752.34
Earning per equity share:			
(1) Basic		4.30	4.21
(2) Diluted		4.30	4.21

Notes to the accounts

1&2

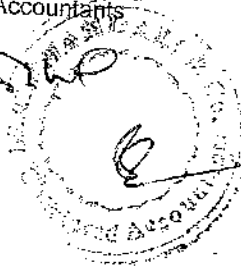
The schedule referred to above and the notes to Accounts form an integral part of the statement of Profit and Loss.

Signed in terms of our report of even date annexed

For M. C. Bhandari & Co.
Firm's Registration No. 303002E
Chartered Accountants

S. K. Mahipal

S. K. Mahipal
Partner
M.No.70366



For and on behalf of Board of Directors
Kalyani Commercial
FOR KALYANI COMMERCIALS LIMITED

S. L. Agarwal

S. L. AGARWAL
Managing Director
FOR KALYANI COMMERCIALS LIMITED

Sourabh Agarwal

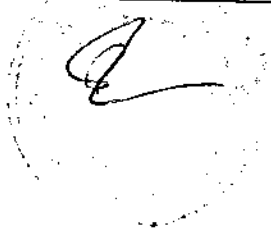
SOURABH AGARWAL
Whole Time Director
Director

Place : Kota
Dated : 30/05/2013

KALYANI COMMERCIALS LIMITED

Cash Flow Statement for the year ended on 31st March 2013

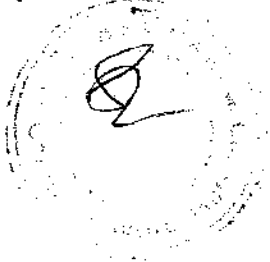
S.No.	Particulars	Year Ended	
		31.03.2013	31.03.2012
1	<u>Cash Flow from Operating Activites</u>		
A	Net Profit before Taxation and Extraordinary Items	6263156.83	6154821.34
	<u>Add:-</u>		
	Depreciation	6008334.73	3839168.53
	Interest and Bank Charges	28831941.28	14830611.00
	Loss on Sales of Fixed Assets	0.00	0.00
	Loss on Sales of Long Term Investment	0.00	0.00
	Dividend Paid	0.00	0.00
	Preliminary Expenses w/off	0.00	0.00
		41103432.84	24824600.87
	<u>Less:-</u>		
	Interest Receipt	242461.69	321690.60
	Profit on Sale of Fixed Assets	52556.00	244045.00
	Profit on Sale of Long Term Investment	0.00	0.00
		295017.69	565735.60
B	Operating Profit before Working Capital Changes	40808415.15	24258865.27
	<u>Adjustment for:</u>		
	Decrease/(Increase) in Receivables	-23081204.32	-51018343.66
	Decrease/(Increase) in Inventories	-95839277.46	-62752147.93
	Decrease/ (Increase) in Loans and Advances	-2063972.20	2248369.45
	Increase/(Decrease) in Payables	59431037.69	18914215.36
	Increase/ (Decrease) in Other Payable	0.00	0.00
		-20745001.14	-68349041.51
	<u>Less:-</u>		
	Income Tax Paid	1906774.42	1639166.45
	Net Cash flow from Operating Activities	(A) -22651775.56	-69988207.96



2	Cash Flow from Investing Activities		
	Sale of Fixed Assets	130000.00	18079826.14
	Purchase of Fixed Assets	-11662989.00	-34292779.14
	Investments (Mutual Fund)	0.00	0.00
	Interest Received	242461.69	321690.60
	Net Cash used in Investing activities	(B) -11290527.31	-15891262.40
3	Cash Flow from Financial Activities		
	Interest and Bank Charges	-28831941.28	-14830611.00
	Secured Loan as Term Loan	-205957.00	-52423016.94
	Secured Loan as Working Capital	73663724.93	121956127.37
	Unsecured Loans	-2004055.00	17172076.00
	Sales Tax Paid	0.00	0.00
	Net Cash Flow from / used in Financing Activities	(C) 42621771.65	71874575.43
	Increase/ (Decrease) in Cashhand Cash Equivalents		
A	Cash Flow from Operating Activites	-22651775.56	-69988207.96
B	Cash Flow from Investing Activities	-11290527.31	-15891262.40
C	Cash Flow from Financial Activities	42621771.65	71874575.43
	Net Increase / Decrease in Cash Flow During the Year	8679468.78	-14004894.93
	Cash and cash equivalents as at beginning of the year	5375303.30	19380198.23
	Cash and cash equivalents as at end of the year	14054772.08	5375303.30
		14054772.08	5375303.30
		0.00	0.00

For M. C. Bhandari & Co.
Firm's Registration No. 303002E
Chartered Accountants

S. K. Mahipal
Partner
M.No.70366



For and on behalf of Board of Directors
Kalyani Commercial
For KALYANI COMMERCIALS LIMITED

S.L. Agarwal
Managing Director
Sourabh Agarwal
Whole Time Director

Director
KALYANI COMMERCIALS LIMITED
Director

KALYANI COMMERCIALS LIMITED

NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2013, STATEMENT OF PROFIT AND LOSS AND CASH FLOW STATEMENT FOR THE YEAR ENDED ON THAT DATE

Note – 1

A.) Company Overview:

The company is in the business of Sales and servicing of Commercial Vehicle and Two Wheelers.

B.) STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

1.1 BASIS OF PREPARATION:

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year.

1.2 Fixed Assets are stated at cost of acquisition inclusive of freight, octroi, taxes and incidental & pre-operative expenses related to acquisition less Cenvat and impairments, if any.

1.3 DEPRECIATION

a) The depreciation has been provided on written down method (WDV) as per Companies Act 1956, according to Schedule XIV during the year.

b) Depreciation has been calculated on a Pro-rata basis in respect of; acquisition/installation of plant & machinery and other fixed assets.

1.4 Investments:

Investments are stated at cost.

1.5 Valuation of Inventories:

Inventories are valued as follows: -

(A)	(a)	Commercial Vehicles , Vehicle Body & Two wheeled motor Vehicles	Commercial vehicle/Two Wheelers are valued at cost (specific identification of individual vehicles)
	(b)	Spare Parts	Stores and spares and others are valued at lower of cost net realizable value computed on FIFO basis.
	(c)	Petroleum products	Petroleum Products i.e. diesel & petrol valued on FIFO method. (Cost price)

Net realizable value is estimated selling price in the ordinary course of business.



1.6 Retirement & other Employee Benefits:

- a) Retirement Benefits in the form of provident fund is a defined benefit obligation of the company and the contribution are charged to the statement of profit & loss of the year when the contribution to the funds are due. The Company is liable to meet the shortfall, if any in payment of intent at the rates declared by the central government, and such liability is recognized in the year of shortfall.
- b) **Gratuity:**
Gratuity Liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation at the end of the financial year. The company has taken a policy with LIC to cover the gratuity liability of the employees and contribution paid to the LIC is charged to statement of Profit & Loss.
- c) **Leave Salaries:**
A liability for privilege leave benefits, in accordance with the rules of the company is provided for. The privilege leave are compensated in leave and not en cashed.

1.7 REVENUE RECOGNITION:

- A) All the revenue Income is accounted for on accrual basis.

B) EXPENSES:

Expenses are generally accounted for on accrual basis except claims.

1.8 INCOME TAX :

(a) Current Tax :

The income tax liability provided in accordance with the provisions of the Income Tax Act, 1961.

(b) Deferred Tax Liabilities/(Assets)

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

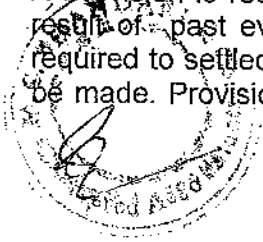
1.9 Impairment of assets:

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre tax discount rate that reflects current market assessment of the time value of money and risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

1.10 Provisions and Contingent Liabilities and Assets:

A Provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settled the obligation, in respect of which a reliable estimate can be made. Provisions are not disclosed to its present value and are determined



based on best management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Other contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statement.

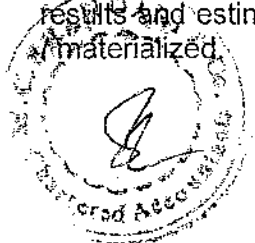
1.11 Earning per Share:

Basic earnings per share is calculated by dividing the Net Profit or Loss for the period attributable to equity share holders (After deducting taxes etc.) by the weighted average number of the equity shares outstanding during the period.

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

1.12 Use of Estimate:

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



Notes annexed to and forming part of Balance Sheet as at 31/03/2013

Particulars	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
SHARE CAPITAL :		
Note - 2.1		
Authorized :		
16,00,000 Equity Share Of Rs.10/- each	16000000.00	16000000.00
Issued, Subscribed & Paid Up :		
10,00,000 Equity Share Of Rs.10/- each	10000000.00	10000000.00
Less: Calls in Arrears	291500.00	291500.00
	<u>9708500.00</u>	<u>9708500.00</u>

Notes :

(1) The company has only one class of share referred to as equity shares having a par value of Rs.10/- each holder of equity shares is entitled to one vote per share.

(2) The details of Share holders holding more than 5 % equity shares as at 31.03.2013 & 31.03.2012

Share Holder	No. of Share as on 31.03.2013	Ownership Interest % as on 31.03.2013	No. of Share as on 31.03.2012	Ownership Interest % as on 31.03.2012
Shankar Lal Agarwal	418000	41.80%	182600	18.26%
	<u>418000</u>	<u>41.80%</u>	<u>182600</u>	<u>18.26%</u>

as per the records of the company including its register of shareholders/ members and other declaration received from shareholder regarding beneficial interest, the above shareholding represents both legal & beneficial ownership of shares

(3) The reconciliation of the number of shares outstanding as at March 31, 2013 and March 31, 2012 is set out below:

Particulars	As at 31.03.2013	As at 31.03.2012
Number of shares at the beginning	1000000	1000000
Number of shares at the end	1000000	1000000

Reserves and Surplus :**Note - 2.2****Surplus as per statement of Profit & Loss**

Opening Balance	30562202.85	26355450.51
Add. Net Profit after Tax Transferred from statement of Profit and Loss	4301804.83	4206752.34
	<u>34864007.68</u>	<u>30562202.85</u>



KALYANI COMMERCIALS LIMITED
Notes annexed to and forming part of Balance Sheet as at 31/03/2013

Particulars	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
LONG TERM BORROWINGS		Note - 2.3
Secured Loans :	Non Current	Current Maturity
TERM LOAN	Non Current	Current Maturity
From HDFC BANK LTD. (See note No.1)	0.00	0.00
From NBFC - TATA MOTORS FINANCE LTD. (See note No.1)	232779.32	201000.00
Unsecured Loans:		
Security Deposits (See note No.3)	5000000.00	0.00
Inter Corporate Deposits and Director's Relatives (See note No.4)	19300483.00	21304538.00
	24533262.32	26743274.32
		435031.02

NOTES:

1. Secured by way of Hypothecation of Vehicle and Personal Guaranteed of Directors of the

Schedule of repayment of term loans of TATA MOTORS FINANCE LIMITED.

(Rs. inLacs)

Particulars	Payable
2014-15	2.01
2015-16	0.32
	2.32

2. Rate of Interest charged @ 7.10% on term loan of TATA MOTOR FINANCE

3. The Security deposit of Rs. 50.00 Lacs is repayable in next 5 year.

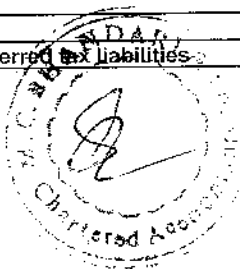
4. Inter Corporate Deposits are repayable after more than one year.

Deferred Tax Liabilities (Net)

Note - 2.4

The company has recognized deferred taxes, which result from timing difference between the book profit and tax profit. The details of which are as under :-

Particulars	Balance as at 31.03.2012	Arising during the year	Balance as at 31.03.2013
A. Deferred Tax Liabilities			
Depreciation and amortization	61543.00	7852.00	69395.00
Net Deferred Tax Liabilities	61543.00	7852.00	69395.00



KALYANI COMMERCIALS LIMITED

Notes annexed to and forming part of Balance Sheet as at 31/03/2013

Particulars	As at 31.3.2013 (Rs.)	As at 31.3.2012 (Rs.)
-------------	-----------------------------	-----------------------------

Note - 2.5

SHORT TERM BORROWINGS

Secured:

Working Capital Loan

From HDFC Bank Limited (See note No.1)	147947272.54	103586244.78
From Other Banks (See note No.2)	112698625.89	21777949.58
From NBFC'S (See note No.2)	7108493.68	68726472.82
	267754392.11	194090667.18

NOTES:

1. Cash Credit Limit from HDFC Bank Ltd. is secured by way of hypothecation of stock of vehicle and all related accessories, Spare Parts & components, current assets and book debts etc. and further secured by way of equitable mortgage of factory land & Building located at Kota and also personal guaranteed of Directors of the Company.

2. Secured by way of Hypothecation on book debts and PDC.

Note - 2.6

Trade Payables

A - Micro, small and Medium enterprises Development Act, 2006 for goods & others	0.00	0.00
B - Other Trade Creditors	91685221.40	42732609.74
	91685221.40	42732609.74

Note - 2.7

Other Current Liabilities

Current Maturity of Long Term Borrowings	201000.00	435031.02
Other Payables		
Government dues (Taxes)	13787243.32	3087061.27
Creditors for expenses & other	12275.00	0.00
	14000518.32	3522092.29



KALYANI COMMERCIALS LIMITED
NOTE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET As At 31st March, 2013
Fixed Assets

Note - 2.8
 (Amount in Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 31.3.2012	ADDITION During the year	SALES/ Adjustment	AS AT 31.3.2013	AS AT 31.3.2012	During The YEAR	ADJUST- MENTS	AS AT 31.3.2013	AS AT 31.3.2012	AS AT 31.3.2012
Tangible Assets										
Leasehold Land	2879425.00	0.00	0.00	2879425.00	0.00	0.00	0.00	2879425.00	2879425.00	2879425.00
Agriculture Land	1369949.00	0.00	0.00	1369949.00	0.00	0.00	0.00	1369949.00	1369949.00	1369949.00
Commercial Land	1627596.00	0.00	0.00	1627596.00	0.00	0.00	0.00	1627596.00	1627596.00	1627596.00
Building	41171417.38	4956234.00	0.00	46127651.38	10265492.23	3243861.13	0.00	13509353.36	32618298.02	30905925.15
Plant & Machinery	14601338.15	4221022.00	0.00	18822360.15	7220135.94	1373783.47	0.00	8593919.41	10228440.74	7381202.21
Furniture & Fixture	5241927.37	1311834.00	0.00	6553761.37	3410836.74	454873.57	0.00	3865710.31	2688051.06	1831090.63
Computer	7689067.61	441160.00	0.00	8130227.61	7045307.31	348597.51	0.00	7393904.82	736322.79	643760.30
Vehicles	6408500.72	567919.00	420000.00	6556419.72	4510246.57	595556.15	342556.00	4727246.72	1829173.00	1898254.15
Sub Total:-	80989221.23	11498169.00	420000.00	92067390.23	32452018.79	5980671.83	342556.00	38090134.62	53977255.61	48537202.44
Intangible Assets										
Computer Software	0.00	136200.00	0.00	136200.00	0.00	27662.90	0.00	27662.90	108537.10	0.00
Sub Total	0.00	136200.00	0.00	136200.00	0.00	27662.90	0.00	27662.90	108537.10	0.00
Work in Progress (Vehicle)	0.00	28620.00	0.00	28620.00	0.00	0.00	0.00	0.00	28620.00	0.00
Sub Total:-	0.00	28620.00	0.00	28620.00	0.00	0.00	0.00	0.00	28620.00	0.00
GRAND Total :	80989221.23	11662989.00	420000.00	92232210.23	32452018.79	6098334.73	342556.00	38117797.52	54114412.71	48537202.44
Figures for Prev. year	64532223.23	34292779.14	17835781.14	80989221.23	28612550.26	3839168.53	0.00	32452018.79	48537202.44	35919372.97

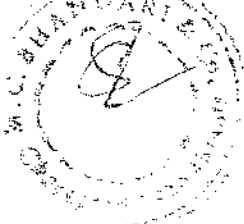


KALYANI COMMERCIALS LIMITED

Notes annexed to and forming part of Balance Sheet as at 31/03/2013

Particulars	As at 31.3.2013 (Rs.)	Figures as at 31.3.2012 (Rs.)
		Note - 2.9
<u>Non Current Investment</u>		
<u>LONG TERM INVESTMENTS (at cost):</u>		
National Saving Certificate (Deposit with Sales Tax Deptt.)	3000.00	3000.00
	3000.00	3000.00
		Note - 2.10
<u>Long term Loans & Advances</u>		
Unsecured, Considered good unless otherwise stated		
Deposits	1549795.00	860269.00
Income taxes paid Net	220347.52	267073.10
	1770142.52	1127342.10
		Note - 2.11
<u>Other Non Current Assets</u>		
Unsecured, Considered good unless otherwise stated		
<u>Non Current Bank Balances</u>		
Fixed Deposit with Banks	3000000.00	1723659.00
	3000000.00	1723659.00
		Note - 2.12
<u>INVENTORIES</u>		
<u>Trade Goods</u>		
Vehicles	185667127.29	93801059.74
Spare Parts	24933739.73	14963435.51
Oil & Lubricants	25560.60	6224602.26
Petrol (MS)	273964.12	472416.94
Diesel (HSD)	1468599.16	1171130.78
Battery Water & Acid	621.66	550.00
Accessories	102860.13	0.00
	212472472.69	116633195.23
		Note - 2.13
<u>Trade Receivable</u>		
(Unsecured considered good except to the extent stated)		
Outstanding for a period exceeding 6 months from the date they are due for payment	2192442.00	2624765.00
Other debtors - Considered Goods	153073568.05	129560040.73
	155266010.05	132184805.73
	140.71	26.29

1 Includes dues from companies where Directors are interested (Rs.in Lacs)



KALYANI COMMERCIALS LIMITED

Notes annexed to and forming part of Balance Sheet as at 31/03/2013

Particulars	As at 31.3.2013 (Rs.)	Figures as at 31.3.2012 (Rs.)
		Note - 2.14
CASH AND BANK BALANCES		
CASH AND CASH EQUIVALENTS		
Balances with Banks		
On Current Account	7850712.22	2810669.60
On Term Deposit accounts with maturity less than 3 months at inception	1865165.16	0.00
Cash on Hand	1338894.70	820974.70
	11054772.08	3631644.30
Others		
In term deposit account		
With maturity more than 3 months but less than 12 months at inception	0.00	20000.00
With maturity more than 12 months at inception	3000000.00	1723659.00
Total	14054772.08	5375303.30
Amount disclosed under non current assets	3000000.00	1723659.00
	11054772.08	3651644.30

A Note

- 1 Earmarked balance (In term deposit account) 0
- 2 The deposits maintained by the Company with banks comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

Note - 2.15

Short Term Loans and Advances

(Unsecured, Considered good unless otherwise stated)

Others

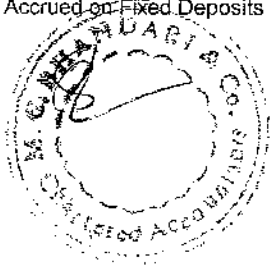
Advances

Prepaid Expenses	833849.35	524143.00
For supply of Goods and rendering of services	3642508.99	2610623.00
Advance to Staff	305821.00	297607.00
	4782179.34	3432373.00

Note - 2.16

Other Current assets

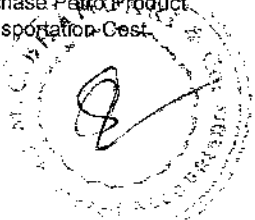
Interest Accrued on Fixed Deposits	152307.44	127667.58
	152307.44	127667.58



KALYANI COMMERCIALS LIMITED

Notes annexed to and forming part of Statement of Profit & Loss year ended on 31/03/2013

Particulars	As at 31.3.2013 (Rs.)	As at 31.3.2012 (Rs.)
		Note- 2.17
Revenue From Operation		
Turnover :		
Vehicles and Vehicle Body	2153660381.96	2147601093.30
Spares Parts	102088414.56	70333107.49
Used Vehicles	0.00	255619.00
Oil & Lubricants	268235.64	598643.90
HSD (Diesel)	125901677.66	126589781.03
MS (Petrol)	9862185.41	8931741.85
Others Sales	321485.20	240850.04
	2392102380.43	2354550836.61
Service:		
Job Work (Labour Charges)	19788345.70	14226767.87
Commission Received	5889339.70	3226469.27
Incentive & TRC Receipt	3784031.11	2347049.00
	29461716.51	19800286.14
	2421564096.94	2374351122.75
		Note - 2.18
Other Income:		
Interest Received	242461.69	321690.60
Miscellaneous Income	914533.58	983815.48
Profit on Sale of Fixed Assets	52556.00	244045.00
	1209551.27	1549551.08
		Note - 2.19
Purchase of Stock in Trade (Trading)		
Purchases Vehicle	2187181382.77	2147253747.25
Purchased Motor Body	0.00	2283661.36
Purchases Spare Parts & Accessories	86235166.98	64931522.43
Purchase Petro Product	134387929.92	134511899.83
Transportation Cost	5150712.29	3746103.00
	2412955191.96	2348980830.87



Notes annexed to and forming part of Statement of Profit & Loss year ended on 31/03/2013

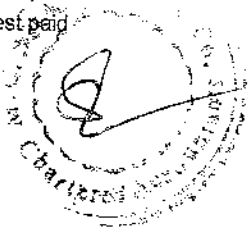
Particulars	2012-13 (Rs.)	2011-12 (Rs.)
		Note - 2.20
Changes in Inventories of Stocks:		
Opening Stock:		
Vehicles	93801059.74	34125804.00
Spare Parts	20829962.57	17339841.88
Oil & Lubricants	358075.20	467874.19
Petrol (MS)	472416.94	580270.54
Diesel (HSD)	1171130.78	1385915.02
Battery Water and Acid	550.00	1341.67
	115633195.23	53881047.30
Closing Stock:		
Vehicles	185667127.29	93801059.74
Spare Parts	24933739.73	14963435.51
Oil & Lubricants	25560.60	6224602.26
Petrol (MS)	273964.12	472416.94
Diesel (HSD)	1468599.16	1171130.78
Battery Water and Acid	621.66	550.00
Accessories	102860.13	0.00
	212472472.69	116633195.23
INCREASE (DECREASE) IN STOCKS:	-95839277.46	-62752147.93

Employees Benefit Expenses:

		Note - 2.21
Salaries, Wages, Bonus and Allowances etc.	17663901.00	10298141.00
Contribution of PF, ESI	1089949.00	27857.00
Gratuity	930759.00	125036.00
Employee Welfare Exp.	1019797.33	572210.00
	20704406.33	11023244.00

Financial Cost:

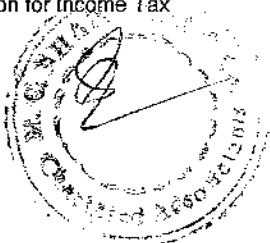
		Note - 2.22
Bank charges	585003.42	359265.6
Interest paid	28246937.86	14471345.40
	28831941.28	14830611.00



KALYANI COMMERCIALS LIMITED

Notes annexed to and forming part of Statement of Profit & Loss year ended on 31/03/2013

Particulars	2012-13 (Rs.)	2011-12 (Rs.)
		Note - 2.23
<u>Other Expenses</u>		
<u>Trading & Job / Servicing Expenses</u>		
Job and other work exp.	7739944.19	5776287.36
<u>Repairs & Maintenance</u>		
a) To Machinery	876959.50	715760.66
b) To Building	1092003.00	388281.00
Insurance Expenses	814690.08	614871.00
	10523596.77	7495200.02
<u>Establishment and Selling Exp.</u>		
Remuneration to directors	1020000.00	770000.00
Rent	2431020.00	1315500.00
Electricity & Water	1465845.00	1351211.00
Freight & Forwarding	144834.90	104938.67
Trade Certificate & TRC Charges	193038.00	379400.00
Telephone, telex and postage	1133067.38	1096493.54
Travelling and conveyance expenses	1485251.66	708132.25
Legal, consultancy, retainership, professional arbitration expenses	365356.60	820128.50
Vehicle running & maintenance	1906647.58	1923851.85
Miscellaneous expenses	2568335.71	1382835.85
Audit fees	50000.00	50000.00
Charity and donation	0.00	21000.00
Advertisement	52361.00	9275.00
Sales Promotion	286599.47	108292.00
Claims / rebate and discount exp.	20160970.96	31347568.73
Sales Commission	5618.00	4546910.00
	33268946.26	45935537.39
	43792543.03	53430737.41
		Note - 2.24
<u>Current Tax:</u>		
Provision for Income Tax	1953500.00	1780000.00
	1953500.00	1780000.00



2.25 CONTINGENT LIABILITIES (NOT PROVIDED FOR) IN RESPECT OF:
(RS. IN LACS)

S. No.	Particulars	As at 31.03.2013	As at 31.03.2012
i)	Outstanding bank guarantee	30.00	15.20
ii)	Claims against the Company not acknowledged a debt relating to supplies and service matters.*	91.60	15.12

* Based on favorable decisions in similar cases, legal opinion taken by the company., discussions with the solicitors, etc, the company believes that there is fair chance of decisions in it's favor in respect of all the items listed in (ii) above and hence no provisions is considered necessary against the same.

2.26 Outstanding corporate guarantees given to bank on a/c of loans given by such Bank.

Name of Company	Rs. In Lac	
	Corporate 2013	Corporate 2012
Kota Trucks Pvt Ltd	900 Lac.	600 Lac.

2.27 **Contingent Liabilities not provided for:**

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. NIL (Previous year Rs.NIL.)

2.28 **Related Party disclosure under Accounting Standard AS-18 "Related party disclosures" issued by the Institute of Chartered Accountants of India:**

During the year, the company entered into transactions with the related parties. Those transactions along with related balance as at 31st March 2013 and for the year ended are presented in the following tables.

List of related parties with whom transactions have taken place during the year along with nature and volume of transactions are summarized as follows:

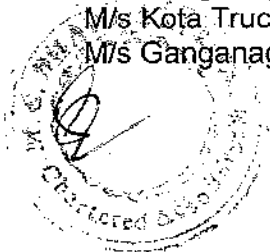
(a) **Related parties and Relationship:**

(i) **Key Management Personnel:**

Mr. Shankar Lal Agarwal	Director
Mr. Sourabh Agarwal	Director

(ii) **Enterprises over which key management personnel have significant:**

M/s Mool chand & Brothers
M/s Ganganagar Automobiles
M/s Kota Trucks Pvt Ltd.
M/s Ganganagar Motors Ltd.



(iii) **Relative of Key management persons:**

Smt. Babita Agarwal
Sh. Shankar Lal Agarwal (HUF)

(b) **Transactions with related parties:**

S.N.	Name	Nature of Transaction	2012-2013	2011-2012
1.	M/s Mool Chand & Brothers	Opening (Dr.)	3390.00	0.00
		Transaction During the year		
		Purchases	15430.00	18287.00
		Discount Paid	0.00	0.00
		Amount Received	175735.00	294262.00
		Sales	194555.00	309159.00
		Outstanding at the year end (Dr.)	0.000	3390.00
2.	M/s Ganganagar Automobiles	Opening (Cr.)	7438.00	0.00
		Transaction During the year		
		Purchases	0.00	0.00
		Interest Paid	5991.00	8264.00
		TDS deducted	599.00	826.00
		Advance Taken	23354789.00	30000000.00
		Sales	0.00	0.00
		Amount Paid	23362227.00	3010454.00
Outstanding at the year end (Cr.)	5392.00	7438.00		
3.	M/s Kota Trucks Pvt. Ltd.	Opening (Dr.)	2628839.00	6418360.00
		Opening SD A/c	5000000.00	10000000.00
		Transaction During the year		
		Advance Received	13900000.00	29830705.00
		Advance Paid	137918732.00	26201500.00
		Interest Paid	640483.00	20813.00
		TDS Deducted	64048.00	2081.00
		Amount Paid	1859895.46	926036.00
		Security Refunded Dr	0.00	0.00
		Purchases	4215253.00	2148202.00
		Sales	19672971.00	5383535.00
		Amount Received	22415750.00	2127473.00
		Outstanding at the year end	13711999.46	2628839.00
Security Deposited Cr	5000000.00	5000000.00		
4.	Ganganagar Motors Ltd.	Opening Cr	30.00	55000.00
		Purchases	7220.00	862221.00
		Sales	466197.00	931703.00
		Amount Paid	0.00	381366.00
		Amount Received	100000.00	363220.00
		Discount Allowed	0.00	32598.00
		Outstanding Balance	359007.00	30.00



c. Key Management:				
1.	Mr. Shankar Lal Agarwal	Opening Cr	395280.00	0.00
		Amount Paid	395280.00	0.00
		Director Remuneration	420000.00	420000.00
		Amount Paid (TDS)	42000.00	24720.00
		Outstanding at the year end	378000.00	395280.00
2.	Sourabh Agarwal	Opening Balance (Cr.)	198499.00	0.00
		Salary	0.00	250000.00
		Director Remuneration	600000.00	350000.00
		Incentive		900000.00
		TDS deducted	60000.00	0.00
		Amount Paid	482798.00	1375405.00
		Amount Received		73904.00
		Outstanding at the year end	203201.00	198499.00
d. Relatives to the Key Management:				
1	Smt. Babita Agarwal	Opening	0.00	27000.00
		Security Deposit Dr.	0.00	0.00
		Rent Paid	450000.00	450000.00
		Amount Paid	405000	432000.00
		TDS deducted	45000.00	45000.00
		Outstanding at the year end	0.00	0.00
2	Shankar Agarwal (HUF) Lal	Opening	13045123.00	0.00
		Amount Received	0.00	13000000.00
		Interest Cr.	1239287.00	50137.00
		Amount Paid TDS	123929.00	5014.00
		Outstanding Balance	14160481.00	13045123.00

Note: The transaction relating to reimbursement of actual expenses to/from related Parties have not been considered above below.

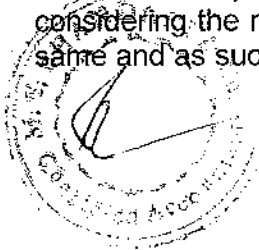
2.29 Segment Reporting:

a) Primary segment: Business Segment

Based on the guiding principles given in Accounting Standard AS -17 "Segment reporting" issued by the Institute of Chartered Accountants of India, the Company's operating business are organized and managed separately according to the nature of products. The Three identified reportable segments are trading in commercial vehicle and servicing (Dealership of TATA Commercial Vehicle), trading in Two wheeled motor vehicle and servicing (Dealership of INDIA YAMAHA MOTORS and Retail out let of petroleum products (BPCL).

b) Secondary segment: Geographical segments:

Since the company's activities/operations are primarily with in the country and considering the nature of products/services it deals in, the risk and returns are same and as such there is only one geographical segment,



The following is the distributions of the company's consolidated revenue by geographical markets, regardless of where the goods/services were produced.

(Rs. In lacs)

Particulars	Current year	Previous year
Revenue from domestic market	24215.64	23743.51
Revenue from overseas market	0.00	0.00
Total	24215.64	23743.51

The company has assets for producing goods for domestic market and no assets for overseas markets.

c) **Segment accounting policies:**

In addition to the significant accounting policies applicable to the business segment as set in note 1 & 2 "notes to accounts" the accounting policies in relation to segment accounting are as under:

i) **Segment revenue & expenses:**

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

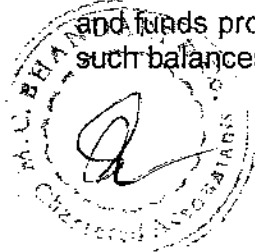
ii) **Segment assets and liabilities:**

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowance and provisions, which are reported as direct off sets in the balance sheet. Segment Liabilities include all operating Liabilities and consist principally of creditors & accrued liabilities. Segment assets and liabilities do not include deferred income taxes except in the Ganganagar Motors (A division of Commercial Vehicles). While most of the assets/liabilities directly attributed to individual segments.

iii) **Inter segment sales:**

Inter segment revenues between operating segments are accounted for at market price. These transactions are eliminated in consolidation.

The main division is Ganganagar Motors (A division of Commercial Vehicles) and funds provided by the Ganganagar Motors to other division and interests on such balances are not charged.



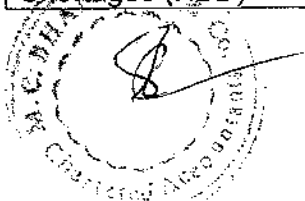
2.30 **Earning Per Share:**

Particulars	2012-2013 (Rs.)	2011-2012 (Rs.)
Net Profit or Loss after Tax attributable to share holders	4308161	4206752
Weighted average no. Of ordinary shares for basic EPS	Nos. 1000000	Nos. 1000000
Basis EPS	4.31	4.21

2.31 statement of Additional information pursuant to the provision of paragraph 3 & 4 Part II of schedules VI to the companies act. 1956 are as follows:

- (i) Since the items traded by the company other than vehicles are small and numerous, it is not practically possible to give the quantitative details in the manner required. The quantitative details of commercial vehicles are as under: -

Particulars	2012-2013		2011-2012	
	Qty. Nos	Amount (Rs.)	Qty. Nos	Amount (Rs.)
Opening Stock (Vehicles)	65	93801059	29	33915804
Opening Stock (Old Vehicles)	0	0	1	210000
Opening Stock (Vehicle Body)	0	0	0	0
Opening Stock (Two Wheelers)	0	0	0	0
Opening Stock (MS)	7443	472417	9488	560271
Opening Stock (HSD)	28024	1171130	35946	1385915
Purchases (Vehicles)	1430	2172109111	1438	2150045456
Purchases (old vehicles)	0	0	0	0
Purchases (vehicle body)	0	0	10	2283661
Purchase(Two Wheelers Vehicle)	266	15072271	0	0
Purchases (MS)	135000	9424102	129965	8671086
Purchases(HSD and Speed Diesel)	2699960	123544380	2980000	123799842
Sales (Vehicles)	1380	2141902049	1402	2147601093
Sales (Old Vehicles)	0	0	1	255619
Sales (Vehicle Body)	0	0	10	0
Sales (Two Wheeler vehicle)	193	11758333		
Sales (MS)	137380	9862185	130861	8931742
Sales (HSD and Speed Diesel)	2696649	125901678	2985511	126589781
Closing Stock (New Vehicle)	115	181690166	65	93801059
Closing Stock (Old Vehicle)	0	0	0	0
Closing stock (Vehicle body)	0	0	0	0
Closing Stock(Two Wheeler Vehicle)	73	3976961	0	0
Closing Stock (MS)	3975	273964	7443	472417
Closing Stock (HSD)	29657	1468599	28024	1171130
Shortages (MS)	1088		1149	
Shortages (HSD)	1678		2411	



(ii) Other additional information:

S.No.	Particulars	Current Year	Previous year
i	C.I.F. Value of Imports		
	Raw Material	0	0
	Capital Goods	0	0
ii	EXPENDITURE IN FOREIGN CURRENCY (PAID OR PROVIDED)	0	0
	Capital	0	0
	Traveling	0	0
	Consultancy	0	0
iii)	Income in Foreign Currency (Sales)	0	0
iv)	Net dividend remitted in foreign currency	0	0
	No. of NRI share holders	0	0
	No of shares held by them	0	0
	Dividend paid (Rs. In lacs)	0	0
	Year to which dividend relates	0	0

(iii) VALUE OF RAW MATERIAL & STORES AND COMPONENTS CONSUMED:

(Rs. In Lacs)

Particulars	2013	%	2012	%
Raw Material				
Imported	0	0	0	0
Indigenous	0	0	0	0
Total :-	0	0	0	0
Stores & Spares	-	-	-	-
Imported	-	-	0	-
Indigenous	0	0	0	0

2.32 Based on the information available with the company, the balance due to Micro, Small and Medium Enterprises as defined under the "Micro, Small and Medium Enterprises development Act. 2006" is Rs. Nil (2011-2012 Rs. Nil) Further no interest during the year has been paid or is payable under the terms of the "Micro, Small and Medium Enterprises development Act. 2006"

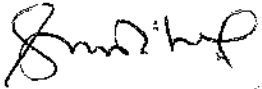
2.33 Previous year figures have been regrouped/ rearranged wherever necessary to facilitate comparison.



2.34 Notes 1 & 2 forms an integral part of the Balance Sheet & statement of Profit and Loss and has been duly authenticated.

SIGNED FOR IDENTIFICATION

For **M C BHANDARI & CO.**
CHARTERED ACCOUNTANTS

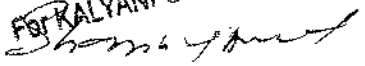


(CA S.K. MAHIPAL)
PARTNER

38, SHOPPING CENTRE
KOTA (RAJ.)
DATED: 30/05/2013



For and behalf of board of director
KALYANI COMMERCIALS LTD.

For **KALYANI COMMERCIALS LIMITED**


(S.L. AGARWAL)
Managing Director

For **KALYANI COMMERCIALS LIMITED**


Director
(SOURABH AGARWAL)
Whole Time Director

Director